GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

The Collectors of Customs, Model Customs Collectorates, Appraisement (East/West)/Port Qasim/ Preventive), Karachi / Lahore (Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad/ Hyderabad/ Quetta / Peshawar/ Gawadar/ Gilgit-Baltistan

Determination of Customs Values of Suitcases (Soft & Hard) of low end brands Under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. 1341 / 2018)

No.Misc/05/2011-III /1481 Dated: November, 16th 2018

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of suitcases (soft & hard) of low end brands are determined as follows:-

2. **Background of the valuation issue:** The customs values of suitcases (soft & hard) of low end brands were determined vide Valuation Ruling No. 915/2016 dated 25-08-2016. Since the valuation ruling was more than two years old and representations were received in this Directorate General to determine the values afresh in terms of current international pricing Therefore, an exercise was initiated under section 25A of the Customs Act, 1969 to determine the customs value a fresh.

3. **Stakeholder's participation in determination of Customs values:** Stakeholders' meeting was scheduled on 07.02.2018 & 11.09.2018. The stakeholders were requested to furnish the following documents before or during the course of above said meeting;

i. Invoices of imports during last three months showing factual value.
ii. Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
iii. Copies of Contracts made / LCs opened during the last three months showing the value of item in question.
iv. Copies of Sales Tax Invoices issued during last four months showing the values of supplies (excluding duty and taxes) to substantiate their contentions.

4. Despite lapse of considerable time, the importers failed to furnish the requisite documents .

5. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were followed to arrive at customs values of suitcases (soft & hard) of low end brands. Transaction value method provided in Section 25 (1) was found inapplicable owing to wide variation in the values being declared to the customs and incomplete descriptions. Identical / similar goods values methods provided in Section 25(5) & (6) were examined for applicability to the valuation issue in the instant case which provided some reference values of subject goods but the same could not exclusively relied on due to wide variation in declared values of subject goods. Thereafter market enquiries as

envisaged under Section 25(7) of the Customs Act, 1969, were conducted. Online prices were also obtained to corroborate the findings of market survey. Consequently, the customs values of the suitcases (soft & hard) of low end brands of various types have been determined under section 25(7) of the Customs Act, 1969.

5. **Customs values for Suitcases Soft & Hard (Low-end):** suitcases (soft & hard) of low end brands hereinafter ***specified*** shall be assessed to duty/taxes at the following values:-

S.No	Description of goods	Specification of goods	PCT Heading	Proposed PCT for WeBOC	Origin	Customs Value (C&F) US$ / Set
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Suitcases Soft Type (Low end Brands)	Five pieces set Sizes 20", 24", 28", 30" & 32".	4202.1220	4202.1220.1000	China	64
				4202.1220.1100	Others	74
		Four pieces set Sizes 20", 24", 28" & 30".		4202.1220.1200	China	54
				4202.1220.1300	Others	61
		Three pieces set Sizes 20", 24"& 28"		4202.1220.1400	China	44
				4202.1220.1500	Others	48
2	Suitcases Hard Type (Low end Brands)	Five pieces set Sizes 20", 24", 28", 30" & 32".	4202.1220	4202.1220.1600	China	70
				4202.1220.1700	Others	78
		Four pieces set Sizes 20", 24", 28" & 30".		4202.1220.1800	China	58
				4202.1220.1900	Others	66
		Three pieces set Sizes 20", 24"& 28"		4202.1220.2000	China	48
				4202.1220.2100	Others	56
3	The value determined above shall be applicable in case the sizes of Suit/trolley cases in the sets are slightly smaller or bigger than sizes mentioned above to the extent of 1-2 inches.					
4	Clearance Collectorates are requested to ensure that aforementioned goods (i.e. suit/trolley cases of plastic or textile materials) are correctly classified, described and cleared.					
5	This Valuation Ruling is only for low-end brands and not applicable for branded goods like Louis Vuitton, Carlton, Samsonite, American Tourister, Summit, Sonada, Logel, Pacific, Swiss Gear, LYX Royal, and other similar Brands.					

6. In cases where declared/ transaction values are higher than the Customs values determined in this Ruling, the assessing officers shall apply those values in terms of Sub-Section (1) of Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officer shall take into account the differential between air freight and sea freight while applying the Customs values determined in this Ruling.

7. **Validity of this Valuation Ruling:** The values determined vide this Ruling shall be the applicable Customs value for assessment of subject imported goods until and unless it is rescinded or revised by the competent authority in terms of Sub-Sections (1) or (3) of Section 25-A of the Customs Act, 1969.

8. **Revision of the value determined vide this Valuation Ruling:** A revision petition may be filed against this Ruling, as provided under Section 25-D of the Customs Act, 1969,

within 30 days from the date of issue of this ruling, before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.

9. The Collectors of Customs may kindly ensure that the values given in this Valuation Ruling for the given description of goods are applied by the concerned staff without fail. Any anomaly observed may kindly be brought to the notice of Directorate General immediately. Customs values determined the ruling are for the description and specification as mentioned in the table above of this Ruling. HS Codes are mentioned for illustrative purpose so that valuation ruling values are made accessible to the assessing officers. The assessment shall be finalized on the basis of correct classification after fulfilling requisite formalities related to importability or any other certification required thereon. In addition to this, it is further necessary to verify that there is no mis-declaration of any sort or violation of Import Policy Order or Section 15 of the Customs Act, 1969 or any other law in vogue therein.

10. ***This ruling supersedes Valuation Ruling No.915/2016, dated 25.08.2016***

(Muhammad Iqbal Muneeb)
Director

18/11/18

Copy for information to : -

1. The Member (Customs), F.B.R., Islamabad.
2. The Director General, Customs Valuation, Custom House, Karachi.
3. The Chief Collector of Customs, South (Appraisement), Custom House, Karachi.
4. The Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. The Chief Collector of Customs (Central), Lahore.
6. The Chief Collector of Customs (North), Islamabad.
7. The Director General, Intelligence and Investigation-FBR, Islamabad.
8. The Director General, Audit (Customs & Petroleum), 1st Floor, PT&T Audit Building Mauj-e-Darya Road, Lahore.
9. The Director General, Post Clearance Audit (PCA), Islamabad.
10. The Director General, Internal Audit (Customs), Karachi.
11. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ aisalabad.
12. The Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for Uploading and deleting *Valuation Ruling No.915/2016, dated 25.08.2016* in One Customs & WeBOC database system
14. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
16. The Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. The Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. The Karachi Customs Agents Group, Bohri Road, Karachi.
19. The CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisement, 1st Floor, Custom House, Karachi.
21. Guard File.