

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/ Exports (Karachi/ Port Qasim) .

Determination of Customs Values of Car Speakers, Horn, Loud Speakers and Wall Mounted/Ceiling/Column Speakers Under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. ¹³⁴³ / 2018)

No.Misc/06/2013-VII

Dated: November 20, 2018

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of car speakers, horn, loud speakers and wall mounted/ceiling/column speakers are determined as follows:-

2. **Description of the valuation issue:** The customs values of car speakers, horn, loud speakers and wall mounted/ceiling/column speakers were determined under Section 25-A of the Customs Act, 1969 vide Valuation Ruling No. 971/2016 dated 16.11.2016 and revised vide Order in Revision No.307/2017 dated 17.02.2017. Since the valuation ruling is more than one year old, it requires re-determination in order to reflect the prevailing prices in the international market. Therefore an exercise to determine customs values of car speakers, horn, loud speakers and wall mounted/ceiling/column speakers afresh in terms of Section 25-A of the Customs Act, 1969 was initiated.

3. **Stakeholder's participation in determination of Customs values:** A number of meetings were held with different stakeholders including importers, officers from clearance Collectorates and representatives from trade bodies. All stakeholders were requested to submit the following documents before or during the course of stakeholders' meetings:

- 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. During the course of meetings, the importers were of the view that the values of speakers have considerably reduced in the international market as compared to the values determined in the existing Valuation Ruling. Importers requested that market inquiry may be conducted from the local market while keeping in view that local selling price include advertising cost, rise in pricing due to slow moving items and warranty charges on some models of speakers. However, importers did not submit import invoice, sales tax invoices, literature, representative samples, evidences and other relevant requisite documents in support of their contentions.

5. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were applied sequentially to address the valuation issue at hand. Transaction Value Method under sub-section (1) of section 25 of the Act ibid was found inapplicable because the requisite information under the law was not provided by the importers. Identical and Similar Goods valuation methods provided in Sub-Sections (5) and (6) of Section 25 of the Customs Act, 1969 provided some reference values but due to wide variations in the declarations the same could not be



provided some reference values but due to wide variations in the declarations the same could not be relied upon exclusively. In the sequential order this office conducted market inquiries in terms of Sub-Section (7) of Section 25 of the Customs Act, 1969. Input and feed back by the participants during the Stakeholders' meetings were also considered. Online information was also obtained. All the information so gathered was analyzed and evaluated. Keeping all the above in view, customs values of car speakers, horn, loud speakers and wall mounted/ceiling/column speakers are determined under Sub-Section (7) of Section 25 of the Customs Act, 1969.

6. Customs Values of Car Speakers, Horn, Loud Speakers and Wall Mounted/Ceiling/Column Speakers hereinafter specified, shall be assessed to duty/taxes at the Customs values given as under:-

S.No.	Description	H.S.Code	Proposed PCT for WeBOC	Origin	Customs values US\$/per set
1	2	3	4	5	6
1.	Car Speaker 6 inch	8518.2200	8518.2200.1000	China	6.00
2.	Car Speaker 6.5 inch	8518.2200	8518.2200.1010	China	8.00
3.	Car Speaker 6x9	8518.2200	8518.2200.1020	China	11.00
4.	Car Speaker 7x10	8518.2200	8518.2200.1030	China	16.00
5	Speaker/Woofer 3 Inch	8518.2990	8518.2990.1000	China	2.60
6	Loud Speaker 3 Inch	8518.2990	8518.2990.1010	China	0.90
7	Speaker/Woofer 4 Inch	8518.2990	8518.2990.1020	China	3.00
8	Loud Speaker 4 Inch	8518.2990	8518.2990.1030	China	1.25
9	Speaker/Woofer 5 Inch	8518.2990	8518.2990.1040	China	4.90
10	Loud Speaker 5 Inch	8518.2990	8518.2990.1050	China	1.93
11	Speaker/Woofer 6.5 Inch	8518.2990	8518.2990.1060	China	7.00
12	Loud Speaker 6.5 Inch	8518.2990	8518.2990.1070	China	2.75
13	Speaker/Woofer 8 Inch	8518.2990	8518.2990.1080	China	9.00
14	Loud Speaker 8 Inch	8518.2990	8518.2990.1090	China	4.50
15	Speaker/Woofer 10 Inch	8518.2990	8518.2990.1200	China	15.00
16	Loud Speaker 10 Inch	8518.2990	8518.2990.1210	China	5.80
17	Speaker/Woofer 12 Inch	8518.2990	8518.2990.1220	China	20.00
18	Loud Speaker 12 Inch	8518.2990	8518.2990.1230	China	8.00
19	Speaker/Woofer 15 Inch	8518.2990	8518.2990.1240	China	46.00
20	Loud Speaker 15 Inch	8518.2990	8518.2990.1250	China	30.00
21	Horn Speaker 6" / 6K	8518.2990	8518.2990.1260	China	9.00
22	Horn Speaker 7" / 7K	8518.2990	8518.2990.1270	China	9.50
23	Horn Speaker 8" / 8K	8518.2990	8518.2990.1280	China	12.00
24	Horn Speaker 6x11" / 116K	8518.2990	8518.2990.1290	China	13.50
25	Horn Speaker Plastic 7x9"	8518.2990	8518.2990.1300	China	15.00
26	Horn Speaker Plastic 8x11"	8518.2990	8518.2990.1310	China	21.50
27	TV Speaker (All Types)	8518.2990	8518.2990.1320	China	0.95
28	Ceiling Speaker 4"	8518.2100	8518.2100.1330	China	10.00
29	Ceiling Speaker 5"	8518.2100	8518.2100.1340	China	14.00
30	Ceiling Speaker 6"	8518.2100	8518.2100.1350	China	18.00
31	Ceiling Speaker 6.5"	8518.2100	8518.2100.1360	China	20.00
32	Wall Mounted Speaker 4" or 5"	8518.2100	8518.2100.1370	China	24.50
33	Column Speaker 4" or 5" (Aluminum/Metal/Plastic Body)	8518.2100	8518.2100.1380	China	20.50
34	The above mentioned values are applicable on Audionic, Extreme, Amazing, Perfect, F&D, Lunar, Pasaris and other low end brands				
35	The above mentioned values are Not applicable to International brands like Sony/ Samsung/ Toshiba/ Bosch/ Philips/ Creative/ Logitech/ Sharp/ L.G/ Mercury/ Yamaha/ Pioneer/ Bose/ Sonashi/ Merlin/ Boston Acoustic/ Beats and other similar brands				
36	Speakers with different specifications/origins may be assessed under section 25 of the Customs Act, 1969. Alternatively, Collectorate may provisionally assess the goods and forward the GDs to this Directorate General for suitable advice.				



7. 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 Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officer shall take into account air freight while applying the customs values determined in this Ruling.

8. **Validity of 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.

9. **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, before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.

10. 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 this Directorate General immediately. Customs values determined in 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.

11. ***This ruling supersedes Valuation Ruling No. 971/2016 dated 16.11.2016.***


(Muhammad Iqbal Muneeb)
Director

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 (Appraisalment), 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, Islamabad.
8. The Director General, Post Clearance Audit, Islamabad.
9. The Director, Intelligence & Investigation, Karachi/ Lahore/ Islamabad/Quetta/Peshawer/Faisalabad.
10. The Project Director, WeBOC, 11th Floor, Custom House, Karachi.
11. The Director, Customs Valuation, Custom House, Lahore.
12. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, uploading this Val. Ruling in One Customs & WeBOC database system and deleting Valuation Ruling No. 971/2016 dated 16.11.2016.
13. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
14. The Chairman (Valuation Committee), KCC&I, Aiwan-e-Tijarat Road, Karachi.
15. Customs Revenue Audit, 8th Floor, Custom House, Karachi.
16. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7th floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisalment, 1st floor, Custom House, Karachi.
21. Guard File