GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

The Collectors of Customs, Model Customs Collectorate, 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 DVD Player/Recorder Under Section
25-A of the Customs Act, 1969

(VALUATION RULING NO. 95U / 2016)


In exercise of the powers conferred under Section 25-A of the Customs Act, 1969,
Customs values of DVD Player/Recorder are determined as follows:

2. Background of the valuation issue: Customs values of DVD Player/Recorder were
determined under Section 25A of the Customs Act, 1969, vide Valuation Ruling
No.363/2011, dated 06-08-2011. The Valuation Ruling required revision in line with the
prevailing prices in the international market. Therefore, this Directorate General initiated an
exercise for determination of customs values of DVD Player/Recorder.

3. Stakeholders’ participation in determination of Customs values: Meetings
with stakeholders were scheduled on 28-07-2016 and 12-08-2016. Importers had been
requested to furnish the following documents before or during the course of meeting:

A. Invoices of imports during last three months showing factual value.
B. Websites, names and E-mail addresses of known foreign manufacturers of the item
in question through which the actual current value can be ascertained.
C. Copies of Contracts made / LCs opened during the last three months showing the
value of item in question.
D. Copies of Sales Tax Invoices issued during last four months showing the difference
in price (excluding duty and taxes) to substantiate that the benefit of difference in
price is passed on to the local buyers.

No documents were submitted in this Directorate General on or even after the said scheduled
meeting and no one appeared for the meeting.

4. During the local market enquiry, it has been observed that the DVD
Players/Recorders of different brands are being sold in the local market are generally of two
different categories, viz low end brands of Chinese origin and higher end brands like Philips,
Sony, Samsung, Panasonic, LG, Pioneer etc.

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 different brands
DVD Player/Recorder. Transaction value method provided in Section 25 (1) was found
inapplicable owing to wide variation in the values being declared to the customs. Identical /
similar goods value 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 the subject goods but the same could not be exclusively relied on due to wide variation in
declared values of subject goods. Thereafter, market enquiry as envisaged under section 25(7)
of the Customs Act, 1969, was conducted which gave most of the DVD Player/Recorder
bought and sold in the local market, therefore, different markets were surveyed repeatedly.
The computed value method as provided in Section 25(8) of the Customs Act, 1969, could
not be applied as the conversion costs from constituent material at the country of export were
not available. Online values of subject goods were also obtained. All the information so
gathering was evaluated and analyzed for the purpose of determination of customs values. Consequently, the Customs values of DVD Player/Recorder have been determined under Section 25(9) of the Customs Act, 1969.

6. **Customs values for DVD Player/Recorder**: DVD Player/Recorder hereinafter specified shall be assessed to duty/taxes at the following Customs Values:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Description</th>
<th>PCT</th>
<th>Proposed PCT for WeBOC</th>
<th>Origin</th>
<th>Customs value US$/Pc</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>8521.9090</td>
<td>8521.9090.1000</td>
<td>China</td>
<td>18.00</td>
</tr>
<tr>
<td>2</td>
<td>DVD Player/Recorder</td>
<td>8521.9090</td>
<td>8521.9090.1010</td>
<td>Indonesia, Malaysia, Korea, Thailand</td>
<td>27.00</td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>8521.9090.1020</td>
<td></td>
<td>Japan</td>
<td>32.00</td>
</tr>
<tr>
<td>4</td>
<td></td>
<td>8521.9090.1030</td>
<td></td>
<td>Other Origins</td>
<td>30.00</td>
</tr>
<tr>
<td>5</td>
<td></td>
<td>8521.9090.1040</td>
<td></td>
<td>China</td>
<td>54.00</td>
</tr>
<tr>
<td>6</td>
<td>DVD Player BLU-RAY</td>
<td>8521.9090</td>
<td>8521.9090.1050</td>
<td>Indonesia, Malaysia, Korea, Thailand</td>
<td>66.00</td>
</tr>
<tr>
<td>7</td>
<td></td>
<td>8521.9090.1060</td>
<td></td>
<td>Japan</td>
<td>85.00</td>
</tr>
<tr>
<td>8</td>
<td></td>
<td>8521.9090.1070</td>
<td></td>
<td>Other Origins</td>
<td>72.00</td>
</tr>
</tbody>
</table>

**Category-A**: Sony, LG, Samsung, Panasonic, Philips, Pioneer, Toshiba

**Category-B**: Low end brands

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 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 element of air freight while assessing the goods.

8. **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.

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 of this ruling, 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 this Valuation Ruling. HS Codes are mentioned for illustrative
purposes 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.363/2011 dated 06-08-2011.

   (Dr. Wash Ali Memon)
   Director

Copy for information to:

1. Member (Customs), F.B.R., Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi.
3. Chief Collector of Customs, South (Appraisal), Custom House, Karachi.
4. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. Chief Collector of Customs (Central), Lahore.
6. Chief Collector of Customs (North), Islamabad.
7. Director General, Intelligence and Investigation-FBR, Islamabad.
8. Director General, Audit (Customs & Petroleum), 1st Floor, PT& T Audit Building,
   Mauj-e-Darya Road, Lahore.
9. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General, Internal Audit (Customs), Karachi.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad / Quetta
    Peshawar / Faisalabad.
12. Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading
    in WeBOC database system and deleting Valuation Ruling No.363/2011, dated 06-08-2011.
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta,
    Gujranwala, Faisalabad, Sialkot, Rawalpindi & Peshawar.
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,
    Appraisal (East/West), Custom House, Karachi.
21. Webmaster, Federal Board of Revenue, Constitution Avenue, Islamabad, for uploading
    FBR website and deleting Valuation Ruling No.363/2011, dated 06-08-2011
22. Guard File.