



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/
Exports (Karachi/ Port Qasim) .

Determination of Customs Values of Cooking Range Hood/Chimney
Under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. 1280 / 2018)

C.No. Misc/14/2009-VII/394

Dated: April 05, 2018

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the
Customs values of cooking range hood/chimney are determined as follows:-

2. **Description of the valuation issue:** The Customs values of cooking range hood/chimney were determined vide valuation ruling No.1170/2017 dated 25.05.2017. The Honorable Director General, while deciding Revision petitions, upheld the Ruling but at the same time, advised to address the grievance of certain importers regarding their categories on the one hand and also observed that clearance data had indicated that certain European brands are being cleared even lower than Chinese origin item. Further, a number of representations were received to determine the customs value of Cooking Range Hood/Chimney afresh keeping in view the international market prices. Keeping the above in view an exercise was conducted to determine the customs values of Cooking Range Hood/Chimney under Section 25A of the Customs Act, 1969. T

3. **Stakeholder's participation in determination of Customs values:** Stakeholders' meeting was held on 24.01.2018. Meeting was attended by a number of importers and stakeholders and representatives from trade bodies and field formations. All stakeholders were requested to submit the following documents:

- 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 meeting, the importers of Fotile and Robam mentioned that values determined in the valuation ruling are very high and not compatible with international trading prices. They further argued that while conducting the local market survey it may be kept in mind that their prices include after sales maintenance/ repair service charges and warranty . However, no any concrete documents were submitted by them in favour of of their contentions Representatives from M/s General marketing services expressed their concerns on incorporating of Xpert brand in category A in line with Fotile and Robam however, their cooking hood / chimney are of lower values and requested that their brand may be placed in category C. The importers of Snifz brand also submitted for decrease in values in line with category C . Importers of Tekka brand mentioned that it is German brand and their main market is in Lahore however, they were not agreed with the values so determined in the valuation ruling. After a lapse of considerable time , some importers submitted their import documents but the abovementioned requisite documents were not submitted by the stakeholders.



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 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 Cooking Range Hood/Chimney are determined under Sub-Section (7) of Section 25 of the Customs Act, 1969.

6. **Customs Values of Cooking Range Hood/Chimney hereinafter specified,** shall be assessed to duty/taxes on the Customs values mentioned against them in the Tables A&B below:

Table -A

| S. No. | Description of Goods | Type | PCT | Proposed PCT For WEOC | Origin | Customs Values (C&F) USS/Pc | | |
|--|---|----------------------------------|-----------|-----------------------|--------|-----------------------------|-----|-----|
| | | | | | | A | B | C |
| 1 | Cooking Hood/ Range Hood/ Chimney | Island Hood (Ceiling Mounted) | 8414.6000 | 8414.6000.1000 | China | 530 | 415 | 320 |
| 2 | | Chimney Hood (Wall Mounted) | | 8414.6000.1100 | | 295 | 220 | 165 |
| 3 | | Slim Hood | | 8414.6000.1200 | | 130 | 98 | 80 |
| Category-A: Robam/Fotile/Seimens/Vatti | | | | | | | | |
| Category-B: Tekka/Entive/Tianme/Kitchencare | | | | | | | | |
| Category-C: Techno/Medas/Nasgas/Golden Fuji/High Flame/Super Asia/Ambassador/Canon/Carry Extreme/Expert/Snifz / Esquire/Hanco/ Admiral//Crown/Glamgas/Frenzi and other low end brands | | | | | | | | |

Table -B

| S. No. | Description of Goods | Type | PCT | Proposed PCT For WEOC | Origin | Customs Values (C&F) USS/Pc |
|--------|---|----------------------------------|-----------|-----------------------|---------------|-----------------------------|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| 1 | Cooking Hood/ Range Hood/ Chimney | Island Hood (Ceiling Mounted) | 8414.6000 | 8414.6000.1300 | Europe USA | 560 |
| 2 | | Chimney Hood (Wall Mounted) | | 8414.6000.1400 | | 320 |
| 3 | | Slim Hood | | 8414.6000.1500 | | 140 |

Note: (If imported in SKD/CKD complete parts should be assessed at 90% of the above determined customs values. Chimney Hood/Island Hood/Slim Hood of different brands /specifications may be assessed under section 25 of the Customs Act, 1969. Alternatively, Collectorate may provisionally assess the goods and forward the GD 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. 1170/2017 dated 25.05.2017 & VDB No.249 dated 05.01.2018 .*


(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 (Appraisal), 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.