

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 Computer, Trolley and Multimedia Speakers under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. ¹³⁴² /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 Computer, Trolley and Multimedia Speakers are determined as follows:-

2. **Description of the valuation issue:** The Customs values of computer, trolley and multimedia speakers were determined under Section 25-A of the Customs Act, 1969 vide Valuation Ruling No. 970/2016 dated 16.11.2016. A reference from MCC, Appraisement-West, Karachi was received regarding re-determination of customs values of Trolley Speakers OF China origin. The Valuation Ruling required revision in the line of prevailing price in the international market. Therefore an exercise to determine customs values of computer, trolley and multimedia speakers was initiated 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 computer, trolley and multimedia 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 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 computer, trolley and multimedia speakers are determined under Sub-Section (7) of Section 25 of the Customs Act, 1969.

6. **Customs Values of Computer, Trolley and Multimedia Speakers *hereinafter specified***, in Annex-1 (Table-A, Table-B, Table-C) to this Valuation Ruling shall be assessed to duty/taxes at the Customs values mentioned therein.

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. 970/2016 dated 16.11.2016.***


(Muhammad Iqbal Muneeb)
Director

20/11/14

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.

