



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 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



