



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

The Collectors of Customs, Model Customs Collectorates, Appraisement (East / West) / Port Qasim / Export (Karachi/Port Qasim)/ Preventive, Karachi / Lahore (Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad /Hyderabad/ Quetta (Appraisement / Preventive) / Peshawar (Appraisement / Preventive) / Gwadar/ Gilgit-Baltistan.

Determination of Customs Values of LED Bulb parts
Under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. ¹³⁶⁵ / 2019)

C.No. Misc/68/2017-VII (197)

Dated: April 29, 2019

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of LED Bulb parts are determined as follows:-

2. **Background of the valuation issue:** Representations were received from Pakistan Lighting Manufacturers Association (PLMA) & others that LED Bulb parts are being cleared at lower values. Resultantly, "Assessment Alert" was issued by MCC-Appraisement (West), a minimum criterion of US\$ 5/Kg was unanimously decided to assess LED Bulb parts with the proposal that this minimum value will be revised after a month for further enhancement. Therefore, this Directorate General was requested to determine its customs value under Section 25A of the Customs Act, 1969 for uniform assessment. Accordingly, an exercise was initiated in this Directorate General to determine customs values of subject goods in terms of Section 25-A of the Customs Act, 1969.

3. **Stakeholders' Participation in Determination of Customs Values:** Meetings were held with stakeholders on 11.03.2019 and 25.04.2019 which were attended by different stakeholders including importers and representatives from trade. All the stakeholders were requested to submit the following documents before or during the course of stakeholder's 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 the last four months showing the values of supplies (excluding duty and taxes) to substantiate their views.

4. Although the importers have submitted requisite documents but they have not substantiated their submissions with corroborative documentary evidences. The importers during meetings reiterated verbally that the manufacturing / assembling cost on LED Bulb from the imported parts are up to 25% to 30%. During meeting it was discussed that importers have accepted the assessment criteria which was issued by the MCC-Appraisement (West),

“Assessment alert” a minimum criterion of US\$ 5/Kg was unanimously decided to assess LED Bulb parts. This minimum value will be revised after a month for further enhancement.

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 LED Bulb parts are determined under Sub-Section (7) of Section 25 of the Customs Act, 1969.

6. **Customs Values of LED Bulb parts hereinafter specified** shall be assessed to duty/taxes on the Customs values mentioned against them in the Table below:



S.No.	Description of Goods	HS Code	Proposed PCT for WeBOC	Origin	Customs Value (C&F) US \$ /Kg
(1)	(2)	(3)	(4)	(5)	(6)
1	LED Bulb Parts	8539.9090	8539.9090.1001	China	8.80/ Kg

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.


(Shafique Ahmad Latki)
Director

Copy for information to:

1. The **Member** (Customs, Operations), 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 Chief Collector of Customs, (Enforcement), Custom House, Quetta.
8. The Director General, Intelligence and Investigation-FBR, Islamabad.
9. The Director General, Audit (Customs & Petroleum), 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
10. The Director General, Post Clearance Audit (PCA), Islamabad.
11. The Director General, Internal Audit (Customs), Karachi.
12. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta Peshawar/ Faisalabad.
13. The Director, Directorate of Customs Valuation (Camp Office), Lahore.
14. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system.
15. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
16. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
17. The Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. The Karachi Customs Agents Group, Bohri Road, Karachi.
19. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi.
20. The Webmaster, Federal Board of Revenue, Islamabad.
21. Guard File