



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI

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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)/Directorate of Transit Trade, Karachi

**Determination of Customs Values of Three wheelers Cargo Loaders in CKD/SKD conditions and Parts/Components thereof under Section 25-A of the Customs Act, 1969**

(Valuation Ruling No. 1378 / 2019)

No. Misc/09/2018-VIII

Dated: June, 27th 2019.

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of "Three wheelers Cargo Loaders" in CKD/SKD conditions and Parts/Components thereof are determined as follows:

**Background of the Valuation Issue:** The representations were received from M/s. Ohad Motors (Private) Limited, Lahore and M/s. Pak Star Automobile (Private) Limited, Lahore, regarding the determination of customs values of Three wheelers Cargo Loaders in CKD/SKD conditions and Parts/Components thereof under Section 25A of the Customs Act, 1969, of China origin. Meanwhile, the references of provisional assessments of subject items under Section 81 of the Customs Act, 1969, had also been received from different Collectorates. Therefore, this office initiated exercise for determination of customs values of the subject goods.


3. **Stakeholders' Participation in Determination of Customs Values:** Meetings with stakeholders were held on 22-01-2019 and 12-02-2019. The stakeholders were requested to furnish the following documents before or during the course of above said meetings:-

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

4. The meetings were attended by different stakeholders including representatives of MCC (Appraisement)-East/West and the importers. The importers contended that values of subject item are being enhanced during assessment without any cogent justification. They contended that their declared prices were true/correct. They were required to submit all evidences/record in support of their claim which has been examined. The view point of the importers were heard in detail and considered for reaching at customs values.

5. **Method Adopted to Determine Customs Values:** Valuation methods given in Section 25 of the Customs Act, 1969, were followed to arrive at customs value of three wheelers Cargo Loaders in CKD/SKD conditions and Parts/Components thereof. Transaction value method provided in Section 25 (1) was found inapplicable owing to wide variation in the values being declared to the customs. Even the documents submitted by importers were not sufficient and different values were declared by different importers. Identical/ similar goods value methods provided in Section 25 (5) & (6) were examined for applicability to the valuation issue in the instant case. Since the value of identical/similar goods imported in substantial quantity were available as evidence, the said method was found to be applicable for the determination of customs values of subject goods. Consequently, the Customs values of Three wheelers Cargo Loaders in CKD/SKD conditions and Parts/Components thereof have been determined under Sub- Section (5) & (6) of Section 25 of Customs Act, 1969.

6. **Customs values for Three wheelers Cargo Loaders in CKD/SKD conditions and Parts/Components thereof:** Three wheelers Cargo Loaders in CKD/SKD conditions and Parts/Components thereof *hereinafter* specified shall be assessed to duty/taxes at the following Customs Values: -



Description of Goods	PCT	Proposed PCT for Weboc	Origin	Customs Values (C&F) in US\$/CC
(1)	(2)	(3)	(4)	(5)
Three wheelers Cargo Loaders in CKD/SKD conditions.	8704.3140	8704.3140.1010	China	4.35
<b>Note:-</b> <i>If imported in components and parts thereof, the assessment shall be made on the determined customs values under Section 25A of the Customs Act, 1969, vide Valuation Ruling No.967/2016, dated 16-11-2016. Other components and parts thereof, not specified in Valuation Ruling No.967/2016, dated 16-11-2016, shall be assessed at minimum value of US\$1.60/Kg.</i>				

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 and the same may be communicated to this Directorate General forthwith. 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 values 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, 7<sup>th</sup> Floor, Custom House, Karachi.



10. The Collectors of Customs may kindly ensure that the values given in the 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 Directorate General immediately. The Custom values determined in the Valuation Ruling are for the descriptions and specifications as mentioned herein, HS Codes are mentioned for illustrative purposes so that Valuation Ruling values are made accessible to the assessing officers. The assessment shall be finalized in the correct classifications after fulfilling requisite formalities relating to importability or other certifications required thereon. In addition to this, it is necessary to verify that there is no mis-declaration of any sort or violation of Import Policy Order or Section of the Customs Act, 1969 or any other law in vogue therein.

  
(Shafique Ahmad Latki)  
Director

Copy for information to:

1. Member (Customs), F.B.R., Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi.
3. The Chief Collector of Customs, South (Appraisement), Custom House, Karachi.
4. 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 (Quetta).
8. The Director General, Intelligence and Investigation-FBR, Islamabad.
9. The Director General, Audit (Customs & Petroleum), 1<sup>st</sup> 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 Director General, IOCO, Karachi.
13. The Director, Directorate of Customs Valuation (Camp Office), Lahore.
14. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in 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, Gujranwala, Faisalabad, Sialkot, Rawalpindi & Peshawar.
17. Law Section, Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.
18. Review Section, Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.
19. Karachi Customs Agents Group, Bohri Road, Karachi.
20. CHO, Customs Valuation, Custom House, Karachi.
21. Notice Board, Customs Valuation 7<sup>th</sup> Floor, Custom House, Karachi / MCC, Appraisement (East/West), Custom House, Karachi.
22. Webmaster, Federal Board of Revenue, Constitution Avenue, Islamabad, for uploading on FBR website.
23. Guard File.