



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

The Collectors of Customs, Model Customs Collectorate, Appraisement East / West / Port Muhammad Bin Qasim / Export (Karachi / Port Qasim) / JIAP, Karachi / Preventive, Karachi / Lahore (Appraisement / Preventive / AIIA) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad / Hyderabad / Quetta (Appraisement / Preventive) / Peshawar (Appraisement / Preventive) / Gawadar / Gilgit-Baltistan.

**DETERMINATION OF CUSTOMS VALUES OF BASE CAP FOR BULBS PCT
(8539.9020) UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969**

(VALUATION RULING NO. 1427 / 2019)

No. 32/B.Cap.Bulb/25-A/2019-VII/2629

Dated: 19th November, 2019

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of Base Cap for Bulbs falling under PCT (8539.9020) are determined as follows: -

2. **Background of the valuation issue:** Previously Valuation Rulings No. 1365/2019 dated 20-04-2019 was issued for LED Bulb Parts falling under Heading 8539.9090. A number of representations were received that the base caps of conventional bulbs falling under PCT 8539.2020 were also being assessed under the said Valuation Ruling. Moreover, references were received from Collector, MCC Appraisement, Lahore and Director (Valuation), Lahore for resolution of issue pertaining to base caps of conventional bulbs and LED bulbs. Keeping in view the above facts, an exercise to determine the customs values of the subject goods under section 25A of the Customs Act 1969.

3. **Stakeholders' participation in determination of values:** Meeting with stakeholders were convened on 28-08-2019 and 14-11-2019 which was attended by different stakeholders and importers. The participants were requested to submit following documents before or during the course of meeting so that customs values could be determined: -

- i. Invoices of imports during last three months showing customs 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 difference in price (excluding duty and taxes) to substantiate their contentions.

4. **Method adopted to determine Customs values:** Custom Valuation methods given in Section 25 of the Customs Act, 1969 were applied in sequential order to address the valuation issue



in hand. Transaction value method under Sub-Section (1) of Section 25 of the Act ibid was found inapplicable because requisite information under the law was not available. Moreover, substantial documents were not provided by any participants to arrive at the true transactional value. 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 variation and suppressed declarations, the same could not be relied upon. In the sequential order this office then resorted to conduct a market inquiry and, consequently, Deductive Value Method under Sub-Section (7) of Section 25 of the Customs Act, 1969, was applied to arrive at the assessable Customs values of the subject goods, being most appropriate for the purpose.

5. **Customs values for BASE CAP FOR BULBS PCT (8539.9020):** Base Cap for Bulbs falling under PCT (8539.9020) *hereinafter specified* shall be assessed to duty/ taxes on the Customs values given against them in the Table below: -

Sr. #	Description of Goods	H.S Code	Proposed PCT for WeBOC	Origin	Custom Value US\$ per Kg
(1)	(2)	(3)	(4)	(5)	(6)
1.	Base Cap for Conventional / GLS Bulbs	8539.9020	8539.9020.1000	China	1.50
2.	Base Cap for Energy Saving Lamps / Bulbs				1.85
3.	Base Cap for LED Bulbs				2.00
4.	Base Cap for Auto Bulbs				1.50
5.	Base Caps for other Bulbs				2.25

6. In cases where declared/ Transaction values are higher than the Customs value determined in this Ruling, the assessing officer shall apply those values in terms of Sub-Section (1) of Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officer shall take into account the differential between air freight and sea freight while applying the Customs values determined in this Ruling.

7. **Validity of this Valuation Ruling:** The value 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.

8. **Review of the value determined vide this Valuation Ruling:** A review 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.



9. 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 with respect to PCT may kindly be brought to the notice of Directorate General immediately.


(Shafique Ahmed Latki)
Director

Copy for information to: -

1. The Member (Customs, Operations), F.B.R., Islamabad.
2. The Director General, Directorate 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, Post Clearance Audit (PCA) & Internal Audit, Karachi.
10. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad / Quetta / Peshawar/ Faisalabad.
11. The Director, Directorate General of Customs, Valuation Custom House, Lahore.
12. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system.
13. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
14. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
15. The Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
16. The Karachi Customs Agents Group, Bohri Road, Karachi.
17. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi.
18. The Webmaster, Federal Board of Revenue, Islamabad.