GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI
******

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

DETERMINATION OF CUSTOMS VALUES OF OLD & USED AUTOPARTS UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO. 1434 / 2019)

No.Reg.Misc/07/2008-VIIIA/2722 Dated: 9 -12-2019

In exercise of the powers conferred under Section 25A of the Customs Act, 1969, Customs values of Old & Used Autoparts are determined as follows:

2. **Background of the Valuation Issue:** Customs values of old & used Auto Parts were earlier determined and notified vide Valuation Ruling No.1207/2017 dated 15-09-2017. A representation was received from Model Customs Collectorate Islamabad for redetermination of custom values of old and used auto parts. Moreover, the Valuation Ruling was more than 2 years old therefore, an exercise was initiated to determine the customs values of old and used auto parts under Section 25-A of the Customs Act, 1969 to reflect the prices prevailing in the market.

3. **Stakeholders' Participation in Determination of Customs Values:** Meetings were held with stakeholders on 17-10-2019. The same were attended by representatives of M/s Sindh Auto Parts Importer & Dealers Association (SAPSIDA), M/s Indus Motor Limited, M/s PAAPAM, KCC&I, Importers and officers / officials of MCC, Islamabad and other field formations. The importers were requested to submit the following documents so that correct 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 last four months showing the difference in price (excluding duty and taxes) to substantiate their contentions.

4. During the meetings, importers argued that prices of old and uses auto parts vary in the market on basis of their condition, type and use in any peculiar vehicles. They further contended that due to increase in rate of dollar and maximum duty structure, any increase in existing values would be detrimental to the trade. Internationally old and used auto parts are considered as scrap therefore, the values determined in the existing Valuation Ruling may be maintained. However, on the contrary M/s PAAPAM submitted their written suggestions and proposals for increase in

Customnews.pk

value of old and used auto parts. M/s Sindh Auto Parts Importer & Dealers Association (SAPSIDA) also submitted their proposals but they could not substantiate their contentions with any corroboratory documents. MCC, Islamabad also provided the proposal some change in descriptions and value of different old and used auto parts.

5. **Method adopted to determine Customs Values:** Valuation methods provided in Section 25 of the Customs Act 1969, were applied sequentially to address the valuation issue at hand. The Transaction Value Method as provided in Sub-Section (1) of Section 25 of the Customs Act 1969, was found inapplicable because required information under the law was not available. Identical / Similar goods valuation method as provided in sub-Sections (5) & (6) of Section 25 of the Customs Act 1969, provided some reference values but due to wide variations in declarations, this method could not be relied upon exclusively. In the sequential order this office also conducted market inquiries in terms of Sub-Section (7) of Section 25 of the Customs Act, 1969. The prices of old and used parts varied in the market due to type and model of vehicle, serviceability and quality of use parts. Input and feedback by the Stakeholders were also considered. All the available information was analyzed and evaluated. Keeping all the above in view, Customs values of Old & Used Auto Parts are determined under Sub-Section (7) of Section of the Customs Act, 1969.

6. **Customs Values for Old & Used Auto Parts:** All Origin Old & Used Auto Parts ***hereinafter specified*** shall be assessed to duty / taxes at following minimum Custom values:

DIRECTOR CUSTOMS VALUATION KARACHI

S. No.	Description of goods	PCT Code	PCT Code for WeBOC	Custom Values US$/Pc
(1)	(2)	(3)	(4)	(5)
1.	6-Cylinder Old & Used Diesel Engines with Head and Gear Box	8408.2090	8408.2090.1000	740
2.	6-Cylinder Old & Used Diesel Engines without Head and without Gear Box	8408.2090	8408.2090.1100	540
3.	4-Cylinder Diesel Engines with Head and Gear Box	8408.2090	8408.2090.1200	255
4.	4-Cylinder Diesel Engines with Head and without Gear Box	8408.2090	8408.2090.1300	215
5.	3-Cylinder Diesel Engines with Head and Gear Box	8408.2090	8408.2090.1400	230
6.	3-Cylinder Diesel Engines with Head and without Gear Box	8408.2090	8408.2090.1500	190
7.	6-Cylinder Petrol Engines with Head and Gear Box	8408.2090	8408.2090.1600	345
8.	6-Cylinder Petrol Engines with Head and without Gear Box	8408.2090	8408.2090.1700	225

Customnews.pk

9.	6-Cylinder Petrol Engines without Head and without Gear Box	8408.2090	8408.2090.1800	160
10.	4-Cylinder Petrol Engines with Head and Gear Box	8408.2090	8408.2090.1900	195
11.	3-Cylinder Petrol Engines with Head and Gear Box	8408.2090	8408.2090.2200	185
12.	Engine Head per Cylinder	8708.9990	8708.9990.1000	12
13.	Gear Box for HTV	8708.4090	8708.4090.1000	130
14.	Gear Box for LTV	8708.4090	8708.4090.1100	45
15.	Differential (8-Studs & Above)	8708.5010	8708.5010.1000	400
16.	Differential (6-Studs)	8708.5010	8708.5010.1100	120
17.	Differential (less than 6-Studs)	8708.5010	8708.5010.1200	80
18.	Axel Shaft For LTV	8708.3010	8708.3010.1000	15
19.	Axel Shaft For HTV	8708.3010	8708.3010.1100	27
20.	Hub Cutting of HTV	8708.5010	8708.5010.1300	75
21.	Hub Cutting of LTV	8708.5010	8708.5010.1400	38
22.	Driving Shaft For LTV (3 Pcs Set)	8708.3010	8708.3010.1200	20
23.	Driving Shaft For HTV (3 Pcs Set)	8708.3010	8708.3010.1300	38
24.	Axel Front for LTV	8708.3010	8708.3010.1400	16
25.	Axel Front for HTV	8708.3010	8708.3010.1500	20
26.	Rims For HTV	8708.7090	8708.7090.1000	35
27.	Rims For LTV	8708.7090	8708.7090.1100	12
28.	Shock Absorber/Struts (LTV) per Pair	8708.8010	8708.8010.1000	15
29.	Shock Absorber/Struts (HTV) per Pair	8708.8010	8708.8010.1100	20
30.	Car Bumper all Kinds	8708.2939	8708.2939.1000	11
31.	Jack for Automotive Vehicle	8425.4900	8425.4900.1000	4
32.	Wheel Cap LTV	8708.9990	8708.9990.1100	4
33.	Differential Cutting For LTV	8708.5090	8708.5090.1000	70
34.	Ball Joint	8708.9990	8708.9990.1200	4
35.	Wind Screen for LTV	7007.1119	7007.1119.1000	25
36.	Wind Screen for HTV	7007.1119	7007.1119.1100	44
37.	Radiator for HTV	8708.9190	8708.9190.1000	30
38.	Radiator for LTV	8708.9190	8708.9190.1100	15
39.	Steering Box for HTV	8708.9410	8708.9410.1000	24
40.	Steering Box for LTV	8708.9410	8708.9410.1100	16
41.	Steering Wheel Assembly with column	8708.9410	8708.9410.1200	17

DIRECTOR CUSTOMS VALUATION KARACHI

Customs.pk

42.	Dash Board for Car with all provisions	8708.2939	8708.2939.1100	45
43.	Dash Board (Simple) for Car without provisions	8708.2939	8708.2939.1200	34
44.	Dash Board for HTV (Simple)	8708.2939	8708.2939.1300	35
45.	Car Door	8708.2939	8708.2939.1400	30
46.	Car Seat (set of 3 Pcs)	8708.2939	8708.2939.1500	50
47.	Back Light Assembly	8512.2090	8512.2090.1000	6
48.	Head Light Assembly	8512.2090	8512.2090.1100	16
49.	Condenser	8415.9021	8415.9021.1000	18
50.	Side Beam for Hi-ACE	8708.2939	8708.2939.1600	21
51.	Hi-ACE Door	8708.2939	8708.2939.1700	19
52.	Hi-ACE Back Door	8708.2939	8708.2939.1800	30
53.	Front Bonet for LTV	8708.2939	8708.2939.1900	12
54.	Cam Shaft for LTV	8483.1019	8483.1019.1000	15
55.	Cam Shaft for HTV	8483.1019	8483.1019.1100	20
56.	Crown Wheel with Pinion (CWP) for HTV	8483.1019	8483.1019.1200	50
57.	Crown Wheel with Pinion (CWP) for LTV	8483.1019	8483.1019.1300	35
58.	Crank Shaft HTV	8483.1019	8483.1019.1400	38
59.	Crank Shaft LTV	8483.1019	8483.1019.1500	28
60.	Brake Drum for LTV			14
61.	Brake Drum for HTV	8708.3039	8708.3039.1100	26
62.	Oil Box for Steering	8708.9410	8708.9410.1300	6
63.	Differential Tube HTV	8708.5090	8708.5090.1100	150
64.	Differential Tube LTV	8708.5090	8708.5090.1200	75
65.	Speedo Meter	8708.9990	8708.9990.1300	9
66.	Side Mirror Power	8708.9990	8708.9990.1400	10
67.	Axel Knob Cutting	8708.9990	8708.9990.1500	8
68.	Coil Spring	8708.2919	8708.2919.1000	3
69.	Universal Joint	8483.6092	8483.6092.1000	3
70.	AC Compressor For LTV	8708.9990	8708.9990.1600	20
71.	AC Compressor For HTV	8708.9990	8708.9990.1700	32
72.	Auto Fan	8708.2939	8708.2939.2000	4
73.	Clutch Plate for LTV	8708.9310	8708.9310.1000	6
74.	Clutch Plate for HTV	8708.9310	8708.9310.1100	10
75.	Pressure Plate for LTV	8708.9390	8708.9390.1000	12
76.	Pressure Plate for HTV	8708.9390	8708.9390.1100	17
77.	Automotive Manifolds	8708.9990	8708.9990.1800	12
78.	Universal Cross	8483.6092	8483.6092.1100	10
79.	Fuel Injection Pump	8413.3010	8413.3010.1000	22
80.	Brake Assembly	8708.9990	8708.9990.1900	26

DIRECTOR CUSTOMS VALUATION KARACHI

Customnews.pk

81.	Front Axel with Side Hub/Dead Axel with Side Hub (HTV)	8708.5010	8708.5010.1500	105
82.	Front Axel with Side Hub/Dead Axel with Side Hub (LTV)	8708.5010	8708.5010.1600	60
83.	Water Bodies	8708.9990	8708.9990.2000	4
84.	Special Transmission Gear (Small)	8708.4090	8708.4090.1200	45
85.	Front Suspension	8708.8010	8708.8010.1200	25
86.	Brake Booster for LTV	8708.9990	8708.9990.2100	10
87.	Brake Booster for HTV	8708.9990	8708.9990.2200	13
88.	Carburetor	8708.9990	8708.9990.2300	13
89.	Self Starter	8708.9990	8708.9990.2400	7
90.	Alternator	8511.5020	8511.5020.1000	6
91.	3-Cylinder Engine Block with Head	8409.9110 8409.9130	8409.9110 8409.9130	60
92.	4-Cylinder Engine Block with Head	8409.9110 8409.9120	8409.9110 8409.9120	80
93.	Rechargeable (NiMH) Battery Pack for Hybrid Cars	8507.1010 8507.1020 8507.1090	8507.1010 8507.1020 8507.1090	105

Note: ***The total value of consignment of Old & Used Auto Parts should not be assessed below US$0.50/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 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 differential between air freight and sea freight while applying the Customs values determined in this Ruling.

8. **Validity of this 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:** This Valuation Ruling is appealable under the law and a revision petition may be filed against this Ruling, 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, 7th 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 Customs 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

Customs.pk

correct classifications after fulfilling requisite formalities relating to importability or other certifications 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 and cases be decided as per prevailing rules and procedure.

11. ***This ruling supersedes Valuation Ruling No.1207/2017 dated 15-09-2017.***

(Shafique Ahmad Latki)
Director

Copy for information to: -

1) The Member (Customs Operations), FBR, Islamabad.
2) The Director General, Directorate General of Customs Valuation, Custom House, Karachi.
3) The Chief Collector of Customs, South (Appraisement), 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 Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ QuettaPeshawar/ Faisalabad.
12) The Director, Directorate of Customs Valuation, Lahore.
13) The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs &WeBOC database system
14) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
16) Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17) The Karachi Customs Agents Group, Bohri Road, Karachi.
18) Notice Board, Customs Valuation 7th Floor, Custom House, Karachi.
19) The Webmaster, Federal Board of Revenue, Islamabad.

CustomsNews.pk