

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

DETERMINATION OF CUSTOMS VALUES OF COMPUTER/MUTIMEDIA, TROLLEY
SPEAKERS PCT (8518.2100, 8518.2200 & 8518.2990) UNDER SECTION 25-A OF THE CUSTOMS
ACT, 1969

(VALUATION RULING NO. 1502 / 2020)

C.No. Misc/06/2013/VII **15498.**

Dated: **11** -12-2020

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of Computer / Trolley and Multimedia Speakers PCT (8518.2100, 8518.2200 & 8518.2990) are determined as follows: -

2. Background of the valuation issue: Earlier the customs values of Computer / Trolley and Multimedia Speakers were determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No.1342/2018 dated 20-11-2018. The Valuation Ruling was more than two years old and the values of subject goods in the international markets were showing varying trends. Moreover, new types / models with various specifications had been introduced in market with latest technology which needed to be included in Valuation Ruling for determination of customs values. Therefore, keeping in view the above facts, an exercise was undertaken by the Directorate General of Customs Valuation to determine the Customs Values of subject goods in terms of Section 25-A of Customs Act, 1969.

3. Stakeholders' participation in determination of values: Meetings were scheduled and held on 24-09-2020 & 22-10-2020, which were attended by different stakeholders. 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.

During the meeting, stakeholders stated that the existing valuation ruling was more than two years old, however, the prices trend of goods have changed in the international market and did not reflect the actual transaction values of the imported goods. The new and latest models introduced in

market during that period were also discussed and the contention of importers that with the introduction of latest model, the previous one loses its value to a great extent was also considered. However, they did not produce substantial document to prove their stance.

4. Method adopted to determine Customs values: Valuation methods provided in Section 25 of the Customs Act, 1969, were duly applied in their regular sequential order to arrive at customs values of subject goods. The transaction value method as provided in Sub-Section (1) of Section 25 of the Customs Act, 1969, was found inapplicable because requisite information was not available as per law. The wide variation of values displayed in the import data as available on record also strengthened the aforementioned fact. Hence requisite information under law was not available to arrive at the transaction value. Therefore, identical / similar goods value methods as provided in Sub-Sections (5) & (6) of Section 25 *ibid* were examined for applicability to the valuation issue in the instant case. The same provided some reference values but could not be exclusively and solely relied upon. In line with the statutory sequential order of Section 25, this office conducted market inquiries for (Deductive Value Method) under Sub-Section (7) of Section 25 of the Customs Act, 1969 which was found appropriate and was applied to arrive at assessable customs values of Networking Equipments.

5. Customs values for Computer Multimedia, Trolley Speakers: Computer Multimedia, Trolley Speakers *hereinafter specified* in Annex-A (Table-A, Table-B and Table-C) shall be assessed to duty/ taxes on the minimum Customs values mentioned therein.

6. In cases where declared / transaction values are higher than the Customs values determined in this Ruling or higher evidential data is available of stipulated period of 90 days, the assessing officer shall apply those values in terms of Sub-Section 25(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 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 values are made accessible to 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 further necessary to verify that there is no mis-declaration of any sort or

