



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

**The Collector of Customs,** Collectorate of Customs Appraisement -West / Appraisement -East / Appraisement - Port Muhammad Bin Qasim / Enforcement / JIAP, Karachi /Hyderabad / (Appraisement / Enforcement),Quetta / Gawadar / (Appraisement / Enforcement / AIIA), Lahore / Appraisement, Faisalabad / Appraisement, Sambrial (Sialkot) / Enforcement, Multan / Islamabad / Gilgit-Baltistan / (Appraisement / Enforcement),Peshawar / Enforcement, Dera Ismail Khan.

**DETERMINATION OF CUSTOMS VALUES OF DRY BATTERY CELLS**  
**PCT(8506.1000) UNDER SECTION 25A OF THE CUSTOMS ACT, 1969**

(VALUATION RULING NO.1561 / 2021)

C. No. Misc/12/2013-VII/ 907

Dated: 08-11-2021

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of Dry Battery Cells under PCT 8506.1000 are determined as follows:

**2- Background of the valuation issue:** Earlier the Customs values of Dry Battery Cells under PCT 8506.1000 were determined under section 25A of the Customs Act, 1969 vide Valuation Ruling No. 1514/2021 dated 09-02-2021. Revision petition was filed before the Director General of Customs Valuation under section 25D of the Customs Act, 1969 which was rejected vide Order-In-Revision No. 17/2021 dated 31-05-2021 in the following terms: *may however choose to apply to Director Valuation in future for re-determination of values of Dry Battery Cells by the presenting concrete evidence of change in prices of goods in the country of export by supported by objective verifiable data/ information to prove their claims.* The Order-In-Revision was challenged before the Honorable Customs Appellate Tribunal by few petitioners and the case is still pending. Additionally, several representations were also received for re-determination of customs values of Dry Battery Cells. Therefore, this Directorate conducted a fresh exercise for the determination of Customs Values of the subject goods in terms of Section 25A of the Customs Act, 1969.

**3- Stakeholders' participation in determination of values:** Meetings were held on 07-07-2021 and 14-09-2021 and 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 meetings, stakeholders were of the view that the values of the subject goods in the existing Valuation Ruling were much higher than their actual transaction values. They contended that the values of the goods are on a downward trend and keeping in view the decreasing prices in the international market, a fresh Valuation Ruling should be issued accordingly. In this regard, they submitted documentary evidences like copy of GDs, invoices and L/Cs, sales tax invoices and copy of Export GDs. Furthermore, they argued that the values should be based on the brands and accordingly categorized Alkaline based dry battery cell after taking local selling prices of aggregate quantity. The view point of all participants was heard in detail and considered to arrive at Customs values of the subject goods.

**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 under sub-Section (7) of section 25 of the Customs Act, 1969, after taking selling prices of greatest aggregate quantity. All information so gathered were analyzed for determination of customs values of the subject goods under Section 25 (7) of the Customs Act, 1969.

**5- Customs values for Dry Battery Cells (PCT 8506.1000) - *hereinafter specified*** shall be assessed to duty/taxes on the minimum Customs values as under:

**Table-A:**

S. No.	Description	Specification	PCT	Proposed PCT for WeBOC	Origin	Customs Values C&F (US\$/Pc)		
						Alkaline based		
						A	B	
1	Dry Battery Cell AA/R-6-UM3	PVC Jacket	8506.1000	8506.1000.1000	China	0.161	0.080	
2				8506.1000.1100	Other origins	0.185	0.092	
3		Aluminum Foil /Metal Jacket		8506.1000.1200	China	0.163	0.081	
4				8506.1000.1300	Other origins	0.187	0.093	



5	Dry Battery Cell AAA/ R-3-UM4	PVC Jacket		8506.1000.1400	China	0.161	0.080
6				8506.1000.1500	Other origins	0.185	0.092
7		Aluminum Foil /Metal Jacket		8506.1000.1600	China	0.163	0.081
8				8506.1000.1700	Other origins	0.187	0.093
9	Dry Battery Cell D size-R-20-UM-1	PVC Jacket		8506.1000.1800	China	0.494	0.247
10				8506.1000.1900	Other origins	0.568	0.284
11		Aluminum Foil /Metal Jacket		8506.1000.2000	China	0.496	0.248
12				8506.1000.2100	Other origins	0.570	0.285

**Table-B:**

S. No.	Description	Specification	PCT	Proposed PCT for WeBOC	Origin	Customs Values C&F (US\$/Pc)		
						Other than Alkaline		
						A	B	C
1	Dry Battery Cell AA/R-6-UM3	PVC Jacket	8506.1000	8506.1000.2200	China	0.061	0.030	0.0160
2				8506.1000.2300	Other origins	0.071	0.041	0.0184
3		Aluminum Foil /Metal Jacket		8506.1000.2400	China	0.070	0.033	0.0180
4				8506.1000.2500	Other origins	0.081	0.041	0.0207
5	Dry Battery Cell AAA/R-3-UM4	PVC Jacket		8506.1000.2600	China	0.061	0.030	0.0160
6				8506.1000.2700	Other origins	0.071	0.035	0.0184
7		Aluminum Foil /Metal Jacket		8506.1000.2800	China	0.071	0.030	0.0170
8				8506.1000.2900	Other origins	0.081	0.040	0.0200
9	Dry Battery Cell D size-R-20-UM-1	PVC Jacket		8506.1000.3000	China	0.251	0.130	0.0760
10				8506.1000.3100	Other origins	0.288	0.149	0.0870
11		Aluminum Foil /Metal Jacket		8506.1000.3200	China	0.301	0.160	0.0900
12				8506.1000.3300	Other origins	0.346	0.224	0.1035
Category A : Energizer, Duracell, Sony, Maxell, Rayovac, Excel,								
Category B : Panasonic, Kodak, Toshiba, Uniross, Eveready, Camelion, Power Plus, Optima, Philips, Sanyo, Mitsubishi.								
Category C : Other Low End Brands								
Note: The above mentioned values are not applicable to rechargeable batteries.								

**6-** In cases where declared / transaction values are higher than the Customs values determined in this Ruling, 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 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-Section (4) of Section 25A 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 25D of the Customs Act, 1969, within 30 days from the date of issue, before the Director General, Directorate General of Customs Valuation, 7<sup>th</sup> 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 violation of Import Policy Order or Section of the Customs Act, 1969 or any other law in vogue therein.

**10- This ruling supersedes Valuation Ruling No. 1514/2021 dated 09-02-2021.**

  
(Syed Fawad Ali Shah)  
Director

**Copy for information to: -**

- 1) The Member Customs (Policy/Operations), F.B.R., Islamabad.
- 2) The Director General, Customs Valuation, Custom House, Karachi.
- 3) The Chief Collector of Customs, Appraisement (South) Custom House, Karachi.
- 4) The Chief Collector of Customs, Enforcement (South), Custom House, Karachi.
- 5) The Chief Collector of Customs, Appraisement (Central), Custom House, Lahore.
- 6) The Chief Collector of Customs, Enforcement (Central), Custom House, Lahore.
- 7) The Chief Collector of Customs (North), Custom House, Islamabad.
- 8) The Chief Collector of Customs Balochistan, Custom House, Quetta.
- 9) The Chief Collector of Customs Khyber Pakhtunkhwa, Custom House, Peshawar.
- 10) The Director General, Intelligence and Investigation-FBR, Islamabad.
- 11) The Director General, PCA& Internal Audit, Karachi.
- 12) The Director General, IOCO, Karachi
- 13) The Director General, Transit Trade, Custom House Karachi
- 14) The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.

- 15) The Director, Transit Trade, Custom House Karachi
- 16) The Director, Directorate of Customs Valuation, Lahore.
- 17) The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WEBOC database system.
- 18) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 19) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 20) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 21) The Webmaster, Federal Board of Revenue, Islamabad.
- 22) Guard File.