

**The Collector of Customs**, Model Customs Collectorates, Appraisement and Facilitation (East / West) / Port Qasim / Enforcement and Compliance, JIAP, Karachi / (Appraisement and Facilitation / Enforcement and Compliance), AIIA Lahore / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad / Hyderabad / Quetta / Appraisement and Facilitation Peshawar /Gwadar /Gilgit-Baltistan / Exports (Karachi / Port Qasim) / Transit Trade (Karachi).

**DETERMINATION OF CUSTOMS VALUES OF TRACTOR PARTS UNDER SECTION 25A OF THE CUSTOMS ACT, 1969.**

**(VALUATION RULING NO. 1565/2021)**

No.Misc/25/2008/-VIII (Part-4) / 946

Dated: 17 -11-2021

In exercise of the powers conferred under Section 25A of the Customs Act, 1969, the Customs values of tractor parts are determined as follows:



2. **Background of the valuation issue:** Earlier the custom value of tractor parts were determined under section 25A of the Customs Act, 1969 vide Valuation Ruling 1507/2021 dated 04.01.2021. Being aggrieved by this valuation ruling, revision petition was filed by various importers/ traders under section 25D of the Customs Act, 1969 before Director General of Customs Valuation. The competent authority vide Order-in-Revision No. 13/2021 dated 24.03.2021, upheld the valuation ruling and revision petitions were rejected accordingly. However, on September 4, 2021 representation was received from Lahore Chamber of Commerce & Industry on the request of importers, wherein they have submitted that the values in the previous Valuation Ruling were calculated on "average weight", whereas the same should be calculated on the "actual weight" of the cylinders. Accordingly, an exercise was initiated to re-determine the customs values of tractor parts under Section 25A of the Customs Act, 1969.

3. **Stakeholders' participation in determination of Customs values:** Meeting with all stakeholders, trade bodies including representatives of clearance Collectorates were held in this Directorate General on 22-09-2021. The importers/stakeholders were requested to submit their proposals/suggestions as well as following documents before or during the course of stakeholders' meeting so that Customs values could be determined:

- i. Invoices of import during last three months showing factual values
- 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 that the benefit of difference in price is passed on to the local buyers.

4. The meeting was attended by importers and stakeholders and their point of view were heard in detail to arrive at custom values of subject goods. The stakeholders claimed that their

