GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
7TH FLOOR, CUSTOM HOUSE
KARACHI
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C. No. Misc/22/2008-VIII(B)/ 08 Dated: 07 -01-2026

VALUATION RULING NO. 2032 / 2026

1. This Ruling shall be applicable until the same is rescinded or revised in terms of sub-section (4) of Section 25A of the Customs Act, 1969.

2. The revision petition against this Valuation Ruling, can be filed under Section 25D of the Customs Act, 1969, within 30 days before the Director General, Customs Valuation.

Subject: **DETERMINATION OF CUSTOMS VALUES OF AUTO REPLACEMENT PARTS - SPARK PLUGS UNDER SECTION 25A OF THE CUSTOMS ACT, 1969.**

1.	Valuation Ruling	This Ruling supersedes earlier Valuation Ruling No. 1957/2025 dated 17.01.2025.
2.	Date of meeting with stakeholders	The meeting with relevant stakeholders was held on 18.12.2025.

Background of the Issue: The customs values of Auto Replacement Parts - Spark Plugs were determined vide Valuation Ruling No. 1957/2025 dated 17.01.2025 which was challenged before the Director General, Customs Valuation under Section 25D of the Customs Act, 1969. The Director General, vide Order-in-Revision No. 27/2025 dated 26.03.2025, remanded the matter to this Directorate for fresh determination of customs values under Section 25A of the Customs Act, 1969. Accordingly, the Directorate initiated exercise for redetermination of customs values of the items covered under the said valuation. Meeting notice to the relevant stakeholders was issued and extensive discussion consultation was carried out with the stakeholders.

DIRECTOR CUSTOMS VALUATION KARACHI

2. **Stakeholders' participation in determination of Customs values:** During the meeting the representative of Pakistan Automobile Spare Parts Importers & Dealers Association (PASPIDA) contended that values are not in accordance with prevailing international prices, the items are easily available in the market, therefore, fresh values may be determined accordingly. They further contended that the higher determined customs values have adversely affected the competitiveness of lawful imports and, as a consequence, have allegedly encouraged smuggling of the subject goods. The representative also stated that the OEM values are also on lower side, in their support they provided documents of earlier released for reference. The representative of M/s. Indus Motor Company (IMC) contended that values may be determined based on constituent material, because production of OEM and non-OEM is similar.

3. **Analysis/Exercise done to determine Customs Values:** The matter for determination of customs value of Spark Plugs has been examined. Spark plugs differ in value depending upon brand, origin, type (iridium and non-iridium), application, and automotives; therefore, valid comparison is possible among goods of similar specifications and commercial

PLEASE CIRCULATE

SHAIKH WAQAS ANJUM
General Secretary
Karachi Customs Agents Association

level. For this purpose, prevailing import data has been analyzed after applying appropriate filters and excluding abnormal or non-comparable values. In addition, a market survey has also been conducted and considered, which reflects prevailing wholesale and retail prices of Spark Plugs in the local market. The market survey corroborates the import data and indicates higher and lower prices trends as compared to generic types. In view of the facts, it is concluded that the customs value of auto replacement Spark Plugs may be determined under Section 25A of the Customs Act, 1969 based on comparable import data, duly supported by the market survey report, and origin wise to ensure fairness, transparency, and uniformity in assessment.

4. **Method(s) adopted to determine Customs values:** The valuation methods prescribed under Section 25 of the Customs Act, 1969 were examined in sequential order for determination of customs values of the subject goods. The transaction value method under Section 25(1) was found inapplicable due to non-availability of information required under Section 25(2). The identical goods value method under Section 25(5) and the similar goods value method under Section 25(6) were also examined; however, these methods could not be solely relied upon due to lack of complete and demonstrable comparability and consistent variations in declared values. The contention regarding vehicle-based marketing practices in the local market, whereby identical spark plugs may be priced differently depending upon vehicle application and market perception, was also examined. Market enquiry conducted under Section 25(7) of the Customs Act, 1969 revealed variations influenced by branding, market segmentation, and end-use. The computed value method under Section 25(8) was also examined; however, it could not be fully applied due to non-availability of verifiable data regarding conversion costs and allied manufacturing expenses in the country of export, though price trends of constituent raw materials were considered. Accordingly, the customs values of the subject goods have been determined under Section 25(9) read with sub-section (7) of Section 25 of the Customs Act, 1969.

5. **Customs Values for Auto Replacement Parts - Spark Plugs,** *hereinafter specified,* shall be assessed to duty / taxes at following Customs Values:

Sr. No.	Description of goods	PCT Code	Proposed PCT for WeBOC	Origins	Custom Value (C&F) US$/Pc
1.	Spark Plugs (Iridium)	8511.1000	8511.1000.1000	China	3.20
				Japan	3.75
				Europe	4.70
				Other Origins	3.30
2.	Spark Plugs (Non-Iridium)		8511.1000.1100	China	0.33
				Japan	0.44
				Europe	0.75
				Other Origins	0.35

6. In cases, where transactional values or values in invoice retrieved from the consignment, as the case may be, are higher than the customs values determined in this valuation ruling, the assessment shall be made on higher values in terms of sub-section (1) of Section 25 of the Customs Act, 1969.

7. In case of consignments imported by air, the difference between air freight and sea freight shall be added for the assessment of value.

8. The Valuation Ruling shall be applicable for the descriptions and specifications of goods as mentioned in the aforementioned table. HS Codes are mentioned for illustrative purposes.

9. The Collectorates of Customs shall ensure the implementation of Valuation Ruling and in case of any anomaly may be brought to the notice of this Directorate immediately.

07/1/26

(Azhar Husain Merchant)
Director

Copy for necessary action and implementation:

The Collectors / Directors of Customs, Collectorates / Directorates of Customs (Appraisement-West / East / SAPT / PMBQ / JIAP / Enforcement/), Karachi / Hyderabad / (Appraisement / Enforcement / Ports), Quetta / Gwadar / Khuzdar (Appraisement / Enforcement / AIIA), (Appraisement–East / West, Lahore / Faisalabad Appraisement / Enforcement, Sargodha / Enforcement & Appraisement, Sambrial (Sialkot) / Enforcement, Multan / Islamabad / Gilgit-Baltistan / (Appraisement/ Enforcement), Peshawar / Enforcement, Dera Ismail Khan / Exports (Port Qasim/Custom House, Karachi) / Transit Trade, Karachi.

Copy for information:

1) The Member Customs (Operations), F.B.R., Islamabad.
2) The Director General, Customs Valuation, Custom House, Karachi.
3) All Chief Collectors / Director Generals of Customs, Karachi / Lahore / Islamabad / Quetta / Peshawar.
4) All Collectors / Directors of Customs, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
5) The Director, Directorate of Customs Valuation, Lahore / Quetta / Peshawar.
6) The Deputy Director (MIS), Directorate General of Customs Valuation, Karachi, for uploading in One Customs &WEBOC database system.
7) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
8) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta &Peshawar.
9) The Karachi Customs Agents Group, Bohri Road, Karachi.
10) The Webmaster, Federal Board of Revenue, Islamabad.
11) Guard File.