



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

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

Determination of Customs Values of LED Rechargeable Lights Under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO.943 / 2016)

No. Misc/28/2009-VII

Dated: October 03, 2016

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of LED Rechargeable Lights are determined as follows: -

2. **Background of the valuation issue:** The customs values of LED Rechargeable Lights were determined under Section 25A of the Customs Act, 1969, vide Valuation Ruling No.644/2014, dated 13-03-2014. The Valuation Ruling required revision in line with the prevailing prices in the international market. Therefore, this Directorate General initiated an exercise for determination of customs values of LED Rechargeable Lights.

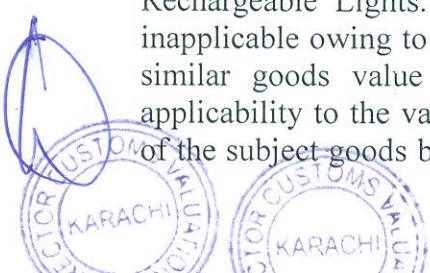
3. **Stakeholders' participation in determination of Customs values:** Meeting with stakeholders was held on 02-08-2016. Importers had been requested to furnish the following documents before or during the course of meeting:

- A. Invoices of imports during last three months showing factual value.
- B. Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- C. Copies of Contracts made / LCs opened during the last three months showing the value of item in question.
- D. 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.

No documents were submitted in this Directorate General on or even after the said scheduled meetings. The meeting was attended by the importers and representatives of Pakistan Electrical & Electric Merchants Association and the officers from field formations.

4. During the course of meeting, the importers were of the view that the values of LED Rechargeable Lights have considerably reduced in the international market as compared to the values determined in the existing valuation ruling, therefore, the values may not be increased. However, importers did not submit import invoices, sales tax invoices, literature, representative samples, evidences and other relevant requisite import documents in support of their contentions. They requested that market inquiry shall be conducted from Bolton market / Marriott Road. The request was acceded to. The importers agreed that work back values obtained from a market inquiry from the market where these LED Rechargeable Lights are traded will actually reflect correct values. Many samples from venders and shops of Bolton Market/ Marriott Road, opposite KMC Head Office, M.A. Jinnah Road, Karachi were obtained. The prices varied depending on the brands and watts. The values were thus determined in view of Section 25 (7) of the Customs Act, 1969.

5. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were followed to arrive at customs value of different types of LED Rechargeable Lights. Transaction value method provided in Section 25 (1) was found inapplicable owing to wide variation in the values being declared to the customs. Identical / similar goods value methods provided in Section 25 (5) & (6) were examined for applicability to the valuation issue in the instant case which provided some reference values of the subject goods but the same could not be exclusively relied on due to wide variation in



declared values of subject goods. Stakeholder's meeting was also scheduled but during the meeting very divergent point of regarding international market prices was presented. Consequently, this office conducted market inquiry in terms of Sub-section (7) of Section 25 of the Customs Act, 1969. Accordingly, the Customs values of LED Rechargeable Lights have been determined under Section 25 (7) of the Customs Act, 1969.

6. **Customs values for LED Rechargeable Lights:** LED Rechargeable Lights *hereinafter* specified *shall* be assessed to duty/taxes at the following Customs Values: -

S. No.	Description	H.S. Code	Proposed PCT for WeBOC	Origin	Customs values US\$ (C&F)/Pc
1	2	3	4	5	6
1	LED Rechargeable Light 1 - 4 LED/SMD	8513.1030	8513.1030.1000	China	0.32
2	LED Rechargeable Light 1 - 4 LED/SMD	8513.1030	8513.1030.1010	Other Origins	0.40
3	LED Rechargeable Light 5 - 7 LED/SMD	8513.1030	8513.1030.1020	China	0.45
4	LED Rechargeable Light 5 - 7 LED/SMD	8513.1030	8513.1030.1030	Other Origins	0.56
5	LED Rechargeable Light 8 - 13 LED/SMD	8513.1030	8513.1030.1040	China	0.54
6	LED Rechargeable Light 8 - 13 LED/SMD	8513.1030	8513.1030.1050	Other Origins	0.68
7	LED Rechargeable Light 14 - 19 LED/SMD	8513.1030	8513.1030.1060	China	0.66
8	LED Rechargeable Light 14 - 19 LED/SMD	8513.1030	8513.1030.1070	Other Origins	0.83
9	LED Rechargeable Light 20 - 25 LED/SMD	8513.1030	8513.1030.1080	China	0.97
10	LED Rechargeable Light 20 - 25 LED/SMD	8513.1030	8513.1030.1090	Other Origins	1.21
11	LED Rechargeable Light 26 - 32 LED/SMD	8513.1030	8513.1030.1100	China	1.12
12	LED Rechargeable Light 26 - 32 LED/SMD	8513.1030	8513.1030.1110	Other Origins	1.40
13	LED Rechargeable Light 33 - 45 LED/SMD	8513.1030	8513.1030.1120	China	1.50
14	LED Rechargeable Light 33 - 45 LED/SMD	8513.1030	8513.1030.1130	Other Origins	1.90
15	LED Rechargeable Light 46 - 60 LED/SMD	8513.1030	8513.1030.1140	China	1.90
16	LED Rechargeable Light 46 - 60 LED/SMD	8513.1030	8513.1030.1150	Other Origins	2.40
17	LED Rechargeable Light 61 - 99 LED/SMD	8513.1030	8513.1030.1160	China	2.50
18	LED Rechargeable Light 61 - 99 LED/SMD	8513.1030	8513.1030.1170	Other Origins	3.12
19	Or US\$ 2.20/Kg for China origin, 2.65 \$/Kg for other Origins; whichever is higher				



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. In case of consignments imported by air, the assessing officer shall take into account the differential between air freight and sea freight or in case of import through Land Customs Stations, the differential amount between the Sea freight and land transport charges 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:** A revision 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 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 this Valuation 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 this Directorate General immediately. Customs values determined in the ruling are for the description and specification as mentioned in the Annexure to this Valuation Ruling. HS Codes are mentioned for illustrative purposes so that valuation ruling values are made accessible to the assessing officers. The assessment shall be finalized on the basis of correct classification after fulfilling requisite formalities related to importability or any other certification 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.

10. ***This ruling supersedes Valuation Ruling No.644/2014 dated 13-03-2014.***

(Dr. Wasif Ali Memon)
Director

Copy for information to: -

1. Member (Customs), F.B.R., Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi.
3. Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
4. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. Chief Collector of Customs (Central), Lahore.
6. Chief Collector of Customs (North), Islamabad.
7. Director General, Intelligence and Investigation-FBR, Islamabad.
8. Director General, Audit (Customs & Petroleum), 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
09. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General, Internal Audit (Customs), Karachi.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta Peshawar/ Faisalabad.
12. Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading