



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 Domestic/ Household Sewing Machine
Under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. 968 / 2016)

No. Misc/38/2007-VII

Dated: November 16, 2016

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Domestic Sewing Machines are determined as follows: -

2. **Background of the valuation issue:** Customs values of Domestic Sewing Machines were determined under Section 25A of the Customs Act, 1969, vide Valuation Ruling No.376/2011, dated 26-09-2011. 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 Domestic Sewing Machines.

3 **Stakeholders' participation in determination of Customs values:** A meeting with stakeholders was held on 10-11-2016. 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.

4. Meanwhile a complaint was also received from All Pakistan Cottage & Small traders Association Lahore, whereby they pointed out under invoicing in imports from India. Meeting was scheduled on the date as already conveyed to the stakeholders. Importers, manufacturers Federation of Pakistan Chambers of Commerce and Industries, Karachi Chamber of Commerce and Industries, Karachi and Lahore Chamber of Commerce and Industry, were invited to participate. Certain importers present during the stakeholder meeting, submitted some documents in support of their contentions. Representatives from Karachi Chamber of Commerce and Industry and All Pakistan Cottage & Small traders Association Lahore also attended the meeting. The arguments put forth by both sides were very divergent; manufacturers asserted that values may be increased whereas, importers stated that internationally values have declined. Cogent and plausible evidences in support of their contentions were not presented.

5. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were followed to arrive at customs values of Domestic Sewing Machines. 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 upon due to wide variation in declared values of subject goods. Thereafter, market enquiry as envisaged under section 25(7) of the Customs Act, 1969, was conducted. For the purpose, different markets were surveyed repeatedly. The computed value method as provided in Section 25(8) of the Customs Act, 1969, could not be



applied as the conversion costs from constituent material at the country of export were not available. Online values of subject goods were also obtained. All the information so gathered was evaluated and analyzed for the purpose of determination of customs values. Consequently, the Customs values of Domestic Sewing Machines have been determined under Section 25(9) of the Customs Act, 1969.

6. **Customs values for Domestic/ Household Sewing Machines:** Domestic Sewing Machines specified in Annex-I to this Valuation Ruling *shall* be assessed to duty/taxes at the Customs Values mentioned therein.

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 element of air freight while assessing the goods.

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 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.

11. ***This ruling supersedes Valuation Ruling No.376/2011 dated 26-09-2011.***


 (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 (Appraisement), 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.

Annex to Valuation Ruling No. 968 dated November 16, 2016

S. No.	Description of goods	PCT Code	Proposed PCT for WeBOC	Origin	Customs Values in US\$	UOM
1	Standard size Domestic/ Household Sewing Machines					
2	Sewing Machine of House hold type, Ordinary in CBU Condition	8452.1090	8452.1090.1000	China	29	per Piece
3			8452.1090.1010	India	35	per Piece
4			8452.1090.1020	Vietnam	44	per Piece
5	Sewing Machine of House hold type, Zigzag In CBU Condition	8452.1090	8452.1090.1030	Other origins	47	per Piece
6			8452.1090.1040	China	63	per Piece
7			8452.1090.1050	India	75	per Piece
8			8452.1090.1060	Vietnam	95	per Piece
9			8452.1090.1070	Other origins	102	per Piece
10	Sewing Machine of household type, Ordinary in CKD Condition	8452.1010	8452.1010.1000	China	26	per Piece
11			8452.1010.1010	India	32	per Piece
12			8452.1010.1020	Vietnam	40	per Piece
13	Sewing Machine of household type, Zigzag in CKD Condition	8452.1010	8452.1010.1030	Other origins	43	per Piece
14			8452.1010.1040	China	57	per Piece
15			8452.1010.1050	India	67	per Piece
16			8452.1010.1060	Vietnam	85	per Piece
17			8452.1010.1070	Other origins	91	per Piece
18	Arms and Bed (Body) for Ordinary Machines	8452.9020 8452.9030	8452.9020.1000	China	2.6	per Kg
19			8452.9030.1000			
20			8452.9020.1010	India	2.7	per Kg
21			8452.9030.1010			
22			8452.9020.1020	Vietnam	2.9	per Kg
23			8452.9030.1020			
24			8452.9020.1030 8452.9030.1030	Other origins	2.9	per Kg

Additional Director
Customs Valuation
Custom House, Karachi



Deputy Director
Customs Valuation
Custom House
Karachi

Annex to Valuation Ruling No. 968 dated November 16, 2016

S. No.	Description of goods	PCT Code	Proposed PCT for WeBOC	Origin	Customs Values in US\$	UOM
25	Arms & Bed (Body) for Zigzag Machines	8452.9020 8452.9030	8452.9020.1040	China	3.2	per Kg
26			8452.9030.1040			
27			8452.9020.1050	India	3.3	per Kg
28			8452.9030.1050			
29			8452.9020.1060	Vietnam	3.5	per Kg
30			8452.9030.1060			
31			8452.9020.1070	Other origins	3.6	per Kg
32			8452.9030.1070			
33	Mini size Domestic /Household Sewing Machines					
34	Mini Sewing Machine of House hold type, Ordinary in CBU Condition	8452.1090	8452.1090.1080	China	7.4	per Kg
35			8452.1090.1090	India	8.4	per Kg
36			8452.1090.1100	Vietnam	9.5	per Kg
37	Mini Sewing Machine of House hold type, Zigzag In CBU Condition	8452.1090	8452.1090.1110	Other origins	10.5	per Kg
38			8452.1090.1120	China	12.6	per Kg
39			8452.1090.1130	India	15.8	per Kg
40			8452.1090.1140	Vietnam	18.9	per Kg
			8452.1090.1150	Other origins	21.0	per Kg

(Altaf Hussain Mangi)
Valuation Officer

(Ch. Rizwan Bashir Kalair)
Deputy Director

Deputy Director
Customs Valuation
Custom House
Karachi

(Dr. Wasif Ali Memon)
Director



(Iqbal Ali)

Principle Appraiser

(Muhammad Iqbal Muneeb)

Additional Director

Additional Director
Customs Valuation
Custom House, Karachi.