

**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 Car Speakers, Horns, Loud Speakers and Wall-mounted/Ceiling/Column Speakers, (Low End Brands) Under Section 25-A of the Customs Act, 1969**

No. Misc/06/2013-VII

19818  
(VALUATION RULING NO. 971/ 2016)

Dated: November 16, 2016

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Car Speakers, Horns, Loud Speakers and Wall-mounted/Ceiling/Column Speakers, (Low End Brands) are determined as follows: -

2. **Background of the valuation issue:** Customs values of Car Speakers, Horns, Loud Speakers and Wall-mounted/Ceiling/Column Speakers, (Low End Brands) were determined under Section 25A of the Customs Act, 1969, vide Valuation Ruling No.656/2014, dated 28-03-2014. 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 Car Speakers, Horns, Loud Speakers and Wall-mounted/Ceiling/Column Speakers, (Low End Brands).

3 **Stakeholders' participation in determination of Customs values:** Different meetings with stakeholders were held and a final meeting was held on 26-07-2016. 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.

The meeting was attended by the importers and the officers from field formations. No documents were submitted in this Directorate General on or even after the said scheduled meetings.

4. During the meeting importers were of the view that the values of Car Speakers, Horns, Loud Speakers and Wall-mounted/Ceiling/Column Speakers, (Low End Brands) have considerably reduced in the international market as compared to the values determined in the existing valuation Ruling. Importers requested that market inquiry shall be conducted from the local market. The market inquiry was conducted of Car Speakers, Horns, Loud Speakers and Wall-mounted/Ceiling/Column Speakers, (Low End Brands) of different brands, types and sizes from different shops in Karachi. 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.

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 different types / brands Car Speakers, Horns, Loud Speakers and Wall-mounted/Ceiling/Column Speakers, (Low End Brands). 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 meetings were also scheduled but during the meetings very divergent point of regarding international market prices was presented. Thereafter, market enquiry as envisaged under section 25(7) of the Customs Act, 1969, was conducted which gave most of the Car Speakers, Horns, Loud Speakers and Wall-mounted/Ceiling/Column Speakers, (Low End Brands) bought and sold in the local market. The 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 Car Speakers, Horns, Loud Speakers and Wall-mounted/Ceiling/Column Speakers, (Low End Brands) have been determined under Section 25(9) of the Customs Act, 1969.

6. **Customs values for Car Speakers, Horns, Loud Speakers and Wall-mounted/Ceiling/Column Speakers, (Low End Brands):** Car Speakers, Horns, Loud Speakers and Wall-mounted/Ceiling/Column Speakers, (Low End Brands) 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, 7<sup>th</sup> 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.

10. *This ruling supersedes Valuation Ruling No.656/2014 dated 28-03-2014.*

  
(Dr. Wasif Ali Memon)  
Director

Copy for information to: -

1. Member (Customs), F.B.R., Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi.



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI

(Annex-I)

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Annex to Valuation Ruling No. 971 dated November 16, 2016

Car Speakers, Horns, Loud Speakers and Wall-mounted/Ceiling/Column Speakers (Low End Brands)					
S. No.	Description	H.S. Code	Proposed PCT for WeBOC	Origin	Customs values US\$/Per pair
1	2	3	4	5	6
1	Car Speaker 6 inch	8518.2200	8518.2200.1000	China	6.5
2	Car Speaker 6.5 inch	8518.2200	8518.2200.1010	China	8.8
3	Car Speaker 6x9	8518.2200	8518.2200.1020	China	12.3
4	Car Speaker 7x10	8518.2200	8518.2200.1030	China	18.5
5	Speaker/Woofer 3 Inch	8518.2990	8518.2990.1000	China	2.6
6	Loud Speaker 3Inch	8518.2990	8518.2990.1010	China	2
7	Speaker/Woofer 4 Inch	8518.2990	8518.2990.1020	China	3
8	Loud Speaker 4 Inch	8518.2990	8518.2990.1030	China	2.6
9	Speaker/Woofer 5 Inch	8518.2990	8518.2990.1040	China	4.9
10	Loud Speaker 5 Inch	8518.2990	8518.2990.1050	China	3.62
11	Speaker/Woofer 6.5 Inch	8518.2990	8518.2990.1060	China	7.12
12	Loud Speaker 6.5 Inch	8518.2990	8518.2990.1070	China	5.12
13	Speaker/Woofer 8 Inch	8518.2990	8518.2990.1080	China	9.2
14	Loud Speaker 8 Inch	8518.2990	8518.2990.1090	China	7.78
15	Speaker/Woofer 10 Inch	8518.2990	8518.2990.1100	China	19.3
16	Loud Speaker 10 Inch	8518.2990	8518.2990.1110	China	14.62
17	Speaker/Woofer 12 Inch	8518.2990	8518.2990.1120	China	28.04
18	Loud Speaker 12 Inch (P.A Speakers)	8518.2990	8518.2990.1130	China	23.1
19	Speaker/Woofer 15 Inch	8518.2990	8518.2990.1140	China	46
20	Loud Speaker 15 Inch (P.A Speakers)	8518.2990	8518.2990.1150	China	30
21	Horn Speaker 6" / 6K	8518.2990	8518.2990.1160	China	9.62
22	Horn Speaker 7" / 7K	8518.2990	8518.2990.1170	China	10.6
23	Horn Speaker 8" / 8K	8518.2990	8518.2990.1180	China	13.2
24	Horn Speaker 6x11" / 116K	8518.2990	8518.2990.1190	China	15.1
25	Horn Speaker Plastic 7x9"	8518.2990	8518.2990.1200	China	16.38
26	Horn Speaker Plastic 8x11"	8518.2990	8518.2990.1210	China	23.7
27	TV Speakers (All types)	8518.2990	8518.2990.1220	China	1.2
28	Ceiling Speaker 4"	8518.2100	8518.2100.1420	China	10

29	Ceiling Speaker 5"	8518.2100	8518.2100.1430	China	14
30	Ceiling Speaker 6"	8518.2100	8518.2100.1440	China	18
31	Ceiling Speaker 6.5"	8518.2100	8518.2100.1450	China	20
32	Wall Mounted Speakers 4" or 5"	8518.2100	8518.2100.1470	China	24.5
33	Column Speakers 4" or 5" (Aluminum/Plastic/Metal body)	8518.2100	8518.2100.1480	China	24.5
34	The above mentioned values are applicable on Audionic, Xtreme, Amazing, Perfect, F&D, Lunar, Pasis and other low end brands				
35	The above mentioned values are not applicable to international brands like Sony/Samsung/Toshiba/ Bosch/ Philips / Creative / Logitech/ Sharp / L.G/ Mercury /Yamaha/ Pioneer / Bose/ Sonashi/ Merlin / Boston Acoustic / Beats and other similar brands.				
36	Speakers with different specifications / origins may be assessed under section 25 of the Customs Act, 1969. Alternatively, Collectorates may provisionally assess the goods and forward the GD to this Directorate General for suitable advice.				

  
(Altaf Hussain Mangi)  
Valuation Officer

  
(Ch. Rizwan Bashir Kalair)  
Deputy Director

  
(Iqbal Ali)  
Principle Appraiser

  
(Muhammad Iqbal Muneeb)  
Additional Director

  
(Dr. Wasif Ali Memon)  
Director