

This Ruling has been revised / superseded vide Valuation Ruling No. 1448/2020 dated 02-06-2020

**GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI**

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

Determination of Custom Values of Mobile Accessories (HS Code 8504.4020, 8504.5000, 8506.8000, 8517.7000 & 8518.3000) Under Section 25-A of the Customs Act, 1969

(VALUATION RULING No. 908/2016)

No. Misc/20/2016-VII/9233

Dated: 12-08-2016

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

2. Background of the valuation issue: There have been numerous reports that mobile accessories of different specifications are being imported but declared at much lower values than the correct values in the international market. One valuation ruling No.374/2011 dated 14-09-2011 pertaining to Unbranded Mobile Battery /Mobile battery charger was issued under Section 25-A of the Customs Act, 1969. Therefore, an exercise to determine customs values of Mobile Accessories in terms of Section 25-A of the Customs Act, 1969 was initiated.

3. Stakeholders' participation in determination of Customs values: The stakeholders' meeting for the determination of customs values of Mobile Accessories were scheduled on 26-05-2016 and 08-06-2016. The stakeholders had been requested to submit the following documents before or during the 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. No documents were submitted in this Directorate General on or even after the said scheduled meetings. The importers abstained from attending the stakeholders meetings.

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 mobile accessories. Transaction value method provided in Section 25(1) was found inapplicable because the requisite information was not available. 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. Thereafter, market inquiries as envisaged under section 25(7) of the Customs Act, 1969, were conducted. As there were certain differences in specifications of the items, therefore, different markets were surveyed repeatedly for the purpose. 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 mobile accessories have been determined under Section 25(9) of the Customs Act, 1969.

6. Customs values for Mobile Accessories: Mobile Accessories as specified herein shall be assessed to duty/ taxes at the Customs values given in the following tables.-

S. No.	Description of goods	PCT	Proposed PCT for WEBOC	Customs value US\$ / PC			
				China		Other Origins	
				Category (A)	Category (B)	Category (A)	Category (B)
1.	Mobile Charger	8504.4020	8504.4020.1000	1.00	0.50	1.30	0.60
2.	Car Charger (Single Pin)	8504.4020	8504.4020.1100	1.40	0.45	1.80	0.55
3.	Car Charger (Multi Pin)	8504.4020	8504.4020.1200	1.70	0.55	2.25	0.65
4.	Desk Top Battery Charger	8504.4020	8504.4020.1300	0.90	0.45	1.20	0.55
5.	Power Bank/Battery Pack / Portable Battery Bank (12000mAh)	8504.4020	8504.4020.1400	5.80	3.50	7.50	4.20
6.	Selfie Stick without Remote	8504.5000	8504.5000.1000	2.50	1.30	3.25	1.60
7.	Selfie Stick with Remote	8504.5000	8504.5000.1100	4.50	2.20	5.85	2.65
8.	Mobile Battery	8506.8000	8506.8000.1000	1.25	0.50	1.65	0.60
9.	Casing / Pouch (Plastic/ Artificial Leather)	8517.7000	8517.7000.1000	1.10	0.55	1.45	0.65
10.	Casing / Pouch (Pure Leather)	8517.7000	8517.7000.1100	4.85	2.40	6.35	2.90
11.	G lass Protector	8517.7000	8517.7000.1200	1.70	0.48	2.25	0.60
12.	Card Reader	8517.7000	8517.7000.1300	2.45	1.20	3.20	1.45
13.	Mobile Hands Free	8518.3000	8518.3000.1000	1.35	0.40	1.75	0.50
14.	Mobile Head Phone	8518.3000	8518.3000.1100	5.25	2.20	6.85	2.65
Category-A: Creative, Bosch, Logitech, Philips, Toshiba, Sony, Beats, Samsung, Nokia, LG, Canon, Orange							
Category-B: YeSong, Universal, SINONE, Q-Mobile, Astec, E2, FIVE(5), LAVA, 7-Day, Express, 3X, Haier, Jays, Mars, SKB, FM & United and other similar low end brands							

7. The mobile accessories of Apple or any other upscale brand not specified in the Ruling may be assessed under section 25 of the Customs Act, 1969. If the value dispute regarding mobile accessories not available in this ruling is not resolved at Collectorate level, the same may be forwarded to this Directorate General for suitable advice.

8. 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 while applying the Customs values determined in this Ruling.

9. 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.

10. 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.

11. The Collectors of Customs may kindly ensure that the values given in the 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. The Customs values determined in the ruling are for the descriptions and specifications as mentioned in the Table above. HS codes are mentioned for illustrative purposes only so that VR values are made accessible to the

assessing officers. The assessment shall be finalized in the correct classifications after fulfilling all formalities relating to importability or any other certifications 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.

12. This ruling supersedes Valuation Ruling No. 374/2011, dated 14-09-2011.

(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 (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 in WeBOC database system and deleting Valuation Ruling No.374/2011 dated 14-09-2011.
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
16. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisalment, 1st Floor, Custom House, Karachi.
21. Guard File.