

*(This Ruling has been revised / superseded vide Valuation Ruling No. 185/2017 dated 16-06-2017)*

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

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**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 CHANDELIERS, PENDANTS AND  
OTHER HANGING LIGHTS, AND PARTS THEREOF UNDER SECTION 25-A OF THE  
CUSTOMS ACT, 1969**

**(VALUATION RULING No. 982/2016)**

No. Reg. Misc/02/2011-VIII(B)/IX/9975

Dated: 28<sup>th</sup> November, 2016

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Values of Chandeliers, Pendants/Hanging & other types of Lights, and Parts thereof are determined as follows:-

2. Customs values of Chandeliers, Pendants and other hanging lights of all types, and Parts thereof were earlier determined through Valuation Ruling No. 879/2016, dated 27-06-2016. Meanwhile, a number of representations were received from different importers and the representative association of the importers with the request that the Valuation Ruling needed downward revision as it was over 90 days old and not truly reflective of prevailing prices in the international market. They have requested that the Valuation Ruling may be revised in the light of prevailing prices in the international market. Main thrust of their arguments was that the market from which the survey was conducted were not true reflection of current prices, rather they are relatively expensive markets where profit of margins and expenses of the retailer were exorbitant. They requested that the surveys should be conduct from the M.A. Jinnah Road (Light House/Denso Hall) and Bohra Peer. Therefore, this Directorate General initiated an exercise for determination of customs values of Chandeliers, Pendants and other Hanging Lights, and Parts thereof.

3. Meeting with stakeholders was held on 17-11-2016. Different stakeholders including importers, Pakistan Electrical and Electronics Merchants Association, Karachi and representatives from clearance Collectorate attended the meeting. They were requested to furnish the following documents before or during the stakeholders 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 quest ion.
- 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. Pakistan Electrical and Electronics Merchants Association, Karachi stated that they were representing a huge number of importers of different types of Chandeliers, Pendants and other hanging lights of all types. The stakeholders present during the meeting insisted that to provide a level playing field the Valuation Ruling should be issued under Section 25(7) and basis should be retail market prices and may be categorized on the constituent materials and insisted that there is significant price difference in Brass, Zinc, Stain less Steel and Iron, Crystal Glass, plastic etc. They claimed much higher profit margins on the grounds that most of the subject items were slow moving, therefore, retailer margins were higher as compared to the one considered by the Department. They

were asked to submit Sales Invoices in order to substantiate their contentions, which they failed to submit. However, a number of importers submitted the catalogues and import/export invoices. Moreover, the Association, on its own, conducted market survey and submitted its findings to the department, which were duly considered. However, independent market surveys were also conducted and it was observed that actual values were higher in the above said markets compared to the ones given by the Association.

5. Valuation methods given in Section 25 of the Customs Act, 1969 were followed to arrive at customs value of the subject items. Transaction value method provided in Section 25(1) was found inapplicable owing to wide variation in the values being declared to the customs and incomplete descriptions. Identical and Similar Goods valuation methods provided in Sub-Sections (5) and (6) of Section 25 of the Customs Act, 1969, provided some reference values but could not be relied upon due to wide variation in the items and different prices were being declared for similar and identical items. Thereafter, market enquiry as envisaged under Section 25 (7) of the Customs Act, 1969, was conducted; therefore different markets were surveyed for this purpose. Online prices were also obtained to corroborate the findings of the market surveys. Computed Value Method as provided in Section 25(8) could not be applied for valuation of the aforementioned goods as the cost of raw material and fabrication charges under clause (a) and amount of profit and general expenses under clause (b) of Section 25 (8) of the Act, in the country of export, could not be ascertained. All the information so gathered was evaluated and analyzed for the purpose of determination of customs values. Consequently, the Custom, values of different types of Chandeliers, Pendants and other hanging lights of all types, and Parts thereof have been determined under Section 25(9) of the Customs Act, 1969.

**6. Customs Values for Chandeliers, Pendants & other types of Hanging Lights and Parts thereof:** Chandeliers, Pendants & other types of Hanging Lights and Parts thereof specified in Annexure A & B to this Valuation Ruling, shall be assessed to duty/taxes at the Customs Values mentioned against their names.

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.

11. This Valuation Ruling supersedes Valuation Ruling No. 879/2016, dated 27-06-2016.

**(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), 1<sup>st</sup> 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 up loading in WeBOC database system and deleting Valuation Ruling No. 879/2016, dated 27-06-2016.
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, 7<sup>th</sup> Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7<sup>th</sup> Floor, Custom House, Karachi / MCC, Appraisalment, (East/West), Custom House, Karachi.
21. Web master, Federal Board of Revenue, Constitution Avenue, Islamabad, for uploading FBR website and deleting Valuation Ruling No. 879/2016, dated 27-06-2016.
22. Guard File.

**Annex-A**

**GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI  
(Chandeliers and Parts thereof)**

**Annex-A to Valuation Ruling No: 982/2016 Dated: 28-11-2016**

<b>S. No.</b>	<b>Description of goods</b>	<b>PCT</b>	<b>Proposed PCT for WEBOC</b>	<b>Origins</b>	<b>C &amp; F Customs Values in US\$/Kg</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>	<b>(6)</b>
1	Chandeliers (Brass + Crystal)	9405.1010	9405.1010.1010	China	54.0
			9405.1010.1020	Europe/USA/Canada	100.0
			9405.1010.1030	Other Origins	65.0
2	Chandeliers (Brass only)	9405.1010	9405.1010.1040	China	40.0
			9405.1010.1050	Europe/USA/Canada	75.0
			9405.1010.1060	Other Origins	47.0
3	Chandeliers (Brass + Glass only)	9405.1010	9405.1010.1070	China	42.0
			9405.1010.1080	Europe/USA/Canada	78.0
			9405.1010.1090	Other Origins	50.0
4	Chandeliers (Stainless steel)		9405.1010.1100	China	32.0

	+ Crystal)		9405.1010.1110	Europe/USA/Canada	61.0
			9405.1010.1120	Other Origins	38.0
5	Chandeliers (Stainless steel only)		9405.1010.1130	China	23.0
			9405.1010.1140	Europe/USA/Canada	47.0
			9405.1010.1150	Other Origins	29.0
6	Chandeliers (Stainless steel + Glass)		9405.1010.1160	China	18.0
			9405.1010.1170	Europe/USA/Canada	40.0
			9405.1010.1180	Other Origins	27.0
7	Chandeliers (Iron + Crystal only)		9405.1010.1190	China	11.0
			9405.1010.1200	Europe/USA/Canada	26.0
			9405.1010.1210	Other Origins	15.0
8	Chandeliers (Iron only)		9405.1010.1220	China	8.50
			9405.1010.1230	Europe/USA/Canada	20.0
			9405.1010.1240	Other Origins	12.0
9	Chandeliers (Iron + Crystal and Glass)		9405.1010.1250	China	9.80
			9405.1010.1260	Europe/USA/Canada	23.0
			9405.1010.1270	Other Origins	16.0
10	Chandeliers (Iron + Glass + Plastic)		9405.1010.1280	China	7.80
			9405.1010.1290	Europe/USA/Canada	22.0
			9405.1010.1300	Other Origins	13.0
11	Chandeliers (Iron + Zinc)		9405.1010.1310	China	10.0
			9405.1010.1320	Europe/USA/Canada	21.0
			9405.1010.1330	Other Origins	16.00
12	Chandeliers (Iron + Zinc + Glass)		9405.1010.1340	China	8.0
			9405.1010.1350	Europe/USA/Canada	19.0
			9405.1010.1360	Other Origins	13.50
13	Parts of Chandliers (Glass only)	9405.9110	9405.9110.1010	China	3.00
			9405.9110.1020	Europe/USA/Canada	7.00
			9405.9110.1030	Other Origins	4.70
14	Note:- The determined customs values do not apply on the following brands, if imported from China, therefore, all Collectorates are hereby requested to finalize the assessment 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. “Fine Art, Vaughasn, Markslojd, Lamp Gus taf, Baroque, Flos, Foscarini, Le Klint, Minka Lavery, Laura Ashley, Tom Dilkson and other requivalent brands”				

**(Altaf Hussain Mangi)**  
Valuation Officer

**(IQBAL ALI)**  
Principal Appraiser

**(CH. RIZWAN BASHIR KALAIR)**  
Deputy Director

**MUHAMMAD IQBAL MUNEEB)**  
Additional Director

**(DR. WASIF ALI MEMON)**  
Director