

*(This Ruling has been revised / superseded vide Valuation Ruling No. 1158/2017 dated 10-05-2017)*

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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 LED CHRISTMAS/ RICE/ FESTIVAL DECORATION LIGHTS (LARRI) UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969**

**(VALUATION RULING No. 1030/2017)**

No. Reg. Misc/26/2016-IX/272

Dated: 2<sup>nd</sup> February, 2017

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of LED Christmas/Rice/Festival Decoration Lights (Larri) are determined as follows:-

**2. Back ground of the valuation issue:** This Directorate General has earlier circulated reference customs values of LED Christmas/ Rice/ Festival Decoration Lights, imported in different Colours, vide Valuation Data Base Letter No. 60/2016, dated 20-10-2016. References were received from different stakeholders including M.C.C (Appraisement)-East & West, Karachi, regarding downward revision of Values notified through VDB No. 60. Meanwhile upon suggestion of the clearance Collectorates the VDB letter was withdrawn. However, this Directorate General initiated an exercise for determination of customs values of LED Christmas/ Rice/ Festival Decoration Lights (Larri) under Section 25A.

**3. Stakeholders' participation in determination of Customs values:** Meetings with stakeholders were held on 15-12-2016, 10-01-2017 and 31-01-2016. The stakeholders were requested to furnish the following documents before or during the course of above said 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. However no stakeholder turned up for the meeting neither any requisite evidences/ documents were received. Hence this Directorate General proceeded further for issuance of Valuation Ruling under the law.

**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 LED Christmas/ Rice/Festival Decoration Lights (Larri). 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/ 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 enquiry as envisaged under Section 25(7) of the Customs Act, 1969, was conducted. A number of items sold in the local market were obtained and customs values were worked back from the same. Online prices were also obtained to corroborate the findings of the

market surveys. The customs values of LED Christmas/ Rice/Festival Decoration Lights (Larri) have been determined under Section 25(7) of the Customs Act, 1969.

6. Customs values of LED Christmas/ Rice/ Festival Decoration Lights (Larri) hereinafter specified, shall be assessed to duty/taxes at the following Customs Values: -

Description of Goods	PCT	Proposed PCT for WeBOC	Origin	Customs Values (C&F) in US\$/Kg
Led Christmas/ Rice/ Festival Decoration Lights (Larri)	9405.3000	9405.3000.1000	China	3.35
		9405.3000.1100	Europe/USA/ Canada/Japan	4.50
		9405.3000.1200	Other origins	4.0

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 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.

**(DR.WASIF ALI MEMON)**

Director

Copy for information to:-

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