

GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

The Collectors of Customs, Collectorate of Customs, (Appraisement - West / Appraisement - East / Appraisement - Port Muhammad Bin Qasim / Enforcement JIAP / Export / Export PMBQ), Karachi / Hyderabad / (Appraisement / Enforcement), Quetta / Gawadar / (Appraisement / Enforcement / AIIA), Lahore / Appraisement, Faisalabad / Appraisement Sambrial (Sialkot) / Enforcement, Multan / Islamabad / Gilgit - Baltistan / (Appraisement Enforcement), Peshawar / Enforcement, Dera Ismail Khan,

DETERMINATION OF CUSTOMS VALUE OF KITCHEN RANGE HOOD/CHIMNEY
HOOD/SLIM HOOD UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO. 1659/2022)

C. No. Misc/14/2009-VII/1620

Dated: 16th June, 2022

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the value of Kitchen Range Hood/Chimney Hood/Slim Hood are determined as follows:

2. Background of the valuation issue: Earlier, the Valuation Ruling for Kitchen Range Hood/Chimney Hood/Slim Hood was issued vide Valuation Ruling No.1280/2017 dated 04-05-2018. However, it was observed that the Valuation Ruling is about four (04) years old and in the meantime cost of input materials, freight & technology etc. has been considerably changed. Accordingly, an exercise was initiated by this Directorate General to determine customs values of these subject goods in terms of Section 25A of the Customs Act, 1969.

3. Stakeholders participation in determination of Customs value: Meeting with stakeholders was convened 08-03-2022 which was attended by different stakeholders & importers. All the stakeholders / importers were requested to submit following documents before or during the course of meetings so that customs values could be determined.

- i. Invoices of imports during last three months showing factual value.
- ii. Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- iii. Copies of Contracts made / LCs opened during the last three months showing the value of item in question.
- iv. 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 importers did not submit documents like Performa invoices, EIF Forms declaration etc to prove their contention that their declared values are correct. During the course of meetings, it was appraised the prices of Household appliances has been increased significantly.

4. Method adopted to determine Customs values: Custom Valuation methods given in Section 25 of the Customs Act, 1969 were followed / applied in sequential order to address the valuation of Kitchen hoods. Transaction value method under Sub-Section (1) of Section 25 of the ibid was found inapplicable because requisite information (export GDs and Sales Tax returns) under the law was not available. Identical/similar goods valuation methods provided in Sub-Sections (5) & (6) of Section 25 of the Customs Act, 1969 provided some reference values but due to wide variation and suppressed declaration, the same could not be relied upon. In the sequential order, this office then resorted to conduct a market inquiry and, consequently Deductive Value Method under Sub-Section (7) of Section 25 of the Custom Act, 1969, was applied to arrive at the assessable Customs Value of the subject goods, being most appropriate for the purpose. All the information so gathered was evaluated and analyzed for the purpose of determination Custom Values.

6. **Customs Values of Kitchen Range Hood/Chimney Hood/Slim Hood:-** hereinafter specified, shall be assessed to duty/taxes on the Customs values as given below:

Table-A

S. No.	Description of Goods	Types	PCT	Proposed PCT for WeBOC	Origin	Customs Value (C&F) US\$/Unit		
(1)	(2)	(3)	(4)	(5)	(6)	(7)		
						A	B	C
1	Cooking Hood/ Range Hood/ Chimney Hood	Island Hood (Ceiling Mounted)	8414.6000	8414.6000.1000	China	276	215	168
2		Chimney Hood (Wall Mounted)		8414.6000.1100		150	110	40
3		Slim Hood		8414.6000.1200		90	68	32
4		Island Hood (Ceiling Mounted)		8414.6000.1300	Other Origins excluding Europe/ USA/ Japan	303	237	185
5		Chimney Hood (Wall Mounted)		8414.6000.1400		165	121	44
6		Slim Hood		8414.6000.1500		99	75	35
Category-A: Robam / Fotile / Bosch / Nardi / Siemens / NEFF / Hoover.								
Category-B: Tekka / Entive / Tianme / Kitchencare / Dawlance / Haier / Canon.								
Category-C: Techno/ Nasgas / Golden Fuji / High Flame / Super Asia / Ambassador / Carry / Extreme/ Snifz / Expert / Esquire / Hanco / Midas / Admiral / Crown / Glamgas / Frenzi and Other low end brands.								
Note 1: The parts of above referred goods shall not be assessed less than USD 2.0/kg.								
Note 2: If imported in SKD/CKD complete parts should be assessed at 90% of the above determined customs values.								

Table-B

S. No.	Description of Goods	Types	PCT	Proposed PCT for WeBOC	Origin	Customs Value US\$/Unit
1	Cooking Head/ Range Hood/ Chimney	Island Hood (Ceiling Mounted)	8414.6000	8414.6000.1600	Europe/ USA / Japan	350
2		Chimney Hood (Wall Mounted)		8414.6000.1700		190
3		Slim Hood		8414.6000.1800		110
Note 1: The parts of above referred goods shall not be assessed less than USD 3.0/kg.						
Note 2: If imported in SKD/CKD complete parts should be assessed at 90% of the above determined customs values.						

Explanation: The brands mentioned in "Category-A" of Table-A, will be assessed as per value provided in Table-A, if origin is from China/ Other Origins excluding Europe, USA and Japan. The said brands will be assessed as per values provided in Table-B if origin is from Europe, USA and Japan.

6. In cases where declared 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.

7. 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 (4) of Section 25A of the Customs Act, 1969 read with Rule 107(a), Chapter IX, of the Custom Rules, 2001.

8. Revision of the value determined vide this Valuation Ruling: A revision petition may be filed against this Ruling, as provided under Section 25D 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.

9. 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 tables above of this Ruling. PCT 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. 1280/2018, dated 05-04-2018.

(SYED FAWAD ALI SHAH)
DIRECTOR

Copy for information to: -

1. The Member Customs (Policy/Operations), F.B.R, Islamabad.
2. The Director General, Customs Valuation, Custom House, Karachi.
3. The Chief Collector of Customs, (South) Appraisalment, Custom House, Karachi.
4. The Chief Collector of Customs, (South) Enforcement, Custom House, Karachi.
5. The Chief Collector of Customs, (Central), Lahore.
6. The Chief Collector of Customs (North), Islamabad.
7. The Chief Collector of Customs (Enforcement), Custom House, Quetta.
8. The Director General, Intelligence and Investigation-FBR, Islamabad.
9. The Director General, PCA& Internal Audit, Karachi.
10. The Director General, IOCO, Karachi
11. The Director General, Transit Trade, Custom House Karachi
12. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
13. The Director, Transit Trade, Custom House Karachi
14. The Director, Directorate of Customs Valuation, Lahore / Peshawar / Quetta.
15. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs &WEBOC database system.
16. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.