

GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS (VALUATION)
7TH FLOOR, CUSTOM HOUSE KARACHI

The Collectors of Customs, Collectorates of Customs (Appraisement - West) / Appraisement - East / Appraisement - Port Muhammad Bin Qasim / Enforcement / JIAP), 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 / Exports (Port Qasim / Custom House, Karachi) Transit Trade, Karachi.

DETERMINATION OF CUSTOMS VALUES OF RIDE-ON TOYS UNDER SECTION 25-A OF THE
CUSTOMS ACT, 1969

(VALUATION RULING No. 1703/2022)

No. Reg. Mis/01/120079-VIII(B)/IX/1269

Dated: 7th December, 2022

In exercise of the powers conferred under Section 25A of the Customs Act, 1969, the Customs values of Ride on Toys cars/bikes are determined as follows:

Background of the valuation issue: Earlier, the value of Ride on Toys were determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No. 1642/2022 dated 29-04-2022 which was set aside by the Director General of Customs Valuation vide Order-in-Revision No. 68/2022 dated 01-08-2022 with directions to re-determine the customs values of Ride on Toys. Therefore, an exercise has been undertaken by the Directorate to determine the same.

2. Stakeholders' participation in determination of Customs values: Meetings were convened on 25-10-2022 and 24-11 -2022 which were attended by all the relevant stakeholders. The issues pertaining to the valuation of subject goods were deliberated upon in detail in the afore-referred meetings.

3. Analysis / Exercise to done to determine Customs values: The stakeholders requested that they should be given reasonable allowance in the values of Battery operated Ride-on car and bike (CKD Condition). Moreover, they contended that discounts given for parts of Battery operated Ride-on Car/Bike should also be revised. For this purpose, Ninety (90) days' data has also been retrieved and the same has been scrutinized. Subsequently, market inquiry has been conducted and examined in the light of this Directorate's Office Order No. 17/2014 dated 19-03-20 14 and in terms of Section 25(7) of the Customs read with Section 25(9) of the Customs Act, 1969.

4. Method(s) adopted to determine Customs values: Valuation methods specified in Section 25 of the Customs Act, 1969, were duly applied in sequential order to arrive at the Customs values of subject goods. The transaction value method as provided in sub-Section (1) of Section 25 of the Customs Act, 1969, was found inapplicable due to wide variation of values in import data. Moreover, the requisite information under law was not available to arrive at correct/transaction value. Therefore, identical/similar goods value methods provided in Sections 25(5) (6) ibid were examined for applicability to determine Customs values of subject goods. The data provided some references; however, it was found that the same could not be solely relied upon due to absence of absolute demonstrable evidence of quantities and qualities, variation in declaration and specifications. Information available was, hence, found incomplete. In line with statutory sequential order of Section 25 of the Customs Act, 1969, this Directorate conducted market survey under sub-Section (7) of Section 25 of the Customs Act, 1969. Various Wholesale and Retail Markets were checked to observe the actual prices of Ride on Toys. On the basis of available data / information collected and exercise conducted, the values of Ride-on Toys have been determined under sub-Section (5), read with sub-Section (9) of Section 25 of the Customs Act, 1969.

5. Customs values of Ride on Toys: Ride-on Toys hereinafter specified, shall be assessed to duty / taxes at the Customs values as per attached **Annexure-A**.

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. In case of consignments imported by air, the assessing officers shall take into account the difference between air freight and sea freight while applying the Customs values in this Ruling.

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.

8. **Revision of the value determined vide this Valuation Ruling:** If aggrieved, 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 its issuance, 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 the Valuation Ruling, for the given description of goods, are applied by the concerned assessing officers / officials without fail. Any anomaly observed may kindly be brought to the notice of this Directorate immediately. The Customs values determined in this ruling are for the descriptions and specifications as mentioned in Para-6 of this Ruling. HS Codes are mentioned for illustrative purposes so that Valuation Ruling is made accessible to the assessing officers. The assessments shall be finalized on the basis of correct classifications after fulfilling all formalities related to importability or other certifications required thereon.

11. This ruling supersedes Valuation Ruling No. 1642/2022 dated 29-04-2022.

(FAYAZ RASOOL MAKEN)
Director

Copy for information to:-

1. The Member Customs (Operations), Federal Board of Revenue, Islamabad.
2. The Director General, Customs Valuation, Custom House, Karachi.
3. The Chief Collector of Customs, Appraisalment (South), Custom House, Karachi.
4. The Chief Collector of Customs, Enforcement (South), Custom House, Karachi.
5. The Chief Collector of Customs, Appraisalment (Central), Custom House, Lahore.
6. The Chief Collector of Customs, Enforcement (Central), Custom House, Lahore.
7. The Chief Collector of Customs (North), Custom House, Islamabad.
8. The Chief Collector of Customs, Baluchistan, Custom House, Quetta.
9. The Chief Collector of Customs, Khyber Pakhtunkhwa, Custom House, Peshawar.
10. The Director General, Intelligence and Investigation (Customs) FBR, Islamabad.
11. The Director General, PCA & Internal Audit, Karachi.
12. The Director General, IOCO, Karachi.
13. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
14. The Director, Transit Trade, Custom House, Karachi.
15. The Director, Directorate of Customs Valuation, Lahore/Quetta/Peshawar.
16. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system.
17. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
18. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
19. The Karachi Customs Agents Association, Bohri Road, Karachi.
20. The Webmaster, Federal Board of Revenue, Islamabad.
21. Guard File.

Annex-A

**GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI
(Toys)**

Annex-A to Valuation Ruling No: 1703/2022 Dated: 07-02-2022

S. No.	Description of Goods	Category	Specifications	PCT	Proposed PCT for WEBOC	Origins	Customs Values (C&F) US\$/Kg
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

1	Toys	Ride On Toys	Simple Pedal Type/ Push Type	9503.0010	9503.0010.1000	China	2.40
				9503.0090	9503.0090.1000		
				9503.0010	9503.0010.1100	Other Origins	5.00
				9503.0090	9503.0090.1100		
			Simple Pedal Type/ Push Type (Branded)	9503.0010	9503.0010.1200	All Origins	8.00
				9503.0090	9503.0090.1200		
			Swing type	9503.0010	9503.0010.1300	China	11.00
				9503.0090	9503.0090.1300		
				9503.0010	9503.0010.1400	Other Origins	22.00
				9503.0090	9503.0090.1400		
			Swing type (Branded)	9503.0010	9503.0010.1500	All Origins	32.00
				9503.0090	9503.0090.1500		
			Tricycles	9503.0010	9503.0010.1600	China	2.80
				9503.0090	9503.0090.1600		
				9503.0010	9503.0010.1700	Other Origins	5.50
				9503.0090	9503.0090.1700		
			Tricycles (Branded)	9503.0010	9503.0010.1800	All Origins	8.00
				9503.0090	9503.0090.1800		
			Battery Operated/ Electric Scooters	9503.0010	9503.0010.1900	China	4.50
				9503.0090	9503.0090.1900		
				9503.0010	9503.0010.2000	Other Origins	5.10
				9503.0090	9503.0090.2000		
			Battery Operated/ Electric Scooters (Branded)	9503.0010	9503.0010.2100	All Origins	14.00
				9503.0090	9503.0090.2100		
			Battery Operated/ Electric Hover Boards/Self balancing scooter	9503.0010	9503.0010.2200	China	14.00
				9503.0090	9503.0090.2200		
				9503.0010	9503.0010.2300	Other Origins	19.00
				9503.0090	9503.0090.2300		
			Battery Operated/ Electric Hover Boards/Self balancing scooter (Branded)	9503.0010	9503.0010.2400	All Origins	36.00
				9503.0090	9503.0090.2400		
Battery Operated/ Electric Cars	9503.0010	9503.0010.2500	China	4.40			
	9503.0090	9503.0090.2500					
	9503.0010	9503.0010.2600	Other Origins	7.00			
	9503.0090	9503.0090.2600					
Battery Operated/ Electric Cars (Branded)	9503.0010	9503.0010.2700	All Origins	12.00			
	9503.0090	9503.0090.2700					
Battery Operated/ Electric Heavy Bikes	9503.0010	9503.0010.2800	China	30.00			
	9503.0090	9503.0090.2800					
	9503.0010	9503.0010.2900	Other Origins	50.00			
	9503.0090	9503.0090.2900					
Battery Operated/ Electric/Heavy Bikes (Branded)	9503.0010	9503.0010.3000	All Origins	80.00			
	9503.0090	9503.0090.3000					
Battery Operated/ Electric Heavy Cars	9503.0010	9503.0010.3100	China	55.00			
	9503.0090	9503.0090.3100					
	9503.0010	9503.0010.3200	Other Origins	80.00			
	9503.0090	9503.0090.3200					
Battery Operated/ Electric Heavy Cars (Branded)	9503.0010	9503.0010.3300	All Origins	150.00			
	9503.0090	9503.0090.3300					
Bumper Cars	9503.0010	9503.0010.3400	China	30.00			
	9503.0090	9503.0090.3400					
	9503.0010	9503.0010.3500	Other Origins	50.00			

			9503.0090	9503.0090.3500		
		Battery Operated Ride-on Car/Bike Body only	9503.0010 9503.0090	9503.0010.3600 9503.0090.3600	Respective origins	70% of complete unit value
		Battery Operated Ride-on Car/Bike Body with seat	9503.0010 9503.0090	9503.0010.3700 9503.0090.3700	Respective origins	75% of complete unit value
		Battery Operated Ride-on Car/Bike Body with seats and wheels	9503.0010 9503.0090	9503.0010.3800 9503.0090.3800	Respective origins	80% of complete unit value
		Battery Operated Ride-on Car/Bike Body with seats wheels and steering wheel	9503.0010 9503.0090	9503.0010.3900 9503.0090.3900	Respective origins	85% of complete unit value
		Battery Operated Ride-on Car/Bike (CKD Condition)	9503.0010 9503.0090	9503.0010.4000 9503.0090.4000	Respective origins	90% of complete unit value

Note: The clearance Collectorate are advised to classify parts imported in other than CKD condition accordingly PCT Code specified in column 5 of the table above.