



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

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**The Collectors of Customs**, Collectorates of Customs (Appraisement West)/ Appraisement - East / SAPT / Appraisement - Port Muhammad Bin Qasim / Enforcement, Karachi / Hyderabad/ -(Appraisement Enforcement), Quetta/Gawadar/Khuzdar, (Appraisement/ Enforcement/ AIIA), (Appraisement – East West), Lahore, Faisalabad/ Appraisement, Sargodha/ Enforcement, 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 Motorcycle Parts**  
**under Section 25-A of the Customs Act, 1969**

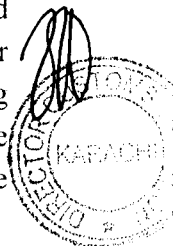
**(VALUATION RULING NO. 1855 / 2024)**

No.Misc/31/2007-VIII/166

Dated: 22-02-2024

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

2. **Background of the valuation issue:** Earlier, customs values were determined and notified vide Valuation Ruling No.1422/2019 dated 02-11-2019. A representation was received from the Pakistan Motorcycle Spare Parts Importers & Dealers Association (MSPIDA) for redetermination of custom values of Replacement auto parts. Moreover, the Valuation Ruling was more than 4 years old and prices of the said goods have considerably changed in the international market. Therefore, an exercise has been undertaken by the Directorate to determine the same.
3. **Stakeholders' participation in determination of Customs values:** Meetings were convened on 04-05-2023, 01-06-2023 and 12-02-2024, 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 meeting.
4. **Analysis / Exercise done to determine Customs values:** During the meeting, importers argued that the market prices of Motorcycle Parts are much lower than the Customs Values determined in the previous Valuation Ruling which has also been set aside by the Appellate Tribunal. Representatives of All Pakistan Motorcycle Spare Parts Importers & Dealers Association (MSPIDA) claimed that in the previous Valuation Ruling the values were fixed very high without giving any reason. Resultantly, 40% of the Motorcycle parts in the market are being smuggled. They requested to reduce the prices of the said items in order to enhance the government revenue and to create a fair competition in the market. M/s. Honda Atlas requested to rationalize the values of spark plugs as they have to pay higher duties and taxes just because the values in the Valuation Ruling of China origin spark plugs are higher. To undertake a comprehensive exercise / analysis, ninety (90) days' data has been retrieved, along-with the data

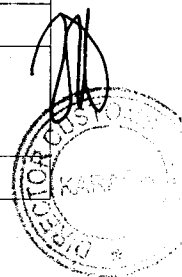


/ trends of import under Afghan Transit trade, and the same have been scrutinized. After a thorough analysis, it is reflected that the import of motorcycle parts through Afghan Transit trade has increased to Rs. 380 million (in 2022-23) as compared to Rs. 35 million (in 2021-22). In addition, market inquiry has been conducted and examined in the light of this Directorate's Office Order No.17/2014 dated 19-03-2014 and in terms of Section 25(7) of the Customs read with Section 25(9) of the Customs Act, 1969.

5. **Method (s) adopted to determine Customs values:** Valuation methods specified in Section 25 of the Customs Act, 1969, are duly considered 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 absence of information as required under sub-section (2) of Section 25 of Customs Act, 1969. Therefore, identical goods value method provided in Section 25(5) was examined for applicability to determine Customs values of subject goods. However, it was found that the same could not be solely relied upon due to absence of absolute demonstrable evidences of quantities and qualities. Information available was, hence, found incomplete. Subsequently, similar goods value method provided in Section 25(6) was also examined for applicability to determine Customs values of subject goods and was not considered (for application) due to afore-stated reasons. Moreover, Declared Values (DV) of similar goods had showed consistent variations. Hence, this method was also found inapplicable. Market enquiry as envisaged under Sub section (7) of Section 25 of the Customs Act, 1969 was also conducted but did not yield tangible results because of variation in market prices. In line with statutory sequential order of section 25, Computed value method, as provided in Section 25(8) of the Customs Act, 1969 was examined, but the same also could not be applied as the conversion cost from the constituent materials and allied expenses, in the country of export, were not available for manufacturing of Auto parts. Finally, the Customs values of the subject goods have been determined under Section 25(9) read with Section 25(7) and Customs Rule 121(2) of Customs Rules, 2001 which provides that the methods of valuation, to be employed under sub-section (9) of section 25 of the Act may be inclusive of those laid down in sub-sections (1), (5), (6), (7) and (8) of the said section, but a reasonable flexibility in the application of such methods would be in conformity with the aims and provisions of sub-section (9) of that section.

6. **Customs Values for Motorcycle Auto Parts:** All Origins Motorcycle Parts *hereinafter specified* shall be assessed to duty / taxes at following Customs Values:

S. No.	Description of Goods	H.S Code	Proposed PCT for WeBOC	Origin	Customs Values (C&F) US\$ OEM Brands (Genuine Parts)	Customs Values (C&F) US\$ Commercial Brands (Non-Genuine Parts)
1	2	3	4	5	6	7
1.	Cylinder Head Cover (Front & Rear)	8409.9110	8409.9110.1000	China	6.00 / Kg	4.00 / Kg
2.	Ring For Piston	8409.9130	8409.9130.1000	China	10.00 / Kg	5.00 / Kg



3.	Carburetor	8409.9140	8409.914.1100	China	9.00 / Kg	3.20 / Kg
4.	Crank Case (Right & Left)	8409.9110	8409.9110.1100	China	5.95 / Kg	4.25 / Kg
5.	Crank Case Cover (Right & Left)	8409.9110	8409.9110.1200	China	5.46 / Kg	4.00 / Kg
6.	C.D.I. Unit	8711.2010	8711.2010.1000	China	0.82 / Pc	0.24 / Pc
7.	Spring Cam Chain	7320.9090	7320.9090.1100	China	0.017 / Pc	0.015 / Pc
8.	Spring Valve Inner	7320.9090	7320.9090.1200	China	0.034 / Pc	0.03 / Pc
9.	Rectifier Regulator	8714.1020	8714.1020.1000	China	1.16 / Pc	0.39 / Pc
10.	Piston	8409.9110	8409.9110.1300	China	5.00 / Kg	2.25 / Kg
11.	Hub (Front)	8714.1020	8714.1020.1100	China	3.11 / Pc	2.45 / Pc
12.	Hub (Rear)	8714.1020	8714.1020.1100	China	3.92 / Pc	3.00 / Pc
13.	Valve Inlet/Exhaust	8409.9130	8409.9130.1100	China	8.00 / Kg	2.25 / Kg
14.	Cylinder Head	8301.2010	8301.2010.1200	China	5.51 / Kg	2.55 / Kg
15.	Key Lock Set	8714.1090	8714.1090.1000	China	0.42 / Set	0.26 / Set
16.	Drum Gear Shift	8714.1020	8714.1020.1200	China	1.30 / Pc	1.00 / Pc
17.	Shock Absorber (Front) (2Pcs/Set)	8714.1020	8714.1020.1300	China	7.44 / 2 Pc Set	6.15 / 2 Pc Set
18.	Shock Absorber (Rear) (2Pcs/Set)	8714.1020	8714.1020.1300	China	6.26 / 2 Pc Set	5.25 / 2 Pc Set
19.	Clutch Housing Assembly	8714.1020	8714.1020.1400	China	3.70 / Pc	2.20 / Pc
20.	Crank Shaft Assembly	8483.1012	8483.1012.1000	China	4.70 / Set	3.60 / Set
21.	Magneto	8511.2010	8511.201.1000	China	6.82 / Pc	2.95 / Pc
22.	Main Shaft only / Counter Shaft only	8483.1012	8483.1012.1200	China	1.01 / Pc	0.37 / Pc
23.	Wire Harness	8544.3011	8544.3011.1000	China	2.63 / Kg	2.05 / Kg
24.	Gear Main Shaft / Gear Counter Shaft	8483.1012	8483.1012.1500	China	0.44 / Pc	0.32 / Pc
25.	Spring Gear Shift Return	7320.9090	7320.909.1300	China	0.035 / Pc	0.03 / Pc
26.	Cam Chain	7315.1110	7315.1110.1000	China	1.50 / Kg	1.30 / Kg
27.	Spring Valve Outer	7320.9090	7320.9090.1400	China	0.044 / Pc	0.03 / Pc
28.	Bolt B- Cylinder Stud	7318.1590	7318.1590.1400	China	1.80 / Kg	1.60 / Kg
29.	Brake Shoe (Set of 2PC)	8714.1020	8714.1020.1600	China	0.44 / 2 Pc Set	0.34 / 2 Pc Set
30.	Cylinder Body	8409.9110	8409.9110.1400	China	1.50 / Kg	1.25 / Kg
31.	Ignition Coil	8511.3010	8511.3010.1000	China	0.70 / Pc	0.33 / Pc
32.	Spindle Gear Shaft	8483.1012	8483.1012.1600	China	0.32 / Pc	0.27 / Pc
33.	Roller Chain	7315.1110	7315.1110.1100	China	1.75 / Kg	1.25 / Kg
34.	Chain Kit (Chain With Sprocket Set)	8714.1090	8714.1090.1300	China	2.50 / Set	1.75 / Set
35.	Spark Plug	8511.1000	8511.1000.1000	China	0.30 / Pc	0.15 / Pc

36.	Spokes With Nipples (Un-Chromed)	8714.1020	8714.1020.1800	China	2.55 / Gross	2.10 / Gross
37.	Axle (Front Wheel)	8714.1020	8714.1020.1900	China	0.49 / Pc	0.38 / Pc
38.	Axle (Centre Pivot)	8714.1020	8714.1020.1900	China	0.54 / Pc	0.42 / Pc
39.	Axle (Rear Wheel)	8714.1020	8714.1020.1900	China	0.67 / Pc	0.52 / Pc
40.	Gear Lever (Gear Shift Pedal)	8714.1020	8714.1020.2000	China	0.47 / Pc	0.36 / Pc
41.	Hub Rubber / Drum Rubber (4PC Set)	8714.1090	8714.1090.1400	China	0.25 / 4 Pc Set	0.18 / 4 Pc Set
42.	Sprocket Panel (Buffer Body)	8714.1090	8714.1090.1500	China	1.07 / Pc	0.57 / Pc
43.	Clutch Boss (Outer Clutch)	8714.1090	8714.1090.1600	China	0.86 / Pc	0.45 / Pc
44.	Drive Plate	8714.1090	8714.1090.1700	China	0.94 / Pc	0.68 / Pc
45.	Brake Cam & Lever Shaft (Rear & Front)	8714.1020	8714.1020.2100	China	0.39 / Set	0.28 / Set
46.	Transmission Complete Assembly	8483.9030	8483.9030.1000	China	1.85 / Kg	1.45 / Kg

7. 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.

8. **Validity of this Valuation Ruling:** This Ruling, containing the Customs values for assessment of subject imported goods, shall be applicable until and unless the same are rescinded or revised by the competent authority in terms of sub-Section (4) of Section 25A of the Customs Act, 1969.

9. **Revision of the values 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, 7<sup>th</sup> Floor, Custom House, Karachi.

10. 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. 1422/2019 dated 02-11-2019*.



(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 Director, 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 Group, Bohri Road, Karachi.
- 20) The Webmaster, Federal Board of Revenue, Islamabad.
- 21) Guard File.