



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
7<sup>TH</sup> FLOOR, CUSTOM HOUSE  
KARACHI  
Phone: 021-99214144  
\*\*\*\*\*

C. No. Misc/25/2013-VII/802

Dated: 25-07-2025

VALUATION RULING NO. 2015/2025

1. This ruling supersedes Valuation Ruling No. 1913/2024 dated 05-11-2024.
2. This Ruling shall be applicable until the same is rescinded or revised in terms of sub-section (4) of Section 25A of the Customs Act, 1969.
3. The revision petition against this Valuation Ruling can be filed under Section 25D of the Customs Act, 1969, within 30 days before the Director General, Customs Valuation.
4. The values in Valuation Ruling shall be treated as minimum benchmark values and shall be applicable to the given description and specification of goods.

Subject: **DETERMINATION OF CUSTOMS VALUE OF SOLAR INVERTERS  
UNDER SECTION 25A OF THE CUSTOMS ACT, 1969.**

1.	Valuation Ruling	This Valuation Ruling supersedes Valuation Ruling No. 1913/2024 dated 05-11-2024.
2.	Date of meeting with stakeholders	The meeting with relevant stakeholders was conducted on 03.06.2024.

3. **Background of the Issue:** The customs values of solar inverters were previously determined under Section 25-A of the Customs Act, 1969, vide Valuation Ruling No. 1913/2024 dated 05.11.2024. This ruling was subsequently challenged under Section 25-D of the Act before the Director General of Customs Valuation, Karachi. In response, the Director General issued Order-in-Revision No. 08/2025 dated 04.02.2025, directing a re-evaluation of the determined values and recommending a further subdivision of the categories (capacities) outlined in the impugned ruling. Accordingly, the Directorate of Customs Valuation initiated a re-determination exercise in line with the provisions of Section 25-A of the Customs Act, 1969.

4. **Analysis to determine Customs Values:** The importers contended that the customs values assigned to solar inverters under the disputed Valuation Ruling were excessively high and warranted revision. They further proposed that the categorization of inverters be refined by introducing sub-divisions based on their respective capacities to better reflect market dynamics. In response, the Director of Valuation instructed the stakeholders to furnish relevant documentary evidence—including export Goods Declarations (GDs), Letters of Credit (LCs), and other banking instruments—to substantiate their claims. Additionally, concerns were raised regarding definitional ambiguities related to 'off-grid inverters'. These issues were deliberated upon in detail, leading to a clarification of the distinctions between Hybrid, On-Grid, and Off-Grid solar inverter types:

- a. **Hybrid Inverters:** A hybrid solar inverter is an inverter that can integrate Solar PV power, battery storage and the electrical grid connectivity. This allows solar energy to be used directly, stored for later use, or fed back into the grid (if in excess). As such, generally hybrid inverters contain a separate terminal for feeding excess power into grid.

b. **On-Grid Inverters:** An on-grid solar inverter converts solar power for direct use in the public electricity grid without battery storage (No battery connection ports). This type of inverter operates only when connected to the grid and will enter stand-by mode if a grid failure is detected.

c. **Off-Grid Inverters:** An off-grid inverter can function from the power of solar energy (PV Modules), battery storage, and AC/Grid/Genset connectivity through its input ports. Such units can use solar PV power, battery storage, and AC input power. Such units are specially suited where grid power is unstable or if there is no need to feed the surplus solar PV power to the grid (No net metering function). Automatically switches (by pass the household load) to AC or generator power when solar/battery storage is unavailable. As such the presence of AC input does not make it an hybrid inverter.

5. **Method (s) adopted to determine Customs values:** To determine the transaction values of the subject goods, the valuation methods prescribed under Section 25 of the Customs Act, 1969 were applied sequentially. The Transaction Value Method, as provided under sub-section (1) of Section 25, was found inapplicable since the declared values did not align with prevailing market prices. Similarly, the methods based on the values of identical and similar goods under sub-sections (5) and (6) could not be exclusively relied upon due to the lack of verifiable evidence regarding the commercial level, quality, and quantity of the goods. Consequently, the Deductive Value Method, as outlined in sub-section (7) of Section 25, was employed to determine the customs values. In accordance with the procedure specified in Office Order No. 17/2014 dated 19.03.2014, a market inquiry was conducted. However, it could only yield results to some extent because of variations 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. Finally, the Customs values of the subject goods have been determined under Section 25(9), read with Section 25(7), of the Customs Act, 1969 and rule 121 of Customs Rules, 2001.

6. **Customs values for Solar Inverters** - In light of above, the customs values of Solar Inverters are determined and *hereinafter specified* shall be the customs value for assessment of duty / taxes given against them in the Table below: -

**Table-A Hybrid Solar Inverters**



S.No	Description of goods	PCT	Proposed PCT for WeBOC	Origin	Customs Values (C&F) USS/KW	
					Category A	Category B
1	2	3	4	5	6 (A)	6 (B)
1	Hybrid Solar Inverters upto 03KW		8504.4090.1000	China	110	80
2	Hybrid Solar Inverters (Above 03 KW and up to 05 KW)		8504.4090.1100	China	100	65
3	Hybrid Solar Inverters (Above 05 KW and up to 08 KW)		8504.4090.1200	China	90	55
4	Hybrid Solar Inverters (Above 08 KW and up to 12 KW)		8504.4090.1300	China	85	51
5	Hybrid Solar Inverters (Above 12 KW and up to 15 KW)		8504.4090.1400	China	80	49
6	Hybrid Solar Inverters (Above 15 KW and up to 20 KW)		8504.4090.1500	China	75	47
7	Hybrid Solar Inverters (Above 20 KW and up to 29 KW)		8504.4090.1600	China	70	45
8	Hybrid Solar Inverters (Above 29 KW and up to 40 KW)		8504.4090.1700	China	65	43
9	Hybrid Solar Inverters (Above 40 KW)		8504.4090.1800	China	60	41

**Table-B On-Grid/ Grid Tied Solar Inverters**

S. No	Description of goods	PCT	Proposed PCT for WeBOC	Origin	Customs Values (C&F) US\$ / KW	
1	2	3	4	5	Category A	Category B
1	On-Grid/ Grid Tied Solar Inverters upto 5KW	8504.4090	8504.4090.1900	China	80	60
2	On-Grid/ Grid Tied Solar Inverters (Above 5 KW and up to 9 KW)		8504.4090.2000	China	60	50
3	On-Grid/ Grid Tied Solar Inverters (Above 9 KW and up to 15 KW)		8504.4090.2100	China	50	40
4	On-Grid/ Grid Tied Solar Inverters (Above 15 KW and up to 20 KW)		8504.4090.2200	China	45	35
5	On-Grid/ Grid Tied Solar Inverters (Above 20 KW and up to 40 KW)		8504.4090.2300	China	35	30
6	On-Grid/ Grid Tied Solar Inverters (Above 40 KW and up to 75 KW)		8504.4090.2400	China	30	25
7	On-Grid/ Grid Tied Solar Inverters (Above 75 KW and up to 100 KW)		8504.4090.2500	China	25	20
8	On-Grid/ Grid Tied Solar Inverters (Above 100 KW and up to 150 KW)		8504.4090.2600	China	22	18
9	On-Grid/ Grid Tied Solar Inverters (Above 150 KW and up to 200 KW)		8504.4090.2700	China	20	16
10	On-Grid/ Grid Tied Solar Inverters (Above 200 KW and up to 250 KW)		8504.4090.2800	China	18	14
11	On-Grid/ Grid Tied Solar Inverters (Above 250 KW)		8504.4090.2900	China	15	12

**Table-C Off-Grid Solar Inverters**

S. No	Description of goods	PCT	Proposed PCT for WeBOC	Origin	Customs Values (C&F) US\$ / KW	
1	2	3	4	5	Category A	Category B
1	Off-Grid Solar Inverters up to 03 KW	8504.4090	8504.4090.1900	China	75	56
2	Off-Grid Solar Inverters (Above 03 KW and up to 05 KW)		8504.4090.2000	China	70	46
3	Off-Grid Solar Inverters (Above 05 KW)		8504.4090.2100	China	62	36

**Note 1:** The values mentioned at Column 6(A) in the above tables are for brands that are recognized as manufacturers of solar inverters classified as TIER-1 companies / internationally or nationally established companies (source: Wood Mackenzie) and includes: Huawei, Inverex, Goodwe, Growatt, Solis, Sungrow, Fronius, Solax, Sineng, ABB, SMA and others. These brands import Ingress Protection (IP 65 and IP 66) Solar Inverters and if other brands import IP 65 and IP 66 hybrid Solar Inverters, values mentioned in Column 6(A) shall also apply on these goods.

**Note 2:** Values mentioned at Column 6(B) are for other brands, not covered under at Note-1 above.

**Note 3:** Generally Off-Grid solar inverters above 06 KWs are not imported. Besides, in case of any further ambiguity regarding the description of above-mentioned goods (Table: A, B & C), the clearance Collectorate may refer to the manufacturer's website and/or get it tested from reputable labs such as NED or UET.

\*\*Note-1, Note-2 and Note-3 are applicable on Table A, B & C.

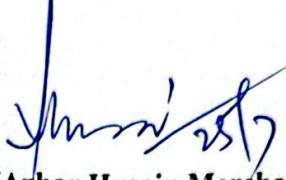
7. In cases, where declared values or values in invoice retrieved from the consignment, as the case may be, are higher than the customs values determined in this valuation ruling,

the assessment shall be made on higher values in terms of sub-section (1) of Section 25 of the Customs Act, 1969.

8. In case of consignments imported by air, the difference between air freight and sea freight shall be added for the assessment of value.

9. The VR shall be applicable for the descriptions and specifications of goods as mentioned in the aforementioned table. HS Codes are mentioned for illustrative purposes.

10. The Collectorates of customs shall ensure the implementation of VR and in case of any anomaly may be brought to the notice of this Directorate immediately.



(Azhar Husain Merchant)  
Director

Copy for necessary action and implementation:

The Collectors / Directors of Customs, Collectorates / Directorates of Customs (Appraisement-West / East / SAPT / PMBQ / JIAP / Enforcement), Karachi / Hyderabad / (Appraisement / Enforcement / Ports), Quetta / Gwadar / Khuzdar (Appraisement / Enforcement / AIIA), (Appraisement-East / West, Lahore / Faisalabad Appraisement / Enforcement, Sargodha / Enforcement & Appraisement, Sambrail (Sialkot) / Enforcement, Multan / Islamabad / Gilgit-Baltistan / (Appraisement/ Enforcement), Peshawar / Enforcement, Dera Ismail Khan / Exports (Port Qasim/Custom House, Karachi) / Transit Trade, Karachi.

Copy for information:

- 1) The Member Customs (Operations), F.B.R., Islamabad.
- 2) The Director General, Customs Valuation, Custom House, Karachi.
- 3) All Chief Collectors / Director Generals of Customs, Karachi / Lahore / Islamabad / Quetta / Peshawar.
- 4) All Collectors / Directors of Customs, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
- 5) The Director, Directorate of Customs Valuation, Lahore / Quetta / Peshawar.
- 6) The Deputy Director (MIS), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WEBOC database system.
- 7) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 8) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 9) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 10) The Webmaster, Federal Board of Revenue, Islamabad.
- 11) Guard File.