

Customs value of TMS ductless ACs revised

Directorate General Customs Valuation (DGCV) has revised the Customs values of Tropical Multi System/Ductless air conditioners under section 25(9) of the Customs Act, 1969. According to the revised valuation, the Customs values of air conditioners were earlier determined, under section 25A of the Customs Act 1969 vide valuation ruling 1053/2017 in February 2017.

However, several importers have filed revision petitions under section 25-D of the Customs Act, 1969 before the DGCV. Therefore, the Director General has directed that Customs values for window type and Tropical Multi System/Ductless air conditioners should be re-determined and notified within three weeks of the issuance of the revision order.

Therefore, the directorate has initiated an exercise for determination of Customs values of all types of Tropical Multi System/ Ductless/Chiller type air conditioners.

For the purpose, stakeholders were called for meeting on June 6, 2017 and importers were requested to furnish all relevant documents before or during revision proceedings.

During meeting, the stakeholders said that values, which were recently determined, were much higher than the actual values and showed market quotations taken by department.

They also stated that the value of MPS air conditioners was not higher than split type air conditioners and presented clearance data wherein they were clearing goods at much lower values (13\$/KW) before the issuance of valuation ruling No 1053/2017.

After applying all methods, the department has conducted market survey as envisaged under section 25(7) of the Customs Act, 1969. All gathered information was evaluated and analyzed for determination of Customs values. Consequently, the Customs values of different types of Tropical Multi System/ Ductless air conditioners have been determined under section 25(9) of the Customs Act 1969.

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