

The Collectors of Customs, Model Customs Collectorates, Appraisement (East / West)/ Port Qasim / Preventive, Karachi / Lahore (Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad /Hyderabad/ Quetta / Peshawar/ Gawadar/ Gilgit-Baltistan, Exports (Karachi/Port Qasim).

DETERMINATION OF CUSTOMS VALUES OF GYPSUM BOARD, GYPSUM TILE AND FIBER CEMENT BOARD UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO. 1131 / 2017)

No.Misc/13/2010-V

11080

Dated: 17.04. 2017

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Gypsum Board, Gypsum Tile and Fiber Cement Board are determined as follows: -

2. **Background of the valuation issue:** Customs values of Gypsum Board, Gypsum Tile and Fiber Cement Board were determined vide Valuation Ruling No.951/2016, dated 13-10-2016. It was deemed expedient to revise the Valuation Ruling in order to make it reflective of current prices prevailing in the international market. Hence, an exercise was conducted to determine customs values of subject goods afresh.

3. **Stakeholders' participation in determination of Customs values:** Stakeholders meeting was held on 05-04-2017 & 11-04-2017. The importers were also requested to furnish the following documents: -

- (i) Invoices of imports made 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.



4. The some importers of Gypsum Board, Gypsum Tile and Fiber Cement Board appeared for meeting 11-04-2017 and contended that there was no change in the international market only few sales tax invoices were submitted by manufacturers M/s DFB Gypsum

5. **Method Adapted to Determine Customs Values:** Valuation methods provided in Section 25 of the Customs Act, 1969 were duly followed and applied sequentially to address the valuation issue at hand. Transaction value method provided in Sub-Section (1) of Section 25 was found inapplicable because the requisite information under the law was not available to arrive at the correct transaction value. Furthermore, no invoices found from inside import-containers are reported by clearance Collectorates. Identical / similar goods value method provided in Sub-Sections (5) & (6) of Section 25 ibid were examined for applicability to determine Customs value of subject goods, this data provided some references, however, it was found that the same cannot be solely relied upon due to the absence of absolute

demonstrable evidence of qualities, and quantities of commercial level etc., and also it was observed that same importers provide misleading description while declaring goods, as other types and varieties of similar goods to avoid the application of valuation ruling. Information available was, hence, found inappropriate. In line with the statutory sequential order of Section 25, this office then conducted a market inquiry using Deductive Value Method under Sub-Section (7) of the Section 25 of the Customs Act, 1969, however, it was found that the determination of Customs value could not be based solely upon this method either. Therefore, valuation method provided vide Section 25 (8) of Customs Act 1969, could not be applied as the conversion cost from constituent materials and allied expenses, at country of export were are not available. Finally, Pral database, market information and international prices through Web were examined thoroughly. All the information so gathered was analyzed for determination of Customs Value of the subject good. Consequently, the Fall Back Method as provided under section 25(9) of the Customs Act, 1969 was applied to arrive at assessable customs values of gypsum board, gypsum tile and fiber cement board.

6. **Customs values for Gypsum Board, Gypsum Tile and Fiber Cement Board hereinafter specified** shall be assessed to duty / taxes at the following Customs Values :-

S.No.	Description of goods	Specifications of goods	H.S Code	Proposed PCT for WeBOC	Origin	Customs Values C & F (US\$/Kg)
1	Gypsum Board	Standard	6809.1100	6809.1100.1000	China/Thailand	0.23
			6809.1100	6809.1100.1100	Middle East	0.26
			6809.1100	6809.1100.1200	Other origins	0.29
		Moisture Resistance (MR)	6809.1100	6809.1100.1300	China/Thailand	0.35
			6809.1100	6809.1100.1400	Middle East	0.38
			6809.1100	6809.1100.1500	Other origins	0.41
		Fire Resistance (FR)	6809.1100	6809.1100.1600	China/Thailand	0.37
			6809.1100	6809.1100.1700	Middle East	0.40
			6809.1100	6809.1100.1800	Other origins	0.43
2	Gypsum Ceiling Tiles	PVC Laminated in different sizes	6809.1900	6809.1900.1000	China/Thailand	0.31
			6809.1900	6809.1900.1100	Middle East	0.34
			6809.1900	6809.1900.1200	Other origins	0.37
3	Fiber Cement Board	Plain	6811.8200	6811.8200.1000	China/Thailand/India	0.22
			6811.8200	6809.1100.1100	Other origins	0.25

7. In cases where declared/ transaction 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 officer shall take into account the air freight and while applying the Customs values determined in this Ruling.

8. **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 (1) or (3) of Section 25-A of the Customs Act, 1969.

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

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 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 table above of this Ruling. HS 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 Ruling supersedes Valuation Ruling No.951/2016 dated 13-10-2016.**


(Dr. Wasif Ali Memon)
Director

Copy for information to: -

1. Member (Customs), F.B.R., Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi.
3. Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
4. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. Chief Collector of Customs (Central), Lahore.
6. Chief Collector of Customs (North), Islamabad.
7. Director General, Intelligence and Investigation-FBR, Islamabad.
8. Director General, Audit (Customs & Petroleum), 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
09. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General, Internal Audit (Customs), Karachi.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta Peshawar/ Faisalabad.
12. Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system and deleting the Valuation Ruling No.951/2016, dated 13-10-2016.
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
16. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisalment, 1st Floor, Custom House, Karachi.
21. Webmaster, Federal Board of Revenue, Islamabad.
22. Guard File.