



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

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.

Determination of Customs Values of Plain Particle Board and Fiber Door Skins Namely Primered Moulded, Melamine Moulded and Veneered Moulded Under Section 25-A of the Customs Act, 1969.

(VALUATION RULING NO. 1227 / 2017)

No. Misc/03/06-II (4)/III

Dated: November 30, 2017

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, customs values of 'Plain Particle Board' and 'Fiber Door Skins' namely, Primered, Melamined and Veneered Moulded, are determined as follows:-

2. Background of the Valuation Issue: This Directorate General determined the Customs values of Plain Particle Board and Primered, Melamine Coated and Veneered Moulded Fiber Door Skins vide Valuation Ruling No. 1187/2017 dated 19-06-2017. The importers filed Revision Petition under section 25-D of the Customs Act, 1969 against the afore-mentioned Valuation Ruling. The Director General of Customs Valuation vide Order in Revision No. 400/2017 dated 29-09-2017, remanded back the Valuation ruling to the Director Customs Valuation to re-determine the customs values of subject goods under section 25-A of the Customs Act, 1969. This office, therefore, initiated an exercise for determination of customs value of the subject goods.

3. Stakeholders' Participation in Determination of Customs Values: Meetings with stakeholders were held on 09-10-2017 & 06-11-2017. The stakeholders had been requested to furnish the following documents before or during the course of above said meetings:-

- A. Invoices of imports during last three months showing factual value.
- B. Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- C. Copies of Contracts made / LCs opened during the last three months showing the value of item in question.
- D. Copies of Sales Tax Invoices issued during last four months showing the difference in price (excluding duty and taxes) to substantiate their contentions pertaining to value.

4. Numerous stakeholders including importers, local manufacturers, representatives of KCCI & FPCCI and Karachi Timber Merchants Group attended the meetings. Heated discussion took place in the first meeting but requisite documents were not presented substantiating their claims pertaining to transaction values. The stake holders were required to bring evidential data/documents to ascertain customs values. The Association, importers and local manufacturers agreed that they would hold meetings under the auspices of Karachi Chamber of Commerce and Industry, Karachi and come up with propositions on customs values and that Department can verify the authenticity of their values through their own sources. During the second meeting a document was submitted wherein values of different items were proposed and representative of all types of stakeholders including importers, local manufacturers and Karachi Chamber of Commerce and Industry have signed it. However, immediately after the meeting they started claiming that suggested values are not correct transaction values and started hurling allegations against the other stakeholders. Therefore, after the feedback from stakeholders, repeated market surveys were conducted to arrive at customs values. Markets at different times with different teams were surveyed for ascertaining customs values of different types of door skins.

5. Method adopted to determine Customs values: Valuation methods given in Section 25 of the Customs Act, 1969 were followed. Transaction Value Method provided in Section 25 (1) was found inapplicable owing to wide variations in the values being declared to the Customs with



incomplete descriptions and specifications. Identical/Similar Goods Value Methods provided in Section 25(5) & (6) were examined for applicability to the valuation issue in the instant case which provided some reference values of the subject goods but the same could not be exclusively relied on due to wide variation in declared values of subject goods. Thereafter, market enquiries as envisaged under section 25(7) of the Customs Act, 1969, was conducted. All the information so gathered was evaluated and analyzed for the purpose of determination of customs values. Consequently, the Customs values of Plain Particle Board and Primered, Melamine Coated and Veneered Moulded Fiber Door Skins have been determined under Section 25(7) of the Customs Act, 1969.

6. The Customs Values for Plain Particle Board and Fiber Door Skins namely, Primered Moulded, Melamine Moulded and Veneer Moulded hereinafter specified shall be assessed to duty / taxes at the following Customs Values

S. No	Description of goods	PCT	Proposed PCT for WeBOC	Origin	Customs Values (C&F) in US\$/Kg
(1)	(2)	(3)	(4)	(5)	(6)
1.	Plain Particle Board	4410.1100	4410.1100.1000	China, Malaysia, Thailand, Sri Lanka	0.26
			4410.1100.1100	Other origins	0.28
2.	Primered Moulded Fiber Door Skin	4411.9390	4411.9390.1000	China, Malaysia, Thailand, Sri Lanka, Turkey, Romania	0.62
			4411.9390.1100	Other origins	0.68
3.	Melamine Moulded Fiber Door Skin	4411.9390	4411.9390.1200	China, Malaysia, Thailand, Sri Lanka, Turkey, Romania	0.66
			4411.9390.1300	Other origins	0.73
4.	Veneer Moulded Fiber Door Skin	4411.9390	4411.9390.1400	China, Malaysia, Thailand, Sri Lanka, Turkey, Romania	0.90
		4411.9390	4411.9390.1500	Other origins	1.05

7. In cases where declared/transaction values are higher than the Customs values determined in this Ruling, the assessing officers shall apply those transaction values in terms of Sub-Section (1) of Section 25 of the Customs Act, 1969 and the same may be communicated to this Directorate General forthwith. In case of consignments imported by air, the assessing officer shall take into account the element of air freight while assessing the goods.


8. **Validity of this Valuation Ruling:** The values determined vide this ruling shall be the applicable Customs values for assessment of subject imported goods until and unless it is

rescinded or revised by this office in terms of Sub-Sections (1) or (3) of Section 25-A of the Customs Act, 1969 read with rule 107 (a) of the Customs Rules 2001.

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 this 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 this Valuation 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 miss-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.1187/17 dated 19-06-2017.***


(Muhammad Iqbal Muneeb)
Director 30/11/17

Copy for information to: -

1. The Member (Customs), F.B.R., Islamabad.
2. The Director General, Customs Valuation, Custom House, Karachi.
3. The Chief Collector of Customs, South (Appraisement), Custom House, Karachi.
4. The Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. The Chief Collector of Customs (Central), Lahore.
6. The Chief Collector of Customs (North), Islamabad.
7. The Director General, Intelligence and Investigation-FBR, Islamabad.
8. The Director General, Audit (Customs & Petroleum), 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
09. The Director General, Post Clearance Audit (PCA), Islamabad.
10. The Director General, Internal Audit (Customs), Karachi.
11. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
12. The Director, Directorate of Customs Valuation, Custom House, Nabha Road, Lahore.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in WeBOC database system and deleting VR 1187/2017 dated 19-06-2017 .
14. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta, Gujranwala, Faisalabad, Sialkot, Rawalpindi & Peshawar.
16. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. Revision Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. The CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, MCC, Appraisement (East/West), Custom House, Karachi.
21. The Webmaster, Federal Board of Revenue, Constitution Avenue, Islamabad, for uploading on FBR website.
22. Guard File.