



0.323 GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

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

Determination of Customs Values of Medium Density Fiber (MDF) Board
Under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. 1309 / 2018)

No. Misc/01/2007/IIB-III

Dated: July 05, 2018

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of Medium Density Fiber (MDF) Board are determined as follows:-

2. **Background of the valuation issue:** The customs values of Medium Density Fiber (MDF) Board were determined under Section 25-A of the Customs Act, 1969 vide Valuation Ruling No.873/2016 dated 21.06.2016 and revised vide Order in Revision No.218/2016 dated 03-08-2016. Numerous representations were received from importers that as the valuation ruling is very old and the prices have declined internationally, therefore, values may be re-determined in line with current values available in the international market. Therefore, an exercise was initiated in terms of Section 25-A of the Customs Act, 1969 to determine customs values of Medium Density Fiber (MDF) Board afresh.

Stakeholders' Participation in Determination of Customs Values: A number of meetings were held with stakeholders including importers, representatives from Karachi Timber Merchants Group and officers from field formations. The stakeholders were requested to furnish the following documents before or during the course of above said meetings;

- i. Invoices of imports 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 items in question.
- iv. Copies of Sales Tax Invoices issued during last three months showing the difference in price (excluding duty and taxes) to substantiate their contentions.

4. The representatives of M/s Karachi Timber Merchant Group were of the view that the determined values are so high that they can't compete in the market. In this regard, they also submitted their proposals for determination of custom values of MDF board of different origins and specifications. However, the above requisitioned documents were not submitted.

5. **Method adopted to determine customs values:** Valuation methods provided in Section 25 of the Customs Act, 1969 were followed to arrive at customs values of Medium Density Fiber Board (MDF Board). Transaction value method provided in Section 25 (1) was found inapplicable owing to non fulfillment of prescribed requirements and wide variations in



declarations. Identical / similar goods values 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 subject goods but the same could not be exclusively relied on due to certain variations in declared values of subject goods. Thereafter, market enquiries as envisaged under Section 25(7) of the Customs Act, 1969, were conducted. Online prices were also obtained to corroborate the findings of market survey. Consequently, the customs values of the Medium Density Fiber (MDF) Board have been determined under section 25(7) of the Customs Act, 1969.

4. **Customs Values of Medium Density Fiber (MDF) Board *hereinafter specified*** shall be assessed to duty/taxes on the Customs values mentioned against them in the Table below:

TABLE-A

| S.No. | Description of goods | Specifications | PCT Heading | WeBOC PCT | Origin | Custom values(C&F) US\$/ Kg |
|-------|----------------------------|----------------|-------------------------------------|----------------|---|-----------------------------|
| 01 | Medium Density Fiber Board | 2..0 mm to 3mm | 4411.1200 4411.1300 4411.1400 | 4411.1200.1000 | Malaysia, Indonesia, Thailand, Sri Lanka, Vietnam | 0.315 |
| | | | | 4411.1300.1000 | | |
| | | | | 4411.1400.1000 | | |
| | | | | 4411.1200.1100 | China | 0.316 |
| | | | | 4411.1300.1100 | | |
| | | | | 4411.1400.1100 | | |
| | | | | 4411.1200.1200 | Turkey | 0.330 |
| | | | | 4411.1300.1200 | | |
| | | | | 4411.1400.1200 | | |
| | | | | 4411.1200.1300 | New Zealand | 0.336 |
| | | | | 4411.1300.1300 | | |
| | | | | 4411.1400.1300 | | |
| | | | | 4411.1200.1400 | Other Origins | 0.352 |
| | | | | 4411.1300.1400 | | |
| | | | | 4411.1400.1400 | | |
| 2 | Medium Density Fiber Board | 3.01mm to 6mm | 4411.1200 4411.1300 4411.1400 | 4411.1200.1500 | Malaysia, Indonesia, Thailand, Sri Lanka, Vietnam | 0.313 |
| | | | | 4411.1300.1500 | | |
| | | | | 4411.1400.1500 | | |
| | | | | 4411.1200.1600 | China | 0.314 |
| | | | | 4411.1300.1600 | | |
| | | | | 4411.1400.1600 | | |
| | | | | 4411.1200.1700 | Turkey | 0.328 |
| | | | | 4411.1300.1700 | | |
| | | | | 4411.1400.1700 | | |
| | | | | 4411.1200.1800 | New Zealand | 0.334 |
| | | | | 4411.1300.1800 | | |
| | | | | 4411.1400.1800 | | |
| | | | | 4411.1200.1900 | Other Origins | 0.350 |
| | | | | 4411.1300.1900 | | |
| | | | | 4411.1400.1900 | | |





| | | | | | | |
|----|----------------------------|-----------------|-------------------------------------|----------------|---|-------|
| 03 | Medium Density Fiber Board | 6.01mm to 9.9mm | 4411.1200 4411.1300 4411.1400 | 4411.1200.2000 | Malaysia, Indonesia, Thailand, Sri Lanka, Vietnam | 0.311 |
| | | | | 4411.1300.2000 | | |
| | | | | 4411.1400.2000 | | |
| | | | | 4411.1200.2100 | China | 0.312 |
| | | | | 4411.1300.2100 | | |
| | | | | 4411.1400.2100 | | |
| 04 | Medium Density Fiber Board | 10mm to 14mm | 4411.1200 4411.1300 4411.1400 | 4411.1200.2200 | Turkey | 0.326 |
| | | | | 4411.1300.2200 | | |
| | | | | 4411.1400.2200 | | |
| | | | | 4411.1200.2300 | New Zealand | 0.332 |
| | | | | 4411.1300.2300 | | |
| | | | | 4411.1400.2300 | | |
| | | | | 4411.1200.2400 | Other Origins | 0.348 |
| | | | | 4411.1300.2400 | | |
| | | | | 4411.1400.2400 | | |
| | | | | | | |
| 05 | Medium Density Fiber Board | 14.1mm to 19 mm | 4411.1200 4411.1300 4411.1400 | 4411.1200.2500 | Malaysia, Indonesia, Thailand, Sri Lanka, Vietnam | 0.308 |
| | | | | 4411.1300.2500 | | |
| | | | | 4411.1400.2500 | | |
| | | | | 4411.1200.2600 | China | 0.309 |
| | | | | 4411.1300.2600 | | |
| | | | | 4411.1400.2600 | | |
| | | | | 4411.1200.2700 | Turkey | 0.323 |
| | | | | 4411.1300.2700 | | |
| | | | | 4411.1400.2700 | | |
| | | | | 4411.1200.2800 | New Zealand | 0.329 |
| 06 | Medium Density Fiber Board | 19.1mm to 24 mm | 4411.1200 4411.1300 4411.1400 | 4411.1300.2800 | | |
| | | | | 4411.1400.2800 | | |
| | | | | 4411.1200.2900 | Other Origins | 0.345 |
| | | | | 4411.1300.2900 | | |
| | | | | 4411.1400.2900 | | |
| | | | | | | |
| | | | | 4411.1200.3000 | Malaysia, Indonesia, Thailand, Sri Lanka, Vietnam | 0.304 |
| | | | | 4411.1300.3000 | | |
| | | | | 4411.1400.3000 | | |
| | | | | 4411.1200.3100 | China | 0.305 |
| | | | | 4411.1300.3100 | | |
| | | | | 4411.1400.3100 | | |
| | | | | 4411.1200.3200 | Turkey | 0.321 |
| | | | | 4411.1300.3200 | | |
| | | | | 4411.1400.3200 | | |
| | | | | 4411.1200.3300 | New Zealand | 0.327 |
| | | | | 4411.1300.3300 | | |
| | | | | 4411.1400.3300 | | |
| | | | | 4411.1200.3400 | Other Origins | 0.343 |
| | | | | 4411.1300.3400 | | |
| | | | | 4411.1400.3400 | | |
| | | | | | | |
| | | | | 4411.1200.3000 | Malaysia, Indonesia, Thailand, Sri Lanka, Vietnam | 0.301 |
| | | | | 4411.1300.3000 | | |
| | | | | 4411.1400.3000 | | |

| | | | | | | |
|----|----------------------------|----------------|-------------------------------------|--|---|-------|
| | | | | 4411.1200.3100 4411.1300.3100 4411.1400.3100 | China | 0.302 |
| | | | | 4411.1200.3200 4411.1300.3200 4411.1400.3200 | Turkey | 0.319 |
| | | | | 4411.1200.3300 4411.1300.3300 4411.1400.3300 | New Zealand | 0.325 |
| | | | | 4411.1200.3400 4411.1300.3400 4411.1400.3400 | Other Origins | 0.341 |
| 07 | Medium Density Fiber Board | 24.1mm to 30mm | 4411.1200 4411.1300 4411.1400 | 4411.1200.3000 4411.1300.3000 4411.1400.3000 | Malaysia, Indonesia, Thailand, Sri Lanka, Vietnam | 0.300 |
| | | | | 4411.1200.3100 4411.1300.3100 4411.1400.3100 | China | 0.301 |
| | | | | 4411.1200.3200 4411.1300.3200 4411.1400.3200 | Turkey | 0.317 |
| | | | | 4411.1200.3300 4411.1300.3300 4411.1400.3300 | New Zealand | 0.323 |
| | | | | 4411.1200.3400 4411.1300.3400 4411.1400.3400 | Other Origins | 0.339 |

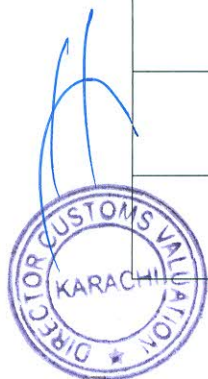
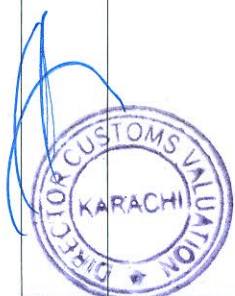


TABLE-B
Value Added Medium Density Fiber(MDF) Board

| S.No | Specifications / Sizes | PCT Heading | WeBOC PCT | Origin | Custom values(C&F) US\$ /Kg | | | | |
|------|------------------------|--|--|---|--------------------------------|---------|----------|----------|----------|
| | | | | | UV | Acrylic | Embossed | Aluminum | Melamine |
| 1 | 2.0mm to 3mm | 4411.1200 4411.1300 4411.1400 4411.9390 | 4411.1200.3500 4411.1300.3500 4411.1400.3500 4411.9390.1000 | Malaysia, Indonesia, Thailand, Sri Lanka, Vietnam | 1.595 | 3.139 | 4.374 | 2.6064 | 0.396 |
| | | | 4411.1200.3600 4411.1300.3600 4411.1400.3600 4411.9390.1100 | China | 1.601 | 3.145 | 4.380 | 2.609 | 0.398 |
| | | | 4411.1200.3700 4411.1300.3700 4411.1400.3700 4411.9390.1200 | Turkey | 1.603 | 3.147 | 4.382 | 2.612 | 0.415 |
| | | | 4411.1200.3800 4411.1300.3800 4411.1400.3800 4411.9390.1300 | New Zealand | 1.605 | 3.149 | 4.385 | 2.614 | 0.423 |
| | | | 4411.1200.3900 4411.1300.3900 4411.1400.3900 4411.9390.1300 | Other Origins | 1.612 | 3.156 | 4.391 | 2.621 | 0.443 |
| | | | | | | | | | |

| | | | | | | | | | |
|---|----------------|-----------|--|---|-------|-------|-------|-------|-------|
| 2 | 3.01 mm to 6mm | 4411.1200 | 4411.1200.4000 | Malaysia, Indonesia, Thailand, Sri Lanka, Vietnam | 1.810 | 2.570 | 4.403 | 2.617 | 0.394 |
| | | 4411.1300 | 4411.1300.4000 | | | | | | |
| | | 4411.1400 | 4411.1400.4000 | | | | | | |
| | | 4411.9390 | 4411.9390.1400 | | | | | | |
| | | | 4411.1200.4100 4411.1300.4100 4411.1400.4100 4411.9390.1500 | China | 1.819 | 2.578 | 4.412 | 2.626 | 0.395 |
| 3 | 6.01mm to 9mm | | 4411.1200.4200 4411.1300.4200 4411.1400.4200 4411.9390.1600 | Turkey | 1.822 | 2.582 | 4.415 | 2.629 | 0.413 |
| | | | 4411.1200.4300 4411.1300.4300 4411.1400.4300 4411.9390.1700 | New Zealand | 1.827 | 2.586 | 4.418 | 2.631 | 0.420 |
| | | | 4411.1200.4400 4411.1300.4400 4411.1400.4400 4411.9390.1800 | Other Origins | 1.837 | 2.596 | 4.430 | 2.644 | 0.441 |
| | | | | | | | | | |
| | | | | | | | | | |
| 4 | 10 mm to 14 mm | 4411.1200 | 4411.1200.4500 | Malaysia, Indonesia, Thailand, Sri Lanka, Vietnam | 1.548 | 2.182 | 2.813 | 1.863 | 0.391 |
| | | 4411.1300 | 4411.1300.4500 | | | | | | |
| | | 4411.1400 | 4411.1400.4500 | | | | | | |
| | | 4411.9390 | 4411.9390.1900 | | | | | | |
| | | | 4411.1200.4600 4411.1300.4600 4411.1400.4600 4411.9390.2000 | China | 1.560 | 2.194 | 2.826 | 1.875 | 0.393 |
| | | | 4411.1200.4700 4411.1300.4700 4411.1400.4700 4411.9390.2100 | Turkey | 1.565 | 2.199 | 2.831 | 1.880 | 0.410 |
| | | | 4411.1200.4800 4411.1300.4800 4411.1400.4800 4411.9390.2200 | New Zealand | 1.569 | 2.200 | 2.835 | 1.890 | 0.418 |
| | | | 4411.1200.4900 4411.1300.4900 4411.1400.4900 4411.9390.2300 | Other Origins | 1.585 | 2.218 | 2.850 | 1.900 | 0.438 |
| | | | | | | | | | |
| | | | | | | | | | |
| | | 4411.1200 | 4411.1200.5000 | Malaysia, Indonesia, Thailand, Sri Lanka, Vietnam | 0.971 | 1.316 | 1.662 | 1.144 | 0.388 |
| | | 4411.1300 | 4411.1300.5000 | | | | | | |
| | | 4411.1400 | 4411.1400.5000 | | | | | | |
| | | 4411.9390 | 4411.9390.2400 | | | | | | |
| | | | 4411.1200.5100 4411.1300.5100 4411.1400.5100 4411.9390.2500 | China | 0.981 | 1.326 | 1.672 | 1.154 | 0.389 |
| | | | 4411.1200.5200 4411.1300.5200 4411.1400.5200 | Turkey | 0.985 | 1.330 | 1.676 | 1.158 | 0.406 |



| | | | | | | | | | |
|---|--------------|--|--|---|-------|-------|-------|-------|-------|
| | | | 4411.9390.2600 | | | | | | |
| | | | 4411.1200.5300 4411.1300.5300 4411.1400.5300 4411.9390.2700 | New Zealand | 0.990 | 1.334 | 1.679 | 1.161 | 0.414 |
| | | | 4411.1200.5400 4411.1300.5400 4411.1400.5400 4411.9390.2800 | Other Origins | 1.001 | 1.349 | 1.692 | 1.174 | 0.434 |
| 5 | 15mm to 25mm | 4411.1200 4411.1300 4411.1400 4411.9390 | 4411.1200.5500 4411.1300.5500 4411.1400.5500 4411.9390.2900 | Malaysia, Indonesia, Thailand, Sri Lanka, Vietnam | 0.894 | 1.060 | 1.049 | 0.764 | 0.383 |
| | | | 4411.1200.5600 4411.1300.5600 4411.1400.5600 4411.9390.3000 | China | 0.904 | 1.070 | 1.059 | 0.774 | 0.385 |
| | | | 4411.1200.5700 4411.1300.5700 4411.1400.5700 4411.9390.3100 | Turkey | 0.907 | 1.073 | 1.062 | 0.777 | 0.404 |
| | | | 4411.1200.5800 4411.1300.5800 4411.1400.5800 4411.9390.3200 | New Zealand | 0.909 | 1.075 | 1.067 | 0.787 | 0.412 |
| | | | 4411.1200.4900 4411.1300.4900 4411.1400.4900 4411.9390.3300 | Other Origins | 0.922 | 1.088 | 1.077 | 0.792 | 0.432 |

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 Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officer shall take into account air freight while applying the Customs values determined in this Ruling.

8. **Validity of 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, 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 Directorate General immediately. Customs values determined the ruling are for the description and specification as mentioned in the table above of this Ruling. HS Codes are mentioned for illustrative purpose 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.

10. ***This Valuation Ruling supersedes Valuation Ruling No.873/2016 dated 21.06.2016***


Muhammad Iqbal Muneeb)

Director

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 (Appraisalment), 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.
9. 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 (Camp Office), Lahore.
13. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system and deleting Valuation Ruling No. 873/2016 dated 21.06.2016 & Order in Revision No.218/2016 dated 03-08-2018.
14. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
16. The Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. The Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. The Karachi Customs Agents Group, Bohri Road, Karachi.
19. The CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisalment, 1st Floor, Custom House, Karachi.
21. Guard File.