



**GOVERNMENT OF PAKISTAN**  
**DIRECTORATE GENERAL OF CUSTOMS VALUATION**  
**CUSTOM HOUSE KARACHI**

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**The Collectors of Customs, Collectorates of Customs (Appraisement West)/ Appraisement - East / SAPT / Appraisement - Port Muhammad Bin Qasim / Enforcement, Karachi / Hyderabad/ -(Appraisement Enforcement), Quetta/Gawadar/Khuzdar, (Appraisement/ Enforcement/ AIIA), (Appraisement – East West), Lahore, Faisalabad/ Appraisement, Sargodha/ Enforcement, Sambrial (Sialkot)/ Enforcement, Multan/ Islamabad/ Gilgit-Baltistan/ (Appraisement/ Enforcement), Peshawar/ Enforcement, Dera Ismail khan, Exports (Port Qasim/Custom House, Karachi)/Transit Trade, Karachi.**

**DETERMINATION OF CUSTOMS VALUES OF KNOB & HANDLE LOCK, DOOR HANDLE LOCK WITH THUMB ACTION LOCK (ENTRANCE LOCK), NIGHT / RIM LOCK (NON-ELECTRIC AND ELECTRIC) OF LOW-END AND UNBRANDED BRANDS AND LOCK PARTS UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969**

**(VALUATION RULING NO. 1860 /2024)**

No.V.KHI/07/Lock.P/-VI/192

Dated: 29.02-2024

In exercise of the powers conferred under Section 25A of the Customs Act, 1969, Customs values of Knob & Handle Lock, Door Handle Lock with Thumb Action Lock (Entrance Lock), Night / Rim Lock (Non-Electric and Electric) are determined as follows:

2. **Background of the valuation issue:** Earlier, Customs values were determined and notified vide Valuation Ruling No.1552/2021 dated 04-10-2021. Representations received from importers of subject goods that international prices of raw material of the goods have gone down drastically since issuance of the afore-referred Valuation Ruling. Moreover, the existing Valuation Ruling was more than two (02) years old and the Customs values determined therein were not reflective of prevailing international market prices. Therefore, an exercise has been undertaken by this Directorate to determine the same.

3. **Stakeholders' participation in determination of Customs values:** Meeting was convened on 22-02-2024, which was attended by all the relevant stakeholders. The issues pertaining to the valuation of subject goods were deliberated upon in detail in the afore-referred meeting.

4. **Analysis / Exercise done to determine Customs values:** During the meeting, importers contended that the market prices of said items have decreased in the international market and the Customs values need a downward revision. For this purpose, an analysis has been undertaken to compare the LME prices of raw materials and freight charges prevailing at the time of issuance of the above-referred Valuation Ruling and the current prevailing price trends / charges which show a significant decrease. For instance, LME prices of Galvanized Prepainted (GP) Steel have decreased from US\$ 1060/MT to US\$ 704/MT currently. Moreover, freight charges are also

decreased from around US\$ 6966/container to US\$ 1600/container from china. Ninety (90) days' data has also been retrieved and the same has been scrutinized. Subsequently, market inquiry has been conducted and examined in the light of this Directorate's Office Order No.17/2014 dated 19-03-2014 and in terms of Section 25(7) of the Customs read with Section 25(9) of the Customs Act, 1969.

5. **Method (s) adopted to determine Customs values:** Valuation methods specified in Section 25 of the Customs Act, 1969, are duly considered in sequential order to arrive at the Customs values of subject goods. The transaction value method as provided in sub-section (1) of Section 25 of the Customs Act, 1969, was found inapplicable due to absence of information as required under sub-section (2) of Section 25 of Customs Act, 1969. Therefore, identical goods value method provided in Section 25(5) was examined for applicability to determine Customs values of subject goods. However, it was found that the same could not be solely relied upon due to absence of absolute demonstrable evidences of quantities and qualities. Information available was, hence, found incomplete. Subsequently, similar goods value method provided in Section 25(6) was also examined for applicability to determine Customs values of subject goods and was not considered (for application) due to afore-stated reasons. Moreover, Declared Values (DV) of similar goods had shown consistent variations. Hence, this method was also found inapplicable. Market enquiry as envisaged under Sub section (7) of Section 25 of the Customs Act, 1969 was also conducted but did not yield tangible results because of variation 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 for manufacturing of Auto parts. Finally, the Customs values of the subject goods have been determined under Section 25(9) read with Section 25(7) and Customs Rule 121(2) of Customs Rules, 2001 which provides that the methods of valuation, to be employed under sub-section (9) of section 25 of the Act may be inclusive of those laid down in sub-sections (1), (5), (6), (7) and (8) of the said section, but a reasonable flexibility in the application of such methods would be in conformity with the aims and provisions of sub-section (9) of that section.

6. **Customs Values for Knob & Handle Lock, Door Handle Lock with Thumb Action Lock (Entrance Lock), Night / Rim Lock (Non-Electric and Electric):** All Origins Knob & Handle Lock, Door Handle Lock with Thumb Action Lock (Entrance Lock), Night / Rim Lock (Non-Electric and Electric) *hereinafter specified* shall be assessed to duty / taxes at following Customs Values:

Sr. No	Description of Goods	PCT	Proposed PCT for WBOC	Origin	Custom Values (C&F) USS/Pc	The overall value of assessed items should not be less than prices mentioned in this column USS/KG
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Knob & Handle Door Lock (Non-	8301.3000 8301.4000	8301.3000.1000 8301.4000.1000	China	1.21	1.90

	Electric) Made of Base Metal		8301.3000.1100 8301.4000.1100	Other Origins	1.69	2.67
2	Main Entrance Door Handle with Thumb Action Lock (Entrance Lock) (Electric)	8301.4000	8301.4000.1200 8301.4000.1300	China Other Origins	5.36 7.50	5.95 8.33
3	Night Latch /Rim Lock (Non-Electric)	8301.4000	8301.4000.1400 8301.4000.1500	China Other Origins	1.17 1.64	1.79 2.50
4	Night Latch /Rim Lock (Electric)	8301.4000	8301.4000.1600 8301.4000.1700	China Other Origins	4.91 6.88	4.04 5.65
Note 1: If the above items are imported in parts/CKD/SKD condition under PCT 8301.6000, 15 % discount on the values given in column 7 may be given.						
Note 2: These values do not cover European origin nor they cover popular brands.						

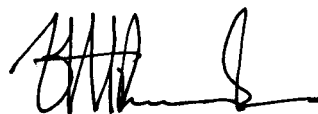
7. In cases, where declared values are higher than the Customs values determined in this Ruling, the assessing officers shall apply those values in terms of sub-Section (1) of Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officers shall take into account the difference between air freight and sea freight while applying the Customs values in this Ruling.

8. **Validity of this Valuation Ruling:** This Ruling, containing the Customs values for assessment of subject imported goods, shall be applicable until and unless the same are rescinded or revised by the competent authority in terms of sub-Section (4) of Section 25A of the Customs Act, 1969.

9. **Revision of the values determined vide this Valuation Ruling:** If aggrieved, a revision petition may be filed against this ruling as provided under Section 25D of the Customs Act, 1969, within 30 days from the date of its issuance, before the Director General, Directorate General of Customs Valuation, 7<sup>th</sup> 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 assessing officers / officials without fail. Any anomaly observed may kindly be brought to the notice of this Directorate immediately. The Customs values determined in this ruling are for the descriptions and specifications as mentioned in Para-6 of this Ruling. HS Codes are mentioned for illustrative purposes so that Valuation Ruling is made accessible to the assessing officers. The assessments shall be finalized on the basis of correct classifications after fulfilling all formalities related to importability or other certifications required thereon.

11. This ruling supersedes *Valuation Ruling No. 1552/2021 dated 04-10-2021*.



**(Fayaz Rasool Maken)**  
**Director**

Copy for information to: -

- 1) The Member Customs (Operations), Federal Board of Revenue, Islamabad.
- 2) The Director General, Customs Valuation, Custom House, Karachi.
- 3) The Chief Collector of Customs, Appraisement (South), Custom House, Karachi.
- 4) The Chief Collector of Customs, Enforcement (South), Custom House, Karachi.
- 5) The Chief Collector of Customs, Appraisement (Central), Custom House, Lahore.
- 6) The Chief Collector of Customs, Enforcement (Central), Custom House, Lahore.
- 7) The Chief Collector of Customs (North), Custom House, Islamabad.
- 8) The Chief Collector of Customs, Baluchistan, Custom House, Quetta.
- 9) The Chief Collector of Customs, Khyber Pakhtunkhwa, Custom House, Peshawar.
- 10) The Director General, Intelligence and Investigation (Customs), FBR, Islamabad.
- 11) The Director General, PCA& Internal Audit, Karachi.
- 12) The Director General, IOCO, Karachi
- 13) The Director, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
- 14) The Director, Transit Trade, Custom House Karachi
- 15) The Director, Directorate of Customs Valuation, Lahore/Quetta/Peshawar.
- 16) The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system.
- 17) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 18) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 19) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 20) The Webmaster, Federal Board of Revenue, Islamabad.
- 21) Guard File.