

GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI

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RULING U/S 25A NO. 220

No. Misc/03/2006-II(4)

Dated 16-02-2010

The Collectors of Customs, Model Customs Collectorates (Appraisement/ PaCCS/ Port Qasim/ Preventive), Karachi/ Lahore/ Sambrial(Sialkot)/ Faisalabad/ Multan/ Islamabad/ Hyderabad/ Quetta/ Peshawar.

Subject : DETERMINATION OF CUSTOMS VALUE OF "DIYAR TIMBER"  
(H.S.CODE # 4403.9900) U/S 25A OF THE CUSTOMS ACT, 1969.

Valuation Ruling in respect of "Diyar Timber" was issued on 15-08-2007. The said ruling was taken up for revision as per prevailing international prices.

2. Data of imports was analyzed which shows that major import of Diyar Timber is cleared at Quetta & Peshawar. Accordingly, Collectorates of Customs, Quetta, Peshawar, Islamabad and Chamber of Commerce & Industry, Quetta & Peshawar were requested to suggest fair value of Diyar Timber. The Collectorate of Customs, Peshawar constituted a Committee comprising of Customs Officers as well as representatives of FATA Chamber of Commerce & Industry which conducted local market survey from different places and according to category and quality of goods, made calculations on work-back method and suggested that value be fixed @ Pak Rs.642/CFT which on conversion in cubic meters comes to Rs.23984/M3. The Collectorate of Customs, Quetta informed that during local market enquiry they have identified two major categories according to quality which can further be sub-divided into three classes each. According to their study local market prices range from Pak Rs.500/Cubic Feet to Rs.900/Cubic Feet for "B" Grade quality and Rs.1000/Cubic Feet to Rs.1800/Cubic Feet for A-Grade quality. They also recommended that prices may be revised downwards to encourage legal import of Diyar Timber. The average prices worked out by Quetta Collectorate are almost equal to the prices recommended by Peshawar Collectorate. Collectorate of Customs, Islamabad informed that no import of Diyar Timber is made through that Collectorate but quoted market prices ranging from Pak Rs.2000/Cubic Feet to Rs.4000/Cubic Feet quality wise and indicated upward trend in the prices.

3. In order to finalize the value, meeting was scheduled on 09-02-2010 which was attended by representatives of Karachi Timber Merchants Group (KTMG) and Karachi Chamber of Commerce & Industry (KCC&I). They were informed of the recommendations forwarded by these Collectorates. After detailed discussion on the issue with regard to quality, sizes, origins, shapes and market selling prices, it was agreed by all the stakeholders that prices forwarded by the Peshawar and Quetta Collectorates @ Rs.665/CFT are acceptable to them.

4. Accordingly, following values of Diyar Timber have been determined on Work Back Method :-

Description of Goods	I.I.S. Code	Origin	Customs Value Per Cubic Feet	Customs Value Per Cubic Meter
(1)	(2)	(3)	(4)	(5)
Diyar Timber	4403.9900	Afghanistan	Rs.665/F3	Rs.23484/M3

(35.315 Cubic Feet = 1 Cubic Meter)

5. Aforesaid values are determined under Section 25A of the Customs Act, 1969. All the Clearance Collectorates are advised to assess the goods as per above Customs Values. These values shall remain valid until revised. However, in the event of invoice value / declared value being higher than the determined value, such higher value shall be applied for assessment purpose.

(MUHAMMAD IBRAHIM VICHIO)  
DIRECTOR

Copy to:-

1. S.A to Chairman, Federal Board of Revenue, Islamabad.
2. Member (Customs), Federal Board of Revenue, Islamabad.
3. Chief Collectors of Customs (North/South), Lahore/Karachi.
4. The Director General of Intelligence Investigation, Islamabad.
5. The Director General of Customs Valuation, Karachi.
6. The Director General of Post Clearance Audit, Islamabad.
7. The Directors of Intelligence Investigation, Karachi/ Lahore/ Islamabad.
8. The Deputy Director (Hqrs.), Directorate General of Customs Valuation, Karachi; for uploading in One Customs & PaCCS database on the date of issue of this ruling.
9. Federation of Pakistan, Chambers of Commerce & Industry, Karachi.
10. Karachi Chamber of Commerce & Industry, Karachi.
11. Karachi Timber Merchants Group (KTMG), Karachi.
12. Karachi Customs Agents Group, Bohri Road, Karachi
13. Guard File.