



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

RULING U/S 25-A NO. 348

No.Reg.Misc/02/2005-II(B)-III

Dated ²⁹06-2011

Note :

- i) The customs value determined under this Valuation Ruling shall be applicable customs value for assessment of the relevant goods until and unless revised or rescinded by the competent authority.
- ii) Review application against this valuation ruling may be filed before the Director-General of Valuation under Section 25D of the Customs Act, 1969, within thirty (30) days from the date of determination of customs value under this ruling.

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 "PRIME MOULDED FIBRE BOARD DOOR SKIN" H.S. CODE NO.4411.9390 U/S 25A OF THE CUSTOMS ACT, 1969.



Value of Door Skin was notified vide earlier Valuation Ruling dated 28-10-2009. Since the issuance of said Valuation Ruling, international prices of Door Skin had registered a change, therefore, in order to revise the earlier ruling by bringing it in line with the prices currently prevailing internationally, exercise was initiated by this Directorate General.

2. In order to bring on board all the stakeholders, meetings on the issue, on 29-11-2011 and 16-05-2011, were held. These meetings were attended by representatives of importers. The representative of the Importers were of the opinion that already notified values are on higher side than the existing international prices and in support of their contention they referred the data of imports from different origins, therefore, they pleaded that at best already issued ruling, needs to be maintained.

3. With the view to verify the contention of the importers, data of Door Skin, from different origins, was analyzed which indicated an abnormal phenomenon of almost, declared values in line with the values determined vide the earlier valuation ruling, despite the fact that imports were being made from different origins and thus declared values were likely to fluctuate from origin to origin at least on the basis of difference in freight from origins or different negotiation margins. This fact alone clearly reveals that the declared values are deliberately being maneuvered to be almost same over a considerable period of time which is against the normal business practices leading for group under invoicing in this item. The data suffering from such obvious infirmities could not be accepted in terms of section 25(1) of the Customs Act, 1969, and due to same analogy cannot serve as a reasonable basis for value determination in terms of valuation methods as prescribed under section 25(5) & (6) of the Customs Act, 1969.

4. However, in order to proceed with the value determination exercise, market inquiry, through independent source was conducted, which reflected abnormal difference on higher side. Proceeding with the valuation methods sequentially, efforts were also made to ascertain the price of subject goods in the country of exports. In this regard Export of major Timber products by Malaysia, were checked from the web-site of Timber Industry Board of that country, which also indicated the prices on higher side, than the earlier valuation ruling. However, since element of fabrication or other processing employed in terms of section 25(8) (a) and the quantum of profit and general expenses under clause (b) of Section 25 (8) of the Act, could not be precisely determined in the countries of export, it was deemed fair not to rely solely on computed valuation method. In view of aforesaid scenario, resort was finally made to the fall back method of valuation and the following Customs value have been determined under fall back method as envisaged under Section 25(9) of the Customs Act, 1969.

S.No.	Description & HS Code 4411.9390	Origin	Custom Value (C&F) US\$ / Kg
(1)	(2)	(3)	(4)
01.	Primed Moulded Fiber Board Door Skin	China, Malaysia, Thailand, Sri Lanka	US\$ 0.532/Kg
		Others	US\$ 0.59/Kg

5. All the Clearance Collectorate are advised to finalize the assessment of subject goods as per above 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 in terms of section 25 of the Customs Act, 1969.


(MUHAMMAD TAHIR)
DIRECTOR

Copy for information to:

- (i) S.A to Chairman, F.B.R., Islamabad.
- (ii) Member (Customs), F.B.R., Islamabad.
- (iii) Chief Collectors of Customs (South/ North), Custom House, Karachi/ Lahore.
- (iv) Director General, Intelligence & Investigation, Islamabad.
- (v) Director General, Post Clearance Audit, Karachi.
- (vi) Director General of Customs Valuation, Karachi.
- (vii) Directors, Intelligence & Investigation, Karachi/ Lahore & Islamabad.
- (viii) The Deputy Director (Hqrs.), Directorate General of Customs Valuation, Karachi, for uploading in Oire Customs & PaCCS database on the date of issue of this Ruling.
- (ix) Hon. General Secretary, Karachi Timber Merchants Group (KTMG), Karachi.
- (x) Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- (xi) Chairman (Valuation Committee), KCC&I, Aiwana-e-Tijarat Road, Karachi.
- (xii) Karachi Customs Agents Group (KCAG), Bohri Road, Karachi.
- (xiii) Guard File.