



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;

- Invoices of imports during last three months showing factual value.
- Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- Copies of Contracts made / LCs opened during the last three months showing the value of items in question.
- 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								



