GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
7TH FLOOR, CUSTOM HOUSE
KARACHI
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No. Misc/31/2007-VIII/28 Dated: 13 -01-2026

VALUATION RULING NO. 2034 /2026

1. This Ruling shall be applicable until the same is rescinded or revised in terms of sub-section (4) of Section 25A of the Customs Act, 1969.

2. The revision petition against this Valuation Ruling can be filed under Section 25D of the Customs Act, 1969, within 30 days before the Director General, Customs Valuation.

Subject: **DETERMINATION OF CUSTOMS VALUE OF MOTORCYCLE PARTS – ROLLER CHAIN, CHAIN KIT (CHAIN WITH SPROCKET SET) & CHAIN PARTS UNDER SECTION 25A OF THE CUSTOMS ACT, 1969.**

1.	Valuation Ruling	This ruling supersedes Valuation Ruling No. 1938/2024 dated 20.12.2024 and 1940/2024 dated 23.12.2024
2.	Date of meetings with stakeholders	The meetings with relevant stakeholders were conducted on 09.12.2025 and 12.12.2025.

Background: The Customs values of Motorcycle Parts – Roller Chain, Chain Kit (Chain with Sprocket Set) and Chain Parts were determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No. No. 1938/2024 dated 20.12.2024 and 1940/2024 dated 23.12.2024. Various stakeholders filed revision petitions before Director General under Section 25D of the Customs Act, 1969. The Director General vide Order-in-Revision No. 19 and 20 of 2025 dated 19.03.2025 remanded back the matter of to the Director for fresh determination of customs values on the basis of constituent material. Accordingly, the Directorate initiated exercise for redetermination of values in accordance with law and rules. The hearing notices to relevant stakeholders were issued and extensive discussion consultation was carried with stakeholders.

2. **Stakeholders' participation in determination of Customs values**: A meeting was conducted to deliberate in detail upon the issues relating to the valuation of the subject goods. During the meeting, the importers contended that the existing valuation ruling reflects values on the higher side when examined in the light of prevailing international prices. They asserted that their declared transaction values are genuine, competitive, and based on actual commercial invoices, and further submitted that the current market conditions do not support the continuation of the existing determined values. On the other hand, the representative of the local manufacturer, namely M/s. Service Industries, maintained that the customs values should be determined on the basis of a cost-based methodology. It was requested that the department may take into account the prices of constituent materials, manufacturing costs, labor charges, utilities, overhead expenses, and reasonable value addition for the determination of customs values of subject goods.

3. **Analysis / Exercise done to determine Customs Values**: The viewpoints of the stakeholders were analyzed, and a detailed examination of import data for the preceding ninety (90) days was conducted, in conjunction with a review of the documentary evidence submitted by both importers and local manufacturers. This comprehensive assessment enabled the development of a supplier-wise database, incorporating transaction values along with detailed

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General Secretary
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specifications of the goods imported into Pakistan. Furthermore, the prices of constituent materials and the extent of value addition were examined, which revealed that the prevailing determined values are at par with the current international prices of the constituent materials. Nevertheless, a detailed exercise based on the constituent materials used in the manufacture of Roller Chain and Chain Kit, together with appropriate value addition, have been considered in the light of the relevant Order-in-Revision and duly taken into account.

4. **Method(s) adopted to determine Customs values:** The valuation methods prescribed under Section 25 of the Customs Act, 1969 were applied in a sequential manner in accordance with the law. Initially, the transaction value method under sub-section (1) was examined; however, it was found inapplicable due to significant variations in the declared values, which were not in conformity with prices reflected in relevant international publications. Moreover, the documentary evidence required under sub-section (2) was either incomplete or inconsistent, thereby rendering the declared transaction values unreliable. Subsequently, the valuation methods based on identical and similar goods, as provided under sub-sections (5) and (6), were considered. Although certain import data of finished goods was available, it could not be solely relied upon owing to variation in declared values and concerns of group under invoicing. Thereafter, a market enquiry, as envisaged under sub-section (7) of Section 25 of the Customs Act, 1969, was conducted. However, the enquiry revealed price fluctuations attributable to variations in specifications and other related factors. Thereafter, the computed value method under sub-section (8) was also examined, including value addition as pointed out by the participants. In addition, international publication prices of constituent materials were gathered, analyzed, and taken into account. However, the manufacturing cost data of the exporting country was neither provided by the importers nor available from verifiable online sources, restricting the application of this method. Finally, on the basis of a comprehensive evaluation of import data, market enquiry, findings and international price trends, the customs values of items mentioned at S.Nos. 1 and 2 have been determined under sub-section (9) read with sub-section (7) and S.No. 3 with sub-section (6) of the Section 25 of the Customs Act, 1969. This methodology ensures that the valuation determination is fair, transparent, and fully compliant with statutory provisions, while accurately reflecting prevailing international market trends and established valuation principles.

5. **Customs values for Motorcycle – Roller Chain, Chain Kit (Chain with Sprocket Set) and Chain Parts** *hereinafter specified* shall be assessed to duty/taxes at the following Customs values:-

S. No.	Description of Goods	PCT	Proposed PCT for WeBOC	Origin	Customs Values (C&F) OEM	Customs Values (C&F) Non-Genuine
1	2	3	4	5	6	7
1	Roller Chain	7315.1110	7315.1110.1000	China	US$ 2.12/Kg	US$ 1.45/Kg
2	Chain Kit (Chain with Sprocket Set)	8714.1090	8717.1090.1000	China	US$ 3.17/Set	US$ 2.15/Set
3	Chain Parts	7315.1920	7315.1920.1000	China	US$ 1.82/Kg	US$ 1.23/Kg
		7315.1920	7315.1920.1100	Other Origin	US$ 2.75Kg	US$ 1.85/Kg

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6. In cases, where transactional values or values in invoice retrieved from the consignment, as the case may be, are higher than the customs values determined in this valuation ruling, the assessment shall be made on higher values in terms of sub-section (1) of Section 25 of the Customs Act, 1969.

7. In case of consignments imported by air, the difference between air freight and sea freight shall be added for the assessment of value.

8. The Valuation Ruling shall be applicable for the descriptions and specifications of goods as mentioned in the aforementioned table. HS Codes are mentioned for illustrative purposes.

9. The Collectorates of Customs shall ensure the implementation of Valuation Ruling and in case of any anomaly may be brought to the notice of this Directorate immediately.

(Azhar Husain Merchant)
Director

Copy for necessary action and implementation:

The Collectors / Directors of Customs, Collectorates / Directorates of Customs (Appraisement-West / East / SAPT / PMBQ / JIAP / Enforcement/), Karachi / Hyderabad / (Appraisement / Enforcement / Ports), Quetta / Gwadar / Khuzdar (Appraisement / Enforcement / AIIA), (Appraisement–East / West, Lahore / Faisalabad Appraisement / Enforcement, Sargodha / Enforcement & Appraisement, Sambrial (Sialkot) / Enforcement, Multan / Islamabad / Gilgit-Baltistan / (Appraisement/ Enforcement), Peshawar / Enforcement, Dera Ismail Khan / Exports (Port Qasim/Custom House, Karachi) / Transit Trade, Karachi.

Copy for information:

1) The Member Customs (Operations), F.B.R., Islamabad.
2) The Director General, Customs Valuation, Custom House, Karachi.
3) All Chief Collectors / Director Generals of Customs, Karachi / Lahore / Islamabad / Quetta / Peshawar.
4) All Collectors / Directors of Customs, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
5) The Director, Directorate of Customs Valuation, Lahore / Quetta / Peshawar.
6) The Deputy Director (MIS), Directorate General of Customs Valuation, Karachi, for uploading in One Customs &WEBOC database system.
7) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
8) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta &Peshawar.
9) The Karachi Customs Agents Group, Bohri Road, Karachi.
10) The Webmaster, Federal Board of Revenue, Islamabad.
11) Guard File.

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