



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

The Collectors of Customs, Model Customs Collectorate, Appraisement (East / West) / Port Qasim / Preventive, Karachi / Lahore ( Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad /Hyderabad/ Quetta / Peshawar/ Gawadar/ Gilgit-Baltistan.

**Determination of Customs Values of PVC Transparent/Clear and Printed Flexible Sheets and PVC Cling film under Section 25-A of the Customs Act, 1969.**

No Misc/07/2010-II

Dated 02.02-2017

(VALUATION RULING NO. 1028 / 2017)

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of PVC Transparent/Clear and Printed Flexible Sheets and PVC Cling film are determined as follows:

2. **Background of the valuation issue:** The customs values of PVC Transparent/Clear and Printed Flexible Sheets and PVC Cling film were earlier determined vide Valuation Ruling No. 862/2016 dated, 02-06-2016. Representations were received from commercial importers, for determination of customs value of PVC Transparent/Clear and Printed Flexible Sheets and PVC Cling film afresh. Hence, existing valuation ruling which is over six month old is required to be revised in the light of honorable High Court of Sind, at Karachi's orders dated 10.11.2015 in Constitutional Petition No. D- 6918/2015. Since 90 days have passed and representations were received from commercial importers regarding values determined in afore mentioned valuation ruling, an exercise was initiated to re-determine the values of PVC Transparent/Clear and Printed Flexible Sheets and PVC Cling film in the light of international price trend, in terms of Section 25-A of the Customs Act, 1969.

3. **Stakeholders' participation in determination of Customs values:** Meeting with all the stakeholders including importers and representatives from clearance Collectorate, was held on 21-12-2016 to discuss the current international prices of the subject item. The commercial importers stated that the prices of subject items are showing down ward trend in the international markets. The view point of all participants was heard in detail and considered to arrive at Customs value of PVC Transparent/Clear and Printed Flexible Sheets and PVC Cling film.

4. **Method adopted to determine Customs values:** Valuation methods provided in Section 25 of the Customs Act, 1969 were duly followed and applied sequentially to address the valuation issue at hand. Transaction value method provided in Sub-Section (1) of Section 25 was found inapplicable because it is generally known to all that majority of invoices produced at import stage are manipulated/fabricated and hence the requisite information required under the law was not available to arrive at the correct transaction value. Identical / similar goods value method provided in Sub-Sections (5) & (6) of Section 25 ibid were examined for applicability to determine Customs value of subject goods, this data provided some references, however, it was found that the same cannot be solely relied upon due to the absence of absolute demonstrable evidence of qualities, and quantities of commercial level etc., and also it was observed that importers usually provided misleading description while



declaring goods, as other types and varieties of similar goods to avoid the application of valuation ruling. Information available was, hence, found inappropriate. In line with the statutory sequential order of Section 25, this office then conducted a market inquiry using Deductive Value Method under Sub-Section (7) of the Section 25 of the Customs Act, 1969. however, it was found that the determination of Customs value could not be based solely upon this method either. Therefore, valuation method provided vide Section 25 (8) of Customs Act 1969, could not be applied as the conversion cost from constituent materials and allied expenses, at country of export were are not available. Finally, PRAL database, market information and international prices through Web were examined thoroughly. All the information so gathered was analyzed for determination of Customs Value of the subject good. Consequently, the Fall Back Method as provided under section 25(9) of the Customs Act, 1969 was applied to arrive assessable customs values of PVC Transparent/Clear and Printed Flexible Sheets and PVC Cling film.

**5. Customs values for PVC Transparent/Clear and Printed Flexible Sheets and PVC Cling film:** PVC Transparent/Clear and Printed Flexible Sheets and PVC Cling film *hereinafter specified* shall be assessed to duty / taxes at the following Customs Values :-

S. No.	Description	Origin	PCT	Proposed PCT for WEOC	Customs Values (C&F) USS/Kg
(01)	(02)	(05)	(03)	(04)	(06)
01	PVC Transparent / Clear Flexible Sheet.	China, Taiwan, Indonesia, Thailand.	3920.4300	3920.4300.1000	1.40
		All other origin	3920.4300	3920.4300.1100	1.60
02	PVC Printed Flexible Sheet.	China, Taiwan, Indonesia, Thailand.	3920.4300	3920.4300.1200	1.50
		All other origin	3920.4300	3920.4300.1300	1.70
03	PVC Decorative Printed Flexible Sheet.	China, Taiwan, Indonesia, Thailand.	3920.4300	3920.4300.1400	2.00
		All other origin	3920.4300	3920.4300.1500	2.20
04	PVC Cling Film.	China	3920.4300	3920.4300.1600	1.65
		Far East	3920.4300	3920.4300.1700	2.20
		Europe/USA	3920.4300	3920.4300.1800	3.00
		All other origin	3920.4300	3920.4300.1900	2.50



6. In cases where declared/ transaction 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 officer shall take into account the differential between air freight and sea freight while applying the Customs values determined in this Ruling. The Custom values determined in the Valuation Ruling are for the descriptions and specifications as mentioned herein. HS Codes are mentioned for illustrative purposes so that Valuation Ruling values are made accessible to the assessing officers. The assessment shall be finalized in the correct classifications after fulfilling requisite formalities relating to importability or other certifications required thereon.

7. **Validity of this Valuation Ruling:** The values determined vide this Ruling shall be the applicable Customs value for assessment of subject imported goods until and unless it is rescinded or revised by the competent authority in terms of Sub-Sections (1) or (3) of Section 25-A of the Customs Act, 1969.

8. **Revision of the value determined vide this Valuation Ruling:** This Valuation Ruling is appealable under the law and a revision petition may be filed against this Ruling, under Section 25-D of the Customs Act, 1969, within 30 days from the date of issue of this ruling before the Director General, Directorate General of Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.

9. The Collectors of Customs may kindly ensure that the values given in the Ruling for the given description of goods are applied by the concerned staff without fail. Any anomaly observed may kindly be brought to the notice of Directorate General immediately.

10. ***This Ruling supersedes Valuation Ruling No.862/2016 dated 02-06-2016.***

  
(Dr. Wasil Ali Memon)  
Director

Copy for information to: -

1. Member (Customs), F.B.R., Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi.
3. Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
4. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. Chief Collector of Customs (Central), Lahore.
6. Chief Collector of Customs (North), Islamabad.
7. Director General, Intelligence and Investigation-FBR, Islamabad.
8. Director General, Audit (Customs & Petroleum), 1<sup>st</sup> Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
09. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General, Internal Audit (Customs), Karachi.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta Peshawar/ Faisalabad.