



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI

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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 NON-CARBON RELEASING PAPER, ART CARD/ BOARD COATED PAPER & LIGHT WEIGHT COATED PAPERS UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969**

(VALUATION RULING NO. 826/2016)

No.Misc/06/2012-III

Dated: 06-04-2016

In exercise of powers conferred under Section 25-A of the Customs Act, 1969 the Customs values of Non-Carbon Releasing Papers, Art Card/Board Coated Paper & Light Weight Coated Paper are determined as follows:-

2. **Description of the valuation issue:** The Customs values of Non-Carbon Releasing Papers were determined under Section 25-A of the Customs Act, 1969, vide Valuation Ruling No.491 dated 08.11.2012. Similarly Customs values for Art Card Coated Paper & Light Weight Coated Paper were determined under Section 25-A of the Customs Act, 1969, vide Valuation Ruling No.623/2013 dated 20.12.2013. In this context, the All Pakistan Papers Merchants Association has requested for revisiting the above mentioned Valuation Rulings to reflect current prices prevalent in international market. Accordingly an exercise was undertaken to examine contents of the association's request and to determine Customs values of subject goods in light of prevailing international market prices.

3. **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 transactional value. Identical and similar-goods valuation methods 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 absence of absolute demonstratable evidence of qualities, commercial levels etc. and also it was observed that importers usually provide misleading descriptions while declaring their goods, as other types and varieties of similar goods to avoid the valuation ruling. Information available was hence found



inappropriate. In line with the statutory sequential order of section 25, this office then conducted a market enquiry using Deductive Value Method under Sub-Section (7) of the Section 25 of the Customs Act, 1969, however, it was found that determination of Customs value could not be based solely upon this method either. Valuation method provided vide section 25(8) of Customs Act, 1969 could not be applied as the conversion costs from constituent materials and allied expenses, at country of export are not available. Finally PRAL database, market information was evaluated and international prices from internet sources were thoroughly examined. All the information so gathered was analyzed for determination of customs value. Consequently, the Fall Back Method as provided under section 25(9) of the Customs Act, 1969 was applied and relied upon to derive at and determine assessable customs values of subject goods.

4. **Stakeholders' participation in determination of customs values:** Meeting was convened with stakeholders on 21.03.2016 wherein their views were sought regarding valuation of subject items.

5. **Customs Values of Non Carbon Releasing Papers in Sheets hereinafter specified** shall be assessed to duty/taxes on the Customs values mentioned against them in the Table below:

Description	Specification	PCT Heading	Proposed PCT for WeBoc	Origin	Customs Value (C&F) US\$ / Kg
(1)	(2)	(3)	(4)	(5)	(6)
Non Carbon Releasing Paper Coated Front & Back	In sheets	4809.2000	4809.2000.1000	China	1.42
			4809.2000.1100	Indonesia	1.43
Non Carbon Releasing Paper Coated Back	In sheets	4809.2000	4809.2000.1200	China	1.40
			4809.2000.1300	Indonesia	1.40
Non Carbon Releasing Paper Coated Front	In sheets	4809.2000	4809.2000.1200	China	1.35
			4809.2000.1300	Indonesia	1.35

Notes: US\$25/PMT to be subtracted for assessable value of reels.



6. **Customs Values of Art Card/ Board Coated Paper & Light Weight Coated Papers in Sheets** hereinafter specified shall be assessed to duty/taxes on the Customs values mentioned against them in the Table below:

S.NO.	Description	PCT Heading	Proposed PCT for WeBoc	Origin	Customs Value (C&F) USS / Kg
(1)	(3)	(4)	(5)	(6)	(7)
1	One / both side Coated Art Card/Board with Kaolin (China Clay) or other inorganic substances or any other kind of coated.	4810.1990 4810.9900	4810.1990.1000	Indonesia	0.72
			4810.9900.1100		
			4810.1990.1200	China	0.72
			4810.9900.1300		
			4810.1990.1400	Korea	0.75
			4810.9900.1500		
			4810.1990.1600	Japan	0.76
			4810.9900.1700		
2	Coated Art Paper in sheets both side with Kaolin (China Clay) or other inorganic substances or any other kind of coated papers.	4810.1310 4810.1390	4810.1310.1000	Indonesia	0.71
			4810.1390.1000		
			4810.1310.1100	China	0.71
			4810.1390.1200		
			4810.1310.1300	Korea	0.73
			4810.1390.1300		
			4810.1310.1400	Japan	0.74
			4810.1390.1500		
3	Light weight Coated Papers	4810.2200	4810.2200.1000	All origins	0.77
4	Other	4810.2900	4810.2900.1000	All origins	0.71



- Notes: i) Light weight coated paper shall be constructed as defined at S.No. 7 of sub heading notes to Chapter -48 of Pakistan Customs Tariff which is reproduced as under:-  
“S.No.7.; for the purpose of subheading 4810.22, “Light Weight Coated Paper” means Paper, Coated on both sides, of a total weight not exceeding 72g/m<sup>2</sup>, with a Coating weight no

exceeding 15g/m<sup>2</sup> per side, on a base, which is not less than 50% by weight of a total fiber content consists of wood fibers obtained by mechanical process”.

ii) US\$ 25/PMT to be subtracted for assessable value of reels.

7. 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.

8. **Validity of 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) and (3) of Section 25-A of the Customs Act, 1969.

9. **Review of the value determined vide this Valuation Ruling:** A review petition may be filed against this Ruling, as provided under Section 25-D of the Customs Act, 1969, within 30 days from the date of issue, before the Director General, Directorate General of Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.

10. 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 with respect to PCT may kindly be brought to the notice of Directorate General immediately.

11. **This Valuation Ruling Supersedes Valuation Ruling No491/2012 dated 08.11.2012, Valuation Ruling No.623/2013 dated 20.12.2013.**

  
(Dr. Wasif 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, Islamabad.
8. Director General, Post Clearance Audit, Islamabad.
9. Director, Intelligence & Investigation, Karachi/ Lahore/ Islamabad/Quetta/Peshawer/Faisalabad.
10. The Project Director, WeBOC, 11<sup>th</sup> Floor, Custom House, Karachi.
11. Director, Customs Valuation, Custom House, Lahore.