



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF 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 Bleached, Unbleached Kraft Liner and Sack Kraft Papers Under Section 25-A Of The Customs Act, 1969

(VALUATION RULING NO. 72 / 2015)

No.Misc/08/2013-III

Dated: February 17, 2015

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of bleached, unbleached Kraft Liner Board and Sack Kraft Paper are determined as follows:-

- Description of the valuation issue:** The Customs values of bleached, unbleached kraft liner board and sack kraft paper were determined under Section 25-A of the Customs Act, 1969, vide Valuation Ruling No.601 dated 29.10.2013 read with Corrigendum dated 20.12.2013. Importers of kraft liner board have made numerous representations that existing valuation ruling is not in consonance with the prevalent international market prices and the ruling needs to be suitably amended. Moreover, Sack Kraft Paper Bag Manufacturers Association of Pakistan also made several representations for revision of above mentioned Ruling to reflect the current prices prevailing in the international market. Therefore, an exercise to determine the Customs values of the subject goods afresh was taken up.
- Method adopted to determine customs values:** Valuation methods provided in Section 25 of the Customs Act, 1969 were followed. Transaction value method provided in Sub-Section (1) of Section 25 was found inapplicable because requisite information required under the law was not available. Identical / similar goods value methods provided in Sub-Sections (5) and (6) of Section 25 ibid were examined and found that the same cannot be solely relied on. In the sequential order this office conducted market enquiry using Deductive Value Method under Sub-Section (7) of the Section 25 of the Customs Act, 1969. All the available information was evaluated. Consequently, the Fall Back Method as provided under section 25(9) of the Customs Act, 1969 was applied to arrive at assessable customs values of bleached, unbleached Kraft Liner Board and Sack Kraft Paper in this case.
- Stakeholders' participation in determination of customs values:** Several meetings with different stakeholders of different types of kraft liner were held in this Directorate culminating in a final meeting held on 27.01.2015 wherein importers and other stakeholders participated and expressed their views and submitted documents and evidences of import relating to the subject kraft liner.
- Customs Values of Bleached, Unbleached Kraft Liner Board and Sack Kraft Paper 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)	(2)	(3)	(4)	(5)	(6)
01	Bleached/white Kraft Liner Board	4804.1100 4804.1900	4804.1100.1000 4804.1900.1000	Australia/Portugal/ Poland & Czech Republic	0.62
			4804.1100.1100 4804.1900.1100	Sweden	0.67
			4804.1100.1200 4804.1900.1200	China	0.57
			4804.1100.1300 4804.1900.1300	U.S.A / Canada	0.64
			4804.1100.1400 4804.1900.1400	Others	0.62
02	Unbleached/brown Kraft Liner Board	4804.1100 4804.1900	4804.1100.1500 4804.1900.1500	Australia/Portugal/ U.S.A./Canada	0.595
			4804.1100.1600 4804.1900.1600	Sweden	0.59
			4804.1100.1700 4804.1900.1700	Poland	0.585
			4804.1100.1800 4804.1900.1800	China	0.525
			4804.1100.1900 4804.1900.1900	Others	0.580
03	Sack Kraft Paper	4804.2100 4804.2900	4804.2100.1000 4804.2900.1000	Australia	0.77
			4804.2100.1100 4804.2900.1100	Sweden	0.91
			4804.2100.1200 4804.2900.1200	Russia	0.84
			4804.2100.1300 4804.2900.1300	Others	0.85

5. 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.

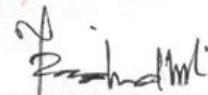
6. **Validity of Valuation Ruling:** The values determined vide this Ruling shall be the applicable Customs value for assessment of subject imported goods until and unless it is rescinded or revised by the competent authority in terms of Sub-Sections (1) or (3) of Section 25-A of the Customs Act, 1969.



7. **Revision of the value determined vide this Valuation Ruling:** A revision 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, 7th Floor, Custom House, Karachi.

8. 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. If any anomaly in the Ruling is observed the same may kindly be brought to the notice of this Directorate General immediately for redressal.

9. **This Valuation Ruling Supersedes Valuation Ruling No 601/2013 dated 29.10.2013 as amended vide Corrigendum dated 20-12-2013**


(Abdul Rashid Sheikh)
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, Post Clearance Audit, Karachi /Islamabad.
9. Director Internal Audit, (Customs), Karachi / Islamabad / Lahore
10. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
11. The Project Director, WeBOC, 11th Floor, Custom House, Karachi.
12. Director, Customs Valuation, Custom House, Lahore.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database and deleting the Valuation Ruling No.601/2013 dated 29.10.2013 on the date of issue of this Ruling.
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. Chairman (Valuation Committee), KCC&I, Aiwan-e-Tijarat Road, Karachi.
16. Customs Revenue Audit, 8th Floor, Custom House, Karachi.
17. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. Review Section, Customs Valuation, 7th floor, Custom House, Karachi.
19. Karachi Customs Agents Group, Bohri Road, Karachi.
20. CHO, Customs Valuation, Custom House, Karachi.
21. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisalment, 1st Floor, Custom House, Karachi.
22. Guard File.