



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 Muhammad Bin Qasim / Preventive, Karachi / Lahore (Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad / Hyderabad / Quetta / Peshawar/ Gawadar / Gilgit-Baltistan.

**Determination of Customs Values of PVC Electric Insulation Tape**  
**Under Section 25-A of the Customs Act, 1969.**

(VALUATION RULING NO. 726/2015)

No. Misc/08/2008-II

Dated: April 20, 2015

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of PVC Electric Insulation Tape are determined as follows:

- 1. Background of the valuation issue:** Customs values of PVC Electric Insulation Tapes were determined under Section 25-A of the Customs Act, 1969, vide Valuation Ruling No.362/2011, dated 6th August, 2011. A number of representations were received in the Valuation Department to re-determine PVC Electric Insulation Tape values to correctly reflect international prices. Moreover, there were complaints that assessing staff is allowing different tare weights at different customs stations. The issue of confusion of net and gross weight was also vehemently agitated by Karachi Chamber of Commerce and Industry before Director General Valuation on her recent visit to the Chambers, therefore, an exercise to re-determine the Customs values of the subject goods afresh was taken up.
- 2. Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were applied sequentially to address the valuation issue at hand. Transaction Value Method under Sub-Section (1) of Section 25 of the Act ibid was found inapplicable because required information under the law was not available. Identical and Similar Goods valuation methods provided in Sub-Sections (5) and (6) of Section 25 of the Customs Act, 1969 provided some reference values but due to wide variations the same could not be relied upon. In the sequential order this office then conducted a market inquiry in terms of Sub-Section (7) of Section 25 of the Customs Act, 1969. Stakeholder meetings were also conducted for their input and feedback. On-line values were also checked. All the information was analyzed and evaluated. Customs values of PVC Electric Insulation tapes are determined under sub-section (9) of Section 25 of the Customs Act, 1969.

3. **Stakeholders' participation:** Meetings were held with stakeholders including the representatives of importers, local manufactures, clearance Collectorates, Karachi Chamber of Commerce and Industry, and trade bodies on 19.03.2015 and 07.04.2015 for their input on the subject issue. In the meetings all issues relating to PVC electric insulation tape values including prices of different raw materials, ratios between gross weight and net weight were discussed in minor details. It was clarified that insulation tape is imported either in log roll or retail packing and very rarely imported in jumbo roll. Importers as well as manufacturers agitated against diverse practice adopted regarding net and gross weight by different assessing staff and requested for a clear verdict on the issue. The samples of different types of insulation tapes in retail packing were weighed in the presence of all stakeholders to determine ratio of weight with tare, i.e., paperboard spool and covering wrapper. The essential packing weight ranged from 23 to 26 per cent of the total weight. It was further clarified that tare weight in log roll is of the same ratios.

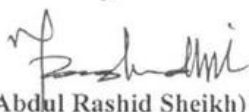
4. **Customs values for PVC electric insulation tape :** PVC Electric Insulation Tape *hereinafter specified* shall be assessed to duty/ taxes at the following Customs values:-

S. No.	Description of goods	PCT	Proposed PCT for WEOC	Origin	Customs Values (C&F) US\$/Kg Net Weight
(1)	(2)	(3)	(4)	(5)	(6)
01	PVC Electric Insulation Tape- Width exceeding 20 cm- (Log Roll)	3919.9090	3919.9090.1300	China	1.25
			3919.9090.1400	Korea, Taiwan, UAE, Vietnam	1.30
			3919.9090.1500	Europe, USA, Canada, Japan	1.60
02	PVC Electric Insulation Tape; Width not exceeding 20 cm- (Retail packing)	3919.1020	3919.1020.1000	China	1.40
			3919.1020.1100	Korea, Taiwan, UAE, Vietnam	1.45
			3919.1020.1200	Europe, USA, Canada, Japan	1.80

5. *(Note: Essential packing is part of the customs value and needs to be adequately accounted for in the customs value whether the assessment is on net or gross weight basis. The element of essential packing has, duly been accounted for in the above table. Column 6 in the above Table indicates customs values on the basis of net weight where tare is to be allowed at the rate of 25% on account of essential packing.*

*Log Roll: It was also clarified during the stakeholder meeting, that log roll is different than jumbo roll, as in log roll, tape is cut to specific size and repacked whereas in jumbo roll, the tape is cut to specific size and rewound on the spool and repacked.*

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.
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 or section 25-D of the Customs Act, 1969.
8. **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 issuance 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 this Directorate General immediately for redressal
10. *This Ruling supersedes Valuation Ruling No. 362/2011 dated 06.08.2011.*

  
(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.