



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 ONE SIDE COATED DUPLEX BOARD IN SHEETS 300 GSM & UP AND ONE SIDE COATED DUPLEX BOARD OTHER THAN GREY BACK IN SHEETS, UNCOATED OFFSET PAPER FOR WRITING, PRINTING AND PHOTOCOPYING UNDER SECTION 25-A OF THE CUSTOMS ACT,

(VALUATION RULING NO. 827/2016)

No.Misc/01/2008-III

Dated: 06-04-2016

In exercise of powers conferred under Section 25-A of the Customs Act, 1969 the Customs values of One Side Coated Duplex Board Grey Back in Sheets 300GSM & Up and One Side Coated Board other than Grey Back in Sheets and Uncoated Offset Paper for Writing, Printing and Photocopying are determined as follows:-

2. **Description of the valuation issue:** The Customs values of One Side Coated Duplex Board Grey Back in Sheets 300GSM & Up and One Side Coated Board other than Grey Back in Sheets were determined under Section 25-A of the Customs Act, 1969, vide Valuation Ruling No.722 dated 17.02.2015 and Uncoated Offset Paper for writing, printing and photocopying were earlier determined under Section 25-A of the Customs Act, 1969 vide Valuation Ruling No.577/2013 dated 06.09.2013. 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 demonstrable 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



verities 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 One Side Coated Duplex Board Grey Back in Sheets 300GSM & Up and One Side Coated Board other than Grey Back 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) USS / Kg
(1)	(2)	(3)	(4)	(5)	(6)
One side coated duplex board	Grey back in sheet 300gsm & Up	4810.9200 4810.9900	4810.9200.1000	China/Hong Kong/ Indonesia/Malaysia	0.49
			4810.9900.1000		
			4810.9200.1100	Korea	0.50
			4810.9900.1100		
			4810.9200.1200	Europe/U.S.A./Canada	0.53
			4810.9900.1200		
			4810.9200.1300	Other origins	0.54
			4810.9900.1300		
4810.9200.1400	Middle East	0.49			
4810.9900.1400					
One side coated duplex board	Other than grey back in sheets	4810.9200 4810.9900	4810.9200.1500	China	0.67
			4810.9900.1500	Europe/USA/Canada	0.74
			4810.9200.1600		
			4810.9900.1600		
			4810.9200.1700	Others	0.73
4810.9900.1700					



Notes: i) US\$20/PMT to be added in assessable value of One Side Coated Duplex Board Grey Back for less than 300gsm.

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

6. Customs Values of Uncoated Offset Paper for writing, printing and photocopying hereinafter specified, shall be assessed to duty/taxes on the Customs values mentioned against them in the Table below:

Description	PCT Heading	Proposed PCT for WeBoc	Origin	Customs Value (C&F) US\$ / Kg
(1)	(2)	(3)	(4)	(5)
Uncoated Offset Paper for writing, printing and photocopying	4802.5510	4802.5510.1000	Australia	0.82
	4802.6200	4802.6200.1000		
	4802.6990	4802.6990.1000		
	4802.5510	4802.5510.1100	Brazil	0.78
	4802.6200	4802.6200.1100		
	4802.6990	4802.6990.1100		
	4802.5510	4802.5510.1200	China	0.73
	4802.6200	4802.6200.1200		
	4802.6990	4802.6990.1200		
	4802.5510	4802.5510.1300	Indonesia	0.72
	4802.6200	4802.6200.1300		
	4802.6990	4802.6990		
	4802.5510	4802.5510.1400	Japan	0.77
	4802.6200	4802.6200.1400		
	4802.6990	4802.6990.1400		
	4802.5510	4802.5510.1500	Russia	0.76
	4802.6200	4802.6200.1500		
	4802.6990	4802.6990.1500		
4802.5600	4802.5600.1600	Thailand	1.07	
4802.6200	4802.6200.1600			
4802.5510	4802.5510.1700	All other origins	0.78	
4802.6200	4802.6200.1700			
4802.6990	4802.6990.1700			

Note: (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) or (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, 7th 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 No.722/2015 dated 17.02.2015 and Valuation Ruling No. 577/2013 dated 06.09.2013.*


(Dr. Wasif Ali Memon)
Director

Copy for information to :-

10. Member (Customs), F.B.R., Islamabad.
11. Director General, Customs Valuation, Custom House, Karachi.
12. Chief Collector of Customs, South (Appraisement), Custom House, Karachi.
13. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
14. Chief Collector of Customs (Central), Lahore.
15. Chief Collector of Customs (North), Islamabad.
16. Director General, Intelligence and Investigation, Islamabad.
17. Director General, Post Clearance Audit, Islamabad.
18. Director, Intelligence & Investigation, Karachi/ Lahore/ Islamabad/Quetta/Peshawer/Faisalabad.
10. The Project Director, WeBOC, 11th Floor, Custom House, Karachi.
11. Director, Customs Valuation, Custom House, Lahore.
12. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database.
13. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
14. Chairman (Valuation Committee), KCC&I, Aiwan-e-Tijarat Road, Karachi.
15. Customs Revenue Audit, 8th Floor, Custom House, Karachi.
16. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7th floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisement, 1st floor, Custom House, Karachi.
21. Guard File.