



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) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad/ Hyderabad/ Quetta / Peshawar/ Gawadar/ Gilgit-Baltistan

DETERMINATION OF CUSTOM VALUES OF DISPOSABLE ARTICLES INCLUDING PP  
JELLY CUPS AND DISPOSABLE PLASTIC FOOD CONTAINERS  
UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

( VALUATION RULING NO 882/ 2016)

No.Misc/14/2013-II

18797

Dated: July, 01 2016

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of disposable articles including pp Jelly cups and disposable plastic food boxes are determined as follows: -

2. **Background of the valuation issue:** Customs values of pp Jelly cups and plastic food containers were determined more than one year ago through Valuation Ruling No.597/2013, dated 24-10-2013 and number of importers approached this Directorate General and insisted that the international prices are now relatively very low, hence sought re-determination of the same. This prompted an exercise to re-determine the customs values of Disposable articles including pp Jelly cups and plastic food containers.

3. **Stakeholders' participation in determination of Customs values:** Meeting was scheduled on 14-06-2016, which was attended by commercial importers as well as Manufacturers of this item. M/s Spell packaging & K.M Food Industries & Pioneer Packing Pakistan Limited, the manufacturer stated that internationally, the price of disposable articles including pp Jelly cups and plastic food container have gone upwards, whereas the values determined are on lower side, the raw material prices have increased internationally. Therefore, the prices of disposable articles including pp Jelly cups and plastic food container may be enhanced. On the other hand, importers were of the opinion that disposable articles including pp Jelly cups and plastic food container is manufactured by themselves as one window operation, therefore, they offer lesser price. The importers also forwarded their contention that the manufacturers are misleading the department by providing dis-information contrary to the facts available on record as scan prices of the P.P Film grade raw material is available at US\$: .025/kg and Zauba import data from China does not more than US\$: 1.49/kg.



4. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were examined to ascertain which methods were applicable to the valuation issue in hand in terms of Section 25A(1) of the Act. Transaction value method provided in Section 25 (1) was found inapplicable because the sufficient information with respect to adjustments to be made to the transaction value in terms of Section 25(2) was not available. Identical / similar goods value Methods provided in Section 25(5) & (6) were examined sequentially for applicability to the valuation issue in the instant case. These methods furnished unreliable values and were not found applicable. Local market enquiry in terms of section 25(7) of the Customs Act, 1969, was also conducted. Since the manufacturers' costs of producing the goods in question in the country of exportation were not available. Computed value method as provided in Section 25(8) could not be applied for valuation of the aforesaid goods. Deductive value method under Section 25(7) of the Customs Act, 1969, was, therefore, the methodology adopted to determine the customs values of pp Jelly cups and disposable plastic food containers in this case. Computed Value Method as provided in Section 25 (8) could not be applied for valuation of the aforementioned goods as the cost of raw material under clause (a) and amount of profit and general expenses under clause (b) of Section 25 (8) of the Act, in the country of export, could not be ascertained. On-line values were also checked. All the information was analyzed and evaluated and Sub-Section (9) of Section 25 of the Customs Act, 1969, was applied to arrive at the assessable Customs values of Jelly cups and plastic food containers.

5. **Customs values for Disposable Articles Including pp Jelly cups and plastic food container hereinafter specified** shall be assessed to duty / taxes at the following Customs Values :-

S.No.	Description	P.C.T.	P.C.T.	Origin	Customs Values (C&F) USS / Kg
(1)	(2)	(3)	(4)	(5)	(6)
01.	Disposable Plastic Boxes, Case	3923.1000	3923.1000.1000	China	2.00
	Conters, bowls, Poly	3923.3010	3923.1000.1000		
	Propylene Jelly	3923.3090	3923.1000.1000		
	Cups and similar	3923.5000	3923.1000.1000		
	articles Including	3923.9090	3923.1000.1000		
	Plastic disposable	3924.1000	3924.1000.1000		
	house hold articles	3924.9000	3924.9000.1000		

\*Note: This value does not reflect value of re-useable plastic articles and only covers the value of disposable items only for one time use.



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 Customs Values determined in the ruling are for the descriptions and specification 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 classification after fulfilling requisite formalities relating to importability or any 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:** 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 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.597 / 2013, dated 24-10-2013.*

( 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-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.