



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

The Collectors of Customs, Model Customs Collectorates, Appraisement East / West / Port Muhammad Bin Qasim / Export (Karachi / Port Qasim) / JIAP, Karachi / Preventive, Karachi / Lahore (Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad / Hyderabad / Quetta (Appraisement / Preventive) / Peshawar (Appraisement / Preventive) / Gawadar / Gilgit-Baltistan.


**DETERMINATION OF CUSTOMS VALUES OF WALLPAPERS
UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969**

(VALUATION RULING NO. ¹⁴²³ / 2019)

C. No. Misc/13/2013-III/12548

Dated: 2nd November, 2019

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

 2. **Background of the valuation issue:** Earlier Customs values of Wallpapers were determined vide Valuation Ruling No.1048/2017 dated 17-02-2017. The Federal Board of Revenue issued CGO No. 15/2019 & 17/2019 dated 13-09-2019 and 19-09-2019 respectively wherein Unit of Measurement (UOM) of a number of commodities including Wallpapers were changed for the purpose of assessment. Moreover, the Valuation Ruling was more than two years old and the values in international market have shown fluctuations. Keeping in view the above facts, an exercise was conducted to determine the customs values of the subject goods from kilogram to square meter (m²) basis under section 25A of the Customs Act, 1969.

3. **Stakeholders' participation in determination of values:** Meetings with the stakeholders were held on 26-09-2018, 20-12-2018, 08-04-2019 & 29-10-2019. The stakeholders were requested to furnish the following documents before or during the course of above said meetings;

- i) Invoices of imports during last three months showing factual value.
- ii) Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- iii) Copies of Contracts made / LCs opened during the last three months showing the value of item in question.
- iv) Copies of Sales Tax Invoices issued during last four months showing the difference in price (excluding duty and taxes) to substantiate that the benefit of difference in price is passed on to the local buyers.

4. The representatives were of the view that the Wallpapers are imported in rolls and they have standard sizes for different origins. They also said that the prices of the subject items in the current Valuation Ruling are on a higher side and the international prices are on the lower side. Therefore, they cannot compete in the market.

5. **Method adopted to determine Customs values:** Custom Valuation methods provided in Section 25 of the Customs Act, 1969 were applied in sequential order to arrive at customs values of Wallpapers. Transaction value method under Sub-Section (1) of Section 25 of the Act *ibid* was found inapplicable owing to non-fulfillment of prescribed requirements and wide variations in declarations. Identical and similar goods valuation methods provided in Sub-Sections (5) and (6) of Section 25 of the Customs Act, 1969 were examined for applicability to the valuation issue in the instant case which provided some reference values of subject goods but the same could not be exclusively relied upon due to certain variations in declared values of subject goods. Thereafter, market enquiries as envisaged under Section 25(7) of the Customs Act, 1969, were conducted. Online prices were also obtained to corroborate the findings of market survey. Consequently, the customs values of Wallpapers have been determined under Section 25(7) of the Customs Act, 1969.

5. **Customs values for Wallpaper:** Wallpapers *hereinafter specified* shall be assessed to duty/ taxes on the minimum Customs values given against them in the Table below: -

S. No.	Description of Goods	PCT	Proposed PCT for WeBOC	Origin	Customs Values (C&F) US\$/ m ²
(1)	(2)	(3)	(4)	(5)	(6)
1	Wallpaper	4814.2000	4814.2000.1000	China	1.11
2			4814.2000.2000	Korea, Japan, Malaysia, Thailand & Singapore	1.33
3			4814.2000.3000	Europe	1.49
4			4814.2000.4000	USA & other origins	1.53

6. In cases where declared/ Transaction values are higher than the Customs value determined in this Ruling, the assessing officer 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 value 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. **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 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.

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. Customs values determined in the ruling are for the description and specification as mentioned herein. PCT Codes are mentioned for illustrative purpose so that valuation ruling values are made accessible to the assessing officer. The assessment shall be finalized on the basis of correct classification after fulfilling requisite formalities related to importability or any other certification required thereon. In addition to this, it is further necessary to verify that there is no mis-declaration of any sort or violation of Import Policy Order or Section 15 of the Customs Act, 1969 or any other law in vogue therein.

10. *This ruling supersedes Valuation Ruling No. 1048/2017 dated 17-02-2017.*


(Shafique Ahmed Latki)
Director

Copy for information to: -

1. The Member (Customs, Operations), F.B.R., Islamabad.
2. The Director General, Customs Valuation, Custom House, Karachi.
3. The Chief Collector of Customs, South (Appraisal/ Enforcement), Custom House, Karachi.
4. The Chief Collector of Customs (Central), Lahore.
5. The Chief Collector of Customs (North), Islamabad.
6. The Chief Collector of Customs, (Appraisal/ Enforcement), Custom House, Quetta.
7. The Director General, Intelligence and Investigation-FBR, Islamabad.
8. The Director General, Audit (Customs & Petroleum), 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
9. The Director General, Post Clearance Audit (PCA) & Internal Audit, Karachi.
10. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/Peshawar/ Faisalabad.
11. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system.
12. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
13. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
14. The Karachi Customs Agents Group, Bohri Road, Karachi.
15. The Webmaster, Federal Board of Revenue, Islamabad.
16. Guard File.