

**GOVERNMENT OF PAKISTAN**  
**DIRECTORATE GENERAL OF CUSTOMS VALUATION**  
**7<sup>TH</sup> FLOOR, CUSTOM HOUSE**  
**KARACHI**  
**Phone: 021-99214144**

\*\*\*\*\*

C. No. Misc/07/2017-III/ /1953

Dated: 18-12-2024

**VALUATION RULING NO. 1935 / 2024**

1. This ruling supersedes Valuation Ruling No. 1073/2017 dated 07-03-2017.
2. This Ruling shall be applicable until the same is rescinded or revised in terms of sub-section (4) of Section 25A of the Customs Act, 1969.
3. The revision petition against this Valuation Ruling can be filed under Section 25D of the Customs Act, 1969, within 30 days before the Director General, Customs Valuation.
4. The values in valuation ruling shall be treated as minimum benchmark values and shall be applicable to the given description and specification of goods.

**Subject: DETERMINATION OF CUSTOMS VALUE OF CIGARETTE PAPER**  
**SECTION 25A OF THE CUSTOMS ACT, 1969.**

1.	Valuation Ruling	5. Redetermination / revision of values of earlier Valuation Ruling No. 1138/2017 dated 21-04-2017..
2.	Date of meetings with stakeholders	Two meetings with relevant stakeholders were conducted on 01.11.2024 and 15-05-2024

3. **Background of the Issue:** The Directorate had issued Valuation Ruling No. 1073/2017 dated 07-03-2017. As the Valuation Ruling is seven (07) years old, accordingly, in pursuance of analysis of import data, current market trends, the difference in market prices and customs values, an exercise for the re-determination of customs values of subject goods was initiated under Section 25 and 25A of the Customs Act, 1969.

4. **Analysis to determine Customs Values:** In this regard, above referred meetings held in Directorate of Customs Valuation Karachi but no relevant stakeholder appeared in the meeting. Ninety (90) day's clearance data has been retrieved and it has been scrutinized. Subsequently, market inquiry has been conducted and examined in the light of this Directorate's Office Order No.17/2014 dated 19-03-2014 and in terms of Section 25 (7) read with Section 25(9) of the Customs Act, 1969.

5. **Method (s) adopted to determine Customs values:** Valuation methods specified in Section 25 of the Customs Act, 1969, were duly applied in sequential order to arrive at the Customs values of subject goods. The transaction value method as provided in sub-section (1) of Section 25 of the Customs Act, 1969, was found inapplicable due to absence of information as required under sub-section (2) of Section 25 of Customs Act, 1969. Therefore, identical goods value method provided in Section 25(5) was examined for applicability to



determine Customs values of subject goods. The data provided some reference; however, it was found that the same could not be solely relied upon due to absence of absolute demonstrable evidences of quantities and qualities. Information available was, hence, found incomplete. Subsequently, similar goods value method provided in Section 25(6) was examined for applicability to determine Customs value of subject goods. However, Declared Values of similar goods had shown consistent variations. Hence, this method was also found inapplicable. Market inquiry as envisaged under Sub-Section (7) of Section 25 of the Customs Act, 1969 was also conducted but could only yield results to some extent because of variations in market prices. In line with statutory sequential order of section 25, Computed value method, as provided in Section 25(8) of the Customs Act, 1969 was examined, but the same also could not be applied as the conversion cost from the constituent materials and allied expenses, in the country of export were not available for manufacturing of Cigarette Paper. Finally, the Customs values of the subject goods have been determined under Section 25(9), read with Section 25(7), and Customs Rule 121(2) of Customs Rules, 2001 which provides that the methods of valuation, to be employed under sub-section (9) of section 25 of the Customs Act, 1969 may be inclusive of those laid down in sub-sections (1), (5), (6), (7) and (8) of the said section, but a reasonable flexibility in the application of such methods would be in conformity with the aims and provisions of sub-section (9) of that section.

6. **Customs values of Cigarette Paper** / Cigarette Paper hereinafter specified, shall be assessed to duty / taxes at the Customs values as per the following table:-

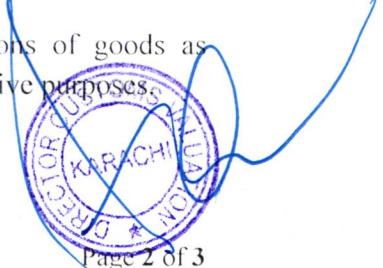
Sr. No.	Description of Goods	HS Code	Proposed PCT for WeBoc	Origin	Customs Values (C&F) US\$/Kg
1	2	3	4	5	6
1	Cigarette Paper	4813.2000	4813.2000.1000	China	1.90
2			4813.2000.1100	Vietnam	2.15
3			4813.2000.1200	Indonesia	2.25
4			4813.2000.1300	Other Origins	5

7. In cases, where declared values or values in invoice retrieved from the consignment, as the case may be, are higher than the customs values determined in this valuation ruling, the assessment shall be made on higher values in terms of sub-section (1) of Section 25 of the Customs Act, 1969.

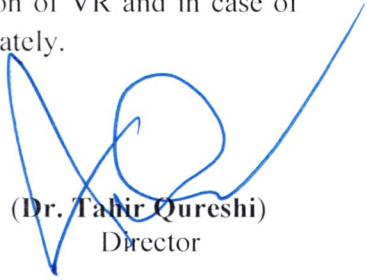
8. The values determined in this VR shall be treated as minimum benchmark values and do not bar the collectorate from applying from the higher transaction values of identical or similar goods available in 90 days for the assessment of goods.

9. In case of consignments imported by air, the difference between air freight and sea freight shall be added for the assessment of value.

10. The VR shall be applicable for the descriptions and specifications of goods as mentioned in the aforementioned table. HS Codes are mentioned for illustrative purposes.

  
 Page 2 of 3

11. The Collectorates of customs shall ensure the implementation of VR and in case of any anomaly may be brought to the notice of this Directorate immediately.

  
(Dr. Fahir Qureshi)  
Director

Copy for necessary action and implementation:

The Collectors / Directors of Customs, Collectorates / Directorates of Customs (Appraisalment-West / East / SAPT / PMBQ / JIAP / Enforcement/), Karachi / Hyderabad / (Appraisalment / Enforcement / Ports), Quetta / Gwadar / Khuzdar (Appraisalment / Enforcement / AIIA), (Appraisalment-East / West, Lahore / Faisalabad Appraisalment / Enforcement, Sargodha / Enforcement & Appraisalment, Sambrial (Sialkot) / Enforcement, Multan / Islamabad / Gilgit-Baltistan / (Appraisalment/ Enforcement), Peshawar / Enforcement, Dera Ismail Khan / Exports (Port Qasim/Custom House, Karachi) / Transit Trade, Karachi.

Copy for information:

- 1) The Member Customs (Operations), F.B.R., Islamabad.
- 2) The Director General, Customs Valuation, Custom House, Karachi.
- 3) All Chief Collectors / Director Generals of Customs, Karachi / Lahore / Islamabad / Quetta / Peshawar.
- 4) All Collectors / Directors of Customs, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
- 5) The Director, Directorate of Customs Valuation, Lahore / Quetta / Peshawar.
- 6) The Deputy Director (MIS), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WEBOC database system.
- 7) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 8) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 9) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 10) The Webmaster, Federal Board of Revenue, Islamabad.
- 11) Guard File.