



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

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

Determination of Customs Values of Vegetable Parchment, Grease Proof Paper, Glazed Tracing Paper and Glassine Paper Under Section 25-A of the Customs Act, 1969.

(VALUATION RULING NO. ¹²⁵⁷ / 2018)

No.Misc./02/2017-III

Dated: January 25, 2018

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Vegetable Parchment, Grease Proof Paper, Glazed Tracing Paper and Glassine Paper are determined as follows: -

2. **Background of the Valuation Issue:** The customs values of Grease Proof Paper, Glazed Tracing Paper and Glassine Paper were determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No.1080/2017 dated 14-03-2017. However, some importers filed Revision Petitions under Section 25D of the Customs Act, 1969, before the Director General of Customs Valuation, who remanded the case back vide Order-in-Revision No.358, dated 12-06-2017. Therefore, an exercise was initiated to determine the customs values of aforementioned goods under section 25 A of the Customs Act, 1969.

3. **Stakeholders' Participation in Determination of Customs Values:** The stakeholders' meeting was scheduled on 18.01.2018. They were requested to furnish the following documents before or during the above mentioned meeting;

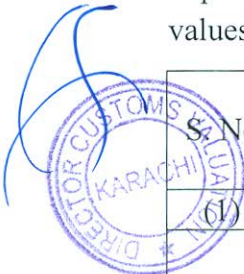
- i. Invoices of imports during last three months showing factual value.
- ii. Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- iii. Copies of Contracts made / LCs opened during the last three months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

4. The meeting was attended by importers, traders and representatives of All Pakistan Paper Merchants Association. They were of the view that the prices should be determined as per description given in the Pakistan Customs Tariff keeping in view current market trends. They pointed out the flaws in the previous ruling and asserted that vegetable parchment is an expensive item which has been confused with tracing paper, greaseproof paper etc and

contended that values may be determined according to correct description and specifications. As for as grease proof paper and tracing paper is concerned, the year round, less than 100 MT has been imported. They asserted that if correct specification, PCT and values are indicated in the Ruling, importers would have no incentive to mis-declare the items is unrelated HS codes.

5. **Method Adopted to Determine Customs Values:** Valuation methods given in Section 25 of the Customs Act, 1969 were followed to arrive at customs values of Vegetable Parchment, Grease Proof Paper, Glazed Tracing Paper and Glassine Paper. Transaction value method provided in Section 25 (1) was found inapplicable owing to non fulfillment of prescribed requirements. Identical / similar goods values methods provided in Section 25(5) & (6) were examined for applicability to the valuation issue in the instant case which provided a number of reference values of subject goods but the same could not be exclusively relied on 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 the Vegetable Parchment, Grease Proof Paper, Glazed Tracing Paper and Glassine Paper of various types have been determined under section 25(7) of the Customs Act, 1969.

6. **Customs Values for Vegetable Parchment Grease Proof Paper, Glazed Tracing Paper and Glassine Paper:** Vegetable Parchment, Grease Proof Paper, Glazed Tracing Paper and Glassine Paper hereinafter specified shall be assessed to duty/taxes at the following values: -



S. No	Description of goods	PCT	Proposed PCT for WeBOC	Origin	Customs Values (C&F) in US\$/Kg
(1)	(2)	(3)	(4)	(5)	(6)
1.	Vegetable Parchments	4806.1000	4806.1000.1000	China	2.20
			4806.1000.1100	Europe	2.40
			4806.1000.1200	USA	2.50
			4806.1000.1300	Other origins	2.30
2.	Grease Proof Paper	4806.2000	4806.2000.1000	China	1.40
			4806.2000.1100	Indonesia	1.55
			4806.2000.1200	Europe	1.70
			4806.2000.1000	Other origins	1.80
3.	Tracing Paper	4806.3000	4806.3000.1000	China	1.35
			4806.3000.1100	Europe	1.60
			4806.3000.1200	Other origins	1.70
4.	Glassine and other glazed transparent or translucent paper	4806.4010	4806.4010.1000	China	1.10
			4806.4090.1000		
		4806.4090	4806.4010.1100	Europe, USA	1.25
			4806.4090.1100		
			4806.4010.1200	Other origins	1.20
			4806.4090.1200		

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 Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officer shall take into account air 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 values 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. **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, 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 this Valuation 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 in the above table of this Ruling. HS Codes are mentioned for illustrative purpose so that valuation ruling values are made accessible to the assessing officers. 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.

11. *This ruling supersedes Valuation Ruling No.1080/2017, dated 14.03.2017.*


(Muhammad Iqbal Muneeb)
Director

Copy for information to : -

1. The Member (Customs), F.B.R., Islamabad.
2. The Director General, Customs Valuation, Custom House, Karachi.
3. The Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
4. The Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. The Chief Collector of Customs (Central), Lahore.
6. The Chief Collector of Customs (North), Islamabad.
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), Islamabad.
10. The Director General, Internal Audit (Customs), Karachi.
11. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta Peshawar/ Faisalabad.
12. The Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system and deleting Valuation Ruling No.1080/2017, ***dated 14.03.2017.***
14. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
16. The Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. The Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. The Karachi Customs Agents Group, Bohri Road, Karachi.
19. The 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.