



**The Collectors of Customs**, Collectorate of Customs (Appraisalment -West / Appraisalment - East / Appraisalment -SAPT / Appraisalment - Port Muhammad Bin Qasim / Enforcement / JIAP), Karachi /Hyderabad / (Appraisalment / Enforcement),Quetta / Gawadar / (Appraisalment / Enforcement / AIIA), Lahore / Appraisalment, Faisalabad / Appraisalment, Sambrial (Sialkot) / Enforcement, Multan / Islamabad / Gilgit-Baltistan / (Appraisalment / Enforcement),Peshawar / Enforcement, Dera Ismail Khan / Exports (Port Qasim / Custom House Karachi) / Transit Trade, Karachi.

**DETERMINATION OF CUSTOMS VALUES OF PVC TRANSPARENT/CLEAR, PRINTED, DECORATIVE/EMBOSSSED PRINTED FLEXIBLE SHEETS/FILM & PVC CLING FILM UNDER SECTION 25A OF THE CUSTOMS ACT, 1969**

(VALUATION RULING NO. 1896 / 2024)

C. No. Misc/07/2010-II/669.

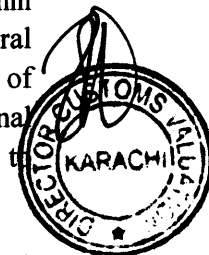
Dated: 04-07-2024

In exercise of the powers conferred under Section 25A of the Customs Act, 1969, Custom values of PVC Transparent/Clear, Printed, Decorative/Embossed Printed Flexible Sheets/Film & PVC Cling Film are determined as follows:

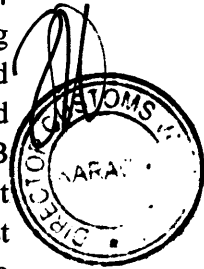
2. **Background of the valuation issue:** Earlier, the customs values of PVC Transparent/Clear, Printed, Decorative/Embossed Printed Flexible Sheets/Film & PVC Cling Film were determined vide Valuation Ruling No. 1564/2021 dated 16-11-2021. Several representations were received in this Directorate for the determination of customs values of subject goods under section 25A of the Customs Act, 1969 according to current international market trends of subject goods. Therefore, an exercise was initiated by the Directorate to determine the same.

3. **Stakeholders' participation in determination of Customs values:** Meeting was convened on 13-06-2024, which was attended by several relevant stakeholders. The issues pertaining to the valuation of subject goods were deliberated upon in detail in the afore-referred meeting.

4. **Analysis / Exercise done to determine Customs values:** During the meeting, representative of M/s. Pakistan Vinyl Industries (Importer cum manufacturer) stated that they also participated in exercise undertaken for the issuance of Valuation Ruling No. 1564/2021 dated 16/11/2021 and proposed to enhance the values as per prevalent market trends during that particular period; however, lately raw material prices have undergone a significant decline along with freight fluctuations; therefore, prices are required to be decreased accordingly. In this regard, to augment their stance, they submitted work sheets/calculations elaborating fluctuations in prices throughout the year *vis-a-vis* prices of input raw material. They informed that they are importers and manufacturers of Sr. No. 1 to 3 of the subject VR. They added that the instant goods are predominantly composed of PVC Suspension and DOP; ICIS Scan price of DOP during the period i.e. 13.10.2021 and 06.06.2024 were in between 1710 and 1315 USD/MT respectively. Whereas, the prices of PVC Suspension were also exorbitantly high i.e. 1650 USD/MT during the aforesaid period that has witnessed a sharp slump currently i.e. 800 to 810 USD/MT. Moreover, they added that over the period spanning from 2021 to 2024 there is overall reduction in prices of approx. 711 USD/MT



owing to plummeting prices of raw materials. They submitted calculations elucidating raw material prices after accounting for wastage and manufacturing costs etc; their proposed value for new Valuation Ruling comes to 1239 USD/MT. Furthermore, they suggested that same pattern of reduction has been witnessed in all other items covered in the subject VR. The values of PVC Transparent/Clear, Printed, Decorative/Embossed Printed Flexible Sheets/Film are lower than that of PVC Cling Film due to the higher ratio of plasticizer, which stands at approx. 40%, making the article costlier. Afterwards, the representative of M/s ATS Synthetic (Manufacturers) submitted calculation sheets/working pertaining to PVC Transparent Clear/Flexible Sheet/Film considering percentage/ratio of input materials; their cost and associated manufacturing expenses; they proposed C&F value 1840.14 USD/MT (FOB value 1630.14 USD/MT). They submitted their import invoices and GDs of raw material being imported by them for the manufacturing of the goods in question. In addition, the representative of M/s. Waris Sharif and Co. endorsed the proposal propounded by M/s. Pakistan Vinyl Industries. However, they were requested to submit relevant documents and quotations pertaining to the month of June to substantiate their standpoint. Furthermore, the representative of M/s. Chawla Industries Pvt Ltd stated that they import PVC Cling Film from China that primarily contains of approx. 40% plasticizer; therefore, its value is higher than the rest of the articles mentioned in the subject VR and the value has encountered a substantial decline in international market. Furthermore, M/s. OCCAN Enterprises submitted latest quotations from its supplier i.e. Jiangyin Centry Plastics Products Co. Ltd for June 2024 showing C&F value i.e. 1.45 USD/Kg, along with import documents i.e. Invoices, packing lists, BLs and GDs. Keeping in view, their latest order, and owing to downward trend internationally they contended the customs value of PVC Cling Film in between 1.40 and 1.45 USD/KG C&F. A representative of M/s Converters International mentioned that FOB value of PVC Cling Film is 1.40 USD/Kg and they were asked by the chair to submit corroboratory evidential documents. Later on, M/s. GAMCO International added that latest quotation from their supplier is between 1.40 and 1.50 USD/Kg, that may be considered to ascertain the customs values of subject goods. Subsequently, M/s. Pak Tai International submitted their Import documents, GDs and asserted that they are importing PVC Transparent/Clear Flexible Sheets and that they have imported their recent consignment at FOB 1.29 USD/KG and 1.35 USD/Kg C&F that may be considered for determination of Custom values of the subject goods. For this purpose, ninety (90) days' data have also been retrieved and the same 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.

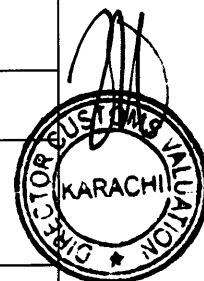


**5. Method (s) adopted to determine Customs values:** Valuation methods specified in Section 25 of the Customs Act, 1969, are duly considered in sequential order to arrive at the Customs values of subject goods. The transaction value method as provided in sub-section (1) of Section 25 of the Customs 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. 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 also examined for applicability to determine Customs values of subject goods and was not considered (for application) due to afore-stated

reasons. Moreover, Declared Values (DV) of similar goods had showed consistent variations. Hence, this method was also found inapplicable. Market enquiry as envisaged under Sub section (7) of Section 25 of the Customs Act, 1969 was also conducted but did not yield tangible results because of variation 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 the said goods. 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 Act 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 for PVC Transparent/Clear, Printed, Decorative/Embossed Printed Flexible Sheets/Film & PVC Cling Film - hereinafter specified shall be assessed to duty / taxes at following Customs Values:**

Sr. No.	Description of Goods	Origin	PCT	PCT for WeBOC	Customs Values (C&F) (Net Content weight) US\$/Kg
1	PVC Transparent / Clear Flexible Sheets /Film	China, Taiwan, Indonesia, Thailand, Korea	3920.4300 3920.4990	3920.4300.1000 3920.4990.1000	1.60
		All Other Origins		3920.4300.1100 3920.4990.1100	1.85
2	PVC Printed Flexible Sheets /Film	China, Taiwan, Indonesia, Thailand, Korea	3920.4300 3920.4990	3920.4300.1200 3920.4990.1200	2.01
		All Other Origins		3920.4300.1300 3920.4990.1300	2.17
3	PVC Decorative / Embossed Printed Flexible Sheets/ Film	China, Taiwan, Indonesia, Thailand, Korea	3920.4300 3920.4990	3920.4300.1400 3920.4990.1400	2.30
		All Other Origins		3920.4300.1500 3920.4990.1500	2.54
4	PVC Cling Film	China, Taiwan, Indonesia, Thailand	3920.4300	3920.4300.1600	1.73
		Malaysia, Singapore, Korea		3920.4300.1700	2.39
		Europe / USA		3920.4300.1800	3.24
		All Other Origins		3920.4300.1900	2.72



7. In cases, where declared 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 officers

shall take into account the difference between air freight and sea freight while applying the Customs values in this Ruling.

**8. Validity of this Valuation Ruling:** This Ruling, containing the Customs values for assessment of subject imported goods, shall be applicable until and unless the same are rescinded or revised by the competent authority in terms of sub-Section (4) of Section 25A of the Customs Act, 1969.

**9. Revision of the values determined vide this Valuation Ruling:** If aggrieved, a revision petition may be filed against this ruling as provided under Section 25D of the Customs Act, 1969, within 30 days from the date of its issuance, before the Director General, Directorate General of Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.

**10.** The Collectors of Customs may kindly ensure that the values given in the Valuation Ruling, for the given description of goods, are applied by the concerned assessing officers / officials without fail. Any anomaly observed may kindly be brought to the notice of this Directorate immediately. The Customs values determined in this ruling are for the descriptions and specifications as mentioned in Para-6 of this Ruling. HS Codes are mentioned for illustrative purposes so that Valuation Ruling is made accessible to the assessing officers. The assessments shall be finalized on the basis of correct classifications after fulfilling all formalities related to importability or other certifications required thereon.

**11. *This ruling supersedes Valuation Ruling No. 1564/2021 dated 16-11-2021 and its addendum dated 07-01-2022.***

  
(Fayaz Rasool Maken)  
Director

**Copy for information to:**

1. The Member Customs (Operations), Federal Board of Revenue, Islamabad.
2. The Director General, Customs Valuation, Custom House, Karachi.
3. The Chief Collector of Customs, Appraisalment (South), Custom House, Karachi.
4. The Chief Collector of Customs, Enforcement (South), Custom House, Karachi.
5. The Chief Collector of Customs, Appraisalment (Central), Custom House, Lahore.
6. The Chief Collector of Customs, Enforcement (Central), Custom House, Lahore
7. The Chief Collector of Customs (North), Custom House, Islamabad.
8. The Chief Collector of Customs, Baluchistan, Custom House, Quetta.
9. The Chief Collector of Customs, Khyber Pakhtunkhwa, Custom House, Peshawar.
10. The Director General, Intelligence and Investigation (Customs) FBR, Islamabad.
11. The Director General, PCA & Internal Audit, Karachi.
12. The Director General, IOCO, Karachi.
13. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
14. The Director, Transit Trade, Custom House, Karachi.
15. The Director, Directorate of Customs Valuation, Lahore/Quetta/Peshawar.
16. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system.

17. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
18. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
19. The Karachi Customs Agents Association, Bohri Road, Karachi.
20. The Webmaster, Federal Board of Revenue, Islamabad.
21. Guard File.