

(This Ruling has been revised / superseded vide Valuation Ruling No. 1461/2020 dated 20-07-2020)

**GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI**

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 CUSTOMS VALUES OF BLEACHED/UNBLEACHED KRAFT
LINER BOARD & PAPER UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969**

(VALUATION RULING No. 989/2016)

No. Misc/08/2013-III

Dated: 07th December, 2016

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of Bleached/Unbleached Kraft Liner Board & Paper are determined as follows:-

2. Description of the valuation issue: The Customs values of Bleached/Unbleached Kraft Liner Board & Paper were determined under Section 25-A of the Customs Act, 1969, vide Valuation Ruling No. 833/2016 dated 19-04-2016. All Pakistan Paper Merchants Association has requested for revisiting the above mentioned Ruling to reflect the current price trend in international market and in light of order of the Sindh High Court in CP No. 6918/2015 dated 10-11-2015. Accordingly an exercise was undertaken to examine contents of the association's request and to determine the Customs values of the subject goods in the light of prevailing international market prices.

3. Stakeholders' participation in determination of Customs values: A stakeholders' meeting as held on 03-11-2016. All participants were requested to submit the following documents:

- 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.

The meeting was attended by commercial importers, local manufacturers and members of All Pakistan Papers Merchants Association. The said Association submitted that the prices of Bleached/Unbleached Kraft Liner Board & Paper had been reduced considerably in the international market. The local manufacturer, however, contended that values of subject goods has seen no significant change in the international market. Some importers submitted import invoices however, the remaining requisite documents have not been furnished till date by most of the importers.

4. Method adopted to determine customs values: Valuation methods provided under Section 25 of the Customs Act, 1969 were followed to arrive at fair value of Bleached/Unbleached Kraft Liner Board & Paper. Transaction value method provided in Section 25(1) was found inapplicable because the requisite information was not available as per Law Identical / similar goods value Methods provided in Section 25(5) & (6) were examined for applicability to the valuation issue in the instant case which provided some reference values of the subject goods but the same could not be exclusively relied on due to wide variation in the prices, Thereafter, market enquiry as envisaged under Section 25(7) of the Customs Act, 1969, was conducted and the findings or market enquiry were also considered for determination of customs value for Bleached/Unbleached Kraft Liner Board & Paper. This method could not be relied upon exclusively as prices varied according to selling points in the city. The computed value method as provided in Section 25(8) of the Customs Act, 1969, could not be

applied as concerned costs in the country of export were not available. Finally, available data, market information and input provided by the stakeholders was evaluated and international prices from internet sources like risiinfo.com and others were thoroughly examined. Values of bleached and unbleached pulp were also consulted and examined during scrutiny as directed by the Director General Customs Valuation in Order-in-Revision No. 191/2016 dated 9th June, 2016. All the information so gathered was carefully analyzed for determination of customs value of Bleached/Unbleached Kraft Liner Board & Paper. Consequently, the fall back method as provided under section 25(9) of the Customs Act, 1969 was applied to arrive at the assessable Customs Values of Bleached/Unbleached Kraft Liner Board & Paper in this case.

5. Customs values for Bleached/Unbleached Kraft Liner Board & Paper hereinafter specified, shall be assessed to duty/taxes on the Customs values mentioned against them in the Table below:

S. No.	Description	PCT Heading	Proposed PCT for WEBOC	Origins	Customs Values (C&F) US\$/Kg			
(1)	(2)	(3)	(4)	(5)	(6)			
1.								
01	Bleached/Unbleached Kraft Liner Board	4804.1100 4804.1900	4804.1100.1000 4804.1900.1000	Portugal/ Poland & Czech Republic	0.73			
			4804.1100.1100 4804.1900.1100	Australia	0.75			
			4804.1100.1200 4804.1900.1200	Sweden/ Austria/ France/ Germany/ Belgium/ Finland	0.78			
			4804.1100.1300 4804.1900.1300	U.K/Ireland	0.79			
			4804.1100.1400 4804.1900.1400	China	0.62			
			4804.1100.1500 4804.1900.1500	U.S.A/Canada	0.75			
			4804.1100.1600 4804.1900.1600	UAE/Saudi Arabia	0.63			
			4804.1100.1700 4804.1900.1700	Brazil	0.72			
			4804.1100.1800 4804.1900.1800	Japan	0.80			
			4804.1100.1900 4804.1900.1900	Others	0.73			
			02	Bleached/white Kraft Liner Board	4804.1100 4804.1900	4804.1100.2000 4804.1900.2000	Portugal/ Poland & Czech Republic	0.76
						4804.1100.2100 4804.1900.2100	Australia	0.78
4804.1100.2200 4804.1900.2200	Sweden/ Austria/ France/ Germany/ Belgium/ Finland	0.82						
4804.1100.2300 4804.1900.2300	U.K/Ireland	0.83						
4804.1100.2400 4804.1900.2400	China	0.65						
4804.1100.2500 4804.1900.2500	U.S.A/Canada	0.79						
4804.1100.2600 4804.1900.2600	UAE/Saudi Arabia	0.66						

			4804.1100.2700	Brazil	0.75
			4804.1900.2700		
			4804.1100.2800	Japan	0.83
			4804.1900.2800		
			4804.1100.2900	Others	0.76
			4804.1900.2900		
03	Unbleached/Brown Kraft Liner Board	4804.1100 4804.1900	4804.1100.3000	Portugal/ Poland & Czech Republic	0.62
			4804.1900.3000		
			4804.1100.3100	Australia	0.63
			4804.1900.3100		
			4804.1100.3200	Sweden/ Austria/ France/ Germany/ Belgium/ Finland	0.67
			4804.1900.3200		
			4804.1100.3300	U.K/Ireland	0.68
			4804.1900.3300		
			4804.1100.3400	China	0.53
			4804.1900.3400		
			4804.1100.3500	U.S.A/Canada	0.64
			4804.1900.3500		
4804.1100.3600	UAE/Saudi Arabia	0.54			
4804.1900.3600					
4804.1100.3700	Brazil	0.62			
4804.1900.3700					
4804.1100.3800	Japan	0.70			
4804.1900.3800					
4804.1100.3900	Others	0.63			
4804.1900.3900					
04	Unbleached/Brown Kraft Liner Board	4804.1100 4804.1900	4804.1100.4000	Portugal/ Poland & Czech Republic	0.66
			4804.1900.4000		
			4804.1100.4100	Australia	0.67
			4804.1900.4100		
			4804.1100.4200	Sweden/ Austria/ France/ Germany/ Belgium/ Finland	0.71
			4804.1900.4200		
			4804.1100.4300	U.K/Ireland	0.72
			4804.1900.4300		
			4804.1100.4400	China	0.56
			4804.1900.4400		
			4804.1100.4500	U.S.A/Canada	0.68
			4804.1900.4500		
4804.1100.4600	UAE/Saudi Arabia	0.58			
4804.1900.4600					
4804.1100.4700	Brazil	0.70			
4804.1900.4700					
4804.1100.4800	Japan	0.74			
4804.1900.4800					
4804.1100.4900	Others	0.67			
4804.1900.4900					

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 air freight while applying the Customs values determined in this Ruling.

7. **Validity of 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. **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 the Customs Act, 1969, within 30 days from the date of issue, before the Director General, Directorate General or Customs Valuation, 7th Floor, Customs House, Karachi.

9. 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 the ruling are for the description and specification as mentioned in the table above or 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.

10. This Ruling supersedes Valuation Ruling No. 833/2016, dated 19-04-2016.

(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, Post Clearance Audit (PCA), Islamabad.
9. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad / Quetta Peshawar / Faisalabad.
10. The Project Director, WeBOC, 11th Floor, Custom House, Karachi.
11. Director, Customs Valuation, Custom House, Lahore.
12. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for deleting V.R. No. 833/2016 dated 19-04-2016 from the system and uploading this Val. Ruling in One Customs & WeBOC database.
13. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
14. Chairman (Valuation Committee), KCC&L Aiwan-e-Tijarat Road, Karachi.
15. Customs Revenue Audit 8th Floor, Custom House, Karachi.
16. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisalment, 1st Floor, Custom House, Karachi.
21. Guard File.