



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI  
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No.Misc/01/2008-III/666

RULING U/S 25-A NO. 298

Dated 12-03-2011

Note :

- i) *The customs value determined under this Valuation Ruling shall be applicable customs value for assessment of the relevant goods until and unless revised or rescinded by the competent authority.*
- ii) *Review application against this valuation ruling may be filed before the Director-General of Valuation under Section 25D of the Customs Act, 1969, within thirty (30) days from the date of determination of customs value under this ruling.*

Subject: DETERMINATION OF CUSTOMS VALUE OF PAPER & PAPER BOARD U/S 25-A OF THE CUSTOMS ACT, 1969.

Value of various items of paper & paper board was determined vide Valuation Ruling S.No.269/2010, dated 16-07-2010. Subsequently, instructions were received from the office of the Director General, Customs Valuation vide No. DG(V)Val.Rev/303/2010/3679, dated 14-09-2010, to initiate revision exercise under Section 25-A of the Customs Act 1969, keeping in view fluctuation in prices in the international market and accordingly proceedings for revision of values were initiated. Meetings were held to verify and revise/determine the value of paper & paper board and representatives of importers, local manufacturers and stakeholders were associated in the proceedings/meetings held on 04-10-2010 and 03-11-2010. All Pakistan Paper Merchants Association contended that prices of Paper and Paper Board have shown substantial decrease in international market. Pakistan Pulp Paper and Board Mills Association comprising of the local manufacturers contended that the prices of all kinds of Paper and Paper Board have gone up. The main contention of local manufacturers was that the



prices of DTRE imports were showing upward trend. They pointed out that the duplex board with grey back is being imported from Korea at US\$ 700 per metric ton to US\$ 800 per metric ton, under DTRE Scheme. However, it was pointed out by the importers that DTRE Scheme is a separate and special regime for export oriented units and no duty / tax is paid on goods falling under the said regime and DTRE goods are not meant for sale in the local market and thus the evidence of value of such special category goods is not legally maintainable, however, their this contention was not accepted. The importers also pointed out that values for duplex board with grey back arrived at on the basis of prices obtained from joint market enquiry conducted by the Department as well as those published in the Paper Business (the market bulletin) also prove their contention as values of duplex board with grey back are lower than those contained in the existing valuation ruling.

2. The matter has been examined. Transaction value of goods cannot be accepted under Section 25(1) of the Customs Act, 1969, being visibly lower than the prices in international market. Import data of various items of paper and paper board under Section 25(5) and 25(6) of the Customs Act, 1969, was also analyzed which indicated the upward trend in value of duplex board, art card and art paper. However, no substantial increase was recorded in the value of duplex board with grey back. In order to resolve the issue, market inquiry was got conducted. Values published in the market bulletin were also consulted for work back under Section 25(7) of the Act but the same were not reflecting the clear picture.

3. Therefore, in the light of price fluctuation and trends for various items of paper and paper board in the international market as evident from import data, cost of raw materials of various types of paper and paper board, local selling prices as confirmed in the market survey, recommendations of All Pakistan Paper Merchants Association and Pakistan Pulp Paper & Board Mills Association, following Customs Values have been determined as envisaged under Section 25(9) of the Customs Act, 1969 :-



S. No	Description	H. S. Code	Origin	Values (US\$ Per Kg)
(1)	(2)	(3)	(4)	(5)
1	One / Both side Coated Art Card / Board with kaolin (china clay) or other inorganic substances or any other kind of coated	4810.1990	Indonesia	0.848
2	--do--	--do--	China	0.848
3	--do--	--do--	Korea	0.869
4	--do--	--do--	Japan	0.869
5	--do--	--do--	Europe	0.885
6	One Side Coated Duplex Board Grey back in sheets 300 GSM & Up	4810.9200 4810.9900	Korea	0.720
7	--do--	4810.9200 4810.9900	Malaysia	0.640
8	--do--	--do--	Indonesia	0.610
9	--do--	--do--	China	0.610
10	--do--	--do--	Taiwan	0.630
11	--do--	--do--	Other than specified origins	0.720
12	One Side Coated Duplex Board other than Grey Back in sheets	4810.9200 4810.9900	Korea	0.874
13	--do--	--do--	Indonesia	0.850
14	--do--	--do--	China	0.880
15	--do--	--do--	Europe	0.900
16	--do--	--do--	U.S.A.	0.910
17	Art Paper in Sheets Both sides with kaolin (china clay) or other inorganic substances or any other kind of Coated Paper	4810.1310 4810.1320 4810.1390 4810.1910 4810.1990	Indonesia	0.863
18	--do--	--do--	China	0.869
19	--do--	--do--	Japan	0.874
20	--do--	--do--	Korea	0.890
21	--do--	--do--	Europe	0.932



22	--do--	--do--	Other than specified origins	0.932
23	Light Weight Coated Paper	4810.2200	All origins	0.850
24	Other	4810.2900	All origins	0.860

Notes

- i) US\$ 20 per metric ton to be added in assessable value of One Side Coated Duplex Board Grey Back less than 300 gsm.
- ii) US\$ 20 per metric ton to be subtracted for assessable value of reels of the above referred item.
- iii) Light weight coated paper as defined at S.NO.7 of subheading notes to Chapter-48 of Pakistan Customs Tariff which is reproduced as under:-

("S.NO. 7. for the purpose of subheading 4810.22, "Light Weight Coated Paper" means Paper, Coated on both sides, of a total weight not exceeding 72 g/m<sup>2</sup>, with a coating weight not exceeding 15g/m<sup>2</sup> per side, on a base which is not less than 50% by weight of a total fiber content consists of wood fibers obtained by a mechanical process").

3. The above values are hereby determined under Section 25-A of the Customs Act, 1969. All the Customs Collectorates are advised to finalize the assessment on the values mentioned above. These values shall remain valid until revised. However, if the invoice value is higher than the value in this ruling, then such higher value shall be adopted for assessment purpose in terms of Section 25 of the Customs Act, 1969.

  
(MUHAMMAD TAHIR)  
DIRECTOR

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5. The Director General of Customs Valuation, Karachi.
6. The Director General of Post Clearance Audit, Karachi.
7. The Directors of Intelligence Investigation-FBR, Karachi/Lahore/ Islamabad.
8. The Deputy Director (Hqrs.), Directorate General of Customs Valuation, Karachi. for uploading in One Customs & PaCCS database on the date of issue of this ruling.
9. Chairman (Valuation Committee), FPCC&I, Federation House, Karachi.
11. Chairman (Valuation Committee), KCC&I, Airwan-e-Tijarat Road, Karachi.
12. Pakistan Paper Merchants Association, Karachi.
13. Pakistan Pulp Paper & Board Mills Association, Karachi.
14. Karachi Customs Agents Group (KCAG), Bohri Road, Karachi
15. Guard File.