

The Collector of Customs, Model Customs Collectorate, Appraisal and Facilitation (East / West) / Port Qasim / Enforcement and Compliance, JIAP, Karachi / (Appraisal and Facilitation / Enforcement and Compliance), AIIA Lahore / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad / Hyderabad / Quetta / Appraisal and Facilitation Peshawar / Gwadar / Gilgit-Baltistan / Exports (Karachi / Port Qasim) / Transit Trade (Karachi).

DETERMINATION OF CUSTOMS VALUE OF PRINTED/ MISPRINTED WASTE PAPER OF ALL SORTS UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO. 1664 /2022)

No.V.Khi/02/PMP/25-A/III/1649.

Dated: 24-06-2022



In exercise of the powers conferred under Section 25A of the Customs Act, 1969, the Customs value of Printed/ Misprinted Waste Paper of all sorts are determined as follows:

2. Background of the valuation issue: Earlier, the Customs value of Printed/ Misprinted Waste Paper of all sorts was determined under Section 25A of the Customs Act, 1969 Customs values of vide Valuation Ruling No.1499/2020 dated 09-12-2020. Since the Valuation Ruling was more than eighteen months old, this Directorate General decided to revise the same as per prevalent market price. Therefore, an exercise was initiated in this Directorate General to determine Customs value of subject goods in terms of Section 25A of the Customs Act, 1969.

3. Stakeholders' participation in determination of Customs values: Meetings with all stakeholders, trade bodies including representatives of clearance Collectorate were held in this Directorate General on 15-06-2022 and 24-06-2022. The importers/stakeholders were requested to submit their proposals/suggestions as well as following documents before or during the course of stakeholders' meeting so that Customs values could be determined:

- i. Invoices of import during last three months showing factual values
- 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.

4. The meeting was attended by importers and stakeholders and their point of view was heard in detail to arrive at Customs value of subject goods. However, they failed to substantiate their claim through documentary evidences.

5. **Methods adopted to determine Customs Value:** Valuation methods provided in Section 25 of the Customs Act, 1969, were duly applied in their regular sequential order to arrive at Customs value of subject goods. The Transaction Value method as provided in sub-Section (1) of Section 25 of the Customs Act, 1969, was found inapplicable because no substantial documents were provided by the stakeholders to prove that their declared values were true transactional values. Moreover, different values were declared by different importers for same product according to different origins. Identical/similar goods value methods provided in Sections 25 (5) & (6) *ibid* were examined for applicability to determine Customs value of subject goods. The data provided some references; but due to wide variation in declaration, variety and specifications the same could not be relied upon exclusively. In line with statutory sequential order of Section 25, this office conducted various market inquiries under sub-Section (7) of Section 25 of the Customs Act, 1969. Finally, reliance had to be made on sub-Section (7) of Section 25 of the Customs Act, 1969 to determine Customs value of Printed/ Misprinted waste paper of all sorts.

6. **Customs values for Printed/ Misprinted waste paper of all sorts -hereinafter** specified shall be assessed to duty/taxes on the following minimum Customs value given against them in the Table below:-



S.No	Description	Origin	PCT	Proposed PCT for WeBOC	Customs Values C & F (US\$/KG)
(1)	(2)	(3)	(4)	(5)	(6)
1	Printed/ Misprinted Paper Board White back sheets/ reels waste of all sorts	All Origins	4707.9090	4707.9090.1000	0.160
2	Printed/ Misprinted Paper Board Grey/ Kraft back sheets/ reels waste of all sorts			4707.9090.1100	0.150
3	Printed-Misprinted Paper sheets/ reels waste of all sorts			4707.9090.1200	0.145
4	Used and over issued Newspaper Waste of all sorts			4707.9090.1300	0.170
5	Used and Over issued Telephone Directory/ Book Waste of all sorts			4707.9090.1400	0.150
6	Printed-Misprinted Aluminum Coated/ Poly coated board sheets/ reels waste of all sorts			4707.9090.1500	0.200

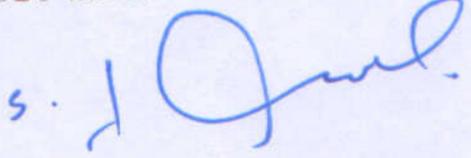
7. The assessing officer shall take into account proviso to sub-Section 2 of Section 25A of the Customs Act, 1969 which states "*Provided that where the value declared in a goods declaration, filed under Section 79 or Section 131 or mentioned in the invoice retrieved from the consignment, as the case may be, is higher than the value determined under sub-Section (1), such higher value shall be the Customs value*". In case of consignment imported by air, the assessing officer shall take into account the difference between air freight and sea freight while applying the Customs value determined in this Ruling.

8. **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 25A 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 25D 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 value 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 Valuation Ruling supersedes Valuation Ruling No.1499/2020 dated 09-12-2020.*


(Syed Fawad Ali Shah)
Director

Copy for information to:-

- 1) The Member Customs (Policy/Operations), 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 Chief Collector of Customs, (Enforcement), Custom House, Quetta.
- 8) The Director General, Intelligence and Investigation-FBR, Islamabad.
- 9) The Director General, PCA & Internal Audit, Islamabad.
- 10) The Director General, IOCO, Karachi
- 11) The Director General, Transit Trade, Custom House Karachi
- 12) The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
- 13) The Director, Transit Trade, Custom House Karachi
- 14) The Director, Directorate of Customs Valuation, Lahore/Quetta/Peshawar.
- 15) The Assistant Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system.
- 16) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 17) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 18) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 19) The Webmaster, Federal Board of Revenue, Islamabad.
- 20) Guard File.