



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

The Collector of Customs, Collectorate of Customs (Appraisement -West / Appraisement -East / Appraisement - Port Muhammad Bin Qasim / Enforcement / JIAP), Karachi /Hyderabad / (Appraisement / Enforcement),Quetta / Gawadar / (Appraisement / Enforcement / AIIA), Lahore / Appraisement, Faisalabad / Appraisement, Sambrial (Sialkot) / Enforcement, Multan / Islamabad / Gilgit-Baltistan / (Appraisement / Enforcement),Peshawar / Enforcement, Dera Ismail Khan.

DETERMINATION OF CUSTOMS VALUES OF PVC TRANSPARENT /CLEAR AND PRINTED FLEXIBLE SHEET/FILM AND PVC CLING FILM UNDER SECTION 25A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO. 1564 / 2021)



C. No. Misc/07/2010-II/942

Dated: 16-11-2021

In exercise of powers conferred under Section 25A of the Customs Act, 1969, Customs values of PVC Transparent /Clear and Printed Flexible Sheets and PVC Cling Film (3920.4300) are determined as follows:

2. Background of the Valuation Issue: Earlier, the customs values of PVC Transparent /Clear and Printed Flexible Sheets and PVC Cling Film were determined vide Valuation Ruling No. 1317/2018 dated 17-08-2018, which was challenged under section 25D of the Customs Act, 1969 by some importers before the Director General Customs Valuation, which was rejected accordingly vide order in revision No.08/2019 dated 02-07-2019. Moreover, multiple representations were received for re-determination of Customs value of the subject item. In view of the foregoing, this Directorate General initiated an exercise for determination of the Customs Values of the PVC Transparent /Clear and Printed Flexible Sheets and PVC Cling Film in terms of Section 25A of the Customs Act, 1969.

3. Stakeholders participation in determination of Customs values: Meetings were held on 14-04-2021 and 28-09-2021, which were attended by different stakeholders. The participants were requested to submit following documents before or during the course of meeting so that customs values could be determined: -

- i. *Copies of invoices of imports (including GDs, ER, PL, BL, & all related imported documents each GD-wise) during last one year 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 one year showing the value of item in question, each GD-wise.*
- iv. *Copies of Sales Tax Invoices issued during last one year 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, each GD-wise.*
- v. *Latest price catalogue issued from manufacturer.*
- vi. *Manufacturer's discount schedule if any.*
- vii. *Copies of export GDs of manufacturer.*



During the said meetings M/s. A.T.S Synthetic (Pvt) Ltd being a local manufacturer informed that PVC Decorative /printed embossed sheets/film of PCT 3920.4300 are being cleared on the lower values as compared to the raw materials of the said goods. In this regard, the Collectorate of Customs (Appraisalment)-East, Karachi issued an Assessment Alert with the direction to the officials to assess the values of PVC clear, Printed and Printed decorative Films being cleared under PCT Code 3920.4990 not below the values of existing VR No. 1317/2018. The other participants stated that the prices of subject goods have been increased on the basis of freight charges increased globally. Another importer further stated that the PVC is also produced from recycled raw materials and they have submitted internet prices and letter of the supplier. The viewpoints of all participants were heard in detail in order to arrive at Customs values of the subject goods.

4. **Method adopted to determine Customs values:** 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 wide variations of values were displayed in the import data. Therefore, identical / similar goods value method as provided in Sections 25(5) & (6) *ibid* were examined for applicability to determine customs values of subject goods. The data provided some references; however, it was found that the same could not be relied upon exclusively. In line with the statutory sequential order of Section 25, this office conducted market inquiries under sub-Section (7) of section 25 of the Customs Act, 1969, however, this method could not be exclusively relied upon. Therefore, valuation method vide Section 25(8) was examined for valuation but the same also could not be applied as conversion cost from the constituent material and allied expenses. Finally, clearance data, market information were examined thoroughly and the information so gathered were utilized and analyzed for determination of customs values of PVC Transparent /Clear and Printed Flexible Sheets and PVC Cling Film under Section 25 (9) of the Customs Act, 1969.

5. **Customs values for PVC Transparent /Clear and Printed Decorative/ Embossed Flexible Sheets/Film and PVC Cling Film - *hereinafter specified*** shall be assessed to duty / taxes at the following minimum Customs Values :

S. No.	Description of Goods	Origin	PCT Code	Proposed PCT for WeBOC	Customs Values (C&F) (Net content weight) US\$/Kg
(1)	(2)	(3)	(4)	(5)	(6)
1	PVC Transparent/ Clear Flexible Sheets/Film	China, Taiwan, Indonesia, Thailand	3920.4300 3920.4990	3920.4300.1000 3920.4990.1000	1.95
		All Other Origins	3920.4300 3920.4990	3920.4300.1100 3920.4990.1100	2.25
2	PVC Printed Flexible Sheets/Film	China, Taiwan, Indonesia, Thailand	3920.4300 3920.4990	3920.4300.1200 3920.4990.1200	2.45
		All Other Origins	3920.4300 3920.4990	3920.4300.1300 3920.4990.1300	2.65
3	PVC Decorative/ Embossed Printed Flexible Sheets/Film	China, Taiwan, Indonesia, Thailand	3920.4300 3920.4990	3920.4300.1400 3920.4990.1400	2.80
		All Other Origins	3920.4300 3920.4990	3920.4300.1500 3920.4990.1500	3.10
4	PVC Cling Film	China, Taiwan, Indonesia, Thailand	3920.4300	3920.4300.1600	2.30
		Malaysia, Singapore, Korea	3920.4300	3920.4300.1700	3.18
		Europe/ USA	3920.4300	3920.4300.1800	4.32
		All Other Origins	3920.4300	3920.4300.1900	3.62




6. In cases where declared / transaction values are higher than the Customs values determined in this Ruling or higher evidential data is available of stipulated period of 90 days, the assessing officer shall apply those values in terms of Sub-Section 25(1) of Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officer shall take into account the differential between air freight and sea freight while applying the Customs values determined in this Ruling.

7. **Validity of this Valuation Ruling:** The value 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 (4) of Section 25A 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 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.

9. The Collectors of Customs may kindly ensure that the values given in the 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. The Customs values determined in the Valuation Ruling are for the descriptions and specifications as mentioned herein. HS Codes are mentioned for illustrative purposes so that Valuation Ruling values are made accessible to assessing officers. The assessment shall be finalized in the correct classifications after fulfilling requisite formalities relating to importability or other certifications 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 of the Customs Act, 1969 or any other law in vogue therein.

10. ***This Ruling supersedes Valuation Ruling No. 1317/2018 dated 17-08-2018.***


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