

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 Different Polyester Fabrics Under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. ¹³⁰¹ /2018)

No.07 (Group-IV)/ Val.Khi/2018

Dated: May 04, 2018

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of different polyester fabrics are determined as follows:-

2. **Background of the valuation issue:** Earlier Customs values of different types of Polyester fabrics were determined vide two different Valuation Rulings No. 1224/2017 dated 28.11.2017 and No. 1225/2017 dated 28.11.2017. Importers of polyester microfiber fabric have agitated time and again that their item is not covered under the rulings and they are being incorrectly assessed under the existing rulings. MCC West Karachi and MCC Port Qasim have also sent references for addressing the issue of polyester microfiber fabrics, therefore, an exercise initiated for determination of the Customs Values of the polyester microfiber fabric and clearly delineate this type of fabrics from other polyester fabrics in terms of Section 25-A of the Customs Act, 1969.

3. **Stakeholders' participation in determination of Customs values:** Meetings with stake holders including commercial importers, All Pakistan Textile Mills Association (APTMA) and representatives of clearance Collectorates were scheduled on 23.4.2018 and 04.05.2018 to discuss international price trends of the subject goods. Representative of Ms Magna Processing Industries, importers of polyester microfiber grey fabric, strongly agitated against the departmental practice of assessing their imported polyester microfiber fabric and requested to assess as per their transaction values. Representatives of clearance Collectorate presented their point of view in detail. The view point of participants was heard in detail and considered 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 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 wide variation of values displayed in the import data. Hence requisite information required under law was not available to arrive at transaction values. Therefore, identical / similar goods value method as provided in Sub-Sections (5) & (6) of Section 25 ibid were examined for applicability to the valuation issue in the instant case but due to wide variations in declarations this method 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. As there were certain differences in prices in different markets therefore, a number of surveys were conducted to arrive at customs values. Finally reliance was placed on Sub-Section (7) of Section 25 of the Customs Act, 1969 to determine customs values of different polyester fabrics.



5. Customs values of different polyester fabrics hereinafter specified shall be assessed to duty/taxes at the following Customs Values:

S.No.	Description of Goods	P.C.T.	Proposed PCT for WeBOC	Origin	Customs Values C&F US\$/Kg
(1)	(2)	(3)	(4)	(5)	(6)
1	Unbleached Polyester grey fabric (More than 5 square meter / Kg)	5407.5100 5407.6100 5407.7100 5407.9110 5512.1110 5512.9110 5512.9920 5515.1910 5515.9910	5407.5100.1000 5407.6100.1000 5407.7100.1000 5407.9110.1000 5512.1110.1000 5512.9110.1000 5512.9920.1000 5515.1910.1000 5515.9910.1000	All origin	3.80
2	Unbleached Polyester microfiber grey fabric (Upto 5 square meter / Kg)	5407.5100 5407.6100 5407.7100 5407.9110 5512.1110 5512.9110 5512.9920 5515.1910 5515.9910	5407.5100.1010 5407.6100.1010 5407.7100.1010 5407.9110.1010 5512.1110.1010 5512.9110.1010 5512.9920.1010 5515.1910.1010 5515.9910.1010	China	2.35
3	Bleached Polyester Fabric (More than 5 square meter / Kg)	5407.5100 5407.7100 5407.8120 5407.9120 5512.1120 5512.9120 5512.9990 5513.1120 5513.1220 5513.1320 5513.1920 5514.1120 5514.1220 5514.1920 5515.1190 5515.1290	5407.5100.1100 5407.7100.1100 5407.8120.1000 5407.9120.1000 5512.1120.1000 5512.9120.1000 5512.9990.1000 5513.1120.1000 5513.1220.1000 5513.1320.1000 5513.1920.1000 5514.1120.1000 5514.1220.1000 5514.1920.1000 5515.1190.1000 5515.1290.1000	All origin	3.95
4	Bleached Polyester microfiber fabric (Upto 5 square meter / Kg)	5407.5100 5407.7100 5407.8120 5407.9120 5512.1120 5512.9120 5512.9990 5513.1120 5513.1220 5513.1320 5513.1920 5514.1120 5514.1220	5407.5100.1110 5407.7100.1110 5407.8120.1010 5407.9120.1010 5512.1120.1010 5512.9120.1010 5512.9990.1010 5513.1120.1010 5513.1220.1010 5513.1320.1010 5513.1920.1010 5514.1120.1010 5514.1220.1010	China	2.50



