



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI

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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 Cotton Fabrics**  
**Under Section 25-A of the Customs Act, 1969**

(VALUATION RULING NO.764 / 2015)

No.Misc/12/2012-IV

Dated 07-10-2015

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

2. **Background of the valuation issue:** A valuation Ruling regarding cotton fabric was issued vide Valuation Ruling No.449/2012, dated 29-03-2012. Clearance Collectorates contested that said ruling needs revision being on lower side. MCC, Appraisement (East), Karachi vide letter No.6(6) Gr-III/Clarification/SRO/2012-PaCCS-P-II, dated 10-04-2012 and MCC, Appraisement (West), Karachi vide letter No.SI/MISC/05/2000-IV, dated 22-03-2012 pointed out that fabric values determined by the Directorate needs upward revision keeping the international prices of the subject goods. Moreover, Board vide letter No.3(7)S.Val/2015, dated 11-08-2015, directed to examine the issue of valuation of Fabric in consultation with stakeholders.

3. **Stakeholders' participation in determination of Customs values:** A meeting was scheduled on 27-05-2015 where different stakeholder including importers, representatives of clearance Collectorates, and trade bodies including APTMA were invited to participate. No one attended the meeting. Another meeting was scheduled on 05-10-2015 and again the stakeholders, including importers, All Pakistan Textile Mills Association (APTMA), representatives of clearance Collectorates and trade bodies were requested to attend. However, none of the stakeholders and their representative including APTMA, appeared for the meeting scheduled on 05-10-2015. The meeting was, however, duly attended by the clearance Collectorates.



4. **Method adopted to determine Customs values:** After detailed discussion, valuation methods given in Section 25 of the Customs Act, 1969 were followed to arrive at fair value of cotton fabric. Transaction value method provided in Section 25 (1) was found inapplicable because the requisite information was not available. 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 variety in the material and absence of authentic source. Thereafter, market enquiry as envisaged under Section 25(7) of the Customs Act, 1969, was conducted. The prices of different types of cotton fabric in the market varied significantly and were heavily dependent on quality of the fabric and the location of the selling point or shop in the city. Online values were also checked. The computed value method as provided in Section 25(8) of the Customs Act, 1969, could not be applied as the conversion costs from constituent material at the country of export were not available. All the information so gathered was evaluated and analyzed for the purpose of determination of customs values. Consequently, the Customs values of Cotton Fabrics have been determined under Section 25(9) of the Customs Act, 1969.

5. **Customs values for Cotton Fabrics :** Cotton Fabrics *as specified in Annex-A to this Ruling* shall be assessed to duty / taxes at the Customs Values specified therein :-

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 the differential between air freight and sea freight while applying the Customs values determined in this Ruling.

7. **Validity of this 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: **Revision of the value determined vide this Valuation Ruling:** A revision 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 of this ruling, before the Director General, Directorate General of Customs Valuation, 7<sup>th</sup> 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.

10. *This ruling supersedes Valuation Ruling No.449/2012, dated 29-03-2012.*

  
(Manzoor Hussain 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, Audit (Customs & Petroleum), 1<sup>st</sup> Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
09. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General, Internal Audit (Customs), Karachi.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta Peshawar/ Faisalabad.
12. Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system and deleting Valuation Ruling No.449/2012, dated 29-03-2012.
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
16. Law Section, Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7<sup>th</sup> Floor, Custom House, Karachi / MCC, Appraisalment, 1<sup>st</sup> Floor, Custom House, Karachi.
21. Guard File.



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Annex-A to Valuation Ruling No. 764/ 2015 dated 07-10-2015

C & F Customs Value US\$ per KG

S.No.	Description of Fabric	PCT Code	Proposed PCT for WeBOC	China,U.A.E Banglades, Tuekey	India	Indonesia, Malaysia, Thailand, Veitnam, Korea	Europe, USA, Canada
1	Cotton Fabric (Printed /Plain)	5208.2100	5208.2100.1000	4.50	4.40	4.60	5.10
		5208.2200	5208.2200.1000				
		5208.2300	5208.2300.1000				
		5208.2900	5208.2300.1000				
		5208.3100	5208.3100.1000				
		5208.3200	5208.3200.1000				
		5208.3300	5208.3300.1000				
		5208.3900	5208.3900.1000				
		5208.4100	5208.4100.1000				
		5208.4200	5208.4200.1000				
		5208.4300	5208.4300.1000				
		5208.4900	5208.4900.1000				
		5208.5100	5208.5100.1000				
		5208.5200	5208.5200.1000				
		5208.5900	5208.5900.1000				
		5209.2100	5209.2100.1000				
		5209.2200	5209.2200.1000				
		5209.2900	5209.2900.1000				
		5209.3100	5209.3100.1000				
		5209.3200	5209.3200.1000				
5209.3900	5209.3200.1000						
5209.4100	5209.4100.1000						
5209.4200	5209.4200.1000						
5209.4300	5209.4300.1000						
5209.4900	5209.4900.1000						
5209.5100	5209.5100.1000						
5209.5200	5209.5200.1000						
5209.5900	5209.5900.1000						



*Handwritten signatures and initials in blue ink.*

S.No.	Description of Fabric	PCT Code	Proposed PCT for WeBOC	China,U.A.E Banglades, Tuekey	India	Indonesia, Malaysia, Thailand, Veitnam, Korea	Europe, USA, Canada
2	Cotton Fabric Blended (Printed /Plain)	5210.2100	5210.2100.1000	4.75	4.65	4.85	5.50
		5210.2900	5210.2900.1000				
		5210.3100	5210.3100.1000				
		5210.3200	5210.3200.1000				
		5210.3900	5210.3900.1000				
		5210.4100	5210.4100.1000				
		5210.4900	5210.4900.1000				
		5210.5100	5210.5100.1000				
		5210.5900	5210.5900.1000				
		5211.2000	5211.2000.1000				
		5211.3100	5211.3100.1000				
		5211.3200	5211.3200.1000				
		5211.3900	5211.3900.1000				
		5211.4100	5211.4100.1000				
		5211.4200	5211.4200.1000				
		5211.4300	5211.4300.1000				
		5211.4900	5211.4900.1000				
3	Other Cotton Fabric (Printed /Plain)	5212.1200	5212.1200.1000	4.50	4.40	4.60	5.10
		5212.1300	5212.1300.1000				
		5212.1400	5212.1400.1000				
		5212.1500	5212.1500.1000				
		5212.2200	5212.2200.1000				
		5212.2300	5212.2300.1000				
		5212.2400	5212.2400.1000				
		5212.2500	5212.2500.1000				

Hafiz Muhammad Jokhio  
Valuation Officer

Shamim Iqbal  
Principal Appraiser

DR. Muhammad Shalzad  
Deputy Director  
Manzoor Hussain Memon  
Director

Dr. Muhammad Nadeem Memon  
Add. Director