

GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACH

File No. DG (V)/Val.Rev/24/2018

Dated 26th September, 2018

Order in Revision No. 35 /2018 under Section 25-D of the Customs Act, 1969
against Valuation Ruling No. 1301/2018 dated 04-05-2018

- i. This copy is granted free of charge for the private use of the person to whom it is issued.
- ii. An appeal against this Order-in-Revision lies to the Appellate Tribunal, Customs having jurisdiction, under Section 194-A of the Customs Act, 1969, within stipulated period as prescribed under the law. An appeal should bear a court fee stamp of Rs.1000/- (Rupees one thousand) only as prescribed under Schedule-II item 22 of the Court Fee Act, 1870 and must be accompanied by a copy of this Order.
- iii. An extra copy of appeal, if filed, should simultaneously be sent to this office for information and record.
- iv. If an appeal is filed, the appellant should state whether he desires to be heard in person or through an advocate.

M/s. Diamond Export Industries (Pvt) Ltd & Others

..... PETITIONERS

VERSUS

Director, Customs Valuation, Karachi

..... RESPONDENT

Date(s) of hearing

10-07-2018 and 18-09-2018

For the Petitioners

Mr. Muhammad Jawed M/s J.K. Traders
Mr. Shahnawaz A. Sattar M/s Diamond Exp.
Mr. Muhammad Imran, M/s Diamond Fabrics
Mr. M. Yahya M/s Radium Silk Factory
Mr. M. Kamran M/s SKF Collection

For the Respondent

Mr. M. Sohail Ismail, Principal Appraiser

This revision petition was filed under Section 25-D of the Customs Act, 1969 against Customs values determined vide Valuation Ruling No. 1301/2018, dated 04-05-2018 issued under Section 25-A of the Customs Act, 1969, inter alia, on the following grounds:

2. That being aggrieved and dissatisfied with the values of "Polyester Microfiber Fabric" determined by the Director Customs Valuation, Karachi, under section 25A of Customs Act 1969 through the S.No. 6 of Valuation Ruling No. 1301/2018 dated 04-05-2018, we prefer this revision petition under Section 25-D of the Customs Act, 1969 before your kind authority on the following facts and grounds.

3. **FACTS**

1) That M/s Diamond Fabrics, Faisalabad is one of the leading manufacturers of "Bed Sheets"

- 2) That hold unblemished record and contribute huge revenue to national exchequer by timely payment of all legitimate Customs duties and allied taxes.
- 3) That to meet our industrial requirement we regularly import printed Polyester Microfiber Fabric from worldwide sources including China.
- 4) That till issuance of impugned VR, there was a uniform policy of almost all the Collectorates to assess the Chinese origin "Printed Polyester Microfiber Fabric"@ US\$ 2.80/Kg. Irrespective of truly declared transactional values for the said item we always accepted the assessment keeping in view the minor difference between genuine transactional values and assessed values, however to the best of our knowledge such assessed values were not acceptable to some other importers.
- 5) That as a matter of fact, actual transactional values in our import cases were ranging from US\$ 2.58 to US\$ 2.68/Kg.
- 6) That the petitioner always believe in correct true and genuine transactional values and no element of any sort of under invoicing is noticed or alleged by any Custom department in the past.
- 7) That it will not be out of place to mention here the background to the issuance of subject Valuation Ruling which is nothing else than stated in the impugned VR.



“Earlier Customs Values of different types of Polyester fabrics were determined vide two different Valuation Rulings No. 1224/2017 and 1225/2017 both 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.”

- 8) In the light of background to the issuance of impugned VR, it is an established fact that the values being assessed by the various Collectorates (i.e. US\$ 2.80/Kg) were not acceptable by most of the importers and they approached the Valuation department for inclusion of their item in the VR to redress their grievances, however instead of determination of fair values of under reference item, through the impugned ruling the values were determined on more higher than the values were agitated.
- 9) In the light of above facts it is therefore requested to please review the determined values on the basis of following grounds.

4. **GROUNDS**

- A. That, before issuance of impugned VR, meetings with stakeholders were scheduled, however we were not invited in the referred meetings irrespective of the fact that we are the main stakeholder.
- B. That impugned ruling was issued by adopting the sub-Section (7) of Section 25, on the plea that transactional value method as provided in sub-Section (1) of Section 25 was found

