GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE, KARACHI
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The Collector of Customs, Model Customs Collectorates, Appraisementand Facilitation (East / West) / Port Qasim / Enforcement and Compliance, JIAP, Karachi / (Appraisement and Facilitation / Enforcement and Compliance), AIIA Lahore / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad / Hyderabad / Quetta / Appraisement and Facilitation Peshawar / Gwadar / Gilgit-Baltistan / Exports (Karachi / Port Qasim).

DETERMINATION OF CUSTOMS VALUES OF POLYESTER/ACRYLIC PILE FABRICS FOR BLANKET (225GSM AND ABOVE) UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO. 1453/2020)

C. No.Misc/34/2016-IV/4005 Dated: 24-06-2020

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of polyester/acrylic pile fabrics for blanket (225 GSM and above) are determined as follows:

2. Background of the valuation issue: The Customs values of thepolyester/acrylic pile fabrics for blanket (225GSM and above) were earlier determined vide Valuation Ruling No.1003/2017 dated 05-01-2017. The Valuation Ruling was old and values of subject goods both in international and local market had shown varying trends. Moreover, the EDE data of Chinese Export to Pakistan also indicated variations in value of Chinese Export values viz-a-viz Pakistani import values of polyester/acrylic pile fabrics for blanket (225Gsm and above).Therefore, an exercise was undertaken by this Directorate General to determine the same accordingly as per trends in the current international/local market.

DIRECTOR CUSTOM VALUATION KARACHI

3. Stakeholders' participation in determination of Customs values: Meeting with stakeholders was conducted on06-02-2020. All the participants had been requested to submit the following documents.

i. Invoices of imports during last three mouths 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 / I.Cs opened during the last three months showing the value of items in question.

iv. Copies of Sales Tax Invoices issued during last three 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.

Few of the importers attended the meeting; however, none of them provided required documents.

4. Methods 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 no substantial documents were provided by the stakeholders to prove that declared values were true transactional values. Moreover, different values were declared by different importers for same product. Identical/similar goods value methods 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 solely relied upon due to absence of absolute demonstrable evidence of qualities and quantities of commercial level etc. Information available hence found inappropriate. In line with statutory sequential order of section 25, this office conducted market inquiries under sub-section (7) of Section 25 of the Customs Act, 1969. As the prices of polyester/acrylic pile fabrics for blanket (225Gsm and above) in the market varied significantly and were heavily dependent on quality of the polyester/acrylic pile fabrics for blanket (225GSM and above) and the location of the selling points or shops in the city, therefore a number of surveys were conducted to arrive at customs values. PRAL imports database, market inquiry and international prices through web were also examined thoroughly. Consequently Deductive Value method as provided under Section 25(7) of the Customs Act 1969 was applied to arrive at assessable customs values of polyester/acrylic pile fabrics for blanket (225GSM and above).

DIRECTOR CUSTOMS VALUATION KARACHI

5. Customs Values of polyester/acrylic pile fabrics for blanket (225Gsm and above): Polyester/acrylic pile fabrics for blanket (225Gsm and above) various origins ***hereinafter specified***, shall be assessed to duty/taxes at the following minimum Customs values.

Sr. 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.	Polyester Printed, Dyed, Embossed Pile Fabric for Blankets	6001.9290	6001.9290.1000	China	4.40
				U.A.E / Korea	5.40
				Europe	6.45

2.	Acrylic Printed, Dyed, Embossed Pile Fabric for Blankets	6001.9290	6001.9290.1000	China	5.30
				U.A.E / Korea	6.45
				Europe	7.70

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 and the same may be communicated to this Directorate General forthwith. In case of consignment imported by air, the assessing officer shall take into account the different between air freight and sea freight while applying the Customs values determined in this Ruling.

7. **Validity of Valuation Ruling:** The values determined vide this Ruling shall be the applicable Customs values 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, 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 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 values 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.

10. ***This ruling supersedes Valuation Ruling No.1003/2017 dated 05-01-2017.***

(Shafique Ahmad Latki)
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 (Appraisement), 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, Karachi.
10) The Director General, IOCO, Karachi
11) The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
12) The Director, Directorate of Customs Valuation, Lahore.
13) The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploadingin One Customs&WeBOC database system.
14) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta &Peshawar.
16) The Karachi Customs Agents Group, Bohri Road, Karachi.
17) The Webmaster, Federal Board of Revenue, Islamabad.
18) Guard File.