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DETERMINATION OF CUSTOMS VALUES OF WOVEN INTERLINING BUCKRAM MATERIAL (BLACK/WHITE) & NON-WOVEN INTERLINING BUCKRAM MATERIAL (BLACK/WHITE) UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO. 1471/2020)

C.No. (Misc/ 10/2017-IV) 15125

Dated: September, 2020

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of Woven Interlining Buckram Material (Black/White) & Non-Woven Interlining Buckram Material (Black/White) are determined as follows:-

2. Background of the valuation issue: Customs values of Woven Interlining Buckram Material (Black/White) & Non-Woven Interlining Buckram Material (Black/White) were earlier determined vide Valuation Ruling No.926/2016 dated 08.09.2016 that was over three years old. Therefore, an exercise was undertaken by this Directorate General to revise the same according to the trends prevailing in the current international market.

3. Stakeholders' participation in determination of Customs values: A Meeting with stakeholders was held on 19.03.2019 & 13.06.2019. 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.

Importers of this commodity from different origins participated in the meeting. Clearance data was discussed.

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 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 Woven Interlining Buckram Material (Black/White) & Non-Woven Interlining Buckram Material (Black/White) in the market varied significantly and were heavily dependent on quality of the goods 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 Woven Interlining Buckram Material (Black/White) & Non-Woven Interlining Buckram Material (Black/White).

5. **Customs Values of Woven Interlining Buckram Material (Black/White) & Non-Woven Interlining Buckram Material (Black/White):** Customs values of Woven Interlining Buckram Material (Black/White) & Non-Woven Interlining Buckram Material (Black/White) hereinafter specified, shall be assessed to duty/taxes at the minimum Customs values mentioned against them in the Table below:

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)
01	Woven Interlining Buckram Material (Black)	5901.1000	5901.1000.1000	China	4.95
		5901.9010	5901.9010.2000	Korea	5.50
		5901.9090	5901.9090.3000	Others	5.60
02	Woven Interlining Buckram Material (White)	5901.1000	5901.1000.1000	China	4.70
		5901.9010	5901.9010.2000	Korea	5.15
		5901.9090	5901.9090.3000	Others	5.25
03	Non-Woven Interlining Buckram Material (Black)	5603.1100	5603.1100.1000	China	4.35
		5603.1200	5603.1200.2000	Korea	4.80
				Others	4.95
04	Non-Woven Interlining Buckram Material (White)	5603.1100	5603.1100.1000	China	4.00
		5603.1200	5603.1200.2000	Korea	4.45
				Others	4.60

