



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

The Collector of Customs, Model Customs Collectorates, Appraisement and 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 / Enforcement and Compliance Peshawar / Gwadar / Gilgit-Baltistan / Exports (Karachi / Port Qasim) / Transit & Trade, Karachi.

Determination of Customs values of Children Garments (Baby/ Baba) of Low End Brands under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. 1483 / 2020)

C.No. Misc/13/2007-IV/

15373

Dated: 06-11-2020

In exercise of the powers conferred under Section 25A of the Customs Act, 1969, Customs values of Children Garments (Baby/Baba) of Low End Brands are determined as follows:-

2. **Background of the valuation issue:** Earlier Custom values of Children Garments (Baby/ Baba) of Low End Brands were determined vide Valuation Ruling No.1397/2019 dated 28.10.2019. After analysis of EDE data few variations were observed in Chinese export data viz-a-viz import data of Pakistani imports. Therefore, an exercise was undertaken by this Directorate General to re-determine the Customs values of subject items according to prevailing prices in the international markets.

3. **Stakeholders' Participation in Determination of Customs Values:** Meetings with the importers /stakeholders and trade bodies were held in this Directorate General on 09-09-2020 and 26-10-2020. The importers/stakeholders were requested to submit their proposals/ suggestions as well as following documents before or during the course of stakeholders' meetings so that Customs values could be determined:

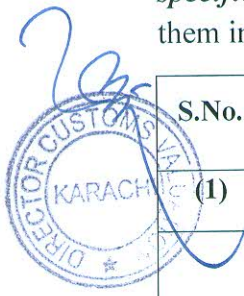
- i. Invoices of imports during last three months showing factual value.
- ii. Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- iii. Copies of Contracts made / LCs opened during the last three months showing the value of item in question.
- iv. Copies of Sales Tax Invoices issued during last four months showing the values of supplies (excluding duty and taxes) to substantiate their contention.

The participants submitted few documents which were examined. During meetings the variation in values of Chinese Exports viz-a-viz Pakistani imports as depicted in EDE data were also discussed in detail. Most of the participants contended that the Chinese exporters show inflated values in their shipping bills to get benefits of higher rebate on such exports. The meetings were also attended by representatives from All Pakistan Customs Agents Association & the Federation

of Pakistan Chambers of Commerce & Industry. The points of view of the participants were heard in detail and considered to arrive at custom 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. Moreover, importers / stakeholders attended the meetings but did not submit any documentary evidences to prove that their declared value was true transactional value. Hence, requisite information under law was not available to arrive at the correct transaction value. Therefore, identical / similar goods value methods 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, variety and specifications, these methods could not be relied upon exclusively. In line with the statutory sequential order of Section 25, this office conducted a number of inquiries from various markets to arrive at Customs values under sub-Section (7) of Section 25 of the Customs Act, 1969. Finally, reliance had to be made on sub-Section (7) of Section 25 of the Customs Act, 1969 to determine Customs values of Children Garments (Baby/Baba) of Low End Brands.

5. **Customs Values of Children Garments (Baby/ Baba) of Low End Brands *hereinafter specified*** shall be assessed to duty/taxes on the minimum Customs values mentioned against them in the Table below:



S.No.	Description of Goods	H.S Code	Proposed PCT for WeBOC	Origin	Custom Values US\$/pc
(1)	(2)	(3)	(4)	(5)	(6)
1.	Baby/ Baba Jhabla Set	6111.2000	6111.2000.1000	China/Vietnam	0.51
		6111.3000	6111.3000.1000	Indonesia/ Thailand/ Malaysia/ U.A.E	0.56
		6111.9000	6111.9000.1000		
		6209.2010	6209.2010.1000	Bangladesh/ Sri Lanka	0.53
		6209.3000	6209.3000.1000		
		6209.9010	6209.9010.1000	Other	0.61
		6209.9090	6209.9090.1000		
2.	Baby/ Baba T-Shirt/ Shirt	6105.1000	6105.1000.1000	China/Vietnam	0.71
		6105.2000	6105.2000.1000	Indonesia/ Thailand/ Malaysia/ U.A.E	0.79
		6105.9000	6105.9000.1000		
		6106.1000	6106.1000.1000		
		6106.2000	6106.2000.1000	Bangladesh / Sri Lanka	0.75
		6106.9000	6106.9000.1000		
		6109.1000	6109.1000.1000		
		6109.9010	6109.9010.1000	Other	0.86
		6109.9090	6109.9090.1000		
		6205.3000	6205.3000.1000		
		6205.9090	6205.9090.1000		

3.	Baby/ Baba Under-Shirt/ T-Shirt	6105.1000	6105.1000.2000	China/Vietnam	0.49
		6105.2000	6105.2000.2000	Indonesia/ Thailand/ Malaysia/ U.A.E	0.54
		6105.9000	6105.9000.2000		
		6106.1000	6106.1000.2000	Bangladesh / Sri Lanka	0.51
4.	Baby/ Baba Shorts, Bermuda, Caprice	6106.2000	6106.2000.2000	Other	0.59
		6106.9000	6106.9000.2000		
		6109.1000	6109.1000.2000	China/Vietnam	0.40
		6109.9010	6109.9010.2000		
5.	Baby Frock	6109.9090	6109.9090.2000	Indonesia/ Thailand/ Malaysia/ U.A.E	0.43
		6205.3000	6205.3000.2000		
		6205.9090	6205.9090.2000	Bangladesh / Sri Lanka	0.41
				Other	0.47
6.	Baby/ Baba (Charm Suit/ Romper)	6103.4200	6103.4200.1000	China/Vietnam	0.79
		6103.4300	6103.4300.1000		
		6103.4900	6103.4900.1000	Indonesia/ Thailand/ Malaysia/ U.A.E	0.87
		6104.6200	6104.6200.1000		
7.	Baby/ Baba Trousers, Dress Pants, Jeans	6104.6300	6104.6300.1000	Bangladesh / Sri Lanka	0.83
		6104.6900	6104.6900.1000		
		6203.4100	6203.4100.1000	Other	0.94
		6203.4190	6203.4190.1000		
8.	Baby/ Baba (Charm Suit/ Romper)	6203.4200	6203.4200.1000	China/Vietnam	0.78
		6203.4300	6203.4300.1000		
		6203.4900	6203.4900.1000	Indonesia/ Thailand/ Malaysia/ U.A.E	0.85
9.	Baby/ Baba Trousers, Dress Pants, Jeans	6105.1000	6105.1000.3000	Bangladesh / Sri Lanka	0.83
		6105.2000	6105.2000.3000		
		6105.9000	6105.9000.3000	Other	0.95
		6106.1000	6106.1000.3000		
10.	Baby/ Baba Trousers, Dress Pants, Jeans	6106.2000	6106.2000.3000	China/Vietnam	0.95
		6106.9000	6106.9000.3000		
		6109.1000	6109.1000.3000	Indonesia/ Thailand/ Malaysia/ U.A.E	1.10
		6109.9010	6109.9010.3000		
11.	Baby/ Baba Trousers, Dress Pants, Jeans	6109.9090	6109.9090.3000	Bangladesh / Sri Lanka	1.03
		6205.3000	6205.3000.3000		
		6205.9090	6205.9090.3000	China/Vietnam	0.95
12.	Baby/ Baba Trousers, Dress Pants, Jeans	6111.2000	6111.2000.1100	Indonesia/ Thailand/ Malaysia/ U.A.E	1.10
		6111.3000	6111.3000.1100		
		6111.9000	6111.9000.1100	Bangladesh / Sri Lanka	1.03
		6209.2010	6209.2010.1100		
13.	Baby/ Baba Trousers, Dress Pants, Jeans	6209.3000	6209.3000.1100	China/Vietnam	0.95
		6209.9010	6209.9010.1100		
		6209.9090	6209.9090.1100	Indonesia/ Thailand/ Malaysia/ U.A.E	1.10
14.	Baby/ Baba Trousers, Dress Pants, Jeans	6111.2000	6111.2000.1200	Bangladesh / Sri Lanka	1.03
		6111.3000	6111.3000.1200		
		6111.9000	6111.9000.1200	China/Vietnam	0.95
		6209.2010	6209.2010.1200		
15.	Baby/ Baba Trousers, Dress Pants, Jeans	6209.3000	6209.3000.1200	Indonesia/ Thailand/ Malaysia/ U.A.E	1.10
		6209.9010	6209.9010.1200		
		6209.9090	6209.9090.1200	Bangladesh / Sri Lanka	1.03

				Other	1.15
				China/Vietnam	0.95
8.	Baby / Baba Jackets, Sweaters (Non-Woolen)	6111.3000 6111.9000 6209.3000 6209.9010 6209.9090	6111.3000.1300 6111.9000.1300 6209.3000.1300 6209.9010.1300 6209.9090.1300	Indonesia/ Thailand/ Malaysia/ U.A.E	1.05
				Bangladesh/ Sri Lanka	1.00
				Other	1.10
				China/Vietnam	0.060
9.	Baby/ Baba Cap/Bib/Socks in pair	6111.9000 6203.4300 6203.4900	6111.9000.1400 6203.4300.1400 6203.4900.1400	Indonesia/ Thailand/ Malaysia/ U.A.E	0.072
				Bangladesh/ Sri Lanka	0.070
				Other	0.075
				China/Vietnam	0.18
10.	Baby/ Baba Legging/Tights	6111.9000 6203.4300 6203.4900	6111.9000.1500 6203.4300.1500 6203.4900.1500	Indonesia/ Thailand/ Malaysia/ U.A.E	0.20
				Bangladesh / Sri Lanka	0.21
				Other	0.25

The values are meant for children (Baby/Baba) Garments of age up to 5 years only.

6. In cases where declared/ transaction values are higher than the Customs value determined in this Ruling or higher evidential data is available of stipulated period 90 days, the assessing officer 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:** This Valuation Ruling is appealable under the law and a revision petition may be filed against this Ruling, 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, 7th 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. The Customs values determined in the Valuation Ruling are for the descriptions and specifications as mentioned herein, HS Codes are mentioned for illustrative purposes so that Valuation Ruling values are made accessible to the assessing officers. The assessment shall be finalized in the correct classifications after fulfilling requisite formalities relating to importability or other certifications 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 of the Customs Act, 1969 or any other law in vogue therein.

10. This ruling supersedes Valuation Ruling No.1397/2019 dated 28-10-2019.


(Shafique Ahmad Latki)
Director

Copy for information to: -

1. The Member (Customs-Operations), Federal Board of Revenue, Islamabad.
2. The Director General, Directorate General Customs Valuation, Custom House, Karachi.
3. The Chief Collector of Customs, South (Appraisalment), 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, Custom House, Quetta.
8. The Director General, Intelligence and Investigation-FBR, Islamabad.
9. The Director General, Post Clearance Audit (PCA) & Internal Audit, Karachi.
10. The Director General, Transit & Trade, Custom House, Karachi.
11. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad / Quetta / Peshawar / Faisalabad / Gwadar.
12. The Director, Transit & Trade, Custom House, Karachi.
13. The Director, Directorate General of Customs, Valuation Custom House, Lahore.
14. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system.
15. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
16. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
17. The Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. The Karachi Customs Agents Group, Bohri Road, Karachi.
19. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi.
20. The Webmaster, Federal Board of Revenue, Islamabad.