GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI
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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 Garments of Low End Brands under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. 1484 / 2020)

C.No. Misc/13/2007-IV/ 1537 Dated: 06 -11-2020

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

2. **Background of the valuation issue:** Earlier Custom Values of Garments of Low End Brands were determined vide Valuation Ruling No. 1398/2019 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 andtrade bodieswas held in this Directorate General on 09-09-2020 and 26-10-2020. The importers/stakeholders were requestedto submit their proposals/suggestions as well as following documents before or during the course of 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.

They, however, failed to substantiate the said claim through documentary evidence. The meetings were also attended by representatives from All Pakistan Customs Agents Association & the Federation of Pakistan Chambers of Commerce & Industry.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 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 valuemethod 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 meetingsbutdid not submit any documentary evidences to prove that their declared valueswere true transactional value. Hence, requisite information under law was not available to arrive at correct transaction value. Therefore, identical / similar goods value methods as provided in sub-Sections (5) & (6) of Section 25 ibidwere 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 Garments of Low End Brands.

5. **Customs Values of Garments 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 Value US$/pc
(1)	(2)	(3)	(4)	(5)	(6)
1.	Men's Suit (2 Piece-Coat & Pant)	6101.2000	6101.2000.1000	China/Vietnam	18.60/suit
		6101.3000	6101.3000.1000	Indonesia/ Thailand/ Malaysia/ U.A.E	20.60/suit
		6101.9000	6101.9000.1000		
		6102.2000	6102.2000.1000		
		6102.3000	6102.3000.1000	Bangladesh/ Sri Lanka	19.66/suit
		6102.9000	6102.9000.1000		
		6103.1000	6103.1000.1000	Other	22.40/suit
		6103.2200	6103.2200.1000		
		6103.2300	6103.2300.1000		
		6103.2900	6103.2900.1000		
		6103.3200	6103.3200.1000		
		6103.3300	6103.3300.1000		
		6103.3900	6103.3900.1000		
		6104.1300	6104.1300.1000		
		6104.1900	6104.1900.1000		
		6104.2200	6104.2200.1000		
		6104.2300	6104.2300.1000		
		6104.2900	6104.2900.1000		
		6104.3200	6104.3200.1000		
		6104.3300	6104.3300.1000		
		6104.3900	6104.3900.1000		
		6201.1200	6201.1200.1000		

		6203.1910 6203.1990 6203.2200 6203.2300 6203.2900 6203.3200 6203.3300 6203.3900	6203.1910.1000 6203.1990.1000 6203.2200.1000 6203.2300.1000 6203.2900.1000 6203.3200.1000 6203.3300.1000 6203.3900.1000		
2	Men's Blazer Coat	6101.2000 6101.3000 6101.9000 6102.2000 6102.3000 6102.9000 6103.1000 6103.2200 6103.2300 6103.2900 6103.3200 6103.3300 6103.3900 6104.1300 6104.1900 6104.2200 6104.2300 6104.2900 6104.3200 6104.3300 6104.3900 6201.1200 6203.1910 6203.1990 6203.2200 6203.2300 6203.2900 6203.3200 6203.3300 6203.3900	6101.2000.1100 6101.3000.1100 6101.9000.1100 6102.2000.1100 6102.3000.1100 6102.9000.1100 6103.1000.1100 6103.2200.1100 6103.2300.1100 6103.2900.1100 6103.3200.1100 6103.3300.1100 6103.3900.1100 6104.1300.1100 6104.1900.1100 6104.2200.1100 6104.2300.1100 6104.2900.1100 6104.3200.1100 6104.3300.1100 6104.3900.1100 6201.1200.1100 6203.1910.1100 6203.1990.1100 6203.2200.1100 6203.2300.1100 6203.2900.1100 6203.3200.1100 6203.3300.1100 6203.3900.1100	China/Vietnam	10.58
				Indonesia/ Thailand/ Malaysia/ U.A.E	11.50
				Bangladesh/ Sri Lanka	11.10
				Other	12.65
3.	Gents/ Ladies Trouser (Dress Pant, Jeans/ lowers)	6103.4200 6103.4300 6103.4900 6104.6200 6104.6300 6104.6900 6203.4110 6203.4190 6203.4200 6203.4300 6203.4900	6103.4200.1100 6103.4300.1100 6103.4900.1100 6104.6200.1100 6104.6300.1100 6104.6900.1100 6203.4100.1100 6203.4190.1100 6203.4200.1100 6203.4300.1100 6203.4900.1100	China/Vietnam	3.75
				Indonesia/ Thailand/ Malaysia/ U.A.E	4.00
				Bangladesh/ Sri Lanka	4.10
				Other	4.50
4.	Gents/ Ladies Shirt / T-Shirt	6105.1000 6105.2000 6105.9000	6105.1000.4000 6105.2000.4000 6105.9000.4000	China/Vietnam	3.15
				Indonesia/ Thailand/	3.47

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		6106.1000 6106.2000 6106.9000 6109.1000 6109.9010 6109.9090 6205.3000 6205.9090	6106.1000.4000 6106.2000.4000 6106.9000.4000 6109.1000.4000 6109.9010.4000 6109.9090.4000 6205.3000.4000 6205.9090.4000	Malaysia/ U.A.E	
				Bangladesh/ Sri Lanka	3.40
				Other	3.90
5	Gents/ Ladies Jackets/ Sweaters (Non Woolen)	6103.3200 6103.3300 6103.3900 6104.3200 6104.3300 6104.3900	6103.3200.1200 6103.3300.1200 6103.3900.1200 6104.3200.1200 6104.3300.1200 6104.3900.1200	China/Vietnam	3.27
				Indonesia/ Thailand/ Malaysia/ U.A.E	3.60
				Bangladesh/ Sri Lanka	3.45
				Other	3.91
6	Ladies Upper/ Top Blouse	6104.3200 6104.3300 6104.3900 6104.5200 6104.5300 6104.5900 6106.1000 6106.2000 6106.9000 6206.3090 6206.4090 6206.9090	6104.3200.1300 6104.3300.1300 6104.3900.1300 6104.5200.1000 6104.5300.1000 6104.5900.1000 6106.1000.1000 6106.2000.1000 6106.9000.1000 6206.3090.1000 6206.4090.1000 6206.9090.1000	China/Vietnam	2.36
				Indonesia/ Thailand/ Malaysia/ U.A.E	2.58
				Bangladesh/ Sri Lanka	2.48
				Other	2.82
7	Boy's Suit (2 Piece-Coat & Pant)	6101.2000 6101.3000 6101.9000 6102.2000 6102.3000 6102.9000 6103.1000 6103.2200 6103.2300 6103.2900 6103.3200 6103.3300 6103.3900 6104.1300 6104.1900 6104.2200 6104.2300 6104.2900 6104.3200 6104.3300 6104.3900 6201.1200 6203.1910 6203.1990 6203.2200 6203.2300	6101.2000.1400 6101.3000.1400 6101.9000.1400 6102.2000.1400 6102.3000.1400 6102.9000.1400 6103.1000.1400 6103.2200.1400 6103.2300.1400 6103.2900.1400 6103.3200.1400 6103.3300.1400 6103.3900.1400 6104.1300.1400 6104.1900.1400 6104.2200.1400 6104.2300.1400 6104.2900.1400 6104.3200.1400 6104.3300.1400 6104.3900.1400 6201.1200.1400 6203.1910.1400 6203.1990.1400 6203.2200.1400 6203.2300.1400	China/Vietnam	7.3/suit
				Indonesia/ Thailand/ Malaysia/ U.A.E	8.8/suit
				Bangladesh/ Sri Lanka	8.4/suit
				Other	9.6/suit

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		6203.2900 6203.3200 6203.3300 6203.3900	6203.2900.1400 6203.3200.1400 6203.3300.1400 6203.3900.1400		
8.	Boys & Girls Shirts/ T-Shirt, Medi Frock	6105.1000 6105.2000 6105.9000 6106.1000 6106.2000 6106.9000 6109.1000 6109.9010 6109.9090 6205.3000 6205.9090	6105.1000.5000 6105.2000.5000 6105.9000.5000 6106.1000.5000 6106.2000.5000 6106.9000.5000 6109.1000.5000 6109.9010.5000 6109.9090.5000 6205.3000.5000 6205.9090.5000	China/Vietnam	1.78
				Indonesia/ Thailand/ Malaysia/ U.A.E	1.95
				Bangladesh/ Sri Lanka	1.87
				Other	2.19
9.	Boys & Girls formal Dress Pants/ Trouser/ Jeans	6103.4200 6103.4300 6103.4900 6104.6200 6104.6300 6104.6900 6203.4110 6203.4190 6203.4200 6203.4300 6203.4900	6103.4200.1500 6103.4300.1500 6103.4900.1500 6104.6200.1500 6104.6300.1500 6104.6900.1500 6203.4100.1500 6203.4190.1500 6203.4200.1500 6203.4300.1500 6203.4900.1500	China/Vietnam	1.79
				Indonesia/ Thailand/ Malaysia/ U.A.E	1.96
				Bangladesh/ Sri Lanka	1.88
				Other	2.20
10.	Boys & Girls Jackets/ Sweaters (Non-Woolen)	6103.3200 6103.3300 6103.3900 6104.3200 6104.3300 6104.3900	6103.3200.1600 6103.3300.1600 6103.3900.1600 6104.3200.1600 6104.3300.1600 6104.3900.1600	China/Vietnam	1.75
				Indonesia/ Thailand/ Malaysia/ U.A.E	2.00
				Bangladesh/ Sri Lanka	1.88
				Other	2.12
11.	Boys & Girls under-shirts	6105.1000 6105.2000 6105.9000 6106.1000 6106.2000 6106.9000 6109.1000 6109.9010 6109.9090 6205.3000 6205.9090	6105.1000.6000 6105.2000.6000 6105.9000.6000 6106.1000.6000 6106.2000.6000 6106.9000.6000 6109.1000.6000 6109.9010.6000 6109.9090.6000 6205.3000.6000 6205.9090.6000	China/Vietnam	0.89
				Indonesia/ Thailand/ Malaysia/ U.A.E	0.97
				Bangladesh/ Sri Lanka	0.94
				Other	1.07
12.	Girls upper/ Top Blouse	6104.3200 6104.3300 6104.3900 6104.5200 6104.5300 6104.5900 6106.1000 6106.2000 6106.9000	6104.3200.1700 6104.3300.1700 6104.3900.1700 6104.5200.1700 6104.5300.1700 6104.5900.1700 6106.1000.1700 6106.2000.1700 6106.9000.1700	China/Vietnam	0.97
				Indonesia/ Thailand/ Malaysia/ U.A.E	1.06
				Bangladesh/ Sri Lanka	1.01
				Other	1.15

		6206.3090 6206.4090 6206.9090	6206.3090.1700 6206.4090.1700 6206.9090.1700		
13.	Boys Blazer (Coat)	6101.2000 6101.3000 6101.9000 6102.2000 6102.3000 6102.9000 6103.1000 6103.2200 6103.2300 6103.2900 6103.3200 6103.3300 6103.3900 6104.1300 6104.1900 6104.2200 6104.2300 6104.2900 6104.3200 6104.3300 6104.3900 6201.1200 6203.1910 6203.1990 6203.2200 6203.2300 6203.2900 6203.3200 6203.3300 6203.3900	6101.2000.1800 6101.3000.1800 6101.9000.1800 6102.2000.1800 6102.3000.1800 6102.9000.1800 6103.1000.1800 6103.2200.1800 6103.2300.1800 6103.2900.1800 6103.3200.1800 6103.3300.1800 6103.3900.1800 6104.1300.1800 6104.1900.1800 6104.2200.1800 6104.2300.1800 6104.2900.1800 6104.3200.1800 6104.3300.1800 6104.3900.1800 6201.1200.1800 6203.1910.1800 6203.1990.1800 6203.2200.1800 6203.2300.1800 6203.2900.1800 6203.3200.1800 6203.3300.1800 6203.3900.1800	China/Vietnam	3.99
				Indonesia/ Thailand/ Malaysia/ U.A.E	4.39
				Bangladesh/ Sri Lanka	4.19
				Other	4.79
14.	Boys & Girls (Shorts, Caprice, Bermuda)	6103.4200 6103.4300 6103.4900 6104.6200 6104.6300 6104.6900 6203.4110 6203.4190 6203.4200 6203.4300 6203.4900	6103.4200.1900 6103.4300.1900 6103.4900.1900 6104.6200.1900 6104.6300.1900 6104.6900.1900 6203.4100.1900 6203.4190.1900 6203.4200.1900 6203.4300.1900 6203.4900.1900	China/Vietnam	0.94
				Indonesia/ Thailand/ Malaysia/ U.A.E	0.95
				Bangladesh/ Sri Lanka	1.14
				Other	1.20
15.	Gents/ Ladies Track Suit	6112.1100 6112.1200 6112.1900 6211.1100 6211.1200 6211.4900 6103.4900 6104.6900 6109.9090 6111.3000	6112.1100.1700 6112.1200.1700 6112.1900.1700 6211.1100.1700 6211.1200.1700 6211.4900.1700 6103.4900.1700 6104.6900.1700 6109.9090.1700 6111.3000.1700	China/Vietnam	4.95
				Indonesia/ Thailand/ Malaysia/ U.A.E	5.45
				Bangladesh/ Sri Lanka	5.20
				Other	5.94

		6112.1200	6112.1200.1700		
16.	Boys/ Girls Track Suit	6112.1100 6112.1200 6112.1900 6211.1100 6211.1200 6211.4900 6103.4900 6104.6900 6109.9090 6111.3000 6112.1200	6112.1100.1800 6112.1200.1800 6112.1900.1800 6211.1100.1800 6211.1200.1800 6211.4900.1800 6103.4900.1800 6104.6900.1800 6109.9090.1800 6111.3000.1800 6112.1200.1800	China/Vietnam	2.03
				Indonesia/ Thailand/ Malaysia/ U.A.E	2.35
				Bangladesh/ Sri Lanka	2.33
				Other	2.55
17	Scarve / Stole	6214.9020	6214.9020.1000	China/Vietnam	0.27
				Indonesia/ Thailand/ Malaysia/ U.A.E	0.30
				Bangladesh/ Sri Lanka	0.28
				Other	0.25

Note: Furthermore, it is reiterated that these values are only for low end brands of specified origins and shall not be applicable for high end/ well-known brand garments such as Zara, Boss, Marks & Spencer, Next Dockers, Levis, Mango, Yellow, Debenhams (Red Herring, Maine, Collection, Hammond and Co., Jeff Banks, Jasper, Cannon etc.) Banana Republic, Gap, Giordano, Pierre Cardin, Wrangler, Splash, Mothercare, Baby Shop, Armani, Exchange, Calvin Klein, Diesel, Lee, Timberland, Tommy, Hilfiger etc. Moreover, clearance Collectorates are advised and cautioned to take cognize of intellectual Property Rights violations, during import clearance of subject goods.

7. In cases where declared/ transaction values are higher than the Customs value determined in this Rulingor 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.

8. **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.

9. **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.

10. 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.

11. This ruling supersedes Valuation Ruling No.1398/2019 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 (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, 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 uploadingin 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.