

The Collectors of Customs, Collectorate of Customs, (Appraisement - West / Appraisement - East / Appraisement - Port Muhammad Bin Qasim / Enforcement JIAP / Export / Export PMBQ), Karachi / / Hyderabad / (Appraisement / Enforcement), Quetta / Gawadar / (Appraisement / Enforcement / AIIA), Lahore / Appraisement, Faisalabad / Appraisement Sambrial (Sialkot) / Enforcement, Multan / Islamabad / Gilgit - Baltistan / (Appraisement Enforcement), Peshawar / Enforcement, Dera Ismail Khan.

DETERMINATION OF CUSTOMS VALUE OF (LOW END BRANDS) LADIES UNDER GARMENTS OF POLY-COTTON BLENDED UNDER SECTION 25A OF THE CUSTOMS ACT, 1969.

(VALUATION RULING NO. 1683 /2022)

No. D(V)/212/2017-IV /724

Dated: 26 -07-2022



In exercise of the powers conferred under Section 25A of the Customs Act, 1969, Customs values of (low end brands) Ladies Undergarments of Poly-Cotton Blended of various categories are determined as follows:

2. Background of the valuation issue: The Customs values of (low end brands) Ladies under garments of Poly-Cotton Blended were earlier determined under Section 25A of the Act vide Valuation Ruling No. 1489/2020 dated 19-11-2020. The said valuation ruling was almost two years old and values of subject goods both in international and local markets have shown varying trends. Therefore, an exercise was undertaken by this Directorate General to determine the values afresh.

3. Stakeholders' participation in determination of values: Meeting with stakeholders was convened on 15-06-2022. All the participants were requested to submit the following documents:-

- i. Copies of invoices of imports (including GDs, ER, PL, BL, & all related imported documents each GD-wise) during last one year 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 one year showing the value of item in question, each GD-wise.
- iv. Copies of Sales Tax Invoices issued during last one year 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, each GD-wise.
- v. Latest price catalogue issued from manufacturer.
- vi. Manufacturer's discount schedule if any.
- vii. Copies of export GDs of manufacturer.

The importers did not submit any documents in support of their contention.

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 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 was therefore found incomplete. In line with statutory sequential order of section 25, this office conducted market inquiries under sub-section (7) of Section 25 of the Act. As the prices of Ladies under garments of blended Poly-Cotton in the market varied significantly due to different quality of the goods and the location of the selling points, therefore the diverse surveys across the markets were conducted to arrive at customs values. PRAL imports database, market inquiry and international prices through web were also examined thoroughly in line with proviso to Section 25A(1) inserted vide Finance Act, 2021. Consequently, Deductive Value method as provided under Section 25(7) of the Customs Act, 1969 was applied to arrive at assessable Customs values of Ladies under Garments of Poly-Cotton Blended.

5. Customs values for Ladies Undergarments of different packing and various origins: Ladies Undergarments of different packing and various origins hereinafter specified shall be seed to duty/taxes at the following minimum Customs values: -

S. No.	Description of Goods	PCT	Proposed PCT for WEOC	Origin	Customs Values (C&F) US\$/KG
(1)	(2)	(3)	(4)	(5)	(6)
1	Ladies Undergarments (Brassier padded/unpadded) in P.P Bags/Bales	6212.1000	6212.1000.1000	China	5.00
			6212.1000.1100	Thailand / UAE / Sri Lanka / Turkey	8.00
2	Ladies Undergarments (Brassier wired) in P.P Bags/Bales	6212.1000	6212.1000.1000	China	6.25
			6212.1000.1100	Thailand / UAE / Sri Lanka / Turkey	10.00
3	Ladies Undergarments (Brassier padded/unpadded) in individual box Packing	6212.1000	6212.1000.1200	China	8.50
			6212.1000.1300	Thailand / UAE / Sri Lanka / Turkey	10.50
			6212.1000.1400	Europe	24.00

4	Ladies Undergarments (Brassier wired) in individual box Packing	6212.1000	6212.1000.1200	China	8.75
			6212.1000.1300	Thailand / UAE / Sri Lanka / Turkey	12.00
			6212.1000.1400	Europe	26.00
5	Ladies Undergarments (Panty) in P.P Bags/Bales	6108.2100	6108.2100.1000	China	4.50
			6108.2100.1100	Thailand / UAE / Sri Lanka / Turkey	7.50
6	Ladies Undergarments (Nighty) in P.P Bags/Bales	6108.3100	6108.3100.1000	China	6.00
			6108.3100.1100	Thailand / UAE / Sri Lanka / Turkey	9.00
7	Ladies Undergarments (Nighty) in individual box Packing	6108.3100	6108.3100.1200	China	9.50
			6108.3100.1300	Thailand / UAE / Sri Lanka / Turkey	12.50
			6108.3100.1400	Europe	28.00
8	Sports Bra without cups (in P.P Bags/Bales)	6108.3100	6108.3100.1200	China	3.25
			6108.3100.1300	Thailand / UAE / Sri Lanka / Turkey	7.50
9	Sports Bra with cups (in P.P Bags/Bales)	6108.3100	6108.3100.1200	China	4.00
			6108.3100.1300	Thailand / UAE / Sri Lanka / Turkey	8.50
10	Sports Bra without cups (in Individual box Packing)	6108.3100	6108.3100.1200	China	6.00
			6108.3100.1300	Thailand / UAE / Sri Lanka / Turkey	10.00
11	Sports Bra with cups (in Individual box Packing)	6108.3100	6108.3100.1200	China	7.00
			6108.3100.1300	Thailand / UAE / Sri Lanka / Turkey	11.00

Note: Other high end brands of subjects goods like Prima Donna, Lisa Charml, La Perla, Wonder bra, Wacol, La Senza, Affinitas Intimates, Chantelle, Victoria Secret, Triumph, Marks & Spencer, Next, Nuance and other high end brands etc. are not covered in the instant valuation ruling as they are of substantially higher values than mentioned in the table above and may be assessed under section 25 of the Customs Act, 1969 by the Collectorates, considering all allied aspects.



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, read with Section 25A(2) *ibid*. 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. The Custom 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.

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:** A revision petition may be filed against this Ruling, as provided under Section 25D 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 this Directorate General immediately.

10. This ruling supersedes Valuation Ruling No. 1489/2020 dated 19-11-2020.


(Syed Fawad Ali Shah)
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 (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, (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 Director General, Transit Trade, Custom House Karachi
- 12) The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
- 13) The Director, Transit Trade, Custom House Karachi
- 14) The Director, Directorate of Customs Valuation, Lahore.
- 15) The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WEBOC database system.
- 16) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 17) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 18) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 19) The Webmaster, Federal Board of Revenue, Islamabad.
- 20) Guard File.