GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI
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The Collectors of Customs, MCC Appraisement (East / West)/ Port Qasim, Karachi, MCC Preventive, Karachi/Lahore/Quetta/Peshawar, MCC Appraisement Lahore/ Quetta / Peshawar/ Sambrial (Sialkot) / Faisalabad / Multan / Islamabad /Hyderabad/ Gawadar/ Gilgit-Baltistan, MCC Exports, Port M. Bin Qasim and MCC Exports, Custom House,Karachi.

Determination of Customs Values of Printed Polyester Microfiber Fabric for Bed Sheets under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. 1385 2019)

No.07 (Group-IV)/Val.Khi/2018 /2219 Dated: 18th July, 2019

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs value of Printed Polyester Microfiber Fabric for bed sheets are determined as follows:-

2. **Background of the valuation issue:** Earlier Customs value of Printed Polyester Microfiber Fabric was determined vide Valuation Ruling No.1301/2018 dated 04.05.2018. Being aggrieved with the values determined vide the said Valuation Ruling (VR), many petitioners filed petitions under 25-D of the Customs Act, 1969 before the Director General of Customs Valuation, Karachi. These petitions were rejected vide Order-in-Revision No.35/2018 dated 26.09.2018. The VR and order-in-revision were challenged before the Customs Appellate Tribunal, Karachi and the Tribunal vide Order dated 23.10.2018 ordered to modify the impugned Valuation Ruling by excluding Sr.No.6 from the scope of the ruling. Directorate General of Customs Valuation, Karachi has filed SCRA on 20.11.2018 against the order of the Tribunal before the Honorable High Court of Sindh, Karachi. Meanwhile, many traders/importers approached this Directorate General to issue a fresh Valuation Ruling keeping in view the international prices of the subject fabric. Moreover, after aforesaid order of the Tribunal, the clearance Collectorates made provisional assessment under Section 81 of the Customs Act, 1969 in compliance of Honourable High Court orders and requested this Directorate General to determine values of this item. Therefore, an exercise was initiated for determination of customs value of the subject fabric in terms of Section 25-A of the Customs Act, 1969.

3. **Stakeholders' participation in determination of Customs values:** Meeting with stakeholders including commercial importers and representatives of clearance Collectorates were scheduled on 13.03.2019 to discuss international price trend of the subject goods. The view point of participants was heard in detail and considered to arrive at customs value 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 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 due to wide variation of values displayed in the import data. The stakeholders also failed to provide substantial documents to prove that their declared value was true transactional value. Therefore, identical / similar goods value method 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 could not be relied upon exclusively. In line with the statutory sequential order of Section 25, this office conducted market inquiries under sub-

Section (7) of Section 25 of the Customs Act, 1969. As there were certain differences in prices in different markets; therefore, a number of surveys were conducted to arrive at customs value. Finally, reliance was placed on sub-Section (7) of Section 25 of the Customs Act, 1969, to determine customs value of Printed Polyester Microfiber Fabric for Bed Sheets.

5. **Customs values of Printed Polyester Microfiber Fabric for Bed Sheets** *hereinafter specified* shall be assessed to duty/taxes at the following minimum Customs values:

S. 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)	Printed Polyester microfiber fabric for Bed Sheet (Upto 5 Square meter / Kg)	5407.1000 5407.4200 5407.4300 5407.4400 5407.5200 5407.5300 5407.5400 5407.6100 5407.6900 5407.7200 5407.7300 5407.7400 5407.8120 5407.8200 5407.8300 5407.8400 5407.9120 5407.9200 5407.9300 5407.9400 5512.1120 5512.1900 5512.9120 5512.9920 5512.9990 5513.1120 5513.1220 5513.1320 5513.1920 5513.2100 5513.2300 5513.2900 5513.3100 5513.3900 5513.4100 5513.4900 5515.1290 5515.9190 5515.9990	5407.1000.1010 5407.4200.1010 5407.4300.1010 5407.4400.1010 5407.5200.1010 5407.5300.1010 5407.5400.1010 5407.6100.1010 5407.6900.1010 5407.7200.1010 5407.7300.1010 5407.7400.1010 5407.8120.1010 5407.8200.1010 5407.8300.1010 5407.8400.1010 5407.9120.1010 5407.9200.1010 5407.9300.1010 5407.9400.1010 5512.1120.1010 5512.1900.1010 5512.9120.1010 5512.9920.1010 5512.9990.1010 5513.1120.1010 5513.1220.1010 5513.1320.1010 5513.1920.1010 5513.2100.1010 5513.2300.1010 5513.2900.1010 5513.3100.1010 5513.3900.1010 5513.4100.1010 5513.4900.1010 5515.1290.1010 5515.9190.1010 5515.9990.1010	**China**	**3.25**

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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 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 value 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 as the case may be, under sub-Section (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 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. 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 any provision of the Customs Act, 1969 or any other law in vogue therein.

(Shafique Ahmad Latki)
Director

Copy for information to: -

1. The Member (Customs), FBR, 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, Quetta.
7. The Chief Collector of Customs (North), Islamabad.
8. The Director General, Intelligence and Investigation-FBR, Islamabad.
9. The Director General, Audit (Customs & Petroleum), 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
10. The Director General, Post Clearance Audit (PCA), Islamabad.
11. The Director General, Internal Audit (Customs), Karachi.
12. The Director General, IOCO, Karachi
13. Director, Directorate of Customs Valuation, Lahore.
14. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading/ updating in One Customs &We BOC database system.
15. Chairman (Valuation Committee), FCC&I, Federation House, Clifton, Karachi.
16. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta, Gujranwala, Faisalabad, Sialkot, Rawalpindi & Peshawar.
17. Law Section/CHO/Revision Section , Customs Valuation, 7th Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC Appraisement, 1st Floor, Custom House, Karachi.
20. Webmaster, FBR, Constitution Avenue, Islamabad, for uploading on FBR Website.
21. Guard File.