

The Collectors of Customs, Model Customs Collectorates, Appraisement (East / West) / Port Qasim / Preventive, Karachi / Lahore (Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad /Hyderabad/ Quetta / Peshawar/ Gawadar/ Gilgit-Baltistan.

Determination of Customs Values of Different Polyester Fabrics Under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. ¹³⁰¹ /2018)

No.07 (Group-IV)/ Val.Khi/2018

Dated: May 04, 2018

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of different polyester fabrics are determined as follows:-

2. **Background of the valuation issue:** Earlier Customs values of different types of Polyester fabrics were determined vide two different Valuation Rulings No. 1224/2017 dated 28.11.2017 and No. 1225/2017 dated 28.11.2017. Importers of polyester microfiber fabric have agitated time and again that their item is not covered under the rulings and they are being incorrectly assessed under the existing rulings. MCC West Karachi and MCC Port Qasim have also sent references for addressing the issue of polyester microfiber fabrics, therefore, an exercise initiated for determination of the Customs Values of the polyester microfiber fabric and clearly delineate this type of fabrics from other polyester fabrics in terms of Section 25-A of the Customs Act, 1969.

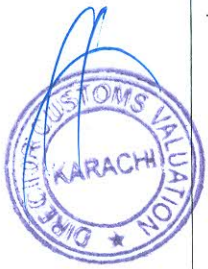
3. **Stakeholders' participation in determination of Customs values:** Meetings with stake holders including commercial importers, All Pakistan Textile Mills Association (APTMA) and representatives of clearance Collectorates were scheduled on 23.4.2018 and 04.05.2018 to discuss international price trends of the subject goods. Representative of Ms Magna Processing Industries, importers of polyester microfiber grey fabric, strongly agitated against the departmental practice of assessing their imported polyester microfiber fabric and requested to assess as per their transaction values. Representatives of clearance Collectorate presented their point of view in detail. The view point of participants was heard in detail and considered to arrive at Customs 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. Hence requisite information required under law was not available to arrive at transaction values. 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 this method 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 values. Finally reliance was placed on Sub-Section (7) of Section 25 of the Customs Act, 1969 to determine customs values of different polyester fabrics.



5. Customs values of different polyester fabrics hereinafter specified shall be assessed to duty/taxes at the following 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	Unbleached Polyester grey fabric (More than 5 square meter / Kg)	5407.5100 5407.6100 5407.7100 5407.9110 5512.1110 5512.9110 5512.9920 5515.1910 5515.9910	5407.5100.1000 5407.6100.1000 5407.7100.1000 5407.9110.1000 5512.1110.1000 5512.9110.1000 5512.9920.1000 5515.1910.1000 5515.9910.1000	All origin	3.80
2	Unbleached Polyester microfiber grey fabric (Upto 5 square meter / Kg)	5407.5100 5407.6100 5407.7100 5407.9110 5512.1110 5512.9110 5512.9920 5515.1910 5515.9910	5407.5100.1010 5407.6100.1010 5407.7100.1010 5407.9110.1010 5512.1110.1010 5512.9110.1010 5512.9920.1010 5515.1910.1010 5515.9910.1010	China	2.35
3	Bleached Polyester Fabric (More than 5 square meter / Kg)	5407.5100 5407.7100 5407.8120 5407.9120 5512.1120 5512.9120 5512.9990 5513.1120 5513.1220 5513.1320 5513.1920 5514.1120 5514.1220 5514.1920 5515.1190 5515.1290	5407.5100.1100 5407.7100.1100 5407.8120.1000 5407.9120.1000 5512.1120.1000 5512.9120.1000 5512.9990.1000 5513.1120.1000 5513.1220.1000 5513.1320.1000 5513.1920.1000 5514.1120.1000 5514.1220.1000 5514.1920.1000 5515.1190.1000 5515.1290.1000	All origin	3.95
4	Bleached Polyester microfiber fabric (Upto 5 square meter / Kg)	5407.5100 5407.7100 5407.8120 5407.9120 5512.1120 5512.9120 5512.9990 5513.1120 5513.1220 5513.1320 5513.1920 5514.1120 5514.1220	5407.5100.1110 5407.7100.1110 5407.8120.1010 5407.9120.1010 5512.1120.1010 5512.9120.1010 5512.9990.1010 5513.1120.1010 5513.1220.1010 5513.1320.1010 5513.1920.1010 5514.1120.1010 5514.1220.1010	China	2.50



		5514.1920	5514.1920.1010		
		5515.1190	5515.1190.1010		
		5515.1290	5515.1290.1010		
5	Printed Polyester fabric (More than 5 square meter / Kg)	5407.1000	5407.1000.1000	China	5.20
		5407.4200	5407.4200.1000		
		5407.4300	5407.4300.1000		
		5407.4400	5407.4400.1000		
		5407.5200	5407.5200.1000		
		5407.5300	5407.5300.1000		
		5407.5400	5407.5400.1000		
		5407.6100	5407.6100.1000		
		5407.6900	5407.6900.1000		
		5407.7200	5407.7200.1000		
		5407.7300	5407.7300.1000		
		5407.7400	5407.7400.1000		
		5407.8120	5407.8120.1000		
		5407.8200	5407.8200.1000		
		5407.8300	5407.8300.1000		
		5407.8400	5407.8400.1000		
		5407.9120	5407.9120.1000		
		5407.9200	5407.9200.1000		
		5407.9300	5407.9300.1000		
		5407.9400	5407.9400.1000		
		5512.1120	5512.1120.1000		
		5512.1900	5512.1900.1000		
		5512.9120	5512.9120.1000		
		5512.9920	5512.9920.1000		
		5512.9990	5512.9990.1000		
		5513.1120	5513.1120.1000		
		5513.1220	5513.1220.1000		
		5513.1320	5513.1320.1000		
		5513.1920	5513.1920.1000		
		5513.2100	5513.2100.1000		
		5513.2300	5513.2300.1000		
		5513.2900	5513.2900.1000		
		5513.3100	5513.3100.1000		
		5513.3900	5513.3900.1000		
		5513.4100	5513.4100.1000		
		5513.4900	5513.4900.1000		
		5515.1290	5515.1290.1000		
		5515.9190	5515.9190.1000		
		5515.9990	5515.9990.1000		
6	Printed Polyester microfiber fabric (Upto 5 square meter / Kg)	5407.1000	5407.1010.1010	China	3.50
		5407.4200	5407.4200.1010		
		5407.4300	5407.4300.1010		
		5407.4400	5407.4400.1010		
		5407.5200	5407.5200.1010		
		5407.5300	5407.5300.1010		
		5407.5400	5407.5400.1010		
		5407.6100	5407.6100.1010		
		5407.6900	5407.6900.1010		
		5407.7200	5407.7200.1010		
		5407.7300	5407.7300.1010		



	5407.7400	5407.7400.1010	
	5407.8120	5407.8120.1010	
	5407.8200	5407.8200.1010	
	5407.8300	5407.8300.1010	
	5407.8400	5407.8400.1010	
	5407.9120	5407.9120.1010	
	5407.9200	5407.9200.1010	
	5407.9300	5407.9300.1010	
	5407.9400	5407.9400.1010	
	5512.1120	5512.1120.1010	
	5512.1900	5512.1900.1010	
	5512.9120	5512.9120.1010	
	5512.9920	5512.9920.1010	
	5512.9990	5512.9990.1010	
	5513.1120	5513.1120.1010	
	5513.1220	5513.1220.1010	
	5513.1320	5513.1320.1010	
	5513.1920	5513.1920.1010	
	5513.2100	5513.2100.1010	
	5513.2300	5513.2300.1010	
	5513.2900	5513.2900.1010	
	5513.3100	5513.3100.1010	
	5513.3900	5513.3900.1010	
	5513.4100	5513.4100.1010	
	5513.4900	5513.4900.1010	
	5515.1290	5515.1290.1010	
	5515.9190	5515.9190.1010	
	5515.9990	5515.9990.1010	

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.

10. *This ruling supersedes Valuation Ruling No.1224/2017, dated 28.11.2017.*

(Muhammad Iqbal Muneeb)

Director

Copy for information to: -

1. The Member (Customs), 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 Director General, Intelligence and Investigation-FBR, Islamabad.
8. The Director General, Audit (Customs & Petroleum), 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
09. The Director General, Post Clearance Audit (PCA), Islamabad.
10. The Director General, Internal Audit (Customs), Karachi.
11. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Multan.
12. The Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & We BOC database system and deleting Valuation Ruling No. 1224/2017 dated 28.11.2017.
14. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta, Gujranwala, Faisalabad, Sialkot, Rawalpindi & Peshawar.
16. The Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. The Revision Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. The Karachi Customs Agents Group, Bohri Road, Karachi.
19. The CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC Appraisalment, 1st Floor, Custom House, Karachi.
21. The Webmaster, Federal Board of Revenue, Constitution Avenue, Islamabad, for uploading on FBR Website.
22. Guard File.