



**GOVERNMENT OF PAKISTAN**  
**DIRECTORATE GENERAL OF CUSTOMS (VALUATION)**  
**7<sup>TH</sup> FLOOR, CUSTOM HOUSE, KARACHI**  
\*\*\*\*\*

**The Collectors of Customs**, Collectorates of Customs (Appraisement– West) / Appraisement – East/ Appraisement – Port Muhammad Bin Qasim/Enforcement/JIAP), Karachi / Hyderabad/ (Appraisement/Enforcement), Quetta/Gawadar/ (Appraisement/Enforcement/AIHA), Lahore/ Appraisement, Faisalabad/Appraisement, Sambrial (Sialkot)/Enforcement, Multan / Islamabad / Gilgit-Baltistan / (Appraisement/Enforcement), Peshawar/Enforcement, Dera Ismail Khan/ Exports (Port Qasim/Custom House, Karachi)/Transit Trade, Karachi.

**DETERMINATION OF CUSTOMS VALUES OF DIFFERENT POLYESTER**  
**FABRICS UNDER SECTION 25A OF THE CUSTOMS ACT, 1969**

(VALUATION RULING NO. **1808** / 2023)

No. 07(Group-IV)/Val.Khi/2018/**1882**

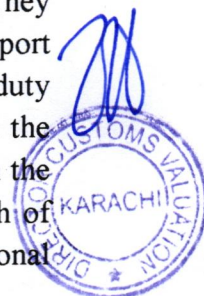
Dated: **28**-09-2023

In exercise of the powers conferred under Section 25A of the Customs Act, 1969, the Customs values of Different Polyester Fabrics are determined as follows:

2. **Background of the valuation issue:** Earlier, the Customs values of Different Polyester Fabrics were determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No.1301/2018 dated 04.05.2018. Representation was received from M/s. Utopia Industries (Private) Limited, for revision/re-determination of Customs values for the subject items. They contended that their imported goods are not meant for home consumption rather for EFS (Export Facilitation Scheme). According to them, application of Valuation Ruling at import stage of duty free goods poses hurdle in filing Export Goods Declaration wherein they have to mention the value addition in the assessed values of the imported goods – up to 10% in accordance with the Rule 872(a) of S.R.O 957(I)/2021– which is causing hardship for them through mis-match of values/figures. Therefore, they requested to accept their declared values as the transactional values.

3. **Stakeholders' participation in determination of Customs values:** In this regard, meetings with stakeholders were scheduled on 14.09.2023 and 26.09.2023. The issues pertaining to the valuation of subject goods were deliberated upon in detail in the afore-referred meeting.

4. **Analysis / Exercise done to determine Customs Values:** The importer-cum-exporter M/s. Utopia Industries (Private) Limited contended that the values – declared by them, along-with those provided to the Valuation Department through contracts / invoices– should be accepted. According to them, they are importing duties and taxes free raw material for value addition and subsequent export. Due to the mandatory application of Valuation Ruling No.1301/2018 dated 04-05-2018 in the WeBOC system on temporarily imported goods – not meant for home consumption in Pakistan – they are facing issues in getting export GDs processed especially when 'export value' is lesser than the minimum criteria of value addition



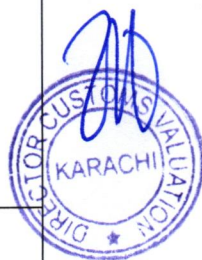


calculated on the 'assessed value' of the input goods as per the VR. They further said that their imports being temporary in nature have no revenue impact. So, they made the case that they may be exempted from mandatory application of Valuation Ruling. In furtherance of the exercise to determine the customs values of different polyester fabrics, ninety (90) days' data along with import and export profile of the applicant was also retrieved and the same was scrutinized. As per record, M/s. Utopia does not import for manufacturing goods for local supply. At the same time, it undertakes 100% exports whose values during the last three years, i.e. 2020-21, 2021-22, 2022-23 were US\$ 48 million, US\$ 146 million and US\$ 151 million respectively.

5. **Method(s) adopted to determine Customs values:** Valuation methods specified in Section 25 of the Customs Act, 1969, were duly applied in sequential order to arrive at the 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 absence of additional information under sub-section (2) of Section 25 of the Customs Act, 1969 required to arrive at 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. On the basis of available data/information collected and exercise conducted the values of Different Polyester Fabrics have been determined under sub-section (5), of Section 25 of the Customs Act, 1969.

6. **Customs values of Different Polyester Fabrics:** The Different Polyester Fabrics, hereinafter specified shall be assessed to duty / taxes at the Customs values as per the following Table:

S. No.	Description of Goods	PCT Code	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 Sqm /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	3.8
2	Unbleached Polyester Microfiber grey Fabric (Upto 5 Sqm / 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	China	2.35



3	Bleached Polyester Fabric (More than 5 Sqm / 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 Sqm / 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	5407.5100.1110 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 5514.1920.1010 5515.1190.1010 5515.1290.1010	China	2.5
5	Printed Polyester Fabric (More than 5 Sqm / 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	5407.1000.1000 5407.4200.1000 5407.4300.1000 5407.4400.1000 5407.5200.1000 5407.5300.1000 5407.5400.1000 5407.6100.1000 5407.6900.1000 5407.7200.1000 5407.7300.1000 5407.7400.1000 5407.8120.1000 5407.8200.1000 5407.8300.1000 5407.8400.1000 5407.9120.1000 5407.9200.1000 5407.9300.1000 5407.9400.1000 5512.1120.1000	China	5.2





		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	5512.1900.1000 5512.9120.1000 5512.9920.1000 5512.9990.1000 5513.1120.1000 5513.1220.1000 5513.1320.1000 5513.1920.1000 5513.2100.1000 5513.2300.1000 5513.2900.1000 5513.3100.1000 5513.3900.1000 5513.4100.1000 5513.4900.1000 5515.1290.1000 5515.9190.1000		
6	Printed Polyester Microfiber Fabric (other than for bed sheets)  (Upto 5 Sqm / 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	5407.1010.1010 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	China	3.5



		5515.1290	5515.1290.1010		
		5515.9190	5515.9190.1010		
		5515.9990	5515.9990.1010		

**Note:** This Valuation Ruling does not apply on polyester fabrics imported by M/s. Utopia Industries (Private) Limited, under Export Facilitation Scheme, which may please be cleared by the Collectorates under Section 25 of the Customs Act, 1969. Moreover, Regulatory Collectorates / Directorates may conduct an audit under Rule 880(4) and 893 of S.R.O 957(I)/2021 dated 30.07.2021 and other relevant laws/rules on regular basis to ensure that there is no under-declaration/loss of revenue.

7. In cases, where declared 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. In case of consignments imported by air, the assessing officer shall take into account the difference between air freight and sea freight while applying the Customs values in this Ruling.

8. **Validity of this Valuation Ruling:** This Ruling, containing the Customs values for assessment of subject imported goods, shall be applicable until and unless the same are rescinded or revised by the competent authority in terms of sub-Section (4) of Section 25A of the Customs Act, 1969.

9. **Revision of the values determined vide this Valuation Ruling:** If aggrieved, 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 its issuance, before the Director General, Directorate General of Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.

10. The Collectors of Customs may kindly ensure that the values given in the Valuation Ruling, for the given description of goods, are applied by the concerning assessing officers/officials without fail. Any anomaly observed may kindly be brought to the notice of this Directorate immediately. The Customs values determined in the ruling are for the descriptions and specifications as mentioned in Para-6 of this Ruling. HS Codes are mentioned for illustrative purposes so that Valuation Ruling is made accessible to the assessing officers. The assessments shall be finalized on the basis of correct classifications after fulfilling all formalities related to importability or other certifications required thereon.

11. ***This Ruling supersedes Valuation Ruling No.1301/2018 dated 04.05.2018.***



**(Fayaz Rasool Maken)**  
**Director**

Copy for information to:

1. The Member Customs (Operations), Federal Board of Revenue, Islamabad.
2. The Director General, Customs Valuation, Custom House, Karachi.
3. The Chief Collector of Customs, Appraisalment (South), Custom House, Karachi.



4. The Chief Collector of Customs, Enforcement (South), Custom House, Karachi.
5. The Chief Collector of Customs, Appraisalment (Central), Custom House, Lahore.
6. The Chief Collector of Customs, Enforcement (Central), Custom House, Lahore
7. The Chief Collector of Customs (North), Custom House, Islamabad.
8. The Chief Collector of Customs, Baluchistan, Custom House, Quetta.
9. The Chief Collector of Customs, Khyber Pakhtunkhwa, Custom House, Peshawar.
10. The Director General, Intelligence and Investigation (Customs) FBR, Islamabad.
11. The Director General, PCA& Internal Audit, Karachi.
12. The Director General, IOCO, Karachi.
13. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
14. The Director, Transit Trade, Custom House, Karachi.
15. The Director, Directorate of Customs Valuation, Lahore/Quetta/Peshawar.
16. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs &WeBOC database system.
17. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
18. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
19. The Karachi Customs Agents Association, Bohri Road, Karachi.
20. The Webmaster, Federal Board of Revenue, Islamabad.
21. Guard File.