

(This Ruling has been superseded vide Valuation Ruling No. 979/2016 dated 25-11-2016)

**GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI**

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 Blankets of different Types
Under Section 25-A of the Customs Act, 1969**

(VALUATION RULING No. 878/2016)

No. Misc/19/2012-IV/8705

Dated: 27-06-2016

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Blankets of different qualities and various origins are determined as follows:

2. Background of the valuation issue: Consequent upon representation by commercial importers, regarding revision of Valuation Ruling NO.507/2012, dated 20-12-2012 for Blankets of different types and various origins, an exercise was undertaken to re-determine the Customs Values of Blankets of different qualities and various origins, in terms of Section 25 -A of the Customs Act, 1969.

3. Stakeholders participation in determination of Customs values: Meetings were held on 30-03-2016, 02-05-2016 and 30-05-2016, with all the stakeholders including local manufacturers of subject goods and representatives of clearance Collect orate who participated in the meetings.

4. Method adopted to determine Customs values: Valuation methods provided in Section 25 of the Customs Act, 1969 were duly followed and applied sequentially to address the valuation issue at hand. Transaction value method provided in Sub-Section (1) of Section 25 was found inapplicable because it is generally known to all that majority of invoices produced at import stage are manipulated/fabricated and hence the requisite information required under the law was not available to arrive at the correct transaction value. Identical /similar goods value method provided in Sub-Sections (5) & (6) of Section 25 ibid were examined for applicability to determine Customs value of subject goods, this data provided some references, however, it was found that the same cannot be solely relied upon due to the absence of absolute demonstrable evidence of qualities, and quantities of commercial level etc., and also it was observed that importers usually provided misleading description while declaring goods, as other types and varieties of similar goods to avoid the application of valuation ruling. Information available was, hence, found inappropriate. This office then conducted market surveys using Deductive Value Method under Sub-Section (7) of the Section 25 of the Customs Act, 1969, however, it was found that the determination of Customs value could not be based solely upon this method either. Therefore, valuation method provided vide Section 25 (8) of Customs Act 1969, could not be applied as the conversion cost from constituent materials and allied expenses, at country of export were are not available. Finally, import database, market information and international prices through Web were examined thoroughly. All the information so gathered was analyzed for determination of Customs Value of the subject good. Consequently, the Fall Back Method as provided under section 25(9) of the Customs Act, 1969 was applied to arrive assessable customs values of Blankets.

5. Customs values for Blankets of different qualities and various origins: Blankets of different qualities and various origins hereinafter specified shall be assessed to duty / taxes at the following Customs Values:-

S. No	Description of Goods	HS CODE	Proposed PCT For WeBOC	Origin	Customs Values C&F
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					US\$/KG
(1)	(2)	(3)	(4)	(5)	(6)
01	100% Polyester Blankets Printed & Embossed, in retail packing (Finished)	6301.4000 6301.9000	6301.4000.1000 6301.9000.1000	Korea/UAE	3.65
				China	2.80
				Europe	4.20
02	100%polyester Blankets Printed & Embossed, in Rolls (Semi-Finished)	6301.9000	6301.9000.1100	Korea/UAE	3.15
				China	2.30
				Europe	3.60
03	100%Acrylic/Blended Blankets Printed & Embossed, in Retail packing (Finished)	6301.4000 6301.9000	6301.1000.1000 6301.9000.1000	Korea/UAE	4.45
				China	3.65
				Europe	5.50
04	100%Acrylic/Blended Blankets Printed & Embossed, in Rolls (Semi-Finished)	6301.9000	6301.9000.1000	Korea/UAE	4.0
				China	3.10
				Europe	4.70

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. 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 classification ions after fulfilling request formalities relating to importability or other certificate ions 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 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.

10. This ruling supersedes Valuation Ruling No. No. 507/2012, dated 20-12-2012.

(DR. WASIF ALI MEMON)
Director

Copy for information to:-

1. Member (Customs), F.B.R. Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi,
3. Chief Collector of Customs, South (Appraisalment), Custom House, Karachi
4. Chief Collector of Customs, South (Enforcement), Custom House, Karachi,
5. Chief Collector of Customs (Central), Lahore.

6. Chief Collector of Customs (North), Islamabad.
7. Director General, intelligence and Investigation-FBR, Islamabad.
8. Director General, Audit (Customs & Petroleum), 1st Floor. PT&T Audit Building, Mauj-e-Darya Road, Lahore
09. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General, Internal Audit (Customs), Karachi.
11. Directors. Intelligence & Investigation, Karachi/Lahore Islamabad Quetta Peshawar/Faisalabad
12. Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in one Customs & We BOC database system and deleting Valuation Ruling No. 507/2012 dated 20-12-2012
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar
16. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi/MCC, Appraisement, 1st Floor, Custom House, Karachi
21. Guard File.