

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

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**The Collectors of Customs**, Collectorate of Customs, (Appraisement - West / Appraisement -East / Appraisement - Port Muhammad Bin Qasim / Enforcement / JIAP) 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 / Exports (Port Muhammad Bin Qasim / Custom House), Karachi.

**DETERMINATION OF CUSTOMS VALUES OF POLYESTER/ACRYLIC PILE FABRIC**  
**FOR BLANKETS (PILE LENGTH 5MM AND ABOVE, AND WEIGHT 200 GSM AND**  
**ABOVE) UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969**

**(VALUATION RULING NO. 1554/2021)**

C. No. Misc/34/2016-IV/776

Dated: 6<sup>th</sup> October, 2021

In exercise of the powers conferred under Section 25A of the Customs Act, 1969, Customs values of Polyester/Acrylic Pile Fabrics For Blanket (Pile Length 5mm and above, and Weight 200 GSM and above) are determined as follows:-

**2. Background of the valuation issue:** Earlier Custom values of Polyester/ Acrylic Pile Fabric for Blanket (225 GSM and above) were determined vide Valuation Ruling No.1485/2020 dated 13.11.2020. Being aggrieved with this Valuation Ruling, many importers and manufacturers of the Blanket Fabric filed Revision Petitions under Section 25D of the Customs Act 1969 before the Director General of Customs Valuation and the same were allowed by the competent authority vide Order in Revision No. 25/2021 dated 20-08-2021 and impugned Valuation Ruling was set aside in the following terms:

*"The Valuation Ruling is, therefore, set aside owing to procedural and legal defects. The Director Valuation is directed to re-determine the values of pile fabric for blankets by conducting proper investigation of price prevalent in the international market and the countries of origin."*

Accordingly an exercise was undertaken by this Directorate to re-determine the custom values of subject goods.

**3. Stakeholders' Participation in Determination of Customs Values:** Meeting with the manufacturers/ importers/ stakeholders/ Associations and trade bodies was held on 07-09-2021. The above stakeholders were requested vide this office letter dated 27-08-2021 to submit their proposals/ suggestions as well as following documents before or during the course of meeting so that Customs values could be determined:

- i. *Copies of invoices of imports (including CDs, ER, PL, BL, & all related imported documents each GD-wise) during last one year showing factual value.*
- ii. *Websites, name 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 meeting was also attended by respective representatives of different stakeholders. The participants submitted few documents which were examined. The participants also produced export GDs from China to show their point of view regarding their declared values. The aspects of pile length and OSM for the subject item was also discussed. The import clearance data obtained from PRAL and documents furnished by the stakeholders were examined and the points of views of the participants were heard in detail and considered to arrive at Custom values of the subject goods, while taking into account the aspects mentioned in the Order-in-Revision.

**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. Moreover, importers / stakeholder attended the meeting and submitted import related documents to prove their stance. 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. Local market survey under sub-Section (7) of Section 25 of the Customs Act, 1969 could not be conducted to obtain the price and work back the same under deductive valuation method as the subject goods are imported for manufacturing of blankets only and not for sale in the open market. Computed valuation method, as envisaged under sub-Section (8) of Section 25 *ibid* also could not be applied, as the cost of raw material and fabrication charges under clause (a) and amount of profit and general expenses under clause (b) of Section 25(8) of the *ibid* Act, in the country of export, could not be ascertained. Online survey reveals that prices are negotiable and conditioned to the quantity and quality of the goods. All the available information was analyzed and evaluated. However, import clearance data was taken into consideration, examined and consequently similar and identical methods as provided under Section 25(5)&(6) of the Customs Act, 1969 were applied to arrive at assessable Customs values of Polyester/ Acrylic Pile Fabric (Pile Length 5mm & above) for Blanket (200 GSM and above).

**5. Customs Values of Polyester/Acrylic Pile Fabrics For Blanket (Pile Length 5mm and above and weight 200 GSM and above) *hereinafter specified*** shall be assessed to duty/taxes on the minimum Customs values mentioned against them in the Table below:

S. No.	Description of Goods	PCT Code	Proposed PCT for WEOC	Origin	Customs Values US\$/KG
(1)	(2)	(3)	(4)	(5)	(6)
1.	Polyester Printed, Dyed, Embossed Pile Fabric for Blanket (pile length 5mm & above, and weight 200 GSM & above)	6001.9290	6001.9290.1000	China	2.90
				UAE/ Korea	3.55
				Europe	4.25
2	Acrylic Printed, Dyed, Embossed Pile Fabric for Blanket (pile length 5mm & above, and weight 200 GSM & above)	6001.9290	6001.9290.1100	China	3.50
				UAE/ Korea	4.25
				Europe	5.07

6. In cases where declared/transaction values are higher than the Customs values determined in this Ruling, or higher evidential data is available for stipulated period 90 days, the assessing officer 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.

**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 (4) 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 Customs 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 Section of the Customs Act, 1969 or any other law in vogue therein.

10. This ruling supersedes Valuation Ruling No. 1485/2020 dated 13.11.2020.

**(SYED FAWAD ALI SHAH)**

Director

**Copy for information to:-**

- 1) The Member Customs (Policy/Operations), F.B.R., Islamabad.
2. The Director General, Intelligence and Investigation (Customs)-Federal Board of Revenue, Islamabad.
- 3) The Director General, Customs Valuation, Custom House, Karachi.
- 4) The Director General (Reforms & Automation), Custom House, Karachi.
- 5) The Director General, PCA& Internal Audit, Custom House, Karachi.
- 6) The Director General, IOCO, Custom House, Karachi.
- 7) The Director General, Transit Trade, Custom House, Karachi.
- 8) The Chief Collector of Customs (North), Custom House, Islamabad.
- 9) The Chief Collector of Customs Enforcement (Central), Custom House, Lahore.
- 10) The Chief Collector of Customs Appraisalment, (Central), Custom House, Lahore.
- 11) The Chief Collector of Customs, Balochistan, Custom House, Quetta.
- 12) The Chief Collector of Customs, Khyber Pakhtunkhwa, Custom House, Peshawar.
- 13) The Chief Collector of Customs, Appraisalment (South), Custom House, Karachi.
- 14) The Chief Collector of Customs, Enforcement (South), Custom House, Karachi.
- 15) The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad / Quetta/ Peshawar / Faisalabad.
- 16) The Director, Transit Trade, Customs House Karachi
- 17) The Director, Directorate of Customs Valuation, Lahore.
- 18) The Secretary (Valuation & Audit), Federal Board of Revenue, Islamabad.
- 19) The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WEBoC database system.
- 20) The Chairman (Valuation Committee), FPCC&J, Federation House, Clifton, Karachi.
- 21) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 22) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 23) The Webmaster, Federal Board of Revenue, Islamabad.
- 24) Guard File.