



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

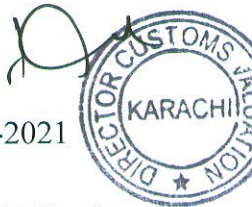
The Collectors of Customs, Model Customs Collectorates, Appraisement & Facilitation (East / West) / Port Muhammad Bin Qasim / JIAP, Karachi (Appraisement & Facilitation / Enforcement & Compliance), AIIA Lahore / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad / Hyderabad / Quetta (Appraisement / Preventive) / Peshawar (Appraisement / Preventive) / Gawadar / Gilgit-Baltistan / Export (Karachi / Port Qasim)

**DETERMINATION OF CUSTOMS VALUES OF MULTI HEAD
EMBROIDERY MACHINERS UNDER SECTION 25-A OF THE
CUSTOMS ACT, 1969.**

(VALUATION RULING NO 1563 /2021)

No. Misc/12/2011-VII /937.

Dated: 25-11-2021



In exercise of the powers conferred under Section 25A of the Customs Act, 1969, the Customs values of Multi Head Embroidery Machines are determined as follows:

2. **Background of the valuation issue:** Customs values of Multi Head Embroidery Machines were determined under section 25A of the Custom Act, 1969, vide Valuation Ruling No.1043/2017 dated 14.02.2017. The Valuation Ruling required revision in line with the prevailing prices in the international market. Therefore, this Directorate General initiated an exercise for determination of customs values of Multi Head Embroidery Machines.

3. **Stakeholders' participation in determination of Customs values:** Different meetings with stakeholders were held from 03.08.2016 and finally on 13.02.2017. Importers had been requested to furnish the following documents before or during the course of meetings.

- i) Invoices of imports during last three months showing factual value.
- ii) Websites, names 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 three months showing the value of item in question.
- iv) Copies of Sales Tax Invoices issued during last four months 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.

4. The importers submitted sales tax invoices and sales tax returns. Moreover, numerous surveys were conducted for determination of the customs values.

5. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were followed to arrive at customs values of Multi Head Embroidery Machines. Transaction value method provided in Section 25 (1) was found inapplicable owing to wide variation in the values being declared to the customs. Identical and Similar goods value methods provided in section 25 (5) (1) were examined for applicability to the valuation issue in the instant case which provided some reference values of the subject goods but the same could not be exclusively relied on due to wide variation and inadequate information. Stakeholder's meetings were also scheduled. Thereafter, market enquiry as envisaged under section 25(7) of Customs Act, 1969, was conducted. For the purpose different markets were surveyed repeatedly. The computed value method as provided in Section 25(8) of the Customs Act, 1969, could not be applied as the conversion costs from constituent material at the country of export were not available. Online values of subject goods were also obtained. All the information so gathered was evaluated and analyzed for the purpose of determination of customs values. Consequently, the customs values of Multi Head Embroidery Machines have been determined under Section 25(9) of the Customs Act, 1969.

6. **Customs values for Multi Head Embroidery Machines:-** Multi Head Embroidery Machines hereinafter specified shall be assessed to duty / taxes at the following customs values:-



S. No.	Description of Goods	PCT	Proposed PCT for WeBOC	Origin	Customs Value US\$/Set
1	2	3	4	5	6
Multi Head Embroidery Machine (Flat)					
1	17 Heads	8447.9010	8447.9010.1000	China	12420
2	18 Heads	8447.9010	8447.9010.1010	China	12960
3	21 Heads	8447.9010	8447.9010.1020	China	14850
4	22 Heads	8447.9010	8447.9010.1030	China	15255
5	24 Heads	8447.9010	8447.9010.1040	China	15660

6	28 Heads	8447.9010	8447.9010.1050	China	18225
7	30 Heads	8447.9010	8447.9010.1060	China	19575
8	42 Heads	8447.9010	8447.9010.1070	China	20520
9	44 Heads	8447.9010	8447.9010.1080	China	20925
10	45 Heads	8447.9010	8447.9010.1090	China	21870
11	56 Heads	8447.9010	8447.9010.1100	China	23760
Multi Head Embroidery Machine (Single Sequin)					
12	21 Heads	8447.9010	8447.9010.1110	China	16605
13	22 Heads	8447.9010	8447.9010.1120	China	17010
14	24 Heads	8447.9010	8447.9010.1130	China	17550
15	28 Heads	8447.9010	8447.9010.1140	China	18495
16	42 Heads	8447.9010	8447.9010.1150	China	20655
17	44 Heads	8447.9010	8447.9010.1160	China	22950
18	45 Heads	8447.9010	8447.9010.1170	China	23625
19	56 Heads	8447.9010	8447.9010.1180	China	25380
Multi Head Embroidery Machine (Double Sequin)					
20	21 Heads	8447.9010	8447.9010.1190	China	18293
21	22 Heads	8447.9010	8447.9010.1200	China	18697
22	24 Heads	8447.9010	8447.9010.1210	China	19508
23	28 Heads	8447.9010	8447.9010.1220	China	23288

7. 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 element of air freight while assessing the goods.

8. **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 25A of the Customs Act, 1969.

9. **Revision of the value determined vide this Valuation Ruling:** 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 issue of this ruling, before the Director General, Directorate General of Customs Valuation. 7th Floor, Custom House, Karachi.

10. The Collectors of Customs may kindly ensure that the values given in this Valuation 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 this Directorate General immediately. Customs values determined in the ruling are for the description and specification as mentioned in this Valuation Ruling. HS Codes are mentioned for illustrative purposes so that valuation ruling values are made accessible to the assessing officers. The assessment shall be finalized on the basis of correct classification after fulfilling requisite formalities related to importability or any other certification 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 15 of the Customs Act, 1969 or any other law in vogue therein.

11. ***This ruling supersedes Valuation Ruling No1043/2017 dated 14.02.2017.***


(Syed Fawad Ali Shah)
Director

Copy for information to: -

- 1) The Member Customs (Policy/Operations), 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 Chief Collector of Customs, (Enforcement), Custom House, Quetta.
- 8) The Director General, Intelligence and Investigation-FBR, Islamabad.
- 9) The Director General, PCA& Internal Audit, Karachi.
- 10) The Director General, IOCO, Karachi
- 11) The Director General, Transit Trade, Custom House Karachi

- 12) The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
- 13) The Director, Transit Trade, Custom House Karachi
- 14) The Director, Directorate of Customs Valuation, Lahore.
- 15) The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WEBOC database system.
- 16) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 17) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 18) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 19) The Webmaster, Federal Board of Revenue, Islamabad.
- 20) Guard File.