



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

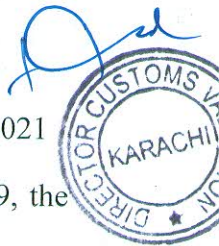
The Collectors of Customs, Collectorate of Customs (Appraisalment – West/ Appraisalment – East/ Appraisalment – Port Muhammad Bin Qasim/ Enforcement / JIAP), Karachi/ Hyderabad/ (Appraisalment/Enforcement), Quetta/Gawadar/ (Appraisalment/Enforcement/AIIA), Lahore/Appraisalment, Faisalabad/Appraisalment,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

DETERMINATION OF CUSTOM VALUES OF TULLE NET FABRICS
UNDER SECTION 25A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO. 1586 / 2021)

C. No. Misc/14/2021-IV/1042

Dated 14th December 2021



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

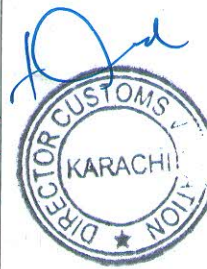
2. **Background of the valuation issue:** Earlier, the Customs values of Tulle Net Fabrics were determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No.1449/2020 dated 04-06-2020. Several representations were received from various importers regarding re-determination of Customs values of different types of tulle net fabrics and that values of subject items need to be revised keeping in view the values in the international market. In view of the foregoing, the Directorate General initiated an exercise for determination of Customs values in terms of Section 25A of the Customs Act, 1969.
3. **Stakeholders' participation in determination of Customs values:** Meetings were held on 09-11-2021 and 24-11-2021 which were attended by different stakeholders. The stakeholders and participants were requested to furnish following documents before or during the course of meeting so that Customs values could be determined:-
 - i. Invoices of imports during last three months showing customs 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 their contentions.
4. During the meetings, stakeholders were of the view that the values of the subject goods in the existing Valuation Ruling are old and needs to be revised. They contended that the values of the goods are on a downward trend and a fresh valuation ruling may be issued accordingly. In addition thereto, the importers requested to cover other/different types of tulle net fabrics. The participants were requested to submit the relevant documents in order to substantiate their

contentions. One of the participant contended that Custom values in the current VR are considerably lower than the cost of domestic manufacturing, as the prices of all the raw materials have increased significantly. The costs of raw materials like polyester and nylon, prices in local market etc. were also taken into consideration. The view point of participants was heard and samples of the subject items examined and considered in details to arrive at Customs values of tulle net fabrics.

5. **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. Transaction value method as provided in 25(1) of the Customs Act, 1969 was found inapplicable because the requisite information was not available. Identical / similar goods value method as provided in sub-Sections (5) & (6) of Section 25 of the ibid Act, were examined which provided some reference values but due to wide variation could not be exclusively relied on. Deductive Value Method as envisaged under Section 25(7) of the Customs Act, 1969, was examined but the same was not helpful because the values varied according to the selling point of the market and all specifications were not readily available. Similarly, the value method under Section 25(8) of the Customs Act, 1969, could not be applied due to non-availability of details of expenses retaliating to conversion costs incurred in the country of manufacturer. Online values were also examined within the meaning of proviso to sub-section (1) of Section 25(A) inserted vide Finance Act, 2021. Consequently, Customs values of Tulle Net Fabrics have been determined under Section 25(9) of the Customs Act, 1969.

6. **Customs values for Tulle Net Fabrics - hereinafter specified** shall be assessed to duty/ taxes on the following minimum Customs values given against them in the Table below:-

Sr. No.	Description of goods	PCT Code	Proposed PCT for WeBOC	Origin	Customs Values (C&F) US\$/Kg
1	2	3	4	5	6
1	Nylon Tulle Net Fabrics (Grey)	5804.1000	5804.1000.1000	China	5.30
			5804.1000.1100	Indonesia, Malaysia, Thailand, Vietnam & Korea	5.82
			5804.1000.1200	UAE	6.97
			5804.1000.1300	Europe, USA & Canada	6.32
2	Nylon Tulle Net Fabrics (Bleached)	5804.1000	5804.1000.1400	China	5.98
			5804.1000.1500	Indonesia, Malaysia, Thailand, Vietnam & Korea	6.50
			5804.1000.1600	UAE	7.65
			5804.1000.1700	Europe, USA & Canada	7.00
3	Nylon Tulle Net	5804.1000	5804.1000.1800	China	7.40



	Fabrics (Plain/Dyed)		5804.1000.1900	Indonesia, Malaysia, Thailand, Vietnam & Korea	7.93
			5804.1000.2000	UAE	9.08
			5804.1000.2100	Europe, USA & Canada	8.53
4	Nylon Tulle Net Fabrics (Printed)	5804.1000	5804.1000.2200	China	8.53
			5804.1000.2300	Indonesia, Malaysia, Thailand, Vietnam & Korea	9.05
			5804.1000.2400	UAE	10.20
			5804.1000.2500	Europe, USA & Canada	9.55
5	Nylon Tulle Net Fabrics (Embroidered)	5804.1000	5804.1000.2600	China	9.00
			5804.1000.2700	Indonesia, Malaysia, Thailand, Vietnam & Korea	9.80
			5804.1000.2800	UAE	11.50
			5804.1000.2900	Europe, USA & Canada	10.50
6	Polyester Tulle Net Fabrics (Grey)	5804.1000	5804.1000.3000	China	3.80
			5804.1000.3100	Indonesia, Malaysia, Thailand, Vietnam & Korea	4.32
			5804.1000.3200	UAE	5.47
			5804.1000.3300	Europe, USA & Canada	4.82
7	Polyester Net Fabrics (Bleached)	5804.1000	5804.1000.3400	China	3.95
			5804.1000.3500	Indonesia, Malaysia, Thailand, Vietnam & Korea	4.47
			5804.1000.3600	UAE	5.62
			5804.1000.3700	Europe, USA & Canada	4.97
8	Polyester Tulle Net Fabrics (Plain/Dyed)	5804.1000	5804.1000.3800	China	5.38
			5804.1000.3900	Indonesia, Malaysia, Thailand, Vietnam & Korea	5.90
			5804.1000.4000	UAE	7.05
			5804.1000.4100	Europe, USA & Canada	6.40
9	Polyester Tulle Net Fabrics (Printed)	5804.1000	5804.1000.4200	China	6.50
			5804.1000.4300	Indonesia, Malaysia, Thailand, Vietnam & Korea	7.02
			5804.1000.4400	UAE	8.17
			5804.1000.4500	Europe, USA & Canada	7.52



10	Polyester Tulle Net Fabrics (Embroidered)	5804.1000	5804.1000.4600	China	6.97
			5804.1000.4700	Indonesia, Malaysia, Thailand, Vietnam & Korea	7.77
			5804.1000.4800	UAE	9.47
			5804.1000.4900	Europe, USA & Canada	8.47

7. In cases where declared/ transaction values are higher than the Customs values determined in this Ruling or higher evidential data is available of stipulated period of 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 in this Ruling.

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-Section (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, 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 the 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. The Customs values determined in the 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 on the basis of correct classification after fulfilling all formalities relating to importability or other certifications required thereon.

10. *This Valuation Ruling supersedes and omits the serial numbers 09 and 10 of Valuation Ruling No.1449/2020 dated 04-06-2020.*


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