

## Polyester grey fabrics: DGCV revises customs values

Directorate General Customs Valuation (DGCV) has revised the customs values of Polyester Grey Fabrics under section 25(7) of the Customs Act, 1969. According to details, the customs values of Polyester Grey Fabrics were earlier determined in November, 2015. Since the existing valuation ruling was about two years old, therefore, there was a need to re-determine the custom values of Polyester Grey Fabrics in accordance with prices in international markets.

Keeping the said in view, the Directorate has initiated an exercise for determination of the customs values of the subject goods in terms of section 25-A of the Customs Act, 1969. For the purpose, meetings with stakeholders including commercial importers, All Pakistan Textile Mills Association (APTMA) and representatives of clearance Collectorates were held in August and November to discuss the current international price trends of the subject goods.

During the stakeholders meetings, the representatives of All Pakistan Textile Mills Association (APTMA) and MCC Appraisement (West) Karachi requested that the said valuation ruling may be revised upwards in the light of prevailing international market prices. They also requested to add Polyester Bleached Fabric in the fresh valuation ruling.

Later, the valuation methods provided in section 25 of the Customs Act, 1969 were duly applied in their 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 non submission of import documents particularly proof of payments by the importers and wide variations in the declared values.

Hence requisite information required under law was not available to arrive at the correct transaction values. Therefore, identical / similar goods value method as provided in sub-sections (5) & (6) of section 25 *ibid* were examined for applicability to the valuation issue in the instant case but due inconsistent clearance data and wide variation in declarations, the said valuation methods could not be exclusively relied on. In line with the statutory sequential order of section 25, the DGCV conducted market inquiries under sub-section (7) of section 25 of the Customs Act, 1969. As there were certain differences in prices in different markets therefore, a number of surveys were conducted to arrive at customs values. Resultantly, the customs values of Polyester Grey Fabric and Polyester Bleached Fabric were determined under section 25(7) of the Customs Act, 1969.