



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
7<sup>TH</sup> FLOOR, CUSTOM HOUSE  
KARACHI



No. Misc/06/2020/IV/288

Dated: 14 .04.2026

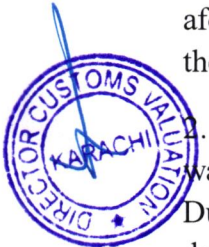
**Valuation Ruling No. 2068 / 2026**

1. This Ruling shall be applicable until the same is rescinded or revised in terms of sub-section (4) of Section 25A of the Customs Act, 1969.
2. The revision petition against this Valuation Ruling can be filed under Section 25D of the Customs Act, 1969, within 30 days before the Director General, Customs Valuation.

Subject: **DETERMINATION OF CUSTOMS VALUES OF PVC, PU AND OTHER COATED FABRIC UNDER SECTION 25A OF THE CUSTOMS ACT, 1969.**

1.	Valuation Ruling	This ruling supersedes items mentioned at S.Nos. 1 to 4 of Valuation Ruling Nos. 1730/2023 dated 18.01.2023.
2.	Date of meetings with stakeholders	The meetings with relevant stakeholders were conducted on 12.03.2026.

**Background:** Earlier, the Customs values of PVC, PU and Other Coated Fabric were determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No. 1730/2023 dated 18.01.2023. In Dec, 2025 representations were received from various stakeholders, that value of said items are declined in the international market, therefore, the Directorate re-determine the customs values of subject items. Accordingly, the Directorate initiated an exercise for re-determination of customs values of subject goods covered under the aforesaid valuation ruling. Meeting notices were issued to all relevant stakeholders to address their grievances.



**Stakeholders' participation in determination of Customs values:** A meeting was conducted to deliberate in detail upon the issues relating to the valuation of the subject goods. During the meeting, the importers contended that the international prices of subject items are declined and transactions values are fair, therefore, on the basis of Section 25 of the Customs Act, 1969 the values shall be re-determine according to international price trend. The local manufacturer contended that prices of raw material are increasing and having upward trend, therefore, on these grounds determined customs values shall be increased. They further contended that importers are trying to crush local industries of artificial leather, which our country cannot bear in this crucial time.

3. **Analysis / Exercise done to determine Customs Values:** The viewpoints of the stakeholders were analyzed and a detailed examination of import data for the preceding ninety (90) days from Jan to March, 2026 was conducted in conjunction with a review of the documentary evidence submitted by stakeholders. The documents provided by the local manufacturer has also examined. This comprehensive assessment enabled the development of a supplier-wise database, incorporating transaction values along with detailed specifications of the goods imported into Pakistan. The impact of this fluctuation in the international prices of raw

materials (PU/PVC resin) has been duly considered while determining the customs values by applying an appropriate percentage usage in the value of finished goods. It was observed that the customs values given in valuation ruling No. 1730/2023 were higher than the international market prices of the goods.

4. **Method (s) adopted to determine Customs values:** The valuation methods prescribed under Section 25 of the Customs Act, 1969, were duly examined and applied sequentially to resolve the valuation issue at hand. The transaction value method under sub-section (1) of Section 25 was found inapplicable, as sufficient information regarding the adjustments required under Section 25(2) was not available to determine the correct transaction value. Thereafter, the identical goods value method provided under sub-sections (5) and (6) of Section 25 was examined for applicability in determining the customs value of the subject goods. Although the available import data provided some reference, the same could not be wholly relied upon due to the absence of absolute and demonstrable evidence regarding quality, quantity, specifications, and commercial level, as required under the sequential application of valuation methods. A market enquiry, as envisaged under sub-section (7) of Section 25 of the Customs Act, 1969, was also conducted in accordance with the procedure laid down in Office Order No. 17/2014 dated 19.03.2014. However, the enquiry did not yield conclusive results owing to abnormal price fluctuations and variations in specifications and other related factors. Likewise, the computed value method under Section 25(8) was considered and the cost of ingredients for manufacturing of PVC and PU Coated Fabrics was taken into account. However, it could not be applied, as the manufacturing cost data from the country of origin was not available. In addition the recent fluctuation in the international prices of raw materials specially petroleum based products and their contribution to the total cost were also examined. Accordingly, after due consideration of all relevant factors, the customs values of the subject goods were determined under sub-section (9) of Section 25 of the Customs Act, 1969, read with sub-sections (6) and (8), *ibid*. This comprehensive exercise ensures that the determination of customs values is fair, transparent, and fully compliant with the provisions of the Customs Act, 1969.

5. **Customs values for PVC, PU and Other Coated Fabric** hereinafter specified shall be assessed to duty / taxes at the following Customs values.

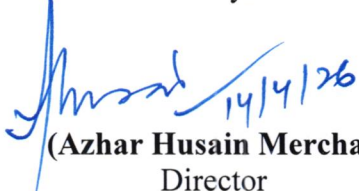
S. No.	Description	PCT Code	Proposed PCT for WeBOC	Origin	Customs Values C&F (US\$ / Kg)
(1)	(2)	(3)	(4)	(5)	(6)
1	PVC Coated Fabric (Artificial Leather)	5603.1300 5603.9400	5603.1300.1000 5603.9400.1000	China / Taiwan	2.15
			5603.1300.1100 5603.9400.1100	Korea / Japan / Thailand & Far East	2.32
			5603.1300.1200 5603.9400.1200	UK / USA	2.60

2	PU Coated Fabric (Artificial Leather Woven)	5903.2000	5903.2000.1000	China / Taiwan	3.40
			5903.2000.1100	Korea / Japan / Thailand & Far East	3.44
			5903.2000.1200	UK / USA	4.27
3	PU Coated Fabric (Artificial Leather Non-Woven)	5603.1300 5603.9400	5603.1300.1300 5603.9400.1300	China / Taiwan	3.80
			5603.1300.1400 5603.9400.1400	Korea / Japan / Thailand & Far East	3.88
			5603.1300.1500 5603.9400.1500	UK / USA	4.80
4	Other Coated Fabric	5903.9000	5903.9000.1000	China / Taiwan	3.45
			5903.9000.1100	Korea / Japan / Thailand & Far East	3.55
			5903.9000.1200	UK / USA	4.40

6. In cases, where declared values or values in invoice retrieved from the consignment, as the case may be, are higher than the customs values determined in this valuation ruling, the assessment shall be made on higher values in terms of sub-section (l) of Section 25 of the Customs Act, 1969. Furthermore, if the consignments imported by air the difference between air freight and sea freight shall be added for the assessment of value.

7. The Valuation Ruling shall be applicable for the descriptions and specifications of goods as mentioned in the aforementioned table. HS Codes are mentioned for illustrative purposes.

8. The Collectorates of Customs shall ensure the implementation of this Valuation Ruling and in case of any anomaly the same may be Directorate immediately.

  
 (Azhar Husain Merchant)  
 Director

**Copy for necessary action and implementation:**

The Collectors / Directors of Customs, Collectorates / Directorates of Customs (Headquarters-South)/ Appraisement-West / East / SAPT / PMBQ / JIAP / Enforcement/, Karachi / Hyderabad / (Appraisement / Enforcement / Ports), Quetta / Gwadar / Khuzdar (Appraisement / Enforcement / AIIA), (Appraisement-East / West, Lahore / Faisalabad Appraisement / Enforcement, Sargodha / Enforcement & Appraisement, Sambrial (Sialkot) / Enforcement, Multan / Islamabad / Gilgit-Baltistan / (Appraisement/ Enforcement), Peshawar / Enforcement, Dera Ismail Khan / Exports (Port Qasim/Custom House, Karachi) / Transit Trade, Karachi.

**Copy for information:**

- 1) The Member Customs (Operations), F.B.R., Islamabad.
- 2) The Director General, Director Generals of Customs Valuation, Custom House, Karachi.
- 3) All Chief Collectors / Director Generals of Customs, Karachi / Lahore / Islamabad / Quetta / Peshawar.
- 4) The Director, Directorate of Customs Valuation, Lahore / Quetta / Peshawar.
- 5) All Collectors / Directors of respective Collectorates and Directorates.
- 6) The Deputy Director (MIS), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WEBOC database system.
- 7) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 8) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 9) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 10) The Webmaster, Federal Board of Revenue, Islamabad.
- 11) Guard File.

