



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

The Collectors of Customs, Model Customs Collectorates, Appraisement (East / West) / Port Qasim / Preventive, Karachi / Lahore (Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad /Hyderabad/ Quetta / Peshawar/ Gawadar/ Gilgit-Baltistan.

**Determination of Customs Values of Polyester Filament Yarn Under
Section 25-A of the Customs Act, 1969**

(VALUATION RULING NO. 1338 / 2018)

No. Misc/25/2013-IV

11431

Dated: October 25th, 2018

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Polyester filament yarn are determined as follows: -

2. **Background of the valuation issue:** Earlier the customs values of the polyester filament yarn were determined vide Valuation Ruling No. 1269/2018 dated 14.03.2018. There was a representation from Filament Yarn Manufacture Association (Pakistan), wherein they contended that due to the upward trend of value of basic raw materials i.e. Pure Terephthalic Acid (PTA) and Mono Ethylene Glycol (MEG) for polyester filament yarn, the customs values determined in the existing Valuation Ruling are not true reflective of prices in international markets. Keeping in view the prevailing prices of the subject goods, this Directorate General initiated an exercise for determination of the Customs Values of the filament yarn in terms of Section 25-A of the Customs Act, 1969.

3. **Stake holders' participation in determination of Customs values:** Meeting for the determination of customs values of the Polyester filament yarn was scheduled on 04.10.2018. The importers / stakeholders were requested to submit the following documents before or during the course of stakeholders meetings 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.


The meeting was attended by office bearers of Filament Yarn Manufacturer Association (Pakistan), Pakistan Yarn Merchants Association (PYMA), Karachi, Filament Yarn Merchant Association (FYMA), Karachi and other importers. The issues pertaining to the valuation of subject goods were deliberated upon in details.



4. **Method adopted to determine Customs values:** It is pertinent to mention here that the values of Polyester Filament Yarn had been determined by this Directorate General taking into consideration the import clearance data of the two major constituent raw materials of subject good i.e. P.T.A and M.E.G. The import clearance data for last three months were obtained from PRAL and data of locally manufactured P.T.A was obtained from its local manufacturers i.e. M/s Lotte Pakistan (Pvt) Limited. Thereafter the calculation was done by the Directorate General to arrive at weighted average value of P.T.A. The weighted average value of P.T.A and M.E.G so determined was applied to the formula prescribed and circulated by the Board vide C.No.3 (20)/TAR-1/90-Yarn, dated 07.04.2005 to determine the customs value of Polyester Filament Yarn. On the basis of data/information collected and exercise conducted as per above detailed formula prescribed by the Board, the values of Polyester Filament Yarn have been determined by using Fall Back Method under Sub-Section (9) of the Section 25 of the Customs Act, 1969.

5. **Customs values for Polyester Filament Yarn:** Polyester Filament Yarn of different specifications *hereinafter specified* shall be assessed to duty / taxes at the following Customs Values:-

Base Value Of Polyester Filament Yarn



BASIS OF VALUATION	MEG value per US\$ (PRAL data)		PTA value per US\$ (PRAL data + ICI PTA)		MEG + PTA	chips / fiber	
	(1)	(2)	(3)	(4)			(5)
Source	Unit	Per Ton	Per formula (350 Kg)	Per Ton	Per formula (870 Kg)	(Col.3 + Col.5)	(Col.6) + \$100/-
PRAL data + Lotte Chemical PTA values (Jul, Aug & Sept 2018) (US\$)	PER TON	979.6	342.8	925.9	805.6	1148.4	1248.4
	PER KG	-	0.98	0.34	0.93	0.81	1.15

		BASE VALUES OF DRAWN TEXTURED YARN									
		YARN 75 DTY SD	YARN 100 DTY SD	YARN 150 DTY SD	YARN 150 DTY BLACK DOPE DYED	YARN 300 DTY SD	YARN 75 DTY TWIST 1000 TPM SD	YARN 150 OF 1500 TPM SD	YARN 150 OF 1500 (BSY) 130	YARN 150 OF 1500 (BSY) 135	
		(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
VALUE OF YARN		(Col.7) +\$455/-	(Col.7) +\$375/-	(Col.7) +\$300/-	(Col.7) +\$420/-	(Col.7) +\$250/-	(Col.7) +\$ 1055/-	(Col.7) +\$800/-	(Col.7) +\$800/-	(Col.7) +\$560/-	(Col.7) +\$560/-
	PER TON	1703.4	1623.4	1548.4	1668.4	1498.4	2303.4	2048.4	2048.4	1808.4	1808.4
	PER KG	1.70	1.62	1.55	1.67	1.50	2.30	2.05	2.05	1.81	1.81

