



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 CUSTOM VALUES OF POLYESTER YARNS
UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO.673 / 2014)

No.Misc/02/2006-IV


Dated: April 22, 2014

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, this Directorate General of Customs Valuation, Karachi has determined the Customs values of Polyester Yarns of different deniers as specified in **Annex-"A"** of this Ruling for assessment of duty / taxes on these yarns when imported into the country.

- 1. Background of the valuation issue :** Earlier Valuation Ruling No.461/2012, dated 05-07-2012 was issued in line with international price trend at that time. The importers have been contesting that Yarn value in international market, especially from China has significantly decreased whereas clearance formations are assessing imported Polyester Yarns of different deniers in terms of Valuation Ruling No.461/2012, dated 05-07-2012 which is much higher than existing international prices. This prompted an exercise to re determine customs values of the same.
- 2. Method adopted to determine Customs values :** To determine the Customs values of Polyester Yarns of different deniers, methods given in Section 25 of the Customs Act, 1969, were examined to ascertain which methods were applicable to the valuation issue in hand in terms of Section 25A(1) of the Customs Act, 1969. Transaction value method provided in Sub-Section (1) of Section 25 was found inapplicable because the requisite information as per law was not available. Identical / similar goods value methods provided in Sub-Sections (5) & (6) of Section 25 of the Act ibid were examined for applicability to the valuation issue in the instant case but due to wide variation in value, the same could not be relied upon. Evidence of valuation furnished through the application of Identical / Similar Goods valuation methods when applied flexibly as provided in Sub-Section (9) of Section 25 of the Customs Act, 1969, led to the determination of following Customs values of Polyester Yarns of different deniers in this case.
- 3. Stakeholders' participation in determination of values :** Meetings were held with all the stakeholders on 03-12-2013, 20-12-2013, 07-04-2014 & 17-04-2014, which were attended by the stakeholders and representatives of Chamber of Commerce & Industry, Karachi.
- 4. Customs values for Polyester Yarns :** Polyester Yarns of different deniers as specified in enclosed **Annexure-"A"** of this Valuation Ruling shall be assessed to duty & taxes on the Customs Values specified in **Annexure-"A"** (copy attached).



5. In cases where declared/ transaction values are higher than the Customs value 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 differential between air freight and sea freight while applying the Customs values determined in this Ruling.
6. **Validity of this Valuation Ruling** : The value 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 (1) or (3) of Section 25-A of the Customs Act, 1969.
7. **Review of the value determined vide this Valuation Ruling** : A revision petition may be filed against this Ruling, as provided under Section 25-D 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.
8. The Collectors of Customs may kindly ensure that the value given in the Ruling for the given description of goods is applied by the concerned staff without fail. Any anomaly observed may kindly be brought to the notice of this Directorate General immediately.
9. **This Ruling Supersedes Valuation Ruling No.461 / 2012, dated 05-07-2012.**


 (Suraiya Ahmed Butt)
 Director

Copy for information to :-

1. S.A. to Chairman, F.B.R., Islamabad.
2. Member (Customs), F.B.R., Islamabad.
3. Director General, Customs Valuation, Custom House, Karachi.
4. Chief Collector of Customs, South (Appraisement), Custom House, Karachi.
5. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
6. Chief Collector of Customs (Central), Lahore.
7. Chief Collector of Customs (North), Islamabad.
8. Director General, Intelligence and Investigation, Islamabad.
9. Director General, Post Clearance Audit, Islamabad.
10. Director General Internal Audit, (Customs), Islamabad.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
12. The Project Director, WeBOC, 11th Floor, Custom House, Karachi.
13. Director, Directorate of Customs Valuation (Camp Office), Lahore.
14. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database and deleting the Valuation Ruling No.461 / 2012, dated 05-07-2012 on the date of issue of this Ruling.
15. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
16. Chamber of Commerce & Industry, Karachi / Lahore/ Islamabad/ Quetta / Peshawar.
17. Customs Revenue Audit, 8th Floor, Custom House, Karachi.
18. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
19. Review Section, Customs Valuation, 7th floor, Custom House, Karachi.
20. Karachi Customs Agents Group, Bohri Road, Karachi.
21. CHO, Customs Valuation, Custom House, Karachi.
22. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisement, 1st floor, Custom House, Karachi.
23. Guard File.

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

STATEMENT OF BASE VALUES OF POLYESTER CHAIN ITEMS (Yarn) April 21, 2014

BASIS OF VALUATION	NEO value per USE (PRAL data)		PTA value per USE (PRAL data + KCI PTA)		MEG + PTA	Charge / fiber		BASE VALUES OF DRAWN TEXTURED YARN									
	1	2	3	4				5	6	7	8	9	10	11	12	13	14
Source	Unit	Per Ton	Per Formula (394 Kg)	Per Ton	Per Formula (375 Kg)	(Cat.3 + Cat.6) + \$100/-	(Cat.6)	YARN 75 DTY 50	YARN 100 DTY 50	YARN 150 DTY 50	YARN 180 DTY BLACK DOPE DYED	YARN 200 DTY 50	YARN 75 DTY TWIST	YARN DTY 150 OF 1600 TPM 50	YARN 150 OF 1600 TPM 50	YARN 175 (55Y) 150	YARN 175 (55Y) 155
+ duty + values (last 12 months data) US\$	PER TON	1028.00	359.80	389.00	860.43	1220.23	1320.23	1775.23	1695.23	1620.23	1740.23	1570.23	2175.23	2120.23	2120.23	1880.23	1880.23
	PER KG	1.03	0.36	0.99	0.86	1.22	1.32	1.78	1.70	1.62	1.74	1.57	2.38	2.12	2.12	1.88	1.88
	PER 100 GM	0.10	0.04	0.10	0.09	0.12	0.13	0.18	0.17	0.16	0.17	0.16	0.24	0.21	0.21	0.19	0.19

POLYESTER FILAMENT FLAT YARN

VALUE OF YARN	CATEGORY	YARN 45 50	YARN 50 50	YARN 50 75	YARN 50 100	YARN 75 50	YARN 75 75	YARN 75 100	YARN 100 50	YARN 100 75	YARN 100 100	YARN 150 50	YARN 150 75	YARN 200 50	YARN 200 75	YARN 300 50	YARN 300 75
		18	18	30	30	30	30	30	30	30	30	30	30	30	30	30	30
		(Cat.7) + \$400/-	(Cat.7) + \$400/-	(Cat.7) + \$400/-	(Cat.7) + \$400/-	(Cat.7) + \$400/-	(Cat.7) + \$400/-	(Cat.7) + \$400/-	(Cat.7) + \$400/-	(Cat.7) + \$400/-	(Cat.7) + \$400/-	(Cat.7) + \$400/-	(Cat.7) + \$400/-	(Cat.7) + \$400/-	(Cat.7) + \$400/-	(Cat.7) + \$400/-	(Cat.7) + \$400/-
		1720.23	1720.23	1720.23	1840.23	1675.23	1675.23	1795.23	1715.23	1595.23	1715.23	1570.23	1470.23	1470.23	1470.23	1470.23	1470.23
		1.72	1.72	1.72	1.84	1.68	1.68	1.80	1.72	1.60	1.72	1.52	1.47	1.47	1.47	1.47	1.47
		0.17	0.17	0.17	0.18	0.17	0.17	0.18	0.17	0.16	0.17	0.16	0.15	0.15	0.15	0.15	0.15

Valuation Officer
S. Athar H. Naqvi
Valuation Officer
Custom House

Principal Appraiser
Valuation

Deputy Director
Dr. Muhammad Shahzad
Assistant Director

ALLISON STEPHEN
PRINCIPAL APPRAISER
PAKISTAN CUSTOMS
VALUATION