



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. 768/2015)

No. Misc/02/2006-IV / 19607

Dated: October 21, 2015

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


2. **Background of the valuation issue:** A valuation Ruling regarding Polyester Yarn was issued vide Valuation Ruling No.709/2015, dated 23-01-2015. All Pakistan Yarn Merchants Association (PYMA), Karachi vide letter No. Ref: 19/15/173, dated 26-05-2015 contested that old Valuation ruling needs revision due to downward trend in international prices of the Polyester Yarn and they requested for its revision. The Karachi Chamber of Commerce & Industry, Karachi and the Federation of Pakistan Chamber of Commerce & Industry also forwarded their request with the recommendation to revise old Valuation Ruling keeping in view the prices in international market.

3. **Stakeholders' participation in determination of Customs values:** Meetings were scheduled on 24-06-2015, 06-08-2015, 12-10-2015 and 20-10-2015, which were attended by Office bearers of Pakistan Yarn Merchants Association (PYMA), Karachi and Filament Yarn Manufacturers Association (FYMA), Commercial importers as well as local manufacturers wherein the issue was deliberated upon threadbare and the representatives of these Associations agreed with the working done by the Department.

4. **Method adopted to determine Customs values:** It is pertinent to mention that the value of Polyester Yarn has always been determined by this Directorate General by taking into consideration the import clearance data of two important constituent of this commodity i.e PTA

and MEG for past three months obtained from PRAL and value of PTA obtained from its local Manufacturer i.e M/S Lotte Pakistan (Pvt) Ltd. Thereafter the working/calculation is done by the Directorate General to arrive at unified average value of PTA. The average value of PTA and MEG so determined is run through the formula prescribed and circulated by the Board vide C.No.3 (20)/TAR-I/90-Yarn dated 7-4-2005 to arrive at the final determined price of the Polyester Yarn. Since this formula has been prescribed by the Board in consultation with and consensus of all concerned stake holders, therefore, the same is used for valuation of Polyester Yarn in terms of Sub-Section (9) of Section 25 of the Customs Act, 1969.

Accordingly in order to determine the current value of the Polyester yarn and to find out as to whether the prices of Polyester yarn and prices of its important constituents of Polyester chain i.e Purified Terephthalic Acid (PTA) and Mono Ethylene Glycol (MEG) have decreased as contended by Pakistan Yarn Merchant Association, FPCCI and KCCI or otherwise an extensive exercise has been done in the Directorate General to arrive at final determined value of the Polyester Yarn. On the basis of the data/information collected and exercise conducted as per above detailed formula prescribed by the Board the value of Polyester Yarn has been determined afresh by this Directorate General.

5. Customs values for Polyester Yarn : Polyester Yarn *as specified in Annex-A to this Ruling* shall be assessed to duty / taxes at the Customs Values specified therein :- 

6. In cases where declared/ transaction values are higher than the Customs values 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.

7. 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-Sections (1) or (3) of Section 25-A of the Customs Act, 1969.

8. Revision 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 of this ruling, before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.

9. The Collectors of Customs may kindly ensure that the values given in the 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 Directorate General immediately.

10. *This ruling supersedes Valuation Ruling No.709/2015, dated 23-01-2015.*


(Manzoor Hussain Memon)
Director

Copy for information to :-

1. Member (Customs), F.B.R., Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi.
3. Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
4. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. Chief Collector of Customs (Central), Lahore.
6. Chief Collector of Customs (North), Islamabad.
7. Director General, Intelligence and Investigation-FBR, Islamabad.
8. Director General, Audit (Customs & Petroleum), 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
09. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General, Internal Audit (Customs), Karachi.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta Peshawar/ Faisalabad.
12. Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system and deleting Valuation Ruling No. 709/2015, dated 23-01-2015.
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
16. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisalment, 1st Floor, Custom House, Karachi.
21. Guard File.

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STATEMENT OF BASE VALUES OF POLYESTER CHAIN ITEMS(YARN) VALUATION RULING No.768/2015 DATED-21-10-2015 Annex-A

BASIS OF VALUATION	MEG value per US\$ (PRAL data)		PTA value per US\$ (PRAL data + ICI PTA)		MEG + PTA	chips / fiber	BASE VALUES OF DRAWN TEXTURED YARN										
	Unit	Per Ton	Per formula (350 Kg)	Per Ton			Per formula (870 Kg)	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 TWST	YARN DTY 150 OF 1000 TPM SD	YARN 150 OF 1500 TPM SD	YARN ITY (BSY) 130	YARN ITY (BSY) 135
Source	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
						(Col.3 + Col.5)	(Col.6) + \$100/-	(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/-
PRAL & MCC data + ICI	PER TON	974.00	340.90	688.00	598.56	939.46	1039.46	1494.46	1414.46	1339.46	1459.46	1289.46	2094.46	1839.46	1839.46	1599.46	1599.46
	PER KG	0.97	0.34	0.69	0.60	0.94	1.04	1.49	1.41	1.34	1.46	1.29	2.09	1.84	1.84	1.60	1.60
	PER 100 GM	0.10	0.03	0.07	0.06	0.09	0.10	0.15	0.14	0.13	0.15	0.13	0.21	0.18	0.18	0.16	0.16

POLYESTER FILAMENT PLAT YARN

VALUE OF YARN	CATEGORY	YARN 45 SD	YARN 50 FPY SD	YARN 50 FPY BLACK	YARN 50 FPY BLACK	YARN 75 PFY SD	YARN 75 PFY BRIGHT	YARN 75 PFY BLACK	YARN 90 PFY BLACK DOPE	YARN 100 PFY BRT	YARN 100 PFY BLACK	YARN 150 PFY BRT	YARN 200 PFY BRT	YARN 300 PFY BRT
		18	19	20	21	22	23	24	25	26	27	28	29	30
		(Col.7) +\$400/-	(Col.7) +\$400/-	(Col.7) +\$400/-	(Col.7) +\$520/-	(Col.7) +\$355/-	(Col.7) +\$355/-	(Col.7) +\$475/-	(Col.7) +\$395/-	(Col.7) +\$275/-	(Col.7) +\$395/-	(Col.7) +\$200/-	(Col.7) +\$150/-	(Col.7) +\$150/-
	PER TON	1439.46	1439.46	1439.46	1559.46	1394.46	1394.46	1514.46	1434.46	1314.46	1434.46	1239.46	1189.46	1189.46
	PER KG	1.44	1.44	1.44	1.56	1.39	1.39	1.51	1.43	1.31	1.43	1.24	1.19	1.19
	PER 100 GMS	0.14	0.14	0.14	0.16	0.14	0.14	0.15	0.14	0.13	0.14	0.12	0.12	0.12


Hafiz Muhammad Jokhio
Valuation Officer


Shamim Iqbal
Principal Appraiser


Dr. Muhammad Shahzad
Deputy Director


Dr. Muhammad Nadeem Memon
Additional Director


Manzoor Hussain Memon
Director