



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. 1355 / 2019)

No. Misc/25/2013-IV/1811

Dated: March 15th, 2019

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. 1338/2018 dated 25.10.2018. There were several representations from Pakistan Yarn Merchants Association (PYMA), wherein they contended that due to the downward trend of value of basic raw materials i.e. Pure Terephthalic Acid (P.T.A) and Mono Ethylene Glycol (M.E.G) 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:** A number of meetings with stakeholders, including importers and representatives from field formations, were held to discuss the current international prices of the subject goods. 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 meetings were 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-I/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:-

STATEMENT OF BASE VALUES OF POLYESTER CHAIN ITEMS.

BASIS OF VALUATION	MEG value (US\$) (PRAL data)		PTA value (US\$) (PRAL data + Lotte Chemical)		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 P.T.A values (Nov, Dec-2018 & Jan 2019) (US\$)	PER TON	879.8	307.9	945.0	822.2	1130.1	1230.1
	PER KG	0.88	0.31	0.95	0.82	1.13	1.23



CATEGORY	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 TPM SD	YARN DTY (BSY) 130	YARN DTY (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	1685.1	1605.1	1530.1	1650.1	1480.1	2285.1	2030.1	2030.1	1790.1	1790.1
	PER KG	1.69	1.61	1.53	1.65	1.48	2.29	2.03	2.03	1.79	1.79

POLYESTER FILAMENT FLAT YARN

VALUE OF YARN	CATEGORY	YARN 45 FDY SD	YARN 50 FDY SD	YARN 50 FDY BRT	YARN 50 FDY BLACK DOPE DYED	YARN 75 FDY SD	YARN 75 FDY/ BRT	YARN 75 FDY BLACK DOPE DYED
		(18)	(19)	(20)	(21)	(22)	(23)	(24)
		(Col.7) + \$400/-	(Col.7) + \$400/-	(Col.7) + \$400/-	(Col.7) + \$520/-	(Col.7) + \$355/-	(Col.7) + \$355/-	(Col.7) + \$475/-
		PER TON	1630.1	1630.1	1630.1	1750.1	1585.1	1585.1
PER KG	1.63	1.63	1.63	1.75	1.59	1.59	1.71	

VALUE OF YARN	CATEGORY	YARN 90 FDY BLACK DOPE DYED	YARN 100 FDY BRT	YARN 100 FDY BLACK	YARN 150 FDY BRT	YARN 200 FDY BRT	YARN 300 FDY BRT
		(25)	(26)	(27)	(28)	(29)	(30)
		(Col.7) + \$395/-	(Col.7) + \$275/-	(Col.7) + \$395/-	(Col.7) + \$200/-	(Col.7) + \$200/-	(Col.7) + \$150/-
		PER TON	1625.1	1505.1	1625.1	1430.1	1430.1
PER KG	1.63	1.51	1.63	1.43	1.43	1.38	

Note: a) The above determined values do not cover PFY Non-intermingle (various deniers) and Cationic Filament yarn of all types. In case a consignment is found to be Cationic yarn or PFY Non-intermingle yarn, the same may be cleared under Section 25 of the Customs Act 1969.

b) In case Polyester Yarn (FDY/DTY) of other than "Black Dope Dyed" color is found, the same may be cleared under Section 25 of the Custom Act, 1969.

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 and the same may be communicated to this Directorate General forthwith. 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:** This Valuation Ruling is appealable under the law and a revision petition may be filed against this Ruling, 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. The Custom values determined in the Valuation Ruling are for the descriptions and specifications as mentioned herein, HS Codes are mentioned for illustrative purposes so that Valuation Ruling values are made accessible to the assessing officers. The assessment shall be finalized in the correct classifications after fulfilling requisite formalities relating to importability or other certifications required thereon. In addition to this, it is further necessary to verify that there is no mis-declaration of any sort or violation of Import Policy Order or Section of the Customs Act, 1969 or any other law in vogue therein.

10. ***This ruling supersedes Valuation Ruling No.1338/2018 dated 25.10.2018.***


(Shafique Ahmad Latki)
Director

Copy for information to: -

1. The Member (Customs), F.B.R., Islamabad.
2. The Director General, Customs Valuation, Custom House, Karachi.
3. The Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
4. The Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. The Chief Collector of Customs (Central), Lahore.
6. The Chief Collector of Customs (North), Islamabad.
7. The Director General, Intelligence and Investigation-FBR, Islamabad.
8. The Director General, Audit (Customs & Petroleum), 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
09. The Director General, Post Clearance Audit (PCA), Islamabad.
10. The Director General, Internal Audit (Customs), Karachi.
11. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Multan.
12. The Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & We BOC database system and deleting Valuation Ruling No. 1338/2018, dated 25.10.2018.
14. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta, Gujranwala, Faisalabad, Sialkot, Rawalpindi & Peshawar.
16. The Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. The Revision Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. The Karachi Customs Agents Group, Bohri Road, Karachi.
19. The CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC Appraisalment, 1st Floor, Custom House, Karachi.
21. The Webmaster, Federal Board of Revenue, Constitution Avenue, Islamabad, for uploading on FBR Website.
22. Guard File.