



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

The Collector of Customs, Model Customs Collectorate, Appraisal and Facilitation (East / West) / Port Qasim / Enforcement and Compliance, JIAP, Karachi / (Appraisal and Facilitation / Enforcement and Compliance) / AIA Lahore / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad / Hyderabad / Quetta / Appraisal and Facilitation Peshawar / Gwadar / Gilgit-Baltistan / Exports (Karachi / Port Qasim).

DETERMINATION OF CUSTOMS VALUES OF POLYESTER FILAMENT YARN
UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO. 1438/2020)

C. No. Misc/25/2013-IV / 2869

Dated: 7-02-2020

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

2. **Background of the valuation issue:** The Customs values of the Polyester Filament Yarn were earlier determined vide Valuation Ruling No. 1387/2019 dated 03.09.2019. Representations were filed by various importers, trade association i.e M/s Pakistan Yarn Merchants Association, wherein it was contended that due to downward trend of values of basic raw material 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 reflective of prevailing prices in international markets. Therefore, an exercise was undertaken by this Directorate General to determine customs values of the subject goods under section 25-A of the Customs Act, 1969.

3. **Stakeholders' participation in determination of Customs values:** Meeting with different stakeholders including Pakistan yarn Merchants was called on 16-01-2020. The issues pertaining to the valuation of subject goods were deliberated upon in detail.

4. **Methods Adopted to Determine Customs Values:** The values of Polyester Filament Yarn are determined by this Directorate General taking into consideration the import clearance data of two major constituent raw materials of subject goods i.e. P.T.A and M.E.G. The import clearance data for last two months were obtained from PRAL and data of locally manufactured P.T.A was obtained from its local manufacturers 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 values of Polyester Filament Yarn. On the basis of data/information collected and exercise conducted as per formula, the values of Polyester Filament Yarn have been determined Sub-Section (9) of the Section 25 of the Customs Act, 1969.

5. **Customs Values of Polyester Filament Yarn:** Polyester Filament Yarn *hereinafter specified*, shall be assessed to duty/taxes at the following minimum Customs values as per attached **Annexure-A**.

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 consignment imported by air, the assessing officer shall take into account the difference between air freight and sea freight while applying the Customs values determined in this Ruling.

7. **Validity of Valuation Ruling:** The values determined vide this Ruling shall be the applicable Customs values 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, 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 this Valuation 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. Customs values determined in the ruling are for the description and specification as mentioned in the above table of this Ruling. HS Codes are mentioned for illustrative purpose so that valuation ruling values are made accessible to the assessing officers. The assessment shall be finalized on the basis of correct classification after fulfilling requisite formalities related to importability or any other certification 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 15 of the Customs Act, 1969 or any other law in vogue therein.

10. *This ruling supersedes Valuation Ruling No.1387/2019, dated 03-09-2019.*


(Shafique Ahmad Latki)
Director

Copy for information to:

1. The Member (Customs, Operations/Policy), 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 Chief Collector of Customs, (Enforcement), Custom House, Quetta.

