



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
7<sup>TH</sup> FLOOR, CUSTOM HOUSE  
KARACHI  
Phone: 021-99214144  
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C. No. Reg. Misc/26/2017-II/976

Dated: 23 -09-2024

VALUATION RULING NO. 1905/2024

1. This ruling supersedes Valuation Ruling No. 1873/2024 dated 05-04-2024.
2. This Ruling shall be applicable until the same is rescinded or revised in terms of sub-section (4) of Section 25A of the Customs Act, 1969.
3. The revision petition against this Valuation Ruling, can be filed under Section 25D of the Customs Act, 1969, within 30 days before the Director General, Customs Valuation.
4. The values in valuation ruling shall be treated as minimum benchmark values and shall be applicable to the given description and specification of goods.

Subject: DETERMINATION OF CUSTOMS VALUES OF PHENOLIC RESIN, POLYURETHANE RESIN, MELAMINE RESIN AND EPOXIDE RESIN UNDER SECTION 25A OF THE CUSTOMS ACT, 1969

1.	Valuation Ruling	Redetermination / revision of values of earlier Valuation Ruling No. 1873/2024 dated 05.04.2024
2.	Date of meetings with stakeholders	The meetings with relevant stakeholders were conducted on 08.08.2024 and 04.09.2024

3. **Background of the Issue:** The customs values of Phenolic Resin, Polyurethane Resin, Melamine Resin and Epoxide Resin determined vide Valuation Ruling Number 1873/2024 dated 05.04.2024 were challenged before the Director General of Customs Valuation under Section 25D of the Customs Act, 1969 by M/s Ever Lasting Footwears and M/s Nimir Resins. The Director General vide Order-in-Revision No. 36/2024 dated 10.07.2024 directed the Directorate to re-visit the customs values of subject goods from different origins. Accordingly, proceedings for the re-determination of customs values of subject goods was initiated under Section 25 and 25A of the Customs Act, 1969.

4. **Analysis to determine Customs Values:** Meetings were convened on 08.08.2024 and 04.09.2024 that were attended by relevant stakeholders including the representatives of Pakistan Footwear Association, Pakistan Chemical & Dyes Association (PCDMA) and other stakeholders i.e. the importers and the manufacturers. The importer i.e. the representative of M/s Ever Lasting Footwears contended that the values of subject goods in the international market of China origin for PU Resin for shoe sole are on a lower side, therefore, the customs values may be revised accordingly. Moreover, the representatives of local manufacturers i.e. M/s. ATS Synthetic and M/s Khursheed Sons Industries contended that the values in the existing Valuation Ruling are on a lower side in accordance with the actual international market trends, hence, the customs values need to be increased. Furthermore, a representative of M/s Nimir Resins stated that Melamine Resin is being imported from origins other than China and Taiwan, hence, the customs values of other origins may be included in the Valuation Ruling. The participants were further requested to provide written arguments, literature and other relevant documents including the Sales Tax Invoices & Returns before the Directorate in support of their contentions in order to finalize the same.

5. **Method (s) adopted to determine Customs values:** Valuation methods specified in section 25 of the Customs Act, 1969, were duly considered in sequential order to arrive at the customs values of subject goods. The transaction value method as provided in sub-section (1) of section 25 of the Customs Act, 1969, was found



inapplicable due to absence of information as required under sub-section (2) of section 25 of Customs Act, 1969. The identical goods value method as provided in section 25(5) was examined, some applicable values were found but that the same could not be solely relied upon due to absence of absolute demonstrable evidences of quantities and qualities. Subsequently, similar goods value method provided in section 25(6) was also examined in light of the clearance data of subject goods and was finally relied upon for the determination of Customs values of subject goods under Section 25A of the Customs Act, 1969.

**6. Customs Values for Phenolic Resin, Polyurethane Resin, Melamine Resin and Epoxide Resin - hereinafter specified shall be assessed to duty / taxes at following Customs Values:**

Sr. No.	Description of Goods	Origin	PCT	Proposed PCT for WeBOC	Customs Values (C&F) US\$/Kg
1	Phenolic Resin	China / South Africa / Turkey	3909.4000	3909.4000.1000	1.85
2		Taiwan		3909.4000.1100	1.94
3		Korea		3909.4000.1200	2.36
4		Europe / USA		3909.4000.1300	2.52
5	Polyurethane Resin - Polyester based (Liquid Form)	China / Korea / Malaysia / Singapore	3909.5000	3909.5000.1000	2.81
6		Europe		3909.5000.1100	3.15
7	Polyurethane Resin (Granules, Pellets Form)	China	3909.5000	3909.5000.1200	3.50
8	Polyurethane Resin - Polyester based (Pre-Polymer for Shoe Sole)	China	3909.5000	3909.5000.1300	1.95
9		Korea / Malaysia / Singapore		3909.5000.1400	2.00
10		Other Origins		3909.5000.1500	2.05
11	Melamine Resin	China	3909.2000	3909.2000.1000	1.70
12		Taiwan		3909.2000.1100	1.80
13		Other Origins		3909.2000.1200	1.88
14	Epoxide Resin	China / Taiwan	3907.3000	3907.3000.1000	2.95
15		Korea / UAE		3907.3000.1100	3.10

**Note:** Epoxide Resin imported by Paint Industry shall be assessed by the Collectorates under Section 25 of the Customs Act, 1969.

7. In cases, where declared values or values in invoice retrieved from the consignment, as the case may be, are higher than the customs values determined in this valuation ruling, the assessment shall be made on higher values in terms of sub-section (1) of Section 25 of the Customs Act, 1969.

8. The values determined in this VR shall be treated as minimum benchmark values and do not bar the collectorate from applying from the higher transaction values of identical or similar goods available in 90 days for the assessment of goods.

9. In case of consignments imported by air, the difference between air freight and sea freight shall be added for the assessment of value.

10. The VR shall be applicable for the descriptions and specifications of goods as mentioned in the aforementioned table. HS Codes are mentioned for illustrative purposes.



11. The Collectorates of customs shall ensure the implementation of VR and in case of any anomaly may be brought to the notice of this Directorate immediately.



(Sanaullah Abro)  
Director

Copy for necessary action and implementation:

The Collectors / Directors of Customs, Collectorates / Directorates of Customs (Appraisement-West / East / SAPT / PMBQ / JIAP / Enforcement/), Karachi / Hyderabad / (Appraisement / Enforcement / Ports), Quetta / Gwadar / Khuzdar (Appraisement / Enforcement / AIIA), (Appraisement-East / West, Lahore / Faisalabad Appraisement / Enforcement, Sargodha / Enforcement & Appraisement, Sambrial (Sialkot) / Enforcement, Multan / Islamabad / Gilgit-Baltistan / (Appraisement/ Enforcement), Peshawar / Enforcement, Dera Ismail Khan / Exports (Port Qasim/Custom House, Karachi) / Transit Trade, Karachi.

Copy for information:

- 1) The Member Customs (Operations), F.B.R., Islamabad.
- 2) The Director General, Customs Valuation, Custom House, Karachi.
- 3) All Chief Collectors / Director Generals of Customs, Karachi / Lahore / Islamabad / Quetta / Peshawar.
- 4) All Collectors / Directors of Customs, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
- 5) The Director, Directorate of Customs Valuation, Lahore / Quetta / Peshawar.
- 6) The Deputy Director (MIS), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WEBOC database system.
- 7) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 8) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 9) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 10) The Webmaster, Federal Board of Revenue, Islamabad.
- 11) Guard File.

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