



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI  
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The Collectors of Customs, Model Customs Collectorate, 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 Face Powder, Face and Skin Creams/Lotions, Tooth Paste, After Shave, Shaving Cream/Gel/Foam, Soap in other Forms and Facial Wash Under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. 813/2016)

No. Misc/41/2007-II

Dated: 28<sup>th</sup> January, 2016.

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Face Powder, Face and Skin Creams/Lotions, Tooth Paste, After Shave, Shaving Cream/Gel/Foam, Soap in other Forms and Facial Wash are determined as follows :

2. **Background of the valuation issue:** Customs values of Face Powder, Face and Skin Creams/Lotions, Tooth Paste, After Shave, Shaving Cream/Gel/Foam, Soap in other Forms and Facial Wash were earlier determined through Valuation Ruling No.589/2013, dated 30-09-2013, 590/2013, dated 30-09-2013, 596/2013, dated 24-10-2013 and followed by corrigendums vide dated 14-10-2013, 01-11-2013 and 16-09-2015. Court set aside corrigendum dated 14-10-2013, to the Valuation Ruling No.590/2013, vide order dated 03-11-2015, with remarks that *the Director Valuation has no authority and jurisdiction in law to issue corrigendum except for purpose as provided under Section 206 of the Customs Act, 1969, whereas, in the instant matter there is not such situation and in fact substantial amendments have been created distortion in uniform assessment of the goods, leaving unfettered discretion to be exercised by the assessing officer, and therefore, cannot be sustained.* In compliance to the Honourable Sindh High Court at Karachi's judgment, it was decided that all consignments falling under the valuation rulings No.588/2013, dated 30-09-2013, 589/2013, dated 30-09-2013, 590/2013, dated 30-09-2013 and 596/2013, dated 24-10-2013, be assessed under section 81 of the Customs Act,1969 by clearance Collectorate securing the differential amount of duties and taxes between declared value and values mentioned in the relevant valuation ruling and then the case be forwarded to this Directorate for determination of correct value. Meanwhile, the Directorate initiated an elaborate exercise for issuing new valuation rulings of Face Powder, Face and Skin Creams/Lotions, Tooth Paste, After Shave, Shaving Cream/Gel/Foam, Soap in other Forms and Facial Wash with a view to reflect the current prices of these items prevailing in the international market.

3. **Stakeholders' participation in determination of Customs values:** Meeting with stakeholders including importers, FPCCI/KCCI/APCTIA and representatives of trade bodies were held on 21-12-2015 and 28-12-2015 to discuss the issue of valuation and get feedback of the stakeholders. All Pakistan Cosmetics & Toiletries Importers Association (APCTIA) remained actually involved in the entire process. The stakeholders insisted that to provide a level field the new Valuation Ruling should be issued under Section 25 (7) and



basis should be retail market prices. They, however, claimed higher profit margins for different levels. They were asked to submit Sales Tax Invoices in order to substantiate the above claim, which they failed to do. Only one importer submitted him Sales Tax Invoices. However, the association got conducted market survey on their own and submitted its finding to the department, which were duly considered. Office of the Chief Collector South (Appraisalment) also provided a report of a separate survey conducted by them, on the request of this Directorate, which was also considered for determining the customs values of above items.

4. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were applied sequentially to address the valuation issue in hand. Transaction value method under Sub-Section (1) of Section 25 of the Act, 1969, was found inapplicable because it is generally known to all that most of the invoices are manipulated/fabricated locally, hence total reliance thereon cannot be made to ascertain the correct transactional value. Identical/similar goods value methods provided in Sub-Sections (5) & (6) of Section 25 *ibid* were also not found applicable in view of the reason mentioned above in the case of Sub-Section (1). In view of foregoing position, it was decided to determine the customs value under sub-section (7) of section 25 of the Customs Act, 1969. Keeping in view the surveys conducted by the association, office of the Chief Collector (Appraisalment)/South, Karachi and by this Directorate General itself.

5. **Face Powder, Face and Skin Creams/Lotions, Tooth Paste, After Shave, Shaving Cream/Gel/Foam, Soap in other Forms and Facial Wash:** Face Powder, Face and Skin Creams/Lotions, Tooth Paste, After Shave, Shaving Cream/Gel/Foam, Soap in other Forms and Facial Wash of brands *hereinafter* specified shall be assessed to duty/taxes at the Customs Values mentioned separately for each brands category herein below:-

**A-Category Brands.**

Aramis, Archery, Azzaro, Armani, Amouage, Body Shop, Bvlgari, Burberry, Canali, Chloe, Christian Dior, Creed, Chopard, Cartier, Carolina Herrera, Calvin Klein, Clinique, Chanel, Chole, Clarins, Claiborne, Crabtree & Evelyn, DKNY, Davidoff, Dali, Dunhill, Dolce & Gabbana, Dermalogica, Estee, Elizabeth Arden, Emani, Escada, Euphoria, Ferragamo, Fendi, Ferrari Endless, Givenchy, Gucci, Guerlain, Guinot, Ghousons, Guci, GNC, Hermes, Hugo Boss, Issey Miyake, Igora Lauren, Igora Royal, Jean-Paul Gaultier, Joop Jump, Jean Patou, Juicy Couture, Kenneth Cole, Kenzo, Karl Lagerfeld, Lauder Escada, Lacoste, Liz Claiborne, Lancôme, Lavin, Lalique, L'Oreal, Lanvin, Label M, Mauboussin, MAC, Mont Blanc, Nancaster, Narciso Rodriguez, Nina Ricci, OPI, Opium, Obsession, Perry Ellis, Prada, Paco Rubanne, Polo, Peers, Proactive, Ralph Lauren, Rogger & Gaillet, Red Musk, Salvatore, Skin Medica, Tea Tree, Tussardi, Toni & Guy, Tomy Hill, Versace, Van Cleef & Arpels, YSL.

**B-Category Brands.**

Avon, Aqua, Boots, Beauty and Silence, Classic, Crack, Clairol, Deep, Etude, Gold Bond, Herbal Essences, Itch Guard, Jergents, John Frieda, Just 4 Men, Jo Malone, Koleston, L'occitane, Marks & Spencer, Nivea, Neutrogena, Old Spice, Passion, Royal Gold, Secret, Sudo, Sensodyne, Wella Professional.



**C-Category Brands**

Axe, Bath & Body Works, Caresse Natural, Clean & Clear, Compact, Lakme, Lovely, Dabur, Deepfresh, Eternity, Dove, Finesse, Fiabilo, Garnier, Jargens, Johnson & Johnson, La Fresh, Laquila, Nöxzema, Palmolive,, Scink, St. Ives, Schwarzkopf, Ulay (Olay), U & Me, Vaseline, Vitamin Company, Vatika, White Care, White Rose, Wonderful, Yardley.

**D-Category Brands**

7 Vita, 5way Cream & Vita Cream, Alpi Fresh, Arimatic, Armaf, Active, Archi, Aqua Blue, Aqua Fresh, Altamoda, Aqua Blue, Aris, Azka, Akat, BCL, Baby mild, Barbershop Stuff, Brut, BrylCream, Bio Glow, Bio Cream, Boots, BN, Blue Image, Bello, Blesso, Beauty, Beauty Formula, Body Luxuries, Byphasse, Camay, Ciptadent, Carex, Clear, Colour N Care, Close up, Cussions, Collection, Colour Silk, C.Booth, Creme21, CHI, Chique, Clinic Plus, Cool Breez, Cuticura, Dalan, Deep Heat, Dr. James, Denim, Did, Daily Defence, Dalan, Dawn, Dark Black, Dial, Dickson, DR. Rimpler, Dupas, El Paso, Enchanter, Emeron, Emami, Emotion, Enliven, Estiara, Eskinol, Fair & Fair, Fresh & White, Formula, Freeman, Fa, Farmona, Fadeout, Ferrari, Fair & Lovely, Fiore Bello, Fiabila, Flex, Fruit, Forever, Fresh N white, Fresh & white, Golden Girl Glam Up, Gatsby, Geniol, Gentle, Galt, Galaxy, Garden, Gambit, Godrej, Harmons, Holly wood, Himani, Himalaya Herbals, Herbal Doctor, Herman, Honey Lotion, Iris, Isabelle Lancray, Jardin, Junsai, Jinsui, Jolen, Jinseng, Kelly, Kozmo, Kodomo, Kiss Beauty, Lady Diana, Lark, Lyms, Listerine, Lux, Lana, Lady Diana, Lanofil Natural, Like, Life, Lifebuoy, LK, Lisap, Lolane, Lovium, Mach, Macho Beard Products, Mena, Morena, Mcleans, May, Mclean, Majix, Mistine, No Marks, Mystek, Nu Feel, Nicaea, Nike, Nair, Nova, Nature, Nature Secret, Naturilum, Organic, Olivia, Ponds, Panammas, Palmers, Pepsodent, Pomley, Prov-Vit B5, Pixy, Patel Fresh, Paris, Paris Collection, Poppy, Pleasure, Pride, Panache, Pears, Posh Black, Queprepari Cartera, Rasasi, Rivaj, Royal, Royal Marriage, Royal Mirage, Radox, Revlon, Rexona, Saloon, SEN, Shelly, Silk, Super Silk, Soft Touch, Soft & Gentle, Signal, Signal 2, Suave, Sellion, Skin Care Olive, Skin Care, Skin Doctor, Smart Collection, SPA Saloon, Special, Silk, Shirley May, Setwet, Succes, Sunsilk, Tango, Tag Him, Vo5, Touch & Glow, Trace me, Thicker & Fuller, Wella, White Tone, White Satin, White Rain, Yong Chin (Y.C), Yoko, Zenix.

S.No.	H.S.Code	Proposed PCT WeBOC	Tariff Description	Item Description	Origin	Customs Values (C&F) USS/Kg (net Content weight)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
01.	3304.9120	3304.9120.1000	Talcum Powder	Talcum Powder	All Origins	A. 3.10 B. 2.80 C. 1.34 D. 1.16
02.	3304.9910	3304.9910.1000	Face/Skins Creams and Lotion.	Lotions	All Origins	A. 15.00 B. 3.50 C. 2.00 D. 1.51
03.	3304.9910	3304.9910.1100	-do-	Face/Skin Cream/Serum (Including Whitening and lightening Cream	All Origins	A. 15.00 B. 3.50 C. 2.00 D. 1.51
04.	3304.9910	3304.9910.1200	-do-	Cleanser/ Cleansing Milk	All Origins	A. 15.00 B. 3.50 C. 2.00 D. 1.51



05.	3304.9910	3304.9910.1300	-do-	Face/Skin Cream/Serum (Including Whitening and lightening Cream) in packing of 10 grams & above.	All Origins	A. 15.00 B. 3.96 C. 1.70 D. 1.48
06.	3304.9910	3304.9910.1400	-do-	Face/Skin Cream/Serum (Including Whitening and lightening Cream) in packing of less than 10 grams.	All Origins	A. 15.00 B. 6.36 C. 3.90 D. 2.50
07.	3304.9910	3304.9910.1500	Other Skin Preparation	Face/Skin Tonic/Toner/Gel	All Origins	A. 15.00 B. 2.77 C. 1.63 D. 1.45
08.	3304.9910	3304.9910.1600	-do-	Facial Foam/Mask/Scrubs	All Origins	A. 15.00 B. 2.93 C. 1.73 D. 1.45
09.	3304.9910	3304.9910.1700	-do-	Makeup Remover	All Origins	A. 15.00 B. 2.87 C. 1.78 D. 1.45
13.	3306.1010	3306.1010.1000	Dentifrices: Tooth Paste	Tooth Paste	All Origins	A. 4.17 B. 3.31 C. 1.36 D. 1.00
14.	3307.1000	3307.1000.1000	Pre-shave, shaving or after shave preparation	After shave	All origins	A. 35.00 B. 5.84 C. 3.36 D. 3.00
15.	3307.1000	3307.1000.1100	-do-	Shaving Cream	All origins	A. 5.48 B. 4.44 C. 2.15 D. 1.60
16.	3307.1000	3307.1000.1200	-do-	Shaving Gel/Foam	All origins	A. 4.90 B. 4.44 C. 1.59 D. 1.39
17.	3401.2000	3401.2000.1000	Soap in Others Forms	Liquid Soap/Wash/Hand Wash/Shower Gel/Body Wash	All origins	A. 1.27 B. 1.10 C. 0.90 D. 0.55
29.	3401.3000	3401.3000.1100	-do-	Facial Wash	All origins	A. 4.25 B. 3.25 C. 1.50 D. 1.40



*Notes:*

- i) *Consignments of the Brands not mentioned at the table above, may be assessed by the clearance Collectorates provisionally under Section 81 of the Customs Act, 1969 and forwarded the same to the Directorate for determination of its fair value and finalization.*
- ii) *If custom value of any imported good(s) of instant categories is not explicitly mentioned in the aforesaid table, the value there of will be determined in line with values indicated against the specific PCT heading / origin in the table above.*
- iii) *Any Product imported in a KIT/GIFT SET form will be assessed according to the PCT of each item separately in the kit by the values mentioned thereof in this valuation ruling.*

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, or by land route, 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-Section (4) of Section 25A or section 25D 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 issuance of this Ruling, before the Director General, Directorate General of Customs Valuation, 7<sup>th</sup> 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 this Directorate General immediately for redressal.

10. *This Valuation Ruling supersedes Valuation Ruling No.589/2013, dated 30-09-2013, 590/2013, dated 30-09-2013 and 596/2013, dated 24-10-2013 and their respective addenda and corrigenda.*

  
(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), 1<sup>st</sup> 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