Determination of Customs Values of Toiletries
Under Section 25-A of the Customs Act, 1969

Valuation Ruling No. 589/2013

No. Misc/41/2007-II
Dated: September 30, 2013

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

1. Background of the valuation issue: The Customs values of Toiletries was determined under Section 25-A of the Customs Act, 1969, vide Valuation Ruling No.390, dated 27-10-2011. With a view to reflect the current prices prevailing in the international market, an exercise to determine the Customs values of the subject goods afresh was taken up.

2. Method adopted to determine Customs values: Valuation methods given in section 25 of the Customs Act, 1969 were followed. Transaction value method provided in section 25 (1) ibid was found inapplicable because the requisite information was not available. Identical/similar goods value methods provided in sub-section (5) & (6) of section 25 ibid were also not found applicable due to unreliable values. Market enquiry as envisaged under Section 25(7) of the Customs Act, 1969, was conducted and values so worked out were taken up for determination of Customs value of subject goods. Consequently, Deductive value method under Section 25(7) of the Customs Act, 1969, was applied to arrive at the Customs values of Toiletries.

3. Stakeholders' participation in determination of values: Meeting was fixed with stakeholders and importers including representatives of trade bodies on 29-08-2013 to discuss the current international values of Toiletries.

4. Customs values for Toiletries: Toiletries hereinafter specified shall be assessed to duty/taxes at the following customs values:

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BRANDS

This valuation ruling shall only apply to the following brands/companies:


<table>
<thead>
<tr>
<th>S.No</th>
<th>H.S.Code</th>
<th>Proposed PCT for WeBOC</th>
<th>Tariff Description</th>
<th>Item Description</th>
<th>Origin</th>
<th>Customs Values (C&amp;F) US$ per KG (net content weight)</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>3304.9910</td>
<td>3304.9910.1000</td>
<td>Lotion</td>
<td>All Origins</td>
<td>15.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Face and Skin Creams and Lotion</td>
<td>All Origins</td>
<td>15.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Face/ Skin Cream/ Serum (Including whitening and lightening cream)</td>
<td>All Origins</td>
<td>15.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Cleanser / Cleansing Milk</td>
<td>All Origins</td>
<td>15.00</td>
<td></td>
</tr>
<tr>
<td>02</td>
<td>3304.9920</td>
<td>3304.9920.1000</td>
<td>Tonic and Skin Preparation</td>
<td>Face/Skin Tonic/ Toner/ Gel</td>
<td>All Origins</td>
<td>15.00</td>
</tr>
<tr>
<td>03</td>
<td>3304.9990</td>
<td>3304.9990.1000</td>
<td>Other Skin Preparations</td>
<td>(i) Facial Foam / Mask /Scrubs (ii) Makeup Remover</td>
<td>All Origins</td>
<td>15.00</td>
</tr>
<tr>
<td>04</td>
<td>3305.1000</td>
<td>3305.1000.1000</td>
<td>Shampoos</td>
<td>Shampoo / Conditioner</td>
<td>All Origins</td>
<td>5.00</td>
</tr>
<tr>
<td>05</td>
<td>3305.2000</td>
<td>3305.2000.1000</td>
<td>Preparations for Permanent</td>
<td>Hair Spray</td>
<td>All Origins</td>
<td>8.50</td>
</tr>
<tr>
<td>S. No.</td>
<td>HS Code</td>
<td>Description</td>
<td>Description of Goods</td>
<td>Origin</td>
<td>Value</td>
<td></td>
</tr>
<tr>
<td>--------</td>
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<td>--------------------------------------------------</td>
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<td></td>
</tr>
<tr>
<td>06.</td>
<td>3305.2000</td>
<td>3305.2000.1100</td>
<td>Preparations for Permanent Waving or Straightening Hair</td>
<td>Hair Gel / Wax</td>
<td>All Origins</td>
<td>8.50</td>
</tr>
<tr>
<td>07.</td>
<td>3305.9010</td>
<td>3305.9010.1000</td>
<td>Cream for Hair</td>
<td>Hair Cream (All Kinds)</td>
<td>All Origins</td>
<td>8.50</td>
</tr>
<tr>
<td>08.</td>
<td>3305.9020</td>
<td>3305.9020.1100</td>
<td>Dyes for Hair</td>
<td>Hair Colours</td>
<td>All Origins</td>
<td>14.00</td>
</tr>
<tr>
<td>09.</td>
<td>3305.9090</td>
<td>3305.9090.1000</td>
<td>Preparations for use on the Hair – Other: (…Others)</td>
<td>Hair Oil</td>
<td>All Origins</td>
<td>8.50</td>
</tr>
<tr>
<td>10.</td>
<td>3305.9090</td>
<td>3305.9090.1100</td>
<td>Preparations for use on the Hair – Other: (…Others)</td>
<td>Hair Mouse</td>
<td>All Origins</td>
<td>10.50</td>
</tr>
<tr>
<td>11.</td>
<td>3307.1000</td>
<td>3307.1000.1000</td>
<td>Pre-Shave, Shaving or after-shave preparations</td>
<td>After Shave</td>
<td>All Origins</td>
<td>42.00</td>
</tr>
<tr>
<td>12.</td>
<td>3307.1000</td>
<td>3307.1000.1100</td>
<td>Pre-Shave, Shaving or after-shave preparations</td>
<td>Roll-On</td>
<td>All Origins</td>
<td>31.00</td>
</tr>
</tbody>
</table>

*These values do not apply for the imports made directly by Multinational Companies whose consignments shall be assessed according to the provisions of Section 25 of the Customs Act, 1969.*

5. In cases where declared values are higher than the Customs value determined in this Ruling, the assessing officer 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 airfreight and sea freight while applying the Customs values determined in this Ruling.

6. **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 of the Customs Act, 1969.
7. Review of the value determined vide this Valuation Ruling: A review 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.

8. This Ruling supersedes Valuation Ruling No.390, dated 27-10-2011.

9. The Collectors of Customs may kindly ensure that the values given in the Ruling are applied by the concerned staff without fail.

(Suraiya Ahmed Butt)
Director

Copy for information to: -

1. S.A. to Chairman, F.B.R., Islamabad.
2. Member (Customs), F.B.R., Islamabad.
3. Director General, Customs Valuation, Custom House, Karachi.
4. Chief Collector of Customs, South (Appraisement), Custom House, Karachi.
5. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
6. Chief Collector of Customs (Central), Lahore.
7. Chief Collector of Customs (North), Islamabad.
8. Director General, Intelligence and Investigation, Islamabad.
9. Director General, Post Clearance Audit, Islamabad.
10. Director General Internal Audit, (Customs), Islamabad.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad / Quetta / Peshawar / Faisalabad.
12. The Project Director, WeBOC, 11th Floor, Custom House, Karachi.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database and deleting Valuation Ruling No.390, dated 27-10-2011.
14. Chairman (Valuation Committee), FPCCI, Federation House, Clifton, Karachi.
15. Chairman (Valuation Committee), KCC&I, Aiwan-e-Tijarat Road, Karachi.
16. Customs Revenue Audit, 8th Floor, Custom House, Karachi.
17. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
19. Karachi Customs Agents Group, Bohri Road, Karachi.
20. Guard File.
GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

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 TOILETRIES UNDER
SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO.589/2013)

CORRIGENDUM


In exercise of the powers conferred under section 25-A of the Customs Act, 1969, the following amendment is made in Valuation Ruling No.589/2013, dated 30-09-2013:

Background of the valuation issue: The Customs values of Toiletries were determined under Section 25-A of the Customs Act, 1969, vide Valuation Rulings No.589, dated 30-09-2013. Immediately after issuance of said Ruling, representations were received from various trade bodies including Karachi Chamber of Commerce & Industry that while determining the Customs values, the values of certain middle level brands were determined at par with high end expensive brands. In this regard, reference was also made by the stakeholders to the Findings of Honorable Federal Tax Ombudsman in Complaint No. 04/2011. Accordingly, the concerned stakeholders including President KCCI & Chairman Valuation Committee FPCCI were associated and their recommendations were also considered in this brand rationalization exercise. Therefore, the brands mentioned below are excluded from the list of existing brands:

- Aqua, Axe, Boots, Clean & Clear, Cuticura, Dove, Denim, Etude, Himalaya Herballs, Herbal Essences, Jergens, John Frieda, Just 4 Men, Koleston, Marks & Spencer, Neutrogena, Nivea, Noxema, Old Spice, Palmers, St. Ives, Sensodyne, Swarzkopf, Vatika, Vaseline, Wella, Yardley

(Suraiya Ahmed Butt)
Director

Copy for information to:

1. S.A. to Chairman, F.B.R., Islamabad.
2. Member (Customs), F.B.R., Islamabad.
3. Director General, Customs Valuation, Custom House, Karachi.
4. Chief Collector of Customs, South (Appraisement), Custom House, Karachi.
GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI


The Collectors of Customs, Model Customs Collectorate, Appraisal (East/West)/Port Qasim/Preventive), Karachi/Lahore (Appraisal/Preventive)/Multan/Islamabad/Sambrial (Sialkot)/Faisalabad/Hyderabad/Quetta/Peshawar/Gawadar/Gilgit-Baltistan

CORRIGENDUM TO VALUATION RULING NO.589/2013

In exercise of powers conferred by Sub-Section (1) of Section 25-A of the Customs Act, 1969 (IV of 1969), and in view of representation made, the Director of Customs Valuation is pleased to direct that the following amendment shall be made in its Valuation Ruling No. 589, dated 30-09-2013, namely:

"the brand “Clinic Plus” mentioned in the Table of Valuation Ruling No. 589/2013, dated 30-09-2013 is excluded from the existing list of brands"

(SURAIYA AHMED BUTT)
DIRECTOR

Copy for information to:

1. S.A to the Chairman, F.B.R., Islamabad.
2. Member (Customs), F.B.R., Islamabad.
3. Director General, Customs Valuation, Custom House, Karachi.
5. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
6. Chief Collector of Customs (Central), Lahore.
7. Chief Collector of Customs (North), Islamabad.
8. Director General, Intelligence and Investigation-FBR, Islamabad.
9. Director General, Post Clearance Audit, Islamabad.
10. Director General Internal Audit, (Customs), Islamabad.
11. Directors, Intelligence & Investigation-FBR, Karachi/Lahore/Islamabad/Quetta/Peshawar/Faisalabad.
12. The Project Director WeBOC, 11th Floor, Custom House, Karachi.
13. Director, Customs Valuation, Custom House, Lahore.
14. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database on the date of issue of this Corrigendum.
15. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
17. Customs Revenue Audit (CRA), 8th Floor, Custom House, Karachi.
18. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
19. Review Section, Customs Valuation, 7th floor, Custom House, Karachi.
20. Karachi Customs Agents Group, Bohri Road, Karachi.
21. CHQ, Customs Valuation, Custom House, Karachi.
22. Notice Board, Customs Valuation, 7th Floor, Custom House, Karachi/MCC, Appraisal, 1st Floor, Custom House, Karachi.
23. Guard File.