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)/Multan/Islamabad/Sambrial(Sialkot)/Faisalabad/Hyderabad/Quetta/Peshawar/Gawadar/Gilgit-Baltistan

DETERMINATION OF CUSTOMS VALUES OF SHOE POLISH
UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALEUATION RULING NO.663/2014)

No.Misc/05/2014-II

Dated: March 31st, 2014

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

1. Description of the valuation issue: It was brought to the notice of this Directorate
General that Shoe Polish is being imported at under invoiced values, causing loss of
revenue to Government exchequer. Therefore, an exercise to determine the Customs
values of the subject goods under Section 25-A was initiated.

2. 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 at
hand. Transaction Value Method under Sub-Section (1) of Section 25 of the Act ibid was
found inapplicable because required information under the law was not available.
Identical and Similar Goods valuation methods provided in Sub-Sections (5) and (6) of
Section 25 of the Customs Act, 1969 provided some reference values but due to wide
variations and suppressed declarations the same could not be relied upon. In the
sequential order, this office then conducted a market inquiry. Consequentlly Deductive
Value Method under Sub-Section (7) of Section 25 of the Customs Act, 1969, was
applied to arrive at the assessable Customs values of the subject goods.

3. Stakeholders' participation in determination of values: A number of meetings with
different stakeholders were held. Finally formal meetings inviting all types of
stakeholders were convened on 25-03-2014 and 26-03-2014.

4. Customs values for Shoe Polish tin pack / liquid: Shoe Polish tin pack / liquid
hereinafter specified shall be assessed to duty / taxes on the Customs values given
against them in the Table below :-

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Description of Goods</th>
<th>PCT</th>
<th>Proposed PCT for WeBOC</th>
<th>Origin</th>
<th>Custom Values (C&amp;F) US$ / Kg</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>Shoe Polish tin pack</td>
<td>3405.1010</td>
<td>3405.1010,1000</td>
<td>China</td>
<td>1.10</td>
</tr>
<tr>
<td>02</td>
<td>Shoe Polish tin pack</td>
<td>3405.1010</td>
<td>3405.1010,1100</td>
<td>Turkey</td>
<td>1.20</td>
</tr>
<tr>
<td>03</td>
<td>Shoe Polish tin pack</td>
<td>3405.1010</td>
<td>3405.1010,1200</td>
<td>Others</td>
<td>1.35</td>
</tr>
<tr>
<td>04</td>
<td>Shoe Polish in Liquid</td>
<td>3405.1010</td>
<td>3405.1010,1300</td>
<td>China</td>
<td>1.00</td>
</tr>
<tr>
<td>05</td>
<td>Shoe Polish in Liquid</td>
<td>3405.1010</td>
<td>3405.1010,1400</td>
<td>Turkey</td>
<td>1.10</td>
</tr>
<tr>
<td>06</td>
<td>Shoe Polish in Liquid</td>
<td>3405.1010</td>
<td>3405.1010,1500</td>
<td>Others</td>
<td>1.20</td>
</tr>
</tbody>
</table>
In case where declared / transaction 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 air freight and sea freight while applying the Customs values determined in this Ruling.

6. **Validity of this Valuation Ruling:** The value 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.

7. **Revision of the values 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.

8. 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 with respect to PCT may kindly be brought to the notice of Directorate General immediately.

(Suraiya Ahmed Butt)
Director

Copy for information to :

01. S.A. to Chairman, F.B.R., Islamabad.
02. Member (Customs), F.B.R., Islamabad.
03. Director General, Customs Valuation, Custom House, Karachi.
04. Chief Collector of Customs, South (Appraisement), Custom House, Karachi.
05. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
06. Chief Collector of Customs (Central), Lahore.
07. Chief Collector of Customs (North), Islamabad.
08. Director General, Intelligence and Investigation, Islamabad.
09. 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. Additional Director, Customs Valuation (Camp Office), Lahore.
14. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One CUSTOMS & WeBOC database on the date of issue of this Ruling.
15. Chairman (Valuation Committee), FPCCI, Federation House, Clifton, Karachi.
16. Chairman (Valuation Committee), KCCI, Aliwan-e-Tijarat Road, Karachi.
17. Customs Revenue Audit, 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. CHO, Customs Valuation, Custom House, Karachi.
22. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisement, 1st floor, Custom House, Karachi.
23. Guard File.