



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

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

Determination of Customs Values of Toilet Soaps Under Section 25-A of The Customs Act, 1969.

(Valuation Ruling No. 737/2015)

No. Misc/01/2008-II-(Part-3) 8926

Dated: May 27, 2015

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

2. **Background of the valuation issue:** This office has issued Valuation Ruling 702/2014 dated 25.11.2014 for toilet soaps. Importers and local manufacturers, the two main stakeholders, filed revision petitions against this Ruling before Director General Customs Valuation under section 25-D. The Honorable Director General maintained the Ruling, however, considering the agitation from the stakeholders, directed to initiate exercise for redetermination of customs values within one month. In pursuance of these order, the Directorate of Customs Valuation initiated exercise for re-determination of values of different types of soap. Meanwhile, a number of importers have approached this Directorate for inclusion of their brand name in the Ruling.

3. **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 1969, 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 under invoicing the same could not be relied upon. In the sequential order this office conducted market inquiry in terms of Sub-Section (7) of Section 25 of the Customs Act, 1969. As there were numerous brands given in the existing ruling, and all items could not be found in one particular market, therefore, the exercise extended to many weeks. However, it was noted that the gathered information could not be exclusively relied on as there were significant variation in the values worked out on the basis of market survey. Stakeholders meetings were also conducted for their input and feedback. On-line values were also checked. All the information was analyzed and evaluated. Consequently Sub-Section (9) of Section 25 of the Customs Act, 1969, was applied to arrive at the assessable Customs values.

4. **Stakeholders' participation in determination of Customs values:** Meetings were held with different stakeholders including importers, local manufacturers of soap, representatives of trade bodies, Chambers of Commerce and Industry, etc., on 29-01-2015 and their written and verbal contentions were scrutinized.

5. **Customs values for Toilet Soaps:** Toilet Soaps *hereinafter specified* shall be assessed to duty/ taxes at the Customs values in the table below:



S. No.	Brand names	PCT Heading	Proposed PCT for WeBOC	Customs Value (C&F) USS/Kg
1	Clinique	3401.1100 3401.1900	3401.1100.1000 3401.1900.1000	5.50
2	Stillman's, Cuticura	3401.1100 3401.1900	3401.1100.1100 3401.1900.1100	3.00
3	Yardley, Caress velvet bliss, Yong Chin/YC (Wooden Packing), Dove (creamy Men's care), Mysore, Olay	3401.1100 3401.1900	3401.1100.1200 3401.1900.1200	2.00
4	Pears, Dalan, Nivea, Enchanteur, Irish Spring, Romano Classic, Zest Scented, Lux, Camay, Lever 2000, Shea, Proton Fruity, Glysolid Glycerine	3401.1100 3401.1900	3401.1100.1300 3401.1900.1300	1.50
5	Johnsons, Himalaya, Bee and Flower, Vaseline, Cleopatra, Brut, Classic White, Imperial Leather (Cussons)	3401.1100 3401.1900	3401.1100.1400 3401.1900.1400	1.10
6	Pamela, Dove toilet, Diana, Dura Lady, Lace Bath, Yong Chin/YC	3401.1100 3401.1900	3401.1100.1500 3401.1900.1500	0.85
7	Lervia, Asepso, Harmony, Fa, JO, Jolie, IRIS, Ava, May, Royal Leather, Royal, Silk, Savannah, Miss Paris, Piva, Parisa, Deluxe palm, Cinthol, Hotel, Fruit Scented	3401.1100 3401.1900	3401.1100.1600 3401.1900.1600	0.70
8	Lark, TutiFruiti, Anita, Avena, Giv, Eve, Flavia, Ozona, Blossom, Aven, Liesel, Olina, Orchid, Soft Pearl, Lotus, Admire, Every Day, Grace, Miss London, La Bella, Deep, Plush, Luv, Charm, Amorish, Vasolive, Morena, Bea, Crown Leather, Lily, Safah, Paradise, Anna, Doll, Diva, Frutis fruity, Glo, Admire, Eva, Midas, Ve, Safex	3401.1100 3401.1900	3401.1100.1700 3401.1900.1700	0.65
Other Brands				
9	Europe/ USA / Canada	3401.1100 3401.1900	3401.1100.1800 3401.1900.1800	1.75
10	Middle East / Saudi Arabia/ Turkey	3401.1100 3401.1900	3401.1100.1900 3401.1900.1900	0.90
11	Other origins	3401.1100 3401.1900	3401.1100.2000 3401.1900.2000	0.75
12	Facial Liquid soaps (in tube) shall be assessed at 20% higher than the values indicated above			



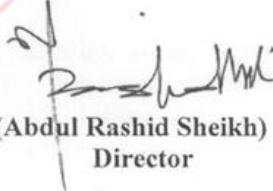
6. In cases where declared/ transaction values are higher than the Customs values determined in this Ruling, the assessing officers shall apply those values in terms of Sub-Section (1) of Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officer shall take into 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-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 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 Directorate General immediately for redressal.

10. **This Valuation Ruling supersedes Valuation Ruling No. 702/2014 dated 25-11-2014.**


(Abdul Rashid Sheikh)
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), 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
9. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General Internal Audit, (Customs), Islamabad.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/Peshawar/ Faisalabad.
12. Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading this Ruling in the system.
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
16. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisalment, 1st floor, Custom House, Karachi.
21. Guard File.