



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
7TH FLOOR, CUSTOM HOUSE, KARACHI

The Collectors of Customs, Collectorates of Customs (Appraisalment – West)/ Appraisalment – East / Appraisalment – Port Muhammad Bin Qasim / Enforcement / JIAP), Karachi / Hyderabad/ (Appraisalment/Enforcement), Quetta/Gawadar/ (Appraisalment/ Enforcement/ AIIA), Lahore/Appraisalment, Faisalabad/ Appraisalment, Sambrial (Sialkot)/ Enforcement, Multan/ Islamabad/ Gilgit-Baltistan/ (Appraisalment/ Enforcement), Peshawar/ Enforcement, Dera Ismail Khan/Exports (Port Qasim/Custom House, Karachi)/Transit Trade, Karachi.

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

(VALUATION RULING NO. 1744 /2023)

C.No.Misc/05/2014-II /162

Dated: 14-02-2023

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

Background of the valuation issue: Earlier, the Customs values of Shoe Polish were determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No.1625/2022 dated 31-03-2022. However, different stakeholders requested to re-determine Customs values afresh in line with values prevalent in the international market. Therefore, an exercise has been undertaken by this Directorate to determine the same.

2. **Stakeholders' participation in determination of Customs values:** Meeting was convened on 31.01.2023 which was attended by all the relevant stakeholders. The issues pertaining to the valuation of subject goods were deliberated upon in detail in the afore-referred meeting. The participants also submitted their proposals and the same were considered for valuation of the subject goods.

3. **Analysis / Exercise done to determine Customs Values:** The stakeholders contended that the customs values were determined on higher side than the actual values of different origins. Therefore, customs values of the subject goods needed to be determined as per the prevailing prices in international market. They also submitted proposals in this regard. Ninety (90) days' clearance data has been retrieved and the same has been scrutinized.

4. **Method (s) adopted to determine Customs values:** Valuation methods specified in Section 25 of the Customs Act, 1969, were duly applied 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 wide variation of values in import data. Moreover, the requisite information under law was not available to



arrive at correct/transaction value. Therefore, identical/similar goods value methods provided in Section 25(5) & (6) ibid were examined for applicability to determine Customs values of subject goods. The data provided some references; however, it was found that the same could not be solely relied upon due to absence of absolute demonstrable evidence of quantities and qualities and variation in declaration. Information available was, hence, found incomplete. As a result, this Directorate conducted market survey under sub-section (7) of Section 25 of the Customs Act, 1969 wherein various Wholesale and Retail Markets were visited to observe the actual prices of Shoe Polish of different origins. Moreover, valuation method under Section 25(8) of the Customs Act, 1969 was examined but, due to non-availability of conversion cost of the exporting country, the aforementioned method could not be applied either. Finally, on the basis of available data / information collected and exercise conducted, the values of Shoe Polish have been determined under sub-section (7), read with Section 25(9), of Section 25 of the Customs Act, 1969.

5. **Customs values of Shoe Polish** - Shoe Polish, hereinafter specified, shall be assessed to duty / taxes at the Customs values as per the following table:

Sr. No.	Item Description	PCT Code	Proposed PCT for WeBOC	Origin	Customs Values (C&F) US\$/Kg
(1)	(2)	(3)	(4)	(5)	(6)
1	Shoe Polish with tin/plastic pack	3405.1010	3405.1010.1000	China	1.70
			3405.1010.1100	Turkey	3.00
			3405.1010.1200	Other Origins	4.00
2	Shoe Polish in Liquid		3405.1010.1300	China	2.20
			3405.1010.1400	Turkey	3.30
			3405.1010.1500	Other Origins	4.50



6. In cases, where declared 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 officers shall take into account the difference between air freight and sea freight while applying the Customs values in this Ruling.

7. **Validity of this Valuation Ruling:** This Ruling, containing the Customs values for assessment of subject imported goods, shall be applicable until and unless the same are rescinded or revised by the competent authority in terms of sub-section (4) of Section 25A of the Customs Act, 1969.

8. **Revision of the values determined vide this Valuation Ruling:** If aggrieved, a revision petition may be filed against this ruling as provided under Section 25D of the Customs Act, 1969, within 30 days from the date of its issuance, before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.