

The Collectors of Customs, Collectorate of Customs, (Appraisement - West / Appraisement - East / Appraisement - Port Muhammad Bin Qasim / Enforcement JIAP / Export / Export PMBQ), Karachi / / Hyderabad / (Appraisement / Enforcement), Quetta / Gawadar / (Appraisement / Enforcement / AIIA), Lahore / Appraisement, Faisalabad / Appraisement Sambrial (Sialkot) / Enforcement, Multan / Islamabad / Gilgit - Baltistan / (Appraisement Enforcement), Peshawar / Enforcement, Dera Ismail Khan.

**DETERMINATION OF CUSTOMS VALUES OF BABY DIAPERS AND**  
**SANITARY TOWELS/ NAPKINS AND TAMPONS UNDER SECTION 25A**  
**OF THE CUSTOMS ACT 1969**

**(VALUATION RULING NO 1618 /2022)**

No.Misc/01/2015-IX/

Dated: 25-03-2022



In exercise of the powers conferred under Section 25A of the Customs Act, 1969, the Customs values of Baby Diapers and Sanitary Towels/ Napkins and Tampons are determined as follows: -

**2. Background of the valuation issue:** Earlier the Customs values of Baby Diapers and Sanitary Towels/ Napkins and Tampons were determined under Section 25A of the Customs Act, 1969, vide Valuation Ruling No.1284/2018 dated 13-04-2018. Several representations from importers were received for revision of this valuation ruling in line with the current market prices and freight factor. In view of the foregoing, an exercise was under taken by the Directorate General of Customs Valuation to re-determine the customs values of subject goods in terms of Section 25A of the Customs Act, 1969.

**3. Stakeholders' participation in determination of Customs values:** Meeting were held on 02-08-2021 and 18-11-2021 which was attended by various stakeholders including the representatives of trade bodies i.e. FPCC&I & KCC&I GCC&I, QCC&I, manufacturers, importers as well as representatives of Clearance Collectorates. All the participants were requested to submit following documents so that correct customs values could be determined:-

- i) Invoices of imports during last three months showing factual value.
- ii) Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- iii) Copies of Contracts made / LCs opened during the last three months showing the value of item in question.

**4.** The meeting was attended by Stakeholders and their points of view were heard in detail to arrive at custom values of subject goods. None of the importers submitted any documents in support of their contention. While some importers stressed the point of view that custom values may be fixed by keeping in view the element of freight, import prices of

raw materials and the values prevailing in the local and international market. Some of the stakeholders stated that subject goods are being declared and assessed on a very low side and there is a need to determine the custom value under section 25A for uniform assessment across the board.

**5. Method adopted to determine Customs values:** Valuation methods provided in Section 25 of the Customs Act, 1969, were duly applied in their regular sequential order to arrive at customs value of subject goods. The Transaction value method as provided in sub-section (1) of Section 25 of the Customs Act, 1969, was found inapplicable because no substantial documents were provided by the stakeholders to prove that their declared values were true transactional values. Moreover, different values were declared by different importers for same product according to different origins. Identical/similar goods value methods provided in Sections 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 qualities and quantities of commercial level etc. Information available was, hence, found inappropriate. In line with statutory sequential order of section 25, this office conducted market inquiries using deductive value methods under sub-section (7) of Section 25 of the Customs Act, 1969, item was not readily available in the market, therefore, this method of valuation could not be relied upon due to aforesaid reasons. Valuation method vide Section 25(8) of the Customs Act, 1969, was examined for valuation but the same also could not be applied due to non availability of conversion and processing cost of exporting country. Finally, clearance data, raw material prices, international prices through internet were examined thoroughly and the information so gathered were utilized and analyzed for determination of Custom Values of subject goods under Section 25(9) of the Customs Act, 1969.

6. **Customs Values of Baby Diapers and Sanitary Towels/ Napkins and Tampons *hereinafter specified***, shall be assessed to duty/taxes on the Customs values mentioned against them in the Tables below:

**TABLE-A**

High Value Brands of Baby Diapers: excluding 'Pampers' brand					
S.No	Description of goods	PCT	Proposed PCT for WBOC	Origin	Customs Values (C&F) US\$/KG
(1)	(2)	(4)	(5)	(6)	(7)
1.	Baby Diapers E.Q, Canbebe, Huggies,	9619.0020	9619.0020.1000	All origins	4.90
2.	Bello		9619.0020.1100		4.80
3.	Molfix, Shield		9619.0020.1200		4.46





**TABLE-B****Low End Value Brands of Baby Diapers**

S.No	Description of goods	PCT	Proposed PCT for WEOC	All origins	Customs Values (C&F) US\$/KG
(1)	(2)	(4)	(5)	(6)	(7)
1.	Baby Diaper	9619.0020	9619.0020.1300	China/ Vietnam	2.80
2.	Baby Diaper	9619.0020	9619.0020.1400	Indonesia, Malaysia & U.A.E	3.40
3.	Baby Diaper	9619.0020	9619.0020.1500	Turkey	3.0
4.	Baby Diaper	9619.0020	9619.0020.1600	Others	3.60

**TABLE-C****High Value Brands Sanitary Towels/Napkins (pads) and Tampons: Stayfree, Helen Harper excluding 'Always' brand**

S.No	Description of goods	PCT	Proposed PCT for WEOC	Origin	Customs Values (C&F) US\$/KG
(1)	(2)	(4)	(5)	(6)	(7)
1.	Sanitary Towels (pads) and Tampons	9619.0030 9619.0090	9619.0030.1000 9619.0090.1000	Thailand/ Turkey	7.00

**TABLE-D****Low End Value Brands of Sanitary Towels/ Napkins (pads) and Tampons**

S.No	Description of goods	PCT	Proposed PCT for WEOC	Origin	Customs Values (C&F) US\$/KG
(1)	(2)	(4)	(5)	(6)	(7)
1.	Sanitary Towels (pads) and Tampons	9619.0030	9619.0030.1100	China	4.90

*Note: If the above said goods are imported in bulk packing, 5% (five percent) reduction shall be allowed in the above mentioned determined customs values. The brands excluded in Table-A and Table-C, namely 'Pampers' and 'Always' shall be assessed under section 25 of the Customs Act, 1969.*


8. 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 Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officer shall take into account air freight while applying the customs values determined in this Ruling.

9. **Validity of 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 25A of the Customs Act, 1969.

10. **Revision of the value determined vide this Valuation Ruling:** 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 issue, before the Director General, Directorate General of Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.

11. The Collectors of Customs may kindly ensure that the values given in this Valuation 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. Customs values determined in the ruling are for the description and specification as mentioned in the table above of this Ruling. HS Codes are mentioned for illustrative purpose so that valuation ruling values are made accessible to the assessing officers. The assessment shall be finalized on the basis of correct classification after fulfilling requisite formalities related to importability or any other certification required thereon. In addition to this, it is further necessary to verify that there is no mis-declaration of any sort or violation of Import Policy Order or Section 15 of the Customs Act, 1969 or any other law in vogue therein.

12. This Valuation Ruling supersedes Valuation Ruling No.1284/2018 dated 13-04-2018.

  
(Syed Fawad Ali Shah)  
Director

Copy for information to: -

- 1) The Member Customs (Policy/Operations), F.B.R., Islamabad.
- 2) The Director General, Customs Valuation, Custom House, Karachi.
- 3) The Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
- 4) The Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
- 5) The Chief Collector of Customs (Central), Lahore.
- 6) The Chief Collector of Customs (North), Islamabad.
- 7) The Chief Collector of Customs, (Enforcement), Custom House, Quetta.
- 8) The Director General, Intelligence and Investigation-FBR, Islamabad.

- 9) The Director General, PCA& Internal Audit, Karachi.
- 10) The Director General, IOCO, Karachi
- 11) The Director General, Transit Trade, Custom House Karachi
- 12) The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
- 13) The Director, Transit Trade, Custom House Karachi
- 14) The Director, Directorate of Customs Valuation, Lahore.
- 15) The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WEBOC database system.
- 16) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 17) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 18) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 19) The Webmaster, Federal Board of Revenue, Islamabad.
- 20) Guard File.