

C. No. Reg. Misc/26/2017-II/ 1793.

Dated: 21 -07-2025

VALUATION RULING NO. 2013 / 2025

1. This ruling supersedes Valuation Ruling No. 1905/2024 dated 23-09-2024 and its Order-in-Revision No.63/2024 dated 06-11-2024.
2. This Ruling shall be applicable until the same is rescinded or revised in terms of sub-section (4) of Section 25A of the Customs Act, 1969.
3. The revision petition against this Valuation Ruling, can be filed under Section 25D of the Customs Act, 1969, within 30 days before the Director General, Customs Valuation.
4. The values in valuation ruling shall be treated as minimum benchmark values and shall be applicable to the given description and specification of goods.

Subject: DETERMINATION OF CUSTOMS VALUES OF PHENOLIC RESIN, POLYURETHANE RESIN, POLYURETHANE RESIN (PRE-POLYMER FOR SHOE SOLE), MELAMINE RESIN AND EPOXIDE RESIN UNDER SECTION 25A OF THE CUSTOMS ACT, 1969

	Valuation Ruling:	Determination / revision of customs values of earlier Valuation Ruling No. 1905/2024 dated 23.09.2024
	Date of meeting with stakeholders:	The meeting with relevant stakeholders was conducted on 25-06-2025

3. **Background of the Issue:** The customs values of Phenolic Resin, Polyurethane Resin, Polyurethane Resin (Pre-polymer for Shoe Sole), Melamine Resin and Epoxide Resin determined vide Valuation Ruling Number 1873/2024 dated 05.04.2024 were challenged before the Director General of Customs Valuation under Section 25D of the Customs Act, 1969 by M/s Ever Lasting Footwears and M/s Nimir Resins. The Director General vide Order-in-Revision No. 36/2024 dated 10.07.2024 directed the Directorate to re-visit the customs values of subject goods from different origins. In pursuance of the aforesaid Order-in-Revision, proceedings for the re-determination of customs values of subject goods was initiated under Section 25 and 25A of the Customs Act, 1969 and Valuation Ruling No. 1905/2024 dated 23-09-2024 was issued accordingly. Moreover, being aggrieved several stakeholders filed revision petitions again under Section 25D of the Customs Act, 1969 before the Director General of Customs Valuation, Karachi. The Director General vide Order-in-Revision No. 63/2024 dated 06.11.2024 set-aside the Valuation Ruling No. 1905/2024 dated 23.09.2024 with the directions to the learned respondent to issue fresh ruling after considering of all aspects by ensuring participation of the relevant stakeholders including M/s Pakistan Footwear Manufacturers Association. In view of the above, this Directorate again initiated the proceedings for the re-determination of customs values of subject goods under 25A of the Customs Act, 1969.

4. **Analysis to determine Customs Values:** Meeting was convened on 25-06-2025 which was attended by relevant stakeholders including the representatives of Pakistan Footwear Association and other stakeholders i.e. the importers and the manufacturers. The representatives were requested to submit relevant documents and evidence to substantiate their contentions. Viewpoints of the participants were heard in detail during the meeting for the determination of customs values under section 25A of the Customs Act, 1969.

5. **Method (s) adopted to determine Customs values:** Valuation methods specified in section 25 of the Customs Act, 1969, were duly considered 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 absence of information as required under sub-section (2) of section 25 of Customs Act,

were found but that the same could not be solely relied upon due to absence of absolute demonstrable evidences of quantities and qualities. Subsequently, similar goods value method provided in section 25(6) was also examined in light of the clearance data of subject goods and was finally relied upon for determination of Customs values of subject goods except item of serial No. 8, 9 & 10 i.e. Polyurethane resin (pre-polymer for shoe sole) under Section 25A of the Customs Act, 1969. The import/clearance data for item of serial No. 8, 9 & 10 i.e. Polyurethane resin (pre-polymer for shoe sole) specifically reviewed could not be relied upon due to variations in declared values and the presence of multiple types, grades and quantities being imported; and compounded by concerns of under-invoicing. Consequently, the available information was deemed inappropriate for determining customs values. Therefore, market enquiry as envisaged under Sub section (7) of Section 25 of the Customs Act, 1969 was also conducted but did not yield any tangible results because the goods being of Industrial purpose were not readily available in the local market. In line with statutory sequential order of section 25, computed value method provided in Section 25(8) was examined to determine Customs values of serial No. 8, 9 & 10 i.e. Polyurethane resin (pre-polymer for shoe sole). Accordingly, international prices of raw materials used in manufacturing of Polyurethane resin (pre-polymer for shoe sole) and allied charges thereof were considered which provided reasonable idea about the actual value of subject goods. Therefore, the Customs values of Polyurethane resin (pre-polymer for shoe sole) are determined under Section 25(9) read with Section 25(8) of the Customs Act 1969.

6. Customs Values for Phenolic Resin, Polyurethane Resin, Polyurethane Resin (Pre-polymer for Shoe Sole), Melamine Resin and Epoxide Resin - *hereinafter specified* shall be assessed to duty / taxes at following Customs Values:

Sr. No.	Description of Goods	Origin	PCT	Proposed PCT for WeBOC	Customs Values (C&F) US\$/Kg
1	Phenolic Resin	China / South Africa / Turkey	3909.4000	3909.4000.1000	1.85
2		Taiwan			1.94
3		Korea			2.36
4		Europe / USA			2.52
5	Polyurethane Resin - Polyether based (Liquid Form)	China / Korea / Malaysia/ Singapore	3909.5000	3909.5000.1000	2.81
6		Europe			3.15
7		China			3.50
8	Polyurethane Resin - Polyester based (Pre-Polymer for Shoe Sole)	China & UAE	3909.5000	3909.5000.1200	1.95
9		Korea / Malaysia / Singapore			2.00
10		Other Origins			2.05
11	Melamine Resin	China	3909.2000	3909.2000.1000	1.70
12		Taiwan, Thailand & UAE			1.90
13		Other Origins			2.00
14	Epoxide Resin	China / Taiwan	3907.3000	3907.3000.1000	2.95
15		Korea / UAE			3.10

Note: Epoxide Resin imported by Paint Industry shall be assessed by the Collectorate under Section 25 of the Customs Act, 1969.

7. The values determined in this Valuation Ruling shall be treated as minimum benchmark values. In cases, where declared values or values in invoice retrieved from the consignment, as the case may be, are higher than the customs values determined in this valuation ruling, the assessment shall be made on higher values in terms of sub-section (1) of Section 25 of the Customs Act, 1969.

8. In case of consignments imported by air and land, the difference between air/land freight and sea freight shall be adjusted for the assessment of value.

9. The Valuation Ruling shall be applicable for the descriptions and specifications of goods as mentioned in the aforementioned table. HS Codes are mentioned for illustrative purposes.

10. The Collectorates of Customs shall ensure the implementation of Valuation Ruling and in case of any anomaly may be brought to the notice of this Directorate immediately.



(Azhar Husain Merchant)
Director

Copy for necessary action and implementation:

The Collectors / Directors of Customs, Collectorates / Directorates of Customs (Headquarters-South)/ Appraisement-West / East / SAPT / PMBQ / JIAP / Enforcement/), Karachi / Hyderabad / (Appraisement / Enforcement / Ports), Quetta / Gwadar / Khuzdar (Appraisement / Enforcement / AIIA), (Appraisement-East / West, Lahore / Faisalabad Appraisement / Enforcement, Sargodha / Enforcement & Appraisement, Sambrial (Sialkot) / Enforcement, Multan / Islamabad / Gilgit-Baltistan / (Appraisement/ Enforcement), Peshawar / Enforcement, Dera Ismail Khan / Exports (Port Qasim/Custom House, Karachi) / Transit Trade, Karachi.

Copy for information:

- 1) The Member Customs (Operations), F.B.R., Islamabad.
- 2) The Director General, Customs Valuation, Custom House, Karachi.
- 3) All Chief Collectors / Director Generals of Customs, Karachi / Lahore / Islamabad / Quetta / Peshawar.
- 4) All Collectors / Directors of Customs, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
- 5) The Director, Directorate of Customs Valuation, Lahore / Quetta / Peshawar.
- 6) The Deputy Director (MIS), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WEBOC database system.
- 7) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 8) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 9) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 10) The Webmaster, Federal Board of Revenue, Islamabad.
- 11) Guard File.