

*(This Ruling has been revised / superseded vide Valuation Ruling No. 1220/2017 dated 10-11-2017)*

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**GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI**

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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 Toffees/Candies & Sugar Confectionery Under  
Section 25-A of the Customs Act, 1969**

**(VALUATION RULING No. 835/2016)**

No. Misc/17/2013-I/8815

Dated: 19-04-2016

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Toffees /Candies & Sugar Confectionery are determined as follows:-

**2. Background of the valuation issue:** The Customs Values of Toffees / Candies & Sugar Confectionery were earlier determined under Section 25-A of the Customs Act, 1969 vide Valuation Ruling No. 625/2013 dated 23-12-2013. References were received from some importers for revision of valuation ruling as per their claim that current international prices of Toffees / Candies & Sugar Confectionery were declining. An exercise to determine the Customs values of subject goods was accordingly under taken by this Directorate General.

**3. Method adopted to determine Customs values:** Valuation methods provided In Section 25 of the Customs Act 1969 were adopted and applied sequentially to address the valuation issue at hand. Transaction value method provided in Sub-Section (1) of Section 25 was found inapplicable because it is generally known to all that majority of invoices produced at import stage are manipulated/Fabricated and hence the requisite information required under the law was not available to arrive at the correct transactional value. Identical and similar-goods valuation methods provided in Sub-Sections (5)&(6) of Section 25 ibid were examined sequentially for applicability to determine Customs value of subject goods this 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, commercial levels etc. and also it was observed that importers usually provide misleading descriptions while declaring their imports, as other types and varieties of similar goods to avoid the valuation ruling. Information available was hence found inappropriate. In line with the statutory sequential order of section 25, this office then conducted a market enquiry using Deductive Value Method under Sub-Section (7) of the Section 25 of the Customs Act, 1969. Consequently, the method provided under section 25(7) of the Customs Act, 1969 was applied and relied upon to derive and determine assessable customs values of Toffees/Candies & Sugar Confectionery.

**4. Stakeholders' participation in determination of Customs values:** Meeting with stakeholders including importers, and representatives of trade bodies was held on 18.04.2016 to discuss the current international prices of the subject goods. The view point of all participants was heard in detail and considered to arrive at fair value.

**5. Customs values for Toffees/Candies & Sugar Confectionery:** Toffees/Candies & Sugar Confectionery hereinafter specified shall be assessed to duty/taxes at the following Customs Values:-

S. No.	Description of goods	PCT Code	Proposed PCT for WeBOC	Origin	Customs Values (C&F) US\$/Kg
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(1)	(2)	(3)	(4)	(5)	(6)
1.	Candy	1704.9090	1704.9090.1000 1704.9090.1100 1704.9090.1200 1704.9090.1300	China/India Far East Middle East/Turkey Europe/USA	1.10 1.50 1.70 2.00
2.	Toffee	1704.9090	1704.9090.1400 1704.9090.1500 1704.9090.1600 1704.9090.1700 1704.9090.1800 1704.9090.1900	Turkey Far East U.A.E Oman India/China Europe/USA	1.75 1.55 1.40 1.35 1.35 2.05
3.	Compound Chocolate/ Substitute	1704.9090	1704.9090.2000	Turkey	2.15
4.	Lolly Pop	1704.9090	1704.9090.2100 1704.9090.2200	Europe/USA All other origin	2.25 2.00
5.	Fruittella	1704.9090	1704.9090.2300 1704.9090.2400	Europe/USA All other origin	2.60 2.40
6.	Polo Mentos	1704.9090	1704.9090.2500 1704.9090.2600	Europe/USA All other origin	2.50 2.30
7.	Jelly	1704.9090	1704.9090.2700 1704.9090.2800	Europe/USA All other origin	1.60 1.40

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 or section 25-D 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 issuance of this Ruling, 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 this Directorate General immediately for redressal.

10. This Ruling supersedes Valuation Ruling No. 625/2013 dated 23-12-2013.

**(DR. WASIF ALI MEMON)**  
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.
09. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General, Internal Audit (Customs), Karachi.
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 in in One Custom WeBOC database system and deleting Valuation Ruling No.762/2015 dated 18-09.2015 from the system on the date of issue of this ruling.
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 7<sup>th</sup> Floor, Custom House, Karachi/MCC, Appraisement, 1<sup>st</sup> Floor, Custom House, Karachi.
21. Guard File.