

(This Ruling has been revised / superseded vide Valuation Ruling No. 1162/2017 dated 16-05-2017)

**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 Biscuits under Section
25-A of the Customs Act, 1969**

(VALUATION RULING No. 838/2016)

No. Misc/09/2013-I/8830

Dated: 20-04-2016

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

2. Background of the valuation issue: Model Customs Collectorate Appraisement (West) vide letter No. SI/Misc/18/2016-1 Group-I (AW) dated 05-03-2016 had informed that the recent clearance data of imported Biscuits is higher than the determined value of the Biscuits which was determined by this Directorate General under Section 25-A. of the Customs Act, 1969 vide Valuation Ruling No. 504/2012 dated 19-12-2012. This Directorate General of Customs Valuation as per order of Director General of Customs Valuation issued withdrawal orders of valuation Ruling No. 504/2012 dated 19-12-2012 vide this office letter No. Misc/9/2012-1/8497 dated 15-03-2016. An exercise to re-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 at and determine assessable customs values of Biscuits.

4. Stakeholders' participation in determination of Customs values: Meeting With stakeholders including importers, and representatives of trade bodies was held on 19-04-2016 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. It was appreciated that there is higher, up wardily trend in the values of this product.

5. Customs values for Biscuits: Biscuits hereinafter specified shall be assessed to duty/taxes at the following Customs Values:-

S. No.	Description of Goods	PCT	Proposed PCT	Origin	Customs Values
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		Code	for WEBOC		(C&F) US\$/Kg
(1)	(2)	(3)	(4)	(5)	(6)
01.	Walker Brand Biscuits	1905.3100 1905.9000	1905.3100.1000 1905.9000.1000	All origins	11.30
02.	Oreo Biscuits Milk Chocolate	1905.3100 1905.9000	1905.3100.1100 1905.9000.1100	All origins	2.65
03.	Plain Biscuits Parle-G & Britannia Brand	1905.3100 1905.9000	1905.3100.1200 1905.9000.1200	India	1.55
04.	Plain Biscuits Nutro, Julies, Jack & Jill Zuka Hollanda, Sterna, Bissin, Kalsen As Bisca, Tiffany, Danisa, Torto, Deemah, Hwatai, Munchys, Maliban, Mayora Dolphin,K Rogers, Glenda, Amara, Amulya, Coffee Joy, Astor, Kokola	1905.3100 1905.9000	1905.3100.1300 1905.9000.1300	All origins	1.45
05.	Plain Biscuits other brands	1905.3100 1905.9000 1905.3100 1905.9000	1905.3100.1400 1905.9000.1400 1905.3100.1500 1905.9000.1500	All origins Excluding USA & Europe USA & Europe	1.55 2.40
06.	Cream Biscuits Parle-G & Britannia Brand	1905.3100 1905.9000 1905.3100 1905.9000	1905.3100.1600 1905.9000.1600 1905.3100.1700 1905.9000.1700	India All Other origins	1.60 1.65
07.	Cream Biscuits Nutro, Julies,Jack & Jill ,Zuka Hollanda, Sterna, Bissin, Kalsen As Bisca, Tiffany, Danisa, Torto, Deemah, Hwatai, Munchys, Maliban, Mayora Dolphin,K Rogers, Glenda, Amara, Amulya, Coffee Joy, Astor, Kokola	1905.3100 1905.9000	1905.3100.1800 1905.9000.1800	All origins	1.60
08.	Cream Biscuits other brands	1905.3100 1905.9000 1905.3100 1905.9000	1905.3100.1900 1905.9000.1900 1905.3100.2000 1905.9000.2000	All origins Excluding USA & Europe USA & Europe	1.65 2.50
09.	Wafer Biscuits Parle-G & Britannia	1905.3200	1905.3200.1000	India	1.50

	Brand		1905.3200.1100	All Other origins	1.55
10.	Wafer Biscuits Nutro, Julies, Jack & Jill, Zuka Hollanda, Sterna, Bissin, Kalsen As Bisca, Tiffany, Danisa, Torto, Deemah, Hwatai, Munchys, Maliban, Mayora Dolphin, K Rogers, Glenda, Amara, Amulya, Coffee Joy, Astor, Kokola	1905.3200	1905.3200.1200	All origins	1.45
11.	Wafer Biscuits other brands	1905.3200	1905.3200.1300	All origins Excluding USA & Europe USA & Europe	1.55 2.35

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.

(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.
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, Appraisement, 1st floor, Custom House, Karachi.
21. Guard File.