

*(This Ruling has been revised / superseded vide Valuation Ruling No. 1133/2017 dated 18-04-2017)*

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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 Qasim / Preventive, Karachi / Lahore (Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad / Hyderabad / Quetta / Peshawar / Gawadar / Gilgit-Baltistan.

**DETERMINATION OF CUSTOMS VALUE OF DATES UNDER SECTION 25-A OF THE  
CUSTOMS ACT, 1969**

**(VALUATION RULING No. 1014/2017)**

No. Misc/03/2011-I/128

Dated: 17<sup>th</sup> January, 2017

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

**2. Background of the Valuation Issue:** The earlier customs values of Dates were determined vide Valuation Ruling No. 501/2012 dated 04-12-2012. Since, the applicable values for dates were determined more than four years ago, and recently, MCC Quetta has also determined the customs values of Dates of Iran origin imported via Land Route from Iran. It is, therefore deemed appropriate to re-determine Customs value of Dates in order to reflect the prevailing price trends in the local and international markets. This prompted an exercise to re-determine the customs values of subject goods. In this context this Directorate General initiated an exercise for determination of customs values of Dates.

**3. Stakeholders' Participation in Determination of Customs Values:** A Meeting for the determination of customs values of Dates with stakeholders was held on 03-01-2017 which was duly attended by all the stakeholders. All the stakeholders strongly contended and requested that the said Valuation Ruling may be reviewed in the light of prevailing international and local market prices. The view point of all participants was heard in detail and considered to arrive at fair value of subject goods. It was also highlighted that the subject goods are perishable items and therefore have got limited shelf life, consequently, near the expiry dates, these perishable items are sold on sale and discounted prices. It was further contended by the traders that since the subject goods are mainly being sold on super and general stores, therefore, a lot more expenses (shelf rent, marketing expenses, refrigeration cost etc.) are contributed at retail level which cannot be managed without adding extra value to the subject goods. The importers contended that all these factors may also be considered in fixing value of subject goods. Prices are also verified on the basis of location of market in the city and date of expiry of the product in question.

**4. Method Adapted to Determine Customs Values:** Valuation methods provided in Section 25 of the Customs Act, 1969 were duly followed 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 transaction value. Identical / similar goods value method provided in Sub-Sections (5) & (6) of Section 25 ibid were examined for applicability to determine Customs value of subject goods, this data provided some references, however, it was found that the same cannot be solely relied upon due to the absence of absolute demonstrable evidence of qualities, and quantities of commercial level etc., and also it was observed that same importers provide misleading description while declaring goods, as other types and varieties of similar goods to avoid the application of valuation ruling. Information available was, hence, found inappropriate. In line with the statutory sequential order of Section 25, this office then conducted a market inquiry using Deductive Value Method under Sub-Section (7) of the Section 25 of the Customs Act, 1969, however, it was found that

the determination of Customs value could not be based solely upon this method either. Therefore, valuation method provided vide Section 25(8) of Customs Act 1969, could not be applied as the conversion cost from constituent materials and allied expenses, at country of export were are not available. Finally, Pral database, market information and international prices through Web were examined thoroughly. All the information so gathered was analyzed for determination of Customs Value of the subject good. Consequently, the Fall Back Method as provided under section 25(9) of the Customs Act, 1969 was applied to arrive at assessable customs values of Dates.

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

S. No.	Brand of Dates	H.S Code	Proposed PCT for WEOC	Origins	Customs Values (C&F) US\$/Kg
(1)	(2)	(3)	(4)	(5)	(6)
1	Zahidi	0804.1010	0804.1010.1000	Iran	0.22
				Iraq	0.23
2	Muzafati	0804.1010	0804.1010.1100	Iran	0.35
3	Rabbi	0804.1010	0804.1010.1200	Iran	0.36
4	All Varieties/Types	0804.1010	0804.1010.1300	U.A.E	1.90
5	Ajwa & Amber	0804.1010	0804.1010.1400	Saudi Arabia	6.00
6	All Varieties/Types	0804.1010	0804.1010.1500	Saudi Arabia	1.50

6. In case of Import from Iran Via land route through MCC Quetta, 15% margin in value may be admissible considering the reduced element of freight charges. 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. The value added products of dates such as filled with almond, honey and chocolates etc., will be assessed under Section 25 of Customs Act 1969, by clearance collectorate.

**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 of the Customs Act, 1969. In case imported items are not specifically fall under any of above mentioned brands, the same may be assessed under Section 25-A, otherwise if appropriate the same may be referred to Directorate of Customs Valuation for necessary action at their end.

**9. 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 issue of this ruling, before the Director General, Directorate General of Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.

10. 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 Directorate General immediately. Customs values determined in the ruling are for the description and specification as mentioned herein. PCT Codes are mentioned for illustrative purpose so that valuation ruling values are made accessible to the assessing officer. The assessment shall be finalized on the basis of correct classification after fulfilling requisite formalities related to importability or any other certification required thereon especially with reference to filled with any prohibitive item thereon in chocolates. 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.

11. This ruling supersedes Valuation Ruling No. 501/2012, dated 04-12-2012.

(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), 1<sup>st</sup> 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 One Customs & WeBOC database system and deleting Valuation Ruling No. 501/2012, dated 04-12-2016 from the system on the date of issue of this ruling.