



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, Export (Port Qasim) / Preventive, Karachi / Lahore ( Appraisement / Preventive )  
/ Sambrial (Sialkot) / Faisalabad / Multan / Islamabad /Hyderabad/ Quetta / Peshawar/  
Gawadar/ Gilgit-Baltistan, Directorate General of Transit Trade, Karachi.

**Determination of Customs Values Of Biscuits Under Section  
25-A of The Customs Act, 1969**

(VALUATION RULING NO. <sup>1162</sup> /2017)

No. Misc/09/2013-I/1233

Dated: May 16<sup>th</sup> 2017

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:** Customs Values of various types of Biscuits from different origins were determined vide Valuation Ruling No. 838/2016 dated 20.04.2016 and those of Danish Cookies were circulated vide VDB No.57/2016 dated 19.10.2016. Some importers filed applications before the Director Valuation, Karachi, for re-determination of value of Biscuits in the light of orders of the Honourable High Court, Sindh, Karachi in C.P. No. 6918/2015 (M/s Danish Jehangir). Hence an exercise was initiated by this Directorate General to determine the customs values afresh.
3. **Stakeholders' participation in determination of Customs values:** A meeting was scheduled on 11-05-2017 with stakeholders and importers of subject goods which was attended by representatives of clearance Collectorate also. All stakeholders were requested to submit the following documents:
  - i. Invoices of imports during last three months showing factual value.
  - ii. Websites names and E-mail addresses of known foreign suppliers 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.
  - iv. Copies of Sales Tax invoices issued during last four months showing the differences in price (excluding duty and taxes) to substantiate that the benefit of difference in price is passed on to the local buyers.

The importers / stakeholders contended that market surveys were earlier conducted from high end retail outlets and requested that different markets be consulted for the survey of subject goods. They further insisted that subject goods were actually being purchased / imported at much lower values than those determined vide Order-in-Revision No. 233/2016 dated 18.08.2016. The importers insisted that since the subject goods are mainly being sold at Super and General Store, therefore, a lot more expenses (breakage due to shifting from place to place, expiry, self-rent, marketing expenses) etc. are incurred thus increasing their retail price. The view point of all stakeholders was considered before arriving at customs values of Biscuits.



**Method adopted 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 as the requisite information was not available as per law. Identical / Similar goods value methods provided in Sub-Sections (5) & (6) of Section 25 *ibid* were examined for applicability to determine Customs value of the subject goods. This data provided some references, however, it was found that the same cannot be solely relied upon due to variation in the same. 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 Section 25 of the Customs Act, 1969. Most of the reference values were obtained from this method. Computed Value Method as provided in Section 25 (8) could not be applied for valuation of the aforementioned goods as the cost of raw material and fabrication charges under clause (a) and amount of profit and general expenses under clause (b) of Section 25 (8) of the Act, in the country of export, could not be ascertained. Finally, clearance data, market information and international prices through the internet were examined thoroughly and the information so gathered was utilized and analyzed for determination of Customs Values of Biscuits under Section 25(9) of the Customs Act, 1969.

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

S. No.	Description of Goods	PCT Code	Proposed PCT for WEOC	Origin	Customs Values (C&F) USS/Kg
1.	"Walker" Brand Biscuits	1905.3100 1905.9000	1905.3100.1000 1905.9000.1000	U.K	6.90
2.	"Marks & Spencer" Brand Biscuits	1905.3100 1905.9000	1905.3100.1100 1905.9000.1100	All Origins	5.85
3.	"Oreo" Brand Biscuits	1905.3100 1905.9000	1905.3100.1200 1905.9000.1200	USA / Europe	4.00
		1905.3100 1905.9000	1905.3100.1300 1905.9000.1300	All Origins Excluding USA & Europe	3.65
4.	Danish Butter Cookies (all brands, in tin packing)	1905.3100 1905.9000	1905.3100.1400 1905.9000.1400	USA & Europe	3.90
		1905.3100 1905.9000	1905.3100.1500 1905.9000.1500	All Origins Excluding USA & Europe	3.25
5.	<b>Plain Biscuits</b> Parle-G & Britannia Brand	1905.3100 1905.9000	1905.3100.1600 1905.9000.1600	India	1.85
		1905.3100 1905.9000	1905.3100.1700 1905.9000.1700	All Other Origins	1.90
	<b>Plain Biscuits</b> Nutro, Julies, Jack & Jill, Zuka Hollanda, Eterna, Bissin, Kalsen As Bisca, Tiffany, Danisa, Torto, Deemah, Hwatai, Munchys, Maliban, Mayora Dolphin, K. Rogers, Glenda, Amara, Amulya, Cofee Joy, Astor, Kokola.	1905.3100 1905.9000	1905.3100.1800 1905.9000.1800	All Origins	1.75



7.	<b>Plain Biscuits</b> Gullon Brand	1905.3100 1905.9000	1905.3100.1900 1905.9000.1900	Europe	2.15
8.	<b>Plain Biscuits</b> Other brands	1905.3100 1905.9000	1905.3100.2000 1905.9000.2000	All Origins Excluding USA & Europe	2.05
		1905.3100 1905.9000	1905.3100.2100 1905.9000.2100	USA & Europe	2.80
9.	<b>Cream Biscuits</b> Parle-G & Britannia Brand	1905.3100 1905.9000	1905.3100.2200 1905.9000.2200	India	1.95
		1905.3100 1905.9000	1905.3100.2300 1905.9000.2300	All Other Origins	2.00
		1905.3100 1905.9000	1905.3100.2400 1905.9000.2400	All Origins	1.90
10.	<b>Cream Biscuits</b> Nutro, Julies, Jack & Jill, Zuka Hollanda, Eterna, Bissin, Kalsen As Bisca, Tiffany, Danisa, Torto, Deemah, Hwatai, Munchys, Maliban, Mayora Dolphin, K. Rogers, Glenda, Amara, Amulya, Cofee Joy, Astor, Kokola.	1905.3100 1905.9000	1905.3100.2400 1905.9000.2400	All Origins	1.90
11.	<b>Cream Biscuits</b> Gullon Brand	1905.3100 1905.9000	1905.3100.2500 1905.9000.2500	Europe	2.30
12.	<b>Cream Biscuits</b> Other Brands	1905.3100 1905.9000	1905.3100.2600 1905.9000.2600	All Origins Excluding USA & Europe	2.25
		1905.3100 1905.9000	1905.3100.2700 1905.9000.2700	USA & Europe	3.00
13.	<b>Wafer Biscuits / Sticks</b> Parle-G & Britannia Brand	1905.3200 1905.3200	1905.3200.1000 1905.3200.1100	India	1.80
				All Other Origins	1.85
14.	<b>Wafer Biscuits / Sticks</b> Nutro, Julies, Jack & Jill, Zuka Hollanda, Eterna, Bissin, Kalsen As Bisca, Tiffany, Danisa, Torto, Deemah, Hwatai, Munchys, Maliban, Mayora Dolphin, K. Rogers, Glenda, Amara, Amulya, Cofee Joy, Astor, Kokola.	1905.3200	1905.3200.1200	All Origins	1.70



15.	Wafer Biscuits / Sticks Gullon Brand	1905.3200	1905.3200.1300	Europe	2.05
16.	Wafer Biscuits / Sticks Other Brands	1905.3200	1905.3200.1400	All Origins Excluding USA & Europe	2.00
		1905.3200	1905.3200.1500	USA & Europe	2.80
17.	<i>Note: The clearance Collectorates are advised to ensure assessment as per the values mentioned in the table above and to avoid assessment of biscuits in generalized term as "assorted biscuits" where values of brands have been specifically mentioned in this Ruling.</i>				

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 (4) of Section 25-A 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, 7<sup>th</sup> 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.838/2016, dated 20-04-2016 & VDB No.57/2016 dated 19.10.2016.*

(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 (Appraisement), Custom House, Karachi.
4. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. Chief Collector of Customs (Central), Lahore.