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

To,

The Collectors of Customs, Model Customs Collectorates (Appraisement / PaCCS/Port Qasim /Preventive), Karachi /Lahore / Sambrial(Sialkot) /Faisalabad /Multan/Islamabad/ Hyderabad / Quetta / Peshawar/ Gawadar.

DETERMINATION OF CUSTOMS VALUE OF CEREAL FOODS UNDER SECTION 25-A OF CUSTOMS ACT, 1969

(VALUATION RULING NO.511 / 2012)

No.Misc/12/2012-I Dated: 21st December, 2012

In exercise of the powers conferred on him under Section 25A of the Customs Act, 1969, the customs values of Cereal Foods are determined as follows : -

1. **Description of the valuation issue -** Since the earlier customs values of Cereal Foods were determined more than one year ago through Valuation Ruling No.347, dated 25-06-2011 and Amendment No.Reg.Misc/07/2009-I, dated 01-11-2011, re-determination of customs values of these goods was deemed necessary to reflect the current price trend of these goods in the international markets. This prompted an exercise to re-determine the customs values of these goods.

2. **Methodology adopted to determine customs values -** Valuation methods given in Section 25 of the Customs Act, 1969 were examined to ascertain which methods were applicable to the valuation issue in hand in terms of Section 25A(1) of the Act. Transactional value method provided in Section 25 (1) was found inapplicable because sufficient information with respect to adjustments to be made to the transactional value in terms of Section 25 (2) was not available. Identical / similar goods value methods provided in section 25(5) & (6) were examined for applicability to the valuation issue in the instant case. These methods furnished unreliable values and were not found applicable. Since the manufacturers' costs of producing the goods in question in the country of exportation were not available, Computed Value Method as provided in Section 25(8) could not be applied for valuation of the aforesaid goods. Therefore, Deductive Value Method was applied to arrive at customs values of Cereal Foods.

3. **Evidence used to determine customs values -** Meetings were held with stakeholders to discuss the current international values of Cereal Foods in the export markets. The Deductive Value Method was employed and the evidence furnished by the application of this method was used to determine the following customs values of Cereal Foods.

4. **Customs values for Cereal Foods -** The Cereal Foods of different brands *hereinafter specified* shall be assessed to duty / taxes at the following customs values.

DIRECTOR CUSTOMS VALUATION KARACHI

Customnews.pk

S.No	Description of goods	H. S Code	PCT for WeBOC	Origin	Determined Customs Values
(1)	(2)	(3)	(4)	(5)	(6)
	Cereal Foods	1904.1010 1904.1090 1904.2000 1904.3000 1904.9000	1904.1010.1000 1904.1090.1000 1904.2000.1000 1904.3000.1000 1904.9000.1000		
1.	Cereal Foods Torto Brand i) Cereals ii) Corn Flakes	1904.1010 1904.1090 1904.2000 1904.3000 1904.9000	1904.1010.1100 1904.1090.1100 1904.2000.1100 1904.3000.1100 1904.9000.1900	All origins	US$ 1.70/Kg
2.	Cereal Foods (Other Brands) i) Cereals ii) Corn Flakes Excluding Kallog's, Nestle, Milo	1904.1010 1904.1090 1904.2000 1904.3000 1904.9000	1904.1010.1900 1904.1090.1900 1904.2000.1900 1904.3000.1900 1904.9000.2900	All origins Excluding USA & Europe	US$ 2.00/Kg
		1904.1010 1904.1090 1904.2000 1904.3000 1904.9000	1904.1010.2900 1904.1090.2900 1904.2000.2900 1904.3000.2900 1904.9000.3900	USA & Europe	US$ 2.50/Kg

5. **Validity of this Valuation Ruling.** The customs values determined in this Ruling shall continue to be the applicable customs values for the aforementioned goods till the time this Valuation Ruling is rescinded or revised by the competent authority in terms of Section 25A of the Customs Act, 1969. Moreover, this Valuation Ruling applies to cases where declared values are less than the customs values determined in the ruling. *In cases where declared values are more than the customs value determined in the ruling, the differential between air freight and sea freight, when taken into account, raises the customs values above those determined in this ruling, the concerned assessing officers shall apply such higher values in terms of section 25(1) of the Customs Act, 1969.*

6. **Remedies against this Valuation Ruling.** The Customs Act, 1969 provides efficacious alternate remedies against this Ruling. Section 25-D provides that any person aggrieved of the Ruling may file a revision petition within 30 days from the date of this Ruling before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi. An appeal against the decision in revision of the Director General can be filed within 60 days of the decision before the Customs Appellant Tribunal under Section 194-A (1) (e) of the Customs Act, 1969.

(DR.ZULFIQAR AHMED MALIK)
DIRECTOR

Copy for information to :-

Customwebs.pk