



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 Values Of Sauces/Salad Dressing/ Mayonnaise/Mustard & Tomato Ketchup (In Retail Packing and In Bulk Packing) Under Section 25-A Of The Customs Act, 1969**

(VALUATION RULING NO.769/2015)

No. Misc/14/2011-I

Dated: November 03, 2015

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Sauces/Salad Dressing , Mayonnaise, Mustard & Ketchup are determined as follows :-

2. **Background of the valuation issue:** The Directorate General of Customs Valuation determined the customs values of Sauces/Salad Dressing , Mayonnaise & Mustard under Section 25-A of the Customs Act, 1969, vide Valuation Ruling No. 678/2014 dated 02-07-2014. However, M/s. Venus Pakistan (Pvt) Ltd, Karachi, filed review application against the issuance of Valuation Ruling No. 678/2014 dated 02-07-2014 under section 25-D of the Customs Act, 1969 before the Director General of Customs Valuation against the said ruling agitating high determination of value of Bulk Packing Mayonnaise, vide Sr. No. 8 of the ruling. The unit price of sauces/mayonnaise/salad dressing etc of all origins was determined @ US \$ 1.40/Kg vide above mentioned ruling. The petitioner's contention is that there is at least 20 to 25% price difference in Bulk & Retail packing since they import in Bulk packing, moreover the said Valuation Ruling may be reviewed keeping in view the international prevailing market price variations in both types of packing and the ruling for all origins may be replaced with a fair value for each type. The Reviewing Authority i.e Director General, Directorate General of Customs Valuation, vide Order in Revision No. 112 dated 25-05-2015 remanded the case back to the Director (Valuation) for revision of Valuation Ruling accordingly. As per orders of the Director General of Customs Valuation against the Valuation Ruling No. 678/2014 dated 02-07-2014 vide Order in Revision No. 112 dated 25-05-2015 and with a view to reflect the current prices prevailing in the international market, an exercise to determine the Customs values of subject goods was under taken.

3. **Stakeholders' participation in determination of Customs values:** The proceedings were initiated for determination of value of *Sauces/Salad Dressing, Mayonnaise & Mustard* in the instant cases. Meetings were scheduled with petitioners and all other Stakeholders on 02-07-2015 & 28-10-2015 for their input /feedback relating to the Customs Value of *Sauces/Salad Dressing , Mayonnaise / Mustard and Tomato Ketchup* The



Petitioners and other stake holders stated that there existed a difference of minimum 20-25% in price when goods are supplied in Bulk or retail packing based on value addition methodology as per international prevailing market prices. It was observed and agreed by all that serial No.8 of the Valuation Ruling did not cater for the difference in prices of Sauces/Salad Dressing/ Mayonnaise/Mustard and was not justifiable.

4. **Method adopted to determine Customs values:** The Valuation methods given in Section 25 of the Customs Act, 1969 were followed. The transactional value method under Sub Section (1) of Section 25 *ibid* was found inapplicable because of non-availability of sufficient information. Identical / similar goods valuation methods provided in section 25(5) & (6) furnished unreliable values due to considerable variation in declared values. Secondly in presence of Valuation Ruling the declarations were mostly modified and made by the importers accordingly as per the Valuation Ruling. Deductive value method under section 25(7) of the Customs Act, 1969, was applied to determine the values of Sauces/Salad Dressing/ Mayonnaise/Mustard & Tomato Ketchup.

5. **Customs values for Sauces/Salad Dressing/ Mayonnaise/Mustard & Tomato Ketchup:** Sauces/Salad Dressing/ Mayonnaise/Mustard & Tomato Ketchup *hereinafter specified* shall be assessed to duty/taxes at the following Customs Values :-

S.No.	Description of Goods (in retail Packing)	PCT Code	Proposed PCT for WeBOC	Origin	Customs Values (C&F) USS/Kg
(1)	(2)	(3)	(4)	(5)	(6)
1.	Sauces of Brand Nando's.	2103.1000 2103.2000 2103.9000	2103.1000.1000 2103.2000.1000 2103.9000.1000	All origins	2.42
2.	Sauces of Brands American Garden/Suree/ Kikkoman.	2103.1000 2103.2000 2103.9000	2103.1000.1200 2103.2000.1200 2103.9000.1200		1.87
3.	Sauces of Brands Heinz, Magic Time, Omaz, Mama Sita, Delicio.	2103.1000 2103.2000 2103.9000	2103.1000.1400 2103.2000.1400 2103.9000.1400		1.65
4.	Sauces of Other Brands .	2103.1000 2103.2000 2103.9000	2103.1000.1600 2103.2000.1600 2103.9000.1600		1.65
5.	Salad Dressings/ Mayonnaise/ Mustard of Brand American Garden, Colman's, French's.	2103.1000 2103.2000 2103.9000	2103.1000.1800 2103.2000.1800 2103.9000.1800		1.98



6.	Salad Dressings/ Mayonnaise/ Mustard of Brand Heinz, Magic Time, Omaz, Mama Sita, Delicio.	2103.1000 2103.2000 2103.9000	2103.1000.2000 2103.2000.2000 2103.9000.2000	1.76
7.	Salad Dressings/ Mayonnaise/ Mustard of Other Brands.	2103.1000 2103.2000 2103.9000	2103.1000.2200 2103.2000.2200 2103.9000.2200	1.76
8.	Tomato Ketchup (Heinz brand)	2103.1000 2103.2000 2103.9000	2103.1000.2400 2103.2000.2400 2103.9000.2400	1.25
9.	Tomato Ketchup (Other than Heinz brand)	2103.1000 2103.2000 2103.9000	2103.1000.2400 2103.2000.2400 2103.9000.2400	1.16
10	20% discount if imported in bulk packing(Above 2Kgs)			

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, 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. 678/2014 dated 02-07-2013**

  
(Manzoor Hussain 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.