



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE, KARACHI  
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**The Collectors of Customs**, Model Customs Collectorate of Appraisalment (East / West)/ Port Qasim/ Preventive, Karachi/ Lahore (Appraisalment / Preventive) / Sambrial (Sialkot) / Faisalabad/ Multan/ Islamabad /Hyderabad/ Quetta / Peshawar/ Gawadar and Gilgit-Baltistan.

**Determination of Customs Value of Sauces/Salad Dressing / Mayonnaise/Mustard and Tomato Ketchup under Section 25-A of the Customs Act, 1969.**

(VALUATION RULING NO. 1256/2018)

No. Misc/08/2014-I/ 111

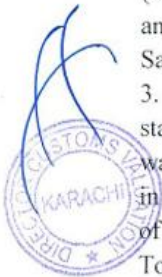
Dated: February 08, 2018

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

2. **Background of the valuation issue:** Customs values of Sauces / Salad dressing/ Mayonnaise / Mustard and Tomato Ketchup were earlier determined through Valuation Ruling No.1215/2017 dated 05.10.2017. However, Director General Customs Valuation vide Order-In-Revision No. 421/2017 dated 19.12.2017 remanded back the case to the Director Valuation with the direction to conduct afresh exercise to re-determining Customs values of Tomato Ketchup (various brands) and also advised to revisit the whole issue of bulk packing and discount. Hence an exercise was initiated by this Directorate General to determine the customs values of Sauces / Salad Dressing / Mayonnaise / Mustard and Tomato Ketchup.

3. **Stakeholders' participation in determination of Customs values:** Meeting with stakeholders, including importers, local manufacturers and representatives from field formations was held on 23-01-2018. The commercial importers requested that the Customs Values determined in the existing Valuation Ruling dated 05.10.2017 are required to be revised downward in the light of prevailing international market prices. On the other hand, the local manufacturers especially Tomato Ketchup manufacturers contended that the prices of the Tomato Ketchup determined vide the impugned Valuation ruling are on lower side and need to be revised accordingly. They stated that the local Tomato ketchup Industry is not only consuming the local raw material but also creating employment opportunities besides earning foreign exchange. They emphasized that the local industry is capable of meeting the demand and there is no need to import Tomato Ketchup. M/s Heinz Pakistan (Pvt) Ltd. contended that they are getting the product at lower values and declaring this transactional value but Customs is increasing value as per Valuation Ruling. The stakeholders were requested to furnish supporting documents so that their contentions could be considered to arrive at Customs values of the subject goods. M/s Heinz Pakistan (Pvt) Ltd. submitted copies of GDs and invoices on 30.01.2018.

4. **Method adopted to determine Customs values:** Valuation methods provided in Section 25 of the Customs Act, 1969 were duly applied in their regular sequential order to address the



particular valuation issue at hand. The transaction value method as provided in Sub-Section (1) of Section 25, was found inapplicable in light of the wide variety of invoices submitted at import stage, the veracity of which could not be ascertained fully, hence requisite information required under law was not available to arrive at the correct transaction value. Identical / similar goods value method provided vide 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. In line with the statutory sequential order of Section 25, this office then conducted market inquiries using Deductive Value Method under Sub-Section (7) of the Section 25 of the Customs Act, 1969 and determined customs values of Sauces / Salad Dressing / Mayonnaise / Mustard and Tomato Ketchup.

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

S. No.	Description of goods	PCT	Proposed PCT for WEOC	Origin	Customs Values (C&F) USS/Kg Net Weight
(1)	(2)	(3)	(4)	(5)	(6)
1	Sauces of Brands; Nando's (all types), Kikkoman and Peri Peri.	2103.1000 2103.2000 2103.3000 2103.9000	2103.1000.1000 2103.2000.1100 2103.3000.1200 2103.9000.1300	All origin	3.05
2	Sauces of Brands; American Garden / American Kitchen/ Suree /Mama Sita/ Amoy/ Heinz /Magic time/ Omaz/ Delicio/ L&P/ HP/ Remia/ Razmin/ Herman and Ragu	2103.1000 2103.2000 2103.3000 2103.9000	2103.1000.1100 2103.2000.1200 2103.3000.1300 2103.9000.1400	All origin	1.90
3	Sauces of other Brands	2103.1000 2103.2000 2103.3000 2103.9000	2103.1000.1200 2103.2000.1300 2103.3000.1400 2103.9000.1500	All origin	2.30
4	Salad Dressings/Mayonnaise / Mustard of Brands; American Garden, American Kitchen, Mama Sita, Colman's, French's, Heinz, Magic Time, Omaz, Delicio, L&P, H.P, Amoy, Herman and Ragu.	2103.1000 2103.2000 2103.3000 2103.9000	2103.1000.1300 2103.2000.1400 2103.3000.1500 2103.9000.1600	All origin	2.20
5	Salad Dressings/ Mayonnaise / Mustard of other Brand	2103.1000 2103.2000 2103.3000 2103.9000	2103.1000.1400 2103.2000.1500 2103.3000.1600 2103.9000.1700	All origin	2.45
6	Tomato Ketchup ( Heinz , Magic Time, Delicio and American Kitchen Brands)	2103.2000	2103.2000.1600	All origin	1.60



7	Tomato Ketchup ( Other Brands)	2103.2000	2103.2000.1700	All origin	1.65
8	<b>A discount of 5% on assessable value is allowed if packing is 2 Kg or more. A discount of 10% on assessable value is allowed if packing is 5 Kg or more.</b>				
9	<b>The values determined at S. No. 1 to 7 are for packing in glass bottle, plastic bottle or plastic pouches and calculated on weight of Net Content basis as mentioned on the packing. For 'Sachet' packing of items as mentioned at S. No 1 to 7, the 'Gross weight' may be taken for assessment purposes and no discount on any account shall be allowed.</b>				

8. 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 and the same may be communicated to this Directorate General forthwith. In case of consignments imported by air, the assessing officer shall take into account the element of air freight while assessing the goods.

9. **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.

10. **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.

11. The Collectors of Customs may kindly ensure that the values given in this Valuation 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. Customs values determined in the ruling are for the description and specification as mentioned in the Annexure to this Valuation Ruling. HS Codes are mentioned for illustrative purposes so that valuation ruling values are made accessible to the assessing officers. The assessment shall be finalized on the basis of correct classification after fulfilling requisite formalities related to importability or any other certification required thereon. 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.

12. *This ruling supersedes Valuation Ruling No.1215/2017 dated 03-10-2017.*

  
(Muhammad Iqbal Muneeb)  
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.

8/2/18