



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

The Collectors of Customs, Model Customs Collectorates, Appraisement (East / West)/ Port Qasim / Export (Karachi/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 Non-Dairy Topping /Whipping Cream Under Section 25-A of the Customs Act, 1969.

(VALUATION RULING NO.1266/ 2018)

No. Misc/13/2015-I /281

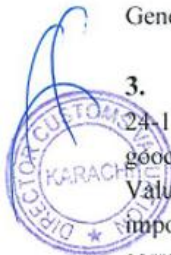
Dated: March 02, 2018

In exercise of the powers conferred under Section 25-A of Customs Act, 1969, Customs values of Non-Dairy Topping /Whipping Cream (H.S. Code 2106.9090) is determined as follows:

2. Background of the valuation issue: Earlier the customs values of Non-Dairy Topping/Whipping Cream were determined vide Valuation Ruling No. 1153/2017 dated 08-05-2017. Director General of Customs Valuation vide Order-in-Revision No. 406/2017 dated 07-11-2017 directed to conduct comprehensive valuation exercise thoroughly, and to re-determine Customs values of subject goods under section 25-A of the Customs Act, 1969. Therefore, this Directorate General initiated an exercise for re-determination of Customs values for the subject goods.

3. Stakeholders' participation in determination of Customs values: Meetings were held on 24-11-2017 and 20-02-2018 with the stakeholders including the local manufacturer of the subject goods. The importers contended that the values of the subject goods determined vide the impugned Valuation Ruling No.1153/2017 dated 08.05.2017, are already on the higher side. M/s Hana Dairies, importers of Silver Brand non-dairy cream from Vietnam contended that their declared values are correct and also submitted their Sales Tax invoices and also the export GDs from the country of origin in support of their contentions. The representatives of importers M/s Pacific Distributors and M/s Nice Traders also requested to revise the Valuation Ruling in accordance with the international market price. The representative of the manufacturer M/s Venus Pakistan, on the other hand argued that the values of the subject goods are higher, however, he could not submit any substantial evidence to prove his claim. The view point of all stakeholders was heard in detail and considered to arrive at Customs values of Non-Dairy Topping /Whipping Cream.

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 arrive at customs values of subject goods. The transaction value method provided in Sub-Section (1) of Section 25, was found inapplicable because there were wide differences in the declarations. Identical / similar goods value method provided in Sub-Sections (5) & (6) of Section 25 ibid were examined for applicability to the valuation issue in the instant case which provided some reference values of the subject goods, but the same could not be exclusively relied on due to wide variations in declared values of subject goods. Thereafter, market enquiries as envisaged under section 25(7) of the



Customs Act, 1969, were conducted. The information so gathered was analyzed and evaluated for determination of Customs Value of the subject goods Non-Dairy Topping / Whipping Cream and Customs values were determined under Section 25(7) of the Customs Act, 1969.

5. Customs values for Non-Dairy Topping/Whipping Cream: Non Dairy Topping /Whipping Cream *hereinafter specified* shall be assessed to duty / taxes at the following Customs Values:

S. No.	Description of goods	PCT Code	Proposed PCT for WeBOC	Origin	Customs Values (C&F) USS per Kg
(1)	(2)	(3)	(4)	(5)	(6)
1.	Non Dairy Topping /Whipping Cream (Rich's Brand)	2106.9090	2106.9090.1000	America /Europe	2.20
		2106.9090	2106.9090.1100	All Other Origins	1.85
2.	Non Dairy Topping /Whipping Cream (All other Brands Excluding Rich's Brand)	2106.9090	2106.9090.1200	America /Europe	1.65
		2106.9090	2106.9090.1300	Malaysia	1.40
		2106.9090	2106.9090.1400	Korea	1.25
		2106.9090	2106.9090.1500	Vietnam	1.05
		2106.9090	2106.9090.1600	All Other Origins	1.35

5. 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 differential between air freight and sea freight while applying the Customs values determined in this Ruling.

6. **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.

7. **Revision of the value determined vide this Valuation Ruling:** This Valuation Ruling is appealable under the law and a revision petition may be filed against this Ruling, 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, 7th Floor, Custom House, Karachi.

8. 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. The Custom values determined in the Valuation Ruling are for the descriptions and specifications as mentioned herein, HS Codes are mentioned for illustrative purposes so that Valuation Ruling values are made accessible to the assessing officers. The assessment shall be finalized in the correct classifications after fulfilling requisite formalities relating to importability or other certifications 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 of the Customs Act, 1969 or any other law in vogue therein.

10. *This ruling supersedes Valuation Ruling No.1153/2017, dated 08-05-2017.*


(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. Director General, Audit (Customs & Petroleum), 1st 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 values mentioned in Valuation Ruling No.1153/2017, dated 08-05-2017, from the system on the date of issuance of this ruling.
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
16. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisalment, 1st Floor, Custom House, Karachi.
21. Webmaster Federal Board of Revenue, Islamabad.
22. Guard File