



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
7TH FLOOR, CUSTOM HOUSE, KARACHI

The Collectors of Customs, Collectorates of Customs (Appraisement – West)/ Appraisement – East / Appraisement – Port Muhammad Bin Qasim / Enforcement / JIAP), Karachi / Hyderabad/ (Appraisement/Enforcement), Quetta/Gawadar/ (Appraisement/ Enforcement/ AIIA), Lahore/Appraisement, Faisalabad/ Appraisement, Sambrial (Sialkot)/ Enforcement, Multan/ Islamabad/ Gilgit-Baltistan/ (Appraisement/ Enforcement), Peshawar/ Enforcement, Dera Ismail Khan/Exports (Port Qasim/Custom House, Karachi)/Transit Trade, Karachi.

**DETERMINATION OF CUSTOMS VALUES OF CEREAL FOODS UNDER
SECTION 25A OF THE CUSTOMS ACT, 1969**

(VALUATION RULING NO. 1795 /2023)

C. No. Misc/12/2012-I/748

Dated: 31-07-2023

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

Background of the valuation issue: Earlier, the Customs values of Cereal Foods were determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No.818/2016 dated 03-03-2016. The existing valuation ruling was more than seven (07) years old and the Customs values determined therein were not reflective of prevailing international market. Therefore, an exercise has been undertaken by this Directorate to determine the same.

2. **Stakeholders' participation in determination of Customs values:** Meeting was convened on 31-07-2023 which was attended by the relevant stakeholders. The issues pertaining to the valuation of subject goods were deliberated upon in detail in the afore-referred meeting.

3. **Analysis / Exercise done to determine Customs Values:** Ninety (90) days' clearance data has been retrieved and same has been scrutinized. Subsequently, Market inquiry has been conducted and examined in the light of this Directorate's Office Order No.17/2014 dated 19.03.2014 and in terms of Section 25 (7) read with Section 25 (9) of the Customs Act, 1969.

4. **Method (s) adopted to determine Customs values:** Valuation methods specified in Section 25 of the Customs Act, 1969, were duly applied in their sequential order to arrive at the Customs value of subject goods. The transaction value method as provided in sub-section (1) of Section 25 of the Customs Act, 1969, was found inapplicable due to absence of information as required under sub-section (2) of Section 25 of Customs Act, 1969. Therefore, identical/similar goods value methods provided in Section 25(5) & (6) ibid were examined for applicability to determine Customs value of subject goods. The data provided some reference; however, it was found that the same could not be solely relied upon due to absence



of absolute demonstrable evidences of quantities and qualities and variation in declaration. Information available was, hence, found incomplete. In line with statutory sequential order of Section 25 of the Customs Act, 1969, this Directorate conducted market survey under sub-section (7) of Section 25 of the Customs Act, 1969. Various Retail/Wholesale markets were visited to observe the actual prices of Cereal Foods. On the basis of available data/information collected and exercise conducted, the values of Cereal Foods have been determined under sub-section (7), read with Section 25 (9), of Section 25 of the Customs Act, 1969.

5. **Customs values of Cereal Foods** – Cereal Foods, hereinafter specified, shall be assessed to duty / taxes at the Customs values as per the following table:

S#	Description of Goods	PCT	Proposed PCT for WeBOC	Origin	Customs Values (C&F) in US\$ /kg
(1)	(2)	(3)	(4)	(5)	(6)
1	Cereal Foods (Torto Brand) i) Cereals ii) Corn Flakes	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	Malaysia	2.25
2	Cereal Foods (Weetabix Brand)		1904.1010.1100 1904.1090.1100 1904.2000.1100 1904.3000.1100 1904.9000.1100	UK, USA, Canada, Australia	1.95
3	Cereal Foods (Post Brand)		1904.1010.1200 1904.1090.1200 1904.2000.1200 1904.3000.1200 1904.9000.1200	USA	2.25
4	Cereal Foods (Kellogg's Brand) "Frosties"		1904.1010.1300 1904.1090.1300 1904.2000.1300 1904.3000.1300 1904.9000.1300	UK, USA, EU, Australia	3.15
			1904.1010.1400 1904.1090.1400 1904.2000.1400 1904.3000.1400 1904.9000.1400	Malaysia, Indonesia, Thailand, Philippine	2.65
			1904.1010.1500 1904.1090.1500 1904.2000.1500 1904.3000.1500 1904.9000.1500	Other Origins	2.40
			1904.1010.1600 1904.1090.1600 1904.2000.1600 1904.3000.1600 1904.9000.1600	UK, USA, EU, Australia	2.90
5	Cereal Foods (Kellogg's Brand) "All Bran"				



		1904.1010.1700 1904.1090.1700 1904.2000.1700 1904.3000.1700 1904.9000.1700	Malaysia, Indonesia, Thailand, Philippine	2.30
		1904.1010.1800 1904.1090.1800 1904.2000.1800 1904.3000.1800 1904.9000.1800	Other Origins	2.10
6	Cereal Foods (Kellogg's Brand) "Cocoa Frosties"	1904.1010.1900 1904.1090.1900 1904.2000.1900 1904.3000.1900 1904.9000.1900	UK, USA, EU, Australia	3.80
		1904.1010.2000 1904.1090.2000 1904.2000.2000 1904.3000.2000 1904.9000.2000	Malaysia, Indonesia, Thailand, Philippine	3.20
		1904.1010.2100 1904.1090.2100 1904.2000.2100 1904.3000.2100 1904.9000.2100	Other Origins	2.90
7	Cereal Foods (Kellogg's Brand) "Corn Flakes"	1904.1010.2200 1904.1090.2200 1904.2000.2200 1904.3000.2200 1904.9000.2200	UK, USA, EU, Australia	3.15
		1904.1010.2300 1904.1090.2300 1904.2000.2300 1904.3000.2300 1904.9000.2300	Malaysia, Indonesia, Thailand, Philippine	2.65
		1904.1010.2400 1904.1090.2400 1904.2000.2400 1904.3000.2400 1904.9000.2400	Other Origins	2.40
8	Cereal Foods (Nestle Brand) "Corn Flakes"	1904.1010.2500 1904.1090.2500 1904.2000.2500 1904.3000.2500 1904.9000.2500	UK, USA, EU, Australia	2.85
		1904.1010.2600 1904.1090.2600 1904.2000.2600 1904.3000.2600 1904.9000.2600	Malaysia, Indonesia, Thailand, Philippine	2.25



		1904.1010.2700 1904.1090.2700 1904.2000.2700 1904.3000.2700 1904.9000.2700	Other Origins	2.05
9	Cereal Foods (Nestle Brand) "Koko Krunch"	1904.1010.2800 1904.1090.2800 1904.2000.2800 1904.3000.2800 1904.9000.2800	UK, USA, EU, Australia	3.25
		1904.1010.2900 1904.1090.2900 1904.2000.2900 1904.3000.2900 1904.9000.2900	Malaysia, Indonesia, Thailand, Philippine	2.70
		1904.1010.3000 1904.1090.3000 1904.2000.3000 1904.3000.3000 1904.9000.3000	Other Origins	2.45
10	Cereal Foods (Nestle Brand) "Milo"	1904.1010.3100 1904.1090.3100 1904.2000.3100 1904.3000.3100 1904.9000.3100	UK, USA, EU, Australia	3.25
		1904.1010.3200 1904.1090.3200 1904.2000.3200 1904.3000.3200 1904.9000.3200	Malaysia, Indonesia, Thailand, Philippine	2.70
		1904.1010.3300 1904.1090.3300 1904.2000.3300 1904.3000.3300 1904.9000.3300	Other Origins	2.45
11	Cereal Foods (Other Brands)	1904.1010.3400 1904.1090.3400 1904.2000.3400 1904.3000.3400 1904.9000.3400	UK, USA, EU, Australia	2.35
		1904.1010.3500 1904.1090.3500 1904.2000.3500 1904.3000.3500 1904.9000.3500	Malaysia, Indonesia, Thailand, Philippine	1.95
		1904.1010.3600 1904.1090.3600 1904.2000.3600 1904.3000.3600 1904.9000.3600	Other Origins	1.80

Note: The above-mentioned values shall not be applicable on Cereal Foods if imported by M/s. Nestle Pakistan Limited, Lahore. The Clearance Collectorate shall assess the Products imported by M/s. Nestle Pakistan Limited, Lahore under Section 25 of the Customs Act, 1969.



6. In cases, where declared 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 officers shall take into account the difference between air freight and sea freight while applying the Customs values in this Ruling.

7. **Validity of this Valuation Ruling:** This Ruling, containing the Customs values for assessment of subject imported goods, shall be applicable until and unless the same is rescinded or revised by the competent authority in terms of sub-section (4) of Section 25A of the Customs Act, 1969.

8. **Revision of the values determined vide this Valuation Ruling:** If aggrieved, a revision petition may be filed against this ruling as provided under Section 25D of the Customs Act, 1969, within 30 days from the date of its issuance, before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.

9. The Collectors of Customs may kindly ensure that the values given in this Valuation Ruling are applied by the concerned staff without fail. Any anomaly observed may kindly be brought to the notice of this Directorate immediately. Customs values determined in the Ruling are for the description and specification as mentioned in the table above of this Ruling. PCT 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 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 15 of the Customs Act, 1969 or any other law in vogue therein.

10. ***This Valuation Ruling supersedes the Valuation Ruling No.818/2016 dated 03-03-2016.***



(Fayaz Rasool Maken)
Director

Copy for information to: -

- 1) The Member Customs (Operations), Federal Board of Revenue, Islamabad.
- 2) The Director General, Customs Valuation, Custom House, Karachi.
- 3) The Chief Collector of Customs, Appraisement (South), Custom House, Karachi.
- 4) The Chief Collector of Customs, Enforcement (South), Custom House, Karachi.
- 5) The Chief Collector of Customs, Appraisement (Central), Custom House, Lahore.
- 6) The Chief Collector of Customs, Enforcement (Central), Custom House, Lahore.
- 7) The Chief Collector of Customs (North), Custom House, Islamabad.
- 8) The Chief Collector of Customs, Baluchistan, Custom House, Quetta.
- 9) The Chief Collector of Customs, Khyber Pakhtunkhwa, Custom House, Peshawar.
- 10) The Director General, Intelligence and Investigation (Customs), FBR, Islamabad.
- 11) The Director General, PCA & Internal Audit, Karachi.

- 12) The Director General, IOCO, Karachi
- 13) The Director, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
- 14) The Director, Transit Trade, Custom House Karachi
- 15) The Director, Directorate of Customs Valuation, Lahore/Quetta/Peshawar.
- 16) The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system.
- 17) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 18) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 19) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 20) The Webmaster, Federal Board of Revenue, Islamabad.
- 21) Guard File.

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