

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

DETERMINATION OF CUSTOMS VALUES OF BISCUITS UNDER SECTION 25A OF THE CUSTOMS ACT, 1969

VALUATION RULING NO. 1897 /2024

No. Misc/09/2012-I/

Dated: 05 -07-2024

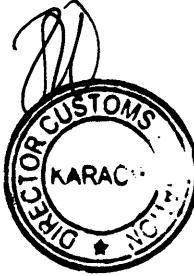
In exercise of the powers conferred under Section 25A of the Customs Act, 1969, the Customs values of Biscuits are determined as follows:

2. **Background of the Valuation issue:** Customs values of Biscuits were earlier determined through Valuation Ruling No. 1062/2017 dated 16-05-2017. The said Valuation Ruling was more than 6 years. Therefore, an exercise has been undertaken by the Directorate to determine the customs values of the subject goods under section 25A of the Customs Act 1969.

3. **Stakeholders' participation in determination of Customs values:** Meeting was convened on 20.03.2024, 23.04.2024 & 22.05.2024 which was attended by all the relevant stakeholders. The issues pertaining to the valuation of subject goods were deliberated upon in detail in the afore-referred meeting.

4. **Analysis / Exercise done to determine Customs Values:** The importers contended that international values of the subject goods as well as their main ingredient i.e., Wheat, have remained at almost the same levels as in the years 2017, therefore minimal, if any, increase in values may be made. Furthermore, ninety (90) days' clearance data has been retrieved and the 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.

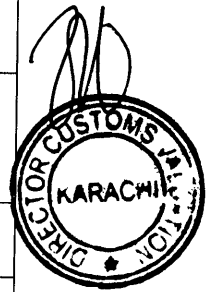
5. **Method (s) adopted to determine Customs values:** Valuation methods specified in Section 25 of the Customs Act, 1969, were duly applied in sequential order to arrive at the



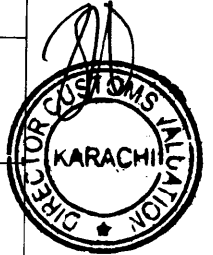
Customs values of subject goods. The transaction value method as provided in sub-section (1) of Section 25 of the Customs Act, 1969, was found inapplicable due to absence of information as required under sub-section (2) of Section 25 of Customs Act, 1969. Therefore, identical/similar goods value methods provided in Section 25(5) & (6) ibid were examined for applicability to determine Customs values of subject goods. However, the same could not be solely relied upon due to absence of absolute demonstrable evidences of quantities and qualities and variation in declarations. Market inquiry as envisaged under sub-section (7) of Section 25 of the Customs Act, 1969 was also conducted but could yield results to some extent because of variation in market prices. In line with statutory sequential order of Section 25, Computed Value Method, as provided in Section 25(8) of the Act was examined, but the same could not be applied as the conversion cost from the constituent materials and allied expenses, in the country of export, were not available for manufacturing of Biscuits. Finally, the Customs Values of the subject goods have been determined under Section 25(9) read with Section 25(7) and Rule 121(2) of Custom Rules, 2001 which provides that the methods of valuation to be employed under sub-section (9) of Section 25 of the Act may be inclusive of those laid down in sub-sections (1), (5), (6), (7), and (8) of the said section, but a reasonable flexibility in the application of such methods would be in conformity with the aims and provisions of sub-section (9) of that Section.

6. **Customs values of Biscuits:** hereinafter specified, shall be assessed to duty / taxes at the Customs values as per following Table:

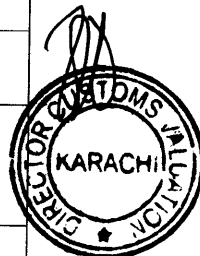
S. No.	Description of Goods	PCT Code	PCT Code for WeBOC	Origin	Customs Values C&F (US\$/kg)
(1)	(2)	(3)	(4)	(5)	(6)
1.	“Walker” Brand Biscuits	1905.3100 1905.9000	1905.3100.1000 1905.9000.1000	U.K.	9.00
2.	“Marks & Spencer” Brand Biscuits	1905.3100 1905.9000	1905.3100.1100 1905.9000.1100	All Origins	7.65
3.	“Oreo” Brand Biscuits	1905.3100 1905.9000	1905.3100.1200 1905.9000.1200	USA / Europe	5.20
			1905.3100.1300 1905.9000.1300	All Origins excluding USA / Europe	5.00
4.	Danish Butter Cookies (all brands, in tin packing)	1905.3100 1905.9000	1905.3100.1400 1905.9000.1400	USA / Europe	5.10
			1905.3100.1500 1905.9000.1500	All Origins excluding USA / Europe	4.10



5.	Danisa Butter Cookies (all brands, in tin packing)	1905.3100 1905.9000	1905.3100.1600 1905.9000.1600	USA / Europe	4.85
			1905.3100.1700 1905.9000.1700	All Origins excluding USA / Europe	3.85
6.	Danisa Butter Cookies (all brands, without tin packing)	1905.3100 1905.9000	1905.3100.1800 1905.9000.1800	USA / Europe	4.35
			1905.3100.1900 1905.9000.1900	All Origins excluding USA / Europe	3.45
7.	Plain Biscuits Parle-G & Britannia Brand	1905.3100 1905.9000	1905.3100.2000 1905.9000.2000	All Origins	2.40
8.	Plain Biscuits Nutro, Julies, Jack & Jill, Zuka Hollanda, Eterna, Bissin, Kalsen As Bisca, Tiffany, Danisa, Torto, Deemah, Hawatai, Munchys, Maliban, Mayora Dophin, K. Roger, Glenda, Amara, Amulya, Cofee Joy, Astor, Kokola, Kaer's, K. Harrodson,	1905.3100 1905.9000	1905.3100.2100 1905.9000.2100	All Origins	2.20
9.	Plain Biscuits Gullon Brand	1905.3100 1905.9000	1905.3100.2200 1905.9000.2200	Europe	2.80
10.	Plain Biscuits Other Brands	1905.3100 1905.9000	1905.3100.2300 1905.9000.2300	All Origins excluding USA / Europe	2.60
			1905.3100.2400 1905.9000.2400	USA / Europe	3.65
11.	Cream Biscuits Parle-G & Britannia Brand	1905.3100 1905.9000	1905.3100.2500 1905.9000.2500	All Origins	2.50
12.	Cream Biscuits Nutro, Julies, Jack & Jill, Zuka Hollanda, Eterna, Bissin, Kalsen As Bisca, Tiffany,	1905.3100 1905.9000	1905.3100.2600 1905.9000.2600	All Origins	2.40



	Danisa, Torto, Deemah, Hawatai, Munchys, Maliban, Mayora Dophin, K. Roger, Glenda, Amara, Amulya, Cofee Joy, Astor, Kokola.				
13.	Cream Biscuits Gullon Brand	1905.3100 1905.9000	1905.3100.2700 1905.9000.2700	Europe	3.00
14.	Cream Biscuits Other Brands	1905.3100 1905.9000	1905.3100.2800 1905.9000.2800	All Origins excluding USA / Europe	2.80
			1905.3100.2900 1905.9000.2900	USA / Europe	3.90
15.	Wafer Biscuits / Sticks Parle-G & Britannia Brand	1905.3200	1905.3200.1000	All Origins	2.35
16.	Wafer Biscuits / Sticks Nutro, Julies, Jack & Jill, Zuka Hollanda, Eterna, Bissin, Kalsen As Bisca, Tiffany, Danisa, Torto, Deemah, Hawatai, Munchys, Maliban, Mayora Dophin, K. Roger, Glenda, Amara, Amulya, Cofee Joy, Astor, Kokola	1905.3200	1905.3200.1100	All Origins	2.15
17.	Wafer Biscuits / Sticks Gullon Brand	1905.3200	1905.3200.1200	Europe	2.70
18.	Wafer Biscuits / Sticks Other Brands	1905.3200	1905.3200.1300	All Origins excluding USA / Europe	2.50
			1905.3200.1400	USA / Europe	3.65
<p><i>Note: The clearance Collectorate are advised to ensure assessment as per the values mentioned in the table above and to avoid assessment of biscuits in generalized term as "assorted biscuits" where values of brands have been specifically mentioned in this Ruling.</i></p>					



7. In cases where declared / Transaction values are higher than the Customs value determined in this Ruling, the assessing officer shall apply those values in terms of Sub-Section (1) of Section 25 read with first proviso of sub-section (2) of section 25A 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.

8. **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 are rescinded or revised by the competent authority in terms of sub-section (4) of Section 25A of the Customs Act, 1969.

9. **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.

10. 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 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 Ruling supersedes the Valuation Ruling No.1162/2017 dated 16-05-2017.



**(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, Appraisalment (South), Custom House, Karachi.
- 4) The Chief Collector of Customs, Enforcement (South), Custom House, Karachi.
- 5) The Chief Collector of Customs, Appraisalment (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.