

Valuation of Imported Goods Rules, 2007

Rule
4

AV = TV of
Identical
Goods (IG)

IG = Same
Physical Features,
Same Reputation,
Same Quality,
Same Country

Rule
5

AV = TV of
Similar Goods
(SG)

SG = Need not be
same Features,
but commercially
Interchangeable in
terms of use.

To take IG / SG Value the following conditions to be satisfied -

1. No Provisional Assessment value
2. At or about same time
3. Same Commercial Level
4. 10(2) Adjustment
5. Lowest of TV to be taken

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Valuation of Imported Goods

Rule
7

AV = Deductive
Value of IG/SG

If IG/SG upto 90
days before /
after can be taken

Rule
8

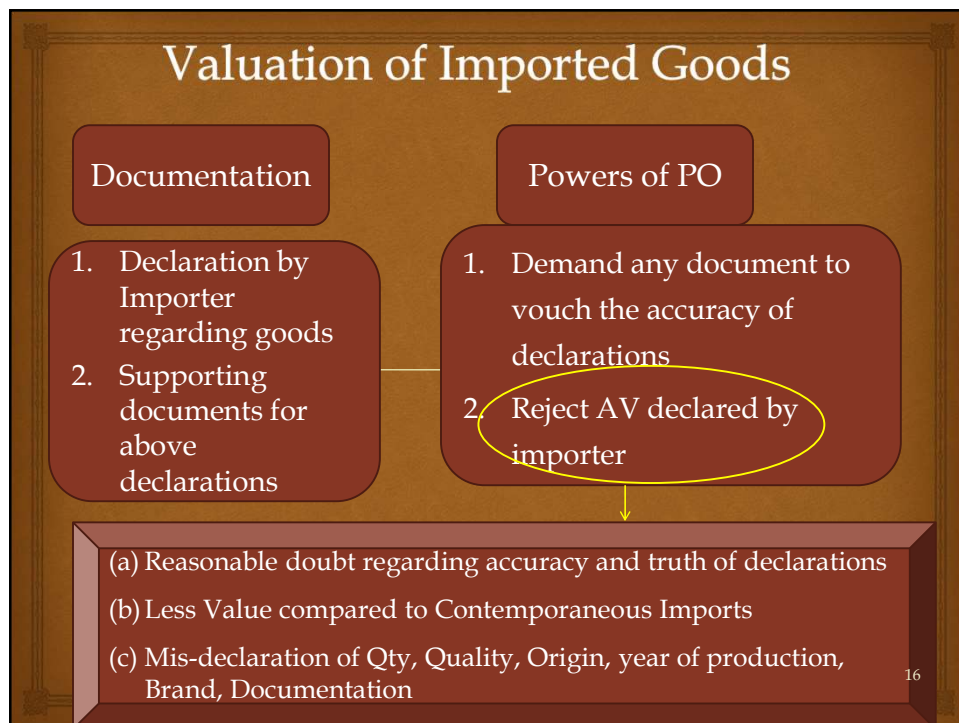
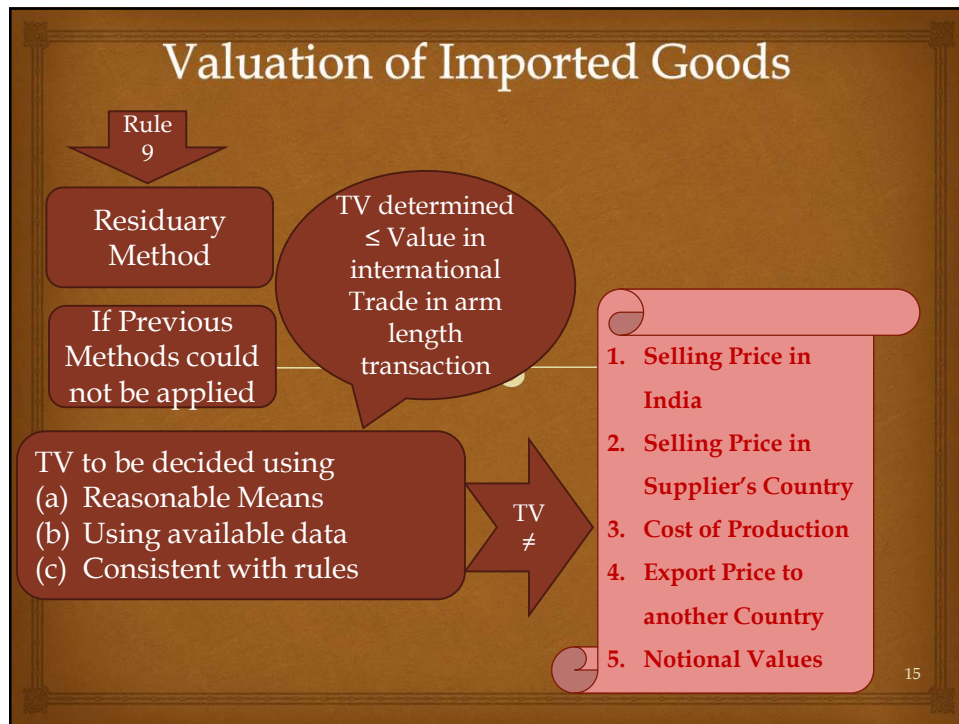
AV =
Computed
Value of IG/SG

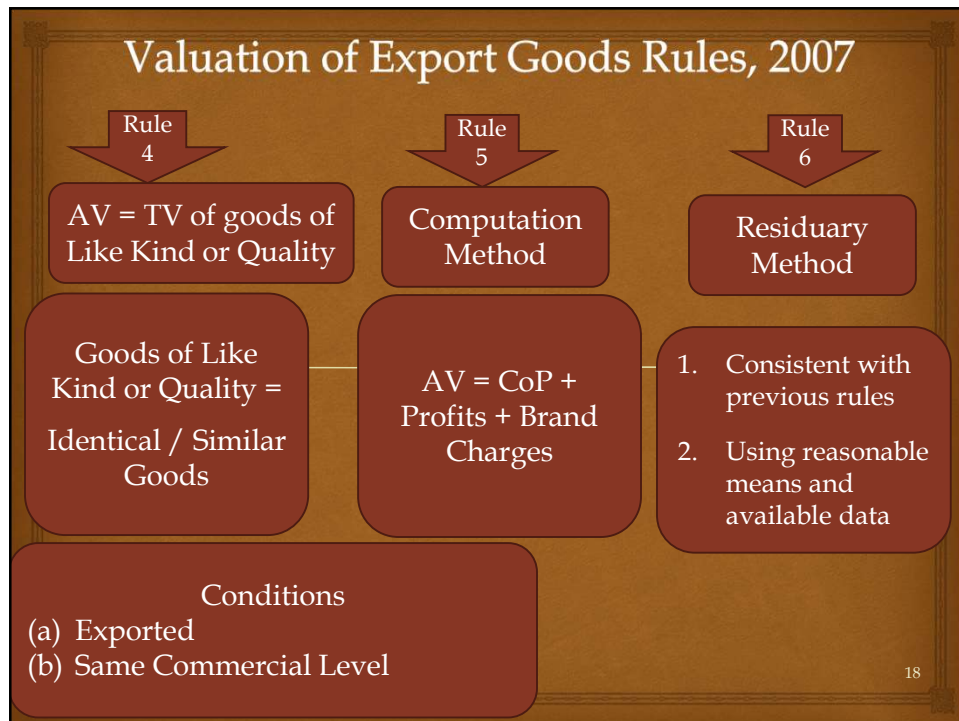
Particulars	Rs.
NTV of IG / SG in India	
Less: Processing Expenses / Commission / Transportation / Other Expenses in India	
Less: Customs Duties	
Less: Profits Margin	
Assessable Value	

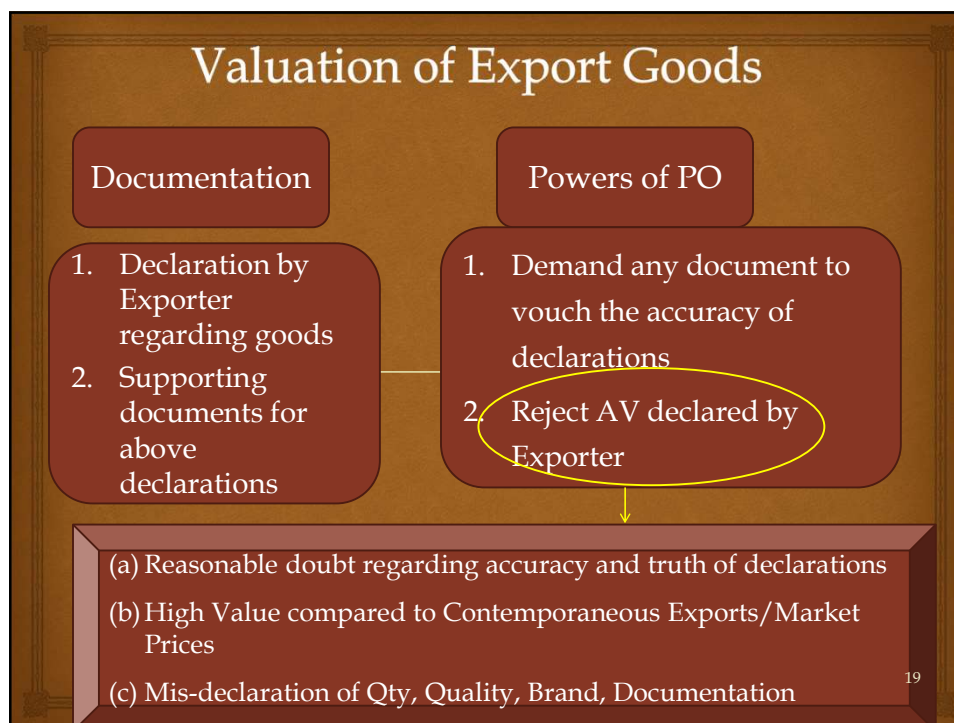
Particulars	Rs.
Cost of RM used	
Add: Cost of Production	
Add: Cost of Sales	
Add: Normal GP of Foreign Supplier	
Add: Additions u/r 10(2)	

Rule 7 and 8 can be interchanged at the option of the Assessee - Rule 6

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12. Foreign Trade International Ltd. has imported one machine from England. It has given the following particulars:

Price of machine	16,000 GBP
Freight paid (air)	5,000 GBP
Design and development charges paid in UK	1,000 GBP
Commission payable to local agent of exporter @ 4% of price of machine, in Indian Rupees	
Date of bill of entry	24.10.20XX
Rate BCD 10%; Exchange rate as notified by CBIC Rs. 102 per GBP	
Date of arrival of aircraft	20.10.20XX
Rate of BCD 20%; Exchange Rate as notified by CBIC Rs. 95 per GBP	
Integrated tax leviable under section 3(7) of the Customs Tariff Act, 1975 is 12%	
Insurance charges have been actually paid but details are not available.	

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