



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

The Collectors of Customs, Model Customs Collectorates, Appraisement (East / West) / Port Muhammad Bin Qasim / Preventive, Karachi / Lahore (Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad /Hyderabad/ Quetta / Peshawar/ Gawadar/ Gilgit-Baltistan.

DETERMINATION OF CUSTOMS VALUES OF MILK POWDER
(H.S.CODE NO.0402.1000, 1902.9020, 1902.9090)
UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO. 696/2014)

No.Misc/28/2007-1

Dated: October 01, 2014

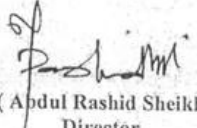
In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Skimmed Milk Powder are determined as follows :-

- 1. Background of the valuation issue:** A reference No.3(15)S.Val Audit/2013 (4) SMP, dated 10-04S-2014 was received from Federal Board of Revenue Islamabad, along with a letter from M/s, Louis Dreyfus Commodities, Australia dated 27-03-2014 regarding fluctuation in the international of Skimmed Milk Powder. Accordingly, an exercise to re-determine the Customs Values of the subject goods was initiated keeping in view the current International prices.
- 2. Method adopted to determine Customs values:** The Valuation methods given in Section 25 of the Customs Act, 1969 were followed. Transaction value method under Sub-Section (1) was found inapplicable because the requisite information was not available. Identical/similar goods value methods provided in Sub-Sections (5) & (6) of Section 25 of the Customs Act, 1969 were found inapplicable because of non-availability of sufficient information particularly the quality of goods. Deductive Value Method under Sub-Section (7) read with Sub-Section (9) of Section 25 of the Customs Act, 1969, was however, applied to arrive at the assessable Customs values.
- 3. Stakeholders' participation in determination of Customs values:** Meetings were held with importers, representative of FPCCI, KCCI etc. on 07-08-2014, 11-08-2014 and 27-08-2014 and written contentions dated 10-09-2014 and 12-09-2014 forwarded by the importers were scrutinized.
- 4. Customs values for Skimmed Milk Powder :** Skimmed milk powder *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)
01.	Skimmed Milk Powder.	0402.1000	0402.1000.1000	New Zealand and Australia	US\$ 4.00/Kg
		0402.1000	0402.1000.1100	West Europe	US\$ 3.00/Kg
		0402.1000	0402.1000.1200	Iran	US\$ 2.20/Kg
		0402.1000	0402.1000.1300	Other origins	US\$ 2.75/Kg
02.	Instant Milk Powder with vegetable fat	1902.9020	1902.9020.1000	All origins	US\$ 2.00/Kg
		1902.9090	1902.9090.1100		



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. 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. **Review of the value determined vide this Valuation Ruling:** A review 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, 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.
9. *This Ruling supersedes Valuation Ruling No. 440 dated 14-03-2012 and valuation Ruling No. 599/2013 dated 24-10-2013 with respect to Skimmed milk powder as amended from time to time.*


(Abdul Rashid Sheikh)
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), Islamabad.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta Peshawar/ Faisalabad.
12. The Project Director, WeBOC, 11th Floor, Custom House, Karachi.
13. Director, Directorate of Customs Valuation (Camp Office), Lahore.
14. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database on the date of issue of this Ruling.
15. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
16. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
17. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
19. Karachi Customs Agents Group, Bohri Road, Karachi.
20. CHO, Customs Valuation, Custom House, Karachi.
21. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisalment, 151st floor, Custom House, Karachi.
22. Guard File.