



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

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

Determination of Customs Values of Medicines / Medicaments in Packing for Retail Sale Under Section 25-A of the Customs Act, 1969.

No. Misc/11/2017-II

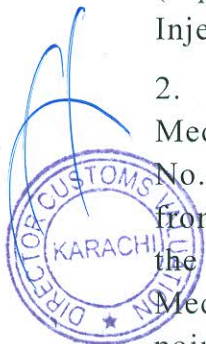
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(VALUATION RULING NO. / 2018)

Dated: April 24, 2018

In exercise of powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Medicines / Medicaments i.e. Water for Injection 5ml B.P, Aminophyllin Injection 10ml/250mg, Calcium Gluconate Injection 1gram BP 10%, Fostomycin Syrup 250mg (Suspension 60ml), Metoclopramide Injection B.P 10mg/2ml, Kanamycin Sulphate Injection 1gram, Streptomycin Sulphate for Injection (Equivalent to 1gram Steptomycin Base) and Vitamin AD3 Injection 1ml (D3 Injection) are determined as follows:

2. **Background of the Valuation Issue:** Earlier the Customs values of the Medicines / Medicaments of various types were determined vide Valuation Ruling No.1238/2018 dated 03.01.2018. Subsequently, several representations were received from importers to determine the applicable customs values afresh in accordance with the trend of values in the international market and to include some more Medicines / Medicaments being regularly imported with wide variation in declared prices. They pointed out Water for Injection 5ml B.P, Aminophyllin Injection 10ml/250mg, Calcium Gluconate Injection 1gram BP 10%, Fostomycin Syrup 250mg (Suspension 60ml), Metoclopramide Injection B.P 10mg/2ml, Kanamycin Sulphate Injection 1gram, Streptomycin Sulphate for Injection (Equivalent to 1gram Steptomycin Base) and Vitamin AD3 Injection 1ml (D3 Injection) for inclusion in valuation ruling issued under Section 25-A of the Customs Act 1969, for uniform assessment. Keeping in view the prevailing prices of the subject items, this Directorate General initiated an exercise for determination of the Customs values of the subject items in terms of Section 25-A of the Customs Act, 1969.


3. **Stakeholders Participation in Determination of Customs Values:** Meetings with all the stakeholders including importers and representatives from clearance Collectorates was held on 18-04-2018 to discuss the current international prices of the subject items. A number of importers present during the stakeholders meetings argued



that besides items covered under the existing valuation ruling, there are certain other medicines which are required to be brought under the regime of valuation ruling to curb the menace of under invoicing. They supported their submissions with documentary evidences. They also contended that certain unscrupulous elements are using generic names to avoid application of Ruling to their imports and requested to mention generic names of these medicaments as well. The viewpoint of all participants was heard in detail and considered to arrive at Customs values of medicines and injections of aforementioned types.

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 at import stage. Identical/Similar Goods Value Methods provided in Section 25(5) & (6) 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 variation in declared values of subject goods. Thereafter, market enquiries as envisaged under section 25(7) of the Customs Act, 1969, were conducted. All the information so gathered was evaluated and analyzed for the purpose of determination of Customs values. Consequently, the Customs values of medicines / Medicaments of given types including weight of retail packing have been determined under Section 25(7) of the Customs Act, 1969.

5. **Customs values** of medicines / Medicaments *hereinafter specified* shall be assessed to duty / taxes at the following Customs Values:



S. No.	Description	H.S. Code	Proposed PCT for WeBOC	Origin	Customs Values (C&F) (including retail packing) USS/Kg
1	2	3	4	5	6
1	Benzyl Penicillin Sodium Injection 1000000 I.U.	3004.1090	3004.1090.1000	China	2.75
2	Procaine Penicillin Injection 4000000 I.U. (for Veterinary use)	3004.1090	3004.1090.1100	China	4.70
3	Ampicillin Sodium Injection 500mg	3004.1090	3004.1090.1200	China	3.12
4	Lincomycin Hydrochloride Injection 600mg/2ml	3004.2000	3004.2000.1000	China	10.50
5	Metronidazole Injection (0.5%W/V) 500mg/100ml	3004.2000	3004.2000.1100	China	0.85

