DETERMINATION OF CUSTOMS VALUES OF MELAMINE POWDER (99.8%)
(H.S. CODE NO. 2933.6100) UNDER SECTION 25-A OF THE
CUSTOMS ACT, 1969.

(VALUATION RULING NO. 699 / 2014)

No. Misc/19/2014-II \[7805\] Dated: November 17, 2014

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

1. Background of the valuation issue: A reference No.SI/Misc/105/2014-II (WebOC) dated
27-08-2014 was received from MCC Appraisement-West, Karachi enclosing therewith a
letter of Pakistan Chemicals and Dyes Manufacturers Association requesting for valuation
of Melamine Powder (99.8%) under Section 25A of the Customs Act, 1969. Accordingly, an
exercise to determine the customs value of the subject goods was initiated.

2. Method adopted to determine Customs values: Valuation methods given in Section 25 of
the Customs Act, 1969 were applied sequentially to address the valuation issue at hand.
Transaction Value Method under Sub-Section (1) of Section 25 of the Act ibid was found
inapplicable because required information under the law was not available. Identical and Similar
Goods valuation methods provided in Sub-Sections (5) and (6) of Section 25 of the Customs Act,
1969 provided some reference values but due to wide variations and suppressed declarations the
same could not be relied upon. In the sequential order this office then resorted to conduct a market
inquiry in terms of Sub-Section (7) of Section 25 of the Customs Act, 1969. Sub section (9) of
Section 25 of the Customs Act, 1969 was however, applied to arrive at assessable customs
values.

3. Stakeholders’ participation in determination of Customs values: Meeting was held
with the stakeholders on 13-11-2014 and written contentions forwarded by them were
scrutinized.

4. Customs values for Melamine : Melamine hereinafter specified shall be assessed to
duty/taxes at the following Customs values:

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Description of goods</th>
<th>PCT Code</th>
<th>Proposed PCT for WebOC</th>
<th>Origin</th>
<th>Customs Values (C&amp;F) US$ per Kg</th>
</tr>
</thead>
<tbody>
<tr>
<td>01.</td>
<td>Melamine Powder (99.8%)</td>
<td>2933.6100</td>
<td>2933.6100.1000</td>
<td>All origins</td>
<td>1.025 US$</td>
</tr>
</tbody>
</table>
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.

[Signature]

(Abdul Rashid Sheikh)

Director

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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 (Appraisal), 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, Maq-e-Darya Road, Lahore.
9. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General Internal Audit, (Customs), Islamabad.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta
    Peshawar / Quetta / 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.
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, Bahri Road, Karachi.
20. CHO, Customs Valuation, Custom House, Karachi.
22. Guard File.