



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. 108 /2015)

No.Misc/28/2007-I

Dated: January 23, 2015

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

- Background of the valuation issue:** As per orders of the Director General, Customs Valuation, issued in order in revision No. 74/2015 against Valuation Ruling No. 696 dated 01-10-2014 and further in the light of representations made by New Zealand Embassy (Tehran), Australian Trade Commission and importers regarding receding prices in the international market of Skimmed Milk Powder and wide differences on account of origins. Accordingly, an exercise to re-determine the Customs values of the subject goods was initiated.
- 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 sufficient and reliable information was not available. Consequently, market survey as provided under Section 25(7) of the Customs Act, 1969, was conducted. However, requisite information could not be gathered for all types of origins. Input / feedback from different stakeholders was also gathered during the stakeholders meetings. After evaluating and analyzing information gathered from the above, Customs values were determined under Section 25(9) of the Customs Act, 1969.
- Stakeholders' participation in determination of Customs values:** Meetings were held with different stakeholders including importers, manufacturers of dairy products, representatives of FPCCI, KCCI, Australian Trade Commission and New Zealand High Commission, their written as well as verbal contentions were taken into account for determination of Customs values on 22-01-2015.
- Customs values for Milk Powder :** Skimmed milk powder and instant milk powder with vegetable fat *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) US\$ per Kg
(1)	(2)	(3)	(4)	(5)	(6)
01.	Skimmed Milk Powder (In Bulk Packing)	0402.1000	0402.1000.1000	New Zealand, Australia, West Europe, Canada and USA	US\$ 2.60/Kg
		0402.1000	0402.1000.1100	Iran	US\$ 2.00/Kg
		0402.1000	0402.1000.1200	Other origins	US\$ 2.50/Kg
02.	Skimmed Milk Powder (In Retail Packing Upto 5Kgs/Pack).	0402.1000	0402.1000.1300	New Zealand, Australia, West Europe, Canada and USA	US\$ 2.85/Kg
		0402.1000	0402.1000.1400	Iran	US\$ 2.25/Kg
		0402.1000	0402.1000.1500	Other origins	US\$ 2.75/Kg

03.	Instant Milk Powder with vegetable fat (In Bulk Packing)	1901.9020 1901.9090	1901.9020.1000 1901.9090.1000	All origins	US\$ 1.80/Kg
04.	Instant Milk Powder with vegetable fat (In Retail Packing Upto 5Kgs/Pack).	1901.9020 1901.9090	1901.9020.1100 1901.9090.1100	All origins	US\$ 2.08/Kg

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. **Revision of the value determined vide this Valuation Ruling:** A revision 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 of this ruling, 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.696 dated 01-10-2014 with respect to Skimmed milk powder and Instant Milk Powder with vegetable fat 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 (Appraisement), 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, Manj-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/ 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 and deleting the Valuation Ruling No.696 dated 01-10-2014 with respect to Skimmed milk powder and Instant Milk Powder with vegetable fat as amended from time to time 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. C/No, Customs Valuation, Custom House, Karachi.
21. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisement, 121 floor, Custom House, Karachi.
22. Grant File.