



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

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

Determination of Customs Values of Food Supplements/ Multivitamins/ Mineral Supplements and Whey Protein Under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. 1375 /2019)

No. Misc/10/2016-I

Dated: May 24, 2019

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Food Supplements/ Multivitamins/ Mineral Supplements and Whey Protein are determined as follows:

2. **Background of the Valuation Issue:** It was brought to the notice of this Directorate General that the declaration of values of Food Supplements/ Multivitamins/ Mineral Supplements and Whey Protein varied considerably and do not correctly reflect values of the items as traded in the international market. Verifications by this Directorate General re-affirmed the stance that the subject items were being assessed at different values and certain transactions were on very low side. References were also received from the collectorates to issue valuation ruling of these items to ensure uniform applicability across the country. Keeping in view the above stated facts, this Directorate General initiated an exercise for the determination of customs values of Food Supplements/ Multivitamins/ Mineral Supplements and Whey Protein in terms of Section 25-A of the Customs Act, 1969.

3. **Stakeholders' Participation in Determination of Customs Values:** Several meetings with the stakeholders, including importers and representatives from field formations were held in this Directorate General to discuss the current international prices of the subject goods. The importers / stakeholders were requested to submit the following documents before or during the course of stakeholders meetings so that customs values could be determined:

- i. Invoices of imports during last three months showing customs value.
- ii. Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- iii. Copies of Contracts made / LCs opened during the last three months showing the value of item in question,
- iv. Copies of Sales Tax Invoices issued during last four months showing the difference in price (excluding duty and taxes) to substantiate their contentions.

4. During the meetings the importers contended that the actual value of subject goods is much lower than the Data Base Values issued, which has promoted the trade of these goods through illegal channels. They pointed out that the costs of selling have not been correctly accounted for in VDBs and requested that to determine the veracity of their stance fresh market



surveys be conducted. They further contended that all the allied expenses were not accounted for while issuing the Data Base Values which may be considered now. The view point of all participants was heard in detail and considered to arrive at Customs value for subject goods.

5. **Method adopted to determine Customs values:** Valuation methods provided in Section 25 of the Customs Act, 1969 were duly applied in their sequential order to arrive at customs values of subject goods. The transaction value method as provided in Sub-Section (1) of Section 25 of the Customs Act, 1969 was found inapplicable due to wide variations in the declared values. Hence requisite information required under law was not available to arrive at the correct transaction values. Therefore, identical / similar goods value methods as provided in Sub-Sections (5) & (6) of Section 25 ibid were examined for applicability to the valuation issue in the instant case but due to wide variations in declarations, the said valuation methods could not be exclusively relied on. In line with the statutory sequential order of Section 25, this office conducted market inquiries under Sub-Section (7) of Section 25 of the Customs Act, 1969. As there were certain differences in prices in different markets therefore, a number of surveys were conducted to arrive at customs values. Resultantly, Customs values of Food Supplements/ Multivitamins/ Mineral Supplements and Whey Protein have been determined under section 25(7) of the Customs Act, 1969 accordingly.

6. **Customs Values for Food Supplements/ Multivitamins/ Mineral Supplements and Whey Protein:** Food Supplements/ Multivitamins/ Mineral Supplements and Whey Protein *hereinafter specified* shall be assessed to duty / taxes at the following Customs Values:

S. No.	Description of goods	H.S. Code	Proposed PCT for WEOC	Origin	Customs Values (C&F) USS/KG
(1)	(2)	(3)	(4)	(5)	(6)
1.	Whey Protein Elite	2106.9090	2106.9090.1000	All origin	7.00
2.	Whey Protein Nitro Tec	2106.9090	2106.9090.1100	All origin	7.30
3.	Whey Protein Optimum Nutrition	2106.9090	2106.9090.1200	All origin	8.60
4.	Mass Gain Optimum Nutrition	2106.9090	2106.9090.1300	All origin	4.50
5.	100% Whey Protein GNC	2106.9090	2106.9090.1400	All origin	7.00
6.	Gold Slandered 100% Whey Optimum Nutrition	2106.9090	2106.9090.1500	All origin	7.10
7.	Whey Protein, Other Brands	2106.9090	2106.9090.1600	All origin	7.30
8.	Caltarate Tablets D3 Supplement 600+D3.	2106.9090	2106.9090.1700	All origin	29.37



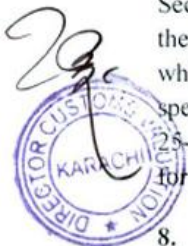
9.	Caltarate Calcium & Vitamin D3 Supplement	2106.9090	2106.9090.1800	All origin	30.27
10.	Centrum Silver Men 50+Supplement	2106.9090	2106.9090.1900	All origin	28.00
11.	Centrum Silver Adults 50+Supplement	2106.9090	2106.9090.2000	All origin	32.30
12.	Centrum Silver Women 50+Supplement	2106.9090	2106.9090.2100	All origin	28.00
13.	Centrum Men Multivitamin/Mineral Supplement	2106.9090	2106.9090.2200	All origin	23.80
14.	Centrum Women Multivitamin/Mineral Supplement	2106.9090	2106.9090.2300	All origin	23.80
15.	Vivioptal Softgels Multivitamin & Mineral	2106.9090	2106.9090.2400	All origin	27.48
16.	Vivioptal Capsule Multivitamin & Mineral	2106.9090	2106.9090.2500	All origin	31.35

7. 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. In case imported items do not specifically fall under any of above mentioned brands, the same may be assessed under Section 25-A, otherwise if appropriate the same may be referred to Directorate of Customs Valuation for necessary action at their end.

8. **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. In case imported items are not specifically fall under any of above mentioned brands, the same may be assessed under Section 25-A, otherwise if appropriate the same may be referred to Directorate of Customs Valuation for necessary action at their end.

9. **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.

10. 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. Customs values determined in the ruling are for the description and specification as mentioned herein. PCT Codes are mentioned for illustrative purpose so that valuation ruling values are made accessible to the assessing officer. The assessment shall be finalized on the basis of correct



classification after fulfilling requisite formalities related to importability or any other certification required thereon. In addition to this, it is further necessary to verify that there is no mis-declaration of any sort or violation of Import Policy Order or Section 15 of the Customs Act, 1969 or any other law in vogue therein.


(Shafique Ahmad Latki)
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 (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. Chief Collector of Customs (Quetta).
8. Director General, Intelligence and Investigation-FBR, Islamabad.
9. Director General, Audit (Customs & Petroleum), 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
10. Director General, Post Clearance Audit (PCA), Islamabad.
11. Director General, Internal Audit (Customs), Karachi.
12. The Director General, IOCO, 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 system.
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, Appraisal, 1st Floor, Custom House, Karachi.
22. Webmaster Federal Board of Revenue, Islamabad.
23. Guard File.