



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS (VALUATION)
7TH FLOOR, CUSTOM HOUSE, KARACHI

The Collectors of Customs, Collectorates of Customs (Appraisalment – West) / Appraisalment – East/ Appraisalment – Port Muhammad Bin Qasim/ Enforcement/JIAP), Karachi / Hyderabad/ (Appraisalment/Enforcement), Quetta/Gawadar/ (Appraisalment/Enforcement/AIIA), Lahore/ Appraisalment, Faisalabad/ Appraisalment, Sambrial (Sialkot)/ Enforcement, Multan / Islamabad / Gilgit-Baltistan / (Appraisalment/Enforcement), Peshawar/ Enforcement, Dera Ismail Khan/ Exports (Port Qasim/Custom House, Karachi)/ Transit Trade, Karachi.

DETERMINATION OF CUSTOMS VALUES OF WHEY POWDER AND PERMEATE WHEY POWDER UNDER SECTION 25A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO. 1740 / 2023)

No. Misc/18/2010-I/ 1120

Dated: 31 -01- 2023

In exercise of the powers conferred under Section 25A of the Customs Act, 1969, the Customs values of Whey Powder and Permeate Whey Powder are determined as follows:

Background of the valuation issue: Earlier, the Customs values of Whey Powder and Permeate Whey Powder were determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No. 1217/2017 dated 12-10-2017. The existing valuation ruling was more than five (05) years old and the Customs value determined therein were not reflective of prevailing international market. Therefore, an exercise has been undertaken by this Directorate to re-determine the same.

2. Stakeholders' participation in determination of Customs values: Meeting was convened on 18.01.2023 which was attended by all the relevant stakeholders. The issues pertaining to the valuation of subject goods were deliberated upon in detail in the afore-referred meeting. It was observed that the de-mineralized whey powder was mostly imported by industrial units for their own consumption. Therefore, it was decided that de-mineralized whey powder be excluded from the purview of the valuation and its assessment would be done, under Section 25 of the Customs Act 1969, by the clearance Collectorates.

3. Analysis / Exercise done to determine Customs Values: Ninety (90) days' clearance data has been retrieved and same has been scrutinized. Subsequently, Market inquiry has been conducted and examined in the light of this Directorate's Office Order No.17/2014 dated 19.03.2014 and in terms of Section 25 (7) read with Section 25 (9) of the Customs Act, 1969.

4. Method (s) adopted to determine Customs values: Valuation methods specified in Section 25 of the Customs Act, 1969, were duly applied in their sequential order to arrive at the Customs value 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 absence of information as



required under sub-section (2) of Section 25 of Customs Act, 1969. Therefore, identical/similar goods value methods provided in Section 25(5) & (6) ibid were examined for applicability to determine Customs value of subject goods. The data provided some reference; however, it was found that the same could not be solely relied upon due to absence of absolute demonstrable evidences of quantities and qualities and variation in declaration. Information available was, hence, found incomplete. In line with statutory sequential order of Section 25 of the Customs Act, 1969, this Directorate conducted market survey under sub-section (7) of Section 25 of the Customs Act, 1969. Various Retail/Wholesale markets were visited to observe the actual prices of Whey Powder and Permeate Whey Powder. On the basis of available data/information collected and exercise conducted, the values of Whey Powder and Permeate Whey Powder have been determined under sub-section (7), read with Section 25 (9), of Section 25 of the Customs Act, 1969.

5. Customs values of Whey Powder and Permeate Whey Powder: Whey Powder and Permeate Whey Powder, hereinafter specified, shall be assessed to duty / taxes at the Customs values as per following Table:

Sr. No.	Description of Goods	PCT Code	Proposed PCT for WeBOC	Origin	Customs Values C&F (US\$/Kg) Net Weight
(1)	(2)	(3)	(4)	(5)	(6)
1	Whey Powder	0404.1010	0404.1010.1100	USA	0.90
2			0404.1010.1200	Uruguay/ Argentina	0.70
3			0404.1010.1300	Turkey	0.70
4			0404.1010.1400	Poland	0.725
5			0404.1010.1500	Ukraine	0.71
6			0404.1010.1600	China	0.66
7			0404.1010.1700	Czech Republic	0.70
8			0404.1010.1800	Switzerland	0.78
9			0404.1010.1900	France	1.20
10			0404.1010.2000	Iran (via Sea route)	0.59
11			0404.1010.2100	Iran (via Land route)	0.57
12	Permeate Whey Powder	0404.1010	0404.1010.2200	Iran (via Sea route)	0.44
13			0404.1010.2300	Iran (via Land route)	0.42

