



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

RULING U/S 25-A NO. 284

No.Misc/19/2010-II

Dated 23-12-2010

Note :

- i) The customs value determined under this Valuation Ruling shall be applicable customs value for assessment of the relevant goods until and unless revised or rescinded by the competent authority.
- ii) Review application against this valuation ruling may be filed before the Director-General of Valuation under Section 25D of the Customs Act, 1969, within thirty days from the date of determination of customs value under this ruling.

The Collectors of Customs, Model Customs Collectorates (Appraisement/ PaCCS/ Port Qasim/ Preventive), Karachi/ Lahore/ Sambrial (Sialkot)/ Faisalabad/ Multan/ Islamabad/ Hyderabad/ Quetta/ Peshawar.

Subject : DETERMINATION OF VALUES OF MONOSODIUM GLUTAMATE (AJINOMOTO) UNDER SECTION 25A OF THE CUSTOMS ACT, 1969.

On a complaint received from Federal Board of Revenue, Islamabad, vide C.No.3(113)S(Val.&Audit)2010, dated 25-08-2010 made by Khawaja Tariq regarding massive under invoicing in the import of Monosodium Glutamate "Ajinomoto" brand, exercise for the determination of fair customs value of goods was undertaken.

2. Meetings with all stakeholders were convened on 05-10-2010 and 19-10-2010 which were attended by both importers and local manufacturers. During the meeting it was observed that value of Monosodium Glutamate of Ajinomoto brand is on much higher side than same goods of other brands because of huge brand premium for reputation of Ajinomoto brand which is originally a Japanese brand. The import data also indicates and supports this fact. The issue of price differential between bulk and retail packing, due to packaging cost, was also examined. Importers were of the view that this differential ranges from US\$ 150/MT to US\$ 200/MT.

3. Keeping in view import data and input obtained from stakeholders, following values for Monosodium Glutamate "Ajinomoto" as well as other brands have been arrived at in terms of Section 25(5) read with Section 25(9) of the Customs Act, 1969 :-

| S.No | P.C.T | DESCRIPTION OF GOODS. | ORIGIN | Determined Values (US\$ / Kg) | |
|------|-----------|---|-------------|-------------------------------|----------------|
| | | | | Bulk Packing | Retail Packing |
| (1) | (2) | (3) | (4) | (5) | (6) |
| 01. | 2922.4210 | Monosodium Glutamate (a) "Ajinomoto" | All origins | US\$ 1.70/Kg. | US\$ 1.90/Kg |
| | | (b) Other brands | | US\$ 0.95/Kg. | US\$ 1.15/Kg. |

3. Aforesaid values have been determined under Section 25A of the Customs Act, 1969. All the Clearance Collectorates are advised to assess the goods as per the above Customs Values. These values shall remain valid until revised. However, in the event of invoice / declared value being higher than the determined one, the higher value shall be applied for assessment purpose.

(MUHAMMAD IBRAHIM VIGHIO)
DIRECTOR

Copy for information to :-

1. S.A to Chairman, Federal Board of Revenue, Islamabad.
2. Member (Customs), Federal Board of Revenue, Islamabad.
3. Chief Collectors of Customs (North/South), Lahore/Karachi.
4. The Director General of Intelligence Investigation, Islamabad.
5. The Director General of Customs Valuation, Karachi.
6. The Director General of Post Clearance Audit, Islamabad.
7. The Directors of Intelligence Investigation, Karachi/ Lahore/ Islamabad.
8. The Deputy Director (Hqrs.), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & PaCCS database on the date of issue of this ruling.
9. Chairman, Valuation Committee (FPCC&I), Federation House, Clifton, Karachi.
10. Chairman, Valuation Committee, KCC&I, Aiwan-e-Tijarat Road, Karachi.
11. Pakistan Chemicals & Dyes Merchants Association (PCDMA), Karachi.
12. Karachi Customs Agents Group (KCAG), Bohri Road, Karachi
13. Guard File.