



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

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

Determination of Customs Values of Monosodium Glutamate
Under Section 25-A of The Customs Act, 1969

(Valuation Ruling No. 823/2016)

No. Misc/19 /2010-II

18573

Dated: March 24, 2016

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

2. **Background of the valuation issue:** Customs values of Monosodium Glutamate were determined vide Valuation Ruling No.284/2010 dated 23-12-2010. The importers were demanding revision in prices of Monosodium Glutamate claiming that there is decline in the prices in the international market. Accordingly to ascertain the current prices prevailing in the international market, an exercise to re-determine the customs value of Monosodium Glutamate was undertaken by this Directorate General.

3. **Stakeholder's participation in determination of Customs values:** Meeting with the stakeholders was held on 03-03-2016 which was attended by importers of different brands and origins. The stakeholders were requested to provide supporting documents including copies of contracts made, LCs, detailed particulars of foreign manufacturers, Sales Tax Invoices etc., to substantiate their contention of decrease in international market prices. During the meeting it was observed that there are different brands of Monosodium Glutamate from different origins. Ajinomoto brand and other than Ajinomoto brand. Ajinomoto brand is popular brand and is imported from Indonesia only. The indenter of Ajinomoto requested for revision of prices on downward side and secondly to jackup the prices of China origin Monosodium Glutamate being huge difference in prices between Ajinomoto brand and other brands being of same nature of goods the difference between Ajinomoto brand and other than Ajinomoto brands is very high. Whereas the local market does not reflect the same position. On the other hand China origin importers of Monosodium Glutamate were of the opinion that "Ajinomoto" brand is a superior brand and has no comparison with other brands of Monosodium Glutamate.

4. **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 in hand. Transaction value method under Sub-Section (1) of Section 25 of the Act, 1969, was found inapplicable because of wide variations hence total reliance thereon cannot be made to ascertain the correct transactional value. Identical/similar goods value methods provided in Sub-Sections (5) & (6) of Section 25 ibid was found helpful to some extent but was not fully reliable to be applied in this case. Market enquiries, as envisaged under Section 25(7) of the Customs Act, 1969, were also conducted. There were certain variations in the market values owing to the location of the market in the city. The computed method as provided under Section 25(8) of the



Customs Act, 1969 could not be applied as the conversion cost from constituent material at the country of export were not available. Online values of the subject item were also obtained. All the information so gathered was evaluated and analyzed for the purpose of determination of customs value. Consequently, the customs values of Monosodium Glutamate have been determined under Section 25(9) of the Customs Act, 1969.

5. **Customs Values of Monosodium Glutamate :** Monosodium Glutamate *hereinafter specified*, shall be assessed to duty/taxes on the Customs value mentioned against it in the Table below : -

S. No.	Description of goods	PCT Heading	Proposed PCT for WeBOC	Origin	Customs Values (C&F) USS/ Kg	
					Bulk Packing	Retail Packing
(1)	(2)	(3)	(4)	(5)	(6)	(7)
01.	Monosodium Glutamate i) Ajinomoto ii) Other brands	2922.4210	2922.4210.1000	All Origins	1.70 1.27	1.90 1.50

6. 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, or by land route, the assessing officer shall take into account the differential between air freight or land route transportation charges and sea freight while applying the Customs values determined in this Ruling.

7. **Validity of 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 (4) of Section 25-A of the Customs Act, 1969.

8. **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, before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.

9. 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 for redressal.

10. *This Valuation Ruling supersedes Valuation Ruling No.284/2010, dated 23-12-2010.*


 (Dr. Wasil Ali Memon)
 Director

Copy for information to : -

1. Member (Customs), F.B.R., Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi.