

The Collectors of Customs, Model Customs Collectorates, Appraisement & Facilitation (East / West) / Port Muhammad Bin Qasim / JIAP, Karachi (Appraisement & Facilitation / Enforcement & Compliance), AIIA Lahore / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad / Hyderabad / Quetta (Appraisement / Preventive) / Peshawar (Appraisement & Facilitation/ Enforcement & Compliance) / Gawadar / Gilgit-Baltistan / Export (Karachi / Port Qasim)

DETERMINATION OF CUSTOM VALUES OF INSTANT DRY YEAST
UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969


(VALUATION RULING NO. ¹⁵⁰³ / 2020)

C. No. Misc/05/2009-I

¹⁵⁴⁹⁹

Dated:- ¹⁴12-2020

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



2. Background of the valuation issue: Earlier the customs values of Instant Dry Yeast were determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No.548/2013 dated 19-04-2013. The valuation ruling was old and a considerable time has passed and significant variation both in local and in international prices have been observed during data analysis. Therefore, this Directorate General initiated and exercise for re-determination of the Customs Values of the subject goods in terms of Section 25A of Customs Act, 1969.


3. Stakeholders' participation in determination of Customs values: Meetings were held on, 09-09-2020 & 16-11-2020 with the stakeholders of subject goods in this Directorate General. The importers/stakeholders were requested to submit following documents before or during the course of meeting so that customs values could be determined:-

- i. Invoices of import during last three months showing factual 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 one year showing the difference in price (excluding duty and taxes) to substantiate their contention.

During the meeting, stakeholders admitted that valuation ruling is quite old and need to be revised. However, they also contented that values in the international market have gone. However, on demand to provide the comparison of the values in the year 2013 and in 2020 along with their sales tax invoices, no one provided the same.

4. Method adopted to determine Customs values: Valuation methods provided in Section 25 of the Customs Act, 1969, were duly applied in their regular 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 because requisite information was not available as per law. The wide variation of values displayed in the import data as available on record also strengthened the aforementioned fact. Hence, requisite information under law was not available to arrive at the transaction value. Therefore, identical/similar goods value methods as provided in Sub-Sections (5) and (6) of Section 25 *ibid* were examined for applicability to the valuation issue in the instant case. The same provided some reference values but could not be exclusively and solely relied upon. In line with the statutory sequential order of Section 25, this office conducted market inquiries for (Deductive Value Method) under Sub-Section (7) of Section 25 of the Customs Act, 1969, which was found appropriate and was applied to arrive at assessable customs values of Instant Dry Yeast.

5. Customs values of Instant Dry Yeast *hereinafterspecified* shall be assessed to duty/taxes on the following minimum Customs Values mentioned against them in the table below:-



S.No.	Description of Goods	Specification	H.S. Code	Proposed PCT for WeBoc	Origin	Customs Values (C&F) per Kg
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	Instant Dry Yeast	500 grams x 20 Packets per CTN	2102.1000	2102.1000.1000	China	US \$ 2.90
				2102.1000.1100	France	Euro 2.55
				2102.1000.1200	Turkey	US \$ 2.61
				2102.1000.1300	Other Origins	US \$ 3.35
		Bulk Packing (5Kgs and above)	2102.1000	2102.1000.1400	China	US \$ 2.62
				2102.1000.1500	France	Euro 2.30
				2102.1000.1600	Turkey	US \$ 2.33
				2102.1000.1700	Other Origins	US \$ 3.00

6. In cases where declared / transaction values are higher than the Customs values determined in this Ruling or higher evidential data is available of stipulated period of 90 days, the assessing officer shall apply those values in terms of Sub-Section 25(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.

7. **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.

8. **Revision of the value determined vide this Valuation Ruling:** This Valuation Ruling is appealable under the law and a revision petition may be filed against this Ruling, 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.

9. The Collectors of Customs may kindly ensure that the values given in the Valuation 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 in the table above of this Ruling. HS Codes are mentioned for illustrative purpose so that valuation ruling values are made assessable to the assessing officers. 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 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.

10- **This ruling supersedes Valuation Ruling No.548/2013 dated 19-04-2013.**


(Shafique Ahmad Latki)
Director

Copy for information to:

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

3. The Chief Collector of Customs, South (Appraisalment & Facilitation), Custom House, Karachi.
4. The Chief Collector of Customs, South (Enforcement & Compliance), Custom House, Karachi.
5. The Chief Collector of Customs (Central), Lahore.
6. The Chief Collector of Customs (North), Islamabad.
7. The Chief Collector of Customs, (Enforcement & Compliance), Custom House, Quetta.
8. The Director General, Intelligence and Investigation-FBR, Islamabad.
9. The Director General, PCA& Internal Audit, Karachi.
10. The Director General, IOCO, Karachi
11. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
12. The Director, Directorate of Customs Valuation, Lahore.
13. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system.
14. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
16. The Karachi Customs Agents Group, Bohri Road, Karachi.
17. The Webmaster, Federal Board of Revenue, Islamabad.
18. Guard File.