

The Collector of Customs, Collectorate of Customs,(Appraisement -West / Appraisement -East / Appraisement - Port Muhammad Bin Qasim / Enforcement / JIAP), Karachi /Hyderabad / (Appraisement / Enforcement),Quetta / Gawadar / (Appraisement / Enforcement / AHA),Lahore / Appraisement,Faisalabad / Appraisement,Sambrial (Sialkot)/ Enforcement,Multan / Islamabad Gilgit-Baltistan / (Appraisement / Enforcement),Peshawar / Enforcement,Dera Ismail Khan/Exports (Karachi /Port Qasim) / Transit Trade (Karachi).

DETERMINATION OF CUSTOMS VALUE OF TOMATO PASTE UNDER SECTION 25A OF THE CUSTOMS ACT, 1969.

(VALUATION RULING NO.1597/2022)

C. No. Misc/15/2016-I/129.

Dated 04-02-2022



In exercise of the powers conferred under Section 25A of the Customs Act, 1969 Customs value of Tomato Paste is determined as follows:-


2- **Background of the valuation issue:** Earlier, the customs value of Tomato Paste was determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No.1497/2020 dated 08-12-2020. The Valuation Ruling was challenged by some importers on the basis of incomplete Brix Specifications of tomato paste. The Director General customs valuation set aside the impugned valuation ruling vide order in revision no. 05/2022 dated 18-01-2022 under section 25D of the Custom Act, 1969 and directed to re-issue valuation ruling afresh with reference to Brix specifications. Accordingly, an exercise was undertaken by the Directorate General of Customs Valuation to re-determine the Customs Value of subject goods in terms of Section 25A of the Customs Act, 1969.

3- **Stakeholders' participation in determination of Customs values:** Meeting was held on 01-02-2022 with the relevant stakeholders. The importers contended that the existing customs values are on higher side and it did not cover all the Brix specifications of the goods being imported by them. It was further contended by the stakeholders that subject goods are sold in frequency to be used in food products and the local market prices have gone down. The stakeholders were requested to submit the relevant import documents.

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) & (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 under sub-Section (7) of section 25 of the Customs Act, 1969 however this method of valuation could not be exclusively relied upon. Therefore, valuation method vide Section 25(8) was examined for valuation but the same also could not be applied as conversion cost from the constituent material and allied expenses, at the country of export were not available for manufacturing of the subject goods. Finally, clearance data, market information and international prices through internet were examined thoroughly and the information so gathered were utilized and analyzed for determination of customs values of the subject goods under Section 25 (9) of the Customs Act, 1969.

5- **Customs values for Tomato Paste:**—*Tomato Paste herein after specified shall be assessed to duty/taxes at the following minimum Customs Value:-*



S. No.	Item Description	Origin	PCT Code	PCT for WeBOC	Customs Values C&F (US\$/KG) Net Content
(1)	(2)	(3)	(4)	(5)	(6)
1	Tomato Paste (Brix 36/38)	China	2002.9010	2002.9010.1000	0.95
		All Other Origins		2002.9010.1200	1.00
2	Tomato Paste (Brix 28/30)	China		2002.9010.1300	0.85
		All Other Origins		2002.9010.1400	0.90
3	Tomato Paste (Brix 22/24)	China		2002.9010.1500	0.65
		All Other Origins		2002.9010.1600	0.75
4	Tomato Paste (other types / specifications)	China		2002.9010.1700	1.15
		All Other Origins		2002.9010.1800	1.25

Note: The above values are for all types of packing i.e. tin, pouches etc.

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-Section (4) of Section 25A 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 25D 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 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 above table of this ruling. PCT Codes are mentioned for illustrative purpose so that valuation rulings are made accessible to the assessing officers. The assessment shall be finalized on the 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.

10- *This ruling supersedes Valuation Ruling No. 1497/2020 dated 08-12-2020.*

S. 1
(Syed Fawad Ali Shah)
Director



Copy for information to:

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