



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI

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

Determination of Customs values of Black Pepper & White Pepper (H.S.Code No. 0904.1110 & 0904.1120) Under Section 25-A of the Customs Act, 1969.

(VALUATION RULING NO. 743 / 2015)

No. Misc/09/2015-1/9018

Dated: June 10, 2015

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Black Pepper & White Pepper (0904.1110 & 0904.1120) are determined as follows:

- 1. Background of the valuation issue:** It was brought to the notice of Directorate General of Customs Valuation by field formations that Black Pepper & White Pepper was being imported at under invoiced values. This prompted an exercise to correctly determine Customs Value of Black Pepper & White Pepper, by Valuation Department under Section 25-A of the Customs Act, 1969.
- 2. 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 at hand. Transaction Value Method under Sub-Section (1) of Section 25 of the Act was found inapplicable because required information under the law was not available. Identical and Similar Goods valuation methods provided in Sub-Sections (5) and (6) of Section 25 of the Customs Act, 1969 provided some reference values but due to wide variations the same could not be relied upon. In the sequential order this office conducted a market inquiry in terms of Sub-Section (7) of Section 25 of the Customs Act, 1969. Stakeholders meetings were also conducted for their input and feedback. On-line values were also checked. All the available information was analyzed and evaluated. Consequently, Customs values of Black Pepper & White Pepper are determined under sub-section (9) of Section 25 of the Customs Act, 1969.
- 3. Stakeholders' participation:** Meetings were scheduled with stakeholders including the representatives of importers, clearance Collectorates, Karachi Chamber of Commerce and Industry, and trade bodies on 20.05.2015, 26-05-2015 and 09-06-2015 for their input on the subject issue. In the meetings all issues relating to the import of Black Pepper & White Pepper

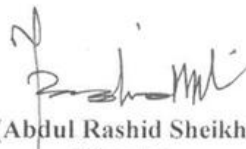


was discussed in detail. Thorough deliberations were made regarding the correct customs values. The importers pointed out that values are dependent on quality, size of grain, aroma and availability in market. Moreover, the price in international market is also influenced by crop; due to a bumper crop, the pepper is traded at lower values.

4. **Customs values for Black Pepper & White Pepper:** Black Pepper & White Pepper *hereinafter specified* shall be assessed to duty/ taxes at the following Customs values:-

S. No.	Description of goods	PCT	Proposed PCT for WEBOC	Origin	Customs Values (C&F) USS/Kg
(1)	(2)	(3)	(4)	(5)	(6)
1.	Black Pepper Whole	0904.1110	0904.1110.1000	Vietnam, Madgaskar, Indonesia, Malaysia, India, Srilanka, Brazil	4.30
			0904.1110.1100	Other Origins	4.50
2.	White Pepper Whole	0904.1120	0904.1120.1000	Vietnam, Indonesia, India, Srilanka	4.70
			0904.1120.1100	Other Origins	4.90

5. 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, the assessing officer shall take into account the differential between air freight and sea freight while applying the Customs values determined in this Ruling.
6. **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 or section 25-D of the Customs Act, 1969.
7. **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 issuance of this Ruling, before the Director General, Directorate General of Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.
8. Any anomaly observed may kindly be brought to the notice of this Directorate General immediately for redressal.

  
 (Abdul Rashid Sheikh)  
 Director

Copy for information to :-

1. Member (Customs), F.B.R., Islamabad.