



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 Qasim / Preventive, Karachi / Lahore ( Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad /Hyderabad/ Quetta / Peshawar/ Gawadar/ Gilgit-Baltistan.**

**Determination of Customs Values of Betel Nuts Under Section 25-A of the Customs Act, 1969**

(VALUATION RULING NO. 816 / 2016)

No. Misc/32/2013-I

18296

Dated: 25-02-2016

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

**2. Background of the valuation issue:-** The Model Customs Collectorate Appraisement (West), vide letter No. SI/Misc/126/2015-Group-I(AW) dated 01-02-2016 referred the case to this Directorate General for revision and rationalization of the Valuation Ruling No. 614/2013 dated 29-11-2013 of Betel Nuts. Consequently an exercise for determination of customs values of Betel Nuts was initiated afresh under section 25-A of the Customs Act, 1969.

**3. Stakeholders' participation in determination of Customs values:** A meeting was held on 22.02.2016 to discuss the current international prices of Betel Nuts. All participants were requested to submit the following documents so that a correct value of the subject goods could be determined:-

- i) Invoices of imports during last three months showing factual value.
- ii) Websites, names and E-mail addresses of known foreign suppliers 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 four months showing the difference in price (excluding duty and taxes) to substantiate that the benefit of difference in price is passed on to the local buyers.

The scheduled meeting was attended by a large number of importers both industrial as well as commercial who claimed that the price in the international market were more or less the same as in Valuation Ruling No. 614/2013 dated 29-11-2013. The importers contended that being a sensitive item, high values would push this item towards smuggling, thereby causing loss to the revenue. Moreover, they contended that betel nuts is a seasonal item and prices vary significantly according to the harvest and reaping season on the one hand and crop yield in a particular season on the other hand. Representatives of MCC Appraisement (West), also



appeared for the said meeting. Deputy Collector Group-1, MCC Appraisement (West) gave valuable input with regard to current prices in the international as well as domestic market on the basis of analysis conducted by the said Collectorate as well as market inquiry. The view point of all the participants was heard in detail and considered to arrive at fair Customs values.

**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 at hand. Transaction Value Method under Sub-Section (1) of Section 25 of the Customs Act, 1969 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 and suppressed values 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 meeting was also conducted for their input and feedback. On-line values were also checked. Consequently Customs values of Betel Nuts are determined under sub-section (7) of Section 25 of the Customs Act, 1969.

**5. Customs values for :** Betel Nuts *hereinafter specified shall* be assessed to duty/ taxes at the Customs values given in the following table:-

S. No.	Description of goods	PCT	Proposed PCT for WEOC	Origin	Customs Values (C&F) USS/Kg
(1)	(2)	(3)	(4)	(5)	(6)
1.	Betel Nuts	0802.8000	0802.8000.1000	Indonesia /Malaysia/Singapore /Vietnam	1.20
			0802.8000.2000	Thailand	1.40

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 land route, the Assessing Officer shall take into account the differential between air freight or land route 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 or section 25-D 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 issuance of this Ruling, before the Director General, Directorate General of Customs Valuation, 7<sup>th</sup> 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 this Directorate General immediately for redressal.

10. *This Ruling supersedes Valuation Ruling No. 614/2013 dated 29-11-2013.*

(Dr. Wasif Ali Memon)  
Director

28/11/16

Copy for information to :-

1. Member (Customs), F.B.R., Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi.
3. Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
4. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. Chief Collector of Customs (Central), Lahore.
6. Chief Collector of Customs (North), Islamabad.
7. Director General, Intelligence and Investigation-FBR, Islamabad.
8. Director General, Audit (Customs & Petroleum), 1<sup>st</sup> Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
9. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General Internal Audit, (Customs), Islamabad.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/Peshawar/ Faisalabad.
12. Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading this Ruling in One Customs and WeBOC database system and deleting Valuation Ruling no 614/2013 dated 29-11-2013.
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
16. Law Section, Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7<sup>th</sup> Floor, Custom House, Karachi / MCC, Appraisalment, 1<sup>st</sup> floor, Custom House, Karachi.
21. Guard File.