



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE, KARACHI

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**The Collector of Customs**, Model Customs Collectorates, Appraisement and Facilitation (East / West) / Port Qasim / Enforcement and Compliance, JIAP, Karachi / (Appraisement and Facilitation / Enforcement and Compliance), AIIA Lahore / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad / Hyderabad / Quetta / Appraisement and Facilitation Peshawar / Gwadar / Gilgit-Baltistan / Exports (Karachi / Port Qasim) / Transit Trade (Karachi).

**DETERMINATION OF CUSTOMS VALUES OF SPICES, HERBS & EDIBLE GUMS  
UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969.**

**(VALUATION RULING NO. 1492/2020)**

No. Misc/15/2016-I/ **15453**

Dated: **25** -11-2020

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of Spices, Herbs & Edible Gums are determined as follows:

**2. Background of the valuation issue:** Earlier the customs values of Spices, Herbs & Edible Gums were determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No. 1445/2020 dated 20-03-2020. The stakeholders filed review petitions under Section 25-D of the Customs Act 1969 before the Director General Customs Valuation who, vide Order-in-Revision No. 17/2020, dated 06-05-2020 remanded the same back to Director Valuation with direction to re-determine the values after comprehensive working and market enquires. Regarding hedging of values of some spices with Public Ledger in impugned Valuation Ruling, it was ordered in said Order-in-Revision that the values of ledger do not indicate true values as, being items of general use, they vary on quantities, qualities and shelf life and rate of bulk purchases are different than smaller quantities. Thus, an exercise was initiated in this Directorate General to re-determine value of Spices, Herbs & Edible Gums in the light of directions given in the aforementioned Order-in-Revision.

**3. Stakeholders' participation in determination of Customs values:** Meetings with the stakeholders were held on 10-06-2020, 11-09-2020 and 16-09-2020. The importers/stakeholders were requested to submit their proposals/suggestions as well as following documents before or during the course of stakeholders' meeting so that Customs values 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.

4. The importers of Spices, Herbs & Edible Gums contended that the values of different Spices, Herbs & Edible Gums are showing downward trend in international market and therefore the existing ruling needs to be rationalized accordingly. They also requested for early issuance of the Ruling on the ground that the importers were suffering due to high customs values. During another meeting with All Pakistan Fresh Ginger & Garlic importers and whole sellers Association, it was pointed out that Dry Ginger is considered as spice and thus be added in the valuation ruling of spices. Similarly, Cumin Seed/ (Zeera) and Caraway Seeds were also discussed to be included in the new VR.

5. **Methods 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 due to wide variations of values displayed in import data. Moreover, no participant of the meeting submitted documentary evidences to prove that their declared values were true transactional values. Hence, requisite information under law was not available to arrive at correct transaction value. Therefore, Identical/similar goods value methods provided in Sections 25 (5) & (6) ibid were examined for applicability to determine customs values in the instant case. The data provided some references; however, it was found that the same could not be solely relied upon due to absence of absolute demonstrable evidence of qualities and quantities of commercial level etc. Information available was hence found inappropriate. In line with statutory sequential order of section 25, this office conducted number of market inquiries from various markets to arrive at Customs Values under sub-section (7) of Section 25 of the Customs Act, 1969. Finally, reliance had to be made on sub-section (7) of the section 25 of the Customs Act, 1969 to determine Customs value of Spices, Herbs & Edible Gums to arrive at the assessable Customs values.

6. **Customs values for Spices, Herbs & Edible Gums-hereinafter** specified Shall be assessed to duty/taxes on the following minimum Customs values given against them in the Table below:-



S.No.	Item Description	Origin	PCT	PCT for WeBOC	Customs Values C & F (US\$/KG)
1.	Black pepper (Whole)	All Origins	0904.1110	0904.1110.1000	2.55
2.	White pepper (Whole)	All Origins	0904.1120	0904.1120.1000	3.72
3.	Clove	All Origins	0907.1000	0907.1000.1000	5.64
4.	Small Cardamom	All Origins	0908.3120	0908.3120.1000	13.83
5.	Mace	All Origins	0908.2100	0908.2100.1000	9.00
6.	Cassia/Cinnamon	All Origins	0906.1100	0906.1100.1000	1.70
7.	Nutmeg	All Origins	0908.1100	0908.1100.1000	3.15
8.	Star Anise	All Origins	0909.6100	0909.6100.1000	3.21
9.	Cumin Seed/ (Zeera)	All Origins	0909.3100	0909.3100.1000	1.93
10.	Caraway Seeds	All Origins	0909.6100	0909.3100.1000	3.61
11.	Coriander Seed (Dhania)	All Origins	0909.2100	0909.2100.1000	0.60
12.	Gum Arabic/Gum Talah	All Origins	1301.2000	1301.2000.1000	1.18
13.	Long Pepper	All Origins	0904.1190	0904.1190.1000	3.00
14.	Big Cardamom	All Origins	0908.3100	0908.3100.1000	4.15
15.	Kolonji	All Origins	0909.6100	0909.6100.1000	1.08
16.	Sat Istabgol	All Origins	1211.9000	1211.9000.1000	4.82
17.	Gum Copal / Natural Gum	All Origins	1301.9090	1301.9090.1000	2.01
18.	Bay Leaves (TejPatta)	All Origins	0910.9910	0910.9910.1000	1.29
19.	Tamarind with seed	All Origins	0813.4010	0813.4010.1000	0.40
20.	Seed Lac (Lakh Dana )	All Origins	1301.9020	1301.9020.1000	11.51
21.	Asaliya Seeds	All Origins	1211.9000	1211.9000.1000	0.83
23.	Dry Ginger	All Origin	0910.1100 0910.1200	0910.1100.1000 0910.1200.1000	2.45

7. 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 90 days, the assessing officers shall apply those values in terms of sub-Section (1) of Section 25 of the Customs Act, 1969 and the same may be communicated to this Directorate General forthwith. In case of consignment imported by air, the assessing officer shall take into account the difference between air freight and sea freight while applying the Customs values determined in this Ruling.

8. **Validity of Valuation Ruling:** The values determined vide this Ruling shall be the applicable Customs values 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.

9. **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, 7<sup>th</sup> Floor, Custom House, Karachi.



10. The Collectors of Customs may kindly ensure that the values given in this 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 above table of this Ruling. HS Codes are mentioned for illustrative purpose so that valuation ruling values are made accessible 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 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.

11. This Valuation Ruling supersedes Valuation Ruling No.1445/2020 dated 20-03-2020.

  
(Shafique Ahmad Iatki)  
Director

Copy for information to: -

- 1) The Member Customs (Policy/Operations), F.B.R., Islamabad.
- 2) The Director General, Customs Valuation, Custom House, Karachi.
- 3) The Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
- 4) The Chief Collector of Customs, South (Enforcement), 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), 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 Director General, Transit Trade, Custom House Karachi
- 12) The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
- 13) The Director, Transit Trade, Custom House Karachi
- 14) The Director, Directorate of Customs Valuation, Lahore.
- 15) The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system.
- 16) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 17) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 18) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 19) The Webmaster, Federal Board of Revenue, Islamabad.
- 20) Guard File.