

The Collectors of Customs, Collectorates of Customs (Appraisement - West) / Appraisement - East/ Appraisement - Port Muhammad Bin Qasim/Enforcement/IIAP), 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 (Port Qasim/Custom House, Karachi)/Transit Trade, Karachi.

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

(VALUATION RULING NO. 1695 / 2022)

No. Misc/25/2013-IV/1180.

Dated: 18-11-2022

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

**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.1649/2022 dated 17-05-2022 which were set-aside by the Director General of Customs Valuation vide O-in-R No. 67/2022 dated 02.08.2022 with directions to re-determine the Customs values of Spices, Herbs & Edible Gums. Therefore, an exercise has been undertaken by this Directorate to determine the same.

2. **Stakeholders' participation in determination of Customs values:** Meeting was convened on 17.10.2022 which was attended by all the relevant stakeholders. The issues pertaining to the valuation of subject goods were deliberated upon in detail in the afore-referred meeting.

3. **Analysis / Exercise done to determine Customs Values:** The members of Pakistan Karyana Merchant Association contended that the values provided by them should be accepted. Moreover, they requested that they should be given reasonable allowances because of wastage (during processing/ refining the subject goods) and the credit which they give to their buyers as a result of established business practice. In this regard, Ninety (90) days' data has been retrieved and the same has been scrutinized. Subsequently, Market inquiry has been conducted and examined in the light of this Directorate's Office Order no. 17/2014 dated 19.03.2014 and in terms of Section 25 (7) read with Section 25 (9) of the Customs Act, 1969.

4. **Method (s) adopted to determine Customs values:** Valuation methods specified in section 25 of the Customs Act, 1969, were duly applied in sequential order to arrive at the Customs value of subject goods. The transaction value method as provided in sub-section (1) section 25 the Customs Act, 1969, was found inapplicable due to wide variation of values in import data. Moreover, the requisite information under law was not available to arrive at correct/ transaction value. Therefore, identical/similar goods value methods provided in Section 25(5) (6) ibid were examined for applicability to determine customs value of subject goods. The data provided some reference; however, it was found that the same could not be



solely relied upon due to absence of absolute demonstrable evidences of quantities and qualities, variation in declaration, variety and specifications. Information available was, hence, found inappropriate. In line with statutory sequential order of Section 25 of the Customs Act, 1969, this Directorate conducted market survey under sub-Section (7), read with Section 25 (9), of Section 25 of the Customs Act, 1969. Various Wholesale and Retail Markets were visited to observe the actual prices of Spices, Herbs & Edible Gums. On the basis of available data / information collected and exercise conducted the values of Spices, Herbs & Edible Gums have been determined under sub-Section (7), read with Section 25 (9), of Section 25 of the Customs Act, 1969.

5. **Customs values of Spices, Herbs & Edible Gums:** Spices, Herbs & Edible Gums, hereinafter specified, shall be assessed to duty / taxes at the Customs values as per attached **Annexure-A**.

6. In cases, where declared 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 officers shall take into account the difference between air freight and sea freight while applying the Customs values in this Ruling.

7. **Validity of this Valuation Ruling:** This Ruling, containing the Customs Values for assessment of subject imported goods, shall be applicable until and unless the same 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 values determined vide this Valuation Ruling:** If aggrieved, a revision petition may be filed against this ruling as provided under Section 25D of the Customs Act, 1969, within 30 days from the date of its issuance, 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 Valuation Ruling, for the given description of goods, are applied by the concerning assessing officers / officials without fail. Any anomaly observed may kindly be brought to the notice of this Directorate immediately. The Customs values determined in the ruling are for the descriptions and specifications as mentioned in the attached table of **Annexure-A** of this Ruling. HS Codes are mentioned for illustrative purposes so that Valuation Ruling values are made accessible to the assessing officers. The assessments shall be finalized on the basis of correct classifications after fulfilling all formalities related to importability or other certifications required thereon.

10. ***This ruling supersedes Valuation Ruling No.1649/2022 dated 17-05-2022.***

  
(Fayaz Rasool Maken)  
Director

Copy for information to:

1. The Member Customs (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, Baluchistan, Custom House, Quetta.
9. The Chief Collector of Customs, Khyber Pakhtunkhwa, Custom House, Peshawar.
10. The Director General, Intelligence and Investigation (Customs) FBR, Islamabad.
11. The Director General, PCA & Internal Audit, Karachi.
12. The Director General, IOCO, Karachi.
13. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
14. The Director, Transit Trade, Custom House, Karachi.
15. The Director, Directorate of Customs Valuation, Lahore/Quetta/Peshawar.
16. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system.
17. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
18. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
19. The Karachi Customs Agents Association, Bohri Road, Karachi.
20. The Webmaster, Federal Board of Revenue, Islamabad.
21. Guard File.

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## Annexure-A

S. No.	Description of Goods	Origin	PCT Code	Proposed PCT for WeBOC	Customs Value (C&F) US\$ /KG
(1)	(2)	(3)	(4)	(5)	(6)
1	Long Pepper	All Origins	0904.1190	0904.1190.1000	2.99
2	Black Pepper (Whole)	All Origins	0904.1110	0904.1110.1000	2.52
3	White Pepper (Whole)	All Origins	0904.1120	0904.1120.1000	3.05
4	Cloves	All Origins	0907.1000	0907.1000.1000	4.82
5	Small Cardamom	All Origins	0908.3120	0908.3120.1000	5.20
6	Big Cardamom	All Origins	0908.3110	0908.3110.1000	3.50
7	Mace	All Origins	0908.2100	0908.2100.1000	10.22
8	Cassia/ Cinnamon	All Origins	0906.1100	0906.1100.1000	1.60
9	Nutmeg	All Origins	0908.1100	0908.1100.1000	3.28
10	Star Anise	All Origins	0909.6100	0909.6100.1000	3.28
11	Kalonji	All Origins	0909.6100	0909.6100.1000	1.12
12	Corriander Seed (Dhania)	All Origins	0909.2100	0909.2100.1000	0.79
13	Isabgol	All Origins	1211.9000	1211.9000.1000	3.58
14	Gum Arabic/ Gum Talha	All Origins	1301.2000	1301.2000.1000	1.00
15	Gum Copal	All Origins	1301.9090	1301.9090.1000	0.83
16	Tej Patta	All Origins	0910.9910	0910.9910.1000	0.89
17	Tamarind with seed	All Origins	0813.4010	0813.4010.1000	0.45
18	Seed Lac (Lakh Dana)	All Origins	1301.9020	1301.9020.1000	9.00
19	Asalia Seeds	All Origins	1211.9000	1211.9000.1000	1.00
20	Dry Ginger	All Origins	0910.1100	0910.1100.1000	1.23
21	Caraway	All Origins	0909.6100	0909.6100.1000	1.20

Note: Reduction of 10% shall be admissible on total of above value on account of freight charges, if goods are imported through land route.

*M. Adnan Tabassum*  
 18-11-2022  
 M. Adnan Tabassum  
 Valuation Officer  
 Customs Valuation, Karachi



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 Deputy Director  
 Customs Valuation  
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