

(This Ruling has been revised / superseded vide Valuation Ruling No. 1339/2018 dated 26-10-2018)

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

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 and Gilgit-Baltistan.

**DETERMINATION OF CUSTOMS VALUES OF GINGER AND GARLIC UNDER
SECTION 25-A OF THE CUSTOMS ACT, 1969**

(VALUATION RULING No. 1299/2018)

No. Misc/14/2013-I/475

Dated: 26th April, 2018

In exercise of powers conferred under Section 25-A of the Customs Act 1969, customs values of Ginger and Garlic are determined as follows:

2. Background of the valuation issue: Earlier the customs values of Fresh/Dry Ginger and Garlic were determined vide Valuation Ruling No. 1197/2017 dated 07-08-2017. Some importers filed representations requesting for the revision of the ruling in line with the prevailing prices in the international market. Keeping in view the prevailing prices in the international markets this Directorate General initiated an exercise for determination of the Customs Values of the Fresh/Dry Ginger and Garlic in terms of Section 25-A of the Customs Act, 1969.

3. Stakeholders' participation in determination of Customs values: A number of meetings were held with stakeholders in this Directorate General. The importers / stakeholders were requested to submit the following documents before or during the course of the stakeholders' meetings 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 manufacturers 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 differences in price (excluding duty and taxes) to substantiate their contention.

The commercial importers contended that the customs values in the impugned Valuation Ruling are high and therefore, required revision in line with the prevailing prices in the international market. Certain importers contended that undue benefit has been extended to Thailand origin ginger. The importers of ginger of Thai origin contended that values are correctly reflected in the present Ruling. The view point of all stakeholders was considered before arriving at reasonable customs values of Fresh/ Dry Ginger and Garlic.

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 address the valuation issue at hand. The transaction value method as provided in Sub-Section (1) of Section 25, was found inapplicable due to wide variation of values displayed in the import data, hence requisite information was not available to arrive at the correct transaction value. Identical / similar goods value method provided vide Sub-Sections (5) & (6) of Section 25 ibid were examined for applicability to determine Customs value of subject goods. This data provided some references, however, it was found that the same cannot be solely relied upon due to wide variations in declarations. Information available was hence, found inappropriate. In line with the statutory sequential order of Section 25, this office then conducted market inquiries using Deductive Value Method under Sub-Section (7) of the Section 25 of

the Customs Act, 1969 and determined customs values of Ginger and Garlic under section 25(7) of the Customs Act, 1969.

5. Customs values for Ginger & Garlic: Fresh/Dry Ginger and Garlic *hereinafter specified* shall be assed to duty/taxes at the following Customs Value.

S. No.	Description of goods	PCT	Proposed PCT for WeBOC	Origin	Customs Values (C&F) US\$/Kg
(1)	(2)	(3)	(4)	(5)	(6)
1	Fresh Ginger	0910.1100 0910.1200	0910.1100.1000 0910.1200.1000	China	0.888
			0910.1100.1100 0910.1200.1100	Indonesia, Vietnam, Myanmar	0.66
			0910.1100.1200 0910.1200.1200	India via Land route	0.72
			0910.1100.1300 0910.1200.1300	Thailand	0.49
2	Dry Ginger	0910.1100 0910.1200	0910.1100.1400 0910.1200.1400	China	2.58
			0910.1100.1500 0910.1200.1500	Indonesia, Vietnam, Nigeria, Myanmar, India	2.06
3	Fresh Garlic	0703.2000	0703.2000.1000	China	1.07
			0703.2000.1100	India via Land route	0.90
			0703.2000.1200	India via Sea route	1.23
4	Dehydrate Garlic Flakes	0712.9000	0712.9000.1000	India via Land route	1.64
			0712.9000.1100	China	2.30

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 and the same may be communicated to this Directorate General forthwith. In case of consignments imported by air, the assessing officer shall take into account the elment of air freight while assessing the goods.

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 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 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 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 this Directorate General immediately. Customs values determined in the ruling are for the description and specification as mentioned in the Annexure to this Valuation Ruling. HS Codes are mentioned for illustrative purposes so that valuation ruling values arc 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 there in.

10. This ruling supersedes Valuation Ruling No. 1197/2017 dated 07-08-20/7.

(MUHAMMAD IQBAL MUNEEB)

Director

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), 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
9. Director General, Post Clearance Audit (PC A), 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 In WeBOC database system and deleting VR 1197/2017 dated 07-08-2017.
14. Chairman (Valuation Committee), FPCC&1, Federation House, Clifton, Karachi.
15. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
16. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisalment (East/West), Custom House, Karachi.
21. Webmaster, Federal Board of Revenue, Constitution Avenue, Islamabad, for uploading on FBR website.
22. Guard File.