

*(This Ruling has been revised / superseded vide Valuation Ruling No. 1695/2022 dated 18-11-2022)  
(Sr. No. 12 has been revised / superseded vide Valuation Ruling No. 1697/2022 dated 28-11-2022)*

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

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**The Collectors of Customs,** Collectorate of Customs (Appraisement - West / Appraisement – East / Appraisement - Port Muhammad Bin Qasim / Enforcement / JIAP), Karachi / Hyderabad / (Appraisement / Enforcement), Quetta / Gawadar / (Appraisement / Enforcement / AIIA), Lahore / Appraisement, Faisalabad / Appraisement, Sambrial (Sialkot) / Enforcement, Multan / Islamabad / Gilgit-Baltistan / (Appraisement / Enforcement), Peshawar / Enforcement, Dera Ismail Khan / Exports (Karachi / Port Qasim / Transit Trade, (Karachi).

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

**(VALUATION RULING No. 1649/2022)**

C. No. Misc/15/2016-I/490

Dated: 17<sup>th</sup> May, 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 follows:

**2. Background of the valuation issue:** Earlier the customs values of Spices, Herbs & Edible Gums was determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No. 1572/2021 dated 29-11-2021. Quetta Chamber of Commerce and Industry (QCCI) and Sarhad Chamber of Commerce and Industry filed representations before the FBR. A meeting was held on 09-02-2022 in FBR headquarters which was chaired by the Chairman FBR and attended by Member (Customs-Policy), Director General Customs Valuation and other participants including the representatives of both the chambers. Keeping in view difference between freight from land and sea routes, quality of goods and other socioeconomic factors, the Board forwarded a record note NO. 8(1) SS (VAL & AUDIT) 2022, dated 28-02-2022. Furthermore, Appellate Tribunal vide order dated 04-02-2022 in customs Appeal Nos. 594 to 598 of 2021 dated 31-08-2021 advised to re-visit the customs values for Gum Copal and Seed lac keeping in view the current prices. Collectorate of Customs Appraisement (East/Port Qasim) vide their letters No. SI/MISC/54/KAPE/AC-112021 (East), dated 22-02-2022 and No. Group-I-146-2021-PQ/341, dated 28-03-2022 highlighted some items for fresh determination of value. In the view of the forgoing, an exercise was undertaken by this Directorate General to determine the Customs Values of subject goods afresh in terms of Section 25A of Customs Act, 1969.

**3. Stakeholders' participation in determination of Customs value:** Meeting was held on 11-03-2022 with the stakeholders of subject goods. The importers contended that the existing customs value is on higher side. It was further contended by the stakeholders that subject goods are consumer goods and are sold in frequency at the local retail and commercial level and that the local market prices have gone down these days. The importers requested that such factors may be considered while determining value of the subject goods. The stakeholders were requested to submit the relevant import documents.

**4. Method adopted to determine Customs Value:** Valuation methods provided in Section 25 of the Customs Act, 1969, were duly applied in their regular sequential order to arrive at customs value of subject goods. The transaction value method as provided in Sub-Section (1) of Section 25 of the Customs Act, 1969, was found inapplicable because requisite information was not available as per law. The wide variation of values displayed in the import data as available on record also strengthened the aforementioned fact. Hence requisite information under law was not available to arrive at the transaction value. Therefore, identical / similar goods value methods as provided in Sub-Sections (5) & (6) of Section 25 ibid were examined for applicability to the valuation issue in the instant case. The same provided some reference values but could not be exclusively and solely relied upon. In line with

the statutory sequential order of Section 25, this office conducted market inquiries under sub-Section (7) of section 25 of the Customs Act, 1969, however, this method of valuation could not be exclusively relied upon. Therefore, valuation method vide Section 25(8) was examined for valuation but the same also could not be applied as conversion cost from the constituent material and allied expenses, at the country of export were not available for manufacturing of the subject goods. Finally, clearance data, market information and international prices through internet were examined thoroughly and the information so gathered were utilized and analyzed for determination of customs value of the subject goods under Section 25 (9) of the Customs Act, 1969.

**5. Customs values for Spices, Herbs & Edible Gums - *hereinafter specified*** shall be assessed to duty/taxes on the following minimum Customs values:-

S. No.	Item Description	Origin	PCT Code	PCT for WeBOC	Customs Values C&F (US\$/Kg) (Net Content)
(1)	(2)	(3)	(4)	(5)	(6)
1	Log Pepper	All Origins	0904.1190	0904.1190.1000	3.80
2	Black Pepper (Whole)	All Origins	0904.1110	0904.1110.1000	3.50
3	White Pepper (Whole)	All Origins	0904.1120	0904.1120.1000	4.59
4	Cloves	All Origins	0907.1000	0907.1000.1000	5.62
5	Small Cardamoms	All Origins	0908.3120	0908.3120.1000	9.50
6	Big Cardamoms	All Origins	0908.3110	0908.3110.1000	4.38
7	Mace	All Origins	0908.2100	0908.2100.1000	10.00
8	Cassia/Cinnamon	All Origins	0906.1100	0906.1100.1000	1.85
9	Nutmeg	All Origins	0908.1100	0908.1100.1000	3.39
10	Star Anise	All Origins	0909.6100	0909.6100.1000	3.60
11	Kalonji	All Origins	0909.6100	0909.6100.1000	1.24
12	Cumin Seed (Zeera)	All Origins	0909.3100	0909.3100.1000	1.85
13	Coriander Seed (Dhania)	All Origins	0909.2100	0909.2100.1000	0.80
14	Isabgol	All Origins	1211.9000	1211.9000.1000	5.14
15	Gum Arabic / Gum Talah	All Origins	1301.2000	1301.2000.1000	0.85
16	Gum Copal	All Origins	1301.9090	1301.9090.1000	1.28
17	Tej Patta	All Origins	0910.9910	0910.9910.1000	1.05
18	Tamarind with Seed	All Origins	0813.4010	0813.4010.1000	0.65
19	Seed Lac (Lakh Dana)	All Origins	1301.9020	1301.9020.1000	8.95
20	Asalia Seeds	All Origins	1211.9000	1211.9000.1000	0.89
21	Dry Ginger	All Origins	0910.1100	0910.1100.1000	1.92
22	Caraway Seeds	All Origins	0909.6100	0909.6100.1000	3.00
Note: Reduction of 10% shall be admissible on total of above value on account of freight charges, if goods are imported through land route.					

6. In cases where declared values are higher than the Customs values determined in this Ruling, the assessing officer shall apply those values in terms of Sub-Section 25(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.

**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-Section (4) of Section 25A of the Customs Act, 1969, read with Rule 107(a), Chapter IX, of the Customs Rules, 2001.

**8. Revision of the value determined vide this Valuation Ruling:** This Valuation Ruling is appealable under the law and a revision petition may be filed against this Ruling, 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, 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 concerned staff without fail. Any anomaly observed may kindly be brought to the notice of this Directorate General immediately. The Customs values determined in the ruling are for the description and specification as mentioned in Para-5. PCT Codes are mentioned for illustrative purposes 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 all formalities relating to importability or any other certifications required thereon.

**11. This ruling supersedes Valuation Ruling No. 1572/2021 dated 29-11-2021.**

**(SYED FAWAD ALI SHAH)**

Director

Copy for information to:-

- 1) The Member Customs (Policy/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, Balochistan, Custom House, Quetta.
- 9) The Chief Collector of Customs, Khyber Pakhtunkhwa, Custom House, Peshawar.
- 10) The Director General, Intelligence and Investigation-FBR, Islamabad.
- 1) The Director General, PCA& Internal Audit, Karachi.
- 12) The Director General, IOCO, Karachi
- 13) The Director General, Transit Trade, Custom House Karachi
- 14) The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad / Quetta / Peshawar / Faisalabad.
- 15) The Director, Transit Trade, Custom House Karachi
- 16) The Director, Directorate of Customs Valuation, Lahore / Peshawar / Quetta.