

*(This Ruling has been revised / superseded vide Valuation Ruling No. 1764/2023 dated 14-04-2023)*

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**GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
7<sup>TH</sup> FLOOR, 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 (Port Muhammad Bin Qasim Custom House), Karachi.

**DETERMINATION OF CUSTOMS VALUES OF BETEL NUTS (ARECA NUTS) UNDER  
SECTION 25-A OF THE CUSTOMS ACT, 1969**

**(VALUATION RULING NO. 1724/2023)**

No. Misc/32/2013-I/0032

Dated: 9<sup>th</sup> January, 2023

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

**Background of the valuation issue:** Earlier, the Customs values of Betel Nuts (Areca Nuts) were determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No. 1551/2021 dated 20-09-2021. The existing valuation ruling is more than one (1) year old and different stakeholders requested to re-determine Customs values afresh in line with values prevalent in the international market as the existing Customs values are not reflective of prevailing international market. 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 21-12-2022 which was attended by the twenty nine (29) stakeholders including the representatives from FPCCI, KCCI and Pakistan Kiryana Merchant Association. The issues pertaining to the valuation of subject goods were deliberated upon in detail in the afore-referred meeting. While submitting their proposals, the stakeholders stated that this product is generally imported by the registered manufacturers engaged in further processing and supply of sweet supari. There are a number of registered manufactures of this item, duly represented by Pakistan Betel Nuts Manufacturing Association who are importing this item for further manufacturing. According to them, there is huge market requirement of this product which is now being met through smuggling because the value already determined vide the Valuation Ruling No. 1551/2021 dated 20-09-2021 is on the higher side. They emphasized that the instant valuation ruling is not reflective of the actual international prices. Prices in the international market are much lower than the values determined vide the said Valuation Ruling. The counsel of the importers / manufacturers also furnished export Goods Declaration, containing values of betel nuts, from Indonesia to other destinations / countries.

**3. Analysis / Exercise done to determine Customs Values:** Views / input by the stakeholders have been analysed. In furtherance of re-determination of actual / custom value of the subject items, ninety (90) days' clearance data has also 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.

**5. 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 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 because the information for making necessary adjustments - in terms of sub-section 2 of Section 25 of Customs Act, 1969 - is not available. Therefore, identical/similar goods value methods, provided in Section 25(5) and (6) *ibid*, were examined for applicability to determine Customs values of subject goods. 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 quantities and qualities and variations in declaration. Moreover, evidences available in the ninety days' data were not finalized in terms of sub-section of Section 25 of Customs, being a basic requirement for application / relevance of identical and similar goods valuation methods. Information available was, hence, found incomplete. In line with statutory sequential order of Section 25 of the Customs Act, 1969, this Directorate conducted market survey under sub-section (7). However, this method was also found inapplicable owing to absence of evidence that the impugned betel nuts are genuinely imported against specific goods declarations (GDs). Next, the Computed Value Method (under Sub-Section 8 of Section 25 of Customs Act, 1969) was considered. But, this method was also not inapplicable owing to deficiency / unavailability of the requisite information as stipulated in the said sub-section. Finally, Fall Back Method is considered and, on the basis of available data / information collected, the values of Betel Nuts (Areca Nuts) have been determined under sub-section (5), read with Section 25(9), of Section 25 of the Customs Act, 1969.

**6. Customs values of Betel Nuts (Areca Nuts) -** Betel Nuts (Areca Nuts), hereinafter specified, shall be assessed to duty/ taxes at the Customs Values as per the following table:

S#	Description of Goods	PCT	Proposed PCT for WeBOC	Origin	Customs Values (C&F) in US\$/kg
(1)	(2)	(3)	(4)	(5)	(6)
1.	Betel Nuts (Areca Nuts)	0802.8000	0802.8000.1000	Indonesia/ Malaysia/ Singapore/ Vietnam	1.70
			0802.8000.2000	Thailand	2.60

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.

**9. Revision of the value 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, 7th Floor, Custom House, Karachi.

10. The Collectors of Customs may kindly ensure that the values given in this Valuation Ruling are applied by the concerned staff without fail. Any anomaly observed may kindly be brought to the notice of this Directorate immediately. Customs values determined in the Ruling are for the description and specification as mentioned in the table above of this Ruling. 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 requisite formalities related to importability or any other certifications 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.

10. This Valuation Ruling supersedes the Valuation Ruling No. 1551/2021 dated 20-09-2021.

**(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.