

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

**DETERMINATION OF CUSTOMS VALUE OF FRESH GINGER AND FRESH GARLIC UNDER SECTION 25A OF THE CUSTOMS ACT, 1969**

**(VALUATION RULING NO. 1676/2022)**

C. No. Misc/14/2013-I/676.

Dated: 29-06-2022



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

2- **Background of the valuation issue:** The customs value of Fresh Ginger and Fresh Garlic was determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No.1587/2022 dated 05-01-2022. Review petitions were filed by various importers under section 25D of the Customs Act, 1969. Valuation Ruling was set aside by the Director General Customs Valuation vide Order in Review No. 50/2022 dated 04-06-2022 with the direction to undertake fresh exercise for determination of Customs Value. Accordingly, an exercise was undertaken by the Directorate General of Customs Valuation in terms of Section 25A of Customs Act, 1969 for fresh determination of Customs Value of the said goods.

3-**Stakeholders' participation in determination of Customs values:** Meeting was held on 28-06-2022 with the stakeholders of subject goods. All Pakistan Ginger & Garlic Importers & Whole Seller Association contended that the existing customs values are on higher side and that due to bumper crop of ginger in China and Thailand, the prices of said items have gone down. The participants also contended that the local market prices have gone down therefore, the prices may be rationalized in the light of prevalent trend. The stakeholders were requested to submit the following documents before or during the course of stakeholders' meetings:

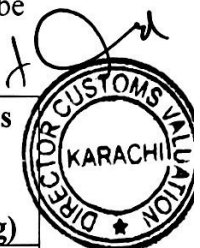
- i. *Invoices of imports during last three months showing customs value.*
- ii. *Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.*
- iii. *Copies of Contracts made / LCs opened during the last three months showing the value of item in question.*
- iv. *Copies of Sales Tax Invoices issued during last four months showing the difference in price (excluding duty and taxes) to substantiate their contentions.*

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 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 declared 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. All the information so gathered was analyzed and evaluated. Keeping all the above in view, customs value of fresh Ginger and Fresh Garlic are determined under Sub-Section(7) of Section 25 of the Customs Act,1969.

5- **Customs values for Fresh Ginger and Fresh Garlic – hereinafter specified** shall be assessed to duty/taxes at following minimum Customs Values:-

S. No.	Item Description	PCT Code	Proposed PCT Code for WeBOC	Origin	Customs Value C&F (US\$/Kg)
(1)	(2)	(3)	(4)	(5)	(6)
1.	Fresh Ginger	0910.1100 0910.1200	0910.1100.1000 0910.1200.1000	China	0.56
			0910.1100.1100 0910.1200.1100	Indonesia/ Vietnam/Myanmar	0.53
			0910.1100.1200 0910.1200.1200	Thailand	0.48
2.	Fresh Garlic	0703.2000	0703.2000.1000	China	0.84



6- In cases where declared values are higher than the Customs value 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 25D of the Customs Act, 1969, within 30 days from the date of issuance 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 the 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 herein. PCT Codes are mentioned for illustrative purpose so that valuation ruling

values are made accessible to the assessing officer. 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.

10- ***This ruling supersedes Valuation Ruling No. 1587/2022 dated 05-01-2022.***

  
(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, Appraisalment (South), Custom House, Karachi.
- 4) The Chief Collector of Customs, Enforcement (South), Custom House, Karachi.
- 5) The Chief Collector of Customs, Appraisalment (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.
- 11) 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.
- 17) The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WEBOC database system.
- 18) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 19) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 20) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 21) The Webmaster, Federal Board of Revenue, Islamabad.
- 22) Guard File.