DETERMINATION OF CUSTOMS VALUES OF BRUSHES
UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO.665 / 2014)

Dated: March 31st, 2014

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

1. Description of the valuation issue: The Customs values of Plastic Household items
including brushes were determined under Section 25-A of the Customs Act, 1969 vide
Valuation Ruling No.576/2013 dated 30-08-2013. The importers of brushes preferred a
Revision Petition before the Director General Valuation. The case of brushes mentioned at
serial No. 3 of the said Ruling was remanded back for re-considering the petitioners
submissions and for re-determination of valuation of 'Brushes all types' as given at Sr.No.3
of Ruling No.576/13. Besides other grounds, the case was remanded back primarily on the
grounds that petitioners were not heard, there were a wide variety of brushes and cannot be
clumbed together and that classification indicated in the ruling was not correct. An exercise
was initiated in accordance with the orders of the Revision Petition to address all the
concerns highlighted in the Order-In-Review under Section 25-A of the Customs Act,
1969.

2. Method adopted to determine customs values: Valuation methods given in Section 25 of
the Customs Act, 1969 were applied to address the valuation issue at hand. Transaction
value method under Sub-Section (1) of Section 25 of the Act ibid was found inapplicable
because required information under the law was not available. Identical and similar goods
valuation methods provided in Sub-Sections (5) and (6) of Section 25 of the Customs Act,
1969 provided some reference values but due to wide variation and suppressed declarations
the same could not be relied upon. In the sequential order this office then resorted to
conduct a market inquiry. Consequently Deductive Value Method under Sub-Section (7) of
Section 25 of the Customs Act, 1969, was, applied to arrive at the assessable Customs
values of the subject goods.

3. Stakeholders' participation in determination of values: Meetings with different
stakeholders were held wherein samples of brushes were presented along with their values.
Final meeting was convened on 20-03-2014. The stakeholders' point of view was discussed
in detail.

4. Customs values for Brushes: Brushes hereinafter specified shall be assessed to duty /
taxes on the Customs values given against them in the Table below:
<table>
<thead>
<tr>
<th>S.No.</th>
<th>Description of Goods</th>
<th>PCT</th>
<th>Proposed PCT for WeBOC</th>
<th>Origin</th>
<th>Customs Values (C&amp;F) US$/Kg</th>
</tr>
</thead>
<tbody>
<tr>
<td>01.</td>
<td>Broom Brushes/ Ceiling Brushes/ Washing Brushes</td>
<td>9603.9000</td>
<td>9603.9000.1000</td>
<td>China</td>
<td>1.30</td>
</tr>
<tr>
<td>02.</td>
<td>Toilet Brushes</td>
<td>9603.9000</td>
<td>9603.9000.1100</td>
<td>China</td>
<td>2.20</td>
</tr>
<tr>
<td>03.</td>
<td>Hair Brushes</td>
<td>9603.9000</td>
<td>9603.9000.1200</td>
<td>China</td>
<td>2.25</td>
</tr>
<tr>
<td>04.</td>
<td>Carpet Brushes</td>
<td>9603.9000</td>
<td>9603.9000.1300</td>
<td>China</td>
<td>2.30</td>
</tr>
<tr>
<td>05.</td>
<td>Toilet Mug cup type Brushes</td>
<td>9603.9000</td>
<td>9603.9000.1400</td>
<td>China</td>
<td>2.90</td>
</tr>
<tr>
<td>06.</td>
<td>Feeder Brushes</td>
<td>9603.9000</td>
<td>9603.9000.1500</td>
<td>China</td>
<td>2.90</td>
</tr>
</tbody>
</table>

5. In cases where declared/ Transaction values are higher than the Customs value determined in this Ruling, the assessing officer 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 officer shall take into account the differential between air freight and sea freight while applying the Customs values determined in this Ruling.

6. Validity of this Valuation Ruling: The value 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.

7. 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, before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.

8. 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 with respect to PCT may kindly be brought to the notice of Directorate General immediately.

5. This Ruling supersedes Customs values of Plastic Brushes appearing at Serial No. 3 of Table of the Valuation Ruling No.576 / 2013, dated 30-08-2013, Values of all other items of the said ruling shall continue to remain applicable.

(Suraiya Ahmed Butt)
Director

Copy for information to:

01. S.A. to Chairman, F.B.R., Islamabad.
02. Member (Customs), F.B.R., Islamabad.
03. Director General, Customs Valuation, Custom House, Karachi.
04. Chief Collector of Customs, South (Appraisal), Custom House, Karachi.
05. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
06. Chief Collector of Customs (Central), Lahore.
07. Chief Collector of Customs (North), Islamabad.
08. Director General, Intelligence and Investigation, Islamabad.
09. Director General, Post Clearance Audit, Islamabad.
10. Director General Internal Audit, (Customs), Islamabad.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
12. The Project Director, WeBOS, 11th Floor, Custom House, Karachi.
13. Additional Director, Customs Valuation (Camp Office), Lahore.
14. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOS database and deleting S.No.3 of Valuation Ruling No.576/2013 dated 30-08-2013 on the date of issue of this Ruling.
15. Chairman (Valuation Committee), FPCCI, Federation House, Clifton, Karachi.
16. Chairman (Valuation Committee), KCCI, Aiwan-e-Tijarat Road, Karachi.
17. Customs Revenue Audit, 8th Floor, Custom House, Karachi.
18. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
19. Review Section, Customs Valuation, 7th floor, Custom House, Karachi.
20. Karachi Customs Agents Group, Bohri Road, Karachi.
21. CHQ, Customs Valuation, Custom House, Karachi.
22. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraiserment, 1st Floor, Custom House, Karachi.
23. Guard File.