



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

The Collectors of Customs, Model Customs Collectorates, Appraisalment & Facilitation (East / West) / Port Muhammad Bin Qasim / JIAP, Karachi (Appraisalment & Facilitation / Enforcement & Compliance), AIIA Lahore / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad / Hyderabad / Quetta (Appraisalment / Preventive) / Peshawar (Appraisalment & Facilitation/ Enforcement & Compliance) / Gawadar / Gilgit-Baltistan / Export (Karachi / Port Qasim)

DETERMINATION OF CUSTOMS VALUES OF HAIR BRUSHES / CLEANING / WASHING / SWEEPING / DUSTING FEEDER BRUSHES AND SIMILAR KIND OF BRUSHES UNDER SECTION 25-A OF THE CUSOMS ACT, 1969

(VALUATION RULING NO. ¹⁵³⁵ / 2021)

No.Misc/10/2016-IX/ ¹⁴⁹⁹

Dated: ⁰⁸-07-2021

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of Hair Brushes / Cleaning / Washing / Sweeping / Dusting Feeder Brushes and Similar kind of Brushes are determined as follows: -

2. **Background of the valuation issue:** Earlier the customs values of Hair Brushes / Cleaning / Washing / Sweeping / Dusting Feeder Brushes and Similar kind of Brushes were determined under Section 25-A of the Customs Act, 1969 vide Valuation Ruling No. 1420/2019 dated 04-11-2021. Some petitioners filed Revision Petition under Section 25-D of the Customs Act, 1969 and the Director General vide Order-in-Revision No.06 / 2020 dated 26-02-2020 remanded the case with the direction to re-determine the Customs values after conducting market enquiry and removing anomaly and distortion created after change of unit of measurement. Therefore, an exercise was undertaken by the Directorate General of Customs Valuation to determine the Customs Values of Hair Brushes / Cleaning / Washing / Sweeping / Dusting Feeder Brushes and Similar kind of Brushes in terms of Section 25-A of Customs Act, 1969.

3. **Stakeholders' participation in determination of values:** Meetings were held on 18-03-2021 and 05-05-2021 which were attended by different stakeholders. The participants were requested to submit following documents before or during the course of meeting 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 difference in price (excluding duty and taxes) to substantiate that the benefit of difference in price is passed on to the local buyers.

4. The stakeholders mostly were of the view that the values of brushes were not properly calculated when UoM was converted from kilogram to unit basis. The manual brushes vary in sizes, weight, quality and brand name and fixing single value of the same needs proper exercise, quantum

of use of size etc. The importers of shoe brushes stated that a separate category be introduced in Valuation Ruling for shoe brushes on the ground that customs values of Shoe Brushes, in the absence of their Valuation Ruling, are currently being assessed at the values of other brushes and there is no uniformity in assessment of shoe brushes. No importer, however, submitted any import invoices/ sales tax invoices, representative samples, evidences and any other relevant import documents.

4. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were duly applied in their sequential order to arrive at customs values of subject goods. The transaction value method under Sub-Section (1) of Section 25 of the Customs Act, 1969 was found inapplicable because requisite information was not available as per law. No documents were provided by the importers to ascertain their transaction value. The wide variations of values displayed in the import data as available on record also strengthened the aforementioned fact. Hence requisite information required under law was not available to arrive at the transaction value. Therefore, identical/ similar goods value methods as provided in Sub-Sections (5) and (6) of Section 25 *ibid* were examined for applicability to the valuation issue in the instant case. The same provided some reference values but due to wide range, qualities and sizes of brushes the values so found 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. Accordingly, the Customs values of Hair/ Feeder/ Shoe brushes Cleaning/ Washing/ Sweeping/ Dusting and Similar kind of Brushes (Low end Brands) have been determined under Section 25 (7) of Customs Act, 1969.

5. **Customs values for Hair/ Feeder/ Shoe Polish/ Cleaning/ Washing/ Sweeping/ Dusting and Similar kind of Brushes (Low end Brands):** Hair Brushes / Cleaning / Washing / Sweeping / Dusting Feeder Brushes and Similar kind of Brushes *hereinafter* specified shall be assessed to duty/ taxes at the following Customs Values :-

S. No	Specification	PCT	Proposed PCT for WeBOC	Origin	Customs Values (C&F) USS/Pe
(1)	(2)	(3)	(4)	(5)	(6)
	Hair Brushes (Non-Electric)	9603.9000	9603.9000.1010	China/Vietnam	0.72
			9603.9000.1020	Korea/ Taiwan	0.81
			9603.9000.1030	Other Origins	0.90
2.	Cleaning/ Washing/ Sweeping/ Dusting and Similar kind of Brushes	9603.9000	9603.9000.1040	China/Vietnam	0.82
			9603.9000.1050	Korea/ Taiwan	1.06
3.	Feeder Brushes (Non-Electric)	9603.9000	9603.9000.1060	Other Origins	1.18
			9603.9000.1070	China/Vietnam	0.36
			9603.9000.1080	Korea/ Taiwan	0.42
4.	Shoe Brushes (Non-Electric)	9603.9000	9603.9000.1090	Other Origins	0.47
			9603.9000.1100	China/Vietnam	0.37
			9603.9000.1110	Other Origins	0.47

6. In cases where declared / transaction values are higher than the Customs values determined in this Ruling or higher evidential data is available of stipulated period of 90 days, 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 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 (4) of Section 25-A of the Customs Act, 1969.

8. **Review of the value determined vide this Valuation Ruling:** A review 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.

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 Directorate General immediately. The Customs values determined in the Valuation Ruling are for the descriptions and specifications as mentioned herein. HS Codes are mentioned for illustrative purposes so that Valuation Ruling values are made accessible to assessing officers. The assessment shall be finalized in the correct classifications after fulfilling requisite formalities relating to importability or 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 of the Customs Act, 1969 or any other law in vogue therein.

10. ***This ruling supersedes the Valuation Ruling No. 1420/2019 dated 04-11-2019.***


(Shafique Ahmed Eatki)
Director

Copy for information to:

1. The Member (Customs, Operations), F.B.R., Islamabad.
2. The Director General, Customs Valuation, Custom House, Karachi.
3. The Chief Collector of Customs, South (Appraisalment & Facilitation), Custom House, Karachi.
4. The Chief Collector of Customs, South (Enforcement & Compliance), Custom House, Karachi.
5. The Chief Collector of Customs (Central), Lahore.
6. The Chief Collector of Customs (North), Islamabad.
7. The Chief Collector of Customs, (Enforcement & Compliance), Custom House, Quetta.
8. The Director General, Intelligence and Investigation-FBR, Islamabad.
9. The Director General, Audit, 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
10. The Director General, PCA& Internal Audit, Karachi.
11. The Director General, IOCO, Karachi