

The Collector 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 VALUE OF BROOM STICK UNDER SECTION 25A OF THE CUSTOMS ACT, 1969.

C. No. Misc/77/2016-I / 181 (VALUATION RULING NO. 1601/2022)

Dated: 18-02-2022

In exercise of the powers conferred under Section 25A of the Customs Act, 1969 Customs value of Broom Stick is determined as follows:-

2- **Background of the valuation issue:** Earlier, the customs value of Broom Stick was determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No. 1006/2017 dated 10-01-2017. The said valuation ruling was more than five years old therefore, a re-determination of customs values of these goods was deemed necessary to reflect the prevailing international price trend of these goods. This prompted an exercise to determine the customs values of these goods.

3- **Stakeholders' participation in determination of Customs values:** Meeting was held on 15-02-2022 with the stakeholders of subject goods. All the stakeholders strongly contended and requested that the Customs value of the subject goods are stable in the international and local market and actual prices of Broom Stick have not gone up. Further, they requested to conduct market survey from local market for determination of customs values of Broom Stick.

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 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 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 determine Customs value of subject goods, this data provided some references, however, it was found that the same cannot be solely relied upon due to the absence of absolute demonstrable evidence of qualities, and quantities of commercial level etc. In the sequential order, this office then resorted to conduct a market inquiry and, consequently, Deductive Value Method under Sub-Section (7) of Section 25 of the Custom Act, 1969, was applied to arrive at the assessable Customs Value of the subjection goods, being most appropriate for the purpose. All the information so gathered was evaluated and analyzed for the purpose of determination of Custom Values.

5- **Customs value for Broom Stick – hereinafter specified** shall be assessed to duty/taxes at the following minimum Customs Values:-

Sr. No.	Item Description	H.S Code	PCT for WeBOC	Origin	Customs Values C&F (US\$/KG)
(1)	(2)	(3)	(4)	(5)	(6)
1	Broom Stick Ekels	1404.9041	1404.9041.1000	Sri Lanka /	0.39
		1404.9049	1404.9049.1000	Indonesia	
		1404.9041	1404.9041.1100	Other	0.46
		1404.9049	1404.9049.1100	Origin	
2	Broom Stick Flower	1404.9041	1404.9041.1200	Sri Lanka /	0.90
		1404.9049	1404.9049.1200	Indonesia	
		1404.9041	1404.9041.1300	Other	0.95
		1404.9049	1404.9049.1300	Origin	

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 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.

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 issue 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 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-6. 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.

10- *This ruling supersedes Valuation Ruling No. 1006/2017 dated 09-01-2017.*

s. 
(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.
- 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.

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