



**GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI**

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**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 (Port Muhammad Bin Qasim/ Custom House), Karachi.

**DETERMINATION OF CUSTOMS VALUES OF FILAMENT FOR PAINT BRUSHES  
UNDER SECTION 25A OF THE CUSTOMS ACT, 1969**

**(VALUATION RULING NO. 1559-/2021)**

C.No. Misc/34/2016-IV/1858.

Dated: 29 -10-2021

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



2. **Background of the valuation issue:** The manufacturers of Paint Brushes submitted a representation indicating therein the aspect of under-invoicing in the import of filament for paint brushes. In support of their claim they furnished import related documents as well as their import clearance data and copies of GDs. Therefore, an exercise was undertaken by this Directorate General to determine the Customs values of subject goods according to prevailing prices in the international markets.

3. **Stakeholders' Participation in Determination of Customs Values:** Meeting with the stakeholders/importers was scheduled on 22-10-2021. The representatives of manufacturers attended the meeting. The importers/stakeholders were requested vide this office letters dated 11-10-2021 and 14-10-2021 to submit their proposals/suggestions as well as following documents before or during the course of meeting so that Customs values could be determined:

- i. *Copies of invoices of imports (including GDs, ER, PL, BL, & all related imported documents each GD-wise) during last one year 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 one year showing the value of item in question, each GD-wise.*
- iv. *Copies of Sales Tax Invoices issued during last one year 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, each GD-wise.*
- v. *Latest price catalogue issued from manufacturer.*
- vi. *Manufacturer's discount schedule if any.*
- vii. *Copies of export GDs of manufacturer.*



The aspects of types/kinds of filaments which are used in paint brushes were discussed. The import clearance data obtained from M/s PRAL and documents furnished by the manufacturer were also examined. The manufacturer namely, M/s Universal Brushwares (Pvt.) Ltd. stated that the raw material for making filament for paint brushes is more expensive than the value currently being declared by other importers for the finished goods. They claimed that finished goods cannot be cheaper than its raw material. Further points of views were heard in detail and considered to arrive at Custom values of the subject goods.

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 due to wide variation of values displayed in the import data. 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 due to different declarations of goods descriptions, so 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 Filament for Paint Brushes have been determined under Section 25(7) of Customs Act, 1969.

5. **Customs Values of Filament for Paint Brushes *hereinafter specified*** shall be assessed to duty/taxes on the minimum Customs values mentioned against them in the Table below:

S.No.	Description of Goods	PCT Code	Proposed PCT for WeBOC	Origin	Customs Value (C&F) US\$/KG
(1)	(2)	(3)	(4)	(5)	(6)
1.	Filament for Paint Brushes, (Solid Tapered) Length: 50 mm to 160 mm Dia: 0.1mm to 0.25mm	5404.1900 5404.9000	5404.1900.1000 5404.9000.1000	China	3.25
2.	Filament for Paint Brushes, (Hollow) Length: 800mm to 1400mm Dia: 0.1mm to 0.25mm	5404.1900 5404.9000	5404.1900.1100 5404.9000.1100	China	1.95

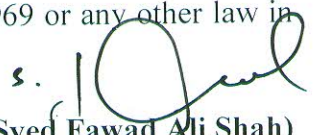
6. In cases where declared/ transaction values are higher than the Customs value determined in this Ruling or higher evidential data is available for stipulated period of 90 days, the assessing officer shall apply those values in terms of sub-Section (1) of Section 25 of the Customs Act, 1969. In case 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.



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, 7<sup>th</sup> 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 the 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.

  
(Syed Fawad Ali Shah)  
Director

Copy for information to: -

- 1) The Member Customs (Policy/Operations), Federal Board of Revenue, Islamabad.
- 2) The Director General, Intelligence and Investigation (Customs)-Federal Board of Revenue, Islamabad.
- 3) The Director General (Customs Valuation), Custom House, Karachi.
- 4) The Director General (Reforms & Automation), Custom House, Karachi.
- 5) The Director General, PCA& Internal Audit, Custom House, Karachi.
- 6) The Director General, IOCO, Custom House, Karachi.
- 7) The Director General, Transit Trade, Custom House, Karachi.
- 8) The Chief Collector of Customs (North), Custom House, Islamabad.
- 9) The Chief Collector of Customs Enforcement (Central), Custom House, Lahore.
- 10) The Chief Collector of Customs Appraisement, (Central), Custom House, Lahore.
- 11) The Chief Collector of Customs, Baluchistan, Custom House, Quetta.
- 12) The Chief Collector of Customs, Khyber Pakhtunkhwa, Custom House, Peshawar.
- 13) The Chief Collector of Customs, Appraisement (South), Custom House, Karachi.
- 14) The Chief Collector of Customs, Enforcement (South), Custom House, Karachi.
- 15) The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
- 16) The Director, Transit Trade, Custom House Karachi
- 17) The Director, Directorate of Customs Valuation, Lahore.
- 18) The Secretary (Valuation & Audit), Federal Board of Revenue, Islamabad.
- 19) The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WEBOC database system.
- 20) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 21) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 22) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 23) The Webmaster, Federal Board of Revenue, Islamabad.
- 24) Guard File.