GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI
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The Collectors of Customs, Model Customs Collectorates, Appraisement (East / West) / Port Muhammad Bin Qasim / Preventive, Karachi / Lahore (Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad / Hyderabad / Quetta / Peshawar/ Gawadar / Gilgit-Baltistan.

Determination of Customs Values of Brake Fluid (HS Code 2710.1994) Under Section 25-A of the Customs Act, 1969.

(Valuation Ruling No. 759 / 2015)

No. Misc/12/2010-I Dated: September 09, 2015

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Brake Fluid (HS Code: 2710.1994) are determined as follows:

2. **Background of the valuation issue:** The Customs values of Brake Fluid (HS Code 2710.1994) were determined under Section 25-A of the Customs Act, 1969 vide Valuation Ruling No. 561/2013 dated 20-06-2013. M/s Indus Mobiles Pvt Ltd, an importer of brake fluid, filed a Constriction Petition in the Sindh High Court on the grounds that Valuation Ruling 561/2013 is old and does not reflect current international market prices which have considerably gone down. Honorable Sidh High Court vide orders No. CP- D-1300/ 2015 dated May 15, 2015 directed to re-determine values after hearing the petitioner's point of view. Consequently exercise for determination of customs values of brake fluid was initiated afresh under section 25-A of the Customs Act, 1969.

3. **Stakeholders' participation:** Meetings were scheduled with stakeholders including the petitioner, representatives of importers, clearance Collectorates, Chamber of Commerce, and trade bodies on 10.06.2015, 02-07-2015 and 24-08-2015 for their input on the subject issue. In the meetings all issues relating to the values of Brake Fluid were discussed in detail. The point of view of petitioner and other importers were heard in detail. The importers mainly relied on the fact the international market prices of petroleum products including brake fluid have decreased drastically, and that with the existing values in the ruling, they are unable to market their item in Pakistan.

4. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were applied sequentially to address the valuation issue at hand. Transaction Value Method under Sub-Section (1) of Section 25 of the Customs Act, 1969 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

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provided some reference values but due to wide variations the same could not be relied upon. In the sequential order this office conducted a market inquiry in terms of Sub-Section (7) of Section 25 of the Customs Act, 1969. Stakeholders meeting were also conducted for their input and feedback. On-line values were also checked. Consequently Customs values of Brake Fluid are determined under sub-section (7) of Section 25 of the Customs Act, 1969.

5. Customs values for Brake Fluid: Brake Fluid *hereinafter specified* ***shall*** be assessed to duty/ taxes at the Customs values given in the following table :-

S. No.	Description of goods	PCT	Proposed PCT for WEBOC	Origin	Customs Values (C&F) US$/Litre
(1)	(2)	(3)	(4)	(5)	(6)
1.	Engine Oil/Gasoline Oil/ Transmission Oil Brake Fluid DOT 3 Toyota (Black) 354ml	**2710.1994**	2710.1994.1000	USA	**8.27**
2.	Engine Oil/Gasoline Oil/ Transmission Oil Brake Fluid DOT 3 Seiken (B.F-3) 355ml		2710.1994.1100	Japan	**2.98**
3.	Engine Oil/Gasoline Oil/Transmission Oil Brake Fluid DOT 3 SK 355ml		2710.1994.1200	South Korea	**2.95**
4.	Engine Oil/Gasoline Oil/Transmission Oil Brake Fluid DOT 3, PUCHS 250ml-		2710.1994.1300	Saudi Arabia	**2.90**
5.	Engine Oil/Gasoline Oil/Transmission Oil Brake Fluid DOT 3, 355ml- Other Brand		2710.1994.1400	All Origin Excluding USA	**2.90**
6.	Engine Oil/Gasoline Oil/Transmission Oil Brake Fluid DOT 3, 250ml- Other Brand		2710.1994.1500	All Origin Excluding USA	**2.92**
7.	Engine Oil/Gasoline Oil/Transmission Oil Brake Fluid In Bulk Packing		2710.1994.1600	All Origin Excluding USA	**1.52**

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6. In cases where declared / transaction values are higher than the Customs values determined in this Ruling, the assessing officers 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-Sections (1) or (3) of Section 25-A or section 25-D of the Customs Act, 1969.

8. **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 issuance of this Ruling, before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.

9. Any anomaly observed may kindly be brought to the notice of this Directorate General immediately for redressal.

10. This Ruling supersedes Valuation Ruling No. 561/2013 dated 20-06-2013.

(Manzoor Hussain Memon)
Director

Copy for information to : -

1. Member (Customs), F.B.R., Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi.
3. Chief Collector of Customs, South (Appraisement), Custom House, Karachi.
4. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. Chief Collector of Customs (Central), Lahore.
6. Chief Collector of Customs (North), Islamabad.
7. Director General, Intelligence and Investigation-FBR, Islamabad.
8. Director General, Audit (Customs & Petroleum), 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
9. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General Internal Audit, (Customs), Islamabad.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/Peshawar/ Faisalabad.
12. Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading this Ruling in the system.
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
16. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisement, 1st floor, Custom House, Karachi.
21. Guard File.