

*(This Ruling has been superseded vide Valuation Ruling No. 995/2016 dated 14-12-2016)*

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**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 Qasim / Preventive, Karachi / Lahore (Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad / Hyderabad / Quetta / Peshawar / Gawadar / Gilgit-Baltistan.

**DETERMINATION OF CUSTOMS VALUES OF Stapler Machines UNDER SECTION 25-A  
OF THE CUSTOMS ACT, 1969**

**(VALUATION RULING No. 924/2016)**

No. Misc/06/2009-VIIB/IX/9406

Dated: 07-09-2016

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

**2. Background of the valuation issue:** The customs values of various types of Stationery Items were determined under Section 25A of the Customs Act, 1969, vide Valuation Ruling No. 868/2016, dated 09-06-2016. Many importers filed representations against the Valuation Ruling. Meanwhile a reference was also received from MCC (Appraisement)-West, Custom House, Karachi vide letter No.SI/MISC/177/2016-VI, dated 12-08-2016 regarding valuation dispute in respect of values of Stapler Machines. A representation dated 08-08-2016 of M/s. Feroze Corporation, Karachi, was also received pointing out that various sizes/categories in the Stapler machines were not taken care of properly. Therefore, this Directorate General initiated an exercise for re-determination of customs values of Stapler Machines, afresh.

**3. Stakeholders' participation in determination of Customs values:** Meetings with stakeholders was held on 25-08-2016 and 05.09.2016. The importers were also requested to furnish the following documents:-

- A. Invoices of imports during last three months showing factual value.
- B. Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- C. Copies of Contracts made / LCs opened during the last three months showing the value of item in question.
- D. 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 meeting was attended by different importers and during the meeting they submitted a few documents with samples, stating that the prices of the stapler machines depended upon their sizes/categories. The stakeholders requested that the customs values of the stapler machines may be determined as per the detailed specifications/sizes.

**5. Method adopted to determine Customs values:** Valuation methods given in Section of the Customs Act, 1969 were followed to arrive at fair value of Stapler Machines. Transaction value method provided in Section 25(1) was found inapplicable due wide variation in the values being declared to the customs. Identical / similar goods value methods provided in Section 25(5) & (6) were examined for applicability to the valuation issue in the instant case which provided some reference values of the subject goods but the same could not be exclusively relied on due to wide variation in declared values of subject goods. Thereafter, market enquiry as envisaged under Section 25(7) of the Customs Act, 1969, was conducted; therefore different markets were surveyed for this purpose. Online prices were also obtained to corroborate the findings of the market surveys. Computed Value Method as provided in Section 25(8) could not be applied for valuation of the aforementioned goods

as the cost of raw material and fabrication charges under clause (a) and amount of profit and general expenses under clause (b) of Section 25(8) of the Act, in the country of export, could not be ascertained. All the information so gathered was evaluated and analyzed for the purpose of determination of customs values. Consequently, the Customs values of different types of Stapler Machines have been determined under Section 25(9) of the Customs Act, 1969.

**6. Customs values for Stapler Machines:** Stapler Machines hereinafter specified shall be assessed to duty/taxes at the following Customs Values:-

S. No.	Description	PCT	Proposed PCT for WBOC	Origins	Customs Values (C&F) US\$/Pc
(1)	(2)	(3)	(4)	(5)	(6)
1	Mini Stapler Machine-Metal/Plastic (# 10).	8472.9090	8472.9090.1000	China/India	0.25
2			8472.9090.1100	Other origins	0.31
3	Stapler Machine-Plastic (# 10)	8472.9090	8472.9090.1200	China/India	0.28
4			8472.9090.1300	Other origins	0.35
5	Stapler Machine-Metal (# 10)	8472.9090	8472.9090.1400	China/India	0.35
6			8472.9090.1500	Other origins	0.42
7	Stapler Machine- Plastic 24/6 & 26/6-weighing up to 125grams.	8472.9090	8472.9090.1600	China/India	0.38
8			8472.9090.1700	Other origins	0.46
9	Stapler Machine-Metal 24/6 & 26/6-weighing up to 125grams.	8472.9090	8472.9090.1800	China/India	0.40
10			8472.9090.1900	Other origins	0.50
11	Stapler Machine- Plastic 24/6 & 26/6-weighing from 126grams to 180grams.	8472.9090	8472.9090.2000	China/India	0.50
12			8472.9090.2100	Other origins	0.63
13	Stapler Machine- Metal 24/ & 26/6-weighing from 126 grams to 180grams.	8472.9090	8472.9090.2200	China/India	0.55
14			8472.9090.2300	Other origins	0.66
15	Stapler Machine-Plastic 24/6 & 26/6-weighing from 181 grams & above	8472.9090	8472.9090.2400	China/India	0.60
16			8472.9090.2500	Other origins	0.72
17	Stapler Machine-Metal 24/6 & 26/6-weighing from 181 grams & above.	8472.9090	8472.9090.2600	China/India	0.65
18			8472.9090.2700	Other origins	0.81
19	Stapler Machine- Heavy Duty- 2310/2313.	8472.9090	8472.9090.2800	China/India	3.00
20			8472.9090.2900	Other origins	3.60
21	Stapler Machine- Heavy Duty- 2317.	8472.9090	8472.9090.3000	China/India	4.00
22			8472.9090.3100	Other origins	4.80
23	Stapler Machine- Heavy Duty- 2324.	8472.9090	8472.9090.3200	China/India	6.10
24			8472.9090.3300	Other origins	9.60
25	Staple Remover	8472.9090	8472.9090.3400	China/India	0.15
26			8472.9090.3500	Other origins	0.20

7. 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.

**8. 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 of the Customs Act, 1969.

**9. 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 of this ruling, before the Director General, Directorate General of Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.

10. The Collectors of Customs may kindly ensure that the values given in this 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. Customs values determined in the ruling are for the description and specification as mentioned herein. HS Codes are mentioned for illustrative purposes so that valuation ruling values are made accessible to the assessing officer. The assessment shall be finalized on the basis of correct classification after fulfilling requisite formalities related to importability or any other certification 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 15 of the Customs Act, 1969 or any other law in vogue therein.

11. This Valuation Ruling supersedes the serial Nos. 50, 51, 52, 53 and 54 of Valuation Ruling No. 868/2016, dated 09-06-2016.

**(DR.WASIF ALI 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 (Appraisalment), 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), 1<sup>st</sup> Floor, PT &T Audit Building, Mauj-e-Darya Road, Lahore.
09. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General, Internal Audit (Customs), Karachi.
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 in WBOC database system and deleting Nos: 50, 51, 52, 53 and 54 of Valuation Ruling No. 868/2016, dated 09-06-2016.
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, 7<sup>th</sup> Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7<sup>th</sup> Floor, Custom House, Karachi / MCC, Appraisalment, 1<sup>st</sup> Floor, Custom House, Karachi.
21. Web master, Federal Board of Revenue, Constitution Avenue, Islamabad, for uploading FBR website and deleting serial Nos. 50, 51, 52, 53 and 54 of Valuation Ruling No.868/2016, dated 09-06-2016
22. Guard File.