

**The Collectors of Customs**, Model Customs Collectorates, Appraisement East / West / Port Muhammad Bin Qasim / Export (Karachi / Port Qasim) / JIAP, Karachi / Preventive, Karachi / Lahore (Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad / Hyderabad / Quetta (Appraisement / Preventive) / Peshawar (Appraisement / Preventive) / Gawadar / Gilgit-Baltistan.

**DETERMINATION OF CUSTOMS VALUES OF STATIONERY ITEMS**  
**UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969**

**(VALUATION RULING NO. 1407 2019)**

No. Misc/11/2013-VII

12545

Dated: 2 November, 2019

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

2. **Background of the valuation issue:** Customs values of Stationery Items were earlier determined through Valuation Ruling No. 1379/2019 dated 27-06-2019. The Federal Board of Revenue issued CGO No. 15/2019 & 17/2019 dated 13-09-2019 and 19-09-2019 respectively wherein Unit of Measurement (UOM) of a number of commodities including Stationery Items (Pencils crayons etc) This necessitated issuance of new ruling to cover UoM of said items to bring those in low with said CGO was changed from Kilograms to Unit (Per Piece) for the purpose of assessment. Moreover, a number of representations were received in this Directorate General that the values of subject goods needs re-determination of values. Keeping in view the above facts, an exercise to determine the customs values of the subject goods under section 25A of the Customs Act 1969.

3. **Stakeholders' participation in determination of values:** Meeting with stakeholders was convened on 29-10-2019 which was attended by different stakeholders and importers, 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 customs 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 the last four months showing the difference in price (excluding duty and taxes) to substantiate their contentions.


4. The modus operandi of converting the values from kilograms to unit basis was discussed and, it was unanimously agreed that list prices published, particularly for Lead Pencil would be taken in



to account and after deducting agreed margins of profit values would be determined on number basis. This way the dispute of weight per gross, in earlier Valuation Ruling, would also be resolved.

**5. Method adopted to determine Customs values:** Custom Valuation methods given in Section 25 of the Customs Act, 1969 were applied in sequential order to address the valuation issue at hand. Transaction value method under Sub-Section (1) of Section 25 of the Act *ibid* was found inapplicable because requisite 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 provided some reference values but due to wide variation and suppressed declarations, the same could not be relied upon. 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 Customs Act, 1969, was applied to arrive at the assessable Customs values of the subject goods, being most appropriate for the purpose. All the information together was evaluated and analyzed for the purpose of determination of customs values.

**6. CUSTOMS VALUES FOR STATIONERY ITEM:** Stationery Item *hereinafter specified* shall be assessed to duty/ taxes on the Customs values given against them in the Table below: -



S.No.	Description of Goods	PCT	WeBOC PCT	Origin	Customs Values (C&F) US\$/Pc
1	Ball Point Pens (Excluding Gel Pen and Roller Pen)	9608.1000	9608.1000.1000	China	0.09/Pc
			9608.1000.1100	Europe / Japan / USA / Canada	0.13/Pc
			9608.1000.1200	Other Origins	0.11/Pc
2	Markers all types (Except paint and drawing markers)	9608.2000	9608.2000.1100	China	0.17/Pc
			9608.2000.1100	Europe / Japan / USA / Canada	0.35/Pc
			9608.2000.1200	Other Origins	0.26/Pc
3	Paint & Drawing Maker	9608.2000	9608.2000.1300	China	0.33/Pc
			9608.2000.1400	Europe / Japan / USA / Canada	0.63/Pc
			9608.2000.1500	Other Origins	0.48/Pc
4	Highlighters	9608.2000	9608.2000.1600	China	0.16/Pc
			9608.2000.1700	Europe / Japan / USA / Canada	0.26/Pc
			9608.2000.1800	Other Origins	0.23/Pc
5	Fine Liner Pens (Low end / Unknow Brand)	9608.2000	9608.2000.1900	China	0.16/Pc
			9608.2000.2000	Europe / Japan / USA / Canada	0.28/Pc
			9608.2000.2100	Other Origins	0.18/Pc
6	Fountain Pen with Plastic Cap (Low end / Unknown brands)	9608.3000	9608.3000.1000	China	0.18/Pc
			9608.3000.1100	Europe / Japan / USA / Canada	0.47/Pc
			9608.3000.1200	Other Origins	0.28/Pc
7	Roller Pen (Low end / Unknown brands)	9608.2000	9608.2000.2200	China	0.26/Pc
			9608.2000.2300	Europe / Japan / USA / Canada	0.38/Pc
			9608.2000.2400	Other Origins	0.33/Pc



8	Gel Pen (Low end / Unknown Brands)	9608.2000	9608.2000.2500	China	0.16/Pc	
			9608.2000.2600	Europe / Japan / USA / Canada	0.28/Pc	
			9608.2000.2700	Other Origins	0.23/Pc	
9	Fiber Tip Coloring Pen with water base ink for student use excluding Fine Liner Pen, Permanent Markers, White Board Markers, Highlighters & Gel Pen etc. (Low end/unknown brands)	9608.2000	9608.2000.2800	China	0.08/Pc	
			9608.2000.2900	Europe / Japan / USA / Canada	0.14/Pc	
			9608.2000.3000	Other Origins	0.11/Pc	
10	Pen with Tips on Both Sides (Low end/unknown brands)	9608.2000	9608.2000.3100	China	0.17/Pc	
			9608.2000.3200	Europe / Japan / USA / Canada	0.32/Pc	
			9608.2000.3300	Other Origins	0.26/Pc	
11	Fountain Pen with Metal cap (Low end/unknown brands)	9608.3000	9608.3000.1000	China	0.24/Pc	
			9608.3000.1100	Europe / Japan / USA / Canada	0.56/Pc	
			9608.3000.1200	Other Origins	0.37/Pc	
12	Color Pencils in Cardboard Box Packing (Half size)	9609.1000	9609.1000.1000	China	0.0150/pc	
			9609.1000.1100	Other Origins	0.0225/pc	
13	Color Pencils in Metal Box Packing (Half size)		9609.1000.1200	China	0.0215/pc	
			9609.1000.1300	Other Origins	0.0311/pc	
14	Color Pencils in Cardboard Box Packing (Full size)		9609.1000.1400	China	0.0294/pc	
			9609.1000.1500	Other Origin	0.0426/pc	
15	Color Pencils in Metal Box Packing (Full size)		9609.1000.1600	China	0.040/pc	
			9609.1000.1700	Other Origins	0.05568pc	
16	Black Lead Pencils with or without rubber tip in bulk packing		9609.1000.1800	China	0.024/pc	
				Other Origin	0.036/pc	
17	Black Lead Pencils with or without rubber tip in retail packing		9609.1000.1900	China	0.026/pc	
			9609.1000.2000	Other Origin	0.039/pc	

18	Raw Pencils (Black Lead ) Without Polish / Paint		9609.1000.2100	All Origins	0.022/pc
19	Crayons	9609.1000	9609.1000.2200	China	0.32/ packet 12 small piece
				Other Origins	0.38/ packet 12 small piece
			9609.1000.2300	China	0.46/ packet 12 Large piece
			9609.1000.2400	Other Origins	0.56/ packet 12 Large piece
20	Oil Pastels	9609.1000	9609.1000.2500	China	0.32/ packet 12 small piece
			9609.1000.2600	Other Origins	0.38/ packet 12 small piece
			9609.1000.2700	China	0.46/ packet 12 Large piece
			9609.1000.2800	Other Origins	0.56/ packet 12 Large piece
21	Writing / Drawing Board (Black / White)	9610.0000	9610.0000.1000	China	0.65/ small size
			9610.0000.1100	Other Origins	1.10 Large size



In cases where declared/ Transaction values are higher than the Customs value determined in this Ruling, 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.

**8. 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 (1) or (3) of Section 25-A of the Customs Act, 1969.

**9. 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, 7<sup>th</sup> Floor, Custom House, Karachi.



10. 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 with respect to PCT may kindly be brought to the notice of Directorate General immediately.

11. *This ruling supersedes Valuation Ruling No. 1379/2018 dated 27-06-2019.*

  
(Shafique Ahmed Latki)  
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), Custom House, Karachi.
4. The Chief Collector of Customs, South (Enforcement), 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), Custom House, Quetta.
8. The Director General, Intelligence and Investigation-FBR, Islamabad.
9. The Director General, Post Clearance Audit (PCA) & Internal Audit, Karachi.
10. The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad / Quetta / Peshawar/ Faisalabad.
13. The Director, Directorate General of Customs Valuation Custom House, Lahore.
14. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system.
15. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
16. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
17. The Karachi Customs Agents Group, Bohri Road, Karachi.
18. The Webmaster, Federal Board of Revenue, Islamabad.
19. Guard File.