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

The Collectors of Customs, Model Customs Collectarates, Appraisement (East / West)/
Fort Qasim / Preventive, Karachi / Lahore / Appraisement / Preventive) / Sambril (Sialkot) /
Faisalabad / Multan / Islamabad / Hyderabad / Quetta / Peshawar / Gawadar / Gilgit-Baltistan /
Exports (Karachi/Port Qasim)/Directorate of Transit Trade, Karachi.

Determination of Customs Values of Toner Powder Black/Coloured in Bulk for
Photocopiers and Printers Under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. 1369/2019)

No.Misc/05/2017-II 11987

Dated: May 6, 2019

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969,
Customs values of Toner Powder Black/Coloured in Bulk for Photocopy and Printers are
determined as follows:

2. Background of the valuation issue: Earlier the Customs values of Toner Powder Black
for Photocopier and Printer in Bulk, Branded/Un-Branded were determined vide Valuation
Ruling No. 1114/2017, dated 29-03-2017. There were several representations from the
stakeholders wherein they contended that the Valuation Ruling needs to be revised in accordance
with the price trend in the international markets. Moreover, it was pointed out that the toner
powder does not have any international brand name and instead, the packing shows the models/
names of printers wherein the same can be used. It was suggested that Serial No. 1 of the existing
PPR is basically for cartridges of chapter 84 of Pakistan Custom Tariff, which are mostly costlier
than the values given in the VR and there were chances of mis-declaration of classification.

Keeping in view the prevailing prices of the subject goods, this Directorate General initiated an
exercise for the re-determination of the Customs Values of the subject goods in terms of Section

3. Stakeholders’ participation in determination of Customs values: Several meetings
with stakeholders, including importers, and representatives from field formations were held in
this Directorate General of Customs Valuation. The stakeholders were requested to furnish the
following documents before or during the course of above said meetings:

i. Invoices of imports during last three months 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 three months showing the value of
the item in question.

iv. Copies of Sales Tax Invoices issued during last four months showing the difference in
price (excluding duty and taxes) to substantiate their contentions.

4. The meetings were attended by different stakeholders including importers,
representatives of clearance collectors, FPCC&I and KCC&I. The importers stated that the
prices of the subject goods have shown downward trend internationally. The existing ruling is
almost three years old and therefore needs to be rationalized as per the international market
trend. They further contended that they were importing toner powder in bulk without any brand
name, while the Collectorates are assessing at value of branded toner powder. Some of the importers submitted the requisite documents in support of their contentions. The viewpoint of all participants was heard in detail and considered to arrive at the customs value of subject goods.

5. Method adopted to determine Customs values: Valuation methods given in Section 25 of the Customs Act, 1969, were followed to arrive at customs value of Toner Powder Black/Colouredin Bulk for Photocopier and Printers. Transaction value method provided in Section 25 (1) was found inapplicable owing to wide variations in the values being declared to the customs and incomplete descriptions. Moreover, no participant submitted substantial document, which would have helped in arriving at the true transaction value. 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 references but the same could not be exclusively relied on. The market inquiry as envisaged under Section 25 (7) of the Customs Act, 1969, could not be exclusively relied either. 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 general expenses 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 of Toner Powder Black/Colouredin Bulk for Photocopier and Printer. Consequently, the Customs values of Toner Powder Black/Colouredin in bulk for Photocopier and Printers hereinafter specified shall be assessed to duty/taxes at the following Customs:

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Description of Goods</th>
<th>PCT Code</th>
<th>Proposed PCT for WeBOC</th>
<th>Origin</th>
<th>Customs Value (C&amp;F) USS/Kg</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Toner Powder Black for Photocopier and Printer (in Bulk)</td>
<td>3709.9000</td>
<td>3707.9000.1000</td>
<td>China</td>
<td>3.15</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3707.9000.1100</td>
<td>Taiwan/Malaysia</td>
<td>3.60</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3707.9000.1200</td>
<td>Other Origins</td>
<td>4.50</td>
</tr>
<tr>
<td>2.</td>
<td>Toner Powder Colouredin for Photocopier and Printer (in Bulk)</td>
<td>3709.9000</td>
<td>3707.9000.1300</td>
<td>China</td>
<td>5.10</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3707.9000.1400</td>
<td>Taiwan/Malaysia</td>
<td>6.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3707.9000.1500</td>
<td>Other Origins</td>
<td>7.90</td>
</tr>
</tbody>
</table>

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 and the same may be communicated to this
Directorate General forthwith. In case of consignments imported by air, the assessing
officer shall take into account the element of air freight while assessing the goods.
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
revised or revised by the competent authority in terms of Sub-Sections (1) or (3) of Section
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, 7th 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 in
the table to this Valuation Ruling. HS 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 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.

10. **This Valuation Ruling supersedes the Valuation Ruling No. 1114/2017, dated 29-03-
2017.**

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), 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 WeBOC database system and deleting Valuation Ruling, No. 1114/2017, dated 29-03-2017.
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.