



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

**Determination of Customs Value of Ice Cream under Section 25-A of the Customs Act, 1969.**

(VALUATION RULING NO. <sup>1263</sup> /2018)

No. Misc/78/2016-I/ <sup>1239</sup>

Dated: February 21, 2018

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

2. **Background of the valuation issue:** Customs values of Ice Cream were earlier determined vide Valuation Ruling No.1167/2017 dated 22.05.2017. However, various representations were received from the importers for re-determination of values of Ice Cream. Hence an exercise was initiated by this Directorate General to determine the customs values of Ice Cream.

3. **Stakeholders' participation in determination of Customs values:** Meeting with stakeholders, including importers, was held on 08.02.2018. The commercial importers contended that the customs values in the impugned Valuation Ruling are high and therefore, require revision in line with the prevailing prices in the international market. M/s. Jofa International stated that M/s. Jofa International is the sole importer of Movenpick Ice Cream from Switzerland and all payments are made through banking channel. They contended that their import price varies due to different flavours and packaging. M/s. Star Foods stated that they are authorized Distributer of London Dairy brand Ice cream imported from UAE and their declared values are actual transaction values. They contended that their values are not comparable with high end brands like Ben & Jerry and Baskin Robbins. The stakeholders were requested to furnish supporting documents so that their contentions could be considered to arrive at Customs values of the subject goods. M/s Jofa International and Ms Star Foods submitted certain documents in support of their contentions.

4. **Method adopted to determine Customs values:** Valuation methods provided in Section 25 of the Customs Act, 1969 were duly applied in their sequential order to address the valuation issue at hand. The transaction value method as provided in Sub-Section (1) of Section 25, was found inapplicable in light of the wide variety of invoices submitted at import stage, the veracity of which could not be ascertained fully, hence requisite information required under law was not available to arrive at the correct transaction value. Identical / similar goods value method provided vide Sub-Sections (5) & (6) of Section 25 ibid were examined for applicability to determine Customs value of subject goods. This data provided some references, however, it was found that the same cannot be solely relied upon due to the absence of demonstrable evidence of





qualities, and quantities of commercial level. In line with the statutory sequential order of Section 25, this office then conducted market inquiries using Deductive Value Method under Sub-Section (7) of the Section 25 of the Customs Act, 1969 and determined customs values of Ice Cream under section 25(7) of the Customs Act, 1969.

5. **Customs values for Ice Cream:** Ice Cream *hereinafter specified* shall be assessed to duty / taxes at the following Customs Values:

S. No.	Description of goods	Packing	PCT	Proposed PCT for WEOC	Origin	Customs Values (C&F) US\$/Kg
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	<b>Moven Pick Ice Cream (Assorted Flavours)</b>	175 gram	2105.0000	2105.0000.1000	Switzerland	<b>5.34</b>
		900 gram		2105.0000.1100	Switzerland	<b>3.65</b>
		2400 gram		2105.0000.1200	Switzerland	<b>3.20</b>
		5000 gram		2105.0000.1300	Switzerland	<b>2.81</b>
2.	<b>Moven Pick Ice Cream (Cone Dough)</b>	1500 gram		2105.0000.1400	Switzerland	<b>3.70</b>
3.	<b>Moven Pick Ice Cream (Assorted Flavours)</b>	All types of packaging		2105.0000.1500	All other Origins	<b>5.45</b>
4.	<b>London Dairy Ice Cream (Assorted Flavours)</b>	Sticks		2105.0000.1600	U.A.E	<b>3.22</b>
		Cup (125 ML)		2105.0000.1700	U.A.E	<b>5.17</b>
		Tub (500 to 1000 ML)		2105.0000.1800	U.A.E	<b>2.25</b>
5.	<b>Haagen Dazs Ice Cream (Assorted Flavours)</b>	All Types of packing		2105.0000.1900	All Origin	<b>3.90</b>
6.	<b>Baskin Robins Ice Cream (Assorted Flavours)</b>	All Types of packing		2105.0000.2000	All Origin	<b>3.40</b>
7.	<b>Ben &amp; Jerry Ice Cream (Assorted Flavours)</b>	All Types of packing		2105.0000.2100	All Origin	<b>3.15</b>
8.	<b>Assorted Impulse Ice Cream (Assorted Flavours)</b>	All Types of packing		2105.0000.2200	All Origin	<b>2.75</b>
9.	<b>Swensen's Ice Cream (Assorted Flavours)</b>	All Types of packing		2105.0000.2300	Thailand	<b>2.15</b>
10.	<b>Other Brand (Assorted Flavours)</b>	All Types of packing		2105.0000.2400	All Origin	<b>4.00</b>
11.	<b>Note:</b> The Clearance Collectorates are advised to ensure assessment as per the values mentioned in the table above and to avoid assessment of Ice Cream to generalized term as "assorted ice cream" where values of brands have been specifically mentioned in this Ruling.					



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 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.

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 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 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 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 Annexure 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 ruling supersedes Valuation Ruling No.1167/2017 dated 22-05-2017.***

  
(Muhammad Iqbal Muneeb)  
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 InWeBOC database system and deleting VR 1167/2017 dated 22-05-2017.
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.