The Collectors of Customs, Model Customs Collectorate of Appraisal (East / West)/
Port Qasim/Preventive, Karachi/Lahore (Appraisal / Preventive) / Sambrail (Sialkot) /
Faisalabad/Multan/Islamabad /Hyderabad / Quetta / Peshawar/ Gwadar and Gilgit-Baltistan.

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

**VALUATION RULING NO. 1263/2018**

No. Misc/78/2016-I/39  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
Distributor 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:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Description of goods</th>
<th>Packing</th>
<th>PCT</th>
<th>Proposed PCT for WEBOC</th>
<th>Origin</th>
<th>Customs Values (C&amp;F) USS/Kg</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>Moven Pick Ice Cream (Assorted Flavours)</td>
<td>175 gram</td>
<td>2105.0000</td>
<td>2105.0000.1000</td>
<td>Switzerland</td>
<td>5.34</td>
</tr>
<tr>
<td></td>
<td></td>
<td>900 gram</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2400 gram</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>5000 gram</td>
<td></td>
<td></td>
<td>Switzerland</td>
<td>3.65</td>
</tr>
<tr>
<td>2.</td>
<td>Moven Pick Ice Cream (Cone Dough)</td>
<td>1500 gram</td>
<td></td>
<td></td>
<td>Switzerland</td>
<td>3.20</td>
</tr>
<tr>
<td>3.</td>
<td>Moven Pick Ice Cream (Assorted Flavours)</td>
<td>All types of packaging</td>
<td></td>
<td></td>
<td>Switzerland</td>
<td>2.81</td>
</tr>
<tr>
<td>4.</td>
<td>London Dairy Ice Cream (Assorted Flavours)</td>
<td>Sticks</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Cup (125 ML.)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tab (500 to 1000 ML.)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Haagen Dazs Ice Cream (Assorted Flavours)</td>
<td>All Types of Packing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Baskin Robins Ice Cream (Assorted Flavours)</td>
<td>All Types of Packing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Ben &amp; Jerry Ice Cream (Assorted Flavours)</td>
<td>All Types of Packing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Assorted Impulse Ice Cream (Assorted Flavours)</td>
<td>All Types of Packing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Swensen’s Ice Cream (Assorted Flavours)</td>
<td>All Types of Packing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Other Brand (Assorted Flavours)</td>
<td>All Types of Packing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note**: 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 the 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, 7th 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 Muheeb)
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.
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.