

**GOVERNMENT OF PAKISTAN**  
**DIRECTORATE GENERAL OF CUSTOMS VALUATION**  
**7<sup>TH</sup> FLOOR, CUSTOM HOUSE, KARACHI**

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**The Collectors of Customs**, Collectorates of Customs (Appraisement - West) / Appraisement - East / SAPT / Appraisement - Port Muhammad Bin Qasim / Enforcement / JIAP), Karachi / Hyderabad / (Appraisement / Enforcement), Quetta / Gawadar / Khuzdar, (Appraisement / Enforcement / AIIA), (Appraisement - East / West), Lahore, Faisalabad / Appraisement, Sargodha / Enforcement, Sambrial (Sialkot) / Enforcement, Multan / Islamabad / Gilgit-Baltistan / (Appraisement / Enforcement), Peshawar / Enforcement, Dera Ismail Khan / Exports (Port Qasim / Custom House, Karachi) / Transit Trade, Karachi.

**DETERMINATION OF CUSTOMS VALUES OF ICE CREAM UNDER SECTION 25A OF  
THE CUSTOMS ACT, 1969**

**(VALUATION RULING NO. 1847/2024)**

C.No. Misc/78/2016-I/80

Dated: 25<sup>th</sup> January, 2024

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

- 2. Background of the valuation issue:** Earlier, the Customs values of Ice Cream were determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No.1472/2022 dated 16-09-2020. M/s Capvan Sweets (Pvt.) Limited filed a complaint No.6019/LHR/CUST/2023 dated 12-10-2023 to Federal Tax Ombudsman for not accepting the goods declaration on declared value and non-release of goods provisionally. Subsequently, FTO directed the Directorate General of Customs Valuation to issue new VR after taking decision on Complainant's application after giving proper opportunity of hearing to the Complainant and all other stakeholders to settle the issue for future. Therefore, an exercise has been undertaken by this Directorate to determine the same.
- 3. Stakeholders' participation in determination of Customs values:** Meetings were convened on 06-12-2023, 27-12-2023 & 04-01-2024 which were attended by the relevant stakeholders. The issues pertaining to the valuation of subject goods were deliberated upon in detail in the afore-referred meeting.
- 4. Analysis / Exercise done to determine Customs Values:** Ninety (90) days' clearance data has been retrieved and the same has been scrutinized. Subsequently, market inquiry has been conducted and examined in the light of this Directorate's Office Order No.17/2014 dated 19-03-2014 and in terms of Section 25 (7) read with Section 25(9) of the Customs Act, 1969.
- 5. Method (s) adopted to determine Customs values:** Valuation methods specified in Section 25 of the Customs Act, 1969, are duly considered in sequential order to arrive at the Customs values of subject goods. The transaction value method as provided in sub-section (1) of Section 25 of the Customs Act, 1969, was found inapplicable due to absence of information as required under sub-section (2) of Section 25 of Customs Act, 1969. Therefore, identical goods value method provided in Section 25(5) was examined for applicability to determine Customs values of subject goods. However, it was found that the same could not be solely relied upon due to absence of absolute demonstrable evidences of quantities and qualities. Information available was, hence, found incomplete. Subsequently, similar goods value method provided in Section 25(6) was also examined for applicability to determine Customs values of subject goods and was not considered (for application) due to afore-stated reasons. Moreover, Declared Values (DV) of similar goods had showed consistent variations. Hence, this method was also found inapplicable. Market enquiry as envisaged under Sub-Section (7) of Section 25 of the Customs Act, 1969 was also conducted but could yield results to some extent because of variation in market prices. In line with statutory sequential order of section 25, Computed value method, as provided in Section 25(8) of the Customs Act, 1969 was examined, but the same also could not be applied as the conversion cost from the constituent materials and allied expenses, in the country of export, were not available for manufacturing of Ice Cream. Finally, the Customs values of the subject goods have been determined

under Section 25(9) read with Section 25(7) and Customs Rule 121(2) of Customs Rules, 2001 which provides that the methods of valuation, to be employed under sub-section (9) of section 25 of the Act may be inclusive of those laid down in sub-sections (1), (5), (6), (7) and (8) of the said section, but a reasonable flexibility in the application of such methods would be in conformity with the aims and provisions of sub-section (9) of that section.

**6. Customs values for Ice Cream:** Ice Cream, shall be assessed to duty / taxes at the Customs values as per following Table:-

S. No.	Description of Goods	Origin	PCT Code	Proposed PCT for WeBOC	Packing	Customs Values C&F (US\$/Kg)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Moven Pick Ice Cream (Assorted Flavours)	All origins	2105.0000	2105.0000.1100	100 ml	6.80
				2105.0000.1200	500 ml	4.80
				2105.0000.1300	900 ml	4.25
				2105.0000.1400	2400 ml	3.60
				2105.0000.1500	5000 ml	3.20
2	Hagen Dazs Ice Cream (Assorted Flavours)	All origins	2105.0000	2105.0000.1600	All modes of packing	3.70
3	Baskin Robins Ice Cream (Assorted Flavours)	All origins	2105.0000	2105.0000.1700	All modes of packing	5.20
4	Oreo Ice Cream (Assorted Flavours)	All origins	2105.0000	2105.0000.1800	All modes of packing	3.20
5	Toblerone Ice Cream (Assorted Flavours)	All origins	2105.0000	2105.0000.1900	All modes of packing	3.10
6	Cadbury Ice Cream (Assorted Flavours)	All origins	2105.0000	2105.0000.2000	All modes of packing	3.20
7	Snickers Ice Cream (Assorted Flavours)	All origins	2105.0000	2105.0000.2100	All modes of packing	3.20
8	Bounty Ice Cream (Assorted Flavours)	All origins	2105.0000	2105.0000.2200	All modes of packing	3.20
9	Other Brands Ice Cream	All origins	2105.0000	2105.0000.2300	All modes of packing	3.00

7. In cases, where declared 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 officers shall take into account the difference between air freight and sea freight while applying the Customs values in this Ruling.

**8. Validity of this Valuation Ruling:** This Ruling, containing the Customs values for assessment of subject imported goods, shall be applicable until and unless the same are rescinded or revised by the competent authority in terms of sub-section (4) of Section 25A of the Customs Act, 1969.

**9. Revision of the values determined vide this Valuation Ruling:** If aggrieved, a revision petition may be filed against this ruling as provided under Section 25D of the Customs Act, 1969, within 30 days from the date of its issuance, 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 are applied by the concerned staff without fail. Any anomaly observed may kindly be brought to the notice of this Directorate immediately. Customs values determined in the Ruling are for the description and specification as mentioned in the table of this Ruling. PCT 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 certifications 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. 1472/2020 dated 16-09-2020.**

**(FAYAZ RASOOL MAKEN)**

Director

Copy for information to:-

- 1) The Member Customs (Operations), Federal Board of Revenue, Islamabad.
- 2) The Director General, Customs Valuation, Custom House, Karachi.
- 3) The Chief Collector of Customs, Appraisement (South), Custom House, Karachi.
- 4) The Chief Collector of Customs, Enforcement (South), Custom House, Karachi.
- 5) The Chief Collector of Customs, Appraisement (Central), Custom House, Lahore.
- 6) The Chief Collector of Customs, Enforcement (Central), Custom House, Lahore
- 7) The Chief Collector of Customs (North), Custom House, Islamabad.
- 8) The Chief Collector of Customs, Baluchistan, Custom House, Quetta.
- 9) The Chief Collector of Customs, Khyber Pakhtunkhwa, Custom House, Peshawar.
- 10) The Director General, Intelligence and Investigation (Customs) FBR, Islamabad.
- 11) The Director General, PCA & Internal Audit, Karachi.
- 12) The Director General, IOCO, Karachi.
- 13) The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
- 14) The Director, Transit Trade, Custom House, Karachi.
- 15) The Director, Directorate of Customs Valuation, Lahore/Quetta/Peshawar.
- 16) The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system.
- 17) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 18) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 19) The Karachi Customs Agents Association, Bohri Road, Karachi.
- 20) The Webmaster, Federal Board of Revenue, Islamabad.
- 21) Guard File.