

(This Ruling has been revised / superseded vide Valuation Ruling No. 1466/2020 dated 24-08-2020)

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

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 LOW-END BRAND SHOES, SLIPPERS,
SANDALS, CHAPPALS AND JOGGERS UNDER SECTION 25-A OF THE CUSTOMS ACT,
1969**

(VALUATION RULING No. 1405/2019)

No. Misc/01/2013-V/2534

Dated: 31st October, 2019

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the Customs values of Low-end brand Shoes, Slippers, Sandals, Chappals and Joggers are determined as follows:-

2. Background of the valuation issue: Customs values of Low-end Brands Shoes, Slipper, Sandals, Chappals and Joggers were earlier determined through Valuation Ruling No. 902/2016 dated 08-08-2016 & Order in Revision dated 30-09-2016. The values given in said VR, being more than three years old, needed redetermination, keeping in view price trends in international market. Therefore, an exercise to determine the Customs values of the subject goods under Section 25-A was initiated in this Directorate General.

3. Stakeholders' participation in determination of values: Meetings with stakeholders were convened on 12-09-2019, 16-09-2019 which was attended by the importers, representative of All Pakistan Customs Agent's Association & FPCC&I. The importers contested that value of shoes in International market has decreased substantially due to severe competition and therefore, the values given in VR be decreased accordingly. Few importers submitted documents, such as Performa invoices, copies of G.Ds, filed with China Customs, Sales Tax invoices etc. to substantiate their claims. All the claimants so submitted were examined and compared with imports data as well as market prices.

4. 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 declaration, 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.

6. Customs values of Low-end brand Shoes, Slippers, Sandals, Chappals and Joggers: Low-end brand Shoes, Slippers, Sandals, Chappals and Joggers *hereinafter specified* shall be assessed to duty / taxes at the Customs values given against them in the Table below:

S. No.	Description of Goods	PCT	Proposed PCT for WEOC	Origins	Customs Values (C&F) US\$/Pair
(1)	(2)	(3)	(4)	(5)	

1.	Baby/Baba Shoes (Booty) Artificial Leather up to 2 years (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.1000 6405.1000.1000 6405.2000.1000 6405.9010.1000 6405.9090.1000	China Thailand	0.70 0.87
2.	Children Shoes Artificial Leather size 3 to 5 years (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.1100 6405.1000.1100 6405.2000.1100 6405.9010.1100 6405.9090.1100	China Thailand	0.80 1.05
3.	Children Shoes Artificial Leather size 6 to 12 years (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.1200 6405.1000.1200 6405.2000.1200 6405.9010.1200 6405.9090.1200	China Thailand	0.85 1.15
4.	Children Sandal Artificial Leather up to 5 years (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.1300 6405.1000.1300 6405.2000.1300 6405.9010.1300 6405.9090.1300	China Thailand	0.70 0.85
5.	Children Sandal Artificial Leather size 6 to 12 years (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.1400 6405.1000.1400 6405.2000.1400 6405.9010.1400 6405.9090.1400	China Thailand	0.85 1.00
6.	Children Slipper Artificial Leather Size 3 to 5 years (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.1500 6405.1000.1500 6405.2000.1500 6405.9010.1500 6405.9090.1500	China Thailand	0.70 0.85
7.	Children Slipper Artificial Leather Size 6 to 12 years (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.1600 6405.1000.1600 6405.2000.1600 6405.9010.1600 6405.9090.1600	China Thailand	0.85 0.95
8.	Boys/Girls Shoes Artificial Leather Size 36 to 40 (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.1700 6405.1000.1700 6405.2000.1700 6405.9010.1700 6405.9090.1700	China Thailand	1.45 1.85
9.	Boys/Girls Slippers Artificial Leather Size 36 to 40 (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.1800 6405.1000.1800 6405.2000.1800 6405.9010.1800 6405.9090.1800	China Thailand	1.25 1.55
10.	Boys/Girls Sandal Artificial Leather Size 36 to 40 (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.1900 6405.1000.1900 6405.2000.1900 6405.9010.1900 6405.9090.1900	China Thailand	1.40 1.75
11.	Ladies Shoes Artificial Leather Size 39 to 43 (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010	6404.1900.2000 6405.1000.2000 6405.2000.2000 6405.9010.2000	China Thailand	2.55 3.15

		6405.9090	6405.9090.2000		
12.	Ladies Sandal Artificial Leather Size 39 to 43 (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.2100 6405.1000.2100 6405.2000.2100 6405.9010.2100 6405.9090.2100	China Thailand	1.95 2.15
13.	Ladies Slipper Artificial Leather Size 39 to 43 (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.2200 6405.1000.2200 6405.2000.2200 6405.9010.2200 6405.9090.2200	China Thailand	1.55 1.85
14.	Gents Shoes Artificial Leather Size 39 to 45 (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.2300 6405.1000.2300 6405.2000.2300 6405.9010.2300 6405.9090.2300	China Thailand	3.65 4.05
15.	Gents Sandal Artificial Leather Size 39 to 45 (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.2400 6405.1000.2400 6405.2000.2400 6405.9010.2400 6405.9090.2400	China Thailand	2.15 2.55
16.	Gents Slipper Artificial Leather Size 39 to 45 (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.2500 6405.1000.2500 6405.2000.2500 6405.9010.2500 6405.9090.2500	China Thailand	1.65 1.95
17.	Children Jogger Shoes (3-5 years) (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.2600 6405.1000.2600 6405.2000.2600 6405.9010.2600 6405.9090.2600	China Thailand	1.04 1.15
18.	Children Jogger Shoes (6-12 years) (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.2700 6405.1000.2700 6405.2000.2700 6405.9010.2700 6405.9090.2700	China Thailand	1.15 1.55
19.	Boys/Girls Jogger Shoes Size 36 to 40 (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.2800 6405.1000.2800 6405.2000.2800 6405.9010.2800 6405.9090.2800	China Thailand	1.30 1.85
20.	Ladies /Gents Jogger Shoes Size 39 to 45 (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.2900 6405.1000.2900 6405.2000.2900 6405.9010.2900 6405.9090.2900	China Thailand	2.40 2.70
21.	Children EVA Chapals Kitchen/Bathroom/ Casual All sizes (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.3000 6405.1000.3000 6405.2000.3000 6405.9010.3000 6405.9090.3000	China Thailand	0.50 0.55
22.	Boys/Girls EVA Chapals Kitchen/Bathroom/Casual Size 36 to 40 (Low-end brands)	6404.1900 6405.1000 6405.2000	6404.1900.3100 6405.1000.3100 6405.2000.3100	China Thailand	0.75 0.80

		6405.9010 6405.9090	6405.9010.3100 6405.9090.3100		
23.	Ladies/Gents EVA Chapals Kitchen/Bathroom/Casual Size 39 to 45 (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.3200 6405.1000.3200 6405.2000.3200 6405.9010.3200 6405.9090.3200	China Thailand	1.05 1.15
24.	Children Plastic Sandal All sizes (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.3300 6405.1000.3300 6405.2000.3300 6405.9010.3300 6405.9090.3300	China Thailand	0.90 1.00
25.	Children Plastic Slippers All sizes (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.3400 6405.1000.3400 6405.2000.3400 6405.9010.3400 6405.9090.3400	China Thailand	0.65 0.75
26.	Boys/Girls Plastic Sandals Size 36 to 40 (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.3500 6405.1000.3500 6405.2000.3500 6405.9010.3500 6405.9090.3500	China Thailand	1.15 1.30
27.	Boys/Girls Plastic Slippers Size 36 to 40 (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.3600 6405.1000.3600 6405.2000.3600 6405.9010.3600 6405.9090.3600	China Thailand	0.95 1.05
28.	Ladies/Gents Plastic Sandal Size 39 to 45 (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.3700 6405.1000.3700 6405.2000.3700 6405.9010.3700 6405.9090.3700	China Thailand	1.55 1.70
29.	Ladies/Gents Plastic Slipper Size 39 to 45 (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.3800 6405.1000.3800 6405.2000.3800 6405.9010.3800 6405.9090.3800	China Thailand	1.40 1.55
30.	Hawai Chapal All Sizes (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.3900 6405.1000.3900 6405.2000.3900 6405.9010.3900 6405.9090.3900	China Thailand	0.35 0.55
31.	Ladies / Gents Casual Shoes /Size 40-44 Made up of artificial leather / Textile Material/Canvas Fabric (Upper) with rubber Sole (Low-end brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.4000 6405.1000.4000 6405.2000.4000 6405.9010.4000 6405.9090.4000	China Thailand	2.15 2.55
32.	Boys & Girls Casual Shoes/ Size 36-40 Made up of Artificial Leather/ Textile Material/ Canvas Fabric (Upper) with Rubber Sole (Low-end Brands)	6404.1900 6405.1000 6405.2000 6405.9010 6405.9090	6404.1900.5000 6405.1000.5000 6405.2000.5000 6405.9010.5000 6405.9090.5000	China Thailand	1.60 2.20

6. 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.

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 Customs Act, 1969, within 30 days from the date of issue, 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 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.

10. This ruling supersedes Valuation Ruling No. 902/2016, dated 08-08-2016 & Order in Revision No. 246/2016 dated 30-09-2016.

(SHAFIQUE AHMED LATKI)

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 (Appraisal), 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. Chief Collector of Customs (Quetta).
8. Director General, Intelligence and Investigation-FBR, Islamabad.
9. Director General, Post Clearance Audit (PCA), & Internal audit, Karachi.
10. The Director General, IOCO, Karachi.
11. The Deputy Director (HQ) Directorate General of Customs Valuation, Karachi, for uploading in WeBOC database system and deleting superseded Valuation Ruling.
12. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
13. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta, Gujranwala, Faisalabad, Sialkot, Rawalpindi & Peshawar.
14. Karachi Customs Agents Group, Bohri Road, Karachi.
15. Webmaster, Federal Board of Revenue, Constitution Avenue, Islamabad, for uploading on FBR website and deleting superseded Valuation and their corrigendum
16. Guard File.