



GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI

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DETERMINATION OF CUSTOMS VALUES OF LOW-END BRANDS SHOES, SLIPPERS, SANDALS, CHAPPALS AND JOGGERS UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO. ¹⁴⁰⁵ / 2019)

No. Misc/01/2019-2/2534

Dated: 31-10-2019

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

2. **Background of the valuation issue:** Customs values of Low-end Brands Shoes, Slippers, 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 markets. 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 there 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 declarations, 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.



5. **Customs values for Low-end Brands Shoes, Slippers, Sandals, Chappals and Joggers:**
 Low-end Brands Shoes, Slippers, Sandals, Chappals and Joggers *hereinafter specified* shall be assessed to duty/ taxes on the Customs values given against them in the Table below:

S.No.	Description of goods	PCT	Proposed PCT for WeBOC	Origin	Customs Values (C&F) US\$/Pair
1	Baby/Baba Shoes (Booty) Artificial Leather up to 2 years (Low-end Brands)	6404.1900	6404.1900.1000	China Thailand	0.70
		6405.1000	6405.1000.1000		0.80
		6405.2000	6405.2000.1000		
		6405.9010	6405.9010.1000		
		6405.9090	6405.9090.1000		
2	Children Shoes Artificial Leather Size 3 to 5 years (Low-end Brands)	6404.1900	6404.1900.1100	China Thailand	0.80
		6405.1000	6405.1000.1100		1.05
		6405.2000	6405.2000.1100		
		6405.9010	6405.9010.1100		
		6405.9090	6405.9090.1100		
3	Children Shoes Artificial Leather Size 6 to 12 years (Low-end Brands)	6404.1900	6404.1900.1200	China Thailand	0.85
		6405.1000	6405.1000.1200		1.15
		6405.2000	6405.2000.1200		
		6405.9010	6405.9010.1200		
		6405.9090	6405.9090.1200		
4	Children Sandals Artificial Leather up to 5 years (Low-end Brands)	6404.1900	6404.1900.1300	China Thailand	0.70
		6405.1000	6405.1000.1300		0.85
		6405.2000	6405.2000.1300		
		6405.9010	6405.9010.1300		
		6405.9090	6405.9090.1300		
5	Children Sandals Artificial Leather Size 6 to 12 years (Low-end Brands)	6404.1900	6404.1900.1400	China Thailand	0.85
		6405.1000	6405.1000.1400		1.00
		6405.2000	6405.2000.1400		
		6405.9010	6405.9010.1400		
		6405.9090	6405.9090.1400		
6	Children Slippers Artificial Leather Size 3 to 5 (Low-end Brands)	6404.1900	6404.1900.1500	China Thailand	0.70
		6405.1000	6405.1000.1500		0.85
		6405.2000	6405.2000.1500		
		6405.9010	6405.9010.1500		
		6405.9090	6405.9090.1500		
7	Children Slippers Artificial Leather 6 to 12 years (Low-end Brands)	6404.1900	6404.1900.1600	China Thailand	0.85
		6405.1000	6405.1000.1600		0.95
		6405.2000	6405.2000.1600		
		6405.9010	6405.9010.1600		
		6405.9090	6405.9090.1600		
8	Boys/Girls Shoes Artificial Leather Size 36 to 40 (Low-end Brands)	6404.1900	6404.1900.1700	China Thailand	1.45
		6405.1000	6405.1000.1700		1.85
		6405.2000	6405.2000.1700		
		6405.9010	6405.9010.1700		



		6405.9090	6405.9090.1700		
9	Boys/Girls Slippers Artificial Leather Size 36 to 40 (Low-end Brands)	6404.1900	6404.1900.1800	China Thailand	1.25 1.55
		6405.1000	6405.1000.1800		
		6405.2000	6405.2000.1800		
		6405.9010	6405.9010.1800		
		6405.9090	6405.9090.1800		
10	Boys/Girls Sandals Artificial Leather Size 36 to 40 (Low-end Brands)	6404.1900	6404.1900.1900	China Thailand	1.40 1.75
		6405.1000	6405.1000.1900		
		6405.2000	6405.2000.1900		
		6405.9010	6405.9010.1900		
		6405.9090	6405.9090.1900		
11	Ladies Shoes Artificial Leather Size 39 to 43 (Low-end Brands)	6404.1900	6404.1900.2000	China Thailand	2.55 3.15
		6405.1000	6405.1000.2000		
		6405.2000	6405.2000.2000		
		6405.9010	6405.9010.2000		
		6405.9090	6405.9090.2000		
12	Ladies Sandals Artificial Leather Size 39 to 43 (Low-end Brands)	6404.1900	6404.1900.2100	China Thailand	1.95 2.15
		6405.1000	6405.1000.2100		
		6405.2000	6405.2000.2100		
		6405.9010	6405.9010.2100		
		6405.9090	6405.9090.2100		
13	Ladies Slippers Artificial Leather Size 39 to 43 (Low-end Brands)	6404.1900	6404.1900.2200	China Thailand	1.55 1.85
		6405.1000	6405.1000.2200		
		6405.2000	6405.2000.2200		
		6405.9010	6405.9010.2200		
		6405.9090	6405.9090.2200		
14	Gents Shoes Artificial Leather Size 39 to 45 (Low-end Brands)	6404.1900	6404.1900.2300	China Thailand	3.65 4.05
		6405.1000	6405.1000.2300		
		6405.2000	6405.2000.2300		
		6405.9010	6405.9010.2300		
		6405.9090	6405.9090.2300		
15	Gents Sandals Artificial Leather Size 39 to 45 (Low-end Brands)	6404.1900	6404.1900.2400	China Thailand	2.15 2.55
		6405.1000	6405.1000.2400		
		6405.2000	6405.2000.2400		
		6405.9010	6405.9010.2400		
		6405.9090	6405.9090.2400		
16	Gents Slippers Artificial Leather Size 39 to 45 (Low-end Brands)	6404.1900	6404.1900.2500	China Thailand	1.65 1.95
		6405.1000	6405.1000.2500		
		6405.2000	6405.2000.2500		
		6405.9010	6405.9010.2500		
		6405.9090	6405.9090.2500		
17	Children Jogger Shoes (3-5 years) (Low-end Brands)	6404.1900	6404.1900.2600	China Thailand	1.04 1.15
		6405.1000	6405.1000.2600		
		6405.2000	6405.2000.2600		
		6405.9010	6405.9010.2600		
		6405.9090	6405.9090.2600		



		6405.9090	6405.9090.2600		
18	Children Jogger Shoes (6-12 years) (Low-end Brands)	6404.1900	6404.1900.2700	China Thailand	1.15 1.55
		6405.1000	6405.1000.2700		
		6405.2000	6405.2000.2700		
		6405.9010	6405.9010.2700		
		6405.9090	6405.9090.2700		
19	Boys/Girls Jogger Shoes Size 36 to 40 (Low-end Brands)	6404.1900	6404.1900.2800	China Thailand	1.30 1.85
		6405.1000	6405.1000.2800		
		6405.2000	6405.2000.2800		
		6405.9010	6405.9010.2800		
		6405.9090	6405.9090.2800		
20	Ladies/Gents Jogger Shoes Size 39 to 45 (Low-end Brands)	6404.1900	6404.1900.2900	China Thailand	2.40 2.70
		6405.1000	6405.1000.2900		
		6405.2000	6405.2000.2900		
		6405.9010	6405.9010.2900		
		6405.9090	6405.9090.2900		
21	Children EVA Chappals (Kitchen/Bathroom/Casual) All Sizes (Low-end Brands)	6404.1900	6404.1900.3000	China Thailand	0.50 0.55
		6405.1000	6405.1000.3000		
		6405.2000	6405.2000.3000		
		6405.9010	6405.9010.3000		
		6405.9090	6405.9090.3000		
22	Boys/Girls EVA Chappals (Kitchen/Bathroom/Casual) Sizes 36 to 40 (Low-end Brands)	6404.1900	6404.1900.3100	China Thailand	0.75 0.80
		6405.1000	6405.1000.3100		
		6405.2000	6405.2000.3100		
		6405.9010	6405.9010.3100		
		6405.9090	6405.9090.3100		
23	Ladies/Gents EVA Chappals (Kitchen/Bathroom/Casual) Sizes 39 to 45 (Low-end Brands)	6404.1900	6404.1900.3200	China Thailand	1.05 1.15
		6405.1000	6405.1000.3200		
		6405.2000	6405.2000.3200		
		6405.9010	6405.9010.3200		
		6405.9090	6405.9090.3200		
24	Children Plastic Sandals All Sizes (Low-end Brands)	6404.1900	6404.1900.3300	China Thailand	0.90 1.00
		6405.1000	6405.1000.3300		
		6405.2000	6405.2000.3300		
		6405.9010	6405.9010.3300		
		6405.9090	6405.9090.3300		
25	Children Plastic Slippers All Sizes (Low-end Brands)	6404.1900	6404.1900.3400	China Thailand	0.65 0.75
		6405.1000	6405.1000.3400		
		6405.2000	6405.2000.3400		
		6405.9010	6405.9010.3400		
		6405.9090	6405.9090.3400		
26	Boys/Girls Plastic Sandals Sizes 36 to 40 (Low-end Brands)	6404.1900	6404.1900.3500	China Thailand	1.15 1.30
		6405.1000	6405.1000.3500		
		6405.2000	6405.2000.3500		
		6405.9010	6405.9010.3500		
		6405.9090	6405.9090.3500		



27	Boys/Girls Plastic Slippers Sizes 36 to 40 (Low-end Brands)	6404.1900	6404.1900.3600	China Thailand	0.95
		6405.1000	6405.1000.3600		1.05
		6405.2000	6405.2000.3600		
		6405.9010	6405.9010.3600		
		6405.9090	6405.9090.3600		
28	Ladies/Gents Plastic Sandals Sizes 39 to 45 (Low-end Brands)	6404.1900	6404.1900.3700	China Thailand	1.55
		6405.1000	6405.1000.3700		1.70
		6405.2000	6405.2000.3700		
		6405.9010	6405.9010.3700		
		6405.9090	6405.9090.3700		
29	Ladies/Gents Plastic Slippers Sizes 39 to 45 (Low-end Brands)	6404.1900	6404.1900.3800	China Thailand	1.40
		6405.1000	6405.1000.3800		1.55
		6405.2000	6405.2000.3800		
		6405.9010	6405.9010.3800		
		6405.9090	6405.9090.3800		
30	Hawai Chappals All Sizes (Low-end Brands)	6404.1900	6404.1900.3900	China Thailand	0.35
		6405.1000	6405.1000.3900		0.55
		6405.2000	6405.2000.3900		
		6405.9010	6405.9010.3900		
		6405.9090	6405.9090.3900		
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	6404.1900.4000	China Thailand	2.15
		6405.1000	6405.1000.4000		2.55
		6405.2000	6405.2000.4000		
		6405.9010	6405.9010.4000		
		6405.9090	6405.9090.4000		
	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	6404.1900.5000	China Thailand	1.60
		6405.1000	6405.1000.5000		2.20
		6405.2000	6405.2000.5000		
		6405.9010	6405.9010.5000		
		6405.9090	6405.9090.5000		



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 value 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. **Review of the value determined vide this Valuation Ruling:** A Revision Petition may be filed against this Ruling, as provided under Section 25-D of t 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 (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. 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.