

OFFICE OF THE COMMISSIONER OF CUSTOMS
NEW CUSTOM HOUSE: PANAMBUR: MANGALORE-10

C.No.S-11/01/2008 Drawback

Date:30.01.2009

PUBLIC NOTICE NO.05/2009

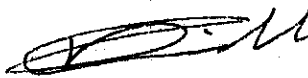
Subject:- Classification of footwear having uppers of a combination of leather and synthetic/textile material under Chapter 64 of the Drawback Schedule,2008-09- reg.

Board has received a representation from the Council for Leather Exports(CLE) that exporters are facing problems in classification of footwear having uppers made of a combination of leather and non-leather materials such as synthetic, textile material, etc. It has been stated that footwear in which less than 60% of the outer visible surface area of the upper is of leather and the remaining portion is of non-leather or a combination of leather-cum-synthetic materials, the same are being classified as "other footwear" under heading 6405 of the Drawback Schedule for which the rate of drawback is 1%.

2. The issue has been examined. It is seen that note 15 of the Notification No.103/08-Cus (N.T) dated 29.08.08 vide which the Drawback Schedule for the year 2008-09 was announced states that the term 'article of leather' in Chapter 42 of the said Schedule means any article wherein 60% or more of the outer visible surface area is of leather. In this regard, it is clarified that the above mentioned note is applicable only for the purpose of chapter 42 of the Drawback Schedule and not to footwear which fall under Chapter 64 of the Drawback Schedule.

3. Further, according to note 1 of the above mentioned notification the tariff items and description of goods in the Drawback Schedule, 2008-09 are aligned with tariff items and description of goods in the Customs Tariff at four digit level. Accordingly to chapter note 4(a) to Chapter 64 of the Customs Tariff, material of the upper shall be taken to be the material having the greatest external surface area, no account being taken of accessories or reinforcements such as ankle patches, edging, ornamentation, buckles, tags, eyelet stays or similar attachments.

4. In view of the above, it is clarified that if the predominant constituent in the upper of footwear is of leather, the upper should be considered to be of leather and the footwear should be classified under the Drawback Schedule tariff item 6403 provided the outer soles of the footwear are of rubber, plastics, leather or composition leather. Further sub-classification under the heading 6403 may be determined in accordance with the description of the goods and the scope of various sub-tariff items under tariff item 6403. Similar predominance criteria will hold for goods falling under heading 6404 also. Only such footwear which cannot be classified under tariff 6401, 6402,6403 and 6404 of the Drawback Schedule are to be classified under the tariff item 6405.


o/c (R.S.SIDHU)
COMMISSIONER

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As per mailing list

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