



GOVERNMENT OF PAKISTAN  
DIRECTORATE GENERAL OF CUSTOMS VALUATION  
CUSTOM HOUSE KARACHI

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**The Collectors of Customs,** Model Customs Collectorates, Appraisement (East / West) / Port Qasim / Export (Karachi/Port Qasim)/ Preventive, Karachi / Lahore ( Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad /Hyderabad/ Quetta (Appraisement / Preventive / Peshawar (Appraisement / Preventive) / Gwadar/ Gilgit-Baltistan.

**Determination of Customs Values of Aerosoft & Similar Brands of Footwear of Thailand Origin Under Section 25-A of the Customs Act, 1969**

(VALUATION RULING NO. 1380 / 2019)

No.Misc./06/2009-V

Dated: July, 09, 2019

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, the customs values of Aerosoft & Similar Brands of Footwear of Thailand Origin are determined as follows: -

**2. Background of the valuation issue:** Customs values of Aerosoft & Similar Brands of Footwear of Thailand Origin were earlier determined vide Valuation Ruling No. 872/2016 dated 21.06.2016 and Order-in-Revision No. 245/2016 dated 30<sup>th</sup> September, 2016. The prices of said items have shown upward trend in international markets during last three years. Therefore, an exercise was initiated for determination of customs values of Aerosoft & Similar Brands of Footwear.

**Stakeholders' participation in determination of Customs values:** Several meetings with Stakeholders including importers, manufacturers, and representatives from field formations were held to discuss the current international prices of the subject goods. The stakeholders were requested to submit following documents before or during the course of meetings so that customs values could be determined:


- i. Invoices of imports during last three months showing customs values.
- ii. Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- iii. Copies of Contracts made / LCs opened during the last three months showing the value of item in question.
- iv. Copies of Sales Tax Invoices issued during last three months showing the difference in price (excluding duty and taxes) to substantiate their contentions.

4. M/s Bata Pakistan and Service Sales Corporation attended the meetings on 01-04-2019 and 16-05-2019. This Directorate General received a letter from M/s Pakistan Footwear Manufacturers Association, Lahore wherein they requested for time to provide documents. However, no documents as requisitioned were submitted by any of the stakeholders despite lapse of sufficient time. Moreover, no one appeared from the importers of Aerosoft brand and other similar brands although reasonable opportunities of meetings were provided. The in-field Valuation Ruling was

issued in the year 2016, therefore, keeping in view market trend, the issuance of new valuation ruling can not be kept pending due to absence of stakeholders.

5. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were followed in sequential manner to arrive at customs values of Aerosoft & Similar Brands of Footwear of Thailand Origin. Transaction value method provided in Section 25 (1) was found inapplicable because the requisite information was not available as per law. Identical/similar goods value methods provided in Section 25(5) & (6) were also not found helpful in determination of values due to wide variation in values. Consequently, market enquiries as envisaged under Section 25(7) of the Customs Act, 1969, were conducted. Different Markets were surveyed for this purpose. Online values were also obtained to corroborate the findings of market surveys. Accordingly, Customs values of Aerosoft & Similar Brands of Footwear of Thailand Origin were determined under Section 25(7) of the Customs Act, 1969.

6. **Customs Values for Aerosoft & Similar Brands of Footwear of Thailand Origin** hereinafter specified, shall be assessed to duty/taxes at the following Customs values:



S. No.	Description of Goods	PCT	Proposed PCT For WeBOC	Customs Values (C&F) US\$/Pair
(1)	(2)	(4)	(5)	(7)
1	Artificial Leather Gents Sandal (Aerosoft) and similar other brands Size 39-45	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	3.72
	Artificial Leather Gents Slipper (Aerosoft) and similar other brands Size 39-45	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	2.59
3	Artificial Leather Ladies Sandal (Aerosoft) and similar other brands Size 39-45	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	4.22
4	Artificial Leather Ladies Slipper (Aerosoft) and similar other brands Size 39-45	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	2.88
5	Artificial Leather Boys & Girls Sandal (Aerosoft) and similar other brands Size 22-38	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	3.77

6	Artificial Leather Boys & Girls Slipper (Aerosoft) and similar other brands Size 22-38	6404.1900	6404.1900.1500	2.9
		6405.1000	6405.1000.1500	
		6405.2000	6405.2000.1500	
		6405.9010	6405.9010.1500	
		6405.9090	6405.9090.1500	

7. 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. In case of consignments imported by air, the assessing officer shall take into account the differential between the air freight and Sea freight or in case of import through Land Customs Stations, the differential amount between the Sea freight and land transport charges while applying the Customs values determined in this Ruling.

8. **Validity of 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.

9. **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, 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 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 table above of this Ruling. HS Codes are mentioned for illustrative purpose 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.

11. ***This Ruling supersedes Valuation Ruling No. 872/2016, dated 21-06-2016.***

  
 (Shafique Ahmad Latki)  
 Director

Copy for information to:

1. The Member (Customs), F.B.R., Islamabad.
2. The Director General, Customs Valuation, Custom House, Karachi.
3. The Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
4. The Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. The Chief Collector of Customs (Central), Lahore.
6. The Chief Collector of Customs (North), Islamabad.
7. The Chief Collector of Customs ( Baluchistan ) Custom House, Quetta.
8. The Director General, Intelligence and Investigation-FBR, Islamabad.

9. The Director General, Audit (Customs & Petroleum), 1<sup>st</sup> Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
10. The Director General, Post Clearance Audit, Islamabad.
11. The Director General, Internal Audit (Customs), Karachi.
12. The Director General, IOCO, Karachi.
13. The Director, Directorate of Customs Valuation (Camp Office), Lahore.
14. The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading, in WeBOC database system and deleting VR No1182/2017, dated 16-06-2017.
15. The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
16. The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta, Gujranwala, Faisalabad, Sialkot, Rawalpindi & Peshawar.
17. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
19. Karachi Customs Agents Group, Bohri Road, Karachi.
20. The CHO, Customs Valuation, Custom House, Karachi.
21. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisement (East/West), Custom House, Karachi.
22. Webmaster, Federal Board of Revenue, Constitution Avenue, Islamabad, for uploading FBR website.
23. Guard File.