

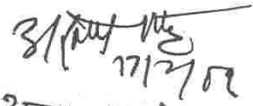
केंद्रीय उत्पाद तथा सीमा शुल्क आयुक्त का कार्यालय  
एन-5, टाऊन सेंटर, सिडको, औरंगाबाद-431003

पब्लिक नोटिस नं. 02/2009

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

उपरोक्त विषय पर भारत सरकार, वित्त मंत्रालय, राजस्व विभाग नई दिल्ली द्वारा दिनांक 15.01.2009  
की फा.सं. 609/282/2008-DBK तहत जारी परिपत्र/ पत्र संख्या  
02/2009-Customs. की प्रतिलिपि सूचना मार्गदर्शन एवं कार्यवाही के लिये प्राप्त करें।

सभी संबंधित संगठनों से अनुरोध है कि वे परिपत्र / पत्र की जानकारी अपने सभी सदस्य, निर्माताओं और  
व्यापारियों को दें।

  
(अरुण कुमार)  
आयुक्त

फा.सं.-VIII (WS)12/TA/P.N./2009.  
औरंगाबाद, दिनांक 11.02.2009.

संलग्न :- यथोपरि।

प्रतिलिपि प्रेषित :- डाक सुची के अनुसार

- सभी मंडल प्रभारी, सहायक/उप आयुक्त, तथा आय.सी.डी.
- सभी अनुभाग प्रमुख (मुख्यालय)
- मुख्य आयुक्त, केंद्रीय उत्पाद तथा सीमा शुल्क, नागपूर,
- आयुक्त केंद्रीय उत्पाद तथा सीमा शुल्क (अपील)
- अपर आयुक्त / संयुक्त आयुक्त, के.उ. तथा सी.शुल्क औरंगाबाद.

F.No.609/282/2008-DBK  
Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Excise & Customs

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New Delhi, the 15th January, 2009

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

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I am directed to say that the 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 29.8.08 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. It appears that the field formations are applying this criteria for products of chapter 64 also. In this regard, it is hereby clarified that the above mentioned note is applicable only for the purposes 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. Also, according 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 the tariff item 6403. Similar predominance criteria will hold for goods falling under heading 6404 also. Only such footwear which cannot be classified under tariff items 6401, 6402, 6403 and 6404 of the Drawback Schedule are to be classified under the tariff item 6405.

5. A suitable Public Notice and Standing Order may be issued for the guidance of the trade and staff. Difficulties faced, if any, in implementation of the Circular may be brought to the notice of the Board at an early date.

Receipt of this circular may kindly be acknowledged.

Yours faithfully,

(PRAMOD KUMAR)  
Technical Officer (DBK)  
Tel. No. 2336 2843