Circular No. 44/2007-Customs

F. No.528/78/2007-Cus.(TU)

Government of India

Ministry of Finance

Department of Revenue

Central Board of Excise & Customs

North Block, New Delhi-1.

18th December, 2007.

To,

All Chief Commissioners of Customs.

All Chief Commissioners of Customs & Central Excise.

All Chief Commissioners of Customs (Prev).

All Commissioners of Customs.

All Commissioners of Customs & Central Excise.

All Commissioners of Customs (Prev).

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Subject: Eligibility of shank buttons, snap fasteners (snap buttons), zippers etc. for benefit under notification No.21/2002-Cus, Sl.No.140, 167, 167A and 167B - reg.

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Sir / Madam,

The Central Board of Excise & Customs has received requests for clarifying whether shank buttons are eligible for benefit of notification No.21/2002-Customs, Sl.No.140 which covers buttons and whether snap fasteners (snap buttons) and zippers are eligible for benefit under notification No. 21/2002-Cus Sl.167 which covers fasteners.

2. The issue was examined in the Board. Buttons of plastics, buttons of base metals, and buttons of other types are covered under tariff heading 9606 21, 9606 22 and 9606 29 respectively of the First Schedule of the Customs Tariff Act, 1975. Buttons may be of various sizes and shapes according to the purpose for which they are to be used. Further, depending upon the mechanism by which they are used to hold the article (sewing together, pressing, fastening, snap mechanism etc.), these may be in the form of pierced, shank, spherical or other forms. Garments such as shirts, blouses etc. use normal plastic buttons with holes and are sewn on the garment using thread. Garments such as denim jeans, trousers, coats, jackets etc. use shank buttons. In view of the above, it is clarified that 'Shank Buttons' are nothing but one variety of buttons. The exemption provided under Sl.No.140 of the Notification No. 21/2002-Cus covers 'buttons' falling under any Chapter including those made of plastics, metal etc. Since shank buttons are classifiable under Chapter 96, these are also eligible for exemption as 'buttons' under the entry Sl.No.140 of notification No. 21/2002-Customs.

3. Press fasteners, snap fasteners (snap buttons) and press studs have two or more parts (male and female) and operate by means of a snap mechanism. They are either sewn on the garments or may be attached by riveting. Fasteners may be of different types such as press

fasteners, snap fasteners or press studs. These consist of two or more parts, and operate by means of snap mechanism. Such fasteners and studs may be designed for sewing on garments etc. or they may be attached by riveting as for example, press studs for gloves. Press fasteners and the like goods are classified under sub heading 9606 10. Clearly, these are different type of fasteners and it is clarified that they are eligible for benefit under notification No.21/2002-Cus, Sl.Nos.167, 167A or 167B, as the case may be, as 'fasteners'.

4. Zippers are nothing but slide fasteners. Slide fasteners including zip fasteners and their parts are classified under heading 9607. Most slide fasteners consist of two narrow strips of textile material, one edge of each strip being fitted with scoops (of metal, plastics, etc.), which can be made to interlock by means of a slider or runner. Another type of slide fastener consists of two strips of plastics, each with a specially shaped edge designed to interlock one with the other under the action of a slider. These are different type of fasteners depending on its usage. Hence, it is clarified that slide fasteners are also eligible for benefit under notification No.21/2002-Cus, Sl.Nos.167, 167A, or 167B, as the case may be, as 'fasteners'.

5. The above clarification is issued to ensure uniformity in classification and assessment of the goods covered under the above exemption entries. These instructions may be brought to the notice of the trade by issuing suitable Trade / Public Notices and Suitable Standing orders / instructions for the guidance of the Customs field formations. Difficulties faced, if any, in implementation of these instructions may kindly be brought to the notice of the Board at an early date.

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Yours faithfully,

(Aseem Kumar)

Under Secretary (Customs)