



GOVERNMENT OF PAKISTAN
MODEL CUSTOMS COLLECTORATE OF APPRAISEMENT (EAST)
CUSTOM HOUSE, KARACHI

C. No. 23/KAPE-DC (PCT)/2016

Dated: 03.09.2016

PUBLIC NOTICE NO. 05 /2016 (CLASSIFICATION)

**Subject: CLASSIFICATION OF 'PRE POLYMERS OF POLYURETHANES
CONSISTING OF POLYOL, ISOCYANATES, CATALYST &
HARDNER'.**

FACTS:

The Classification Committee has received representations from various shoe manufacturers for ascertaining / deciding the classification of 'Polyol, Isocyanates, Catalyst & Hardner' viz-a-viz Polyurethane. Presently, all these four chemicals are being classified under their respective HS Codes according to their placement in Tariff. However, the importers are of the view that these four chemicals are pre-polymers of Polyurethane and are to be classified under the heading of Polyurethane. i.e. 3909.5000. Whereas, the local manufacturers of same items contest single heading classification on the ground that these items are to be classified separately in light of their chemical composition read with Explanatory Notes to the Harmonized system.

ISSUE:

2. Whether the items 'Polyol, Isocyanates, Catalyst & Hardner' are appropriately classified under their respective HS Codes or, as proposed by the importers, under HS Code 3909.5000 (specified for Polyurethanes) or under any other relevant Heading of the First Schedule to the Customs Act, 1969 (Pakistan Customs Tariff)?

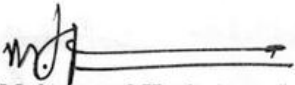
HOLDING:

3. The Classification Committee deliberated upon the classification of subject items in its meetings held on 22.06.2016, 02.08.2016, 08.08.2016 and 27.08.2016. The Committee analyzed the issue of classification of 'Polyol, Isocyanates, Catalyst & Hardner' in the light of the test reports of the goods, the arguments of both the sides and opinion of the Deputy Chemical Examiner Mr. Shams-uz-Zaman from Customs Lab. While the determination of classification was under consideration of the Committee, representative of local manufacturer vide their letter dated 08.08.2016 submitted a judgement dated 22.06.2011 of the Honourable Sindh High Court in CP No. D-1148/2010, wherein the Court has held that these items do not fall under PCT Heading 3909.5000 and are classifiable under their

respective headings. The representatives of the importers were enquired during the meeting held on 27.08.2016 whether any appeal was filed against this order of the Honourable Court, to which they confirmed in negative. Since the issue of classification of these items has already been settled by the Honourable Sindh High Court, Karachi and this order has attained finality, as it was never assailed by the importers at any legal forum, Classification Committee is of considered opinion that in the presence of said judgement of the Honourable Court, the matter is beyond the ambit of the Classification Committee and, as such, these items are to be classified under their respective headings as decided by the Honourable Court, keeping in view their chemical composition and test reports as determined at the time of their import.

4. This Ruling is issued in terms of Chapter – II (Classification) of the CGO 12 / 2002 dated 15th June, 2002 and any appeal against this Ruling shall only lie with the Federal Board of Revenue under Rule 2 of Pakistan Rules to the General Rules for Interpretation.

5. The above ruling is based upon the documents / literature provided by the applicant and other stakeholders and shall be treated as annulled if it is found at any subsequent stage that the same was obtained by providing incorrect, false, misleading or incomplete information by the applicant or other stakeholders.


(Muhammad Haris Ansari)
Additional Collector-II
Chairman Classification Committee

Distribution:

1. PS to Member (Customs), Federal Board of Revenue, Islamabad.
2. Chief Collector of Customs (Appraisalment-South), Custom House, Karachi.
3. Chief Collector of Customs (Enforcement-South), Custom House, Karachi.
4. Chief Collector of Customs (Central/North) Custom House, Lahore / Islamabad.
5. Director General, Intelligence & Investigation-FBR, Mauve Area-1, G-10/4, Islamabad.
6. Chief (Tariff), Customs Wing, Federal Board of Revenue, Islamabad.
7. Collector of Customs Adjudication I & II, Customs House, Karachi.
8. Collector of Customs (Appeals), Karachi.
9. Collector of Customs (Adj./Appeals), Lahore / Faisalabad / Rawalpindi / Peshawar / Quetta.
10. M/s Cheema & Khan Law Firm, 2-LG, Hajvery Complex, 2-Mozang Road, Lahore.
11. M/s Ahsan Elahi & Co. Plot No. 249, Sector 7/A, Korangi Industrial Area, Karachi.
12. M/s Pakistan Footwear Manufacturers Association, 6-F, Rehman Business Centre, 32-B-III, Gulberg-III, Lahore.
13. M/s Shafiq & Sons, 2-Shafique Abad, Bund Road, Lahore.
14. M/s Zeeshan Footwear (Pvt.) Ltd, 29-C, Sheikh Colony, Jhang Road, Faisalabad.

15. M/s Khan Enterprises, Office No. 246, Tughlaq Town, Behind General Bus Stand, Multan
16. M/s A.T.S. Synthetic (Pvt.) Ltd, 4-KM Kacha Road, Kahna Nau, Lahore.
17. M/s Ranyal Industries (Pvt.) Ltd, 38-Timber Market, Ravi Road, Lahore.
18. M/s Masood Aziz & Associates, First Floor, State Life Building No.3, Dr. Ziauddin Ahmed Road, Karachi.
19. Karachi Chamber of Commerce & Industry, Karachi.
20. Karachi Customs Agents Association, Custom House, Karachi.
21. Notice Board.
22. Master File.

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