

GOVERNMENT OF PAKISTAN  
APPRAISEMENT COLLECTORATE  
CUSTOM HOUSE  
KARACHI  
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C.C.19/2002-A  
NO. SI/MISC/344/99-AIB

3  
DATED: 25-1-2003.

PUBLIC NOTICE NO. 01/2002 APPG

SUBJECT: CLASSIFICATION OF H.R.CHEQUERED STEEL SHEETS IN COILS

A dispute regarding classification of Hot Rolled Chequered Steel Sheets (in coils) came up for discussion before the Classification Centre. The goods were reported to be Hot Rolled chequered Sheets in coil with patterns in relief. Importers were of the opinion that the goods, at the initial manufacturing stage, were plain and the patterns in relief had been made on the sheets through another manufacturing process. On the basis of this argument they were of the view that the goods were classifiable under heading 7208.9090 whereas Custom House Group was of the opinion that the goods in question were specifically mentioned in heading 7208.1000.

The issue was examined by the Classification Committee. The relevant Explanatory Notes to heading 7208.1000 elaborate that hot rolled products of this heading may have patterns in relief directly from rolling process or may have been worked after rolling provided they do not thereby assume the character of articles or products of other headings.

Since, the goods in this case have not assumed the character of an article of other heading it is therefore ruled that the product namely "Hot Rolled Chequered Steel Sheets in coils" are correctly classifiable under FCT heading 7208.1000.

A. Iqbal  
(ABDUL WAHEED KHAN)

(2)  
GOVERNMENT OF PAKISTAN  
APPRAISEMENT COLLECTORATE  
CUSTOM HOUSE  
KARACHI  
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CC. 42/02-A  
NO. SI/MISC/377/2002-III

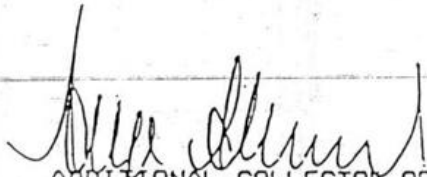
DATED: 2.5.2003

M/s. Rajput Exporters & Importers,  
Room No. 516, 5th Floor,  
Sunny Plaza, Hasrat Mohani Road,  
Karachi.

SUBJECT:- CLASSIFICATION OF THE PRODUCT NAMELY "2517 BLACK EPR  
19mm X 10 METER, SELF AMALGAMATING TAPE".  
=====

Please refer to your letter No. NIL dated 08.07.2002 on  
the subject cited above.

2. The case was discussed in the classification Centre, in  
its meeting held on 09.04.2003. It was decided that goods namely  
2517 EPR Self. Amalgamating Tape are classifiable under FCT  
heading 4005.9100.

  
ADDITIONAL COLLECTOR OF CUSTOMS  
CLASSIFICATION CENTRE

Copy to:-

- i) ACA Group-III
- ii) Copy to Classification Centre for record.



51/WIS/377/2002(11)

### SUMMARY

M/s. Rajput Exporters and Importers imported a consignment of "Self Amalgamating Tape" and filed B/E IGM No. 330/2002 dated 20.06.2002, Index No. 19, Machine No. HC-129729 dated 20.07.2002, having following main particulars:

Description:	2517 EPR Self Amalgamating Tape in rolls For jointing and terminating of polymeric cables upto 130 C <sup>2</sup>
Size:	Width 19 mm, Length 10 Meter / each roll
Brand:	Scapa
Dec. PCT Heading:	4005.1090 @ C.D. 10%
Asct. PCT Heading:	4006.9000 @ C.D. 20%
Dec. Value:	GB£ 0.75/roll
Ass. Value:	GB£ 0.99/roll
Import Origin:	U.K.
Colour:	Black
Packing:	Retail packing in transparent printed polythene envelop.

The B/E was routed through examination first system and representative samples called. Inspection of the samples helped the Group to form its opinion that goods are classifiable under PCT heading 4006.9000 instead of 4005.1090 as claimed by the importer and B/E was assessed accordingly. The importer did not accept the ascertained classification as same goods were being assessed as per practice under declared PCT heading in the past. Consequently, ADC-I ordered to release the goods under claimed / declared PCT heading by securing the differential amount of customs duty and other taxes leviable between the two PCT headings in the shape of post dated cheque, pending decision of the PCT Committee regarding correct classification. The B/E was re-assessed and goods were released accordingly as per above mentioned orders of ADC-I.

#### LITERATURE:

The importers supplied the literature (Annex-A) describing the goods as "Self Amalgamating Tape" based on EPR (Ethylene Propylene Rubber) designed for jointing and repair of wide range of solid dielectric cables upto 69 K.V., insulation, waterproofing and protection of electrical components.

#### FEATURES AND BENEFITS:

The literature reads the following main features and benefits:

- i) Excellent physical and electrical properties with high degree of stability.
- ii) Compatible with a wide range of substances.
- iii) The tape amalgamate rapidly when applied under tension to provide a void free homogeneous insulation without the need for heat and pressure.
- iv) The tape is non-tacky and easy to handle and apply.
- v) Excellent resistance to water and ozone.
- vi) The tape will remove cleanly when cut, allowing it to be used as temporary insulation or protection.

#### TEST REPORT:

As per TR/IMP8341/99 dated 16.01.1999 the sample had been found "in the form of black colour tape composed of ethylene propylene copolymer having protective layer of plastic film on side. It is put in retail sale packing in plastic bag." (Quoted on face of B/E copy at flag-B).

#### UNCALVANIZED:

As per remarks of D.C.E Mr Abid on reverse of B/E IGM No. 1840/98 dated 23.12.1998, Index No. 77 filed by the importer M/s. Industrial Sales & Services Corporation (Annex-B) the goods are unvalcanized. The remarks read as "the sample does not contain sulphur as such material is not valcanized according to the H.S. definition. The classification of the product

U/H 40 or otherwise may be looked into by the Appg. After consulting explanatory notes.

IMPORTERS' POINT OF VIEW:

Importers had advanced three main arguments in support of their claimed PCT heading.

- i) The goods were provisionally decided to be classified under claimed PCT heading as per notings on reverse of original B/E IGM No. 1840/98, Index No. 77 of importers M/s. Industrial Sales & Services Corporation filed through their clearing agent M/s. Popular Clearing Services, CHAL No. 303 (Annex-B).
- ii) Fax message of the supplier dated 21.05.2002 (Annex-D) confirms that commodity code shown on their invoice is correct. Their product "2517" contains a blend of synthetic rubber, predominantly EPDM (Ethylene Propylene-diene Copolymer) which together constitutes the majority of the product. The EPDM rubber is itself classified under commodity code 4002.7000. As the product contains synthetic rubber materials, it is classified under 4005.1000 for customs purposes as it meets the requirement of Chapter 40, notes 1, 4(a) and 4(c).
- iii) They have supplied the copies of the previous imports cleared under declared / claimed PCT headings, proving the established practice of the Custom House Group.

CUSTOMS' POINT OF VIEW:

The Group is agreed to the following facts:

- i) The goods are made of EPDM synthetic rubber.
- ii) The goods are unvulcanized.
- iii) Group has been releasing the goods under claimed PCT heading in the past.



The Group agrees to the importer's arguments that previously classification was ascertained as 4005 as per noting on reverse of B/E IGM No. 1840/98, Index No. 77 to the extent only that goods were decided as unvulcanized and PCT heading 4008 (for vulcanized strips) excluded on this basis as evident from notings above referred. Group at that time did not consider the PCT heading 4006 now ascertained by the Group. So they did move towards correct classification but stopped a step short.

Group has found simple reason to classify the goods under PCT heading 4006.9000 explained as under:

- i) General note 9 to Chapter 40 reads that "in headings 40.01, 40.02, 40.03, 40.05 and 40.08, the expression 'plates', 'sheets' and 'strips' apply only to plates, sheets and strips and to blocks of regular geometric shape, uncut or simply cut to rectangular (including square) shape, whether or not having the character of articles and whether or not printed or otherwise surface worked but not otherwise cut to shape or further worked."

The goods under reference are not simply cut or surface worked. Rather these are cut into required size, laminated with plastic film, wrapped in the shape of rolls and packed in polyethylene transparent printed bags. So they exceed the qualification just required for classification under H.S. Code 4005. As they are cut to shape and further worked than surface worked (surface worked means ribbed, printed or embossed as per definition available in notes) they are liable to be classified under H.S. Code 4006).

- ii) The exclusion given at (f) under PCT heading 4005 states that "plates, sheets, strip of unvulcanized rubber, worked otherwise than by surface working or cut to shapes other than rectangular (including square) are to be classified under H.S. Code 4006."

- iii) As per explanatory note at (c)(3) under H.S. Code 4006, plates, sheets and strips of unvulcanized rubber, worked otherwise than by surface working or cut to shapes other than rectangular (including square) are classifiable under H.S. Code 4006.
- iv) It is interesting and pertinent to point out that adhesive tapes of heading 39.19, 40.08, 48.23, 56.03 or 59.06 have been excluded at (a) to the exclusion list given under H.S. Code 4006 in explanatory notes which means / tentamounts that tape of unvulcanized rubber must be classified under H.S. Code 4006 otherwise this exclusion should have been given under H.S. Code 4005. As the goods under reference are amalgamating tape and are in roll just like the adhesive tape, hence, are classifiable under PCT heading 4006.9000. (Copies of explanatory notes (relevant portion) and note 9 to Chapter 40 are enclosed as Annex-E).

Encl: As above.

S.No.	Importer Name & Address	File No.
i)	M/s. Rajput Exporter and Importers, 233, 2 <sup>nd</sup> Floor, Sunny Plaza, Hasrat Mohani Road, Karachi.	SI/MISC/377/02-III
ii)	M/s. Industrial Sales and Services Corporation, Suite No. 12, 2 <sup>nd</sup> Floor, Namco Center, Campbell Street, Karachi.	SI/MISC/415/02-III



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GOVERNMENT OF PAKISTAN  
APPRAISEMENT COLLECTORATE  
CUSTOM HOUSE  
KARACHI  
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NO. CC-02/2003-A

DATED:- 12-05-2003

Dr. Zulfiqar Ahmad Malik,  
Secretary (Machinery),  
Central Board of Revenue,  
Islamabad.

SUBJECT: CLASSIFICATION RULLING OF TRACKING EAGLE VC6-2 (GSM  
MODEM) IMPORTED BY M/S. SECURITY MANAGEMENT SERVICES  
VIDE IGM NO: D-6775/2002 DATED 03.09.2002 INDEX NO. 02  
AND C-TRACK SYSTEM.

Please refer to Board's letter No. 1(9)Mach/98-Vol-I dated 10.04.2003 regarding classification of Tracking Eagle VC6-2 and C-Track System. The case was discussed in the classification Centre meeting held on 09.04.2003. According to the catalogue, both the goods are used in the vehicles, in order to trace out the position of the Vehicle through transmitting signal from the modem to its base station. It has a fixed programme which cannot be changed. The unit installed in vehicle complies a fixed set of instructions, including operation of solenoids etc to perform additional built in function like engine shutdown etc. From the literature it was also observed that GSM Modems are factually modulating/de-modulating equipment for signals of digital cellular network.

2. Following FCT headings were considered for its classification.

- i) 84.71
- ii) 85.25

3. According to Explanatory Notes FCT heading 84.71 covers the equipments, used for data processing, in which the logical sequence of the operation can be changed from one job to other job. Since, in this case the programme is fixed and can not be changed therefore, classification under FCT heading 84.71 has been ruled out. Modems specified under specified FCT heading 99.34 are those which are specifically used or relating to computers and information technology. The under reference GSM Modem Working with Digital Cellular Network have no use with the computers or information technology.

4. The FCT heading 85.25 covers Transmission apparatus, including: GSM communication apparatus, like cellular Mobile Telephone. Catalogue of the manufacturer indicates that subject item includes GSM-modem with operational frequency range of GSM 900/1000 MHZ or GSM 900/1900 MHZ and GPS receiver. The subject items receive signal from GPS satellite and transmits signals through local GSM network to the base station which process the data to determine the physical location of the vehicle. Thus basically, the subject items are a transmitter/receiver. These are apparatus which communicates in GSM frequency range.

5. In the light of above, classification Centre unanimously decided the classification of "Tracking Eagle VC6-2", and C-Track System and other similar systems under FCT heading 8525.2090.

(ABDUL WAHEED KHAN)  
COLLECTOR



Fax Message

URGENT  
Collector (Mach.)

GOVERNMENT OF PAKISTAN  
REVENUE DIVISION  
CENTRAL BOARD OF REVENUE

C.No. 1(9)Mach./98-Vol.I.

Islamabad, the 10<sup>th</sup> April 2003

From: Dr. Zulfiqar Ahmad Malik,  
Secretary

To: ✓ The Collector of Customs  
(Appraisalment) Custom House,  
Karachi.

The Collector of Customs,  
Custom House, Nabha Road,  
Lahore.

Subject: CLASSIFICATION RULING OF GSM MODEM IMPORTED BY  
M/S SECURITY MANAGEMENT SERVICES VIDE IGM NO. D-  
6775/02 DATED 3.9.2002 AND INDEX NO. 02.

I am directed to enclose a copy of letter No. SI/Misc./1840/2002-AFU dated the 6<sup>th</sup> January 2003 received from Collectorate of Customs (Preventive) Custom House, Karachi on the subject cited above. It is requested that the issue of classification of the modems may be placed before the Classification Committee of your Collectorate and their reports be submitted within 3-4 days time positively. Matter may be treated as most urgent.

Encl: As above.

(Dr. Zulfiqar Ahmad Malik)  
Secretary (Machinery)



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GOVERNMENT OF PAKISTAN  
COLLECTORATE OF CUSTOMS (PREVENTIVE),  
AIR FREIGHT UNIT, JINNAH INTERNATIONAL AIRPORT,  
KARACHI.

NO.SI/MISC/1840/2002-AFU

Date: 06.1.2003

Dr. Zulfiqar Ahmad Malik,  
Secretary (Machinery),  
Central Board of Revenue,  
Islamabad.

2/131  
not

P-135/c

**SUBJECT: CLASSIFICATION RULING ON GSM MODEM IMPORTED BY M/s. SECURITY MANAGEMENT SERVICES VIDE IGM No. D-6775/02 DATED 03.09.2002 AND INDEX No. 02.**

Please refer to Board's letter C. No. 1/9/Mach./98 dated 22.11.2002, 13.12.2002 and 23.12.2002 on the above noted subject.

M/s. Security Management Service, Karachi had imported a consignment containing Tracking Eagle VCG2 Vehicle System (GSM Modem) vide IGM No. D-6775/02 dated 07.09.2002, Index No. 02 and sought release thereof Free of Customs Duty under PCT heading 8471.7098 r/w Special heading 9934 and Sales Tax vide Serial No. 45 of Schedule VI of Sales Tax Act, 19920. On physical examination the customs has determined classification under heading 8525.1000 as GSM Modem.

The exact description of system is that it's a GSM Modem is installed in vehicle for tracking purpose. It is based on vehicle communication Gateway Technology. The GSM stands for Global System for mobile communication, whereas modem, modulate and demodulate signal, nature of which depends upon software use at Base Station. These systems now a days used in vehicle as security system from snatching. A brief literature produced by importer is enclosed as (Annex-"A").

The importer M/s. Security Management Services, Karachi's contention is that these are modem, involved in processing data, software at Base Station used in tracking system, may be classified under heading 8471.5000 which was ruled by Central Board of Revenue for C-Track, doing the same job in tracking. They have further added that digital processing unit of heading 8471.5000 and the proposed one of 8525.1000, both are covered.



under Special heading 9934 by name. It is pertinent to mention here that Modem and automatic data processing machine appear by name in Special heading 9934 and importer is insisting for exemption of duty under Special heading 9934 and sales tax vide Serial No. 45 of Schedule VI of the Sales Tax Act, 1990. -14

The department is of the view that GSM Modem doing modulation and demodulation of a signal through GSM Satellite, rightly covered under heading 8525.1000. Whereas, Special heading 9934 allows exemption to "Modem" which relates to computer and information technology. The modems under reference no doubt has relation with computerized security management system but is not covered under the purview of computer as defined in the Tariff and also no information technology is involved thereon. The whole system is a Security Management System and in terms of Chapter Note of Section XVI at para 5(E), the specific function to taken in consideration for appropriate classification and this GSM modem has no relation with computer and information technology although Modem appeared in Special heading 9934 by description. Since it is neither computer or of use with computer not has any concern with computer and information technology, therefore, the same will be classified under respective heading 8525.1000 and are chargeable to statutory rate of duty therein. This Collectorate is of the opinion that C-Tracking System should has been classified under PCT heading 8471.5000 by Board is also not covered by Special heading.

Since the importer do not agree with the ascertained classification as such assessment was made under Special heading 9934 provisionally under Section 81 of the Customs Act, 1969 against submission of a post-dated cheque and an Undertaking to the effect that they would abide by the decision of Board in this regard.

The catalogue of both the system i.e. C-Track and GSM Modem is enclosed as Annex-"A & B" with the request to <sup>guide</sup> ~~advise~~, whether the view point of this Collectorate is in order or otherwise.

  
(MEHBOOB QURESHI)  
COLLECTOR (P)

Encls: As above.



(u)

GOVERNMENT OF PAKISTAN  
APPRAISEMENT COLLECTORATE  
CUSTOM HOUSE  
KARACHI  
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CC-04/2003-A  
NO. SI/MISC/181/2003-11

DATED:- 07-05-2003

Mr. Manzoor Hussain Memon,  
Secretary (STT),  
Central Board of Revenue,  
Revenue Division,  
Sales Tax Wing,  
Islamabad.


SUBJECT:- LEVEY OF SALES TAX ON THE SUPPLY OF MULTIVITAMIN  
DIETARY SUPPLEMENTS.  
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Please refer to Board's letter No. 1(SI)STT/96 dated  
19.02.2003 on the subject noted above.

2. The case regarding classification of Multivitamin  
Dietary Supplement was discussed in the classification Centre in  
its meeting held on 09.04.2003.

3. The Dietary food Supplements are consisting of  
Vitamins, mineral substances and salts in the form of tablets,  
which are used for daily requirement of the human body to restore  
its health. Such type of preparations are already being  
classified under chapter 21.06 of the first schedule to the  
Customs Act, 1969 as food supplement @ 25% Customs duty & 15%  
Sales tax.

4. Sales tax Wing may take necessary action as per law  
against the local supplier.

  
(ABDUL WAHID KHAN)  
COLLECTOR

Copy to:-

✓ Mr. Muhammad Raza Baqir,  
Collector,  
Collectorate of Sales Tax & Central Excise,  
56-A, Main Shadman Market,  
Lahore.

5/mis-1/81/2003-4

U.M.S.

GOVERNMENT OF PAKISTAN  
COLLECTORATE OF SALES TAX & CENTRAL EXCISE

56-A MAIN SHADMAN MARKET, LAHORE

Collector (Appr)

C.NO.03/CA-II/CBR/ST& CE/2003/236

Dated 26-02-2003

The Collector  
Collectorate of Customs (Appraisal)  
Customs House,  
Karachi.



SUBJECT:- LEVY OF SALES TAX ON THE SUPPLY OF MINERAL /  
VITAMIN & MULTIVITAMINS AS DIETARY SUPPLEMENTS

Please refer to the Board's letter C.No.1(51)STT'96 dated 19-02-

2003 on the subject cited above.

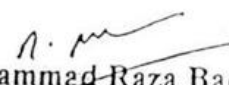
2. This Collectorate is of the view that multivitamins and dietary supplements are classifiable under PCT Heading No 21.06. Explanatory Notes to Chapter 30 of Harmonised Commodity Description and Coding System specifically exclude from Chapter 30 "supplements containing vitamins or mineral salts which are put up for the purpose of maintaining health or well being but have no indication as to use for the prevention or treatment of any disease or ailment". These products are classified in heading 21.06 or Chapter 22. On the basis of these Explanatory Notes, the Collectorate holds the view that multivitamin dietary supplements are excluded from Chapter 30 and correctly classifiable under heading 21.06. Such supplements are based on extracts from plants, fruit concentrate, honey, fructose, etc and contain added vitamins and some times minute quantities of iron compounds. These preparations are often put up in packaging with medications that they maintain general health or well being. Notwithstanding the fact that such preparations are registered under the Drugs Act, 1976, they remain chargeable to sales tax due to their exclusion from Chapter 30.

3. It is observed by this Collectorate that manufacturer of pharmaceutical products are not paying sales tax on the supply of Mineral

Chapter 29 Sub Chapter 11 and dietary supplements are classifiable under chapter 21.06 chapter 22 of the Harmonized Commodity Description and Coding System and do not fall under Chapter 30. A copy of this Collectorate letter C.No.03/CA-II/CBR/ST & CE/2003, which is self explanatory, is also enclosed for ready reference.

4. It is, requested that the present practice in the Custom House Karachi regarding levy of sales tax on the import of similar products as well as opinion of the PCT Committee may kindly be communicated to this Collectorate in the earliest convenience.

Encl: As stated

  
(Muhammad Raza Baqir)  
Collector



*bsa*  
*Adi*  
GOVERNMENT OF PAKISTAN  
REVENUE DIVISION  
CENTRAL BOARD OF REVENUE  
(SALES TAX WING)  
\*\*\*\*\*

C. No. 1(51)STT/95.

Islamabad, the 19<sup>th</sup> February, 2003.

The Collector,  
Collectorate of Sales Tax & Central Excise,  
Lahore.



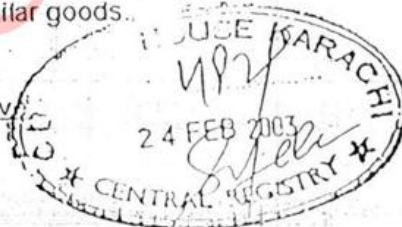
SUBJECT: - LEVY OF SALES TAX ON THE SUPPLY OF MULTIVITAMIN  
DIETARY SUPPLEMENTS.

I am directed to refer to your letter No. 03/CA-II/CBR/ST&CE/2003/122, dated 24<sup>th</sup> January, 2003, on the subject noted above and to say that the Board in principle endorses the views of the Collectorate of Sales Tax & Central Excise, Lahore. However, action about recovery of sales tax may be initiated after holding a meeting with the concerned trade body and if need be after seeking classification opinion from PCT Committee of the Appraisement Collectorate, Custom House, Karachi.

*sd/-*  
(Manzoor Hussain Memon)  
Secretary (STT)  
Tel: 9204043

Copy to: - *V* The Collector of Customs (Appraisement), Custom House, Karachi along with a copy of Collectorate of Sales Tax & Central Excise, Lahore's letter referred to above. He is requested to kindly intimate the present practice in Collectorate of Customs (Appraisement), Karachi about levy of sales tax on imported similar goods.

Encl. As above



*Manzoor*  
(Manzoor Hussain Memon)  
Secretary (STT)  
Tel: 9204043

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GOVERNMENT OF PAKISTAN  
COLLECTORATE OF SALES TAX & CENTRAL EXCISE  
56-A MAIN SHADMAN MARKET LAHORE

C.No.03/CA-II/CBR/ST&CE/2003/122

Dated 24.01.2003

Mr. Muhammad Ramzan,  
Member(Sales Tax),  
Central Board of Revenue,  
Islamabad.

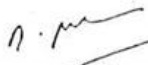
Subject:- LEVY OF SALES TAX ON THE SUPPLY OF  
MULTIVITAMIN DIETARY SUPPLEMENTS

During August, 1999 exemption from sales tax was withdrawn on medicaments and substances, imported or locally supplied, other than those classifiable under any of the headings of the Chapter 30 of the First Schedule to the Customs Act, 1969 (IV of 1969), vide SRO.922(I)/99 dated 16.08.1999 as amended vide SRO.985(I)/99 dated 30.08.1999.

2. This Collectorate is of the view that multivitamins and dietary supplements are classifiable under PCT Heading No 21.06. Explanatory Notes to Chapter 30 of Harmonised Commodity Description and Coding System specifically exclude from Chapter 30<sup>a</sup> supplements containing vitamins or mineral salts which are put up for the purpose of maintaining health or well being but have no indication as to use for the prevention or treatment of any disease or ailment". These products are classified in heading 21.06 or Chapter 22. On the basis of these Explanatory Notes, the Collectorate holds the view that multivitamin dietary supplements are excluded from Chapter 30 and correctly classifiable under heading 21.06. Such supplements are based on extracts from plants, fruit concentrate, honey, fructose. etc and contain added vitamins and some times minute quantities of iron compounds. These preparations are often put up in packaging with medications that they maintain general health or well being.

1562  
Act, 1976; they remain chargeable to sales tax due to their exclusion from Chapter 30.

3. On the basis of the above, the Collectorate intends to initiate action, against local suppliers of multivitamin dietary supplements, for recovery of sales tax chargeable under Section 3 of the Sales Tax Act, 1990. It is proposed that the Board may like to direct other Collectorates as well for similar action for the purposes of uniformity in the application of Sales Tax law throughout the country.

  
(Muhammad Raza Baqir)  
Collector



(5)

GOVERNMENT OF PAKISTAN  
APPRAISEMENT COLLECTORATE  
CUSTOM HOUSE  
KARCHI  
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No. CC-3 /2002-(A)

April, 22, 2003.

The Collector of Customs,  
Custom House,  
Faisalabad.

Subject: HARMONIZING IMPORT AND CLEARANCE OF SWITCH TRACK SYSTEM  
WITH SRO 554(I)/98 PERTAINING TO BILL OF ENTRY NO.1659 DATED  
17.05.2002.

Kindly refer to your letter No. Imp/SRO/345/0102 dated 07.01.2003 and reminder dated 21.04.2003, on the subject noted above.

- 2 The issue of classification of Switch Track System was discussed in the meeting of PCT Committee held on 18.01.2003. It was observed that the contention of the Collectorate for classification of the subject item under PCT heading 7308 (covering steel structures and parts thereof) was not correct as the same was not a simple structure. On the other hand, Explanatory notes to PCT heading 8428 state that it covers "wide range of machinery for mechanical handling of materials, goods etc., it also covers lifting or handling machines usually based on pulley, winch or jacking system and often include large proportions of static structural frame-work etc." As such, the static structure elements are classified in this heading when these are presented as parts of a more or less complete handling system. The literature of the subject item indicates that it is a material handling system, with ability to switch tracks.
3. The contention of referring Collectorate that under reference item is not a machine as same is not operated by power is also not acceptable in light of several other hand operated machines (eg. Machines of heading 8422 and 8459) which are included under Chapter-84 of the Tariff.
4. Considering all the above aspects of the issue particularly its construction and specific use in garment industry, Classification Centre has held that "Switch Track System" is appropriately classifiable under H.S. heading 8428, being materials handling machine.

  
(AMR AHMAD)  
ADDITIONAL COLLECTOR OF CUSTOMS  
APPRAISEMENT - I

12/21

Dated: 18-01-2003.

The Deputy Collector  
Customs Appraisement  
Classification Center  
Customs House  
Karachi.

CASE NO. CC/02/2002-A.

Dear Sir,

Kindly take careful consideration, while making a decision in the captioned case, on each and every point highlighted as under:

Machine "SWITCHTRACK" systems is:

- Sole manufacture of M/s. Dearnleys Furnishing Contractors Limited United Kingdom, because it is patented product.
- Patented product under Registration No. 2166102 dated 1-02-1989. *The copy of patent is annexed hereto for kind perusal.*
- The machine "SWITCHTRACK" systems is an essential machine being part and parcel in the industrial process of manufacturing. *Copy of catalogue in original is annexed hereto for kind perusal.*
- It is identifiable part of the machinery being used in conjunction with the plant and machinery for sewn products. Video film of machine "SWITCHTRACK" systems is available and can be supplied on requisition for proper and lawful determination.
- Every plant and machinery is made out of or a composition of Ferrous Metals, Non-Ferrous Metals, Rubber, Plastic, Glass, Wood, and others. Whereas the machine "SWITCHTRACK" systems is also made out of the above said components. As such classifiable under the purpose of its composition, but not under HS code of individual component of its composite raw materials.



Machine "SWITCHTRACK" systems is not a structure or part of structure meant for constructions of;

- Bridges
- Bridge-section
- Lock-gates,
- Towers,
- Lattice masts,
- Roofs
- Roofing frame-works,
- Doors and windows and

- Frames and thresholds for doors, shutters, balustrades, pillars and columns

Machine "SWITCHTRACK" systems is rightly classifiable under HS Code 8428.3200 as declared by the importer M/s. Chenab Limited on the Bill of Entry of Faisalabad Dry Port HC 1659 dated 17-05-2002. It was misconceived, to assess the Machine "SWITCHTRACK" systems under HS Code other than 8428.3200, by the Faisalabad Customs.

Karachi Customs House has been classifying "SWITCHTRACK" systems under HS Code: 8428 since last many years. But it is only Collectorate of Faisalabad Customs who has misconceived HS Code, other than 3428, in ignorance to previous practice. Reliance has been placed on recent clearances of Karachi Customs House, under cases No;

- SI/MISC/IB/2405/2001-VI,
- SI/MISC/IB/2405/2001-VI, and
- SI/MISC/IB/2405/2001-VI

Photocopies of Bills of Entry are annexed for an immediate reference and perusal.

It is, therefore, requested that kindly pass an order for the confirmation of HS Code for the "SWITCHTRACK" systems as per practice being maintained by the Karachi Customs House under 84.28.

Thanks and Regards.

Advocate

(Muhammad Afzal Awan)

For and on behalf of M/s. Chenab Limited.

Enclosed as above.



(6)

GOVERNMENT OF PAKISTAN  
APPRAISEMENT COLLECTORATE  
CUSTOM HOUSE  
KARACHI  
\*\*\*\*\*

C.C.47/95-A  
NO. SI/MISC/122/95-ACA

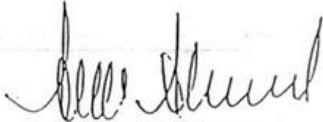
DATED:- 21/04/2003

M/s. Packages Limited,  
Shahrah-e-Roomi,  
P.O. Amer Siduh,  
Lahore.

SUBJECT: CLASSIFICATION OF PRODUCT NAMEDLY "DOCTOR BLADE".

A dispute regarding classification of of "Doctor Blade" forwarded by EAST WHARF came up before classification centre. According to the catalogue the "Doctor Blade" is used for pressing the paper which is mounted on the roller to get a smooth finish of the paper. Whereas, Custom staff were of the opinion that goods having sharp edge, and is used to cut the extra fibre of the paper to make the surface of the paper smooth.

2. Classification Centre examined the catalogue and the trade sample. The Blade was found to have a specific size with hole which indicates the easy fixing with the machine. The Blade have no sharp edge, and is used to finish the paper by way of pressing rather cutting. Classification Centre unanimously accepted the classification of Doctor Blade with no sharp edge under PCT heading 8439.9900.

  
(AMER AHMED)  
ADDITIONAL COLLECTOR-I

Copy to:-

The Assistant Collector of Customs,  
Group-VI/East Wharf,  
Karachi.

Summary

PCT/CC/47/95A  
ST/UN/SC/122/95A

M/s. Packages Ltd., Lahore imported a consignment of stainless steel blades (Doctor blades) size 2240mm x 75mm x 1.2mm and claimed assessment under heading 8439.9900 as parts of machinery covered under heading No. 8439.2000. Cotecna also confirmed PCT 8439.9900.

The shed staff is of the view that the goods are blades having sharp edge on one side and correctly assessable under heading No. 8208.9000. The importer is not agree with the shed staff view. He clarified that these doctor blades are only for pushing the paper against a heating cylinder and for creping of tissue paper during its manufacturing.

The case is referred to PCT Committee for clarification of the dispute of classification along with sample and catalogue.

GOVERNMENT OF PAKISTAN  
APPRAISEMENT COLLECTORATE  
CUSTOM HOUSE  
KARACHI

No.CC-32/2002-A

March 26, 2003

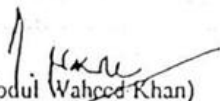
Mr. Zafarul Majed,  
Member (Customs),  
Central Board of Revenue,  
Islamabad.

Subject: - RESTURCTURING OF PAKISTAN CUSTOMS TARIFF  
AND DELETION OF SUB-HEADINGS

Kindly refer to Board's letter No. I(2)Tar-I/89 dated 20-11-2002 on the above cited subject.

2- The case was discussed in the Classification Centre in its meeting held on 24-03-2002. The local manufacture M/s. Oxyplant Pakistan (Pvt) Ltd, are of the opinion that after the tariff changes in the budget 2002-2003 the raw material "*Epoxy Resin*" and finished material i.e. "*electrostatic coating powder*" are being classified in the same PCT heading 3907.3000 whereas prior to budget 2002-2003 there existed separate PCT headings. The classification of the raw material i.e. Epoxy Resin and the finished goods in the same heading i.e. 3907.3000 is also supported by explanations given in Chapter Note 4 of Chapter 39 and by virtue of exclusion (c) to heading 32.10 of the Explanatory Notes. This means both intermediate and finished goods being classified in same heading and both being subjected to 20% sales tax at import stage. It would, therefore, be appropriate to create a sub-heading under PCT heading 3907.3000 providing separate HS classification of raw material and finished goods, as aforesaid.

3- Submitted for kind consideration by the Board.

  
(Abdul Wahced Khan)  
Collector



GOVERNMENT OF PAKISTAN  
APPRAISEMENT COLLECTORATE  
CUSTOM HOUSE  
KARACHI  
\*\*\*\*\*

C.C. 33/2002-A  
NO. SI/MISC/578/98-111

DATED: - 29.11.2003

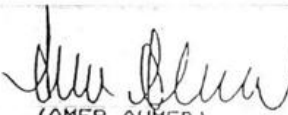
M/s. 3M Pakistan Ltd,  
Baharia Complex-II,  
1st Floor, M.T. Khan Road,  
Karachi.

SUBJECT:- CLASSIFICATION OF PP 2910 ASIA 210MM X 297MM OHP SHEETS

A dispute regarding classification of Transparencies (non sensitised-used in OHPs) came before the Classification Center. Goods are made of Plastic and used after cutting into rectangular shape. Following PCT headings were considered for the classification thereof.

- i) 3920.1000
- ii) 3926.1000

2. Classification Centre observed that PCT heading 39.20 covers the articles of Plastic Film, other than having use in the office or school supplies. The relevant Explanatory Notes suggested that plastic sheets etc, of plastic were generally classified as an article of heading 39.18, 39.19 or 39.22 to 39.26. Since, the subject goods have specific use in the office/schools, therefore it is ruled, that Plastic Transparencies in cut to size shape are classifiable under PCT heading 3926.1000.

  
(AMER AHMED)  
ADDITIONAL COLLECTOR-I

Copy to:-

- i) FA Group-111.
- ii) All Concerned.

GOVERNMENT OF PAKISTAN  
APPRAISEMENT COLLECTORATE  
CUSTOM HOUSE  
KARACHI  
\*\*\*\*\*

C.C. 36/2002-A  
NO. 81/MISC/02/2002-S.2 (EW)

DATED: 03.05.2003

M/s. R.V. International,  
P.O. Box No. 13384,  
Karachi.

SUBJECT:- CLASSIFICATION OF VETERINARY MEDICINE.

Please refer to your representation dated 04.02.2002.

2. Classification dispute of the product namely "TH4+" was discussed in the classification centre. After consulting the literature it was observed that the goods are disinfectant used to kill the bacteria and fungus to save animals from the diseases like Gumboro, Newcastle, foot and mouth, Blue ear, mycoplasma, etc. The goods are used through spray in the animal husbandry buildings, in transport equipment of animal husbandry, for fruits and Vegetable storage disinfection, horticultural buildings, for meat storage disinfection etc. Since, the goods are general type of disinfectant which is used environmentally to protect the animals from disease and has no internal or external use as medicine. Such types of preparations are excluded from chapter 30 of the Pakistan Customs Tariff, vide exclusion (e) to chapter 30.04.

3. Since, the essential character of the goods is not medicine, therefore, classification center decided the classification of the subject item "TH4+" under FCT heading 3808.4000.

(ASHAD JAWAD)  
DEPUTY COLLECTOR  
CLASSIFICATION CENTRE

Copy to:

1) FA Group-II.

11) Copy to Classification Centre for record.



SUMMARY OF THE CASE

M/s. R.Y. International, Karachi imported a consignment declared to be veterinary Medicine and claimed assessment under PCT 3004.2000 comprising of two items namely.

- T.H.4 liquid in retail packing of 1.litre and 5 liters.
  - Renyl packing of 100 grams and 1.Kg
2. On physical examination item No. (1) T.H.4 found Disinfectant classifiable under heading PCT 3808.4000 Custom Duty 30%, Sales Tax 15% as against claimed PCT 3004.2000 Custom Duty 10%, Sales Tax Free.
  3. Case was referred to group with the remarks that the benefit of S.R.O NO.444 (1)/2001 vide table III S/L No.16 claimed is not admissible on Disinfectant (3808.4000) in view of the exclusion given and PCT mentioned therein irrespective of the fact that the same Disinfectant is registered as drug under drugs Act. The product whose primary function and essential character is Disinfectant are classified under 3808.4000 of PCT and are chargeable to custom duty 30%, & Sales Tax 15% vide exclusion of Disinfectant given in schedule VI of sales Tax at S/L No, 12 (g) of schedule VI as against the free. As result short levy amounting to Rs.306730/- which was paid by the importer. The exemption of custom duty and sales tax are interlinked.
  4. The chapter 3808.4000 vide exclusion ○ excludes the disinfectant and insecticides having the essential character of medicament. However, the literature provided indicates that the use of the goods is essentially and primarily as disinfectant.
  5. The literature (enclosed) describes the product T.H.4 as DISINFECTANT for Livestock farms, it is an ideal disinfectant and T.H.4 only kills Germs, not the environment. Under reference product according to the literature is a Synergistic Association of 5 Disinfectant agent.

QUATERNARY AMMONIUMS

1. Didecyl dimethyl ammonium Chloride: 18.75 g/l
2. Alkyl dimethyl benzyl ammonium Chloride: 50.0 g/l
3. Octyl decyl dimethyl ammonium Chloride: 37.75 g/l
4. Dioctyl dimethyl ammonium Chloride: 18.75 g/l

Continued on page No.02/-



ALDEHYDE

a. Glutardialdehyde : 62.50 g/l

*TERPINE*  
b. DERIVATIVES

Pine Oil : 20 g/l

Terpineol : 20 g/l

- 6 All the above mention are disinfectant and the product T.H.4 is totally active against .1.Virus 2.Bacteria 3.Fungi 4.and some parasites.
- 7 Totally safe.1.User safe 2.Animal safe 3.Equipment safe 4.environment safe.
- 8 The subject goods have its essential character of disinfectant being used against viruses Bacteria, Fungi, and Parasite to make the environment friendly and atmosphere safe. It is also finds application in viruses & anti fungal treatment killing of bacteria in poultry, husbandry, fruits, vegetable, storage as disinfectant horticulture building, refrigerating meat storage disinfection.
- 9 In view of the above the goods are correctly classified w/h 3808.4000 as DISINFECTANT

GOVERNMENT OF PAKISTAN  
APPRAISEMENT COLLECTORATE  
CUSTOM HOUSE  
KARACHI  
\*\*\*\*\*

NO. SI/MISC/478/2001-II  
CC-37/2002-A

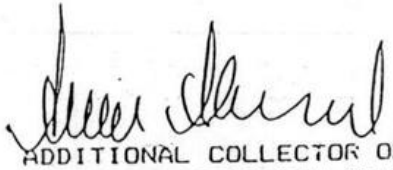
DATED: - 25/5/2003

M/s. Fauji Fertilizer Company Ltd,  
D-143, Block-4, KDA Scheme No. 5,  
Kehhashan, Clifton, Karachi.

SUBJECT:- CLASSIFICATION OF THE PRODUCT NAMELY "COMPRESSOR GAS."  
=====

Please refer to your letter No. Ref. FPG-2708/C&F dated  
18.02.2003 on the subject cited above.

2. The case was discussed in the classification Centre, in  
its meeting held on 09.04.2003. It was decided that goods namely  
Compressed Gas are classifiable under FCT heading 3824.9099.

  
ADDITIONAL COLLECTOR OF CUSTOMS  
CLASSIFICATION CENTRE

Copy to:-

- i) ACA Group-II
- ii) Copy to Classification Centre for record.

1-1-78/2561

SUMMARY OF THE CASE  
=====

M/s. Farji Fertilizer Co Ltd, Karachi imported a Consignment consisting of Compressed Gas, UN 1953-CL-2.1 TF, ADR (0.1% ARCON, 5.6% Methane, 6.5% Nitrogen, 9.7% Carbon Monoxide, 10.7% Carbon Dioxide in Hydrogen, Compressed) and claimed assessment thereof under PCT 2804.1000 Customs duty @ 10%, Sales tax 15% and Income tax @ 5%. Group classified the goods under PCT heading 3824.9099, Customs duty 35%, Sales tax 15% with the plea that being mixture of goods (other than Air). The clearing agent contented that main constituent among the mixture of gas being Hydrogen, therefore, it is classifiable under heading 2809.1000. However, with the consultation of ACA, Group-II it was decided that the bill of entry be completed under PCT heading 2809.1000 Custom duty 10% and Sales tax 15% and case be referred to PCT Classification Committee to ascertain correct classification.



GOVERNMENT OF PAKISTAN  
APPRAISEMENT COLLECTORATE  
CUSTOM HOUSE  
KARACHI

No.SI/Misc/217/2003-II  
CC-03/2003-A

April 29, 2003

Mr. Shafqat Mehmud,  
Secretary (Customs Tariff-I),  
Central Board of Revenue,  
Islamabad.

Subject:- CONSIGNMENT OF CLINACOX 0.5% PREMIX  
VIDE IGM NO. 245 / 2003 DT 22-02-2003  
INDEX NOS. 11, 12 & 13 BILL OF ENTRY  
MACHINE NO. KARP HC-101503,  
101507 & 101510 OF 26-02-2003

Please refer to Board's letter No.3(17)Tar-I/96 dated 31-03-2003 regarding classification of the product namely "*Clinacox 6.5% premix powder*". The case was discussed in the Classification Centre in its meeting held on 09-04-2003.

2- According to the literature, the goods Clinacox Premix consists of 0.5% Diclazuril, as an active ingredient alongwith 0.2% Polyvinylpyrrolidone, 0.5% Sodium Hydroxide and 99.02% Carrier put up in 20 kg bags. The aforesaid composition does not fulfill the criteria prescribed for HS Classification under heading 30.03 or 30.40. The Classification Centre accordingly decided the classification of "*Clinacox Premix*" under PCT heading 23.09.

(Abdul Waheed Khan)  
Collector

9/5/03

171111 by TCS

GOVERNMENT OF PAKISTAN  
APPRAISEMENT COLLECTORATE  
CUSTOM-HOUSE  
KARACHI.

No: CC-16/03-A  
No. S1Misc/1914/2002-11

DATED: 23-08-2003.

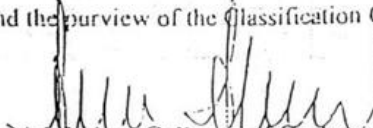
The Additional Collector of Customs,  
Air Freight Unit, JIAP,  
Karachi.

SUBJECT:- CLASSIFICATION RULING ON GSM CARD AND TELECARD WITH  
CHIP IMPORTED BY M/S. MOBILINK TELECARE AND OTHERS.

Please refer to your letter No. S1/Misc/1914/2002 AFU dated 04-03-2003 on the subject  
noted above.

2. The issue was discussed in the classification meeting held on 07-05-2003. Due to incomplete documents final decision was not taken. Despite repeated reminders, importer failed to provide any documents in support of his claim. The case was finally discussed in the meeting held on 21-08-2003. No one appeared on behalf of the importer. In the light of WCO Classification Decision (1983-2000), vide S.No 435, page No. 204, (copy enclosed), the Committee confirmed the classification of "Smart Card" under heading 8542. It may be noted that "Smart Card" is also mentioned by name in PCT heading 8542.1000.

3. Regarding the issue that whether this heading be read with PCT Chapter 9934, is to be decided by the concerned authority as the same is beyond the purview of the Classification Center.

  
Additional Collector of Customs  
(Classification Center)  
Appraisement Collectorate

Copy to:-

The Collector of Customs Adjudication-II, for information.

Government of Pakistan  
Collectorate of Customs (Preventive)  
Custom House, Karachi

No. SI/MISC/1914/2002-AFU

04-03-2003

Additional Collector of Customs,  
Appraisalment-II,  
Classification Center,  
5<sup>th</sup> Floor, Custom House,  
Karachi.

*Pl. put up case in next  
classification committee.  
DKA-III/PAE*

SUBJECT: CLASSIFICATION RULING ON GSM CARD AND TELECARD WITH  
CHIP IMPORTED BY M/s. MOBILINK, TELECARD AND OTHERS.

M/s. Mobilink, PIDC House, Karachi, M/s. Telecard Limited, Karachi and others have been importing smart card having chip therein which is meant for the purpose of activation of mobile phone and pay telephone to charge/debit amount mentioned therein for use. The smart cards have chip which will be programmed with the software by the importing company. The special heading 9908.0080 covering items Computer and Information Technology was initially introduced in the Budget 2000-2001 which has now been replaced with heading 9934 in the Finance Bill 2002-2003. The importers claimed classification under heading 9934 r/w 8542.1000.

Technical aspect of "Smart Card" having programmable chip

GSM Card is being used in mobile phone, when it is inserted in the mobile phone the same is then activated with. These cards have been imported in blank condition and not programmed. After importation it is programmed by the machine specially designed for this purpose with the software locally. Whereas, M/s. Telecard imported programmed Sim cards for the fixed amount and on inserting it in the pay telephone set it charged/ debited the amount mentioned thereon depending upon its used time.

These blank test cards are compatible with any of the following:

- Universal Smart/SIM Card Reader/Writer US-RW.
- PIC16F84 and 24LC16 Smart Card Programmer PIC-CP
- PIC16F84 and 24LC16 Smart Card Copier PIC-CC

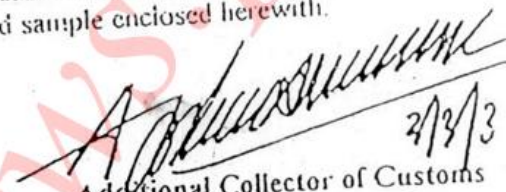
The smart cards contain one PIC16F84 and one EEPROM 24LC16. They can be written and erased multiple times and they contain a Code Protection bit which can be set to make it difficult to copy. Re-programmable. > 1,000,000 Write/Erase cycles, 40 years data retention. ISO 7815-1 compatible. Pin-out and body. These cards are often used for security applications and emulating various smart cards.



Departments contention

These cards are specially designed for use in Pay telephone and mobile telephone set and as such cannot be termed as an item relating to computer and information technology. The goods, therefore, are not classifiable under heading 9934.0000 but attracts classification under heading 8542.1000 having a card incorporating an electronic integrated circuit

The matter is being referred to the Classification Center for determination of correct classification. Copies of the relevant literature and sample enclosed herewith.

  
Additional Collector of Customs  
Air Freight Unit, JIAP

GOVERNMENT OF PAKISTAN  
APPRAISEMENT COLLECTORATE  
CUSTOM HOUSE  
KARACHI

NO. CC-23/2002-A  
(SI/MISC/360/2003-PIL (P))

DATED: 13-11-2003

M/s. Allied Petroleum Company,  
Machi Miani Road No. 1,  
Kharadar, Karachi-74000,  
Pakistan.

SUBJECT: CLASSIFICATION OF n-HEPTANE.

The issue of classification of "N-Heptane" forwarded by Preventive Collectorate was discussed before the classification committee in meetings on 31-10-2002 and 30.09.2003, under chair of Additional Collector (CC). The following attended the meeting.

- |      |                            |  |
|------|----------------------------|--|
| i)   | Mr. Amer Ahmad             | Additional Collector of Customs<br>(Classification Centre) |
| ii)  | Mr. Azhar Hussain Merchant | Assistant Collector of Customs<br>(Classification Centre)  |
| iii) | Mr. Muhammad Ibrahim       | Principal Appraiser (Classification Centre)                |
| iv)  | Mr. Shaheen Farooq         | Principal Appraiser  |
| v)   | Mr. Yakoob                 | Importer   |
| vi)  | Mr. Abdul Majced           | Clearing Agent   |

2. The importer contented that N-Heptane being a separate chemically defined organic compound, as such falls under heading 29.01 by virtue of Note 1(a) to Chapter 29 of H.S. Coding System. According to that rule the product may or may not contain impurities,

and the extent of permissible impurities is also not specified in section/chapter note. In further support of their claim the importers have made the following averments;

- a) Products being imported are Commercial Grades of N-Hexane and N-Heptane having purities from 40 to 84%. Both Hexane and Heptane are defined chemical compounds. \*Synonyms N-Hexane, Hexanes, N-Heptane, Heptanes etc).
- b) Note to Chapter 27 (27.07 and 27.10) and Chapter 29 clearly states that defined chemical compounds in PURE or COMMERCIALLY PURE states are to be classified in Chapter 29.
- c) Identification of pure or commercially pure grade is more an issue to be verified by trade & industry rather than technical details of chemistry.
- d) Data Base of WCO contains products covered under specific H.S. Codes. Hexane isomers, Hexane and Hexanes are all listed against H.S. Code 2901.10 Heptane isomers, Heptane and Heptanes are all listed against H.S. Codes 2901.10.
- e) Defined chemical compounds with permissible impurities are to be classified in Chapter 29 as per Explanatory Notes. The term "permissible impurities" have been explained thereof as well.
- f) There is no purity criteria specified anywhere in Nomenclature for Heptanes and Hexanes.

3. The issue has been under detailed examination by the Classification Centre. The classification issue involves a through study of the chemistry of the chemicals in dispute and the scheme of classification in Chapter 27 (section V), Chapter 29 & 38 (section-VI), of the Harmonized System. The classification centre has conducted long deliberations and the WCO literature available on the subject, the literature by manufacturers available on the internet, classifications by other customs administrations, was consulted in addition to Public Notice 18/2000(APPG) on classification of Hexane. After long deliberations on the fine line between the appropriate classification headings of chapters 27, 29, 34 and 38 it is seen that commercial usage and terminology, mostly based on marketing strategy of the manufacturers is cause of this confusion. The importers contentions given at (c) above is not correct as classification is to be as per Explanatory notes to the H.S. and (d) above is correct except that it refers to pure products as per explanatory notes to section VI.



4. Para 1(b) of notes to chapter 29 reads as:

"Mixture of two or more isomers of the same organic compound (whether or not containing impurities) except mixture of acyclic hydrocarbon isomers (other than stereoisomers) whether or not saturated (Chapter 27)."

The H.S chapter notes with reference to separate Isomers & mixture of Isomers of saturated Acyclic Hydrocarbon considered by the committee include the following:

#### Chapter 27.

Separate isomers and mixtures of isomers of saturated acyclic hydrocarbons:-

- i) Separate isomers less than 95% pure (\*)
- ii) Mixtures of isomers containing less than 95% (\*) of a single isomer.

(\*) Calculated on the product by reference to volume for gaseous products and to weight for non gaseous products.

#### Chapter 29.

Separate isomers and mixtures of isomers of saturated acyclic hydrocarbons:-

- i) Separate isomers not less than 95% pure (\*)
- ii) Mixtures of isomers containing not less than 95% (\*) of a single isomers.

(\*) Calculated on the dry product by reference to volume for gaseous products and to weight for non gaseous products.

It may be observed that the notes to chapter 29 are restrictive ("the headings of this Chapter apply only to;") in comparison to the notes to chapter 27, ("the chapter does not cover") which provide specific exclusions, thus widening the scope of chapter 27.

5. Isomers of an organic compound are defined as "One of two or more molecules having the same number and kind of atoms and hence the same molecular weight but differing in respect to arrangement or configuration of atoms".

6. The subject items are shown as:

As per HEJ Lab's report the following composition has been ascertained:

S. NO.	NAME OF CHEMICAL	PERCENTAGE CONTENT	MOLECULAR FORMULA
1.	N-Heptane	62.45%	C <sub>7</sub> H <sub>16</sub>
2.	2-Methyl Hexane	18.22%	C <sub>7</sub> H <sub>16</sub>
3.	3-Methyl Hexane	15.26%	C <sub>7</sub> H <sub>16</sub>
4.	Hexane	2.46%	C <sub>6</sub> H <sub>14</sub>
5.	All other	1.61%	Not Specified

7. The above characteristics merit consideration classification in Chapter 29 and 38, Chapter 34 ( 34.03) and Chapter 27 ( 27.07 & 27.10) .


8. It is seen to comprise of three products having same molecular formula but different structural formula being isomers of Heptane. The other two products (at S. No. 4 & 5) differ in molecular formula, therefore, can be termed as different compounds and treated as inherent impurities. More specifically the product is mixture of aliphatic (acyclic) and aromatic (cyclic) organic compounds with predominating aliphatic (acyclic) content (62.45%). The purity of any single isomer is less than 95%, thus NOT being a separate chemical compound; it is excluded from the scope of chapter 29 by virtue of Chapter Notes 1(a) (b).

9. It also does not qualify for classification under 38.14 as it is not a true composite solvent meeting the criteria as laid down in explanatory notes to that heading

10. The under question product does not have mineral oil content less than 70%, therefore its classification under 34.03 is ruled out.

11. As it does not contain more than 50% by weight of Aromatic contents therefore, classification under 27.07 is ruled out.

12. All these exclusions bring this product to heading 27.10. The product does not conform specifically to any of the specific descriptions under 2710.1100, therefore, it is correctly classifiable in H.S heading 2710.1190.

  
(Amer Ahmad)  
Additional Collector

Copy: Collector of Customs (Preventive) w.r.t case file SI/MISC/360/2003-PIL (P)

28/14/11/22  
only later



GOVERNMENT OF PAKISTAN  
OFFICE OF THE ASSISTANT COLLECTOR OF CUSTOMS (PREVENTIVE)  
OIL SECTION, KEAMARI  
KARACHI  
\*\*\*

C.No. S-5/Misc/350/2002-01

Dated: 16 October 2002

The Deputy Collector of Customs  
(Appraisement),  
Classification Centre,  
Custom House,  
Karachi.

Subject:- CLASSIFICATION OF HEXANE IN TERMS OF PUBLIC NOTICE  
NO. 18/2000 (APPG) DATED 16.10.2000

M/s. Shams Petrochemical have imported a consignment of "Hexane" vide IGM No. 1354/2002 dated 31.07.2002 Index No- 2 claiming release under P.C.T heading 2710.1190 being light oil. Whereas the import documents i.e. Letter of Credit, Bill of lading and Invoice show the classification under heading 2710.0099.

2. As per Public Notice No. 18/2000 (Appg) dated 16.10.2000 the "Hexane" was classifiable under P.C.T. heading 2710.0099. Now due to Budgetary Measures H.S. Code 2710.0099 does not exist in Pakistan Customs Tariff which has been re-numbered as 2710.1999. The importer is claiming classification under P.C.T. heading 2710.1190 as light oil. It is pertinent to mention here that the heading of light oil although existed in the Pakistan Customs Tariff but the classification under that heading was not considered by the P.C.T. Committee while issuing Public Notice 18/2000 (Appg) dated 16.10.2000.

3. The samples of "Hexane" were forwarded to Custom House Laboratory for testing. The Custom House Laboratory issued the T.R. No. 2000/31.7.2002 with remarks "Purity could not be determined due to non-availability of equipment which is necessary for classification as usual. Resultantly the samples were also forwarded to H.E.J. Laboratory for determination of purity. The H.E.J. Laboratory have given the following composition:-

<u>COMPOUND</u>	<u>PERCENTAGE</u>
n-Hexane	60.48 %
2-Methyle Pentane	16.68 %
3-Methyle Pentane	14.28 %
Heptane	4.18 %
Cyclonexane	1.86 %
All others	2.52 %

Density at 30°C 0.676

Nature:- The given sample of Hexane is mainly a mixture of n-Hexane and its isomers with other impurities.

4. M/s. Allied Petroleum Company have also filed a representation dated 26.08.2002, regarding assessment of "Hexane" imported vide IGM No. 39702 dated 05.03.2002 claiming assessment under H.S. Code 2901.1010. They have mentioned in their letter that they have imported this consignment and claimed the assessment H.S. Code 2901.1010 but the Assessing Officer on receipt of Test Report from H.E.J. Laboratory processed the Bill of Entry under heading 2710.0099 on the basis of P.C.T. Ruling issued vide Public Notice No. 18/2000. The Test Report of H.E.J. Laboratory contain following composition:-

<u>COMPOUND</u>	<u>PERCENTAGE</u>
n-Hexane	62.24 %
2-Methyle Pentane (Hexane Isomer)	12.54 %
3-Methyle Pentane (Hexane Isomer)	11.06 %
2,3-Di-Methyle Butane (Hexane Isomer)	12.01 %
Cyclohexane	1.44 %
All others	0.71 %

Nature :- The given sample of hexane is mainly a mixture of hexane isomers with other minor impurities

5. M/s. Shams Petrochemical vide their letter dated 07.08.2002 claimed classification of Hexane under heading 2710.1190 and M/s. Allied Petroleum Co requested release under heading 2901.1010 in the light of their Test Reports containing approximately similar results. The goods are classifiable under heading 2710.1999 in the light of Public Notice No. 18/2000 dated 16.10.2000. However keeping in view the above position it is imperative to refer the case to Classification Committee for determination of correct H.S. Code keeping in view the previous ruling issued vide Public Notice No. 18/2000 and current Budgetary changes made vide Finance Ordinance 2002 before the assessment is finalized.

(MOHAMMAD SIDDIQ MIRZA)  
Assistant Collector of Customs (Preventive),  
Oil Section, Kiamari, Karachi.

Encl:

- i. Photo Copy of Bill of Entry.
- ii. Representation M/s. Shams Petrochemicals
- iii. Test report dated 12.08.2002 issued by H.E.J. Research Institute of Chemistry
- iv. Representation of M/s. Allied Petroleum Co.
- v. Test Report dated 18.03.2002 issued by H.E.J. Research Institute of Chemistry.
- vi. Copy of Classification ruling of Hexane issued vide Public Notice No. 18/2000.

(Appd)

GOVERNMENT OF PAKISTAN  
APPRAISEMENT COLLECTORATE  
CUSTOM HOUSE  
KARACHI

NO. CC-13/2003-A

DATED: 18-11-2003

(Ref V-570/03-VI & SI/Misc/164/2003-VI)

M/S. PAKISTAN ELECTRONICS (PTEC) ASS.  
B. AL-HARON, 10 AGHA KHAN III  
ROAD, KARACHI.

SUBJECT: CLASSIFICATION OF TV Parts/CKD kit

The issue of Classification of TV Parts/ CKD kits consisting of "assembled PCB with mounted components, plastic body (front & back) and remote control of television" came up for discussion before the Classification Centre on 30.10.2003. The following were the participants of the meeting :

2. Brief facts of the case are that the above mentioned items are being imported by various importers as parts of television claiming classification under H.S 85.29. Customs House is of the opinion that these are "CKD Kits without picture tube" and are to be classified with the finished article, under H.S 85.28, in view of Rule 2(a) of the General Rules for Interpretation, as reproduced below:

*"Any reference in a heading to an article shall be taken to include a reference to that article incomplete or unfinished, provided that, as presented, the incomplete or unfinished article has the essential character of the complete or finished article. It shall be taken to include a reference to that article complete or finished (or failing to be classified as complete or finished by virtue of this Rule) presented unassembled or disassembled."*



Further, Explanatory notes to Section XVI, reproduced below, state:

*"Through out the Section any reference to a machine or apparatus covers not only the complete machine, but also incomplete machine (i.e. an assembly of parts so far advanced that it already has the main essential features of the complete machine). Thus a machine lacking only a fly wheel a bed plate, calendar rolls, tool holders etc., is classified in the same heading as the machine and not in any separate heading provided for parts.. Similarly a machine or apparatus normally incorporating an electric motor (e.g. electro mechanical hand tools of 84.67) is classified in the same heading as the corresponding complete machine even if presented without the motor."*

3. During the meeting following arguments were put forward by the participants:

i) Mr. Sarfarazuddin Chairman, Pak Electric Mfg Association.

TV parts if imported in CKD or sub assembled form are classifiable under heading 8529 but if they come assembled they are to be classified under heading 85.28.

ii). Mr. Magbool Hussain Bokhari, Director Swari Electric Industries.

Only industrial parts such as switches registers rotor etc are classifiable under heading 8529, but even if they come in sub assembled form they are classifiable under heading 8528. Consequently, PCB mounted with parts is classifiable under heading 8528 even if it does not essentially contain all the parts.

iii) Mr. S.M. Mohsin Zaidi, Supply Chain Manager, Phillips Pakistan.

He stated that the PCB mounted with certain parts can not be classified under heading 8528, as it has only 25.30% value addition and the major value addition is done at a later stage.

- iv) Mr. Farrukh Saleem Customs Agent representing his clients

The CKD kit/parts imported are without the essential parts and in absence of these, the same does not qualify Rule 2(a) of General Interpretation Rules, as it does not attain essential character of a television, hence should be classified as parts in H.S 85.29.

- v) Mr. Kaleem Haider Principal Appraiser A.I.B.

A kit is a set of specially arranged parts used for assembling purpose, and not for maintenance/spare purpose. Whenever parts are imported in kit form, they are classifiable under heading 85.28.

4. During the discussion it was also discussed and agreed that a CBU TV essentially consists of three basic groups.

- a) CRT/Deflection yoke.
- b) PCB with mounted components/chassis & remote control
- c) Back cover/Cabinet/chassis.

5. During the course of discussion, all the participants agreed that in order to appropriately classify the subject goods the main question is what is the essential character of the goods as imported. Whether these have attained the essential character of the finished article i.e. TV or Reception apparatus for television or any other. In order to decide the issue it seems appropriate to list the goods which have been imported in subject consignment.

- i. PCB Kit
- ii. Front and Back cover/ cabinet
- iii. Remote Control.

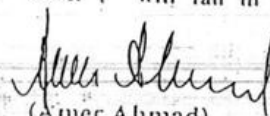
6. The committee has considered the two headings which are as follows:

85.28 Reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus; video monitors and video projectors.

85.29 Parts suitable for use solely or principally with the apparatus of headings 85.25 to 85.28.

7. The subject goods are not individual parts but assemblies and therefore not in the purview of 85.29, which is for individual parts only.

8. A reading of Explanatory notes to Section XVI shows that even a machine or apparatus normally incorporating an electric motor (e.g. electro mechanical hand tools of 84.67) is classified in the same heading as the corresponding complete machine even if presented without the motor whereas it could be argued that an electric motor is an essential part of an electro mechanical tool. Similarly a television without a picture tube has an essential character of television on above analogy. In any case the goods, by virtue of having the complete PCB Board and body, i.e. everything but the picture tube/yoke definitely have the essential character of "Reception apparatus for television" and on both accounts fall in 85.28. In case of color television the most appropriate sub heading would be 8528.1290 and for black & white television, as there is no heading for "other", will fall in next most appropriate heading H.S 8528.1300

  
(Amer Ahmad)  
Additional Collector

Copy: Assistant Collectors AIB, Groups VI & VIII



CLASSIFICATION OF T.V. PARTS  
=====

Various importers are importing T.V. Components i.e. Body Casing fitted with speakers and operating knobs, PCB mounted with elements, wiring sets and remote control. Custom House Group is assessing the same under respective PCT headings treating the same as parts of T.V. sets.

Recently Custom House have received a representation (copy enclosed) from M/s. Pakistan Electronic Manufacturers Association, wherein they have stated that:

"Some unscrupulous importers are importing complete Television Kits except Picture Tube. Complete television kits except picture tube fall in the category of Television in CEU condition classifiable under heading 8528 (customs duty @ 25%). The importers at Karachi we understand are clearing these components (T.V. Kits in assembled format) under H.S. Code 8529.9090 (customs duty @ 5%) used second hand Monitor picture tubes are then being used by these unscrupulous importers with T.V. components (assembled PCB's) for assembly of Television sets which are sold in the market at ridiculously low prices. No sales tax is paid on such sets."

Custom House group is of the opinion that according to Rule 2(a) of the General Rules for Interpretation, T.V. Components imported without Picture Tube does not have the essential character of complete T.V. sets in CEU. Thus, being parts these are classifiable under their respective PCT headings. The opinion of group is also supported by the General Notes of Section XVI at Page-1307 which speaks as:-

*Q T.V. Kit  
w/o picture  
tube  
classify  
Article  
incomplete kit  
not kit*

"Through out the Section any reference to a machine or apparatus covers not only the complete machine, but also incomplete machine (i.e. an assembly of parts so

far advanced that it already has the main essential features of the complete machine). Thus a machine lacking only a fly wheel, a bed plate, calender rolls, tool holders etc., is classified in the same heading as the machine. Similarly a machine or apparatus normally incorporating an electric motor (e.g. electro mechanical hand tools of 84.67) is classified in the same heading as the corresponding complete machine even if presented without that motor"

Example given in the Explanatory Notes as refereed above i.e. Engine without fly wheel, CKD/SKD machine without bed plate. Calendering machine without Calender Rolls and Metal working machine without tool holders reveals that incomplete CKD/SKD machines or appliances must be almost complete, so that their essential character be determined as complete machine/appliance to be classified as the complete machine.

In case of T.V. components, if imported without Picture Tube, then the same could not be treated as 50% portion of the CBU T.V. sets as it does not form the essential character of the complete T.V. sets.

Group is, therefore, of the opinion that these component parts are classifiable in their respective PCT heading as parts and not covered under the PCT of CBU T.V. sets.

Presently these kits, without Picture Tube, are being assessed in the heading of parts against undertaking and the matter is being refereed to PCT Committee to discuss and determine the appropriate classification.



GOVERNMENT OF PAKISTAN  
(REVENUE DIVISION)  
CENTRAL BOARD OF REVENUE  
<http://cbr.gov.pk>

110

C.No.6(9)Tar-L98

Islamabad, the 6<sup>th</sup> September, 2003

From Shuja-ud-Din  
Secretary (Customs Tariff-I)

To Mian Nasser Hyatt Maggo,  
President,  
Karachi Chamber of Commerce & Industry,  
Aiwan-e-Tijarat Road, Off. Shalrah-e-Liaquat,  
Karachi-74000

STCM H.C. KARACHI  
27455  
10 SEP 2003  
CENTRAL BOARD OF REVENUE

Collector (Appr.)  
For prot.  
I monitor  
please  
18/9

Subject: CLEARANCE OF CONSIGNMENT OF AZODICARBONAMIDE

I am directed to refer to your letter No.1-8/C&PT/10/1029 dated the 26<sup>th</sup> August, 2003 on the subject cited above and to say that the issue has been examined in detail and it is pointed out that during the period from July 2002 to June, 2003 Azodicarbonamide PCT heading 2927.0090 subject to 5% customs duty was imported to the tune of Rs.106.617 million whereas the other item under PCT heading 3824.9099 @ 25% was imported to the tune of Rs.1579.921 millions. Thus the import statistics are not suggestive of any misdeclaration of this item on account of lower duty rate of 5%.

26/11  
17/11  
18/11  
on relevant  
file  
19/9  
9/9/03

In view of the aforesaid circumstances, it is apparent that at present there is no urgent need for any change in the duty rate of this item. However, the matter may be considered at the time of next budget. Meanwhile, the import data will be monitored carefully to ensure that there is no misdeclaration on account of lower duty rate.

OD 307  
Date: 10-9-03  
CUSTOMS HOUSE, KARACHI

Copy to:

Collector of Customs (Appraisalment) Custom House, Karachi with the direction to carefully monitor the import data in respect of the aforesaid items with a view to ensuring that there is no misdeclaration of description on account of lower duty rate.

(Shuja-ud-Din)  
Secretary (Customs Tariff-I)

ADCA  
RECEIVED  
DI-10

19/9/03

(Shuja-ud-Din)  
Secretary (Customs Tariff-I)



GOVERNMENT OF PAKISTAN  
APPRAISEMENT COLLECTORATE  
CUSTOM HOUSE  
KARACHI  
\*\*\*\*\*

NO. SI/MISC/269/2003-II  
CC-08/2003-A

DATED: 14/11/2003

121

To,  
Member Customs,  
Central Board of Revenue,  
Islamabad.

SUBJECT:- CLASSIFICATION OF CHEMICAL NAMELY UNIFOAM AS-H 25  
(BLOWING AGENT) IMPORTED BY PAKISTAN VINYL INDUSTRIES.  
=====

Kindly refer to representation filed by M/s. Pakistan  
Vinyl Industries dated 01.08.2003 (copy enclosed). This  
Collectorate's views are as under:-

- i) In terms of chapter note 1(a) of chapter 29 only  
separate chemically defined organic compound whether or  
not containing impurities are classifiable in Chapter  
29.
- ii) Vide para 1 (c) of chapter note to chapter 29 separate  
chemical defined compound with an added anti-dusting  
agent or a coloring or odoriferous substance for their  
identification or for safety reasons, are classifiable  
in Chapter 29 provided that the additions do not render  
the product particularly suitable for specific use  
rather than for general use;

2. The Sample was forwarded to HEJ Laboratory who vide  
test report dated 07.07.2003 reported as under:-

The given sample was analyzed by Mass Spectrometric,  
Nuclear Magnetic Resonance spectroscopic and Infrared  
Spectrometric photometric techniques and other chemical  
and physical methods. This sample was found to be  
azodicarbonamide, (decomposition point 199-202C)  
(Commercial grade azodicarbonamide is reported to have  
decomposition point between 196-205C, Ref.  
"Encyclopedia of Chemical Technology" by Kirk-Othmer,  
Third edition, Volume 20, reference enclosed herewith).  
This is due to minor quantities of SiO<sub>2</sub> (1.6%) added as  
an anti-caking agent.

Note: The analytical grade azodicarbonamide the  
decomposition point is 225C. The compound in hand has  
specific use as a blowing agent.

ASSURED  
14/11/03

(111)

3. From the above report it is evident that the impugned goods are blowing agent having specific use and have no general use. Therefore, in terms of para 1(c) of chapter note 29 of Pakistan Customs tariff goods are excluded from the purview of Chapter 29 and fall under FCT heading 38.24 which covers chemicals not covered elsewhere specified or included in the Nomenclature.

P. P.

Encl:- As above.

(MAHEOOD SADIQ KHAN)  
COLLECTOR  
13/10/08

GOVERNMENT OF PAKISTAN  
APPRAISEMENT COLLECTORATE  
CUSTOM HOUSE  
KARACHI

No.SI/Misc/289/2003-II

August 22, 2003

Mr. Shuja-ud-din,  
Secretary (Customs Tariff),  
Central Board of Revenue,  
Islamabad.

Subject:- PCT CLASSIFICATION OF AZODICARBONAMIDE  
UNIFORM AZ-H25


Please refer to the subject noted above.

- 2- There is an ongoing classification dispute in this Custom House with regard to the product namely: Azodicarbonamide which is a blowing agent used in plastic foam /rubber industry. The dispute is essentially on HS Classification whether in Chapter 29 (attracting customs duty 5%) or Chapter 38 (attracting customs duty 25%).
- 3- The Board is aware of the fact that pure chemicals, without any deliberate addition (or retention) of any other substance (except stabilizers) would warrant classification in Chapter 29. The presence of any foreign ingredient would get the product excluded from Chapter 29 and the product would then land in Chapter 38.
- 4- Azodicarbonamide, as imported, for use as blowing agent in rubber industry is never a pure chemical hence there is a case that it may fall outside Chapter 29. The importers, however insist that commercial grade product would continue to remain in Chapter 29, subject to the condition that there is no deliberate addition (or retention). Enormous effort is spent on resolution of



this question which involve extensive laboratory testings. As the present tariff position so warrants, case to case basis decision is required owing to product imported in large varieties depending upon use with the type and grade of blown rubber required and decomposition temperature.

5- This Custom House is living with the above situation but keeping in view the nature of item and that extremely difficult method for clear cut distinction between Azodicarbonamide (chemical Chapter 29) and Azodicarbonamide (a preparation Chapter 38) this Custom House recommends the Board to consider the case in question as a tariff anomaly and consider levy of same rate of customs duty on the product which falls under Chapter 29 (2927.0090) or Chapter 38 (3824.9099).

  
(Abdul Wakeed Khan)  
Collector

CC - 08/03-A

GOVERNMENT OF PAKISTAN  
APPRAISEMENT COLLECTORATE  
CUSTOM HOUSE  
KARACHI

Dated: 12/8/2003.

NO. REG: SI/MISC/289/2003-11.

Mr. Ashhad Jawwad,  
Deputy Collector of Customs,  
Member (PCT Committee),  
Custom House,  
Karachi.

SUBJECT: PCT CLASSIFICATION OF AZODICARBONAMIDE UNIFOAM AZ-H25.  
AC-12 AND THE LIKE.

Please refer to the subject noted above.

Azodicarbonamide is available as Blowing Agent in different particle sizes depending upon the requirement. There are dozens of grades of Unifoam AZ. Therefore, a dispute has arisen as to their classification under PCT heading 2927.0090 or PCT heading 3824.9099. Unifoam AZ-H25 is being imported by various importers in this Collectorate, under PCT heading 2927.0090. However, this office conducted a thorough study of the chemical in question and forwarded the samples to Industrial analytical Centre at HEJ Research Institute of Chemistry, University of Karachi, for complete analysis and detailed report. HEJ vide their report dated 7.7.2003 declared that the sample was azodicarbonamide commercial grade with decomposition point 199-202 °C. The analytical grade azodicarbonamide decomposition point is 225 °C. The report clarified that lower decomposition point of chemical in hand is due to minor quantities of SiO<sub>2</sub> added as an anti-caking agent. They explained that the compound in hand is for specific use as a blowing agent.

Interms of Explanatory Note to the Harmonized Commodity Description and Coding System Clause (g) of Chapter 29, the additives should not render the chemical particularly suitable for specific use rather than for general use to remain within the ambit of chapter 29. In other words any addition to the chemical should simply be to facilitate the identification or for safety reasons and not for rendering the product particularly suitable for a specific use. The literature of Uniform A2-H25 on page 4 clarifies that the decomposition and foaming of azodicarbonamide can be controlled by changing the type of resin and the use of different additives.

4. Therefore, in the light of the above, three elements i.e. Lab Reports, Chapter Notes and the Literature of the chemical, this office is of the view that this product should be assessed under PCT classification head 3824.9099 rather than 2927.0090. One bill of entry of M/s. Pakistan Vinyal Industries Lahore bearing IGM No. 947 dated 17.6.2003, Index No.81 was recently assessed on securing the differential amount between the two PCT headings in the form of bank guarantee, under Section 81 of the Customs Act, 1969.

5. However, the importer is not agreeing to the proposed classification i.e. 3824.9099 as he is of the view that commercial grade azodicarbonamide is different from analytical grade. He opines that his chemical is pure and available in the same form. He says that HED stood short of declaring his



6. There-upon Collector of Customs (Appraisement) held a series of meetings with the following:-

- |    |                                   |   |
|----|-----------------------------------|---|
| 1. | Mr. Amir Ahmed                    | Field Collector (Appg-I)  |
| 2. | Mr. Saeed Akram                   | Deputy Collector<br>(Appointments)                              |
| 3. | Mr. Shaikh Shakeel Ahmad Dhangra. | Sr. Vice Chairman,<br>Customs & Customs Dry<br>Ports Committee. |
| 4. | Mr. Danish Ijaz of Lahore         | Indenter  |

7. After detailed discussion Collector of Customs (Appraisement) decided that the product may be classified under PCT heading 2927.0090 against the undertaking by the importer and till final decision by the Pakistan Customs Tariff Classification Committee. Therefore, the case is being referred to the PCT Classification Committee for ruling on the blowing agents like Unifoam AZ-H25.

B. The issue requires your attention on urgent basis as a difference of incidence of the tax to the extent of 34.00% is involved between the two PCT headings of 2927.0090 and 3009.1000.

(Saeed Akram)  
Deputy Collector of Customs  
(Appraisement-Sr. II)

Encls: As above.

GOVERNMENT OF PAKISTAN  
APPRAISEMENT COLLECTORATE  
CUSTOM HOUSE  
KARACHI

August 11, 2003

No. C.C.01/03-A  
SI/Misc/24/02-PA/WW

M/s. ICI Pakistan Limited,  
ICI House,  
5-West Wharf,  
Karachi.

Subject:-CLASSIFICATION OF "TYLAN 250 PREMIX" IMPORTED  
BY M/S.ICI PAKISTAN LIMITED

Please refer to the above noted subject. The PCT Committee in its meeting held on 22-07-2003 and reduced its discussion in the following three points:

- a. For items to be covered under heading 30.03 they should be "medicaments" consisting of two or more constituents which have been mixed together for therapeutic or prophylactic uses whereas the under reference consist of only one ingredient i.e. Tylosin Phosphate.
- b. The product in question namely "Tylan 250 Premix" is reportedly used in prevention and control of ailment in animals and is also improving feed efficiency (to improve rate of weight gain) and for increasing egg productions.
- c. The product in question in the likeness of the products which are more specifically mentioned under heading 2309 as preparation consisting of an active substance with a carrier (which is Tylosin Phosphate i.e. soyabean meal as carrier in this case).

2- The Committee is, therefore, of the view that this product is more appropriately classifiable under PCT heading 23.09 and not 30.03.

*(Amer Ahmed)*  
Additional Collector of Customs  
Appraisalment-I