



Government of Pakistan
Model Customs Collectorate of Appraisement (East)
Custom House, Karachi

C. No. (588)KAPE / DC (PCT) 2015

Dated: March, 2016

Public Notice No. 02/2016 (Classification)

Subject: CLASSIFICATION OF CAR MATS MADE OF POLYVINYL CHLORIDE (PVC)

FACTS:

Model Customs Collectorate (Appraisement), Lahore forwarded a reference to the Classification Centre for determination of appropriate classification of 'PVC Car Mats'. Brief of the issue is that M/s Lasani Auto Decoration, Lahore imported a consignment of car mats made of PVC material and sought clearance thereof vide GD No. LPRN-HC-531 dated 26th March, 2015, claiming classification under HS Code 3926.9099 of Pakistan Customs Tariff (First Schedule to the Customs Act, 1969). The Collectorate classified the goods under PCT Heading 8708.2931 due to an Audit observation raised by DRRA. The importer preferred an appeal before the Collector Appeals (Lahore) against the assessment made by the Collectorate. The Collector (Appeals) directed to release the goods provisionally under section 81 of the Customs Act, 1969 pending determination of appropriate PCT Heading of the impugned item through Classification Centre, Karachi. The main contention of the importer before the Adjudicating Authority was that the PVC car mats are regularly being released through different field formations under the PCT heading 3926.9099, and the Adjudicating Authority at Karachi has already upheld the classification under said PCT heading in another case.

ISSUE:

2. Whether the product 'PVC Car Mats' is classified under:
 - (i) PCT heading 3926.9099 as claimed by the importer;
 - (ii) PCT heading 8708.2931 as proposed by the Collectorate; and / or
 - (iii) Under any other relevant heading of Pakistan Customs Tariff.

PRODUCT ANALYSIS:

3. As has been informed by the referring Collectorate, that the impugned item is five piece set of car mat made of PVC (polyvinylchloride) of NEA Brand, imported from China.

LAW AND ANALYSIS:

4. The issue of classification of PVC Car mats came under discussion in the meeting of the Classification Committee held on 28.01.2016. It has been observed that the EN to Heading 87.08 states that the heading covers parts and accessories of the motor vehicles of

headings 87.01 to 87.05, provided that the parts and accessories fulfils both the following conditions:

- (i) They must be identifiable as being suitable for use solely or principally with the above-mentioned vehicles; and
- (ii) They must not be excluded by the provisions of the Notes to Section XVII (see the corresponding General Explanatory Note) [XVII-8708-1].


The EN further suggests that the heading 87.08 includes parts of bodies associated accessories, for example, ... floor mats (other than of textile material or unhardened vulcanized rubber), etc. [XVII-8708-2].

5. Floor mats made of vulcanized rubber are classified under PCT heading 4016.9930 provided the same are meant for industrial assembly / manufacture of vehicles of sub-heading 8703.3225; and under PCT heading 4016.9940 in otherwise cases. Similarly, the floor mats made of textile material meant for use solely or principally with the vehicles of Headings 87.01 to 87.05 are classified under respective PCT headings 5703.2000 and 5703.3000 on the basis of their constituent material.

6. The Committee then deliberated upon the PCT claimed by the importer i.e. 3926.9099. It is observed that Note 2 (t) of Chapter 39 excludes the parts of aircraft or vehicles of Section XVIII. Therefore, the claimed PCT heading 3926.9099 has not been found applicable to cover 'PVC Car Mats'.

HOLDING:

7. On the basis of discussion mentioned above, it is held that the floor covering / mats made of polyvinyl chloride (PVC), solely or principally designed for use in vehicles covered under HS Code 87.01 to 87.05, are classified under PCT Heading 8708.29 depending on the type of the vehicle for which the same have been designed. 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 lie with the Federal Board of Revenue under Rule 2 of Pakistan Rules to the General Rules for Interpretation.


(Muhammad Haris Ansari)
Additional Collector
Chairman Classification Committee

Distribution:

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2. Chief Collector of Customs (Appraisal-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, MCC Appraisalment (East) / (West) / (Preventive), Custom House, Karachi.
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12. Collector of Customs Adjudication I & II, Customs House, Karachi.
13. Collector, MCC (Adj/Appeals), Lahore / Faisalabad / Rawalpindi / Peshawar / Quetta.
14. M/s Lasani Auto Decoration, LG-31, Auto Centre Market, Badami Bagh, Lahore.
15. Karachi Chamber of Commerce & Industry, Karachi.
16. Karachi Customs Agents Association, Custom House, Karachi.
17. Notice Board.
18. Master File.

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