



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

C.No.517 KAPE-DC (Classification) 14 - 719

Dated: 29.10.2014

PUBLIC NOTICE 8 OF 2014

Subject: CLASSIFICATION OF GOODS DECLARED AS PARTS OF ELECTRICITY METER

The Collector of Customs (Adjudication I), Karachi vide Order in Original No. 255077 dated 28.08.2014, had forwarded a case to the PCT Committee pertaining to classification dispute concerning the item bearing description of "Electronic Parts" imported vide Goods Declaration No. KAPE-HC-108627 dated 31.05.2014.

2. The concluding para of the of the Order-in-Original No25507 dated 28.08.2014, is reproduced below:

"In view of above facts, I order that the impugned goods be released under section 81 of the Customs Act 1969 by securing government revenue with such security/undertaking as deemed appropriate by the Collectorate and the matter be referred to the classification Centre established in the MCC East for decision. In case the classification Centre rules that such consignments of PC Boards and components for meters are to be treated as complete meters by virtue of GIR 2, demand should be raised against all imports made in past five years in terms of section 32(3) of the Customs Act 1969. Case is accordingly disposed off with these instructions."

3. M/s Creative Electronics (Pvt) Ltd have imported a consignment declared as electronic parts under various PCT headings, i.e. 8532.2900, 8533.1000, 8541.6000, 8541.2900, 8532.2900, 8504.9040, 8533.2900, 8542.3900, 8531.2000, 8533.1000, 8506.5000, 8544.1900, 8534.0000, 8533.2900, 8533.1000, 8523.2900, 8533.1000 and 7806.0010. The Assessment Group of MCC Appraisement (East) assessed the said items under the PCT heading 9028.3000 under the description of “**Electricity Meters**” on the basis of examination report. The assessment group opines that the electricity meters have been imported in knocked down condition having essential character of electricity meters under rule 2(a) of General Rules for Interpretation. The importer’s contention is that the impugned items are “**Components for manufacturing of electric meters.**” Since the importer had mis-declared the classification and description to evade higher rate of duty and valuation, a case was instituted and referred to the Adjudication Collectorate.

4. **The PCT Committee, during meeting held on 27.09.2014,** examined the arguments put forth by both sides, scrutinized the documents/replies submitted and inspected the sample presented before the committee. The sample consisted of components i.e. capacitors, resistors, integrated circuits, un-mounted printed circuit boards, ferrite core, lithium battery, voltage stabilizer, voltage wire, shunt assembly, variable resistors, LED/LCD panels and switch. The members of the committee opined that the items as presented had the essential character of the finished or complete article, hence could be conclusively characterized as “Electricity Meters”, as per rule 2(a) of General Rules for Interpretation. The impugned item is therefore, to be treated as electricity meter classifiable under PCT heading 9028.3000.

On the other hand, the importer’s representative asserted that there were more items which are part of electricity meters like casings with mounting.

5. The Committee members unanimously agreed that the imported goods in unassembled form have essential character of an "Electricity Meter", hence classifiable under PCT heading 9028.3000 as per rule 2(a) of General Rules for Interpretation.

sd/
Zeba Bashir Ahmed
Additional Collector I
Chairman Classification Committee

Copy for information to:

1. PS to Member (Customs), Federal Board of Revenue, Islamabad.
2. The Chief Collector of Customs (Appraisalment) South, Custom House, Karachi.
3. The Chief Collector of Customs (Enforcement) South, Custom House, Karachi.
4. The Chief Collector of Customs (Central), Custom House, Lahore.
5. The Chief Collector of Customs (North), Custom House, Islamabad.
6. The Collector, MCC Appraisalment (East), Custom House, Karachi
7. The Collector, MCC Appraisalment (West), Custom House, Karachi
- ✓ 8. The Collector, MCC Port Muhammad Bin Qasim, Karachi
9. The Collector, Collectorate of Customs Adjudication I & II, Custom House, Karachi.
10. The Karachi Chamber of Commerce & Industry, Karachi.
11. The Karachi Customs Agents Association, Karachi
12. The Chemical Examiner, Custom House Laboratory, Karachi.
13. Notice Board.

Zeba Bashir Ahmed
29/10/14.
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Additional Collector I
Chairman Classification Committee