



GOVERNMENT OF PAKISTAN
MODEL CUSTOMS COLLECTORATE OF APPRAISEMENT
CUSTOM HOUSE, KARACHI



C.No.224/KAPE-DC(PCT)/2015

Dated: 03.10.2015.

PUBLIC NOTICE NO. 16 / 2015 (EAST)

Subject:- **CLASSIFICATION OF SULPHUR BENTONITE**

The issue regarding classification of the product namely, "**Granular Straight Sulphur Fertilizer**" having brand as SSF (Sohar Sulphur Fertilizers LLC) imported from Oman vide GD No 65268 dated 08-12-2014 was forwarded by MCC Appraisement-East, Custom House, Karachi. The product is in the form of yellowish grey pellets (particle size 4.00mm+1.00mm) packed into 25 Kg bags.

2. Meetings of the Classification Committee were held on 14.04.2015, 05.05.2015 02.06.2015 with its last session held on 12.08.2015. The importers have been insisting upon classification of the product under PCT heading 2503.0000. Contrarily, the R&D Section of MCC (Appraisement-East) was of the view that the product is classifiable under PCT heading 3824.9099. During discussion, another opinion also came up for classifying the product under Chapter 31 of the Pakistan Customs Tariff. The Classification Committee held detailed deliberations on the matter with participation of relevant stake holders including representatives of the importer and the Custom House, Laboratory. The following headings were considered for classification of the goods, namely:-

- (i). 25.03
- (ii) 38.24
- (iii) 31.02

3. In the first meeting, the departmental representative viewed that the subject item did not fall under Chapter 25 of the 1st Schedule to the Customs Act, 1969 as the imported item was not pure or 100% sulfur rather it was mixture of sulfur and bentonite (90% + 10%) respectively. Therefore, the subject item cannot fall under Chapter 25. On the other hand, it was also argued by the departmental representative that Chapter Note-1 of Chapter 25 mentions that items of this chapter may have anti-dusting agent. Due to this very property that bentonite is a sort of clay and may be used as an anti-leaching (anti-dusting) agent, it may fall in Chapter 25.

4. There was another point of view that the impugned item attracts PCT heading 3824.9099 as it cannot be classified under Chapter 31 due to the reason that it does not contain any one of the three elements of Nitrogen, Phosphorous or Potassium. It was further argued by the departmental representative that bentonite itself is mixture of various other elements/items and it cannot work as anti-dusting agent rather it has its principal function to swell the soil. It softens and acts on soil.

5. In order to ascertain chemical composition of the goods, sample was sent to the HEJ Laboratory of Chemistry, University of Karachi who provided analytical result vide its test report No. IAC/TR/5674, dated 14.05.2015, as under:-

“in the light of tests carried out, the given sample “Calcium Bentonite” Was found to be as Sulphur Bentonite used as a source of sulphur for crop, in this product Bentonite used with sulphur to release in slow and controlled manner. The product has very low dust content and therefore complies with the highest environmental standards.”

6. Since the above test report was not considered conclusive, the said laboratory was called for confirmation of constituent elements and relevant features of the product. The lab responded vide its letter No. IAC/L/5643/2015, dated 26.05.2015 as under:-

- i. Sulphur Bentonite is a mixture of sulphur (90%) and Bentonite (10%)*
- ii. The Bentonite with sulphur is used in this product to release sulphur in slow manner, therefore, the released sulphur in form of element so mixture is colloidal.*
- iii. During the release of sulphur in soil, very low dust content are produced therefore, the mixture of sulphur bentonite is a dusting agent.*

7. The HEJ Laboratory has categorically confirmed that the product is 90% sulphur (colloidal) due to which heading 25.03 excludes it from Chapter 25 read with Explanatory Notes thereof. However, the product is also not classifiable under heading 28.02 being less than 99.5% pure colloidal (as required under Explanatory Notes to Chapter 28). The product being non-nitrogenous, is also excluded from heading 31.02. After thorough examination of samples of the goods, analytical test reports, composition of the constituent materials and physical attributes of the product, the Classification Committee has unanimously concluded to classify the product declared as “Granular Straight Sulphur Fertilizer” under heading 38.24 (sub heading 3824.9099) in terms of GIR 1.



(Muhammad Tahir)

ADC-II / Chairman Classification Committee

Copy for information:

- i. The Chief Collector of Customs (Appraisalment-South), Custom House, Karachi.
- ii. The Chief Collector of Customs (Enforcement-South), Custom House, Karachi.
- iii. The Chief Collector of Customs (Central/North) Custom House, Lahore / Islamabad.
- iv. The Director General, Intelligence & Investigation-FBR, Mauve Area-1, G-10/4, Islamabad.
- v. The Chief (Tariff), Customs Wing, Federal Board of Revenue, Islamabad.
- vi. The Collector, MCC Appraisalment (East / West)/Preventive, Custom House, Karachi.
- vii. The Collector of Customs, MCC, Port Mohammad Bin Qasim, Karachi.
- viii. The Collector of Customs, MCC (Appraisalment/Preventive), Custom House, Lahore.
- ix. The Collector, MCC Hyderabad/ Gawadar/ Quetta/ Multan/ Sambrial/Faisalabad/ Rawalpindi/ Peshawar/Gilgit-Baltistan.

- x. The Director, Directorate of Intelligence & Investigation (Customs), Karachi/Lahore/
Faisalabad / Rawalpindi/Quetta/Peshawar.
- xi. The Collector of Customs Adjudication I & II, Customs House, Karachi.
- xii. The Collector, MCC (Adj/Appeals), Lahore/Faisalabad/Rawalpindi/ Peshawar/ Quetta.
- xiii. The Secretary Customs Tariff-I, Federal Board of Revenue, Islamabad.
- xiv. M/s S. A. International, 11 KM, Main G.T. Road, Near WAPDA Office, Barkat Town,
Shahdara, Lahore (54000).
- xv. The Karachi Chamber of Commerce & Industry, Karachi.
- xvi. The Karachi Customs Agents Association, Custom House, Karachi.
- xvii. All Concerned /Notice Board.


(Muhammad Tahir)

ADC-II / Chairman Classification Committee

Customnews.com