



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



C-201/KAPE/PCT/2022

Dated: 17.01.2023

PUBLIC NOTICE NO. 01/2023

SUBJECT: IMPLEMENTATION OF THE ORDERS OF THE HONOURABLE APPELLATE TRIBUNAL LAHORE BENCH IN CUSTOMS APPEAL NO.62/LB/2022-DETERMINATION OF CLASSIFICATION OF 'PCB BOARD FOR LED TV'

The Directorate of Post Clearance Audit (Central), Lahore forwarded a reference vide letter C.No.PCA/LHR/Team-A/180/2019/6307 dated 03.03.2022 for classification of 'PCB Boards for LED TV' under PCT Code 8529.9090 or under PCT 8534.0000. Brief facts as reported by the referring Directorate are that M/s Changhong Ruba Electric Company (Pvt) Limited, Lahore imported consignments of 'PCB Boards for LED TV' and cleared the same under PCT heading 8534.000. The Directorate of Post Clearance Audit (Central), Lahore observed that printed circuit boards imported in the subject cases were fully mounted as it was evident from the examination reports and classifiable under PCT heading 8529.9090 being parts of LED TV in light of Explanatory Notes to Heading 8534 which clearly excludes fully mounted circuit boards. The referring Directorate asserted that in case of GD No.LAPR-HC-4995-30-09-2019, the importer did not object or feel aggrieved with classification/assessment of the Collectorate. The referring Directorate further stated that contravention was made and the case was adjudicated vide Order-In-Original No.395/2021 upholding the classification and stance of the Directorate. Being aggrieved, the importer filed Appeal No.62/LB/2022 before the learned Appellate Tribunal, Lahore Bench and the learned Tribunal vide orders dated 22.02.2022 directed for referral of the matter to the Classification Centre for determination of the under imagned goods.

2. Hearings in the case were held on 05.04.2022, 11.05.2022, 13.08.2022, 22.10.2022 and 12.11.2022 which were attended by representatives of importer, Directorate of Post Clearance Audit and members of the Classification Committee. The Departmental Representative contented that goods are active as well as passive components mounted PCBs and specifically designed for use in the manufacturing of televisions. Moreover, Examination reports as well as declared description confirm that the imported PCBs are specific for LED televisions; hence, correctly classifiable under PCT headings 8529.9090. The Departmental Representative

PLEASE CIRCULATE

ZAHID BASHIR CHAUDHRY  
(General Secretary)  
Karachi Customs Agents Association

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also asserted that the declined PCT heading 8534.0000 was totally irrelevant as this heading clearly excludes components mounted PCBs in light of Explanatory Notes to IIS Code 8534 and Note 2 to Section XVI. On the other hand, representative of importer argued that printed circuits are specifically classifiable under PCT heading 8534.0000 in Pakistan Customs Tariff. He further contended that Printed Circuit Boards are classified under PCT headings 8534.0000 in the Fifth Schedule to the Customs Act, 1969. Moreover, Printed Circuit Boards are classifiable under IIS code 8534.0000 in the Valuation Rulings No.1425/2019 dated 06.11.2019 and 1494/2020 dated 27.11.2020.

3. The Classification Committee considered the arguments and documents put forth by the two sides and also perused the relevant provisions of law dealing with the IIS classification. Classification of any imported goods under Pakistan Customs Tariff is determined under the General Rules for the Interpretation (GIR) of First Schedule to the Customs Act, 1969. The Committee considered the PCT headings relied upon by the importer and the referring Collectorate as detailed hereunder:

**8534.0000 Printed circuits.**

- 85.29 Parts suitable for use solely or principally with the apparatus of headings 85.24 to 85.28.**  
- *Aerials and aerial reflectors of all kinds; parts suitable for use therewith:*
- 8529.1010 - - - *Parts and accessories for cable TV/Satellite receiver i.e. (splitter, channel combiners, signal amplifiers etc)*
- 8529.1020 - - - *LNB, actuators*
- 8529.1090 - - - *Other:*
- 8529.9020 - - - *T.V tuners*
- 8529.9030 - - - *T.V. converter box*
- 8529.9090 - - - *Other*

4. The Committee considered stance taken and PCT Code 8534.0000 relied upon by the importer. As far as the PCT Code of printed circuit boards mentioned in the above referred Valuation Rulings issued under Section 25A of the Customs Act, 1969, and the Fifth Schedule to the Customs Act, 1969, is concerned, the Committee observed that such mentioning of PCT Codes is for reference purposes only and not for legal determination of classification of goods. Needless to mention that PCT Code '8534.000' mentioned against S.No.23 Table under Part-I of the Fifth Schedule to the Customs Act, 1969 was changed to "Respective heading" vide Finance Act, 2021-22 to correct any confusion regarding PCT Codes of two types of goods described therein as 'Bare or Stuffed Metal Clad Printed Circuit Board (MCPCB)' and that on queries from field formations, the Board vide letter C.No.1(36) Mach./95 dated 14.02.2022 clarified that such change was meant to basically make the description and PCT Codes consistent.

5. The classification of goods is to be determined in light of relevant Section and Chapter Notes and Explanatory Notes to the HS Codes. The Classification Committee considered PCT heading 8534.000 (Printed circuits). The Committee observed that Note 8 of Chapter Notes of Chapter 85, states as under:

*"For the purposes of heading 85.34 "printed circuits" are circuits obtained by forming on an insulating base, by any printing process (for example, embossing, plating-up, etching) or by the "film circuit" technique, conductor elements, contacts or other printed components (for example, inductances, resistors, capacitors) alone or interconnected according to a pre-established pattern, other than elements which can produce, rectify, modulate or amplify an electrical signal (for example, semiconductor elements).*

*The expression "printed circuits" does not cover circuits combined with elements other than those obtained during the printing process, nor does it cover individual, discrete resistors, capacitors or inductances. Printed circuits may, however, be fitted with non-printed connecting elements."*

6. The Committee also considered Explanatory Notes to HS heading 85.34 which states as under;

**"Circuits on which mechanical elements or electrical components have been mounted or connected are not regarded as printed circuits within the meaning of this heading.**  
*They generally fall to be classified in accordance with Note 2 to Section XVI or Note 2 to Chapter 90, as the case may be."*

7. The Committee also considered Note 2 to Section XVI which provides for classification as under:

*Subject to Note 1 to this Section, Note 1 to Chapter 84 and to Note 1 to Chapter 85, parts of machines (not being parts of the articles of heading 84.84, 85.44, 85.45, 85.46 or 85.47) are to be classified according to the following rules:*

- (a) *Parts which are goods included in any of the headings of Chapter 84 or 85 (other than headings 84.09, 84.31, 84.48, 84.66, 84.73, 84.87, 85.03, 85.22, 85.29, 85.38 and 85.48) are in all cases to be classified in their respective headings;*
- (b) *Other parts, if suitable for use solely or principally with a particular kind of machine, or with a number of machines of the same heading (including a machine of heading 84.79 or 85.43) are to be classified with the machines of that kind or in heading 84.09, 84.31, 84.48, 84.66, 84.73, 85.03, 85.22, 85.29 or 85.38 as appropriate. However, parts which are equally suitable for use principally with the goods of headings 85.17 and 85.25 to 85.28 are to be*

- classified in heading 85.17, and parts which are suitable for use solely or principally with the goods of heading 85.24 are to be classified in heading 85.29;*
- (c) *All other parts are to be classified in headings 84.09, 84.31, 84.48, 84.66, 84.73, 85.03, 85.22, 85.29 or 85.38 as appropriate or, failing that, in heading 84.87 or 85.48.*

8. The Committee observed that the subject 'Printed Circuit Boards' are specifically designed for LED televisions and are reported to be mounted, in terms of Explanatory Note to PCT heading 85.34, as sated above, such boards stand excluded therefrom and in the light of Note 2(b) of the Section Notes to Section XVI, such types of boards fall under PCT headings 8529.9090.

9. In light of the above mentioned facts, Classification Committee is of the view that the subject goods i.e. of 'PCB Boards for LED TV' are appropriately classifiable under PCT heading 8529.9090, in terms of Rule 1 and 3(a) of the General Rules of Interpretation.

10. The above classification determination is specific to the product whose details/specifications have been given above. Further, the ruling is based on the documents and information provided by the Collectorate/importer and shall be treated as annulled if it is found at any subsequent stage that the same was obtained by providing incorrect, false, misleading or incomplete information.

11. This Public Notice is issued in terms of Chapter-II (Classification) of CGO 12/2002 dated 15.06.2002.

(Mushtaq Ali Shahani)  
Additional Collector of Customs/  
Chairman Classification Committee

**Copy for information to:**

1. The Member Customs (Policy / Operations), Federal Board of Revenue, Islamabad.
2. The Member (Customs Legal & Accounting), Federal Board of Revenue, Islamabad.
3. The Member (FATE), Federal Board of Revenue, Islamabad with the request to publish this ruling on FBR website.
4. The Chief Collector of Customs (Appraisalment) South, Custom House, Karachi.
5. The Chief Collector of Customs (Enforcement) South, Custom House, Karachi.
6. The Chief Collector of Customs (Appraisalment) Central, Custom House, Lahore.
7. The Chief Collector of Customs (Enforcement) Central, Custom House, Lahore.
8. The Chief Collector of Customs (North), Custom House, Islamabad.
9. The Chief Collector of Customs (Balochistan), Custom House, Quetta.
10. The Collectorate of Customs, Appraisalment (East/West/PMBQ), Karachi.
11. The Director, Reforms and Automation (R&A), Custom House, Karachi with the request to incorporate this ruling in WeBoC.
12. The Project Director, WeBoCGlo, Custom House, Karachi for necessary action.
13. The Director, Directorate of Post Clearance Audit (Central), Lahore

14. The Registrar, Appellate Tribunal, Lahore Bench, Lahore
15. M/s. Changhong Ruba Electric Company (Pvt.) Ltd., Lahore.
16. The Federation of Pakistan Chambers of Commerce and Industry, Karachi.
17. The Karachi Chamber of Commerce & Industry, Karachi.
18. The Karachi Customs Agents Association, Karachi.
19. Notice Board.



**(Mushtaq Ali Shahani)**  
Additional Collector of Customs/  
Chairman Classification Committee