

The Collectors of Customs, Model Customs Collectorates, Appraisement (East / West) / Port Qasim / Preventive, Karachi / Lahore (Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad / Hyderabad / Quetta / Peshawar / Gawadar / Gilgit-Baltistan.

Determination of Customs Values of Networking Equipments Under  
Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. 787/2016)

No. Misc/24/2015-VII | 10043

Dated: December 6, 2016

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Networking Equipments are determined as follows:-

2. **Background of the valuation issue:** Customs values of Networking Equipments were determined under Section 25A of the Customs Act, 1969, vide Valuation Ruling No.774/2015, dated 01-12-2015. The Valuation Ruling required revision in line with the prevailing prices in the international market. Therefore, this Directorate General initiated an exercise for determination of Customs values of Networking Equipments.

3. **Stakeholders' participation in determination of Customs values:** Different meetings with stakeholders were held and a final meeting was held on 05-10-2016. Importers had been requested to furnish the following documents before or during the course of meeting:

- A. Invoices of imports during last three months showing factual value.
  - B. Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
  - C. Copies of Contracts made / LCs opened during the last three months showing the value of item in question.
  - D. Copies of Sales Tax Invoices issued during last four months showing the difference in price (excluding duty and taxes) to substantiate that the benefit of difference in price is passed on to the local buyers.
4. No documents were submitted in this Directorate General on or even after the said scheduled meetings. The meeting was attended by the representative of Pakistan Computer Association, Karachi, importers and the officers from field formations. During the meeting importers claimed that the values of Networking Equipments had considerably reduced in the international market as compared to the values determined in the existing valuation Ruling. Importers requested that the Pakistan Computer Society played an important role and provided consented proposal after meeting with major stakeholders which are present in the meeting. The department can verify their proposal with the market survey, after receipt of Association's proposal. The market inquiry was conducted. Prices of Networking Equipment of different brands, types and models were obtained from different shops. Pakistan Computer Association's proposal was not supported with corroborative evidence in shape of import invoices, sales tax invoices, literature, representative samples, evidences and other relevant requisite import documents.

5. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were followed to arrive at customs values of different types / brands/models of Networking Equipments. Transaction value method provided in Section 25 (1) was found inapplicable owing to wide variation in the values being declared to the customs. Identical / similar goods value methods provided in Section 25 (5) & (6) were examined for applicability to the valuation issue in the instant case which provided some reference values of the subject goods but the same could not be exclusively relied on due to wide variation in declared values of subject goods. Stakeholder's meetings were also scheduled but during the meetings very divergent point of regarding international market prices was presented. Thereafter, market enquiry as envisaged under section 25(7) of the Customs Act, 1969, was conducted which gave most of the Networking Equipments bought

and sold in the local market. The different markets were surveyed repeatedly. The computed value method as provided in Section 25(8) of the Customs Act, 1969, could not be applied as the conversion costs from constituent material at the country of export were not available. Online values of subject goods were also obtained. All the information so gathered was evaluated and analyzed for the purpose of determination of customs values. Consequently, the Customs values of Networking Equipments have been determined under Section 25(9) of the Customs Act, 1969.

**6. Customs values for Networking Equipments:** Networking Equipments specified in Annex-A to this Valuation Ruling *shall* be assessed to duty/taxes at the Customs Values mentioned therein.

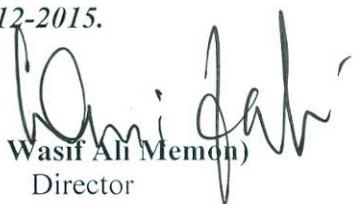
7. In cases where declared/transaction values are higher than the Customs values determined in this Ruling, the assessing officers shall apply those values in terms of Sub-Section (1) of Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officer shall take into account the element of air freight while assessing the goods.

**8. Validity of this Valuation Ruling:** The values determined vide this Ruling shall be the applicable Customs value for assessment of subject imported goods until and unless it is rescinded or revised by the competent authority in terms of Sub-Sections (1) or (3) of Section 25-A of the Customs Act, 1969.

**9. Revision of the value determined vide this Valuation Ruling:** A revision petition may be filed against this Ruling, as provided under Section 25-D of the Customs Act, 1969, within 30 days from the date of issue of this ruling, before the Director General, Directorate General of Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.

10. The Collectors of Customs may kindly ensure that the values given in this Valuation Ruling for the given description of goods are applied by the concerned staff without fail. Any anomaly observed may kindly be brought to the notice of this Directorate General immediately. Customs values determined in the ruling are for the description and specification as mentioned in this Valuation Ruling. HS Codes are mentioned for illustrative purposes so that valuation ruling values are made accessible to the assessing officers. The assessment shall be finalized on the basis of correct classification after fulfilling requisite formalities related to importability or any other certification required thereon. In addition to this, it is further necessary to verify that there is no mis-declaration of any sort or violation of Import Policy Order or Section 15 of the Customs Act, 1969 or any other law in vogue therein.

10. *This ruling supersedes Valuation Ruling No.774/2015 dated 01-12-2015.*



(Dr. Wasif Ali Memon)  
Director

Copy for information to: -

1. Member (Customs), F.B.R., Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi.
3. Chief Collector of Customs, South (Appraisement), Custom House, Karachi.
4. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. Chief Collector of Customs (Central), Lahore.
6. Chief Collector of Customs (North), Islamabad.
7. Director General, Intelligence and Investigation-FBR, Islamabad.
8. Director General, Audit (Customs & Petroleum), 1<sup>st</sup> Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.



Annex to Valuation Ruling No. 987 dated December 6, 2016

S.No.	Description	PCT for WeBOC	Proposed PCT	Customs Values (C&F) US\$ / Pc	Category-A	Category-B	Category-C	Category-D	Category-E
<b>150Mbps/300Mbps/750Mbps/1200 Mbps and higher Wireless Router</b>									
1	150Mbps 11 (a/b/g/n) Wireless Router with 4-Port 10/100M including antenna	8517.6930.1000	31	15	7.1		5.8		4.3
2	300Mbps 11 (a/b/g/n) Wireless Router with 4-Port 10/100M including antenna	8517.6930.1010	50	25	14.0		9.7		7.3
3	Wireless AC 750 Dual Band (11a/b/g/n/ac) cloud, green Router, 4 x Ethernet port	8517.6930.1020	95	48	26.0		19.0		16.0
4	Wireless AC 1200 Dual Band (11a/b/g/n/ac) cloud Black Color Router, 4 x gigabit port	8517.6930.1030	120	60	35.0		26.6		20.0
5	Wireless AC 1900 Dual Band (11a/b/g/n/ac) cloud Router, 4 x gigabit port, including external antenna	8517.6930.1040	240	120	70.0		45.6		35.0
<b>Unmanaged/SOHO Networking Switches 10/100</b>									
6	5-Port Fast Ethernet Networking Switch 10/100 unmanage	8517.6970.1000	27	13	6.0		5.2		4.2
7	8-Port Fast Ethernet Networking Switch 10/100 unmanage	8517.6970.1010	32	16	7.6		5.9		4.5
8	16-Port Fast Ethernet Networking Switch 10/100 unmanage	8517.6970.1020	54	27	13.0		10.5		7.2
9	24-Port Fast Ethernet Networking Switch 10/100 unmanage	8517.6970.1030	88	44	21.0		16.2		12.0
10	48-Port Fast Ethernet Networking Switch 10/100 unmanage	8517.6970.1040	138	69	33.0		25.7		18.0
<b>Unmanaged/SOHO Networking Giga Switches 10/100/1000</b>									
11	5-Port Networking Giga Switch 10/100/1000 unmanage	8517.6970.1050	46	23	10.7		8.5		6.4
12	8-Port Networking Giga Switch 10/100/1000 unmanage	8517.6970.1060	65	32	15.2		12.0		9.0
13	16-Port Networking Giga Switch 10/100/1000 unmanage	8517.6970.1070	99	50	23.2		18.4		13.8
14	24-Port Networking Giga Switch 10/100/1000 unmanage	8517.6970.1080	174	87	40.7		32.2		24.2
15	48-Port Networking Giga Switch 10/100/1000 unmanage	8517.6970.1090	275	138	64.3		50.9		38.3
<b>Smart Ethernet 10/100 Switches with Combo Options</b>									
16	6-Port Smart Switch including 5-Port Ethernet 10/100 & 1-Port Giga/SFP Combo	8517.6970.1100	115	57	26.8		21.2		15.9
17	10-Port Smart Switch including 8-Port Ethernet 10/100 & 2-Ports Giga/SFP Combo	8517.6970.1110	138	69	32.1		25.4		19.1
18	18-Port Smart Switch including 16-Port Ethernet 10/100 & 2-Ports Giga/SFP Combo	8517.6970.1120	199	99	46.4		36.7		27.6
19	28-Port Smart Switch including 24-Port Ethernet 10/100 & 4-Ports Giga/SFP Combo	8517.6970.1130	321	161	75.0		59.4		44.6
20	52-Port Smart Switch including 48-Port Ethernet 10/100 & 4-Ports Giga/SFP Combo	8517.6970.1140	467	233	108.9		86.2		64.8

S.No.	Description	PCT	Proposed PCT for WeBOC	Customs Values (C&F) US\$ / Pc
<b>Smart Giga 10/100/1000 Switches with Combo Options</b>				
21 Ports	8-Port Smart Giga Switch including 6-Ports 10/100/1000 & 2-SFP Combo	8517.6970.1150	172	86 40.2 31.8 23.9
22 Ports	18 Ports Smart Giga Switch including 16-Port 10/100/1000 & 2-SFP Combo	8517.6970.1160	260	130 60.7 48.0 36.1
23 Ports	28-Port Smart Giga Switch including 24-Port 10/100/1000 & 4-SFP Combo	8517.6970.1170	421	210 98.2 77.7 58.4
24 Uplink Ports	48-Port Giga 10/100/1000 Smart Switch & 4-SFP Combo Ports	8517.6970.1180	551	275 128.5 101.7 76.5
25 Uplink Ports	16-Port Giga 10/100/1000 Smart Switch & 2-SFP Combo Ports and 2x10G	8517.6970	620	310 144.6 114.5 86.1
26 Uplink Ports	24-Port Giga 10/100/1000 Smart Switch & 4-SFP Combo Ports and 2X10G	8517.6970.1200	780	390 182.1 144.1 108.4
27 Uplink Ports	48-Port Giga 10/100/1000 Smart Switch & 4-SFP Combo Ports and 2X10G	8517.6970.1210	1,454	727 339.2 268.5 201.9
28 Uplink Ports	10-Port Smart Switch including 8-Port 10G & 2X 10G SFP Ports	8517.6970.1220	2,486	1,243 580.1 459.3 345.3
29 Uplink Ports	12-Port Smart Switch including 8-Port 10G SFP Ports & 2-Ports 10G	8517.6970.1230	2,945	1,473 687.2 544.1 409.1
<b>Smart/Giga POE (Power over Ethernet) Switches with Combo Options</b>				
30 10/100/1000	8-Ports Smart switch including 4-Ports 10/100/1000 POE & 4-Ports	8517.6970.1240	214	107 50.0 39.6 29.8
31 Combo	10-Ports Smart Switch including 8-Ports 10/100/1000 POE & 2-Ports SFP	8517.6970.1250	275	138 64.3 50.9 38.3
32 10/100/1000	24-Port Smart Switch including 12-Ports 10/100/1000 POE & 12-Ports SFP	8517.6970.1260	536	268 125.0 98.9 74.4
33 Combo	28-Port Smart Switch including 24-Ports 10/100/1000 POE & 4-Ports SFP	8517.6970.1270	658	329 153.5 121.5 91.4
34 10/100/1000 & 4-Port SFP Combo	52-Port Smart Switch including 24-Ports 10/100/1000 POE & 24-Ports	8517.6970.1280	1,025	513 239.2 189.4 142.4
35 Combo	52-Port Smart Switch including 48-Ports 10/100/1000 POE & 4-Ports SFP	8517.6970.1290	1,668	834 389.1 308.1 231.6
<b>Managed Layer-2 &amp; Layer-3 Switches and POE Options</b>				
36 combo Ports	10-Port Layer 2, Managed Switch including 8-Port 10/100 & 2-Giga/SFP	8517.6970.1300	505	252 117.8 93.3 70.1
37 combo Ports	18-Port Layer 2, Managed Switch including 16-Port 10/100 & 2-Giga/SFP	8517.6970.1310	627	314 146.4 115.9 87.1
38 combo Ports	28-Ports Layer 2, Managed Switch including 24-Port 10/100 & 4-Giga/SFP	8517.6970.1320	880	440 205.3 162.5 122.2
39 combo Ports	52-Ports Layer 2, Managed Switch including 48-Port 10/100 & 4-Giga/SFP	8517.6970.1330	1,278	639 298.1 236.0 177.4
40 combo Ports	10-Port Layer 3, Managed Switch including 8-Port 10/100 & 2-Giga/SFP	8517.6970.1340	604	302 141.0 111.6 83.9
41 combo Ports	18-Port Layer 3, Managed Switch including 16-Port 10/100 & 2-Giga/SFP	8517.6970.1350	903	451 210.6 166.7 125.4

**Annex to Valuation Ruling No. 18 dated December 6, 2016**

S.No.	Description	PCT	Proposed PCT for WeBOC	Customs Values (C&F) US\$ / Pc
42	28-Port Layer 3, Managed Switch including 24-Port 10/100 & 4-Giga/SFP combo Ports	8517.6970	8517.6970.1360	1,622      811      378.4      299.6      225.3
43	52-Port Layer 3, Managed Switch including 48-Port 10/100 & 4-Giga/SFP combo Ports		8517.6970.1370	2,188      1,094      510.5      404.2      303.9
44	20-Ports Managed L3 Switch including 16-Port 10/100/1000 & 2-SFP Combo & 2x10G Uplink Ports		8517.6970.1380	5,087      2,544      1,187.0      939.7      706.6
45	30-Ports Managed L3 Switch including 24-Port 10/100/1000 & 4-SFP Combo & 2X10G Uplink Ports		8517.6970.1390	5,508      2,754      1,285.2      1,017.5      765.0
46	52-Ports Managed L3 Switch including 48-Port 10/100/1000 & 4-SFP Combo & 2X10G Uplink Ports		8517.6970.1400	5,967      2,984      1,392.3      1,102.2      828.8
47	28-Ports Managed L3 Switch including 20-Ports POE & 4-SFP Combo & 4x10G Uplink Ports		8517.6970.1410	7,344      3,672      1,713.6      1,356.6      1,020.0
48	56-Ports Managed L3 Switch including 48-Ports POE & 4-SFP Combo & 4x10G Uplink Ports		8517.6970.1420	10,328      5,164      2,409.8      1,907.7      1,434.4
<b>Wireless Indoor/ Outdoor Access Points</b>				
49	Wireless300Mbps outdoor Access point/Bridge/multiple modes with PoE, 5Ghz, with antenna,		8517.6970.1430	184      92      42.8      33.9      25.5
50	Wireless AC 1200 Dual Band (11a/b/g/n/ac) Outdoor PoE Access Point, 2 GbE ports, with antennas		8517.6970.1440	220      110      51.3      40.6      30.5
51	Wireless 300Mbps 11n/11g Managed Wireless Access point, 10/100/1000Mbps PoE port, with antenna,	8517.6970	8517.6970.1450	138      69      32.1      25.4      19.1
52	Wireless 1200Mbps Managed 11AC Access point, 1x PoE Gigabit Port, Ceiling/Wall/Desktop mounting,with antenna		8517.6970.1460	551      275      128.5      101.7      76.5
53	Wireless 11ac, Managed Access Point, 6 x detachable antenna, (AP/WDS/Client mode), PoE Gigabit port		8517.6970.1470	658      329      153.5      121.5      91.4
<b>KVM switch/USB HUB</b>				
54	2-port (PS2 and USB ) KVM Switch		8517.6970.1480	51      25      11.9      9.4      7.1
55	4 port (PS2 and USB ) KVM Switch		8517.6970.1490	112      56      26.1      20.6      15.5
56	8-Port Combo KVM Switch rackmountable (PS2 and USB ) including 4 cables		8517.6970.1500	623      312      145.5      115.2      86.6
57	16-Port Combo KVM Switch rackmountable (PS2 and USB ) including 4 cables	8517.6970	8517.6970.1510	933      467      217.8      172.4      129.6
58	4-Port USB Hub		8517.6970.1520	26      13      6.1      4.8      3.6
59	8-Port USB Hub		8517.6970.1530	55      28      12.9      10.2      7.7
<b>Media Convertor</b>				
60	Media Convertor 10/100, Fibre to Ethernet Multimode		8517.6990.1000	61      31      14.3      11.3      8.5
61	Media Convertor 10/100, Fibre to Ethernet Single-mode		8517.6990.1010	84      42      19.6      15.5      11.7
62	Media Convertor 10/100/1000, Giga to Fibre Multimode		8517.6990.1020	107      54      25.0      19.8      14.9
63	Media Convertor 10/100/1000, Giga Fibre to Ethernet Single-mode		8517.6990.1030	153      77      35.7      28.3      21.3

**Annex to Valuation Ruling No. 98 dated December 6, 2016**

S.No.	Description	PCT	Proposed PCT for WeBOC	Customs Values (C&F) US\$ / Pcs
<b>Wireless USB Adapters/Cards</b>				
64	150Mbps PCI/USB 11 (a/b/g/n) wireless Adapter	8517.6990.1040	25	14
65	300Mbps PCI/USB 11 (a/b/g/n) wireless Adapter	8517.6990.1050	31	16
66	750Mbps PCI/USB 11 (a/b/g/n/ac) wireless Adapter	8517.6990.1060	51	26
67	1200Mbps PCI/USB 11 (a/b/g/n/ac) wireless Adapter	8517.6990.1070	60	32
68	1900Mbps PCI/USB 11 (a/b/g/n/ac) wireless Adapter	8517.6990.1080	98	49

Category-A: Cisco/Juniper/Trapeze

Category-B: Foundary/ Alcate Lucent/ Huawei/Aruba/ HPN/Blue Coat /Dell/Brocade /Fortinet /Meru /Lenovo /IBM /Extreme /ZTE /F5 /Nortel /Avaya/ Emulex/ Motorola/ Nokia-siemens/Lotus Foundation/Fluke Networks

Category-C: Linksys / SMC/ Allied Telesys/ Maipu/ Netgear/ Trendnet/ Mikrotik/ Ubiquiti/ Rukus/ Zyxel/ Belkin/ Avnet/ Moxa/ Lancom

Category-D: TP-Link/ Tenda/ D-Link/ Netis/ V-Link/ Black Copper/ A Plus/ Bay-Lan/ O-Ring/ Engenius/Q Logic/ Netcom/

Category-E: LB-Link/ TOTO Link/ WIS-Network

Networking Equipment with different specifications may be assessed under section 25 of the Customs Act, 1969. Alternatively, Collectores may provisionally assess the goods and forward the GD to this Directorate General for suitable advice.

(Iqbal Ali)  
Principal Appraiser

(Altaf Hussain Mangi)  
Valuation Officer

(Ch. Rizwan Bashir Kalair)  
Deputy Director

(Dr. Wasif Ali Memon)

Director