



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



C-189/KAPE/DC/PCT/2022

Dated: .12.2022

PUBLIC NOTICE NO. 14/2022

SUBJECT: CLASSIFICATION OF NETWORKING EQUIPMENT IMPORTED BY M/S MAVETECH PRIVATE LIMITED , RAWALPINDI.

The Collectorate of Customs, Islamabad vide letter C.No.SI/Imp/Cont-88/2017/81 dated 12-01-2022 and the learned Appellate Tribunal vide letter F.No.134/CU/IB/2018 dated 22.07.2022 forwarded a reference for classification of 'Networking equipment namely System Cell FI DUO EXA D32-1/0 BT system Celfi Repeater and CL-FI Duo Smart Signal Booster (Network Unit)'.

2. Brief facts as reported by the referring Collectorate are that importer M/s Mavetech Private Limited, Rawalpindi imported consignments of 'Networking equipment namely System Cell Fi Duo Exa D32-1/0 Bt system Celfi Repeater vide GD No.5571 dated 28.10.2015 dated and CL-FI Duo Smart Signal Booster (Network Unit) vide GD No.8233 dated 18.12.2015 under PCT Heading 8517.6100. However, audit authorities made audit para on the ground that the same importer got cleared identical equipment vide GD No.16674 dated 24.05.2016 under PCT Heading 8529.1090. The case was adjudicated vide Order-in-Original dated 30.04.2018 passed by Collectorate of Customs (Adjudication), Islamabad against the importer. The importer filed appeal before the learned Customs Appellate Tribunal, Islamabad against the said orders. The learned Customs Appellate Tribunal vide its interim orders dated 23.12.2021 in Appeal No.134/2018, referred the matter to Classification Committee for determination of the classification of impugned goods. The audit authorities are of the view that the identical goods were rightly classified by Custom authorities under PCT heading 8529.1090 vide GD No.1674 dated 24.05.2016. However, the importer contends that same are classifiable under PCT heading 8517.6100 meant for base stations.

3. The meetings of Classification Committee were held on 13.08.2022 and 03.12.2022. The meeting dated 03.12.2022 was attended by the representatives of the importer, the referring Collectorate and the members of the Classification Committee. The representative of the referring Collectorate was of the view that the impugned goods are classifiable under PCT heading 8529.1090 (---Other), meant for '*aerial and aerial reflectors of all kinds; parts suitable for use therewith*'. However, the representative of the importer was of the views the impugned goods are not meant to be used with TV or Satellite Receiver; rather it is used for strengthening

the 3G, 4G and Cellular services by eliminating dead zones of no signal area and that the product is not related to TV or satellite receiver by any means. Further, the importer's representative also brought the sample of the impugned product alongwith the technical catalogue which also confirmed the viewpoint of the importer that same is a smart signal booster and is used in an area inside home that receives at least one signal bar of 3G, 4G, LTE coverage. The members of the committee confirmed the product analysis from the online website manufacturer catalogue and technical catalogue furnished the importer which transpired that it is an indoor Smart Signal Booster for 3G/4G/LTE network (www.cel-fi.com/duo/) which improve HD voice and data coverage in up to two bands for 3G/4G/LTE for consumers and the product was not related to TV/Satellite Receiver.

4. The Classification Committee has gone through the arguments and documents put forth and also considered the relevant provisions of law dealing with the HS 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 Classification Committee considered the following headings:

85.29	<i>Parts suitable for use solely or principally with the apparatus of heading 85.25 to 85.28</i>
8529.10	<i>-Aerials and aerial reflectors of all kinds; parts suitable for use therewith</i>
8529.1090	<i>---Other</i>
85.17	<i>Telephone sets, including telephones for cellular networks or for other wireless networks; other apparatus for the transmission or reception of voice, images or other data, including apparatus for communication in a wired or wireless network, (such as a local or wide area network), other transmission or reception apparatus of heading 84.43, 85.25, 85.27 or 85.28</i>
	<i>-Other apparatus for transmission or reception of voice, image or other data, including apparatus for communication in a wired or wireless network (such as a local or wide area network)</i>
8517.6100	<i>--(Base Stations)</i>
	<i>--Machines for the reception, conversion and transmission or regeneration of voice, images or other data, including switching and routing apparatus</i>
8517.6290	<i>---Other</i>

5. As per Explanatory Notes of HS Code 85.29, this heading covers '*Parts suitable for use solely or principally with the apparatus of heading 85.25 to 85.28*' and mainly includes aerial reflector, rotor system for radio-broadcast, cabinet and frames etc. However, subject goods are not related to such goods like TV/Radio and accessories and auxiliaries, etc of heading 85.25 to 85.28.

6. As per Explanatory notes of HS Code 85.17 this heading covers *‘Telephone sets, including telephones for cellular networks or for other wireless networks; other apparatus for the transmission or reception of voice, images or other data, including apparatus for communication in a wired or wireless network, (such as a local or wide area network), other transmission or reception apparatus of heading 84.43, 85.25, 85.27 or 85.28’*. The heading covers *‘-Other apparatus for transmission or reception of voice, image or other data, including apparatus for communication in a wired or wireless network (such as a local or wide area network)’*, under which *Base Stations (PCT heading 8517.6100)* are covered with two dashes. The imported impugned goods are not base stations as the attributes of *Base Station* are given under Explanatory Note as under:

(II) OTHER APPARATUS FOR TRANSMISSION OR RECEPTION OF VOICE, IMAGES OR OTHER DATA, INCLUDING APPARATUS FOR COMMUNICATION IN A WIRED OR WIRELESS NETWORK (SUCH AS A LOCAL OR WIDE AREA NETWORK)

(A) Base stations.

The most common types of base stations are those for cellular networks, which receive and transmit radio waves to and from cellular telephones or to other wired or wireless networks. Each base station covers a geographical area (a cell). If the user moves from one cell to another while telephoning, the call is automatically transferred from one cell to another without interruption.

7. As stated above, the Committee observed that heading 8517 with single dash covers *‘-Other apparatus for transmission or reception of voice, images or other data, including apparatus for communication in a wired or wireless network (such as a local or wide area network)’*. Further, under this heading with two dashes *‘--Machines for the reception, conversion and transmission or regeneration of voice, images or other data, including switching and routing apparatus’* are covered. For ease of reference, these headings and further subheadings are reproduced as under:

85.17	-Other apparatus for transmission or reception of voice, image or other data, including apparatus for communication in a wired or wireless network (such as a local or wide area network)
8517.6100	--(Base Stations) --Machines for the reception, conversion and transmission or regeneration of voice, images or other data, including switching and routing apparatus
8517.6210	- - - Voice frequency telegraphy
8517.6220	- - - Modems
8517.6230	- - - High bit rate digital hierarchy system (SDH)
8517.6240	- - - Digital loop carrier system (DLC)
8517.6250	- - - Synchronous digital hierarchy system (SDH)
8517.6260	- - - Multiplexers, statistical multiplexers
8517.6270	- - - Routers
8517.6290	- - - Other

8. The Committee observed that the impugned goods are a combo of two units (i.e. Network Unit and Coverage Unit) which do not require installation of antenna or cables to access the strongest possible 3G, 4G and LTE Signal for improved voice coverage throughout home, for smoother video and surfing, thereby function falling under '*--Machines for the reception, conversion and transmission or regeneration of voice, images or other data, including switching and routing apparatus*' whereunder different goods are specified by description/name.

9. Foregoing in view, the Classification Committee is of the view that the imported impugned goods. i.e "Networking equipment namely System Cell FI DUO EXA D32-1/0 BT system Celfi Repeater and CL-FI Duo Smart Signal Booster (Network Unit)" are classifiable under PCT heading 8517.6290, in terms of GRI 1 and 6.

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, information and catalogue/literature provided by the importer/referring Collectorate 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), Islamabad.
11. The Collectorate of Customs (Appraisalment) West/East/PMBQ Custom House, Karachi.
12. The Director, Reforms and Automation (R&A), Custom House, Karachi with the request to incorporate this ruling in WeBOC.
13. The Project Director, WeBOCGlo, Custom House, Karachi for necessary action.
14. The Registrar, Customs Appellate Tribunal, Bench-II, Islamabad.
15. M/s Mavetech Private Limited, H#287, Main Peshawar Road, Rawalpindi Cantt.

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