

**CUSTOMS, EXCISE & SERVICE TAX APPELLATE
TRIBUNAL
BANGALORE**

REGIONAL BENCH - COURT NO. 1

Customs Appeal No. 20148 of 2021

(Arising out of Order-in-Appeal No.COC-CUSTOM-000-APP-123 to
124/2020-21 dated 02.12.2020 passed by the Commissioner of
Customs (Appeals), Cochin.)

M/s. Netlink ICT Private Limited

(Previously known as Current Optronics Private
Limited.)

X/24/A/B/CRT Building,
Jupiter Junction, Piravom Road,
Oliyappuram P.O.,
Koothattukulam,
Ernakulam – 680 032.
Kerala.

Appellant(s)

VERSUS

The Commissioner of Customs

Custom House, Willingdon Island,
Cochin – 682 009.

Respondent(s)

WITH

Customs Appeal No. 20149 of 2021

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Cochin – 682 009.

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APPEARANCE:

Mr. Jose Jacob, Advocate for the Appellant

Mr. Vikalp Jain, Superintendent (AR) for the Respondent

**CORAM: HON'BLE DR. D.M. MISRA, MEMBER (JUDICIAL)
HON'BLE MRS. R. BHAGYA DEVI, MEMBER
(TECHNICAL)**

FINAL ORDER NO. 20251 - 20252 / 2026

DATE OF HEARING: 24.10.2025

DATE OF DECISION: 04.03.2026

PER: R. BHAGYA DEVI

These two appeals C/20148/2021 and C/20149/2021 are filed by the appellant M/s. Netlink ICT Pvt. Ltd. (previously known as M/s. Current Optronics Pvt. Ltd.) against Order-in-Appeal No. COC-CUSTM-000-APP-123 to 124/2020-21 dated 02.12.2020 passed by the Commissioner of Customs (Appeals), Cochin.

2. Briefly the facts are that the appellants are importers and traders of Gigabit Passive Optical Networks Optical Line Terminal (GPON OLT). They filed various Bills of Entry for the clearance of 'GPON OLT, SFP Module, ONU & ONT' classifying the same as 'Digital Loop Carrier' under Chapter Heading 8517 6250. On verification, the Revenue observed that the subject goods imported by the appellant were rightly classifiable under CTH 8517 6990. Accordingly, show-cause notices were issued and the original authority confirmed the same under CTH 8517 6990 and demanded differential duty along with applicable interest which was upheld by the Commissioner (Appeals) in the impugned order. Aggrieved by this order, the appellant is in appeal before us.

3. The Learned Counsel submits that the 'GPON OLT, SFP Module, ONU & ONT' imported by the appellant are hardware

device used for converting the standard signals used by the Fiber Optic Services (FiOS) to the frequency and framing used by the Passive Optical Network (PON) system and coordinates multiplexing between conversion devices on the Optical Network Terminals (ONTs) located on the customers' premises. GPON Network works as a parent device system at the service provider control room. It is submitted that GPON OLT which is a main product is rightly classifiable under 8517 6250 as it is nothing but a Digital Loop Carrier which is specifically covered under this heading. Alternatively, it is argued that the same could be classified under CTH 8517 6930 as 'Routers' as it performs all the functions of the router as specified by M/s. Compliance International Telecom Laboratories.

3.1 Without prejudice to the above, it is submitted that SFP module if classified separately as parts of product falling under CTH 8517, then the main product should be classified under CTH 8517 7090 and ONT under CTH 8517 6950 as is held by the Customs Authority for Advance Ruling in the appellants own case vide Order dated 20.01.2022 reported at **2022 (381) ELT 116 (AAR-Cus-Mum)**.

4. The Learned Authorised Representative (AR) on behalf of the Revenue reiterating the findings of the Commissioner (Appeals) in the impugned order and referring to the subject products imported by the appellant submits that they are Optical Network Devices which are different from Digital Loop Carriers. The Optical Network Devices which includes Optical Line Terminal (OLT), Optical Network Unit (ONU) and Optical Network Terminal (ONT) which convert optical signals into electrical signals for devices like routers or phones. While the Digital Loop Carrier (DLC) digitizes and multiplexes voice circuits from

customer lines and transmits the combined data stream over copper or sometimes fiber from a central office terminal to remote digital terminals. Referring to the classification Headings under the Customs Tariff and the Explanatory Notes, it is submitted that the said products cannot be classified as Digital Loop Carriers under CTH 8517 6250.

5. Heard both sides. The Commissioner (Appeals) in the impugned order observed that *'I find that though the appellant had classified the impugned items under CTH 8517 6250 for Digital Loop Carrier System (DLC) by giving the description 'Digital Loop Carrier' no evidences like manufacturers catalogues, brochures were seen produced in their support. from the available records I find that the goods under dispute having different functions are not having any specific characteristics of either DLC or SDH for classifying them under CTH 8517 6250 of 8517 6260'* and accordingly, reclassified them under CTH 8517 6990. The Vulnerability Assessment and Penetration Test (VAPT) verification report dated 31.12.2018 submitted by the appellant was rejected stating that it was not from an approved agency and the test report was only to determine the security vulnerabilities and not for determination of classification.

6. The relevant Customs Tariff Heading 8517 is reproduced below:

85.17 Telephone Sets, Smartphones and other Telephones for Cellular Networks or for other Wireless Networks Other Apparatus for the Transmission or Reception of voice, images or other data including the apparatus for communication in a wired or wireless network (such as a local or Wide Area Network), other than Transmission or Reception Apparatus of Heading 8443, 8525, 8527 or 8528

- Telephone sets, including smartphones and other telephones for cellular networks or for other wireless networks

8517 62 10 --- PLCC equipment
 8517 62 20 --- Voice frequency telegraphy
 8517 62 30 --- Modems (modulators-demodulators)
 8517 62 40 --- High bit rate digital subscriber line system (HDSL)
 8517 62 -- Machines for the reception, conversion and transmission or regeneration of voice, images or other data, including switching and routing apparatus:
 8517 62 50 --- Digital loop carrier system(DLC)
 8517 62 60 --- Synchronous digital hierarchy system(SDH)
 8517 62 60 --- Synchronous digital hierarchy system(SDH)
 8517 62 70 --- Multiplexers, statistical multiplexers
 8517 62 90 --- Other

As seen from the above classification, there is no dispute that the goods are rightly classifiable under CTH 8517, the only question arises is whether the impugned products are Digital Loop Carrier System as explained by the appellant. If the technical literature satisfies to state that they are Digital Loop Carrier Systems, then the question of classifying the same under CTH 8517 6290 does not arise, since, this heading is a residual entry. We find that as per the letter dated 22.02.2021 submitted by the appellant which is placed on record issued by Compliance International Telecom Laboratories which states that:

"We have accordingly tested and verified the "GPON OLT V1600G1 (copy of our test report attached herewith). Our observations are as follows:

1. The basic routing features of a Router: RIPv1, RIPv2, OSPFv2, Static Routing, RIPv2, OSPFv3
2. By testing GPON OLT, we have identified that RIPv1, RIPv2, OSPFv2, Static Routing, RIPv2, OSPFv3 features are available in this device.

Therefore, it is clear that GPON OLT can act as a router as this product supports above mentioned protocols.”

This letter has been signed by the authorized signatory which was not produced before the respective authorities. The appellant has also produced documents issued by the Ministry of Communications (Department of Telecommunications) providing the technical details of the items imported by the appellant. Since, these documents were issued after the impugned orders were passed, there was no occasion for the authorities concern to refer to the technical details before classifying the impugned products. Accordingly, we find that, in the interest of justice, and for better appreciation of facts based on the technical literature placed before us, it would be prudent to remand the matter to the original authority for examining the classification in the light of the documents placed before us. In view of this, we set aside the impugned order and remand the appeals to the original authority for afresh decision after providing an opportunity to the appellant to place the documents/technical literature before the authorities concerned.

Appeals are allowed by way of remand.

(Order pronounced in Open Court on 04.03.2026.)

(D.M. MISRA)
MEMBER (JUDICIAL)

(R. BHAGYA DEVI)
MEMBER (TECHNICAL)

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