

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

REGIONAL BENCH - COURT NO. 2

Customs Appeal No. 20720 of 2023

(Arising out of Order-in-Appeal No. 70/2023 dated 25.05.2023 passed by the Commissioner of Central Customs (Appeals), Bangalore.)

Pr. Commissioner of Customs, Bengaluru

Airport and Air Cargo Complex (AP and ACC), Review Section
Devanahalli, Bengaluru,
Karnataka – 560300.

.....Appellant

VERSUS

M/s. Anandit Infotech India Pvt Ltd

No. 06, 3rd Floor, 2nd Cross, Sadar Patrappe Road,
Bangalore, Karnataka – 560002.

.....Respondent

APPEARANCE:

Mr. Sreekanth, Authorized Representative (AR) for the Appellant.
Mr. Ramnesh Ananthan, Advocate for the Respondent.

CORAM:

HON'BLE MR. P.A. AUGUSTIAN, MEMBER (JUDICIAL)

HON'BLE MR. PULLELA NAGESWARA RAO, MEMBER (TECHNICAL)

Final Order No. 20709 /2026

Date of Hearing: 02.12.2025

Date of Decision: 29.05.2026

PER: P. A. AUGUSTIAN

The issue in the present appeal is regarding classification of the goods imported by the Respondent.

2. The Respondent had imported Airspan Air Velocity and filed Bill of Entry, declared classification of the item under Customs Tariff Heading (CTH) 8517 6260 which was facilitated by RMS. On scrutiny of self-

assessment, the department raised queries as regards the classification of the item. Thereafter, Adjudication Authority rejected the assessment made by the appellant and classified the goods under Customs Tariff Heading (CTH) 8517 6290, denied the benefit of Sl. No. 20 of the Notification No. 57/2017 dated 30.06.2017 vide Order-in-Original dated 04.02.2022. Aggrieved by said order, an appeal was filed before Commissioner (Appeals) and Commissioner (Appeals) as per impugned order set aside the classification adopted by Adjudication Authority. Aggrieved by said order, present appeal is filed by Revenue.

3. When the appeal came up for hearing, Learned Authorized Representative (AR) submits that the impugned goods are actually Radio unit and LTE device, hence it cannot be classified under Customs Tariff Heading (CTH) 8517 6260 which is specific or exclusively meant for Synchronous Digital Hierarchy System (SDH). Learned AR also draws our attention to the technical information sheet available on the internet and submits that Air Velocity 2700 device, is a 5G Radio Unit Device and not SDH equipment. The actual functions of both the items are different. The extract of the relevant technical information is extracted as under:

"IS AIR VELOCITY 2700 IS A SDH EQUIPMENT:

No, the Air Velocity 2700 is a 5G Radio Unit (RU) and not Synchronous Digital Hierarchy (SDH) equipment.

Air Velocity 2700: This is an indoor, 5G Sub-6Hz, 4T4R radio unit manufactured by Airspan Networks, designed for 5G Radio Access Networks (RAN), specifically for applications like private networks and CBRS (Citizens Broadband Radio Service). It handles wireless access.

SDH (Synchronous Digital Hierarchy): This refers to fibre optic transmission equipment used primarily in backbone telecommunication networks for high-speed, reliable data transport and multiplexing, often in power utility substations or large carrier networks. It handles wired /fiber optic transport.

In short, the Air Velocity 2700 is part of a modern wireless access network, while SDH equipment belongs to traditional wired optical transport infrastructure"

4. Learned AR also draws our attention to the relevant Tariff entries for Customs Tariff Heading (CTH) 8517 62 60 and 8517 62 90 and are reproduced below:-

Customs Tariff Heading	Description
8517 62	Machines for the reception, conversion and transmission or regeneration of voice, images or other data, including switching and routing apparatus:
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 50	Digital loop carrier system (DLC)
8517 62 60	Synchronous digital hierarchy system(SDH)
8517 62 70	Multiplexers, statistical multiplexers
8517 62 90	others

4.1 In view of the above, Learned AR submits that the finding of the Commissioner (Appeals) needs to be set aside.

5. Learned Counsel appearing for the respondent submits that; the item imported is an Airspan Air Velocity 2700; it is a 5G networking equipment which synchronizes signals; that the unit was imported for R&D purposes and that it was networking equipment for telecommunication. The Learned Counsel also submits that while filing bill of entry, they had uploaded catalogue, technical literature and WPC license; that the frequency of the equipment is 3300 to 3700 MHz as per WPC licence which is classifiable under Customs Tariff Heading (CTH) 8517 6260. Learned counsel also draws our attention to the finding in the impugned order and submits that the respondent herein had imported the goods as per the order from M/s. Accenture Operations Services Pvt., Ltd., Bangalore for the procurement and supply of Airspan Air velocity 2700 (Experimental lab equipment). The said goods are Synchronous digital hierarchy system (SDH) falling under Customs Tariff Heading (CTH) 8517 6260. Learned Counsel also draws our attention to the catalogue which shows that the Air Velocity 2700 RU is a Radio Unit (RU) for 5G Radio Access Network (RAN). It is combined with additional RAN elements to provide complete 5G mobile radio communication system. The Airspan Air Velocity 2700 is based on open interfaces as defined by the O-RAN alliance. The front haul interface between the Air Velocity 2700 and the DU complies with RAN split and includes the following signals:

- User plane data (IQ data)
- Control plane data
- Synchronization signals
- Management plane data

5.1 Thus, the function of the Air Velocity 2700 is actually that of a router and main function of the Air Velocity 2700 is to receive the signals from the tower, synchronize it and route it through the lines in the enclosed area thus making the working of the 5G network more efficient.

6. Learned Counsel also draws our attention to the letter of "No objection" given by M/s. Accenture dated 29.11.2021 in respect of

Purchase Order No. 6000919751 i.e. much before the import, wherein they have mentioned the name of the goods under import as "5G Router Kit". Learned Counsel further submits that as per the classification Rules, goods which cannot be classified by application of Rule 1, Rule 2 and Rule 2(b), are to be classified by application of Rule 3 i.e., by application of "most specific description" as per Rule 3(a) or by ascertaining the "essential character" of the article as per Rule 3(b) or by taking into consideration the heading that occurs last in the numerical order as per Rule 3(c). In the instant case the function of the Air velocity 2700 is to receive signals from the tower and route it in house through the path 4T4R using O-RAN (Radio Access Network). Thus, the Air velocity 2700 being a router has to be classified as router and is exempted from basic duty. The impugned goods are devices that connect two or more packet-switched networks or sub-networks and deliver Wi-Fi network access to all parts of the house. They serve two primary functions: managing traffic between these networks by forwarding data packets to their intended IP addresses and allowing multiple devices to use the same internet connection.

7. Learned Counsel draws our attention to the Order-in-Original dated 04.02.2022 and submits that though the Adjudication Authority rejected the classification as declared by the appellant, categorically held that it is a 5G LTE device designed to bring public access to LTE network to indoor spaces. Since the item falls under category of machines for the reception, conversion and transmission or regeneration of voice, images or other data, including switching and routing apparatus and it is classifiable under Customs Tariff Heading (CTH) 8517 6290 as declared.

8. Heard both sides and perused the records.

9. We find that the function of the Air Velocity 2700 is actually that of a router and main function of the Air Velocity 2700 is to receive the signals from the tower, synchronize it and route it through the lines in the enclosed area thus making the working of the 5G network more efficient. Considering the function of the goods imported by the

Respondent, the classification declaration made by the Appellant under Customs Tariff Heading (CTH) 8517 6260 is sustainable, hence the impugned order is liable to be upheld.

10. Accordingly, the impugned order is upheld, and the Revenues' Appeal is dismissed.

(Order was pronounced in Open Court on 29.05.2026.)

(P. A. AUGUSTIAN)
MEMBER (JUDICIAL)

(PULLELA NAGESWARA RAO)
MEMBER (TECHNICAL)

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