

Central Board of Indirect Taxes & Customs (CBIC) issues clarification on Customs classification of Telecommunication products and equipment

CBIC vide **Circular No. 08/2023 dated 13th March 2023** has clarified the contents of telecommunication products and equipment against tariff items 8517 62 90 and 8517 69 90 for which the exemption under Notification No. (N.N.) 57/2017-Customs have been carved out. The Circular is intended to provide clarity on certain issues put forth by industry, which the Tax Forum had been advocating for since quite some time.

The Circular can be accessed [here](#). A summary of the same has been provided below:

- Earlier, CBIC had issued **N.N. 2/2019-Customs** substituting the **entry #20 in the original N.N. 57/2017-Cus** which provides the conditional exemption at #20 on all goods under the HS code 8517 62 90 or 8517 69 90 **except on following**:
 - a. Wrist wearable devices (commonly known as smart watches);
 - b. Optical transport equipment;
 - c. Combination of one or more of Packet Optical Transport Product or Switch (POTP or POTS);
 - d. Optical Transport Network (OTN) products;
 - e. IP Radios;
 - f. Soft switches and Voice over Internet Protocol (VoIP) equipment, namely, VoIP phones, media gateways, gateway controllers and session border controllers;
 - g. Carrier Ethernet Switch, Packet Transport Node (PTN) products, Multiprotocol Label Switching Transport Profile (MPLS-TP) products; and
 - h. Multiple Input/Multiple Output (MIMO) and Long-Term Evolution (LTE) products.
- Now, CBIC has issued the enclosed circular to clarify Identification of products/equipment covered under the (b) to (h) in the above list, for better awareness of stakeholders and for a more effective identification of products and equipment – this has been laid out in **Annexure 1** of the Circular.
- It has also been clarified that identification of products/equipment under 8517 62 90 and 8517 69 90 shall be enabled from the beginning i.e., **from the time of filing of import declarations itself for which an alpha numeric code/identifier as provided for in Annexure -2 will need to be additionally declared in bill of entry by the importer with effect from 01.04.2023.**