



**सीमाशुल्क अग्रिम विनिर्णय प्राधिकरण**  
**Customs Authority for Advance Rulings**  
**नवीन सीमाशुल्क भवन, बेलार्ड इस्टेट, मुंबई - ४००००१**  
**New Custom House, Ballard Estate, Mumbai - 400 001**  
**E-MAIL: cus-advrulings.mum@gov.in**



F.No. CAAR/CUS/APPL/202,203/2025-O/o Commr-CAAR-Mumbai

दिनांक/Date: 10.02.2026

Ruling No. & date	CAAR/Mum/ARC/147,148/2025-26 dated 10.02.2026
Issued by	Shri Prabhat K. Rameshwaram, Customs Authority for Advance Rulings, Mumbai
Name and address of the applicant	Yuzhan Technology India Private Limited, No.B-04, ESR Oil Park, Oragadam Walajabad Road0, Varanavasi, Kanchipuram, Tamil Nadu, India - 631604. {Email: <a href="mailto:dinakarmalladi@fii-foxconn.com">dinakarmalladi@fii-foxconn.com</a> }
Concerned Commissionerate	1. The Commissioner of Customs, Chennai IV (Export Commissionerate), Customs House, No. 60, Rajaji Salai Chennai – 600001 2. The Principal Commissioner of Customs, (Air Cargo), Chennai-VII Commissionerate, New Custom House, Air Cargo Complex, Meenambakkam, Chennai 600016

**ध्यान दीजिए/ N.B.:**

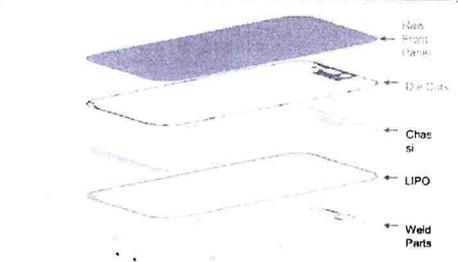
- सीमाशुल्क अधिनियम, 1962 की धारा 28I की उप-धारा (2) के तहत किए गए इस आदेश की एक प्रति संबंधित को निःशुल्क प्रदान की जाती है।  
A copy of this order made under sub-section (2) of Section 28-I of the Customs Act, 1962 is granted to the concerned free of charge.
- इस अग्रिम विनिर्णय आदेश के खिलाफ कोई भी अपील ऐसे निर्णय या आदेश के संचार की तारीख से 60 दिनों के भीतर संबंधित क्षेत्राधिकार के उच्च न्यायालय के समक्ष की जाएगी।  
Any appeal against this Advance Ruling order shall lie before the **High Court of concerned jurisdiction**, within 60 days from the date of the communication of such ruling or order.
- धारा 28-I के तहत प्राधिकरण द्वारा सुनाया गया अग्रिम विनिर्णय तीन साल तक या कानून या तथ्यों में बदलाव होने तक, जिसके आधार पर अग्रिम विनिर्णय सुनाया गया है, वैध रहेगा, जो भी पहले हो।  
The advance ruling pronounced by the Authority under Section 28 - I shall remain valid for three years or till there is a change in law or facts on the basis of which the advance ruling has been pronounced, whichever is earlier.
- जहां प्राधिकरण को पता चलता है कि आवेदक द्वारा अग्रिम विनिर्णय धोखाधड़ी या तथ्यों की गलत बयानी द्वारा प्राप्त किया गया था, उसे शुरू से ही अमान्य घोषित कर दिया जाएगा।  
Where the Authority finds that the advance ruling was obtained by the applicant by fraud or misrepresentation of facts, the same shall be declared void *ab initio*.



## अग्रिम विनिर्णय / Advance Ruling

Yuzhan Technology India Private Limited (having IEC No. AABCY7688J) and hereinafter referred to as 'the applicant', in short) filed application (CAAR-1) for advance ruling before the Customs Authority for Advance Rulings, Mumbai (CAAR in short). The said application was received in the secretariat of the CAAR, Mumbai on 10.11.2025 along with enclosures in terms of Section 28H (1) of the Customs Act, 1962 (hereinafter referred to as the 'Act' also). The applicant is seeking advance ruling on the classification of Top enclosure under CTI 85177990 of the Customs Tariff Act, 1975.

2. The Applicant has obtained the license to undertake manufacturing and other operations in its premises under section 58 read with section 65 of the Customs Act, 1962. The products proposed to be exported i.e., "Top enclosure" are used in the manufacture of cellular mobile phones. The Applicant has provided below the details of the product proposed for export and the final product hereunder: -

<b>Item for export</b>	<b>Description of item for export</b>
Top enclosure	 <p>The top enclosure (also called the front enclosure) of a cellular mobile phone is a critical structural and functional component. It serves as the user interface's physical foundation and plays a key role in protecting delicate internal parts while ensuring device usability and durability.</p> <p>The front/top enclosure is a sophisticated assembly of specialized materials and precision manufacturing processes designed to protect sensitive internal components (especially the display).</p> <p>The front enclosure acts as the primary load-bearing structure for several key components, including the cover glass, touch screen, front-facing camera(s), ear speaker, proximity sensors, and various buttons. It provides structural integrity and support to the various parts inside the cellular mobile phone.</p>



	<p>It accommodates openings and mounts for key elements like the front camera, sensors, speaker grills, and antenna windows to aid wireless communication.</p> <p>The chassis in the front enclosure refers to the rigid structural frame that supports the cover glass and provides mechanical integrity and strength. The chassis is made of stainless steel.</p> <p>This frame acts as the backbone of the front enclosure, ensuring that all parts remain securely aligned during use and reducing flexing under stress. It absorbs mechanical stresses from shocks or drops, minimizing damage to electronic components. The chassis acts as the backbone to which various components are mounted. It ensures the front panel stays securely attached, maintains the phone's rigidity, and absorbs mechanical stresses. It incorporates mounting points for chips, sensors, or antenna elements. It provides mechanical rigidity to the cover glass, maintains structural alignment of internal components and serves as a mounting interface for internal electronics.</p> <p>The front enclosure also incorporates the LIPO an adhesive/sealing layer, which serves as the water, moisture and dust proof sealing system. It provides a waterproof, dustproof, and moisture-resistant barrier, crucial for devices that achieve high IP (Ingress Protection). The LIPO seal also functions as a shock absorber, cushioning the internal components against mechanical vibrations and impacts. It is affixed in all around the corners of the cellular mobile phone along with chassis.</p> <p>The weld parts such as hooks, fangs etc. refer to metallic or conductive components to be welded, securing the assembly parts together permanently. The weld parts are permanently affixed with chassis via ultrasonic or laser welding, to increase assembly robustness.</p> <p>The front enclosure also contains shims, which are thin precision components used as spacers. They aid in accurate component alignment and maintaining tolerances between parts to prevent mechanical stress or dislocations. The front enclosure's design influences the phone's feel, grip, thickness, weight, and overall look, directly impacting user experience.</p>
--	--

2.1 The top enclosures as mentioned above are customized with pre-specified demarcated protrusions, circumscribed & delimited projections, boundaried protuberances, exclusive pre-measured chambers with identified partitions, designated provisions and areas for mounting, bolting and installation of micro electronic components, camera modules, speakers, sensors,



antennas etc. The intricately designed protrusions on the interior portion of the top enclosures, serve as pivotal anchorage points for the internal electronic components ensuring their positional stability and mechanical integrity upon affixation. These enclosures are engineered with precision to accommodate the dimensional specifications and structural requirements of the electronic components, thereby facilitating a secure and immobile interface between the electronic circuitry and the enclosure.

2.2 The pre-customized tailor-made enclosures manufactured by the applicant can be used only for the customer who has ordered for the enclosures. They cannot be cross utilized with other models of mobile phones. There is no market for mobile phones without the enclosures. The mobile phones as finished products are customarily sold as a complete functional package along with the enclosures. The mobile phones cannot function in the intended manner in the absence of the enclosures.

### **3. Applicant's interpretation of laws/facts:**

3.1 The Applicant has analyzed chapter 76 which provides for "*Aluminium and articles thereof*". The Applicant has observed that there is no specific heading under chapter 76 which covers the applicant's products (i.e., *top enclosure*) and therefore, the only recourse can be made to residual heading under 7616 9990 which provides for "other articles of Aluminium". Relevant extract of chapter heading 7616 is provided as follows:- "*Other Articles of Aluminium*"

The Applicant is of the view that classification of "top enclosure", under residuary heading 7616 9990 as "other articles of aluminium" is not appropriate. The items proposed to be exported by the applicant are specially customized parts and can only be used for manufacturing of cellular mobile phones of specific size and dimension. It can be noted that the cellular mobile phones cannot work independently without affixing the front and back enclosures, given the integral role played by the enclosures in the functionality of the equipment. Therefore, HSN 7616 9990 being a generic residuary heading covering "Other Articles of Aluminium" would not warrant classification of present items.

Further, the applicant wishes to submit that Note 1(f) to Section XV (Base Metal & Articles of Base Metal) excludes Articles of Section XVI (machinery, mechanical appliances & electrical goods) from its scope & applicability. Relevant portion is extracted below:-

#### *SECTION XV*

#### *BASE METALS AND ARTICLES OF BASE METAL*

#### *NOTES:*

*1. This Section does not cover:*

*(f) articles of Section XVI (machinery, mechanical appliances and electrical goods);*



Further, the applicant wishes to submit that the WCO HSN Explanatory Notes to tariff heading 7616 "Other articles of aluminium" explicitly excludes articles of aluminium covered more specifically under any other chapter of the nomenclature. The relevant extract is enclosed hereunder: -

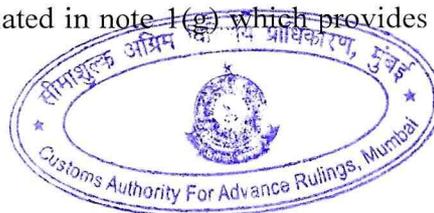
*This heading covers all articles of aluminium **other than** those covered by the preceding headings of this Chapter, or by Note 1 to Section XV, or articles specified or included in Chapter 82 or 83, or more specifically covered elsewhere in the Nomenclature.*

3.2 Having discussed that classification under chapter 76 is not applicable, it is appropriate to analyze description given in under tariff heading 8517 for ascertaining proper classification which covers within its ambit apparatus of transmission or reception device and its parts thereof. The final finished products for which the "top enclosure" are manufactured are cellular mobile phones classifiable under heading 8517. Cellular mobile phones constitute an apparatus for transmission or reception of data in a wireless network. It is a communication apparatus that support the reception, conversion and transmission of signals and allow for the connection to a wired or wireless communication network. Therefore, finished goods for which the enclosures are manufactured (i.e., cellular mobile phones) falls under "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)".

The applicant submitted that top enclosure is a tailor-made for specific use and only for specific model of cellular mobile phone. Each mobile phone has different model and shape and size. Notably, each model of mobile phone varies in form factor, dimensions, and design specifications, necessitating bespoke customization to meet the distinct requirements of individual customers. Consequently, the enclosures are expressly suited for the unique configurations requested by the customer who has placed the order for the finished goods. The applicant asserts that these items are not interchangeable and cannot be repurposed for other models. The manufacturing process of the product requires customization for each model. Therefore, the top enclosures can only be used for the particular model of the cellular mobile phone. The applicant wishes to submit that even the applicant (if intends or desires) cannot use the enclosures for any other model. Therefore, the enclosures qualify the test of sole and principal use.

The Applicant further submitted that top enclosures are specifically customized and designed parts that are key integral components in the manufacture of the cellular mobile phones classifiable under heading 8517. In the absence of the enclosures, the cellular mobile phones cannot be manufactured and thus top enclosures would constitute as 'parts' suitable for use solely or principally with cellular mobile phones in terms of note 2(b) to section XVI. Therefore, it warrants classification as 'parts' under heading 8517. More specifically, the enclosures can be classified under 8517 7990 as "Parts - Others".

3.3 The applicant would like to highlight that Section Note 1 to Section XVI covering Chapters 84 and 85 provide for the list of goods that are excluded from the scope of coverage under the said Chapters. One such exclusion is contemplated in note 1(g) which provides for



“parts of general use as defined in Note 2 to Section XV, of base metal. Relevant portion is reproduced below: -

*1. This Section does not cover:*

*(g) parts of general use, as defined in Note 2 to Section XV, of base metal (Section XV), or similar goods of plastics (Chapter 39);*

3.3.2 From the reading of the above, it can be noted that if the present items are covered under parts of general use as defined in Note 2 to Section XV (base metal) then chapter 84 & 85 is not applicable for classification. In order to understand whether the present item is covered under parts of general use, it is worthwhile to refer to definition as contemplated in Note 2 to Section XV. The Applicant has reproduced the same below: -

*2. Throughout this Schedule, the expression “parts of general use” means:*

*(a) articles of heading 7307, 7312, 7315, 7317 or 7318 and similar articles of other base metal, other than articles specially designed for use exclusively in implants in medical, surgical, dental or veterinary sciences (heading 9021);*

*(b) springs and leaves for springs, of base metal, other than clock or watch springs (heading 9114); and*

*(c) articles of headings 8301, 8302, 8308, 8310 and frames and mirrors, of base metal, of heading 8306.*

*In Chapters 73 to 76 and 78 to 82 (but not in heading 7315) references to parts of goods do not include references to parts of general use as defined above.*

*Subject to the preceding paragraph and to Note 1 to Chapter 83, the articles of Chapter 82 or 83 are excluded from Chapters 72 to 76 and 78 to 81.*

3.3.3 The Applicant would like to submit that the present items would not get covered under the definition of parts of general use as the product does not fall under any of the “Articles of heading 7307, 7312, 7315, 7317 or 7318 and similar articles of other base metal” since the items are used specially designed and customized for sole or principal use for manufacturing cellular mobile phones.

**3.3 *Judicial Precedents in the context of classification of enclosures of cellular mobile phone under CTI 8517 7990***

3.3.1 Reliance can be placed in case of *M/s Samsung India Electronics Pvt. Ltd. vs. Principal Commissioner of Customs, Air cargo complex (Import), New Delhi - 2023 (12) TMI 1155 - CESTAT NEW DELHI* wherein it was categorically held that front cover, middle



cover and back cover of mobile phones merit classification under CTI 8517 7990. The relevant extract of the judgement is enclosed hereunder: -

*“A specific entry (parts of mobile phones) prevails over a general entry (articles of plastic) as per Rule 3(a) of Interpretation and the later entry (Chapter 85) in the tariff prevails over the earlier entry (Chapter 39) as per Rule 3(c). It is well settled legal principle that the Interpretative Rules must be applied sequentially. **Rejection of the appellant’s classification of the front cover, middle cover and back cover of mobile phones under CTH 85177090 in the impugned order and their re-classification under CTH 39209999 cannot be sustained and needs to be set aside”***

*Thus, applying the first Rule of Interpretation, the front cover, middle cover and back cover cannot be classified under CTH 3920- the vapor deposition (lamination) takes it out of the description of CTH 3920 and thermoforming and CNC milling, being processes beyond printing and surface working take them out of the scope of chapter note 2(s). **We also find that a specific entry (parts of mobile phones) prevails over a general entry (articles of plastic) as per Rule 3(a) of Interpretation and the later entry (Chapter 85) in the tariff prevails over the earlier entry (Chapter 39) as per Rule 3(c).***

The aforementioned judgment was appealed before the Hon'ble Supreme Court by the Revenue authorities in *[TS-290-SC-2024- CUST]*, however, the same was dismissed by the Hon'ble Supreme Court and accordingly the order of the Hon'ble Tribunal was maintained. Therefore, the conclusion of CESTAT is final.

3.3.2 Further, in the case of *M/s. Vivo Mobile India Pvt Ltd v. Principal Commissioner of Customs, New Delhi (2024) 20 Centax 393 (Tri.-Del)*, it was held that specific entry (parts of mobile phones) prevails over general entry (articles of plastic) and later entry (Chapter 85) prevails over earlier entry (Chapter 39). Hence, mobile covers were classifiable under Tariff Item 8517 70 90.

3.3.3 In the case of *M/s. Samkwang Electronics Private Limited (CAAR/Del/Samkwang/74/2025)* dated October 14, 2025, the Hon'ble Delhi CAAR in relation to classification of front cover for mobile phones observed that they shall merit classification under CTI 8517 7990. The relevant extract of the same is enclosed hereunder: -

*In light of above, **I find that the subject goods are not generic materials imported for general industrial use. Rather, these are designed, processed, and imported in a form that is specific to mobile phone manufacturing.** The fact that these undergo certain quality inspection and testing process, embedding and stationing of inputs, welding and emplacement of inputs, pressing of inputs, cleaning of products before packing processes after import does not alter their essential character or their suitability for sole use in the manufacture of mobile phone parts. It is also pertinent to note that Section XVI Note 2(b) does not require that the goods be directly mounted into the final*



apparatus, but only that they be suitable for use solely or principally with a machine of that heading, which is satisfied in the present case.

*It is a settled legal position that classification is to be determined not merely on the basis of the physical form of the goods at the time of importation but **also on their intended use, functional integration, and essentiality to the end-product, as laid down in several judicial pronouncements** The jurisprudence established by the Hon'ble Supreme Court in CCE v. Eustend Paper Industries Lad (1989) 43 ELT 201 (SC)] and by the Hon'ble Delhi High Court in Amazon Wholesale India Pvt. Ltd. (supra) has consistently held that suitability for sole or principal use with a specific machine or apparatus is the determining factor for classification under "parts" headings.*

*In the present case, as per the applicant's submission, the impugned goods are manufactured and treated specifically for use in the fabrication of mobile phone components such as front cover. Based on the detailed technical descriptions, manufacturing processes, functional integration, and exclusive end-use of the subject Goods in the production of intermediate front covers for mobile phones, and considering the relevant provisions of the First Schedule to the Customs Tariff Act, 1975, along with the Interpretative Rules and judicial precedents, it is evident that the goods are classifiable under Tariff Item 8517 79 90, as "other parts of telecommunication apparatus*

3.3.4 In the case of *M/s. Apple Operations International Limited (CAAR/Del/Apple/13/2025, CAAR/Del/Apple/09/2025)* dated October 09, 2025, the Hon'ble CAAR Delhi observed that back housing modules of mobile phones merit classification under CTI 8517 7990 as "parts." The relevant extract of the same is enclosed hereunder: -

*In the present case, the housing module for which the Applicant is seeking the advance ruling are composed of aluminium or aluminium and titanium alloy wherein aluminium forms the base metal. **The housing module which is being exported by the Applicant is a metallic framework which has been specifically designed and shaped for use in mobile phones. The product has specific cuts and grooves accommodate and house other components of the mobile phone. Further, in its as exported/imported conditions, the housing module encompasses various other components such as buttons, haptics module, speaker, dock flex, pressure sensor, microphone, sim card module and Upper Antenna flex. All the components are integrated into the Housing module through a calibrated screw fastening process. It also prevents foreign material from entering inside the mobile phone. It is pertinent to mention that these components are not functional until and unless the same are incorporated along with other components of the mobile phone, i.e., the components become operational only after the complete mobile phone has been manufactured. The housing module thereby enables integration of the Cover Glass Assembly and Back Glass Assembly of mobile phones to complete the manufacturing process.***



***In the present case, the housing module exported by the Applicant has been specifically cut, designed and tailor made for the manufacture of mobile phones and therefore capable of use solely and principally with mobile phones. Hence it is submitted that the housing module fulfills the condition of sole and principal test as enunciated in Section Note 2 (b). Accordingly, the housing module is covered under Section Note 2 (b) and is to be classified under CTH 8517 along with mobile phone.***

***Further, presence of components such as buttons, haptics module, speaker, dock flex, pressure sensor, microphone, sim card module and upper antenna flex also suggests that the housing module is a tailor-made product for use with mobile phones. In view of the above discussion, as the housing module is a 'part' of mobile phone and is solely and principally used with a mobile phone, it is to be classified under CTH 8517, in terms of GIR 1 read with Section Note 2 (b) to Section Note XVI. The Housing Module exported by the Applicant merits classification under CTH 8517 79 90 of the First Schedule of the Customs Tariff.***

### **3.4 Other Judicial Precedents relevant in the present context**

3.4.1 In the case of ***M/s. Le Mei Plastic Manufacturing Private Limited (CAAR/Del/ Le Mei/44/2025)***, the Hon'ble Delhi CAAR, in the context of classification of heat dissipating films & conductive foams for manufacture of mobile phones, observed that they shall merit classification as parts of mobile phones under CTI 8517 7990. The relevant extract of the same is highlighted hereunder: -

*I observe that the expression "parts" has not been defined in the Tariff, but has been interpreted judicially in several rulings. In CCE v. Insulation Electrical (India) Pvt. Ltd. [(2008) 12 SCC 421], the Hon'ble Supreme Court held that a part is an element or component without which the main article is incomplete. In CTO v. Prasoon Enterprises [(2019) 3 SCC 700], it was reiterated that an item qualifies as a part if it is essential to the functioning or structure of the finished article. In the context of mobile phones, the Hon'ble CESTAT in Samsung India Electronics Pvt. Ltd. v. PCC, Air Cargo (2023), affirmed by the Hon'ble Supreme Court in 2024, held that back covers, middle plates, and front frames designed for mobile phones were correctly classifiable under 8517 79 90, even if such parts were not capable of independent function.*

*Further, in line with the principle laid down in Amazon Wholesale India Pvt. Ltd. v. CAAR, New Delhi [2023 SCC OnLine Del 4959], the Hon'ble Delhi High Court clarified that the classification of a part under a machine-specific heading depends not on its market description but on its suitability for sole or principal use with a machine covered by that heading, and that undue weightage should not be given to the fact that further processing or assembly may occur post-import.*

***Applying the above principles, I find that the subject goods, although in the form of plates, sheets, and films, are not generic materials imported for general industrial***



**use. Rather, these are designed, processed, and imported in a form that is specific to mobile phone manufacturing. It is a settled legal position that classification is to be determined not merely on the basis of the physical form of the goods at the time of importation but also on their intended use, functional integration, and essentiality to the end-product, as laid down in several judicial pronouncements.**

**Based on the detailed technical descriptions, manufacturing processes, functional integration, and exclusive end-use of the Subject Goods in the production of intermediate covers for smartphones, and considering the relevant provisions of the First Schedule to the Customs Tariff Act, 1975, along with the Interpretative Rules and judicial precedents, it is evident that the goods are classifiable under Tariff Item 8517 79 90, as "other parts" of telecommunication apparatus”.**

3.4.2 In the case of *M/s. Sanmina SCI India Private Limited (Ruling No. CAAR/Mum/ARC/103/Mumbai) dated July 24, 2024*, the Hon’ble CAAR Mumbai in relation to classification of bottom & top enclosures and back and middle enclosure made of die cast aluminium for wi-fi receivers and transmitters observed that they shall merit classification under CTI 8517 7990 as parts of telecommunication equipment. The relevant extract is enclosed hereunder: -

*“From the above features of the subject goods as explained by the auditee there is no iota of doubt left that the subject goods are more valuable than that of a piece of metal/aluminium. Many processes have been undertaken on the subject goods and they are designed and manufactured to fulfil the specific requirements for functionality and utility of the receivers and transmitters. Therefore, it can safely be concluded that the subject goods are integral part of the receivers and transmitters explained in the instant case.*

*The auditee is right in its contention that subject goods should be classifiable under heading 8517 7990 (under single dash entry "parts") as "Parts of 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, the ratio of case laws submitted and relied upon by the auditee is supportive to decide the case at hand and the department has also concurred with auditee's view regarding the classification of the subject goods.*

**On the basis of foregoing discussions and findings, I rule that the goods in question i.e. "the Bottom & Top Enclosures of C6x model of wi-fi receiver and Back & Middle Enclosures of A6 model of wi-fi transmitter" merit classification as "Parts of 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)" under Custom Tariff Heading 8517 specifically under 8517 79 90 of the First Schedule of the Customs Tariff Act, 1975.**



3.4.3 Reliance can also be placed on subsequent ruling in case of **M/s. Sanmina SCI India Private Limited (Ruling No. CAAR/Mum/ARC/56/2025-26)** dated July 25, 2025 the Hon'ble CAAR Mumbai in relation to classification of front and back enclosure made of die cast aluminium for wi-fi receivers and transmitters observed that they shall merit classification under CTI 8517 7990 as parts of telecommunication equipment.

Basis the above, the applicant believes that the enclosures merit classification under CTI 8517 7990.

3.4.4 The Supreme Court in the case of **Commissioner of Central Excise vs. Wockhardt Life Sciences (2012 (277) E.L.T. 299 (S.C.) [22-02-2012] 2012 (277) E.L.T. 299 (S.C.)** held that:

*“Classification of goods cannot be under residuary entry in presence of specific entry, even if it requires product to be understood in technical sense Residuary entry can be taken refuge of only in absence of specific entry”*

3.4.5 The Supreme Court in the case of **Western India Plywoods Ltd vs. Collector of Customs, Cochin (2005 (188) E.L.T. 365 (S.C.) [07-10-2005]; 2005 (188) E.L.T. 365 (S.C.)** held that: -

*“Classification of goods under residuary entry is to be made with extreme caution, being attracted only when no other provision expressly or by necessary implication applies to the goods in question”*

3.4.6 The Hon'ble Supreme Court in the case of **State of Karnataka v. Durga Projects Inc (2018) 4 SCC 633** held that: -

*“Only such goods as cannot be brought under various specific entries in the tariff could be attempted to be brought under the residual entry”*

Resort can be had to residuary heading only when the specific heading cannot cover the goods in question - **State of Maharashtra v. Bradma of India Ltd (2005) 2 SCC 669-AIR 2005 SC 956, Hindustan Poles Corporation v. CCE 2006 (196) ELT 400145 STC 625 (SC).**

Priority has to be given to the main entry and not residuary entry. Residuary item (entry) can be applied only when goods are shown not to be falling under any specific item (entry) - **CC v. Gujarat Perstorp Electronics Ltd. (2005) 7 SCC 118, 186 ELT 532**

Considering the above, the applicant believes that classification under residuary heading of base metal 7329/7616 is not appropriate. When the enclosures are more specifically classifiable under heading 8517 7990, question of invocation of classification under the residuary entry does not arise.

**Port of Export and reply from concerned jurisdictional Commissionerate**



4. The applicant in their CAAR-1 indicated that they intend to export the subject goods i.e. top enclosure at the jurisdiction of Office of the Commissioner of Customs, Chennai IV (Export Commissionerate) and Air Cargo Complex, Chennai-VII. The application was forwarded to the Commissioner of Customs, Chennai IV (Export Commissionerate) for their comments on 19.11.2025, 11.12.2025, 16.01.2026 & 02.02.2026 and to the Pr. Commissioner of Customs, Air Cargo Complex, Chennai-VII for their comments on 19.11.2025, 10.12.2025, 31.12.2025 & 19.01.2026 however no comments were received from the jurisdictional authorities.

#### **Details of Hearing**

5. A hearing was held on 22.01.2026 at 12.30 PM. Shri Devashish Nayak, Shri Aman Goyal, and Shri Ankur Chedda have appeared for the hearing and reiterated the contention submitted with the application. They submitted that the subject goods are "Top Enclosure for manufacturing of Cellular Mobile Phone". The said product covers the following main components:

- a) Cover Glass
- b) Die Cuts
- c) Chassis
- d) LIPO
- e) Weld Parts

The subject goods are customised with pre-specified demarcated protrusions, compartments, circumscribed & delimited projections, boundaried protuberances, exclusive pre-measured chambers with identified partitions, designated provisions and areas for mounting and installation of micro electronic components camera module, speaker, sensors, antennas etc. That the said product is integral part of cellular mobile and that there is no other separate and specified heading/entry is provided in the Customs Tariff Act, the same merits classification under CTI 85177990 as being part of mobile phones falling under CTI 85171300; that the said product has no other function other than that of being part of a mobile phone. They relied upon various case laws including:

i. ***M/s Samsung India Electronics Pvt. Ltd. vs. Principal Commissioner of Customs, Air cargo complex (Import) , New Delhi - 2023 (12) TMI 1155 - CESTAT NEW DELHI***

ii. ***M/s. Samkwang Electronics Private Limited (CAAR/Del/Samkwang/74/2025)***

iii. ***M/s. Vivo Mobile India Pvt Ltd v. Principal Commissioner of Customs, New Delhi (2024) 20 Centax 393 (Tri.-Del)***

They also requested to keep the ruling confidential due to the specific manufacturing process.

5.2 Nobody appeared on behalf of the Department for hearing.



## Discussion and findings

6. I have considered all the materials placed before me in respect of the subject goods. I have gone through the submissions made by the applicant during the personal hearing. I proceed to pronounce a ruling on the basis of information available on record as well as existing legal framework.

6.1 At the outset, I find that the issue raised in the question in the Form CAAR-1 is squarely covered under Section 28H(2) of the Customs Act, 1962, being a matter related to classification of goods under the provisions of this Act.

6.2 Before deciding the issue, let me deliberate on the legal framework prescribed in Customs Tariff Act, 1975, Chapter/ Section notes along with HSN explanatory notes. As per Rule 1 of GRI, the titles of Sections, Chapters and sub-Chapters are provided for ease of reference only; for legal purposes, classification shall be determined according to the terms of the headings and any relative Section or Chapter Notes.

6.3 Rule 1 of the General Rules for Interpretation provides that the classification of goods shall be determined according to the terms of the headings of the tariff and any relative Section notes or Chapter notes and thus, gives precedence to this while classifying a product. Rules 2 to 6 provide the general guidelines for classification of goods under the appropriate sub-heading. In the event the goods cannot be classified solely on the basis of Rule 1, and if the headings and section or chapter notes do not otherwise require, the remaining Rules 2 to 6 may then be applied in sequential order.

6.4 The top enclosure (also called the front enclosure) of a cellular mobile phone is a critical structural and functional component. It serves as the user interface's physical foundation and plays a key role in protecting delicate internal parts while ensuring device usability and durability. The front/top enclosure is a sophisticated assembly of specialized materials and precision manufacturing processes designed to protect sensitive internal components (especially the display). The front enclosure acts as the primary load-bearing structure for several key components, including the cover glass, touch screen, front-facing camera(s), ear speaker, proximity sensors, and various buttons. It provides structural integrity and support to the various parts inside the cellular mobile phone.

6.5 The components of the enclosures in this regard as highlighted in the exploded view are enumerated hereunder: -

### Front/ top enclosures

- **Cover Glass:** This is the outermost surface of the device that users see and interact with i.e., display. It is typically made of glass and includes the touch surface display window.
- **Die Cuts:** Specific cutouts or holes are made in the enclosure material for ports, buttons, cameras, or sensors. These are precision cut to fit various accessory components.



- **Chassis:** The internal structural frame provides mechanical support and rigidity to the device. It holds the internal components in place and maintains the overall shape of the front enclosure. The chassis structure is made of aluminium for specific functional attributes.
- **LIPO:** The front enclosure also incorporates the LIPO an adhesive/sealing layer, which serves as the water, moisture and dust proof sealing system. It provides a waterproof, dustproof, and moisture-resistant barrier, crucial for devices that achieve high IP (Ingress Protection). The LIPO seal also functions as a shock absorber, cushioning the internal components against mechanical vibrations and impacts.
- **Weld Parts:** These are small metallic or plastic components like hooks, fangs etc. that are welded to other parts for added reinforcement, grounding, or as mounting points for internal parts.

The top enclosures as mentioned above are customized with pre-specified demarcated protrusions, circumscribed & delimited projections, boundaried protuberances, exclusive pre-measured chambers with identified partitions, designated provisions and areas for mounting, bolting and installation of micro electronic components, camera modules, speakers, sensors, antennas etc. The intricately designed protrusions on the interior portion of the top enclosures, serve as pivotal anchorage points for the internal electronic components ensuring their positional stability and mechanical integrity upon affixation. These enclosures are engineered with precision to accommodate the dimensional specifications and structural requirements of the electronic components, thereby facilitating a secure and immobile interface between the electronic circuitry and the enclosure. The top enclosure embeds the display, which is the visual output component of the mobile phone where images, videos, text, and other visual information are rendered.

The outermost surface is the cover glass, also referred to as the front panel. The cover glass is composed of chemically strengthened glass, designed to resist scratches, impact, and wear from everyday use. The cover glass also bears specialized coatings that reduce reflections and repel fingerprints and oils, thus enhancing visibility and maintaining a clean visual surface. This glass acts as both a protective shield for the delicate internal components and as the tactile interface that the user physically interacts with during touch operations.

### **Touch Sensor layer**

Immediately beneath or laminated to the inside surface of this cover glass is the touch sensor layer or touchscreen digitizer. The capacitive touch sensor uses transparent conductive material, i.e., Indium Tin Oxide (ITO), deposited in a fine grid pattern. When the user's finger approaches or touches the screen, it disturbs the electrostatic field on this grid. The phone's control circuitry detects the change in capacitance at specific coordinates, allowing precise interpretation of finger position, multi-touch gestures, and swipes. This touch sensor layer is intricately and precisely bonded to the cover glass to maintain a slim profile and maximize optical clarity without parallax or visible separation.

### **Display Panel**



Beneath the touch sensor is the core display panel. The display panel consists of very thin layers of special organic materials (carbon, semiconductor layers) placed between two electrodes (anode and cathode). When electricity flows through these materials, they produce light. Each pixel has three tiny parts that light up red, green, and blue to create all the colors on the screen. By controlling how much electricity goes to each part, the screen can show millions of different colors. The applicant wishes to highlight that the display panel is not manufactured by the company and the same is imported as it is from overseas manufacturers for the purpose of integration into the top enclosure.

The display panel is controlled by a dedicated integrated circuit known as the display driver IC. This chip manages the flow of electrical signals that determine which pixels are activated and at what intensity. It refreshes the screen many times per second to produce smooth motion and high-fidelity images. This driver is mounted on a flexible printed circuit which connects the display module to the phone's mainboard.

### **Chip on Glass Technology**

The display panel uses COG technology (Chip on Glass). COG is a method of attaching the tiny electronic chip that controls the phone's display directly onto the glass screen itself (towards the edge). In this process, the driver integrated circuit (IC) chip is directly mounted onto the glass substrate of the display panel. Instead of connecting the driver chip through flexible circuits or separate bonding mechanisms, the chip is bonded right onto the glass screen using materials like anisotropic conductive film (ACF) to establish electrical connections. Since the chip is so close to the screen's electronics, the electricity doesn't have to travel far. This helps the display react faster, showing images smoothly and reducing delays. Mounting the driver IC directly on the glass reduces the overall footprint and thickness of the display assembly, which is crucial for achieving the slim and compact designs that smartphones demand. Additionally, this close proximity of the chip to the display improves electrical performance by shortening the connection paths, which enhances signal integrity, reduces parasitic effects, and can lead to better display responsiveness and lower power consumption.

### **Light emission**

When the user interacts with the touchscreen layer of the mobile phone, the changes in capacitance (when a finger touches the screen, it distorts the local electrical field, changing the capacitance values at those grid points) are processed by the phone's controller to identify precise touch locations. Simultaneously, the display driver activates the display pixels to render the corresponding user interface elements. By energizing organic emitters on the display panel, light is emitted or controlled on a subpixel level to construct the overall images perceived by the human eye through the cover glass.

### **The chassis**

The chassis in the front enclosure refers to the rigid structural frame that supports the cover glass and provides mechanical integrity and strength. The chassis is made of stainless steel. This frame acts as the backbone of the front enclosure, ensuring that all parts remain securely aligned during use and reducing flexing under stress. It absorbs mechanical stresses



from shocks or drops, minimizing damage to electronic components. The chassis acts as the backbone to which various components are mounted. It ensures the front panel stays securely attached, maintains the phone's rigidity, and absorbs mechanical stresses. It incorporates mounting points for chips, sensors, or antenna elements.

The front enclosure also incorporates the Low Injection pressure moulding (LIPO) an adhesive/sealing layer, which serves as the water, moisture and dust proof sealing system. It provides a waterproof, dustproof, and moisture-resistant barrier, crucial for mobile phones that need to achieve high IP (Ingress Protection). The LIPO seal also functions as a shock absorber, cushioning the internal components against mechanical vibrations and impacts. It is affixed in all around the corners of the cellular mobile phone along with chassis.

The weld parts such as hooks, fangs etc. refer to metallic or conductive components to be welded, securing the assembly parts together permanently. The weld parts are permanently affixed with chassis via ultrasonic or laser welding, to increase assembly robustness. The front enclosure also contains shims, which are thin precision components used as spacers. They aid in accurate component alignment and maintaining tolerances between parts to prevent mechanical stress or dislocations. The front enclosure's design influences the phone's feel, grip, thickness, weight, and overall look, directly impacting user experience.

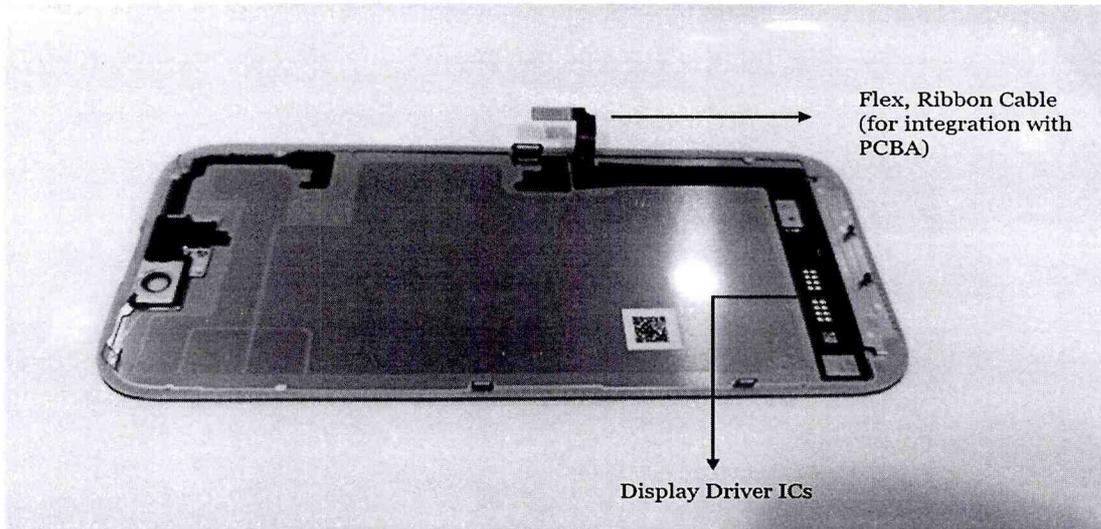
The silver-colored finish on the backside of the front panel serves as a reflective and protective. The metallic coating, made from thin films of aluminium or silver, acts as a reflector that enhances the efficiency of the emitted light by directing stray photons forward toward the viewer, improving brightness and color uniformity. Additionally, this metallic layer provides essential electromagnetic interference (EMI) shielding, protecting the delicate organic layers and driving electronics from external electromagnetic noise that could degrade image quality or cause interference. Beyond optical and electrical functions, the silver finish also helps with thermal management by evenly dissipating heat generated during operation.

### **Integration of top enclosure (including display panel) with PCBA**

The display panel of the mobile phone is electrically connected to the PCBA (Printed Circuit Board Assembly), which houses the phone's main processor and other essential control electronics, through a flexible printed circuit cable, commonly known as a flex cable or ribbon cable. This cable is a thin, flexible strip made of polyimide or similar materials, which contains multiple tiny copper traces acting as electrical pathways to transmit data, power, and control signals between the display and the PCBA.

At the display end, the flex cable is attached to the display module's driver circuitry, which includes components like the display driver IC (Integrated Circuit) chips. As highlighted above, these ICs are responsible for translating the digital commands from the PCBA into the appropriate signals to control the individual pixels on the screen. The driver ICs are connected to the display panel using technologies COG (Chip on Glass) technology, where the chip controlling the panel is integrated directly onto the glass or flex circuit, allowing compact and reliable connections.





On the PCBA side, the flex cable connects to a designated connector socket—on the board. This secure electrical connection allows easy assembly and serviceability while ensuring reliable signal transmission. The PCBA sends image data, timing signals, power, and control instructions through this cable, synchronizing the operation of the display with other components of the phone.

Electrically, when the phone’s processor sends a signal, this data arrives at the display driver IC via the flex cable. The driver IC then interprets the signal, activating specific pixels on the display panel by controlling voltages applied to tiny sub-pixels (usually red, green, and blue) arranged in a matrix.

Therefore, the top enclosure is a highly engineered, multifunctional assembly that integrates the cover glass, (touch sensor, display panel are part of the cover glass), chassis, sealing systems, and welded structural parts into a single functional unit essential for the operation of the cellular mobile phone. It enables visual output, user input through touch, structural rigidity, environmental sealing, shock absorption, and electromagnetic protection, thereby performing several critical electrical, electronic, and mechanical roles simultaneously within the device. The use of advanced technologies such as COG-based display integration, precision die cuts, LIPO sealing, and welded mounting elements further demonstrates that the front enclosure is specifically designed and engineered for seamless integration with the PCBA and other internal components of the phone.

#### 6.5 **FUNCTIONAL UTILITY OF “TOP ENCLOSURES”**

The “top enclosure” acts as integral part of mobile phones and contributes to the functional utility of the cellular mobile phones in the following ways: -

##### **Structural integrity, stability & stress distribution,**

The enclosure acts as a rigid frame that holds and supports all components such as the cover glass, camera modules, speakers and other microelectronic components. By securely housing these parts, the enclosure keeps them fixed in place, preventing movement that could

cause malfunctions or damage. When external forces such as impacts, drops, or pressure are applied, the enclosure distributes these forces evenly across its surface and internal supports. This mitigates stress concentration points that could otherwise cause cracks or breakage in the delicate internal electronics.

### **Thermal Conductivity and Heat Dissipation**

The top enclosures are engineered with intricately designed external projections, meticulously crafted to function as an advanced thermal management system. These projections are strategically integrated to facilitate the absorption and dissipation of heat generated by the micro-electronic components housed within. By effectively aiding in channelling heat away from the cover glass and internal components to the middle and back enclosures and further to the external environment, the chassis of the top enclosures play a crucial role in maintaining the thermal equilibrium of the mobile phones. Had the chassis portion of the top enclosures not been made of aluminium, they would have lacked the adequate heat dissipation capabilities. The usage of mobile phones could lead to excessive thermal accumulation on the sensitive internal components within. This thermal buildup poses a significant risk of thermal overstress to critical internal components, on the PCBA such as the processors, sensors and power management circuits, potentially leading to malfunction or failure of the mobile phone. From a material science perspective, aluminium is distinguished by its exceptional thermal and electrical conductivity properties. Aluminium enhances convective heat transfer rates, thereby facilitating the rapid dissipation of heat to the surrounding environment.

### **Environmental protection**

The enclosures are designed to absorb and distribute mechanical shocks from drops or bumps, protecting fragile internal parts like the display, battery, and circuit boards. The enclosures incorporate rubber gaskets, O-rings, or sealants at joints, buttons, and ports to prevent ingress of dust, dirt, moisture and water. The enclosures incorporate design features or internal cushioning to absorb vibrations, protecting solder joints and sensitive internal components from damage. The enclosures integrate advanced vibration and shock resistance features, safeguarding the internal cover glass and the printed circuit board assemblies (PCBAs) from mechanical stresses that could induce misalignment or damage, thereby preserving electronic signal fidelity and device longevity.

In terms of ingress protection, the enclosures are designed to offer high-level defense against solid particulate intrusion, effectively preventing the ingress of windblown dirt, water seepage, and other airborne solids. Such materials, particularly those that are electrically conductive, pose a risk of short-circuiting the internal electronics on the populated PCBA, potentially leading to device failure.

The enclosures ensure that the device remains functional, durable, and reliable by providing a robust barrier against mechanical damage, particulate matter, moisture, temperature extremes, and other environmental factors. These protective roles are essential to maintaining

the longevity, safety, and performance of mobile phones in everyday use and challenging conditions.

6.6 The items proposed to be exported by the applicant are specially customized parts and can only be used for manufacturing of cellular mobile phones of specific size and dimension. It is not a part of general use. It is observed that the cellular mobile phones cannot work independently without affixing the front and back enclosures, given the integral role played by the enclosures in the functionality of the equipment. The subject goods do not qualify as “parts of general use” as defined in Note 2 to Section XV and referred to in Note 1(g) to Section XVI. Therefore, the subject goods cannot be classified as parts of general use under any of the “Articles of heading 7307, 7312, 7315, 7317 or 7318 and similar articles of other base metal” or “other articles of aluminium”.

6.7 Since, the top enclosure is used in mobile phones, the applicant submit that upon application of GRI Rule 1, the most specific entry at the four digit level under which the subject goods may be classified is CTH 8517 which 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 than transmission or reception apparatus of heading 8443, 8525, 8527 or 8528*”. Therefore, it is pertinent to analyze classification of Top Enclosure under the said entry. The same can also be noted from the fact that CTH 8517 provides items only for three single dash (-) items:

(i) first one i.e., “*Telephone sets, including telephones for cellular networks or for other wireless networks*”;

(ii) second one i.e., “*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)*”, which are other than transmission or reception apparatus of heading 8443, 8525, 8527 or 8528; and

(iii) the third one i.e., “parts” of the above both categories of goods.

**8517 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 THAN TRANSMISSION OR RECEPTION APPARATUS OF HEADING 8443, 8525, 8527 OR 8528**

Subheading/ Tariff Item	Dash	Description
	-	Telephone sets, including smartphones and other telephones for cellular networks or for other wireless networks:



8517 11	--	Line telephone sets with cordless handsets:
8517 11 10	---	Push button type
8517 11 90	---	Other
8517 13 00	--	Smartphones
8517 14 00	--	Other telephones for cellular networks or for other wireless networks
8517 18	--	Other
8517 18 10	---	Push button type
8517 18 90	---	Other
	-	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):
8517 61 00	--	Base stations
8517 62	--	Machines for the reception, conversion and transmission on regeneration of voice, images or other data, including switching and routing apparatus
8517 6210	---	PLCC equipment
8517 6220	---	Voice frequency telegraphy
8517 6230	---	Modems (modulators-demodulators) for xDSL based Wireline Telephony
8517 6250	---	Digital loop carrier system (DLC)
8517 6260	---	Synchronous digital hierarchy system (SDH)
8517 6270	---	Multiplexes, statistical multiplexers for PDH based
8517 6290	---	Other
8517 69	--	Other:
8517 69 10	---	ISDN System
8517 69 20	---	ISDN terminal adaptor
8517 69 40	---	X 25 Pads
8517 69 60	---	Set top boxes for gaining access to internet for Wireline Telephony
8517 69 70	---	Attachments for telephones
8517 69 90	---	Other
	-	Parts:
8517 71 00	--	Aerials and aerial reflectors of all kinds; parts suitable for use therewith
8517 79	--	Other
8517 79 10	---	Populated, loaded or stuffed printed circuit boards
8517 79 90	---	Other

The final finished products for which the "top enclosure" are manufactured are cellular mobile phones classifiable under heading 8517. Cellular mobile phones constitute an apparatus for transmission or reception of data in a wireless network. It is a communication apparatus that support the reception, conversion and transmission of signals and allow for the connection



to a wired or wireless communication network. Therefore, finished goods for which the enclosures are manufactured (i.e., cellular mobile phones) are a second category item (falling under single dash entry *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)* as indicated above). Having highlighted the above, it is worthwhile to analyze the third category (i.e., Parts) for the present items in this application.

6.8 Before directly going into the classification of present item as 'parts', it is necessary to analyze whether the products proposed to be exported by the applicant would qualify as "parts". The term "**parts**" has not been defined in the HSN Explanatory Notes or the Customs Tariff. Hence, reliance must be made to the Hon'ble Supreme Court's judgement in the case of **CCE, Delhi Vs. Insulation Electrical (P) Ltd., [2008 (224) E.L.T. 512 (S.C.)]**. In this case, the Apex Court while relying on various other earlier judgments has defined the term "**parts**" as "*an essential component of the whole without which the whole cannot function*".

A similar judgment has been made in the case of **Electrosteel Castings Vs. CCE, [1989 (43) E.L.T. 305 (Tribunal)]** which has been maintained by the Hon'ble Supreme Court in **[1996 (83) ELT A48 (SC)]**.

From the above definitions and judicial precedents, it is apparent concluded that any item which is an integral and essential component of a larger system or apparatus may be considered a "part" thereof.

Reliance can also be placed on the decision of the Hon'ble Supreme Court in the case of **Commissioner v. Insulation Electrical Private Limited [2008 (224) E.L.T. 512 (S.C.)]** wherein it was held that a 'part' is an essential component of the whole without which the whole cannot function. This position has been consistently followed and reiterated in a catena of decisions including the decision of the Hon'ble Supreme Court in the case of **CTO, Anti Evasion, Circle III, Jaipur v. Prasoon Enterprises [2019 (23) G.S.T.L. 441 (S.C.)]** wherein it was held that the test for a product to be a part of the other is to see if the other is incomplete without the product or if the other cannot function without it. The complexity or lack of complexity will not be a detriment to the question of identifiable nature of the part.

In the instant case, the top enclosures provide strength, protection, structural stability, thermal conductivity function for dissipating the heat generated on the PCBAs to the external environment, electromagnetic/radio-frequency interference shielding to the PCBAs and sensitive electronic components inside the cellular mobile phone, reception processing and protection from vagaries of the environment. Without the top enclosures, heat would accumulate, potentially exceeding the safe operating temperatures of electronic components. This can result in reduced lifespan, performance throttling, and in severe cases, thermal-induced shutdowns or damage. In the absence of the aluminium enclosures, the PCBAs inside the cellular mobile phones would be unable to process signals due to radio-frequency and electromagnetic interference with other devices (in densely populated urban environments wherein multiple devices operate in close proximity with each other), the heat generated on the PCBAs during the course of reception processing would lead to malfunctioning of the



device and exposure to environmental factors such as radiation from sunlight, moisture, air-borne conductive dust particles etc. would lead to failure of the cellular mobile phone. Further, in the instant case, the product “*top enclosures*” have no individual utility of their own for any other purpose as they have been specifically customized and designed for use for cellular mobile phones. The enclosures are not capable of any operation independent of the finished product i.e., cellular mobile phones without completion of manufacturing by mounting and installation with other components. In the case of *M/s. Vodafone Idea Limited vs. Principal Commissioner of Customs (Import) [CUSTOMS APPEAL NO. 52287 OF 2019]*, wherein the Hon’ble Delhi Tribunal laid down a test for classification of parts:

*The true test for determining whether an item is classifiable as parts/components is as follows:*

- (i) *Whether the item has a separate identifiable/individual function of its own, when compared to the main machine; and*
- (ii) *Whether the item is capable of operating independently of the main machine on its own.*

In view of the above conditions, unless an article does not satisfy both the conditions of the twin test, it cannot be classified under a separate heading falling under its own appropriate heading and the same shall merit classification as parts of the main machine.

Since the top enclosure is tailor made, specifically customized and designed for use for cellular mobile phones and the cellular mobile cannot function without the enclosures and top enclosure have no individual utility as it does not have a clearly defined function or principal function of its own and not capable of any operation independent of the finished product, therefore, the enclosures does not qualify the conditions of the twin test hence, merits classification only as “parts.”

#### 6.9 **Section and Chapter Notes of Chapter 85**

In this regard reference is made to Section Note 2 of section XVI provide for classification of **‘parts’ of machines or articles falling under these Chapters 84 & 85**. Note 2 to Section XVI is reproduced hereunder for ease of reference: -

*“2. Subject to Note 1 to this Section, Note 1 to Chapter 84 and Note 1 to Chapter 85, **parts of machines** (not being parts of the articles of heading 8484, 8544, 8545, 8546 or 8547) **are to be classified according to the following rules:***

*(a) parts which are goods included in any of the headings of Chapter 84 or 85 (other than headings 8409, 8431, 8448, 8466, 8473, 8485, 8503, 8522, 8529, 8538 and 8548) are in all cases to be classified in their respective headings;*



*(b) other parts, if suitable for use solely or principally with a particular kind of machine, or with a number of machines of the same heading (including a machine of heading 8479 or 8543) are to be classified with the machines of that kind or in heading 8409, 8431, 8448, 8466, 8473, 8503, 8522, 8529 or 8538 as appropriate. However, parts which are equally suitable for use principally with the goods of headings 8517 and 8525 to 8528 are to be classified in heading 8517, and parts which are suitable for use solely or principally with the goods of heading 8524 are to be classified in heading 8529;*

*(c) all other parts are to be classified in heading 8409, 8431, 8448, 8466, 8473, 8503, 8522, 8529 or 8538 as appropriate or, failing that, in heading 8485 or 8548."*

In terms of Section note 2(a), it is clearly brought out that 'parts' included in any of the headings of Chapter 84 & 85 are in all cases to be classified under the same heading. In the instant case, "top enclosure", are not covered by any specific heading of Chapter 84 & 85 to warrant a straight-forward classification under Note 2(a). Hence note 2(a) is not relevant.

As per Section note 2(b), 'other parts', which are used solely or principally with a particular machine are to be classified with the machines of that kind. The WCO HSN Explanatory Notes in relation to Note 2(a) to Section XVI provides as under: -

*In general, parts which are suitable for use solely or principally with particular machines are classified in the same heading as those machines.*

Therefore, 'parts' of a machine which are used solely or principally with that machine can only be classified as 'parts' of that machine. In the instant case, "top enclosures" are parts which are solely or principally used with cellular mobile phones. They do not have any other independent use *per se*.

I find that the top enclosures are customized with pre-specified demarcated protrusions, compartments, circumscribed & delimited projections, boundaried protuberances, exclusive pre-measured chambers with identified partitions, designated provisions and areas for mounting and installation of various sensitive components of cellular mobile phone. The pre-customized tailor-made top enclosures for the manufacture of cellular mobile phones can be used only for the customer who has ordered the custom-made enclosures. The applicant manufactures this for the specific model of the cellular mobile. The products are so intricately designed such that they cannot be used for any other purpose whatsoever. In fact, the enclosures are so intrinsically designed and manufactured to use only with particular model and if not used, it has to be considered as scrap. They do not have any alternative use apart from the manufacturing of cellular mobile phones.

The applicant asserts that these items are not interchangeable and cannot be repurposed for other models. The manufacturing process of the product requires customization for each model. Therefore, the top enclosures can only be used for the particular model of the cellular mobile phone. Therefore, the enclosures qualify the test of sole and principal use.



I find that top enclosures are specifically customized and designed parts that are key integral components in the manufacture of the cellular mobile phones classifiable under heading 8517. In the absence of the enclosures, the cellular mobile phones cannot be manufactured and thus top enclosures would constitute as 'parts' suitable for use solely or principally with cellular mobile phones in terms of note 2(b) to section XVI read with GIR Rule 1. Therefore, it merits classification as 'parts' under heading 8517, more specifically, under 8517 7990 as "Parts - Others".

The single dash (-) entry for "Parts" under heading 8517 is divided into the following entries at the eight-digit level.

8517 71 00	--	Aerials and aerial reflectors of all kinds; parts suitable for use therewith
8517 79	--	Other
8517 79 10	---	Populated, loaded or stuffed printed circuit boards
<b>8517 79 90</b>	---	<b>Other</b>

From the above, it is evident that the subject goods are not covered under any of the specific sub-heading at the eight-digit level under heading 8517. Consequently, they fall under the residuary entry **8517 79 90**, which reads as "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 than transmission or reception apparatus of heading 8443, 8525, 8527 or 8528- Parts-Other---Other".

7. In view of the above facts and circumstances of the case, I reach to conclusion that:

*The products in question i.e. top enclosures proposed to be exported by the applicant is classifiable under the tariff item 8517 7990 of the Customs Tariff of India as "Parts of 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) of the First Schedule of the Customs Tariff Act, 1975.*

8. The applicant has requested the Authority to keep order/ruling in case of their applications confidential. Regulation 27 of the Customs Authority for Advance Rulings Regulations, 2021 as amended vide Notification No. 63/2022-Customs (N. T.) dated 20.07.2022 reads as:

*27. Publication of orders or advance rulings - Such of- the orders or advance rulings of the Authority, as the Authority deems fit for publication in any authoritative report or the press, may be released for such publication on such terms and conditions as the Authority may specify.*

*Provided that at the request of the applicant, the Authority may take necessary steps in order to protect commercially confidential information.*



Accordingly, the request of the applicant to protect commercially confidential information is approved by keeping the ruling **confidential**.

9. I rule accordingly.



*Prabhat K. Rameshwaram*  
10/12/26

**(Prabhat K. Rameshwaram)**  
Customs Authority for Advance Rulings,  
Mumbai.

This copy is certified to be a true copy of the ruling and is sent to:

1. Yuzhan Technology India Private Limited,  
No.B-04, ESR Oil Park, Oragadam Walajabad Road,  
Varanavasi, Kanchipuram, Tamil Nadu, India - 631604.  
{Email: [dinakarmalladi@fii-foxconn.com](mailto:dinakarmalladi@fii-foxconn.com)}
2. The Commissioner of Customs,  
Chennai IV (Export Commissionerate),  
Customs House, No. 60, Rajaji Salai Chennai – 600001
3. The Principal Commissioner of Customs,  
Customs Commissionerate – VII (Air Cargo),  
New Customs House, GST Road,  
Meenambakkam, Chennai- 600016  
{Email: [pcommr7acc-cuschn@gov.in](mailto:pcommr7acc-cuschn@gov.in)}
4. The Customs Authority for Advance Rulings,  
First Floor, Wing No. 6, West Block-8,  
R.K. Puram, New Delhi-110066.  
Email: [cus-advrulings.del@gov.in](mailto:cus-advrulings.del@gov.in)
5. The Principal Chief Commissioner of Customs, Mumbai Customs Zone-I, Ballard Estate,  
Mumbai -400001. Email: [ccu-cusmum1@nic.in](mailto:ccu-cusmum1@nic.in)
6. The Commissioner (Legal), CBIC Offices,  
Legal/CX.8A, Cell, 5<sup>th</sup> floor, Hudco Vishala Building,  
C-Wing, Bhikaji Cama Place, R. K. Puram, New Delhi – 110066.  
Email: [commr.legal-cbec@nic.in](mailto:commr.legal-cbec@nic.in)
7. The Member (Customs), Central Boards of Indirect Taxes & Customs, North Block, New  
Delhi-110001.Email: [mem.cus-cbec@nic.in](mailto:mem.cus-cbec@nic.in)
8. The Webmaster, Central Boards of Indirect Taxes & Customs.  
Email: [webmaster.cbec@icegate.gov.in](mailto:webmaster.cbec@icegate.gov.in)
9. Guard file.



(Vivek Dwivedi)

Dy. Commissioner & Secretary  
Customs Authority for Advance Rulings, Mumbai