



सीमाशुल्क अग्रिम विनिर्णय प्राधिकरण

CUSTOMS AUTHORITY FOR ADVANCE RULINGS

नवीन सीमाशुल्क भवन, बेलार्ड इस्टेट, मुंबई - ४०० ००१

NEW CUSTOM HOUSE, BALLARD ESTATE, MUMBAI - 400 001

E-MAIL: cus-advrulings.mum@gov.in

F. No. CAAR/CUS/APPL/189/2025-O/o Commr-CAAR-Mumbai दिनांक/Date:06.02.2026

Ruling No. & date	CAAR/Mum/ARC/146/2025-26 dated 06.02.2026
Issued by	Prabhat K. Rameshwaram, Customs Authority for Advance Rulings, Mumbai
Name and address of the applicant	M/s Modine Thermal Systems Private Limited, K7, SIPCOT Industrial Park, Mambakkam Village, Sunguvarchatiram, Kancheepuram, Tamil Nadu-602106
Concerned Commissionerate	Commissioner of Customs (Import-1), New Custom House, Shoorji Vallabhdas Road, Ballard Estate, Mumbai - 400001

ध्यान दीजिए/ N.B.:

- सीमा शुल्क 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

M/s. Modine Thermal Systems Private Limited (IEC No. 0407010254) (hereinafter referred to as 'the applicant') filed an 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 17.10.2025 along with its 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 question of appropriate classification of the Aluminium Layered Oil Coolers (hereinafter referred to as the "product" or "product under consideration"), a question that is covered under section 28H(2)(a).

2. Submission by Applicant:- The applicant has informed that M/s. Modine Thermal Systems Private Limited (hereinafter referred to as “*the Applicant*”, “*the Company*”, “*Modine*”, “*we*”, “*our*”, or “*us*”), having their office at K7, SIPCOT Industrial Park, Mambakkam Village, Sunguvarchatiram, Kancheepuram, Tamil Nadu-602106, holding IEC number 0407010254, are engaged in the development, manufacture, marketing and sale of thermal management products, components, and systems for use in various original equipment manufacturer appliances.

2.1 As part of its operations in India, the applicant imports Aluminium Layered Oil Coolers/ Plate type heat exchanger unit (*hereinafter referred to as “the product”, “the product under consideration”, or “the product in question”*) which is a plate-type heat exchanger designed to cool engine oil by transferring thermal energy to a coolant circulating through parallel chambers. Constructed from lightweight aluminum plates, it provides efficient heat transfer while ensuring a compact design. This device maintains engine oil within optimal temperature ranges to prevent thermal degradation, ensure effective lubrication, and safeguard overall engine performance.

2.2 The Applicant further submitted this application is submitted before the Customs Authority for Advance Rulings, Mumbai, seeking a determination on the appropriate classification of the product imported by the company under HSN Code 8419.50.92 of the First Schedule to the Customs Tariff Act, 1975, which covers “*Machinery, plant or laboratory equipment, whether or not electrically heated, for the treatment of materials by processes involving a change of temperature such as heating, cooking, roasting, distilling, rectifying, sterilising, pasteurising, steaming, drying, evaporating, vaporising, condensing or cooling; Heat Exchange Units; Plate Type.*”

3. Technical Description and Functional Characteristics of the Aluminium Layered Oil Cooler

3.1 Product Description

As stated above, the Aluminium Layered Oil Coolers operates on the principle of indirect heat transfer between two fluids of differing temperatures, without allowing them to mix. The device consists of multiple thin, corrugated metal plates—typically made of aluminum or stainless steel—stacked together to form a series of alternating flow channels.



One fluid (e.g., engine oil) flows through every other channel, while the other fluid (e.g., coolant) flows in the opposite direction through adjacent channels, in either a counter-flow or parallel-flow configuration.

Heat is transferred across the surface of the plates from the hotter fluid to the cooler fluid due to the temperature gradient, allowing efficient thermal exchange. The large surface area provided by the plates enhances heat transfer while maintaining a compact overall design. The leakage within the heat exchanger is prevented by brazing alternate layers together, ensuring internal sealing. During engine assembly, a seal or gasket will be applied between the oil cooler and adjacent engine components to prevent external leakage and ensure proper integration.

3.2 Function of product- The Aluminium Layered Oil Coolers serves the following necessary functions:

3.2.1 Temperature Regulation: Facilitate the transfer of heat from the engine oil to the coolant, thereby maintaining the oil within its optimal operating temperature range.

3.2.2 Preservation of Oil Properties: Prevent overheating of the engine oil, thereby preserving its viscosity and lubricating characteristics, which are critical for ensuring adequate protection of engine components.

3.2.3 Prevention of Thermal Degradation: Mitigate the risk of oil decomposition and chemical breakdown resulting from prolonged exposure to elevated temperatures.

3.2.4 Enhancement of Engine Efficiency: Support efficient engine performance by maintaining appropriate oil temperatures, thereby reducing mechanical wear and extending the service life of critical engine parts.

3.2.5 Structural Durability: The brazed aluminium construction provides high structural integrity, ensuring reliable operation under elevated thermal and mechanical stresses commonly encountered in engine environments.

3.3 Material Composition: -The Aluminium Layered Oil Coolers are manufactured using high-grade aluminium alloys carefully selected to ensure excellent thermal conductivity, mechanical strength, and corrosion resistance. The construction materials are optimized to provide durability under high temperature and pressure conditions while maintaining lightweight design. The key components of these coolers typically include:

- Precision-formed aluminium plates with brazed joints for structural integrity
- Corrosion-resistant coatings or surface treatments to enhance longevity
- Sealing materials compatible with engine oil and coolant fluids to prevent leakage

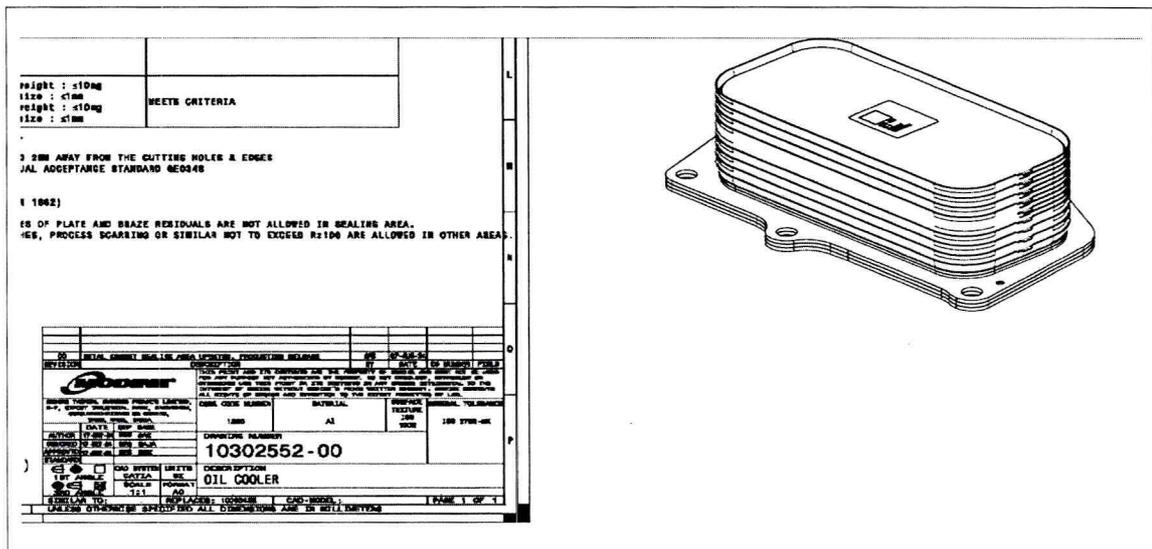
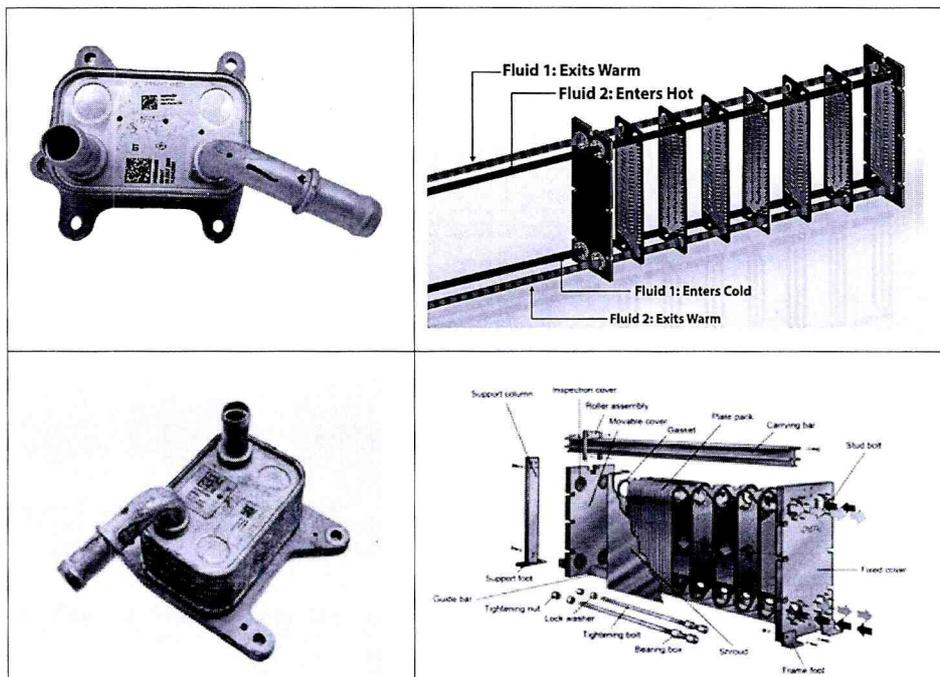
3.4 Applications and Locations of Use

The Aluminium Layered Oil Coolers are utilized in internal combustion engines of vehicles and machinery, where it functions as an auxiliary cooling system. It is integrated into the lubrication circuit, typically positioned between the oil pump and the engine components



requiring temperature-controlled lubrication. The product is suitable for application across a wide range of vehicles, including passenger automobiles, commercial trucks, as well as heavy-duty construction and agricultural machinery.

4. Product Images:



5. Chain of events leading to the present Application:

5.1 The Applicant is proposing to import the heat exchanger unit, namely “Aluminium Layered Oil Coolers”, into India, classifying the same under HSN Code 8419.50.92 of the First Schedule to the Customs Tariff Act, 1975. This heading covers machinery and equipment



designed for the treatment of materials by processes involving a change of temperature, including heating and cooling. The Aluminium Layered Oil Cooler is specifically engineered to facilitate the cooling of engine oil by transferring thermal energy from the oil to a coolant medium, thereby regulating the oil temperature during engine operation. The product qualifies as a Heat Exchange Unit – Plate Type within the meaning of the said tariff entry.

5.2 The product functions as a specialized heat exchanger, playing a vital role in automotive thermal management systems by maintaining the engine oil at its optimal operating temperature. Given its application within automotive vehicles, a degree of ambiguity may arise regarding the appropriate classification of the product—specifically, whether the heat exchanger, being an integral component of motor vehicles, ought to be classified under Heading 8708, which covers “Parts and accessories of the motor vehicles of Headings 87.01 to 87.05.”

5.3 In view of the foregoing analysis, an issue for determination arises as to the appropriate classification of the subject product, given its application and location of use within automotive vehicles. Specifically, the contention is whether the product merits classification under HS code 8419.50.92, which explicitly covers “Heat Exchange Units – Plate Type”, or under Heading 8708, which pertains to “Parts and accessories of the motor vehicles of Headings 87.01 to 87.05.”

6. It is pertinent to note that the applicable rates of customs duty for the aforementioned competing tariff entries differ substantially, as detailed in the table below:

Tariff entry	8419 50 92	8708
Heading Description	Heat Exchange Unit; Plate Type	Parts and accessories of the motor vehicles of headings 87.01 to 87.05
BCD	7.5%	15%

7. In light of the above, the Applicant seeks to obtain ruling with regard to the following question of law/facts and accordingly submits this application before the Hon’ble Authority for Advance ruling:

“Whether the Aluminium Layered Oil Coolers imported by the Applicant, for use in automotive vehicles for cooling of engine oil, is appropriately classifiable under HS code 8419.50.92 as “Heat Exchange Units – Plate Type?”.

8. The Applicant’s detailed submissions and prayer in relation to the classification question are set out in the following paragraphs for the Authority’s consideration. The Company reserves its right to add / modify / retract submissions as may be needed.

9. Applicant’s interpretation of law and facts in respect of the aforesaid question(s)

(A) General Rules of Interpretation-The classification of goods under the Indian Customs Tariff is governed by the General Rules of Interpretation (GRI).



Rule 1 of the World Customs Organization (WCO's) General Rules of Interpretation states that customs classification is based on the terms of headings and relevant Section or Chapter Notes, not on titles, which serve only as reference and have no legal standing.

Rule 1: "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 and, provided such headings or Notes do not otherwise require, according to the following provisions."

Further, GRI 3(a) of the Harmonized System provides that when goods are, *prima facie*, classifiable under two or more headings, classification shall be determined by the heading that offers the most specific description.

Rule 3: When by application of rule 2(b) or for any other reason, goods are, prima facie, classifiable under two or more headings, classification shall be affected as follows:

The heading which provides the most specific description shall be preferred to headings providing a more general description. However, when two or more headings each refer to part only of the materials or substances contained in mixed or composite goods or to part only of the items in a set put up for retail sale, those headings are to be regarded as equally specific in relation to those goods, even if one of them gives a more complete or precise description of the goods.

(B) The product is classifiable under CTH 8419.- Chapter 84 of the Indian Customs Tariff Act 1975, encompasses a broad spectrum of Machinery, mechanical appliances, and parts thereof, covering a wide range of industrial, agricultural, construction, and domestic machines. Relevant extract of chapter 84 description is reproduced below for reference:

Chapter 84-Nuclear reactors, boilers, machinery and mechanical appliances; parts of it

The relevant heading under consideration, HS 8419, specifically covers machinery, plant or laboratory equipment, whether or not electrically heated (excluding furnaces, ovens and other equipment of heading 85.14), for the treatment of materials by a process involving a change of temperature such as heating, cooking, roasting, distilling, rectifying, sterilizing, pasteurising, steaming, drying, evaporating, vaporising, condensing or cooling, other than machinery or plant of a kind used for domestic purposes; instantaneous or storage water heaters, non-electric.

As per the Explanatory Notes to 8419 issued by the World Customs Organization (WCO), this heading covers machinery and plant designed to submit materials (solid, liquid or gaseous) to a heating or cooling process in order to cause a simple change of temperature, or to cause a transformation of the materials resulting principally from the temperature change (eg, heating, cooking, roasting, distilling, rectifying, sterilizing, pasteurising, steaming, drying, evaporating, vaporising, condensing or cooling processes).

10. For ease of reference, the relevant extract of heading 8419 of the Schedule 1 to the Customs Tariff Act, 1975 has been provided below:



Tariff code	Description of Goods
Chapter 84	Nuclear reactors, boilers, machinery and mechanical appliances; parts of it
8419	Machinery, plant or laboratory equipment, whether or not electrically heated (excluding furnaces, ovens and other equipment of heading 85.14), for the treatment of materials by a process involving a change of temperature such as heating, cooking, roasting, distilling, rectifying, sterilizing, pasteurising, steaming, drying, evaporating, vaporising, condensing or cooling, other than machinery or plant of a kind used for domestic purposes; instantaneous or storage water heaters, non-electric
8419 50	- Heat exchange units
	- -with a heat transfer surface area of greater than 0.15 m ² , and less than 20m ² :
8419 50 91	- - - Shell and tube type
8419 50 92	- - - Plate type
8419 50 93	- - - Spiral type
8419 50 99	- - - Other

11. Furthermore, the World Customs Organization (WCO) Explanatory Notes to Heading 8419 specifically include “*heat exchange units*” designed for use in plants and machinery, which function to cool hot fluids circulating within mechanical systems by employing the principle of indirect heat transfer.

12. Relevant extract from the EN 8419 notes is reproduced below for reference:

EN 8419 (I)(B):

(I) HEATING OR COOLING PLANT AND MACHINERY

(B) Heat exchange units in which a hot fluid (hot gas, steam or hot liquid) and a cold fluid are made to traverse parallel paths, but usually in opposite directions, separated by thin metal walls in such a manner that the one fluid is cooled and the other heated. These units are usually of the three following types, viz., in the form of:

(i) Concentric tube systems: one fluid flows in the annular interval, the other in the central tube.

(ii) A tubular system for the one fluid, enclosed in a chamber through which flows the other fluid.

or (iii) Two parallel series of interconnected narrow chambers formed of baffle plates.

13. In light of the above, it is evident that “heat exchange units” as described in the Explanatory Notes are appropriately classified under Heading 8419. Accordingly, the subject goods—being plate-type heat exchangers designed to transfer heat between engine oil and coolant—fall squarely within the scope of Heading 8419.

C. The product is not classifiable under CTH 8708.



Chapter 87 of the Indian Customs Tariff Act 1975 covers Vehicles other than railway or tramway rolling stock, and parts and accessories thereof. Relevant extract of chapter 90 description is reproduced below for reference:

Chapter 87

Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof

The relevant heading for the subject product would be 8708 which specifically covers Parts and accessories of the motor vehicles of headings 87.01 to 87.05.

14. The Aluminium Layered Oil Cooler is identifiable as being intended for use in motor vehicles powered by internal combustion engines falling under Headings 87.01 to 87.05.

15. However, in accordance with the General Provisions of Section XVII of the Explanatory Notes, the classification of “parts and accessories” is governed by Note 2 and the interpretative guidance provided under Part (III) – Parts and Accessories, which lays down the fundamental principles for determining the classification of such goods.

(III) PARTS AND ACCESSORIES- It should be noted that Chapter 89 makes no provision for parts (other than hulls) or accessories of ships, boats or floating structures. Such parts and accessories, even if identifiable as being for ships, etc., are therefore classified in other Chapters in their respective headings. The other Chapters of this Section each provide for the classification of parts and accessories of the vehicles, aircraft or equipment concerned.

It should, however, be noted that these headings apply only to those parts or accessories which comply with all three of the following conditions:

- (a) They must not be excluded by the terms of Note 2 to this Section;*
- (b) They must be suitable for use solely or principally with the articles of Chapters 86 to 88;*
- (c) They must not be more specifically included elsewhere in the Nomenclature.*

16. In order for goods to be classified as parts or accessories under Section XVII, compliance with all three conditions is mandatory.

16.1 As regards the first condition, Note 2(e) to Section XVII explicitly provides that:

7. *The expressions “parts” and “parts and accessories” do not apply to the following articles, whether or not they are identifiable as for the goods of this Section:*

“(e) Machines or apparatus of headings 84.01 to 84.79, or parts thereof, other than the radiators for the articles of this Section; articles of heading 84.81 or 84.82 or, provided they constitute integral parts of engines or motors, articles of heading 84.83;”

By virtue of this exclusion, heat exchange units of Heading 84.19 are explicitly precluded from classification under Heading 87.08, even where such units are identifiable for use with motor vehicles.

16.2 With respect to the third condition, it is noted that the subject goods—Aluminium Layered Oil Coolers/Plate-Type Heat Exchangers—are specifically covered under Sub-



heading 8419.50.92 of the Indian Customs Tariff, which pertains to “Heat Exchange Units – Plate Type.”

17. In view of the foregoing, it is evident that heat exchange units of the type under consideration are excluded from classification under Heading 87.08 by operation of Section XVII, Note 2(e). This exclusion applies notwithstanding the fact that the goods are identifiable for use with motor vehicles of Chapter 87.

18. In accordance with the General Rules for the Interpretation (GRI)- Rule 1 of the Harmonized System, classification must be based on the terms of the headings and any relevant Section or Chapter Notes. Heading 8419 of the Indian Customs Tariff explicitly covers “*Machine for the treatment of materials by a process involving a change of temperature*”, thereby providing a clear and direct basis for classification. Given the nature and intended function of the product under consideration, it squarely falls within the scope of Heading 8419, as it is designed to transfer heat from hot fluid to cold fluid within a system.

19. Furthermore, in accordance with General Rule of Interpretation 3(a) of the Harmonized System, classification should be based on the heading that provides the most specific description which is in this case the subject product’s description is more specifically covered under the sub-heading 8419.50.92 which states- “*Heat Exchange Units – Plate type*”.

20. In view of the above, the product does not fulfil two of the three essential conditions provided in Explanatory Notes to Section XVII, for an article to be classified thereunder. Therefore, the product is ousted from the scope of Section XVII and hence, from Heading 8708 by extension.

21. Reliance is placed on U.S. Customs and Border Protection (CBP) Ruling No. HQ 961660, which addressed the classification of an engine oil cooler designed for use in automotive vehicles. The product in question prevented engine oil from overheating by allowing cold water to flow in the opposite direction to the engine oil within the heat exchanger. In that ruling, the CBP recognized the classification of the product under Heading 8419, which covers “*Machinery, plant or laboratory equipment, whether or not electrically heated (excluding furnaces, ovens and other equipment of Heading 85.14), for the treatment of materials by processes involving a change of temperature such as heating, cooking, roasting, distilling, rectifying, sterilising, pasteurising, steaming, drying, evaporating, vaporising, condensing or cooling.*”

The functional characteristics and application of the subject goods are materially similar to those of the product addressed in HQ 961660. Both are heat exchange units designed to regulate the temperature of engine oil by transferring heat to a coolant medium. Accordingly, the reasoning applied in the CBP ruling provides strong grounds to support the classification of the subject goods under Heading 8419.

22. Further, reliance is placed on CBP Ruling No. H316373, which addressed the classification of a heat exchanger designed to regulate the temperature of a battery used in



electric vehicles by transferring heat from the coolant circulating through the battery system. In this ruling, CBP classified the heat exchanger under Sub-heading 8419.50, covering “*Heat Exchange Units*.” The heat exchangers examined in both rulings operate on the same fundamental principle as the subject goods, namely the transfer of thermal energy between two fluids to maintain an optimal temperature. Accordingly, the reasoning adopted in these CBP rulings provides strong international precedent for classifying the subject heat exchange unit under Heading 8419 and specifically under Sub-heading 8419.50.

23. Reliance is further placed on Supreme Court’s judgment in the case of Commissioner of Central Excise vs. Uni Products India Ltd. [2020 (372) E.L.T. 465 (S.C.)], wherein it is held that if an item does not satisfy the third condition mentioned in Explanatory Notes to Section XVII, it cannot be classified as ‘parts and accessories’ even if it is made specifically for ‘cars’ and are used also in cars. Hence, once goods are identified to be covered under a particular heading, they cannot be classified under heading 8708 even if they are exclusively made for motor vehicles. Relevant extract of the judgment is reproduced below for ready reference:

“In our opinion, the subject-item does not satisfy the third condition specified in Section XVII of the Explanatory Notes in relation to “Ill-Parts and Accessories”. A plain reading of clause (C) thereof, which we have quoted above, excludes “textile carpets” (Chapter 57).

26. The main argument of the appellant is that because the car mats are made specifically for cars and are used also in cars, they should be identified as parts and accessories. But if we go by that logic, textile carpets could not have been excluded from Parts and Accessories. We have referred to such exclusion in the preceding paragraph. It has also been urged on behalf of the revenue that these items are not commonly identified as carpets but are different products. The Tribunal on detailed analysis on various entries, Rules and Notes have found they fit the description of goods under Chapter Heading 5703.90.90. We accept this finding of the Tribunal. Once the subject goods are found to come within the ambit of that sub-heading, for the sole reason that they are exclusively made for cars and not for “home use” (in broad terms), those goods cannot be transplanted to the residual entry against the Heading 8708. As we find the subject-goods come under the Chapter-Heading 5703.90.90, and the other entry under the same Chapter forming the subject of dispute in the second order of the Commissioner, in our opinion, there is no necessity to import the “common parlance” test or any other similar device of construction for identifying the position of these goods against the relevant tariff entries.”

24. Further, in the case of Hero Motocorp Ltd. vs. Commissioner of Customs [2022 (379) E.L.T. 214 (Tri. - Mumbai)], it has been held that gears used in transmission system of engines, designed for use with motor vehicles, are classified under their specific heading as ‘transmission parts’ under Chapter 84 and not as ‘parts and accessories of motor vehicle’ under Chapter 87. Relevant extract of the judgment is reproduced below:

“16. We have already remarked upon the deliberated dichotomy of ‘gears and gearing’ in the structuring of Heading 8483 of First Schedule to Customs Tariff Act, 1975 even as such



segregation is not contemplated in the heading itself. The exhaustive enumeration under the heading, without recourse to any residuary description, renders the specificity of 8483 90 00 as intended to isolate those identified parts that go into the assembly of 'gears' to be unquestionably applicable to the impugned goods. If the intent was otherwise, such narrowed enumeration could well have provided for exclusion insofar as goods for the manufacture of 'vehicles, aircraft, vessels and associated transport equipment' is concerned. More particularly, we cannot but find significance in Note 2(e) for exclusion of articles of Heading 8483, whether identifiable or not for the goods enumerated in of Section XVII of First Schedule to Customs Tariff Act, 1975, from 'parts and accessories' of vehicles. 'Gears' are essential for 'transmission systems' which are a subsystem of engines of 'motorcycles' and, thereby, reinforces the underlying principle that 'parts' or 'parts and accessories', intended by the note relied upon in the impugned order, is restricted to those which are exclusively designed for fitment on vehicles. The submissions made before us on the relevant portions of the Explanatory Notes to the Harmonised System of Nomenclature (HSN) lead to the same conclusion. Thus, the impugned goods, when assembled as 'gears', are required for 'transmission systems' that, for the purposes of classification, are 'engines' and, by the exclusion in Section XVII of First Schedule to Customs Tariff Act, 1975, is to be discarded from the exclusion in Section XVI of First Schedule to Customs Tariff Act, 1975"

25. In light of the above discussions, the product merits classification under HS code 8419.50.92 as "Heat Exchange Units – Plate type", irrespective of the fact that it is for use with automotive vehicles.

A. Conclusion-In conclusion, the Applicant respectfully submitted that the product under consideration— Aluminium Layered Oil Cooler is most appropriately classifiable under CTH 8419.50.92, based on the following grounds:

- The Aluminium Layered Oil Cooler is a type of plate type heat exchanger which is specifically covered under the sub-heading 8419.50.92.
- In accordance with the General Rules for the Interpretation (GRI) 1 and 3(a), tariff classification must be determined by the terms of the headings, the more specific description provided in the nomenclature, and any relevant Section or Chapter Notes. Heading 8419 of the Indian Customs Tariff covers machinery and apparatus designed for the treatment of materials by processes involving a change of temperature, including the transfer of heat from one medium to another. Given the construction, function, and intended application of the subject goods, they are squarely covered under Heading 8419 as heat exchange units specifically designed to regulate thermal energy within mechanical systems.
- WCO Explanatory Notes and Note 2(e) to Section XVIII, explicitly exclude the Machines or apparatus of headings 84.01 to 84.79, or parts thereof.
- Therefore, the Aluminium Layered Oil Coolers is appropriately classifiable under HS Code 8419.50.92, which encompasses Heat Exchange units – Plate type.

26. Further, the Applicant respectfully submitted that no question or issue pertaining to the classification of the subject product, i.e., Aluminium Layered Oil Coolers, is pending for



consideration before any officer of Customs, the Appellate Tribunal, or any Court of Law, in the Applicant's case.

27. In light of the facts, relevant legal provisions and submissions made in the above paragraphs, the applicant requested as follows:

- To rule that the product under consideration is classifiable under CTH 8419.50.92 as 'Heat Exchange units – Plate type'; and
- Allow us to present our case in a personal hearing before your good self-prior to issuance of any Order.

Port of Import and reply from jurisdictional Commissionerate:

28. The applicant in their CAAR-1 indicated that they intend to import the subject goods from the jurisdiction of Office of the Commissioner of Customs (Import-1), New Custom House, Shoorji Vallabhdas Road, Ballard Estate, Mumbai - 400001. Hence, the application was forwarded to the Office of the Commissioner of Customs (Import-1), New Custom House, Shoorji Vallabhdas Road, Ballard Estate, Mumbai – 400001 for their comments on 31.10.2025, 19.11.2025, 10.12.2025, 31.12.2025 however, no reply has been received in this regard.

Details of Personal Hearing:

29. A personal hearing was held on 03.12.2025 at 3:00 pm. Shri Pradyuman Goyal & Ms Mahima Rungta, Authorized Representative of M/s. Modine Thermal Systems Private Limited appeared for the hearing on behalf of applicant.

They reiterated the contentions filed with the application that the subject imported goods are "Aluminum Liquid Oil Coolers", which are used in the automotive vehicle for cooling the engine oil. That the product is made lightweight aluminium plates, they provide efficient heat transfer while ensuring a compact design which helps as preventing thermal degradation, ensure effective lubrication and safeguard overall engine performance and is heat exchange unit. They submitted that the said goods merit classification under CTH 8419 and duly explained in HSN explanatory notes to the CTH 8419. They relied upon GRI-1 and submitted that the subject goods do not merit classification under CTH 8708.

No body attended for PH from the department side.

Discussion and Findings

30. I have carefully examined the application for advance ruling filed by the applicant, the detailed written submissions made in support thereof, the technical literature, drawings and photographs placed on record, and the submissions made by the authorised representatives during the personal hearing dated 03.12.2025. I have also considered the relevant provisions of the Customs Tariff Act, 1975, the General Rules for the Interpretation of the Harmonized System (GRI), the applicable Section Notes and Chapter Notes, as well as the Explanatory Notes to the Harmonized System of Nomenclature (HSN).

31. The question before me for determination under Section 28H(2)(a) of the Customs Act, 1962 is:



“Whether the Aluminium Layered Oil Coolers imported by the applicant, for use in automotive vehicles for cooling of engine oil, are classifiable under Customs Tariff Sub-heading 84195092 as ‘Heat Exchange Units – Plate Type’, or under Heading 8708 as ‘Parts and accessories of motor vehicles’.”

32. On examination of the product description, technical specifications and explanatory material placed on record, I find that the Aluminium Layered Oil Cooler is a plate-type heat exchanger comprising multiple thin aluminium plates brazed together so as to form alternating and sealed flow channels. I find that hot engine oil flows through one set of channels while a coolant flows through adjacent channels, thereby enabling indirect transfer of heat across the metallic plate surfaces without any intermixing of fluids. I further observe that cooling of the engine oil is achieved solely by the principle of thermal exchange based on temperature gradient. I also observe that the product does not perform any propulsion-related, transmission-related, steering-related, braking-related or structural function of a motor vehicle. Accordingly, I find that the principal function and essential character of the subject goods is that of a heat exchange unit, and not that of a motor vehicle part per se.

33. The competing tariff headings under consideration are Heading 8419 and Heading 8708 of the First Schedule to the Customs Tariff Act, 1975. Heading 8419 covers: “*Machinery, plant or laboratory equipment, whether or not electrically heated (excluding furnaces, ovens and other equipment of heading 8514), for the treatment of materials by a process involving a change of temperature such as heating, cooking, roasting, distilling, rectifying, sterilising, pasteurising, steaming, drying, evaporating, vaporising, condensing or cooling...*”

Heading 8708, on the other hand, covers “*Parts and accessories of the motor vehicles of headings 87.01 to 87.05.*”

I note that classification under the Customs Tariff is governed primarily by Rule 1 of the General Rules for Interpretation, which requires classification to be determined according to the terms of the headings and any relevant Section or Chapter Notes.

34. I find that Sub-heading 8419.50 specifically covers “*Heat exchange units*”, and Sub-heading 8419.50.92 further specifies “*Plate type*” heat exchange units.

I note that the HSN Explanatory Notes to Heading 8419, under the category “*Heating or Cooling Plant and Machinery*”, state as follows:

“*Heat exchange units in which a hot fluid (hot gas, steam or hot liquid) and a cold fluid are made to traverse parallel paths, usually in opposite directions, separated by thin metal walls, in such a manner that the one fluid is cooled and the other heated.*”

I find that the construction, operating principle and functional characteristics of the Aluminium Layered Oil Cooler correspond exactly with the description contained in the Explanatory Notes. Accordingly, I find that the subject goods are specifically and unambiguously covered under Customs Tariff Sub-heading 8419.50.92.

35. I observe that Heading 8708 is a residual heading applicable to parts and accessories of motor vehicles, subject to the conditions and exclusions contained in Section XVII of the Customs Tariff Act. I note that Note 2(e) to Section XVII expressly provides that:



“The expressions ‘parts’ and ‘parts and accessories’ do not apply to machines or apparatus of headings 84.01 to 84.79, or parts thereof, other than radiators for the articles of this Section.”

I find that Heading 8419 falls within the range of Headings 84.01 to 84.79 and that the subject goods are admittedly not radiators. Accordingly, by virtue of this express statutory exclusion, heat exchange units classifiable under Heading 8419 are excluded from classification under Heading 8708 even if they are identifiable for use in motor vehicles.

36. Without prejudice to the foregoing, I further observe that even if the subject goods are considered prima facie classifiable under both Headings 8419 and 8708, Rule 3(a) of the General Rules for Interpretation mandates that the heading which provides the most specific description shall be preferred. I find that Sub-heading 8419.50.92 provides a precise, specific and technically accurate description of the subject goods as “Heat Exchange Units – Plate Type”, whereas Heading 8708 is a general residual entry. On application of this principle also, classification under Heading 8419 is clearly warranted.

37. I find support for the above view from the judgment of the Hon’ble Supreme Court in *Commissioner of Central Excise v. Uni Products India Ltd.* [2020 (372) E.L.T. 465 (S.C.)], wherein it was held that even if goods are specifically designed for motor vehicles, they cannot be classified under Heading 8708 when they are more specifically covered under another tariff heading and are excluded by the relevant Section Notes.

38. I further note that the Tribunal, in *Hero Motocorp Ltd. v. Commissioner of Customs* [2022 (379) E.L.T. 214 (Tri. – Mumbai)], held that goods falling under specific headings of Chapter 84 stand excluded from Chapter 87 by operation of the Section XVII Notes and are therefore not classifiable as motor vehicle parts.

39. I also observe that international tariff practice supports the above interpretation. U.S. Customs and Border Protection, in CBP Ruling HQ 961660 and CBP Ruling H316373, classified engine oil coolers and heat exchangers used in automotive applications under Heading 8419 on the ground that their essential function is heat exchange. Though not binding in the Indian context, these rulings carry persuasive value and reflect a harmonised interpretation under the Harmonized System.

RULING

40. In view of the foregoing discussion and findings, I rule that the Aluminium Layered Oil Coolers imported by M/s. Modine Thermal Systems Private Limited are classifiable under Customs Tariff Sub-heading 8419.50.92 of the First Schedule to the Customs Tariff Act, 1975 as “Heat Exchange Units – Plate Type”.

I rule accordingly.



Prabhat K. Rameshwaram
6/2/26
(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. M/s Modine Thermal Systems Private Limited,
K7, SIPCOT Industrial Park, Mambakkam Village,
Sunguvarchatiram, Kancheepuram,
Tamil Nadu-602106
2. Commissioner of Customs (Import-1),
New Custom House, Shoorji Vallabhdas Road,
Ballard Estate, Mumbai – 400001
3. 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
4. The Principal Chief Commissioner of Customs,
Mumbai Customs Zone 1, Ballard Estate, Mumbai-400001.
E-mail: ccu-cusmum1@nic.in
5. The Commissioner (Legal), CBIC Offices,
Legal/CX.8A, Cell, 5th floor,
Hudco Vishala Building, C-Wing, Bhikaji Cama Place,
R. K. Puram, New Delhi – 110066.
Email: commr.legal-cbec@nic.in
6. The Member (Customs),
Central Boards of Indirect Taxes & Customs,
North Block, New Delhi-110001.
Email: mem.cus-cbec@nic.in
7. The Webmaster,
Central Boards of Indirect Taxes & Customs.
Email: webmaster.cbec@icegate.gov.in
8. Guard file.



(Vivek Dwivedi)
Dy. Commissioner & Secretary
Customs Authority for Advance Rulings,
Mumbai