
	<p>सीमाशुल्क अग्रिम विनिर्णय प्राधिकरण</p> <p>Customs Authority for Advance Rulings</p> <p>नवीन सीमाशुल्क भवन, बेलाई इस्टेट, मुंबई - ४००००१</p> <p>New Custom House, Ballard Estate, Mumbai - 400 001</p> <p>E-MAIL: cus-advrulings.mum@gov.in</p>	
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F.No. CAAR/CUS/APPL/178/2025-O/o Commr-CAAR-Mumbai दिनांक/Date: 13.04.2026

DIN: 202604770S000000BBAB

Ruling No. & date	CAAR/Mum/ARC/02/2026-27 dated: 13.04.2026
Issued by	Prabhat K. Rameshwaram, Customs Authority for Advance Rulings, Mumbai
Name and address of the applicant	HL Mando Anand India Pvt Ltd Plot No S1 A & S5, Pillaipakkam, Kanchipuram – 602105. {Email: j.sundararajan@hlcompany.com & info@sapaa.in }
Concerned Commissionerate	The Commissioner of Customs, Chennai II (Import), Custom House, No. 60, Rajaji Salai, Chennai – 600001. Email: chennai-importoffice@gov.in , commr2-cuschn@gov.in

ध्यानदीजिए/ 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 पाँच 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 five 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

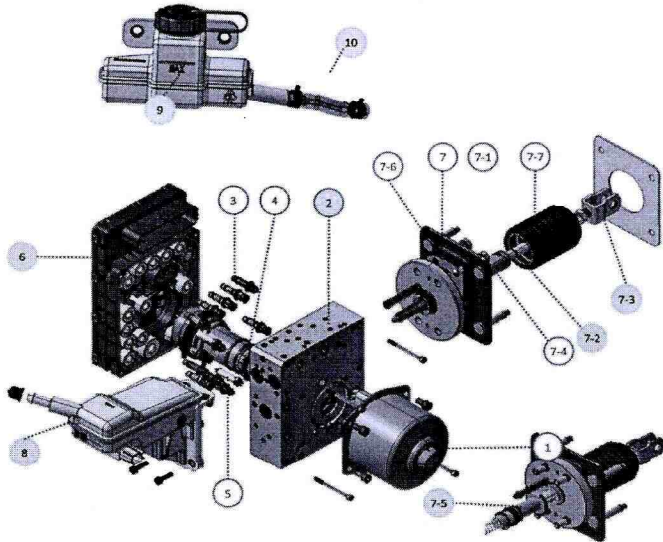
HL Mando Anand India Pvt Ltd (having IEC No. 0406026653) and hereinafter referred to as 'the applicant', in short) having registered address at Plot No S1 A & S5, Pillaipakkam, Kanchipuram – 602105, filed application (CAAR-1) for advance ruling before the Customs Authority for Advance Rulings, Mumbai (CAAR in short). The said application was received in the secretariat of the CAAR, Mumbai on 06.10.2025 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 for import of “Integrated Dynamic Brake”.

2. The Applicant is engaged in the manufacturing and supply of Steering, Brakes, Suspension and other parts predominantly to automobile OEM (Original Equipment Manufacturers). The subject product in the name and style of “Integrated Dynamic Brake” (hereinafter referred to as iDB) is a product manufactured by HL Mando in South Korea, which is being imported by the Applicant for resale. The imported product is not undergoing any value addition in India and is directly resold in the market.

2.1 About the Product:

Integrated Dynamic Brake is a 1-box electro-hydraulic brake system that replaces and integrates multiple components of a traditional brake system and modern brake system into one unit. This promotes the reduction in vehicle mass and simplifies the assembly step by requiring fewer electrical and hydraulic components.

The iDB majorly includes various sensors such as Stroke Sensor, Motor Position Sensor, Pressure Sensor, a reservoir holding brake fluid, a valve block that regulates the flow of brake fluid, an ECU, a motor to pump the fluid and a pump piston to apply the brake fluid pressure. Complete list of Components present in the subject product is mentioned below:



Sr. No	Part Name
1	Motor Assy
2	Hydraulic Block
3	Valves
4	Pump
5	Pressure Sensor
6	ECU
7	TMC Assy
7-1	Mounting Plate
7-2	Input Rod
7-3	Clevis
7-4	Pri. Piston
7-5	Pedal Simulator * (Sec. piston)
7-6	Gasket
7-7	Boot
8	Main Reservoir **
9	Remote Reservoir **
10	Low Pressure Pipe **

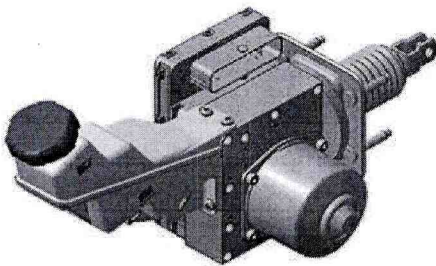


2.2 In order to understand its functioning, reference to the functioning of a traditional brake system is essential. In a traditional brake system, when the driver presses the brake pedal, it pushes the brake fluid through a hydraulic line that is connected to the calipers. This fluid pushes the brake caliper, which squeezes the brake pads against the wheel's disc. The squeezing creates friction that resultantly slows down the wheel and stops the vehicle. In this traditional process, the amount of braking completely depends on the amount of pressure induced on the brake pedal. When excessive force is applied on the brake pedal, instead of reducing the wheel speed, the wheel tend to lock and stops the rotation of the wheel which hinders the passengers from having a comfortable commutation.

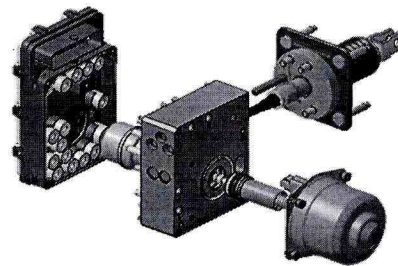
In order to rectify the above issue, devices such as ABS (Anti-lock braking system) and EBD (Electronic Brake Force Distribution) were developed and these devices regulated the amount of braking based on various factors such as the Speed of the Vehicle, Angular Rotation, Sideways Movement of the Vehicle, etc. in order to avoid any skidding or locking. Unlike the above device, the subject product is an even more advanced machine that is is capable of performing multiple functions.

2.3 iDB's Functions:

- Optimal braking performance without any wheel locking to ensure a comfortable commutation.
- Acts as an Automatic Emergency Braking system. In times of emergency, when an unexpected object or pedestrian comes before the Vehicle, the ADAS system consisting of the radars & cameras would detect the object and send the requisite signal to the ECU within iDB; based on the signal received, the iDB would automatically stop the vehicle without any human intervention.
- When the driver turns the vehicle while cruising, the iDB is equipped to automatically reduce the speed of the vehicle to enhance grip and to avoid accidents.



Normal View



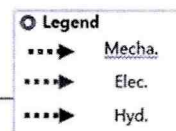
Exploded View

Step by Step Operation:

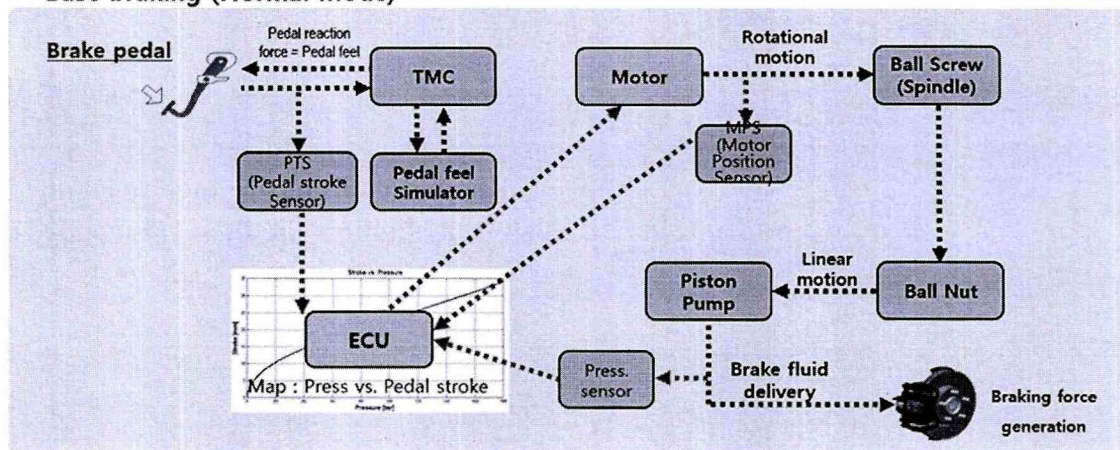
- When a driver applies pressure on the brake pedal, the electronic control unit acquires the pedal pressure information from the stroke sensor.
- The electronic control unit controls the motor included in the hydraulic pressure generating unit based on the acquired pedal pressure information, rotational power of the motor is converted into linear reciprocating movement in order to pump brake fluid within the hydraulic line.

- A pump piston serving as the final stage of the hydraulic pressure generating unit discharges the fluid through the hydraulic line to the caliper installed at the wheel of the vehicle to generate a braking force, and the electronic control unit controls the valve block that essentially regulates the amount and flow of brake fluid passing on to the calipers.
- Here, the valve block is constituted by a plurality of valve units and its combined synchronous action regulates the flow of liquid. In such a braking process, the component called master cylinder consisting of a pedal simulator artificially induces pressure on the brake pedal in order to give a feeling to the user that the vehicle is stopping proportionally based on the amount of pedal pressure. This pedal simulator generates a pressure on the brake pedal to reduce the sense of difference in driving.
- As depicted above, the whole function of regulating the brake fluid starting from the stage of acquiring the pressure on the pedal from the stroke sensor to discharge of the fluid from the reservoir to the calliper to generate braking force is carried out by the IDB.
- A pictorial representation of iDB's working is given below:

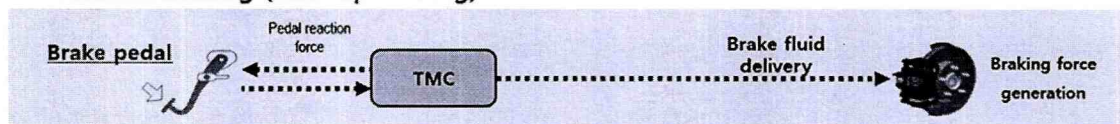
Basic Function and Structure



• Base braking (Normal mode)



• Fallback braking (Back-up braking)



HL Mando

Lean-Agile Stride
MDS BU

3. Applicant's interpretation off laws/facts:
 - 3.1 iDB is not classifiable under 8708 3000 as Parts of Brake



Heading 8708 deals with “Parts and Accessories of the Motor Vehicles of Headings 8701 To 8705” and within which, HSN 8708 3000 specifies “Brakes and servo-brakes; parts thereof”. On a bare perusal, this HSN would include brake and its Parts. Drawing line from the statement of facts, the subject product is an advanced machine used in the braking system that enhances and aids the traditional braking system. It is beyond doubt that the subject product cannot be considered as a Brake but the primary question that needs to be answered is the question if the subject product falls within the purview of “Part of Brake”.

The Hon’ble Supreme Court in the case of *Pragati Silicon Pvt. Ltd. vs. CCE, Delhi* [2007 (211) ELT 534 (SC)], has held that for an item to qualify as a “part”, it must be an essential component of a machine or a larger assembly, without which the intended use of the finished product cannot be achieved. Such a “part” is not normally used independently and is not easily disassembled for maintenance purposes. The exact verbatim of the relevant portion is reproduced below:

Part is "an element of a sub-assembly, not normally useful by itself and not amenable to further disassembly for maintenance purpose". In common parlance, parts are used in the manufacture of the final product and without which the final product cannot be conceived of. A motor vehicle is a complete vehicle without affixation of emblems or name plates and we agree with the submissions of the learned DR that it cannot be treated as a part without which the motor vehicle is not complete.

The Hon'ble Supreme Court in the case of *CCE v. Insulation Electrical (P) Ltd.*, 2009 (224) ELT 512 (SC), analysed the term “part” and held that “a ‘part’ is an essential component of the whole without which the whole cannot function.”

The Hon’ble Central Excise and Gold Tribunal, Delhi in the case of *CC v. Hydranautics Membrane India Ltd.*, 1994 (71) ELT 711 (Tri. - Del), dealt with the meaning of “part” and held that:

“6.... We find that the word "part" which has not been defined in the Notification No. 155/86, according to the Chambers Twentieth Century Dictionary means: -

"Something less than the whole, a portion, that which along with others makes up, has made up, or may at some time make up a whole, a constituents".

7. On a plain reading of the dictionary meaning of the terms "part" and "raw material" it follows that whereas a part which along with others makes up or is a constituent of something has necessarily to be in a state in which it can be used or fitted in the system of which it constitutes a part.” (Enclosed as Exhibit-5)

On a cumulative analysis of the above Judicial Precedents, the point which crystallizes is that “part” *per se* means a portion of equipment or machinery which is intrinsically linked to the functioning of that particular equipment or machinery. In other words, “part” is an integral element of machinery or equipment without which the specific product cannot function. The “part” in question should be so inextricably be linked to the Product. The Product cannot be



brought into any form in use, without the "part" in question being a part and parcel of the Product.

In the instant case, iDB is an advanced mechanism that merely enhances the ease of braking. But, in order to classify the subject product as “part” of brake, it has to be an integral part of it without which the braking function cannot be performed. In order to understand if the subject is an integral part of brake, the below mentioned aspect must be considered:

a. Normal Functioning

Under normal operating conditions, the product functions at its optimal level, delivering the full range of its intended features and performance. All integrated systems—electronic & hydraulic, work together seamlessly to provide enhanced user experience, control, and safety. This includes responsive braking, automatic emergency braking, etc. In this state, the product operates as engineered, meeting all design expectations and regulatory standards.

b. Failure Mode

In the event of a malfunction—such as an electrical failure, software glitch, or sensor issue—the system is designed with fail-safes that ensure that the braking function remain active. Most importantly, the braking mechanism continues to function through a mechanical fallback, independent of electronic systems. This mechanical fallback guarantees that, even if intended features become temporarily unavailable or fails, the user can still mechanically brake the vehicle without the aid of the advanced features guaranteed by iDB.

From the analysis undertaken in the above paragraphs, it is evident that the subject product serves merely as an enhancer or booster to the primary braking system. Its intended purpose is to enable optimal braking efficiency, including features such as automatic braking during emergencies and automated deceleration based on driving conditions. However, the failure of iDB does not extinguish the core braking function of the vehicle. The driver remains fully capable of stopping the vehicle through the mechanical fallback mechanism, which operates independently of iDB’s electronic features.

In light of the above analysis and the settled legal position, it is clear that the subject product functions as an auxiliary system designed to enhance braking efficiency and responsiveness, but such a function is not integral to the operation of the core braking system. The vehicle’s primary braking function remains operational even if the iDB system fails. Therefore, the product does not warrant classification under 8708 30 00.

Since the product in question does not fall under HSN 8708 3000, applying the General Interpretative Rules (GIR) sequentially, and in accordance with Rule 1—which requires classification based on the terms of the headings and any relevant section or chapter notes, we propose to classify the item under heading 9032.



3.2 Classification of iDB under CTH 9032

The iDB is an integration of several components and machines with an objective to execute the braking function or such similar function tuned to it, acting like a controlling or regulating instrument. In its normal operation, the subject product automatically regulates the flow of brake fluid passing on to the brake calipers with the help of various components and machines such as Sensors, Valve Block, Motor, Pump, Piston, ECU, etc. As iDB is capable of automatically controlling or regulating the brake fluid passing on to the caliper, the relevant heading can be seen under CTH 9032. And this can also be classified under 8413 5090 as *others in "Other reciprocating positive displacement pumps"* in accordance with GIR 3(b) r/w Note 3 and 4 of Section XVI.

In view of the above submissions, hereby we propose that the subject product is classifiable in any one of the following three HSN-

- a. 9032 – The iDB qualifies for classification under Heading 9032, as it is a *Programmable Process Controller*, which aligns with the scope of this heading. This classification is further supported by Note 7(a) of Section XVIII, which explicitly includes such devices.
- b. 8413 5090 – the basis behind proposing to classify under this chapter is based on the essential character of the subject product in accordance with GIR 3(b); the notable essential character is pumping of brake fluid in accordance to the programme for the enhanced performance of the braking system.
- c. 8479 8999 – Classification under this heading is proposed in accordance with Note 8 to Chapter 84, which provides guidance for classifying composite machines. If the principal function of the product cannot be classified under any specific heading, Note 8 stipulates that such composite goods should be classified under Heading 8479, which covers machinery having individual functions not specified or included elsewhere. Accordingly, the product is proposed to be classified under the residual subheading 8479.89.99.

Now, we proceed to submit our explanations against each of the HSN proposed above in order to demand that the proposed classification is appropriate from the technical and legal point of view.

Conditions to classify under 9032:

Heading 9032 covers Automatic Regulating or Controlling Instruments and Apparatus and as per Note 7(a) of Chapter 90, the heading only covers –

- (a) *instruments and apparatus for automatically controlling the flow, level, pressure or other variables of liquids or gases, or for automatically controlling temperature, whether or not their operation depends on an electrical phenomenon which varies according to the factor to be automatically controlled, which are designed to bring this factor to, and maintain it at, a*



desired value, stabilized against disturbances, by constantly or periodically measuring its actual value; and.

Further, WCO HSN Explanatory Notes on Heading 9032 states that Automatic control apparatus for liquids or gases and apparatus for automatically controlling temperature form part of complete automatic control systems and must consist of the following devices:

- A. *A device for measuring the variable to be controlled (pressure or level in a tank, temperature in a room, etc.); in some cases, a simple device which is sensitive to changes in the variable (metal or bi-metal rod, chamber or bellows containing an expanding liquid, float, etc.) may be used instead of a measuring device.*
- B. *A control device that compares the measured value with the desired value and actuates the device described in (C) below accordingly.*
- C. *A starting, stopping or operating device.*

As per the above explanatory notes, a product can be classified under this Heading if the same consists of a measuring device, a control device and a starting, stopping or operating device. In the instant matter, the iDB is a package of Motor Assembly, Pressure Sensor, ECU, hydraulic block, main reservoir, etc., that enhances braking function.

As an independent part, the Integrated Dynamic Brake can measure the pressure applied on the brake pedal using a stroke sensor, and the ECU assesses the required brake force and sends control signals to both the electric motor and the valve block, which in turn releases the pump piston to generate hydraulic pressure acting on the calipers. The pressurised hydraulic fluid generated by the piston moves toward the wheel callipers. As the hydraulic pressure builds, braking force is applied to the wheels, slowing the vehicle. Therefore, the subject product iDB is a composite system combining sensors (measuring devices), an ECU (control unit), Valves & Motor Pump (starting/stopping device).

Relevant Government Order and Judicial Precedents:

The Board has issued Order No. 49/3/97-CX dated 09.05.1997 under section 37B of Central Excise Act, differentiating Programmable Logic Controller and Programmable Process Controller:

<i>Programmable Logic Controller</i>	<i>Programmable Process Controller</i>
<i>These are for controlling various types of machines</i>	<i>These are for controlling various types of processes</i>
<i>Operations depends on set of pre-determined operations</i>	<i>Operations depend on factor to be controlled</i>
<i>Operations based on desired sequence of operations</i>	<i>Operation operates basically by continuously monitoring and maintain the variable to be controlled such as</i>



	<i>pressure, flow, temperature, level etc. with/at predetermined level</i>
<i>No regulatory function</i>	<i>Regulatory function by the continuously monitoring the desired value with actual value and bringing variable to be controlled to the desirable value</i>
<i>Conventionally it is relay based panel for electric control with timer and switches</i>	<i>Regulating apparatus for process control for continuous process governing</i>
<i>Relay based panel has been upgraded to programmable controller commonly known as programmable logic controller by using micro-processor for storing and doing sequence of operations</i>	<i>Micro-processors are used for doing complex storing and algorithms primarily for controlling. These are commonly known as controllers e.g. digital distributed control system, distributed control system</i>

In para 3 of the above Order, the Board has categorically stated that:

“(ii) The automatic regulating or controlling instruments and apparatus under heading No. 90.32: They may be considered as industrial process control systems satisfying criteria mentioned in No. 90.32. These are primarily used for controlling/maintaining the flow, level, pressure or variables of liquids or gases or for automatically controlling temperature of a process (may be refinery, steel, chemical industry) at the present level. They can perform functions both sequence logic and different control strategies like Proportional integral differential (PID) control and other forms of control.”

Therefore, it is evident that Programmable Process Controllers are to be classified under HSN 9032. In order to ascertain if the subject product can be termed as a Programmable Process Controller, reference to the above table is necessary.

Similar to what has been stated above, iDB automatically controls the process of brake fluid flowing to the caliper by continuously monitors the amount of fluid flowing to the calipers and based on the inputs received from the factor to be controlled, the microprocessor (ECU) instructs the operating devices (Valves and Motors) to send the pre-determined amount of brake fluid to the calipers. Moreover, the factor to be controller herein is the braking and the functioning of iDB also depends upon the amount of braking pressure applied by the driver.

It would be trite to note that the Indian Institute of Technology, Madras has certified that the subject product is a Programmable Process Controller after due consideration of its constituents and functioning. On the whole, iDB fulfils all the criteria to constitute a



Programmable Process Controller and thus, classifiable under CTH 9032 as Automatic Regulating or Controlling Instruments and Apparatus.

The Hon'ble CESTAT, New Delhi in the case of *M/s. Continental Automotive Brake vs. Commissioner of Customs*, Customs Appeal No. 50546 of 2021, dealt with the classification of ECU. (Enclosed as Exhibit-10) While dealing with the same, the Tribunal made an observation with regards to the classification of ABS which is a similar good to that of iDB. The Hon'ble Tribunal observed that:

28...ABS regulates the braking and not the speed. This regulation is based on certain other phenomena like speed, regular rotation, etc. and not based on the extent of braking. In other words, there are three non- electrical quantities viz. speed, sideways movement and angular rotation based on which a fourth quantity viz., braking is regulated. The factor to be controlled is the braking, a non-electrical quantity, and ECU issues instructions in the form of electrical signals which vary not according to the factor to be controlled (braking) but according to three other non-electrical quantities.

29. In our considered view, neither the ABS nor the ESCS manufactured nor the ECU imported by the appellant can fit into Section Note 7 (b) by any stretch of imagination. Since Section Note 7 makes it explicit that CTH 9032 applies only to such goods which fall under (a) or (b), ECU gets clearly excluded from CTH 9032.

The sole reason for rejecting the classification of ABS under HSN 9032 is the fact that operation of ABS is not varied according to the factor to be controlled (Braking). As per Note 7(a) of Section XVIII, in order to be classified under 9032, the functioning of the Automatic Controlling Apparatus must vary according to the factor to be controlled. Similarly, in the case of iDB, the functioning of the subject product is varied according to the factor to be controller (braking). The amount of braking pressure applied by the Driver determines the way the subject product must function. Therefore, the iDB is classifiable under 9032 in accordance with the observation made by the Hon'ble Tribunal in the case of *Continental Automotive*.

The Hon'ble CESTAT, Chennai in the case of *Commissioner of Customs vs. M/s. Mobis India Ltd.*, Customs Appeal No. 40614 of 2021, dealt with the classification of a similar product with the name and style "Body Control Module". The product in this case is a Programmable Process Controller designed to manage and regulate various automated processes in a vehicle's body electronics without human intervention. Each unit typically comprises of an input or measuring device, a control device or microprocessor, and an output or operating device. Additionally, these units are equipped with components that enable communication with other Electronic Control Units (ECUs), the instrument cluster, sensors, actuators, and more. The BCM function as specialized ECUs dedicated to controlling vehicle body functions such as automatic wiper operation, cabin climate control, automatic headlamps, the immobilizer system, and the seat belt warning system, etc.

The Hon'ble CESTAT in the above case classified BCM, a similar product to that of iDB, under HSN 9032 by stating that:



The impugned products do not control various types of machines. It controls various features of the car. Secondly, there are various features to be controlled for example automatic head light; automatic wiper control systems. Moreover, the desired factor to be controlled varies with the local situation. It is not at just one level that is predetermined. Thirdly, the impugned items gets inputs and compares them with the desired level and gives out put signals accordingly. This is a continuous one. Fourthly, the role of the impugned item as a regulatory one is beyond doubt. It compares the inputs received with the desired value and accordingly sends corrective signals. Fifthly, the impugned items are not just / more than the conventional relay based panel for electric control with timer and switches. Instead, its control /monitoring is a continuous one. Sixthly the impugned products use micro-processors for storing the algorithms for control and is not just relay based panel. The availability of algorithm in the subject goods has been accepted by the show cause notice itself. It is obvious from the above referred order of the Board the PLC does not have algorithm. On the other hand the PPC uses zigorithm for controlling. Thus, it emerges that the impugned items fall under the category of "programmable process controller" only. (Copy of the decision in enclosed as Exhibit – 11)

Similar to the above decision, the subject product iDB continuously monitors the pressure applied on the brake pedal and based on the pre-determined values, the ECU just like the above case undertakes the stipulated response. To put it simply, the ECU is already programmed that, for instance, if the driver applies 10% pressure at a particular rate of speed, certain pre-determined level of brake fluid is to be sent to the caliper. Therefore, the above decision is squarely applicable to the case at hand.

In addition to the above, the Korean Customs Ruling Authority in their Ruling No. 10738 has classified the exact same product called "Integrated Mobility Electronic Brake" under HSN 9032 8900 on the ground that the concerned product has a measuring device, controlling device and an Operating device. Hence, iDB can be classified under CTH 9032 since the product fulfils the conditions stipulated under Note 7(a) of Chapter 90 and also consists of a Measuring device, controlling device and an Operating device in accordance with the Explanatory Notes to Chapter 90.

As the subject product is exclusively used in automobile vehicles, it is necessary to examine whether it is also classifiable under 8708. On examination, the subject product is appropriately classifiable under heading 9032 and just for the reason that it is exclusively used in automobiles, the argument that the same has to be classified under 8707 is not sustainable for the reason that the second condition as per WCO Explanatory Notes is not fulfilled herein. Note 2(g) to Section XVII specifically excludes "Articles of Chapter 90" from the purview of Section XVII. Therefore, IDB cannot be classified under 8708.

3.3 Classification of iDB under 8413 as other reciprocating positive displacement pumps.



From the analysis undertaken in the previous paragraph, it is evident that the subject product is appropriately classifiable under CTH 9032 8910. Without prejudice to our primary submission that the product is appropriately classifiable under Heading 9032, it is respectfully submitted that, in the alternative, should the Hon'ble Authority be of the view that the product does not fall under Heading 9032, the appropriate heading to classify the subject product is available under Chapter 84.

Sequential Application of GIR's:

If the subject product is not classifiable under CTH 9032 in accordance with GIR 1, the subsequent GIR's must be sequentially applied. GIR 2(a) deals with unfinished goods; the subject imported goods is a finished goods and capable of delivering the output it's intended for and thus, inapplicable to the case at hand. GIR 2(b) clearly stipulates that *classification of goods consisting of more than one material or substance shall be according to the principles of Rule 3.*"

Therefore, when a Composite Good is to be classified, GIR 3 must be referred to. GIR 3 is reproduced here below for convenience:

GIR 3(a) 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.

GIR 3(b) Mixtures, composite goods consisting of different materials or made up of different components, and goods put up in sets for retail sale, which cannot be classified by reference to 3 (a), shall be classified as if they consisted of the material or component which gives them their essential character, insofar as this criterion is applicable.

As per Rule 3(a) of the GIR, when a machine consists of two or more materials or substances, each material must be regarded as equally specific. Correlating the same with the case at hand, iDB comprises of various Components such as Valve Block, Reservoir, Hydraulic Line, Motor, Piston, ECU, Sensors, etc., but as per Rule 3(a), the headings of each of these components must be regarded as equally specific. Then in such a scenario, the subject product cannot be classified under an appropriate heading as there are multiple headings that are equally specific. As the subject product is not classifiable based on Rule 3(a), the recourse is available under Rule 3(b) which states that the composite goods must be classified as the component that gives them their essential character.

Classification of iDB in accordance with GIR 3(b):



The subject product is a Composite Good and such goods are dealt in Rule 3 of GIR; the same is also available under Notes to Section XVI. The relevant Notes for the subject product are Note 3 and Note 4 of Section XVI. Note 3 states that

Unless the context otherwise requires, composite machines consisting of two or more machines fitted together to form a whole and other machines designed for the purpose of performing two or more complementary or alternative functions are to be classified as if consisting only of that component or as being that machine which performs the principal function.

According to Note 3 of Section XVI, if a particular machine consists of two or more machines performing complementary functions, the composite machine must be classified as that individual machine that performs the principal function. The iDB, the commodity imported by the importer, is also a composite machine consisting of many machines such as Valve Block, Pump, Piston, Motor, etc. which performs complementary functions i.e., all these machines work in furtherance of regulating the brake fluid.

Another Note that is of relevance is Note 4 of Section XVI which states that

Where a machine (including a combination of machines) consists of individual components (whether separate or interconnected by piping, by transmission devices, by electric cables or by other devices) intended to contribute together to a clearly defined function covered by one of the headings in Chapter 84 or Chapter 85, then the whole falls to be classified in the heading appropriate to that function.

In the case of iDB, there is a Stroke-Pressure Sensors, an ECU, hydraulic lines, Pump, Motor Assembly & valve block, etc., and all these components combined together regulate the pressure and flow of brake fluid. In such a scenario, a combined reading of Note 3 and Note 4 of Section XVI makes it clear that the entire machine has to be classified under the heading that corresponds to single principal function depicting the essential character of the entire product.

All the above mentioned components joined together regulate the Brake Fluid Pressure passing on to the brake caliper. Therefore, the primary function of the subject product, which is composite in nature herein, is passage of pressurised brake fluid and thus the article that describes the function under Chapter 84 or 85 ought to be the proper entry. Out of all the machines/components of the product, we propose that the main function is to thrust the brake fluid into the calipers and that is achieved by the pumps present in the subject product. As the pumps can be regarded as the commodity depicting the essential character of the product, the relevant heading is available under CTH 8413. And specifically, heading 8413 5090 is of relevance which specifies *Other-Other reciprocating positive displacement pumps*.

The principal function or the clearly defined function of IDB appears to be performed by the Reciprocating Positive Displacement Pumps which ultimately induces the flow of brake fluid to the Calipers. Therefore, the subject product can very well be classified under 8413



5090 as “*Other-Other reciprocating positive displacement pumps.*” in accordance with Note 3 and Note 4 of Section XVI.

In CROSS Ruling with Ref. No. N096530, the Authority has classified an exactly identical product under 8413 5080 as *Other-Other reciprocating positive displacement pumps*. Similar rulings were given by the US Cross Ruling Authority in other cases with Ref. No. N143259 and N014493. It would be apposite to note that the exact same product imported by the Applicant was classified by the Canada Border Services Agency under HSN 8413 50 00 39 as “*Other reciprocating positive displacement pumps - Other*”. The Canada Advance Ruling Authority in Ruling No. 8000003689 has ruled that

“According to Note 3 to Section XVI: “Unless the context otherwise requires, composite machines consisting of two or more machines fitted together to form a whole and other machines designed for the purpose of performing two or more complementary or alternative functions are to be classified as if consisting only of that component or as being that machine which performs the principal function”. Notwithstanding all its parts and functions, the product is basically an electrical hydraulic pump to control the brakes of a vehicle and, as such, is classified under Heading 84.13. Products of 84.13 are excluded from Section XVII (Vehicles, Aircraft, Vessels and Associated Transport Equipment) by Legal Note 2 (E) that excludes “Machines or apparatus of headings 84.01 to 84.79”.” (Enclosed as Exhibit-17)

From the above Rulings, it is evident that the exact same product manufactured by the Applicant’s Parent Company Mando that is being imported by the Applicant was classified under HSN 8413 5090 by placing reliance upon Note 3 to Section XVI and its essential character.

Therefore, the subject product is appropriately classifiable under HSN 8413 5090 in accordance with Note 3 & 4 of Section XVI and such a stand is both aligned with and supported by Rule 3(b) of the General Rules of Interpretation.

3.4 Classification of iDB under 8479 as Machines and Mechanical Appliances Having Individual Functions, Not Specified or Included Elsewhere in This Chapter

Without prejudice to the primary submission that the *Other reciprocating positive displacement pumps* confer the essential character of the product warranting classification under Heading 8413, it is respectfully submitted that, in the alternate, should the Advance Ruling Authority be of the view that the essential character is not attributable to the pumps and no single component, including the pump, depicts the essential character of the product, the product would merit classification only under Heading 8479, being a residuary entry applicable to machinery not specified elsewhere. Assuming that the principal function of the subject product is impossible to be restricted under a single component, recourse to Note 8 of Chapter 84 ought to be taken.

Note 8 of Chapter 84 is reproduced below:



A machine which is used for more than one purpose is, for the purposes of classification, to be treated as if its principal purpose were its sole purpose. Subject to Note 2 to this Chapter and Note 3 to Section XVI, a machine, the principal purpose of which is not described in any heading or for which no one purpose is the principal purpose is, unless the context otherwise requires, to be classified in heading 8479. Heading 8479 also covers machines for making rope or cable (for example, stranding, twisting or cabling machines) from metal wire, textile yarn or any other material or from a combination of such materials.
(Enclosed as Exhibit-18)

In line with the above Note of Chapter 84, when the principal function or purpose is not described in any specific heading, and additionally, if no single purpose can be regarded as its principal purpose, the concerned composite good is to be classified under the residuary entry falling under heading 8479. As per the WCO Explanatory Notes associated with heading 8479, this heading is restricted to machinery having individual functions, which :

- (a) Is not excluded from this Chapter by the operation of any Section or Chapter Note. and*
- (b) Is not covered more specifically by a heading in any other Chapter of the Nomenclature. and*
- (c) Cannot be classified in any other particular heading of this Chapter since :*
 - (i) No other heading covers it by reference to its method of functioning, description or type. and*
 - (ii) No other heading covers it by reference to its use or to the industry in which it is employed. or*
 - (iii) It could fall equally well into two (or more) other such headings (general purpose machines).*

In order to classify a machine under heading 8479, the above mentioned conditions must be fulfilled.

- i. In compliance with the above mentioned clause (a), the subject product is not excluded by any note of Section XVI and Chapter 84. Thus, iDB fulfils the first condition.
- ii. In line with clause (b), the functions undertaken by the subject product is not covered under any specific heading. iDB functions as an advanced braking enhancer that automatically works when required. Such a function does not find a place in any of the headings. Therefore, iDB complies with the second condition as well.
- iii. In line clause (c), no other heading appropriately depicts the subject product's method of functioning or its usage. Moreover, in line with GIR 3(a), all the components in the subject product are to be considered as equally specific; thus, the subject product could equally fall under multiple headings. Therefore, iDB complied with the third condition as well.



Having considered the fact that the subject product completely complies with all the conditions stipulated in the WCO Explanatory Notes to heading 8479, the next test to be determined if the function of subject product falls within the description of “individual functions”. The WCO Explanatory Notes to heading 8479 states that the following are to be regarded as having “individual functions”:

(A) Mechanical devices, with or without motors or other driving force, whose function can be performed distinctly from and independently of any other machine or appliance.

(B) Mechanical devices that cannot perform their function unless they are mounted on another machine or appliance, or are incorporated in a more complex entity, provided that this function:

- (i) is distinct from that which is performed by the machine or appliance whereon they are to be mounted, or by the entity wherein they are to be incorporated, and*
- (ii) does not play an integral and inseparable part in the operation of such machine, appliance or entity.*

The above explanatory notes describe two types of machines which can be considered as machines with individual functions. The first category would be the devices, with or without motor, that can perform independent of the machine (Brake in the case at hand). The second category would be those devices that cannot function unless they are incorporated or mounted on another machine (Brake). iDB essentially falls under the second category but when a product falls under the second category, such a product must fulfil the conditions stipulated under its proviso.

According to the above proviso, the mechanical device must be distinct to the machine that is mounted or integrated to and the said device should not be integral to the machine. It would be appropriate to note that the subject product is mounted distinctly and is a separate machine in itself that is connected to the brake. In addition, as already mentioned under Paragraph 10 of Annexure 2, iDB is not an integral part of the brake and the principal braking function would normally work even when the subject product fails. Therefore, in such a scenario, it is amply clear that iDB does not constitute an integral part of the brake and thus, fulfils all the conditions stipulated under the above stated proviso.

This modularity aligns with Note B examples (e.g., chain cutters for sewing machines) in HSN Explanatory Note to Heading 8479, where devices perform standalone functions despite being mounted on host machinery. It would be to trite to note that the exact same product called “*All in one Integrated Dynamic Brake*” manufactured by the Applicant’s Parent Company HL Mando, Korea was classified by the US Cross Ruling Authority under CTH 8479. (Enclosed as Exhibit 20). The same product dealt in the above ruling is being imported by the Applicant and thus, the ruling is applicable and have persuasive effect before this Hon’ble Authority for Advance Ruling.

The US Advance Ruling Authority in NY N332229, held that:



The all-in-one brake, Integrated Dynamic Brake, combines the functions of the conventional vacuum booster brake and electronic stability control (ESC). When the driver of the vehicle operates the brake pedal, the ECU detects it and generates hydraulic brake fluid pressure. In addition to its brake pressure generating function, the ECU performs control functions related to vehicle safety and stability (ESC). The ECU receives signals from various sensors on the vehicle and controls the braking force, driving force, and yaw moment of each wheel by synthesizing the signals. This helps the vehicle avoid collisions and maintain stability. The ECU also sends signals to the motor-on-calliper (MOC), which controls the electronic parking brake cable.

The applicable subheading for the all-in-one Integrated Dynamic Brake assembly will be 8479.89.9599, HTSUS, which provides for Machines and mechanical appliances having individual functions, not specified or included elsewhere in this chapter; parts thereof: Other machines and mechanical appliances: Other: Other: Other.

Apart from the US customs rulings, the European Commission, specifically the Directorate-General for Taxation and Customs Union, has declared

Integrated electric brake unit for immediate generation of the hydraulic pressure during braking, full electronic brake control and enabling regenerative braking of motor vehicles with: -electronic brake assistants, -hydraulic unit driven by brushless electric motor, -brake fluid reservoir, for use in the manufacture of hybrid passenger cars under the Heading 8479 89 97 28. Hence, it can be said that this subject product and its part have been classified across the globe under the Heading 8479.

The subject product consists of multiple components and performs a range of diverse functions, with no single component or function accurately representing its essential character or principal purpose. As there is no commodity within the device that appropriately depicts its essential character, and none of the individual components or their corresponding headings sufficiently describe the product as a whole, it cannot be classified based on any one of them. Therefore, the most appropriate classification is under CTH **8479 8999**, which covers machines and mechanical appliances having individual functions not specified or included elsewhere, and best accommodates the nature of the device. Moreover, such a classification is line with Note 8 of Chapter 84 and in addition, the subject product appropriately complies with all the conditions stipulated under the WCO Explanatory Notes to heading 8479.

3.5 iDB is not classifiable under 8708

Inasmuch as the subject product is classifiable under any one of the Heading either 9032 or 8413 or 8479, it is consequently excluded from classification under Heading 8708, pursuant to the exclusionary provision set out in Note 2 to Section XVII of the Customs Tariff. Note 2(e) to Section XVII excludes *machines and apparatus of headings 8401 to 8479* and Note 2(g) specifically excludes “Articles of Chapter 90” from the purview of Section XVII



(Enclosed as Exhibit-22). Therefore, goods falling under 9032, 8413 and 8479 are completely excluded from being classified as a “*part and accessory of Automobile*” falling under 8708.

In order to classify an Article under 8708, the below mentioned conditions as stipulated by WCO Explanatory Notes must be fulfilled (Enclosed as Exhibit-23):

- (i) *They must be identifiable as being suitable for use solely or principally with the above-mentioned vehicles (8701 – 8705); and*
- (ii) *They must not be excluded by the provisions of the Notes to Section XVII.*

The subject product fulfils the first condition but fails to comply with the second condition. Article falling Chapter 90 and articles falling between 8401 and 8479 has been specifically excluded from being classified under 8708 even though it is used as part of the motor vehicles. Therefore, IDB cannot be classified under 8708.

The Hon'ble Supreme Court in the case of *M/s. Intel Design Systems (India) P. Ltd vs Commissioner Of Customs & Central Excise*, and *CCE Delhi vs Uni Products Ltd*, has reinforced the position of law that the compliance of the twin conditions is mandatory in order to classify a product under HSN 8708.

Westinghouse decision is not a precedent:

Moreover, it is submitted that the reliance cannot be placed on the decision of *M/s. Westinghouse Saxby Farmer Ltd. vs. Commissioner of Central Excise, Kolkata*, as it varied from the settled legal position and such a stand is not supported by law; in fact the explanatory notes is contrary to the decision. The Explanatory Notes prescribes that fulfilment of both the conditions is necessary for classifying the goods as Parts and Accessories of CTH 81 to 85. The Conditions are that the Goods must be capable of being used only in Automobile and it must not be excluded in the Section Notes. This gives clarity that before deciding the CTH, both conditions have to be tested and even if one fails, the same cannot be classified as Parts & Accessories. Thus, the decision by the Apex Court in *Westinghouse* is not a precedent as it failed to follow the principle of fulfilling the conditions as per Explanatory Notes and applicable only in *personam*.

The Instructions issued by the Board mandates the field officers to take cognizance of various other decisions of the Hon'ble Supreme Court in case of parts and accessories; in addition to take cognizance of Section Notes and the HS Explanatory notes. Further, it is pertinent to note that the Department didn't move from the stand even when the Review Petition was dismissed. Thus the department is clear about not following the decision of *Westinghouse*. Regardless of the above position, the *Westinghouse* case dealt with relays used as part of railway signalling equipment but the subject product in hand is a composite machine and the relevant Notes can only be seen under Section XVIII and XVI. Therefore, the *Westinghouse* decision dealing with Note 2 and 3 of Section XVII is not applicable to the subject product as the relevant Notes has been specifically provided elsewhere. Therefore, the goods under consideration for classification, cannot be classified based on sole/principal use without checking whether the same are excluded under the relevant Section Notes.



Conclusion:

In view of the above submissions, it is respectfully submitted that the subject product is primarily classifiable under HSN 9032, based on its fulfilment of the conditions stipulated under the relevant Section Notes. However, without prejudice to the primary classification, it is also submitted that the product may alternatively merit classification under HSN 8413 as the subject product is a Composite Good dealt under Note 3 and 4 of Section XVI. If the Hon'ble Authority is of the view that none of the headings appropriately depict the essential character or principal function of the subject product in line with Note 3 of Section XVI, iDB ought to be classified under HSN 8479 in accordance with Note 8 of Chapter 84. In light of the foregoing and to avoid any ambiguity in classification, we are seeking a ruling from the Authority to obtain clarity and ensure appropriate classification.

4. Port of Import and reply from concerned jurisdictional Commissionerate

4.1 The applicant in their CAAR-1 indicated that they intend to import the subject goods i.e. "iDB" at the jurisdiction of Office of the The Commissioner of Customs, Chennai. The application was forwarded to the Office of the Commissioner of Customs, Chennai-II for their comments vide letter dated 31.10.2025 and 10.12.2025. Comments were received from the jurisdictional authorities vide letter dated 29.01.2026 wherein it was submitted that-

4.2 Description of Goods

The Integrated Dynamic Brake (iDB) is an electronically controlled electrohydraulic brake module comprising, inter alia:

- valve block;
- hydraulic pump,
- pressure reservoir;
- piston/motor assembly;
- sensors and Electronic Control Unit (ECU); and
- integrated brake fluid passages.

Functionally, the iDB:

- receives braking inputs from the brake pedal and vehicle ECU;
- generates, modulates, and regulates hydraulic pressure in real time;
- distributes controlled braking force to the four-wheel brake calipers; and
- operates as an integral and essential component of the motor vehicle hydraulic braking system.

The iDB is specifically designed, engineered, and installed exclusively for use in motor vehicle braking systems and does not possess any independent commercial or functional identity outside such systems. After examination of submissions, product literature, governing chapter notes and General Rules for Interpretation (GRI), the following points are submitted for kind consideration.

(i) Heading CTH 8708 3000: This heading covers " Brakes and servo– brakes; parts thereof for motor vehicles under headings 870 1 to 8705. The iDB merits classification here based on the following robust arguments, aligned with General Interpretative Rules (GRI) 1 and 6, judicial precedents, and HSN Explanatory Notes:

- **Prima Facie Coverage under GRI I** The heading terms explicitly include brakes, servo-brakes, and their parts. The iDB is an integrated electro-hydraulic brake module designed exclusively for installation in automotive brake systems. It receives pedal input, generates hydraulic pressure, modulates braking force to wheel calipers, and incorporates functions like anti-lock braking, emergency braking, and stability control—all core to vehicle braking. This aligns with the heading's scope, as it enhances and performs braking.
- **Exclusive End-Use and Functional Nexus :** The iDB is solely used in motor vehicles (passenger and commercial) and has no independent commercial application outside braking. It connects directly to the brake pedal, master cylinder, hydraulic lines, and vehicle ECU, contributing inseparably to the brake system's operation. As per Supreme Court rulings in *Pragati Silicon Put. Ltd. vs. CCE (2007)*, a " part" is not normally used independently". The iDB's modularity (e.g., mechanical fallback in failure mode) does not exclude it; many brake parts like ABS modulators or boosters are classified under 8708 despite similar traits.
- **Technological Advancement Does Not Alter Classification:** Modern brake systems evolve with electronics (e.g., ECU, sensors), but tariff identity remains based on principal function—braking. Courts in *Intel Design Systems vs. CCE* and *CCE vs. Uni Products Ltd.* emphasize that functional nexus to the principal machine (vehicle brakes) governs classification, not complexity. The iDB replaces traditional components (vacuum boosters, ABS units) into a single " 1- box" system, but its essence is brake actuation and regulation, not a standalone device.
- **Exclusion from Other Sections via Section XVII Notes :** Note 2 to Section XVII excludes articles of Chapters 84, 85, and 90 only if they fit those headings better. However, HSN Explanatory Notes to 8708 require: (i) suitability solely/principally for motor vehicles, and (ii) no exclusion by Section XVI/XVII Notes. The iDB meets (i) but fails alternative headings (as rebuked below), reinforcing 8708.
- **Judicial Consistency on Parts Classification:** in *Westinghouse Saxby Farmer Ltd. vs. CU*, the Supreme Court classified advanced relays as railway parts despite sophistication, prioritizing end-use. Though applicant disputes its applicability, it aligns with the "use-test" principle: if the item contributes to the machine's operation and is identifiable as such, it is a part. The iDB's integration (valve block, pump, sensors,, ECU) serves braking holistically, not disparate functions.



- Commercial Identity and Trade Parlance : In trade, iDB is marketed, imported, and resold as an automotive brake system component (e.g., by HL Mando for OEMs). It is not traded as a generic controller, pump, or appliance, per common parlance test in CC us. Hydranautics Membrane India Ltd. (1994).

In summary, under GRI-1, the iDB is squarely a "part of brakes" due to its design, function, and exclusivity to vehicles, outweighing alternatives. Hence, iDB appears to be rightly classifiable under CTI 8708 3000 (" Brakes and servo-brakes; parts thereof").

Rebuttal of Alternative Headings Proposed-

4.3 Heading 9032 - This heading covers "Automatic regulating or controlling instruments and apparatus" - Not applicable

The applicant's claim is based on Note 7(a) to Chapter 90, presenting the iDB as a "Programmable Process Controller" with measuring (sensors), control (ECU), and operating (valves/motor) devices for regulating brake fluid. However, this misapplies the heading for the reasons set out below:-

- Non-Compliance with Note 7(a): The note requires instruments that automatically control variables (e.g., flow, pressure) by continuously measuring, comparing to a desired value, and stabilizing against disturbances—typically for industrial processes like refineries. The iDB does not autonomously maintain brake fluid pressure at fixed setpoints; it responds proportionally to driver pedal input and vehicle signals (e.g., speed, rotation), not a preset "desired value." Braking is event-driven, not a stabilized process, as noted in CESTAT's Continental Automotive Brake vs. Commissioner (202 1), where ABS/ECU was excluded from CTH 9032 because regulation varies by external factors, not the controlled variable (braking) itself.
- Not a Standalone Regulator : Unlike true process controllers (e.g., temperature regulators in Board's Order 49/3/97-CX), iDB lacks regulatory algorithms for continuous monitoring/maintenance; it actuates braking on demand. The pedal simulator provides "feel," but this is haptic feedback, not regulation. CESTAT in Commissioner us. Mobis India Ltd. (2021) classified BCM under 9032 for multi-feature body control, but iDB is brake-specific, not a general vehicle controller.
- Exclusion by end-Use: Note 2(g) to Section XVII excludes Chapter 90 articles from vehicle parts only if they fit 90 better. Here, iDB's brake-centric function fits under CTH 8708 more specifically.

Thus, CTH 9032 fails GRI-1; iDB is a brake actuator, not an industrial regulator.

4.4 Heading 8413 - This heading covers "Pumps for liquids, whether or not fitted with a measuring device, liquid elevators" - Not applicable



The applicant invokes GRI 3(b) and Section XVI Notes 3/4, arguing the pump/piston gives "essential character" by thrusting brake fluid. However, this misapplies the heading for the reasons set out below:-

- Not a Generic Pump: Heading 8413 covers standalone pumps with independent commercial identity for fluid displacement. The iDB's pump is ancillary, integrated with non-pump elements (ECU, sensors, valves, reservoir) that enable its operation. Without brake context, the pump cannot function; it is not imported/traded as a pump but as a complete brake module. As Per GRI-1, specific description (brake part) prevails over component-based analysis.
- Essential Character Misapplied: GRI-3(b) applies only if GRI-1/2 fail. Here, GRI-1 resolves via CTH 8708. Even under 3(b), essential character is holistic function—braking regulation—not isolated pumping. The pump merely executes ECU commands; control logic (not pumping) defines the device.
- Exclusion by Note 2(e) to Section XVI_1 Pumps of CTH 8413 are excluded from vehicle parts if standalone, but iDB's integration makes it a brake constituent, not a Chapter 84 machine. Section XVI Note 3 requires classification by principal function (braking), pointing to CTH 8708.

Thus, heading 84 13 is inapplicable; iDB is not a pump but an integrated brake system.

4.5 Heading 8479 - This heading covers "machines and mechanical appliances having individual functions, not specified or included elsewhere in this chapter" - Not applicable

As a residual heading per Chapter 84 Note 8, the applicant claims no principal function fits elsewhere, citing composite nature and WCO Notes. However, this misapplies the heading for the reasons set out below:-

- Lacks Independent Function: Heading 8479 requires "individual functions" distinct and performable independently (per WCC) Notes: mechanical devices operable alone or mounted but not integral). The iDB cannot function in isolation; it requires vehicle integration (pedal, lines, ECU signals) and performs no standalone task—its sole purpose is braking.
- Residual Nature Inapplicable: GRI-4 (akin to residuals) applies only if prior rules fail. GRI-1 places it in CTH 8708. Even under Note 8, no "principal purpose" ambiguity exists—braking is clear.
- Excluded by Specificity: Multiple components do not equate to "no principal purpose"; holistic braking fits in CTH 8708. Applicant's modularity argument contradicts failure mode analysis—mechanical fallback proves iDB enhances, but remains integral to



advanced braking. Thus, Heading 8479 is inapplicable; iDB has a defined brake function, not a residual one.

4.6 Based on the analysis of the above-mentioned paras, the General Rules of Interpretation (GRI), and relevant Harmonized System (HS) Explanatory Notes :

The Integrated Dynamic Brake (iDB) appears to be rightly classifiable under Customs Tariff Item (CTI) 8708 3000 (corresponding to HS heading 8708.30: "Brakes and servo-brakes; parts thereof"), for the following reasons :

- i. It functions exclusively as a component of motor vehicle brake systems, integrating functions such as brake boosting (replacing traditional vacuum boosters) and electronic stability control (ESC) into a single unit.
- ii. It is unequivocally identifiable as a braking component due to its primary role in generating and modulating hydraulic braking pressure for vehicle wheels.
- iii. It does not meet the criteria for classification under alternative headings, including.

9032 (automatic regulating or controlling instruments), as it lacks the independent measuring, controlling, and operative devices required for standalone regulators;

84 13 (pumps for liquids), as its hydraulic elements are integral to the braking function rather than general-purpose pumping; or

8479 (machines and mechanical appliances having individual functions, not specified elsewhere), as it is specifically provided for under heading 8708.

- iv. Technological integration (e.g., electro-hydraulic design with motor driven pressure generation) does not preclude classification as a brake or servo-brake part, as the essential character and principal function remain "braking".

4.7 In light of the foregoing, the Integrated Dynamic Brake (iDB)—a compact, vacuum-independent electro-hydraulic unit primarily designed for braking in motor vehicles (including ICE, hybrid, and electric models)—is most suitably classifiable under CTI 8708 3000. This heading explicitly encompasses "Brakes and servo-brakes; parts thereof," and the iDB's design, function, and exclusive use align precisely with these provisions. Accordingly, classification under CTI 8708 3000 is justified and appears to be correct.

4.8 The applicant vide letter dated 16.02.2026 has submitted their rebuttal in response of jurisdictional commissionerate's comment as under:

Para 2(C)(ii) – Comment against CTH 9032 8900:



The Id. Jurisdictional Commissioner, in their Comments on the proposed classification under heading 9032, has stated that the said heading is typically applicable only to industrial processes such as refineries. Such a proposition is contrary to the settled legal position laid down by judicial authorities. Heading 9032 is not confined exclusively to regulators used in large-scale industrial processes. In fact, an identical/similar product used in the automotive sector was classified under heading 9032 by the Hon'ble CESTAT, Chennai in *Commissioner of Customs vs. M/s. Mobis India Ltd.*, Customs Appeal No. 40614 of 2021.

If the interpretation advanced by the Jurisdictional Commissioner were correct, the Hon'ble CESTAT, Chennai could not have classified an automotive regulator under heading 9032. The said judicial precedent clearly demonstrates that the scope of heading 9032 is not restricted to refinery or heavy industrial applications. Therefore, the observation of the Jurisdictional Commissioner is legally untenable and devoid of merit.

Further, the Jurisdictional Commissioner has stated that *iDB does not autonomously maintain brake fluid pressure at fixed setpoints; it responds proportionally to driver pedal input and vehicle signal (e.g., speed, rotation), not a pre-set desired value.* Such an observation is factually incorrect.

The Electronic Control Unit (ECU) in the iDB is pre-programmed with calibrated control parameters and response maps. For every defined input condition such as a specific magnitude of brake pedal force, the ECU is coded to generate a corresponding, predetermined hydraulic output. Thus, the functioning of the subject product is not a mere mechanical or proportional reaction, but a controlled regulation based on pre-determined setpoints and programmed values. The iDB, therefore, operates on the principle of automatic regulation as contemplated under the relevant tariff heading.

Further, the Jurisdictional Commissioner has referred to the decision of *Continental Automotive Breaking vs. Commissioner*, wherein an observation was made with regards to the classification of ABS. The Hon'ble CESTAT made a mere observation excluding ABS from the purview of 9032 because the regulation varies by external factors (such as Speed, Angular Motion, Side Ways movement, etc.), and not based on the controlled variable (Braking) itself. This argument might be applicable and relevant when it comes to classification of ABS, but herein, the subject product is not an ABS and the functioning of iDB is completely different from that ABS and the variation happens based on the factor to be controlled only (Braking). Therefore, *Continental* decision cannot be relied upon to assert that the subject product is not classifiable under 9032.

The Hon'ble CESTAT, Chennai, in the case of *Commissioner of Customs vs. M/s. Mobis India Ltd.*, has categorically examined the scope and meaning of a "programmable process controller" and laid down the essential criteria for classification under heading 9032. The subject product, iDB, squarely satisfies each of the parameters so enumerated.

Further, the Jurisdictional Commissioner has asserted that, *unlike true process controller, iDB lacks regulatory algorithms for continuous monitoring/maintenance.* Such a



statement is also factually incorrect as already stated, the subject product is equipped with an Electronic Control Unit (ECU) embedded with pre-determined control algorithms and calibrated response parameters, which govern its operation under varying conditions.

In terms of Note 7(a) to Chapter 90, an apparatus qualifies as an automatic regulating or controlling instrument if it performs continuous measurement, comparison with a desired value, and correction of deviations without human intervention. The iDB satisfies these criteria inasmuch as it continuously monitors inputs through multiple sensors (including speed and wheel rotation sensors), processes such inputs through its programmed ECU, and automatically modulates braking force or reduces vehicle speed wherever required even without any Human Intervention.

In light of the foregoing submissions, it is amply clear that each of the grounds and reasoning advanced by the learned Jurisdictional Commissioner against the proposed classification under heading 9032 is legally unsustainable and factually untenable. The objections raised are contrary to the technical characteristics of the subject product as well as the settled Judicial Position, and therefore deserve to be rejected.

4.8.1 Para 2(C)(iii) – Comment against CTH 8413 5090:

Prima Facie, the first line of the comment under Para 2(C)(iii) makes it evident that the Jurisdictional Commissioner has wrongly interpreted the Applicant's Application. The learned Jurisdictional Commissioner has stated that the Applicant has invoked GRI 3(b) but such a statement is untenable for the reason that the Applicant has clearly submitted before this Hon'ble Authority in the Written Submission dated 13.01.2026, that the Subject product is appropriately classifiable under heading 8413 as per GRI 1 itself. This submission was neither countered nor dealt by the Jurisdictional Commissioner.

GRI-1 stipulates that "*classification shall be determined according to the terms of the headings and any relative Section or Chapter Notes*". In the instant case, Note 3 & 4 of Section XVI brings in a mandate that Composite Goods made out of multiple components ought to be classified in a particular manner. Note 3 stipulates that the entire composite good is to be *classified as if consisting only of that component or as being that machine which performs the principal function*. Since the Subject product is an integration of multiple components, Note 3 stipulates that the entire product is to be classified as that "**Individual Component**" which performs the principal function of the Composite Good.

Therefore, the Applicant has determined the classification strictly in terms of GRI 1, which mandates that classification shall be governed by the terms of the headings read with the relevant Section and Chapter Notes. In this regard, reliance was placed on Note 3 to Section XVI, which specifically provides the guiding principle for classification of composite machines.

In such circumstances, the allegation of the learned Jurisdictional Commissioner that the Applicant has straightaway resorted to GRI 3(b) is factually incorrect and wholly



misconceived, as the submission is very clear that the proposed CTH is correct as per GRI-1 itself and reinforced by GRI-3(b). As clearly stated in the Written Submissions, the reference to GRI 3(b) was made only to demonstrate the broader interpretative scheme under the GRI, wherein even that Rule recognises that composite goods are to be classified according to the component which imparts the essential character. Thus, it is conclusively submitted that the subject product is appropriately classifiable under CTH 8413 5090 in terms of Rule 1 of the General Rules for Interpretation (GRI-1), read with Rule 3(b) of the GRI. Reference to Rule 3(b) has been made only to elucidate the application of the “essential character” principle; however, the primary basis of classification remains Rule 1 itself vide Note 3 to Section XVI.

Therefore, the Applicant has neither bypassed GRI 1 nor prematurely invoked GRI 3(b). The discussion on the “essential character” test was merely in furtherance of the interpretative exercise and not as an independent or primary basis of classification. The allegation to the contrary, therefore, is factually incorrect and legally unsustainable.

Further, starting with the assertions on merits, the Jurisdictional Commissioner in Para 2(C)(iii) has stated that the proposed *Heading 8413 covers standalone pumps with independent commercial identity for fluid displacement*. The argument of the Jurisdictional Commissioner lacks any legal backing and is apparently baseless. To prove that the above argument of the Jurisdictional Commissioner is without any legal backing, reference to the concerned Explanatory Notes is necessary. Explanatory Notes to heading 8413 states that:

*This heading covers most machines and appliances for raising or otherwise continuously displacing volumes of liquids (including molten metal and wet concrete), **whether they are operated by hand or by any kind of power unit, integral or otherwise.***

The above explanatory notes clearly specify that the pump falling under this heading can be operated by any means, i.e., through a power unit integral to it or through any other means of integration. In line with the above explanatory note, the pump in the subject product is integrated with multiple other components and all together operate the pump. Therefore, the argument that only those pumps that are standalone with independent commercial identify is covered herein is completely baseless. Most importantly, this heading has been proposed as per the condition stipulated under Note 3 of Section XVI. Note 3 & 4 are reproduced below:

*3. Unless the context otherwise requires, composite machines consisting of two or more machines fitted together to form a whole and other machines designed for the purpose of performing two or more complementary or alternative functions **are to be classified as if consisting only of that component or as being that machine which performs the principal function.***

A mere look at the concluding line of Note 3 to Section XVI makes it clear that, when it comes to composite goods like that of the subject product, the entire composite good is to be classified as that “**individual component**” which performs the principal function. By undertaking this exercise of ascertaining the principal function, the Applicant has proposed to



classify the entire iDB under the heading 8413. **When the law mandates the classification of composite goods to be done in a particular way, the argument of the Jurisdictional Commissioner that only standalone pumps are covered under this heading is completely baseless.**

Further, the Jurisdictional Commissioner has commented that “*without brake context, the pump cannot function; it is not imported/traded as a pump but as a complete brake module*”. It would be trite to note that the nomenclature under which a good is imported does not determine its classification. The imported good might be named anything, but the variables such as its components, functions, etc. are the only determinative factors for classification. Therefore, merely because a product is titled as Brake, it cannot be classified as Brake.

Moreover, the reason for proposing this heading is due to the condition enumerated under Note 3 & 4 of Section XVI. This heading is proposed as the appropriate classification by employing essential character test. When such is scenario, it is unreasonable on the part of the Jurisdictional Commissioner to state that the *subject product is not imported/traded as a pump*. This clearly shows that the Jurisdictional Commissioner has failed to properly understand and interpret the relevant provision under Note 3 of Section XVI as per GRI 1.

The learned Jurisdictional Commissioner has stated that *the Pump merely executes ECU commands; control logic (not pumping) defines the device*. It is true that the Pumps merely executes the ECU commands but it is to be noted that the principal functionality of a Mechanical Device like that of the subject product can be denoted only as the mechanical component and not based on the control logic or the technical and technological sophistication it has attained. It would be trite to note that the US Customs Authority in CROSS Ruling H328055 while dealing with a similar product has categorically held that:

“The ECU in the control box appears to be an electrical apparatus. However, the presence of the solenoids and valve body assembly add significant mechanical capabilities to this item and render the control box not “wholly electrical.” We also note that the electrical functions of the control box are subsidiary because they only enhance the mechanical activities.”

From the above decision, it is amply clear that the Control Logic from the ECU is only subsidiary because of the fact that the ECU only enhances and aids the mechanical activities performed by the mechanical components. Therefore, the above statement of the Jurisdictional Commissioner is legally and technically flawed.

Further, the primary argument of the Jurisdictional Commissioner against the proposed classification under heading 8413 is that the Applicant has misapplied the Essential Character.

As per the learned Jurisdictional Commissioner, the *essential character of the subject product is holistic function – braking regulation – not isolated pumping*. It is their argument that, since iDB does braking regulation, it has to be classified as Brake. To reiterate the exact terms, the Jurisdictional Commissioner has stated that “*Section XVI Note 3 requires*



classification by principal function (braking), pointing to CTH 8708". The above understanding makes it evident that the Applicant has not misapplied the Essential Character, but it is the Jurisdictional Commissioner who has completely misunderstood and wrongly interpreted Note 3 of Section XVI.

At the cost of repetition, we reiterate that Note 3 of Section XVI mandates that Composite Goods ***are to be classified as if consisting only of that component or as being that machine which performs the principal function***. The provision is self-explanatory wherein it is made clear that the entire Composite Good is to be classified as that "Individual Component" which perform the Principal Function. The same rule is envisaged under GRI 3(b). Therefore, the entire good is to be classified as that ***one component within the composite good*** which depicts the essential character.

In line with the above stipulation, the Applicant had proposed that the subject product is appropriately classifiable under heading 8413 as the Pump within it clearly depicts the essential character of iDB i.e., to push brake fluid to the Calipers whenever required or instructed. When such is the scenario, the Jurisdictional Commissioner could not have asserted that the Entire iDB is a Brake. The learned Jurisdiction Commissioner ought to have specified any one of the components as depicting the essential character or principal purpose but they have baselessly stated that since the principal function is Braking, the entire iDB is to be classified under 8708. This clearly shows that the Jurisdictional Commissioner is pre-determined to classify the subject product under heading 8708.

The Hon'ble CESTAT, Chennai in the case of *Commissioner of Customs (Imports), Chennai v. M/s. Usha International Ltd.*, Appeal No. C/568/2009, has held that:

5.2. Indubitably, the impugned goods are composite goods, and hence, the component which provides the machine its essential character will be determined the factor for classification. (Enclosed as Annexure 2)

The Hon'ble Supreme Court in the case of *Collector of Central Excise Vs. Wood Polymers Ltd.*, AIR 1998 SC 1493, decided a classification issue pertaining to a composite good. The Hon'ble Court held that:

11. We are unable to accept the said contention of the learned counsel. In view of the rules regarding Interpretation which are contained in New Tariff the matter of classification has to be considered in the light of the said rules. As indicated earlier, Rule 3 of the said rules contains the principles to be applied for classification of goods, which are prima facie classifiable under two or more headings. Since decorative laminates are composite goods made from different components, namely, paper and chemical solutions with which it is impregnated, the classification of decorative laminates has to be determined in the light of Rule 3(b). According to the said rule, composite goods consisting of different materials or made up of different components which cannot be classified by reference to sub-rule (a) shall be classified as if they consisted of the material or components



*which gives them their essential character insofar as this criterion is applicable. As a result to impregnation with the chemical solutions the character of paper is changed into decorative laminates and it is **the chemical solutions which give them their essential character.***

As is evident from the above decision of the Hon'ble Supreme Court, when it comes to classification of a decorative laminates made of paper and chemical solution, the essential character test was applied and one component within it i.e., Chemical Solutions was determined to depict the essential character and thus, the entire product was classified as Chemical Solution. The above stated procedure is strictly followed and applied even by the Hon'ble Supreme Court, but the Jurisdiction Commissioner failed to determine any component as depicting essential character and ultimately decided the classification based on the end result achieved through some other machines., i.e., as Brake under heading 8708.

Further, the essential character should be determined based on the function of the product but not based on the end result happening through some other machine (Braking). The subject product has nothing to do with breaking, as the subject product merely pushes the Brake Fluid to it create the required pressure for braking even before the point where the Calipers are located. Similarly, the Hon'ble Supreme Court in the case of *Kemrock Industries and Exports Ltd. Vs. Commissioner of Central Excise, Vadodara*, (2007) 9 SCC 52, has categorically held that:

*5. As stated above, Chapter 39 deals with 'plastics and articles thereof'. As stated above, under Heading 39.20 sheets of plastics, laminated supported or combined with other materials stand covered as plastics and articles thereof. On the other hand, Heading 70.14 falls under Chapter 70, which refers to 'glass and glassware'. It is not in dispute that the item in question is a composite item. However, as found by the Department, in the above process, the glass fibre mat when impregnated with plastic gains certain amount of stiffness which helps manufactures of roofs and partitions. **In the present case, since the article in question is a composite article, the test of essentiality shall apply. This test of essentiality refers to "essential character".** The test states that, if the manufactured goods has the essential character, mainly of stiffness, required for the manufacture of roofs, partitions etc. then one has to treat the item in question as an article of plastic. **In the present case, Rule 3(b) of the Rules for the Interpretation of tariff entries would apply. The said Rule require that composite goods, mixtures and goods put up in sets have to be classified on the classification of that material or component which gives to the product their essential character.** In the present case, if we keep in mind the manufacture of roofs, partitions etc., then the stiffness is the main attribute of such a product. The glass fibre mat when impregnated gives stiffness which helps in the manufactures of roofs, partitions etc., e.g., in the context of an insulation paper which is a composite of plastic and paper, the item will fall under Heading 39.01/06 of the previous Customs Tariff Act since plastic gives higher degree of insulation quality. **Rule 3(b) requires classification based on the material which***



gives it the essential characteristics. This is the test of essentiality. The effect of the tariff schedule is to classify the products under different heads according to the character of the product. In interpreting a tariff entry, Rules for the Interpretation are helpful, particularly in cases of composite goods.

In the aforesaid decision, the final product under consideration was glass fibres impregnated with resins/plastics. The determining factor was that the essential character of the composite product was stiffness, and such stiffness was imparted by the plastic component; mere glass fibres, by themselves, could not have conferred the required rigidity.

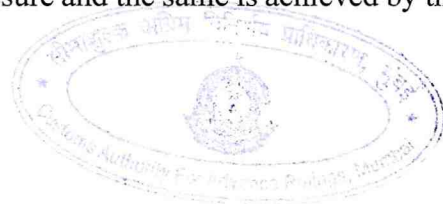
Applying the same reasoning to the present case, the final product is iDB, and the classification analysis must be confined to the product as presented. The iDB comprises multiple components; however, its core function is to generate and push brake fluid to the piston within the caliper. This action is carried out by the pump, which, upon being triggered by the ECU, pumps the fluid to create the necessary hydraulic pressure. Therefore, drawing a parallel with the above decision, it is the pump that imparts the principal function and, consequently, depicts the essential character of the subject product.

The Hon'ble Karnataka High Court in the case of *The State of Karnataka Vs. Asian Paints Limited*, ILR 2014 Karnataka 3993, has clearly specified the manner in which the essential character test is to be applied. The Hon'ble Court held that:

“Since the product-RMP in question is a composite goods, the test of essentiality will have to be applied to find out whether petroleum resin being one of the ingredients/component gives its essential character to the product (RMP).”
(Enclosed as Annexure 5)

The Hon'ble Supreme Court and multiple other Courts has categorically specified that the composite good is to be classified as that “individual material” which gives its essential character. By completely abiding by the above condition, the Applicant had determined that since the essential character or function is to push the brake fluid to the calipers whenever required, the component that describes this function of pushing the brake fluid is to be taken into account for classifying the entire product as per Note 3. Therefore, the entire subject product is to be classified as Pump falling under CTH 8413. But contrary to the above stipulation, the learned Jurisdiction Commissioner had neither specified the component depicting the essential character nor rebutted the Applicants result of the essential character test.

Interestingly, in Para 3 of the Comment, the Jurisdictional Commissioner has admitted that the subject product's *primary role is generating and modulating hydraulic braking pressure for vehicle wheels*. As admitted by the Authority, the primary role of iDB is to generate braking pressure and this is achieved by the Pump within iDB. This function cannot be said to be achieved by the Brake as claimed by the Jurisdictional Commissioner in previous Paragraph. The primary role is to generate brake fluid pressure and the same is achieved by the



Pump. Moreover, there is no such component within iDB which can be construed or considered as a brake and thus, the entire argument of the Jurisdictional Commissioner is unsustainable.

Finally, the Jurisdiction Commissioner has concluded by stating that “*Heading 8413 is inapplicable; iDB is not a pump but an integrated brake system*”. It is true that iDB is not a pump but we emphasise that this is the individual component that depicts the essential character of the entire product as per Note 3 of Section XVI and in accordance with GRI 1 r/w. 3B. On the whole, the learned Jurisdiction Commissioner has failed to raise any relevant legal or factual counter to the proposed classification. Therefore, for the reasons stated above and in the previous Submissions before this Hon’ble Authority, the subject product is appropriately classifiable under CTH 8413 5090 as the same depicts the essential character of the subject product.

4.8.2 Para 2(C)(iv) – Comment against CTH 8479 8999:

Without prejudice to the submissions with respect to the above classifications, if this Hon’ble Authority is of the view that the above proposed component does not depicts the essential character of the subject product, then the subject product would appropriately be classified only under CTH 8479 8999. This stipulation emanates from Note 8 of Chapter 84 which clearly stipulates that, when no component is determinable as depicting the essential character, then the entire composite good is to be classified under heading 8479. But countering this classification, the learned Jurisdictional Commissioner has countered on two grounds. One, they have stated that the subject product lacks independent function. It is to be noted that a product need not have independent function to be classifiable under 8479.

The explanatory notes to heading 8479 is reproduced below for the sake of convenience:

“For this purpose the following are to be regarded as having “individual functions” :

(A) Mechanical devices, with or without motors or other driving force, whose function can be performed distinctly from and independently of any other machine or appliance.

(B) Mechanical devices which cannot perform their function unless they are mounted on another machine or appliance, or are incorporated in a more complex entity, provided that this function:

(i) is distinct from that which is performed by the machine or appliance whereon they are to be mounted, or by the entity wherein they are to be incorporated, and

(ii) does not play an integral and inseparable part in the operation of such machine, appliance or entity.”



In this regard, as correctly stated by the Jurisdictional Commissioner, a good has to be falling within the purview of “Individual Functions” in order to be classifiable under 8479. They have stated that iDB does not do any distinct or independent functions and thus does not fall under 8479. But such a reason is contrary to the position enumerated in the Explanatory Notes. As per the EN, mechanical device may work distinctly from the host object or it can work only if mounted on another. The subject product falls within the second category wherein it only functions when mounted on to the host object. If a mechanical device function when mounted on to another, further conditions are specified which requires the device perform distinct function from the host machine and that it does not play an integral role for the functioning of host machine. Here, iDB performs distinct function from the brake on which it is mounted as iDB merely undertakes pushing of brake fluid but what brake does it completely different (Activity that squeezes the Brake Disk to reduce the wheel speed). And iDB does not play an integral role as the ultimate braking function would work even when the iDB fails and the same been acknowledged by the Jurisdictional Commissioner.

Further, the Jurisdictional Commissioner has stated that *the iDB cannot function in isolation, it requires vehicle integration and performs no standalone task – its sole purpose is braking*. The entire interpretation of the Jurisdictional Commissioner is misplaced, even when it cannot function in isolation, it would fall under 8479 as already stated. It need not do any standalone task, it should just do a distinct function than the host machine and that is squarely fulfilled by iDB. Therefore, the above statement of the Jurisdictional Commissioner is contrary to the position enumerated in the Explanatory Notes.

Subsequently, the learned Jurisdiction Commissioner has brought in a counter to an argument that was never raised or submitted before this Hon’ble Authority. The authority has stated that “*GRI 4 applies only if prior rule fails*”. It would be trite to note that the Applicant had never claimed that GRI 4 will apply to the case at hand. Therefore, the above statement is completely baseless.

Further, the Jurisdictional Commissioner has stated that “*even under Note 8, no principal function ambiguity exists – braking is clear*”. Assuming that the statement of the Jurisdictional Commissioner is correct, then in such a scenario, a component that undertakes this so called principal function of “Braking” must be determined as laid down under Note 3 of Section XVI. But no such effort for determination has been done by the Learned Jurisdictional Commissioner and have merely asserted for classifying the subject product under 8708 with a pre-determined mind.

4.9 Subject Product is not classifiable under 8708.

Since the arguments raised by the Jurisdictional Commissioner in the above paragraphs are baseless, the classification proposed by the Applicant is appropriate. Since the subject product is specifically included under heading 9032/8413, the same can in no way be classified under 8708. According to the case of *Commissioner of Central Excise, Delhi-III Vs. UNI Products India Ltd.*, AIR 2020 SC 2332, of the Hon’ble Supreme Court, in order to classify



any product as “*part and accessory*” under 8708, compliance with the below mentioned triple test is mandatory:

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

Starting with the analysis of Condition (a), it clearly states that a product that is explicitly excluded from the purview of Section XVII cannot be brought within the purview of 8708. As it is evident that the subject product is appropriately classifiable under 9032/8413, one must see if such a heading is excluded under Note 2 to Section XVII. Only when a concerned product is not excluded under Note 2, classification under 8708 is possible. Note 2(e) excludes “machines and apparatus of headings 8401 to 8479” and Note 2(g) specifically excludes “*Articles of Chapter 90*”. Even if the subject product is held to be appropriately classifiable under any one of the proposed classification, i.e., 9032/8413/8479, the same would be excluded from the ambit of heading 8708. Therefore, the first condition is not fulfilled.

Moving on to condition (b) which stipulates that the concerned product must be solely and principally used with articles of Chapter 86 to 88 (includes Cars, other automobiles, steering, gearbox, etc.). This requires the analysis of the subject product’s usage and if the concerned product is solely and principally used with Automobiles, then this condition is fulfilled. Since it is beyond doubt that the subject product is designed and used solely for Automobile, the second condition is fulfilled.

Moving to the condition (c), a bare perusal of the same would reveal that a product can be classified under 8708 only when the concerned product is not specifically included elsewhere. Therefore, the term “*parts and accessories*” under 8708 acts merely as a residuary entry and when a specific entry is available mentioning the description of the subject product, then the same must be classified under that specific heading and not under 8708.

From the *Uni Products* decision, it is amply clear that a product can be classified as “Parts” under 8708 only when it is not specifically included elsewhere. But herein, by application of GRI 1 and Note 3 of Section XVI, the subject product is specifically classifiable as Pump under heading 8413 and thus, the third condition is also not fulfilled. Heading 9032/8413 specifically describes the subject product and thus, classifying the subject product under 8708 is forbidden in accordance with condition (c) as elucidated in the case of *Uni Products*.

Regardless of the above, we would be dealing with the reasoning of the learned Jurisdictional Commissioner in favour of classifying the product under CTH 8708 3000.



The learned Jurisdictional Commissioner has stated that the subject product “*receives pedal input, generates hydraulic pressure, modulates braking force to wheel calipers, and incorporates functions like anti-lock braking, emergency braking, an stability control – all core to vehicle braking*”. Such a statement is factually incorrect as all the functions undertaken by the subject product is not essential for the braking function but instead acts as a mere enhancer or booster for the braking function. As admitted and accepted by the Jurisdictional Commissioner, the normal braking function required to stop the vehicle would work even when the iDB fails and even when the above stated so called “core functions” are not working. Therefore, the above statement is factually incorrect.

Further, the Jurisdictional Commissioner has stated that the subject product is exclusively usable in Motor Vehicle alone and the Applicant has also admitted that. Notably, the learned Jurisdictional Commissioner has relied upon the decision of the Hon’ble Supreme Court in the case of *Westinghouse Saxby Farmers Ltd. vs. CCE*, to state that the Supreme Court has classified advanced relays as Railway Parts despite sophistication, prioritising end use. As already submitted in the Application and the subsequent Written Submission, the Central Board of Indirect Taxes and Customs has itself through Instruction No.01/2002-Customs, instructed the field officers to not apply *Westinghouse* but instead mandated every Authority to adhere to the conditions stipulated by the Hon’ble Supreme Court in the case of *Uni Products*.

Therefore, merely because a product is used only in an Automobile, it cannot be classified under the head “parts and accessories” and all the other conditions such as the “exclusionary clause” and “specifically included elsewhere” must also be cumulatively complied with.

Further, the Jurisdictional Commissioner has stated that the subject product does not fit in any of the proposed headings and thus, no exclusion clauses kicks in. But it is evident that the Jurisdictional Commissioner has not brought in any relevant ground to rebut the Applicant’s proposed classifications and thus, considering the fact that the subject product would appropriately fall under any of the proposed heading, iDB would stand excluded from the purview of heading 8708.

The learned Jurisdictional Commissioner has reiterated that “*iDB is marketed, imported and resold as an Automotive Brake System Component. It is not traded as a generic controller, pump, or appliance*”. Such a statement is baseless as already demonstrated, the subject product is classifiable as Pump for the sole reason that such a procedure is stipulated under Note 3 to Section XVI r/w. GRI 3(b). When such is the scenario, the Jurisdictional Commissioner had no reason to quote this as a reason to say that iDB is classifiable under 8708.

Out of all the above aspects, we bring to the notice of this Authority that the subject product cannot be classified under CTH 8708 3000 by any means of imagination. Heading 8708 3000 covers “Brake and Parts thereof” and as the heading suggests, ~~only actual brakes~~



and its parts are classifiable herein. The relevant Explanatory Notes to heading 8708 is reproduced below:

“Parts and accessories of this heading include:

Brakes (shoe, segment, disc, etc.) and parts thereof (plates, drums, cylinders, mounted linings, oil reservoirs for hydraulic brakes, etc.); servo-brakes and parts thereof.”

From the above Explanatory Notes, it is amply clear that the mechanical components that actual undertake braking and reduce the speed of the vehicle falls under the head “Brake” and they include Brake Disk, Segment, Brake Shoe and Calliper. Further, under the head “Parts thereof”, only those components that are integral to the end braking function such as the Plates, Drums, Cylinders, mounted linings and Oil reservoirs without which the braking function would not happen. But contrary to the above, the normal braking function would work even when the subject product fails and thus, the subject product does not find a place within the ambit of “parts thereof”.

Moreover, it would be trite to note that the Hon’ble CESTAT, Chennai in the case of *Continental Automotive Breaking vs. Commissioner*, has classified an ECU that was used in Braking System under CTH 8708 9900 and not under CTH 8708 3000 as the concerned product under contention before the Hon’ble Tribunal did not fall within the purview of “Parts thereof”. Similarly, the subject product also be brought within the purview of “parts thereof” and thus can in no way be classified under CTH 8708 3000.

On a holistic reading of all the above submissions, it is amply clear that the subject product is appropriately classifiable under heading 9032/8413/8479 and cannot be classified under heading 8708 3000 as the subject product is specifically included elsewhere.

Details of Hearing

5.1 A hearing was held on 13.01.2026 at 12.30 PM. Shri Senguttuvan, Authorized Representative, and others appeared for the hearing and reiterated the contention submitted with the application that the subject goods are Integrated Dynamic Brake (IDB) meant to be used in automobiles. The learned AR contended that the subject goods merit classification under CTH 8413, more specifically 84135090 (other) due to the following reasons-

- (a) GIR-1, read with Note 3 and Note 4 of Section XVI.
- (b) GIR-3b: Essential character of the product as pump.

In support of their claim, they submitted a compendium of case laws in their additional submission which are covered in the paras above.

They further contended that the subject goods will not appropriately fall under CTH 8479 or under CTH 8708. That the CTH 9032 (in terms of continental case, CESTAT) will also not be



applicable. As the principal purpose/function of the product is pump hence CTH 8708 is not applicable. Moreover, the subject goods do not qualify for CTH 8708 as all the three conditions to satisfied to be classifiable under CTH 8708 is not fulfilled. They would submit that in case the CTH 8413 is not applicable, the CTH 8479 would alternatively be applicable. They relied upon several case laws including some US Cross Rulings in support of their contentions.

5.2 Nobody appeared on behalf of the department for the hearing.

Discussion and findings

6.1 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 and comments received from the concerned Commissionerate. I proceed to pronounce a ruling on the basis of information available on record as well as existing legal framework.

6.2 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.

6.3 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.

6.4 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.

6.5 Integrated Dynamic Brake is a 1-box electro-hydraulic brake system that replaces and integrates multiple components of a traditional brake system and modern brake system into one unit. This promotes the reduction in vehicle mass and simplifies the assembly step by requiring fewer electrical and hydraulic components. The iDB majorly includes various sensors such as Stroke Sensor, Motor Position Sensor, Pressure Sensor, a reservoir holding brake fluid, a valve block that regulates the flow of brake fluid, an ECU, a motor to pump the fluid and a pump piston to apply the brake fluid pressure.

6.6 How does iDB works:



- When a driver applies pressure on the brake pedal, the electronic control unit acquires the pedal pressure information from the stroke sensor.
- The electronic control unit controls the motor included in the hydraulic pressure generating unit based on the acquired pedal pressure information, rotational power of the motor is converted into linear reciprocating movement in order to pump brake fluid within the hydraulic line.
- A pump piston serving as the final stage of the hydraulic pressure generating unit discharges the fluid through the hydraulic line to the caliper installed at the wheel of the vehicle to generate a braking force, and the electronic control unit controls the valve block that essentially regulates the amount and flow of brake fluid passing on to the calipers.
- Here, the valve block is constituted by a plurality of valve units and its combined synchronous action regulates the flow of liquid. In such a braking process, the component called master cylinder consisting of a pedal simulator artificially induces pressure on the brake pedal in order to give a feeling to the user that the vehicle is stopping proportionally based on the amount of pedal pressure. This pedal simulator generates a pressure on the brake pedal to reduce the sense of difference in driving.
- As depicted above, the whole function of regulating the brake fluid starting from the stage of acquiring the pressure on the pedal from the stroke sensor to discharge of the fluid from the reservoir to the calliper to generate braking force is carried out by the IDB.

In short and simple plaintiff reading, the iDB works by continuously collecting real-time data from vehicle sensors such as brake pedal position, wheel speed, vehicle speed, and hydraulic pressure, which is processed by ECU. The Electronic Control Unit (ECU) analyses this data to determine the required braking force and then commands an electric motor-driven hydraulic pump to generate **braking pressure independently of the driver's pedal force**. This pressure is automatically regulated through control valves and accumulators and is dynamically increased, reduced or held based on vehicle conditions. As a result, braking pressure is generated and controlled by the system itself through electronic decision-making, rather than by direct mechanical force from the driver. It is clear that one of the defining characteristics of iDB is braking function.

6.7 The applicant submitted that the subject goods are classifiable under CTH 9032/8413/8479 for the following reasons:

- 9032 – The iDB qualifies for classification under Heading 9032, as it is a *Programmable Process Controller*, which aligns with the scope of this heading. This classification is further supported by Note 7(a) of Section XVIII, which explicitly includes such devices.
- 8413 5090 – the basis behind proposing to classify under this chapter is based on the essential character of the subject product in accordance with GIR 3(b); the notable essential character is pumping of brake fluid in accordance to the programme for the enhanced performance of the braking system.



- c. 8479 8999 – Classification under this heading is proposed in accordance with Note 8 to Chapter 84, which provides guidance for classifying composite machines. If the principal function of the product cannot be classified under any specific heading, Note 8 stipulates that such composite goods should be classified under Heading 8479, which covers machinery having individual functions not specified or included elsewhere. Accordingly, the product is proposed to be classified under the residual subheading 8479.89.99.
- d. Further, the applicant submitted that iDB is not classifiable under CTH 8708 as it is not integral to the operation of the core braking system. Further, as per Note 2(e) to Section XVII excludes *machines and apparatus of headings 8401 to 8479* and Note 2(g) specifically excludes “*Articles of Chapter 90*” from the purview of Section XVII (Enclosed as Exhibit-22). Therefore, goods falling under 9032, 8413 and 8479 are completely excluded from being classified as a “*part and accessory of Automobile*” falling under 8708.

6.8 In order to determine the correct CTH, I will discuss each and every CTH proposed by the applicant:

1. **CTH 9032:** Heading 9032 covers **AUTOMATIC REGULATING OR CONTROLLING INSTRUMENTS AND APPARATUS** and as per Note 7(a) of Chapter 90, the heading only covers –

(b) instruments and apparatus for automatically controlling the flow, level, pressure or other variables of liquids or gases, or for automatically controlling temperature, whether or not their operation depends on an electrical phenomenon which varies according to the factor to be automatically controlled, which are designed to bring this factor to, and maintain it at, a desired value, stabilized against disturbances, by constantly or periodically measuring its actual value; and.

HSN explanatory notes of CTH 9032 provides:

(I) INSTRUMENTS AND APPARATUS FOR AUTOMATICALLY CONTROLLING THE FLOW; LEVEL, PRESSURE OR OTHER VARIABLES OF LIQUIDS OR GASES, OR FOR AUTOMATICALLY CONTROLLING TEMPERATURE

Automatic control apparatus for liquids or gases and apparatus for automatically controlling temperature form part of complete automatic control systems and consist essentially of the following devices :

(A) A device for measuring the variable to be controlled (pressure or level in a tank) temperature in a room, etc.); In some cases, a simple device which is sensitive to changes in the variable (metal or bi-metal rod, chamber or bellows containing an expanding liquid, float, etc.) may be used instead of a measuring device. - -

(B) A control device which compares the measured value with the desired value and actuates the device described in (C) below accordingly.



(C) A starting, stopping or operating device.

Apparatus for automatically controlling liquids or gases or temperature, within the meaning of Note 7 (a) to this Chapter, consists of these three devices forming a single entity or in accordance with Note 3 to this Chapter, a functional unit. Some instruments and apparatus do not incorporate devices which compare the measured value with the desired value. They are directly activated by means of a switch, e.g., when the predetermined value is reached.

From the above, it is clear that CTH 9032 is for instruments and apparatus for automatically controlling the flow; level, pressure or other variables of liquids or gases. In the instant case, the iDB is a package of Motor Assembly, Pressure Sensor, ECU, hydraulic block, main reservoir, etc., that enhances braking function.

As an independent part, the Integrated Dynamic Brake can measure the pressure applied on the brake pedal using a stroke sensor, and the ECU assesses the required brake force and sends control signals to both the electric motor and the valve block, which in turn releases the pump piston to generate hydraulic pressure acting on the calipers. The pressurised hydraulic fluid generated by the piston moves toward the wheel callipers. The applicant's interpretation in this case is totally misplaced. Automatic control apparatus for liquids or gases must consist the device for measuring the variable to be controlled, control unit and starting/stopping/operating device. In the present case, sensor measure the pressure applied by the applicant which is not the variable to be controlled. It is hydraulic brake fluid that is to be controlled by the ECU on the basis of preset value. Therefore, it is evident that the measuring and controlling variables are two different entities that so iDB does not qualify as Apparatus for automatically controlling liquids or gases or temperature.

Further, iDB does not autonomously maintain brake fluid pressure at fixed setpoints; it responds proportionally to driver pedal input and vehicle signals (e.g., speed, rotation), not a preset "desired value." Braking is event-driven, not a stabilized process, as noted in CESTAT's Continental Automotive Brake vs. Commissioner (2021), where ABS/ECU was excluded from CTH 9032 because regulation varies by external factors, not the controlled variable (braking) itself.

iDB is not a Standalone Regulator Unlike true process controllers (e.g., temperature regulators in Board's Order 49/3/97-CX), iDB lacks regulatory algorithms for continuous monitoring/maintenance; it actuates braking on demand. The pedal simulator provides "feel," but this is haptic feedback, not regulation. The Hon'ble CESTAT) classified BCM under 9032 for multi-feature body control, but the iDB is not a general vehicle controller.

The principal function of the device is not the controlling and regulations, and it operates as a component integrated with the vehicle's braking mechanism. Although the system may incorporate electronic components or sensors for effective functioning, all of which function in a coordinated manner to deliver pressurised brake fluid to the calipers and do not confer upon the product the essential character of an **automatic regulating or controlling instrument** envisaged under Heading 9032. The subject goods do not independently measure and regulate a variable for the purpose of maintaining a system parameter at a preset level,



which is the defining feature of instruments falling under Heading 9032. Hence, the subject goods are not classifiable under CTH 9032.

2. **CTH 8413:** The applicant submitted that the principal function or the clearly defined function of iDB appears to be performed by the Reciprocating Positive Displacement Pumps which ultimately induces the flow of brake fluid to the Calipers. Therefore, the subject product can very well be classified under 8413 5090 as “*Other-Other reciprocating positive displacement pumps.*” in accordance with Note 3 and Note 4 of Section XVI and GRI Rule 3 (b).

CTH 8413 provides for Pumps for liquids, whether or not fitted with a measuring device; liquid elevators. Note 2 (e) to Section XVII provides that-

(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;

It is clear from Note 2 (e) of Section XVII that heading 8413 is specifically provided for standalone pumps. Even if the pumps are parts of vehicle but imported as standalone then it will be classified under CTH 8413. In the present case, iDB is comprises of multiple parts ECU, Pump, Sensor, reservoir, valves etc. that enables its function. Pump is also a part of iDB unit and it is incorporated in complete unit, not being imported as a separate unit.

Further, GRI Rule 3 provides that :

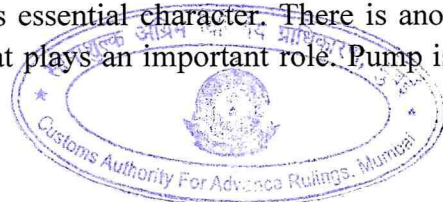
3. *When by application of Rule 2 (b) or for any other reason, goods are, prima facie, classifiable under two or more headings, classification shall be effected as follows :*

(a) 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) Mixtures, composite goods consisting of different materials or made up of different components, and goods put up in sets for retail sale, which cannot be classified by reference to 3 (a), shall be classified as if they consisted of the material or component which gives them their essential character, insofar as this criterion is applicable.

(c) When goods cannot be classified by reference to 3 (a) or 3 (b), they shall be classified under the heading which occurs last in numerical order among those which equally merit consideration.

Heading 8413 covers standalone pumps with independent commercial identity for fluid displacement. The iDB's pump is ancillary, integrated with non-pump elements (ECU, sensors, valves, reservoir) that enable its operation. The subject goods deliver the fluid to the calipers but it's not the pumping function that gives the goods essential character. There is another factor, such as sensors, ECU, motor and valves etc that plays an important role. Pump is an



ancillary component that only follows the command from ECU. Therefore, it is observed that pumping is not a primary function, it only executes commands from ECU. Therefore, the subject goods cannot be classified under CTH 8413 on application of GRI Rule 3(b).

3. CTH 8479: The applicant submitted that the subject product consists of multiple components and performs a range of diverse functions, with no single component or function accurately representing its essential character or principal purpose. As there is no commodity within the device that appropriately depicts its essential character, and none of the individual components or their corresponding headings sufficiently describe the product as a whole, it cannot be classified based on any one of them. Therefore, the most appropriate classification is under CTH **8479 8999**, which covers machines and mechanical appliances having individual functions not specified or included elsewhere, and best accommodates the nature of the device. Moreover, such a classification is line with Note 8 of Chapter 84 and in addition, the subject product appropriately complies with all the conditions stipulated under the WCO Explanatory Notes to heading 8479.

Heading 8479 provides for Machines and mechanical appliances having individual functions, not specified or included elsewhere in Chapter 84. As per HSN explanatory notes of heading 8479, this heading is restricted to machinery having individual functions, which :

- (a) Is not excluded from this Chapter by the operation of any Section or Chapter Note. and*
- (b) Is not covered more specifically by a heading in any other Chapter of the Nomenclature. and*
- (c) Cannot be classified in any other particular heading of this Chapter since :*
 - (i) No other heading covers it by reference to its method of functioning, description or type. and*
 - (ii) No other heading covers it by reference to its use or to the industry in which it is employed. or*
 - (iii) It could fall equally well into two (or more) other such headings (general purpose machines).*

For this purpose, the following are to be regarded as having "individual functions" :

(A) Mechanical devices, with or without motors or other driving force, whose function can be performed distinctly from and independently of any other machine or appliance.

(B) Mechanical devices which cannot perform their function unless they are mounted on another machine or appliance, or are incorporated in a more complex entity, provided that this function:

- (i) is distinct from that which is performed by the machine or appliance whereon they are to be mounted, or by the entity wherein they are to be incorporated, and
- (ii) does not play an integral and inseparable part in the operation of such machine, appliance or entity.



The subject goods i.e. iDB consist of mechanical and electronic components and cannot function individually means it cannot operate on its own, it requires vehicle integration (pedal, lines, ECU signals) and cannot perform any standalone task. Although the individual components or their corresponding headings does not describe the product as a whole but braking is the function that accurately represent its essential character therefore, applicant's reliance on Note 8 of chapter 84 is misplaced. Further, as per GRI Rule 1 and in terms of HSN explanatory notes of chapter 87, the subject goods are more specifically covered under heading 8708.

6.9 Now, I will discuss the CTH under which the subject good is more specific covered:

CTH 8708:

8708	PARTS AND ACCESSORIES OF THE MOTOR VEHICLES OF HEADINGS 8701 TO 8705			
8708 10	- Bumpers and parts thereof :			
8708 10 10	--- For tractors	kg.	15%	-
8708 10 90	--- Other	kg.	15%	-
	- Other parts and accessories of bodies (including cabs) :			
8708 21 00	-- Safety seat belts	u	15%	-
*8708 22 00	-- Front windcreens (windshields), rear windows and other windows specified in Sub-heading Note 1 to this Chapter	kg.	15%	-
8708 29 00	-- Other	kg.	15%	-
8708 30 00	- Brakes and servo-brakes; parts thereof	kg.	15%	-
8708 40 00	- Gear boxes and parts thereof	kg.	15%	-
8708 50 00	- Drive-axles with differential, whether or not provided with other transmission components, non-driving axles; parts thereof	kg.	15%	-
8708 70 00	- Road wheels and parts and accessories thereof	kg.	15%	-
8708 80 00	- Suspension systems and parts thereof	kg.	15%	-
	(including shock absorbers)			
	- Other parts and accessories:			
8708 91 00	-- Radiators and parts thereof	kg.	15%	-
8708 92 00	-- Silencers (mufflers) and exhaust pipes; parts thereof	kg.	15%	-
8708 93 00	-- Clutches and parts thereof	kg.	15%	-
8708 94 00	-- Steering wheels, steering columns and steering boxes; parts thereof	kg.	15%	-
8708 95 00	-- Safety airbags with inflator system; parts thereof	kg.	15%	-
8708 99 00	-- Other	kg.	15%	-

w.e.f. 1.1.2022



The relevant portion of the HSN explanatory notes is also reproduced for ease of reference:

This heading covers parts and accessories of the motor vehicles of headings 87.01 to 87.05, provided the parts and accessories fulfill both the following conditions:

(i) They must be identifiable as being suitable for use solely or principally with the above-mentioned vehicles; and

(ii) They must not be excluded by the provisions of the Notes to Section XVII (see the corresponding General Explanatory Note).

GRI Rule 1 is the first Rule to be considered in classifying any product. In other words, if the goods to be classified are covered by the words in a heading and the Section and Chapter Notes do not exclude classification in that heading, the heading would apply to the said goods.

In case of any ambiguity in understanding the scope of entries in Tariff recourse is taken to the Harmonized Commodity Description and Coding System (Harmonized System or HSN) Hon'ble Supreme Court in multiple cases has underlined the importance of HSN Explanatory Notes as of significant guidance value in deciding the matters of classification under the Customs Act, 1962 and the Customs Tariff Act, 1975.

The Integrated Dynamic Brake (iDB) is classifiable under Customs Tariff Heading (CTH) 8708, for the following reasons:

i. In terms of HSN explanatory notes, iDB is exclusively to be used solely or principally in vehicle. It does not have any independent function and cannot operate individually.

ii. As discussed in above para 6.7 to 6.8, the subject goods are not excluded by Notes to Section XVII.

iii. The iDB is designed exclusively for installation in vehicle. It receives pedal input, generates hydraulic pressure, forces fluid to wheel calipers. The subject goods are not specifically included elsewhere in the Nomenclature.

As per HSN explanatory notes to sub-heading 8703 which provides:

"Parts and accessories of this heading include:

Brakes (shoe, segment, disc, etc.) and parts thereof (plates, drums, cylinders, mounted linings, oil reservoirs for hydraulic brakes, etc.); servo-brakes and parts thereof."

From the above, it is evident that CTI 87083000 includes brakes and parts thereof. The subject goods cannot be considered as brakes itself because it is an intermediate device that merely executes the command from inbuilt ECU but does not perform braking by itself as a primary function, therefore, it cannot be considered as brakes.



Now, it is pertinent to analyse the classification of the goods as parts. From the, HSN explanatory notes, it is evident that parts include plates, drums, cylinders, Brake Disk, Segment, Brake Shoe and Calipers, all the mentioned components are only mechanical whereas the subject goods are combination of mechanical and electronic compound. Further, under the head "Parts thereof", only those components that are integral to the end braking function such as the Plates, Drums, Cylinders, mounted linings and Oil reservoirs without which the braking function would not happen are covered under CTI 87083000. Here, the subject goods are not an integral and essential part of brakes as it is not a device/component without which brakes cannot operate. If iDB is removed from the vehicle, braking function is still be there in the form of mechanical brakes. In the case of *Electrosteel Castings v. CCE 1989 (43) ELT 305 (CEGAT)*, the Hon'ble Tribunal observed that "part" is a component whose absence will disable a machine or appliance. It must be regarded as an essential ingredient or part of that machine. In the case of *CCE v. Insulation Electricals (2008) 224 ELT 512 (SC)*, the Hon'ble Supreme Court observed that, a part is an essential component of the whole without which whole cannot function.

It is also observed that the subject goods are ancillary/enhancement feature in addition to the mechanical brakes, that is not an essential component to perform braking operation. The HSN explanatory notes encompasses only such parts and components that are used in these specified braking mechanisms. Accordingly, only those parts which are essential to, and operate within, the mechanical assemblies that perform the primary or resultant braking function would fall within the ambit of this entry, and not components which are merely ancillary in nature.

The intended functionality of iDB being centered around enhancing performance, automation, and driver assistance, such a function is not an inevitable or necessary element of the basic braking process. Since the primary braking function remains unaffected by the failure of iDB, the primary functionality it provides cannot be regarded as a "part" of the brake system itself. Rather, it constitutes an auxiliary feature that supports, but does not define, the braking capability of the vehicle. Accordingly, iDB should be viewed as an auxiliary system, and not as a component that is essential for the operation of the vehicle's brakes. Therefore, the subject goods do not qualify in the test of essentiality, hence, not classifiable under CTH 87083000 as parts.

It is observed that in the case of *Mobis India Ltd.*, referred above, the jurisdictional Adjudicating Authority vide order dated 20.05.2024, itself classified the goods ECU and ABS (Anti-lock Braking System) under CTI 87089900 and not under CTI 87083000 being a part of Brake on the basis of its composition and functions. ABS uses the principles of threshold braking and cadence braking. The jurisdictional authority further observed that the ABS, even though used in Brake, is not the Parts of Brakes but is only Automobile accessories. Since, the subject goods also consist sensors, ECU, Valve, motor assembly, hydraulic block, pump etc .having various functions similar to the components of ABS; it enhances braking mechanism, and cannot be said to be an essential and inevitable components or parts of brakes.

Further, reliance is placed by a recent decision of the Hon'ble CESTAT Chennai in the case of the *Commissioner of Customs vs. M/s. Hyundai Transys India Private Limited*,



Customs Appeal No. 40335 of 2024, wherein the Tribunal dealt with the classification of "Actuator Assy. Clutch" and "Tube Connector Assy.-Clutch".

The question before the Hon'ble Tribunal was "whether subject items are classifiable under CTI 8708 9900 as ordered in the subject original orders or under CTI 8708 9300 as proposed in the subject SCN". The decision of the Hon'ble Tribunal is squarely applicable. The relevant paragraphs are reproduced below:

8. *From the data provided, we find that the iMT is entirely controlled by Electronic Transmission Control Unit and the Actuator acts by the input and control of the TCU. The transmission of power from engine to gear is done through clutch. The function of clutch is to enable shifting of gear smooth and efficient. Now going by the Explanatory Notes, the items covered under the said Entry of "Clutch and parts thereof" are, (i) Clutch (cone clutch, plate clutch, hydraulic clutch, automatic clutch), (ii) Clutch casing (part of clutch), (iii) Levers (part of clutch), (iv) Mounted linings (part of clutch). The Actuator Assembly and Tube Connector Assembly are not covered under the said Entry. Hence, the subject items which are not included as per the Explanatory Notes cannot be considered as 'parts of clutch'.*

9. *In a manual transmission the gear shift is carried out by manually engaging and disengaging the clutch plate, in the automatic transmission system, the gear shifting is done automatically by the transmission control unit by sensing the speed of the vehicle on real time basis. In iMT the engagement and disengagement of clutch plate are done by the TCU through the Actuator. The Actuator therefore is not an integral part of a clutch, rather it is in the functional line of the TCU, which enhances, makes easy, improvise and facilitates engagement and disengagement of clutch plate; and as such they cannot be equated and fitted into the term of 'part'. We may consider the example of computer which was invented (by Charles Babbage), the operation was done through keyboard (teletype machines) and punch cards and computer mouse was not there. The Computer Mouse was invented during 1964. The mouse in a computer facilitates and makes easy the operation of the computer. The computer without mouse can also be operated using the keyboard but the mouse makes the operation easier and faster. Hence, the mouse cannot be considered as a 'part of computer' and it is only an 'accessory to computer'. Likewise, the clutch can be operated using the manual pedal, if the same is not having the TCU. The TCU with Actuator makes the engagement and disengagement of clutch plate easier, smoother and it enhances the function of the clutch. In the case of *Saraswati Sugar Mills Vs. Commissioner of C.Ex., Delhi-111* reported in 2011 (270) ELT 465 (S.C.), the Hon'ble Supreme Court observed that component part of an article is an integral part necessary to the constitution of the whole article and without it, the article will not be complete and the Hon'ble Supreme Court in the case of *Pragati Silicons Pvt., Ltd. Vs. Commissioner of Central Excise, Delhi* reported in 2007 (211) ELT 534 (S.C.) held that 'accessory' is something supplementary or subordinate in nature and need not be essential for the actual functioning of the product. 11. Going by the above we find that the Actuator Assembly and Tube Connector, even though help in engagement and disengagement of clutch plate, they cannot be considered as 'part of clutch' since they only enhance the function and helps to ease the effort of the driver in shifting the gear. Therefore, they can be considered as 'accessories to the Clutch Assembly System'.*



14..... If the Entry covers 'Clutch Assembly' or 'Clutch System', we are also of the considered view that subject item will be covered therein as any system or assembly enlarges the scope of the item covered therein, as 'system' and 'assembly', in addition to parts, covers accessories and components, which constitute that system and assembly.

16. The Heading 8708 covers not only parts of automobile but also accessories of automobile. Out of eight sub-headings under the Heading, the last one is clearly the residual sub-heading which covers "other parts and accessories". The Entry 8708 9300 also falls under the said subheading and within the sub-heading the last entry is a residual entry (8708 9900) – 'other' which obviously covers all the parts and accessories that are classifiable under Heading 8708 but not covered in any of the previous entries therein. The Entry 8708 9300 clearly reads as "Clutch and parts thereof". One of the Entries in 8708, viz., 8708 7000 reads as "Road wheels and parts and accessories" which clearly shows that the Tariff mentions the terms "accessories" wherever the accessories of a part or component of an automobile is to be classified with that part or component. Hence, it is obvious that if an Entry is not having the term 'accessory', then the said Entry does not cover the 'accessory' of that component. Further, the Heading clearly differentiates a part or component from a "system" or "assembly". It is also a settled position of law that a statute has to be understood as per the wording and plain reading of the statute without imparting any intention or notion. Hence, when the Entry reads as "Clutch and parts thereof", it obviously does not cover 'Clutch System' or 'Clutch Assembly'. The term 'Clutch Assembly' or 'Clutch System' clearly denotes the entire/complete parts, components and items which are connected together to carry out the complete function of gear shifting. The function of shifting gear involves clutch, gear, transmission control unit, and sensor. The TCU, Gear and Sensor are not classified under CTI 8708 9300. It is also a fact that the Entries in the Tariff cannot be interpreted or understood through the Notification and such an interpretation of statute is not akin to legal jurisprudence and not allowed in law.

17. In view of the foregoing, we find that an 'accessory of a clutch' cannot be classified as -part of clutch' under CTI 8708 9300. Subject items being 'accessory of clutch' and -gear shifting mechanism' are not at all classifiable under CTI 8708 9300. However as 'other accessories' are covered under the last sub-heading and within the said sub-heading there is no specific Entry provided for subject items, we hold that they are rightly classifiable under the residual entry of 8708 9900, which covers all other parts and accessories of heading 8708. When the goods are rightly classifiable under CTI 8708 9900 as ordered in the respective original order, the consequent issues of confiscation, fine and penalty cannot stand. "

In the present case, heading 87083000 covers only brakes and parts thereof, it can be implied that goods other than brakes and parts such as accessories and ancillary enhancement mechanism are not covered thereunder. The product serves merely as an enhancer or booster to the primary braking system. Its intended purpose is to enable optimal braking efficiency, including features such as automatic braking during emergencies and automated deceleration based on driving conditions. As the subject goods are not specifically covered under any heading of CTH 8708, therefore, the only recourse can be made to residual heading under 8708 9900 which provides for "other parts and accessories of the motor vehicles".



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

The products in question Integrated Dynamic Brake (iDB); merit classification under CTH 8708, more specifically under CTI 87089900 as "other parts and accessories of the motor vehicles of heading Nos. 8701 to 8705" of the First Schedule of the Customs Tariff Act, 1975.

8. I rule accordingly.

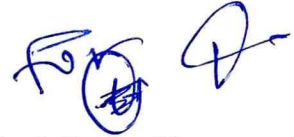
Prabhat K. Rameshwaram
13/11/26

(Prabhat K. Rameshwaram)
Customs Authority for Advance Rulings,
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This copy is certified to be a true copy of the ruling and is sent to:

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