

**CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL
CHENNAI**

REGIONAL BENCH – COURT No. III

Customs Appeal No. 42416 of 2016

(Arising out of Order-in-Appeal C.Cus.I No. 340/2016 dated 28.10.2016 passed by Commissioner of Customs (Appeals-I), No. 60, Custom House, Rajaji Salai, Chennai – 600 001)

M/s. Mitsuba Sical India Pvt. Ltd.

Unit 1D8, SIPCOT Industrial Complex,
Gummidipoondi – 601 201.

...Appellant

Versus

Commissioner of Customs

Chennai VII Commissionerate,
New Custom House,
Meenambakkam,
Chennai – 600 027.

...Respondent

APPEARANCE:

For the Appellant : Mr. S. Murugappan, Advocate

For the Respondent : Mr. Vineet Goyal, Authorised Representative

CORAM:

HON'BLE MR. P. DINESHA, MEMBER (JUDICIAL)

HON'BLE MR. VASA SESHAGIRI RAO, MEMBER (TECHNICAL)

FINAL ORDER No. 40093 / 2026

DATE OF HEARING : 04.11.2025

DATE OF DECISION : 13.01.2026

Per Mr. VASA SESHAGIRI RAO

The present appeal is filed by M/s. Mitsuba Sical India Pvt. Limited, Gummidipoondi (hereinafter referred to as the Appellant) against Order-in-Appeal No. 340/2016 dated 28.10.2016 passed by the Commissioner of Customs (Appeals-I), Chennai (hereinafter referred to as the impugned order), whereby the Commissioner (Appeals) upheld the classification of the imported goods, namely "Arm

and Blade Assembly for Windscreen Wipers”, under Customs Tariff Heading (CTH) 85124000 as complete windscreen wipers, while setting aside the confiscation of the goods under Section 111(m) of the Customs Act, 1962 and the imposition of redemption fine by the adjudicating authority.

2.1 The Appellant filed Bill of Entry No. 6254620 dated 05.08.2016 for clearance of imported goods declared as “1120 sets of Arm and Blade Windscreen Wiper and Link Assembly”, self-assessed under CTH 85129000 as parts of windscreen wipers.

2.2 At the time of examination, the Department took a view that the goods were classifiable under CTH 85124000 as complete windscreen wipers. Consequently, the Bill of Entry was reassessed, differential duty of ₹13,987/- was demanded, and the goods valued at ₹4,64,261/- were ordered to be confiscated under Section 111(m) of the Customs Act, 1962, with imposition of redemption fine of ₹80,000/- and penalty of ₹5,000/- under Section 112(a).

2.3 On appeal, the Commissioner (Appeals) set aside the confiscation and redemption fine but upheld the reclassification under CTH 85124000. Being aggrieved by the

confirmation of classification, the Appellant is before this Tribunal.

3. The Ld. Advocate Mr. S. Murugappan, appeared for the Appellant and the Ld. Authorized Representative Mr. Vineet Goyal, appeared for the Revenue.

4.1 The Ld. Advocate submitted that the imported goods consist only of Arm and Blade Assembly, which is merely one component of a complete windscreen wiper system.

4.2 It was submitted that a complete windscreen wiper assembly comprises:

(i) Wiper motor assembly (ii) Seal A (iii) Seal B (iv) Arm and Blade assembly

Without the wiper motor assembly, which is the principal driving mechanism, the Arm and Blade assembly cannot function independently and has no utility as a complete article.

4.3 The imported goods are non-electrical parts. The motor, which is the essential electrical and functional component, was not imported. Therefore, the goods cannot be treated as electrical equipment under Heading 8512.

4.4 It was argued that Rule 2(a) of the General Rules for Interpretation (GIR) applies only where the imported article, as presented, has the essential character of the complete article. In the absence of the motor, the essential character of a complete windscreen wiper is clearly non-existing.

4.5 Reliance was placed on the HSN Explanatory Notes, which describe windscreen wipers under Heading 8512 as motor-driven devices, and classify parts thereof under Heading 85129000.

4.6 It was further submitted that there was no mis-declaration of description, value, or quantity. The dispute is purely one of classification, which is a question of law, and therefore confiscation and penalty are wholly unwarranted.

4.7 The Appellant also placed on record subsequent Bill of Entry No. 923448 dated 07.05.2025, wherein identical goods were consistently assessed by the Department under CTH 85129000 without any objection.

5.1 The Ld. Authorized Representative reiterated the findings of the impugned order and submitted that applying

Rule 2(a) of GIR, the Arm and Blade assembly has attained the essential character of a windscreen wiper and therefore merits classification under CTH 85124000.

5.2 The Ld. AR supported the reclassification and submitted that the re-classification was rightly done and have correctly applied the interpretation rules.

6. Upon consideration of the rival submissions and records, the following issues arise for determination: -

- i. Whether the imported Arm and Blade Assembly is classifiable as a complete windscreen wiper under CTH 85124000, or as parts thereof under CTH 85129000?
- ii. Whether Rule 2(a) of the General Rules for Interpretation is applicable in the facts of the present case?
- iii. Whether penalty under Section 112(a) of the Customs Act, 1962 is sustainable?

7.1 It is undisputed that the goods imported are only Arm and Blade Assembly, without the wiper motor assembly, which is the principal driving mechanism of a windscreen wiper.

7.2 As per the HSN Explanatory Notes to Heading 8512, windscreen wipers are described as motor-driven

devices. In the absence of a motor, the imported goods cannot be regarded as complete windscreen wipers.

7.3 Heading 85129000 specifically covers "Parts of the articles of heading 8512". Thus, the subject goods clearly fall within this description.

7.4 We also note that the Appellant has placed on record subsequent Bills of Entry, including Bill of Entry No. 9923448 dated 07.05.2025, wherein identical goods were assessed by the Department itself under CTH 85129000 without objection. This consistent subsequent practice, in the absence of any change in law or facts, fortifies the Appellant's claim that the impugned goods are rightly classifiable as parts.

7.5 The application of Rule 2(a) of GIR presupposes that the imported article, as presented, possesses the essential character of the complete article. Essential character must be assessed with reference to functionality, and not merely physical appearance. In the present case, without the motor and related mechanism, the Arm and Blade assembly cannot perform the essential function of a wiper.

7.6 Therefore, we hold that the impugned goods do not attain the essential character of a complete windscreen wiper.

8. We find that Rule 2(a) cannot be mechanically applied. It applies only where the incomplete article substantially represents the complete article. In the present case, the absence of the electrical motor, which is the heart of the system, renders the goods incapable of independent operation. Hence, Rule 2(a) is inapplicable.

9.1 We find that the dispute in the present case is purely one of classification and there is no allegation or evidence of mis-declaration of description, value or quantity of the imported goods. It is well settled that mere misclassification, in the absence of *mens rea* or intent to evade duty, does not attract penalty under Section 112(a) of the Customs Act, 1962.

9.2 Further, once the confiscation under Section 111(m) has already been set aside by the lower appellate authority, the penalty imposed cannot survive independently. Accordingly, the penalty imposed under Section 112(a) is unsustainable and is set aside. Ordered accordingly.

10. In view of the foregoing discussion, we hold that: -

- i. The imported Arm and Blade Assembly is correctly classifiable under CTH 85129000 as parts of windscreen wipers; and Reclassification under CTH 85124000 is unsustainable;
- ii. Rule 2(a) of GIR is not applicable in the facts of the present case; and
- iii. The penalty imposed is liable to be set aside.

11. Finally, the impugned Order-in-Appeal C.Cus.I No. 340/2016 dated 28.10.2016, to the extent it confirms classification under CTH 85124000, is set aside. The classification of the goods under CTH 85129000 as declared by the Appellant is upheld and the penalty is set aside.

12. Thus, the appeal is allowed with consequential relief, if any, as per the law.

(Order pronounced in open court on 13.01.2026)

Sd/-
(VASA SESHAGIRI RAO)
MEMBER (TECHNICAL)

Sd/-
(P. DINESHA)
MEMBER (JUDICIAL)