Collector Of Central Excise Vs. Dowell'S Electro Works

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Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Delhi

Decided On : Aug-12-1997

Reported in : (1997)(94)ELT674TriDel

Appellant : Collector Of Central Excise

Respondent : Dowell'S Electro Works

Judgement :

1. The respondents are manufacturers of Cable terminals, Wire pins, In-line connectors, Ferrules and snap-on terminals for which they had filed classification list; classifying the above products under sub-heading 8548.00 of the Schedule to the Central Excise Tariff Act, 1985 claiming concessional rate of duty in terms of Notification No.160/86-C.E. As the department was of the view that the products Cable terminals and sockets were correctly classifiable under Heading 8536.90, a show cause notice proposing such classification and proposing recovery of differential duty since according to the department, goods attracted duty at the rate of 20% ad valorem, was issued.

2. The notice was adjudicated by the Assistant Collector who confirmed classification under Heading 8536.90 and confirmed a demand of Rs. 13,81,406.50 P for the period from July, 1987 to December, 1987. The Collector (Appeals) however, relying upon his earlier order in the case of the same appellants, extended the benefit of concessional rate of duty at the rate of 15% in terms of Notification No. 160/86-C.E., dated 1-3-1986. Hence this appeal by the Revenue.

3. We find that in the appellants' own case as reported in 1990 (45) E.L.T. 96, the Tribunal has held that Cable terminals cannot be treated as blocks or sockets and hence not covered by sub-item of SI. No. 13 of the Table under Notification 160/86 and are entitled to concessional rate of duty at 15% ad valorem. SI. No. 13 of the Table annexed to Notification 160/86 extends the benefit of concessional rate of duty to goods falling under Heading 8536!90 except the following :- (1) Switches, blocks, sockets all kinds (including lamp holdings and starters of florescent tubes; Since it has already been held that Cable terminals are not sockets and are therefore, not excluded from the coverage of SI. No. 13 of the Table annexed to the Notification, we hold that Cable terminals classifiable under Heading 8536.90 are entitled to the benefit of concessional rate of duty at 15% ad valorem as they are covered by SI.No. 13 of Notification 160/86.

4. As regards sockets, as rightly contended by the learned DR, since sockets are excluded from the purview of SI. No. 13 of the Notification, the benefit of concessional rate of duty is not available to this item. In the result, hold that both the items Cable terminals and sockets fall classification under Heading 8536.90 of the Schedule to Central Excise Tariff Act, 1985 and that Cable terminal alone are entitled to the benefit of concessional rate of duty in terms of Notification 160/86 and that sockets are not entitled to the benefit of concessional rate of duty under the Notification.