Polyset Plastics Ltd. Vs. Collector of Central Excise

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Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Delhi

Decided On : Oct-20-1997

Reported in : (1997)(96)ELT619TriDel

Appellant : Polyset Plastics Ltd.

Respondent : Collector of Central Excise

Judgement :
1. This appeal is directed against the order dated 17-1-1989 passed by the Collector of Customs & Central Excise (Appeals)'. The issue involved is the correct classification of Standard Bowl which is a component of Filtering machine.

2. Arguing for the appellants, the learned Counsel submits that Air filters are classifiable under Heading 84.21. HSN notes at page 1181 exclude Filter funnels, milk strainers, vessels, tanks etc. simply equipped with metallic gauze or other straining material or general purpose vessels, tanks etc. even if intended for use as filters after insertion of layer of gravel, sand charcoal etc. Once they are held to be not classifiable under Heading 84.21, they have to be assessed as articles of plastic of Chapter 39. The learned DR countering this argument submits the Section Note 2(b) of Section XVI makes it clear that such parts have to go as parts of the finished product and finished product would be assessable to duty only under Heading 84.21.

What is excluded under HSN notes are simple vessels, tanks, strainers etc only. This is not the case here.

3. We have heard both sides. It was conceded by the learned Counsel that the final product is a filtering equipment. He however places emphasis on exclusion clause set out in the HSN Notes. We are afraid we are not able to persuade ourselves that this indeed is the correct position. What is excluded in HSN Notes are simple filters or simple vessels which can function as filtering material and also by and large general purpose goods. On the other hand, HSN at page 1183 give complete details of goods included in this Chapter. Further the Chapter notes in Chapter 39 specifically exclude articles of Section XVI from the purview of Chapter 39. Since the standard bowl is a part of filtering equipment, it would merit assessment only under that specific Heading. In view of this, we uphold the impugned order and reject the appeal.