

**Collector of Central Excise Vs. Kik Electricals Industries**

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**Court :** Customs Excise and Service Tax Appellate Tribunal CESTAT Delhi

**Decided On :** Apr-29-1998

**Reported in :** (1999)(108)ELT490TriDel

**Appellant :** Collector of Central Excise

**Respondent :** Kik Electricals Industries

**Judgement :**

1. Matters called. None has appeared for the respondents. Being Revenue's appeals, we have heard the learned SDR, Shri A.K. Agarwal in support of Revenue's appeals.

2. Question involved in the present appeals is the classification of bus ducts. The original authority namely, Assistant Collector classified the product under Tariff Heading 85.37. On application by the Revenue under Section 35E of the Central Excise Act, 1944 the lower appellate authority did not accept the applications of the Revenue. The said authority confirmed the aforesaid classification under Tariff Heading 85.37. Hence, these appeals by the Revenue.

2. The learned SDR, Shri A.K. Agarwal has submitted that bus ducts is in the form of a big rectangular box containing metal bars in it. These metal bars (Bus bars) act as 'conductors' and carry electrical current.

These bus bars are kept in an insulated box like arrangement and the entire arrangement is called as a bus duct. These bus ducts are supplied with

accessories like lightning arresters, surge suppressors and potential transformers. These bus ducts provide connections in power stations namely in between a generator and a transformer or in between a transformer and a switch gear or in between two switch gears.

He also draws our attention to the ISI Specifications which describe these bus ducts as follows :- "5.1. Non-Segregated Phase Bus Duct - This consists of three phase bus-bars running in a common metal enclosure made of steel or aluminium. The enclosure provides safety for the operating personnel and reduces chances of faults. The bus duct shall be factory assembled or site fabricated if facilities available. The enclosure is effectively grounded." 3. He submits that the insulated ducts served as an insulation of the bus bars which are essentially meant for carrying the current which is the same function as that of wires and cables. Therefore, the product will be covered by "other insulated electrical conductors" under Tariff Heading 85.44. The lower authority's findings to the effect' submits the learned SDR, that they are not insulated is not correct inasmuch as bus bars are provided as insulated (grounded) box. This is clear from the catalogue which shows arrangement of bus ducts in an insulated box (KLK Electricals Industries). He therefore, submits that the appeals be allowed and the impugned orders be set aside classifying the product under Tariff Heading 85.44.

4. We observe that the lower appellate authority has essentially relied on the findings of the original authority namely, the Assistant Collector. From the reading of the Order-in-Original, we observe that the said authority has stated that bus bars themselves are not insulated. Therefore, they fall outside the purview of Heading 85.44.

This finding misses the point that the product before us for classification is not 'bus bar', but bus duct which as stated above is an arrangement of bus bar in an insulated box. Another finding of the original authority is that bus duct can never be called as wires and cables. The case of the Revenue is that this bus duct is an "other" type of insulated electrical conductor. The electrical conductor can be in the form of bars as mentioned in HSN. We, therefore, hold that the original authority has gone wrong in its findings and in his conception.

5. In view of the foregoing discussion, we set aside the impugned orders and allow the appeals of the Revenue.

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