Tisco Vs. Collector of Customs

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Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Delhi

Decided On : Jul-28-1998

Reported in : (1999)(111)ELT636TriDel

Appellant : Tisco

Respondent : Collector of Customs

Judgement :

1. In all these appeals the issue to be decided is whether appellants herein are entitled to the benefit of exemption under Notification No.271/86-CE., dated 24-4-1986 for consignments of spares imported by them and cleared after payment of duty and C.V.D. The notification stipulates that exemption is available on excisable goods manufactured in a workshop within a factory and intended for use in the said factory or in any other factory of the same manufacturers. Proviso to Notification cites that in the event of use in a factory of the manufacturer different from the factory by the goods have been manufactured, the assessees ought to follow the procedure set out in the Central Excise Rules.

2. We have heard both sides. The goods have been imported into India by the Appellants herein and therefore do not satisfy the conditions of the notification which is applicable to the excisable goods manufactured in a workshop within the factory. In other words the benefit of notification is available only to the excisable goods which are manufactured in India which alone are covered by Central Excise law. The argument of the ld. Counsel that even when imported, spares should be exempted from the payment of C.V.D. cannot be accepted. We find there is no

infirmity in the orders passed by the Collector (Appeals) and uphold the same and reject the appeals.