

Collector of C. Ex. Vs. Engineers Enterprises Pvt. Ltd.

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Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Delhi

Decided On : Nov-24-1998

Reported in : (1999)(105)ELT376TriDel

Appellant : Collector of C. Ex.

Respondent : Engineers Enterprises Pvt. Ltd.

Judgement :

1. This appeal from the Revenue was argued by Shri Nunthuk, Id. DR. In terms of earlier order of the Bench, the intimation had been served.

The respondents were, however, not present.

The assessee manufactured switches. Effecting certain clearances under the benefit of Notification 160/86, dated 1-3-1986. Vide show cause notice dated 4-3-1987, it was alleged that the benefit of the notification was not available and on this count, differential duty was chargeable. The Assistant Collector observed that the notification excludes from its coverage switches, plugs, sockets etc. The goods cleared being the same, the benefit was not available. The assessee then filed an appeal. The Collector (Appeals) observed that such products were earlier classified under T.I. 61. He held that the department themselves had clarified by certain Trade Notices that under T.I. 61, only those switches would fall which were directly proximate to the lighting points and those which were not so placed, would fall under the residual classification under T.I. 68. He observed that the wording of the contested notification and of the old tariff item were para materia and

therefore, the clarification given by the Government applied in toto to the interpretation of the notification. On this count, The allowed the appeal and extended the benefit. Against this order, the Revenue have filed the present appeal.

3. An exemption notification is required to be strictly interpreted reading the plain meaning of the words used therein. The cited notification excludes from its purview switches, plugs, etc. It does not distinguish such articles when used in the place proximate to the main apparatus or at a further distance. When the notification could be clearly interpreted, there was no cause for the Collector to rely upon the interpretation given in the case of such goods for determining their classification in the earlier tariff. Since the Collector has proceeded to interpret the notification on extraneous considerations his order does not survive. The appeal is allowed, and the impugned order is set aside.

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