Collector of Central Excise Vs. Century Rayons

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Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Delhi

Decided On : Mar-17-1999

Reported in : (1999)(107)ELT650TriDel

Appellant : Collector of Central Excise

Respondent : Century Rayons

Judgement :

1. Matter called. In this appeal of Revenue, we are concerned with classification of a fabric described as "leader liner cloth" which is attached to tyre cord fabric and which is used to lead the tyre cord fabrics in the manufacture of tyres.

2. The respondents themselves in their submissions dated 4-9-1998 before the Tribunal had given the following position on leader liner fabrics : (i) Leader liner fabrics is an extended portion of Heder Tabby weave of any Tyrecord warp sheet. In this, the warp is tyre cord threads and the weft is coarse cotton yarn, woven closely up to 15 pickes per inch usage.

(ii) It is having its use in Tyre cord manufacturing units, in their dipping and calendering machine before stopping the dipping/calendering machine. The Leader liner is passed through the entire length of machine.

(iii) While starting the dipping/calendering machine it acts as a leader and leads the tyre cord warp sheet through lits path and hence it is named as Leader liner.

(v) Leader liner fabrics is a woven fabrics manufactured from high tenacity artificial filament yarn and it is not subject to any process.

2. Lower Appellate Authority has classified the product under Tariff Heading 54.08 on the ground that this fabric is not directly used in the manufacture of tyres and therefore it has no industrial purpose. In other words, the lower appellate authority also admits that it is indirectly used in the manufacture of tyres, though it may not form part of the tyre. It is therefore, obvious from the position as narrated by the respondents themselves in their written submissions dated 4-9-1998 as also from the finding of the lower appellate authority that this fabric has no other use except the industrial use in the manufacture of tyres. Consequently, the Tariff Headings 59.09 is more appropriate than the Tariff Heading 54.08 because the former tariff heading is more specific to the fabric in question.

3. In view of the above, we set aside the impugned order and allow the appeal of the Revenue.