Samtel (India) Ltd. Vs. Commissioner of Central Excise

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Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Delhi

Decided On : Sep-08-1999

Reported in : (2000)(115)ELT738TriDel

Appellant : Samtel (India) Ltd.

Respondent : Commissioner of Central Excise

Judgement :
1. These are 12 appeals. Appeal Bearing Nos. 1078, 1080-1083/98-NB are filed by the appellant M/s Samtel India Limited. Remaining appeals bearing Nos. E/1671 and E/2317 to 2322/98-NB are filed by the Department. Since the issues are common in all these appeals and they are clubbed together and are being disposed of by this common order.

The dispute is in respect of the following items with reference to the appeals filed by the party. The details are as follows :-Cables 37,458.00Transformer 43,626.00Induction coil 225.00Connector 3.044.00 -----------Cables 43,456.00Connector 3,755.00Transformer 609.00Stainrode 5,193.00Welding electrodes 12.491.00 -----------Cables 20,472.00Transformer 1,648.00 ----------- Cables 4,621.00Video distributors 25,430.00Solenoid valves 1,775.00 ----------- Latex WPP disc 600.00Transformer 920.00Pressure regulator 1,268.00O-Ring and Vane/ rotor for CRT 21,097.00Panel 2,550.00Transmitting tube 13,200.00Cables 2,808.00 ----------- 2. Whether the above items are eligible capital goods in terms of 57Q of the Central Excise Rules to avail the Modvat credit is an issue to be considered. Similarly, in the appeals filed by the department whether power supplier capacitors are considered as capital goods to avail Modvat credit in terms of Rule 57Q is an issue.

3. Arguing for the assessee in all these cases, Shri P. Banthia, learned Chartered Accountant submitted that the items in question are covered by the following decisions :-India Glycols Ltd. v. C.C.E.4. Heard Shri S. Ramanathan, learned JDR who reiterated the stand taken by the Department.

5. Since the issue with reference to the availability of Modvat credit on the above items has already been considered by the judgments referred to above particularly in the case of Jawahar Mills Ltd. v.C.C.E. reported in 1999 (32) RLT 379, following the same I hold that the above items are eligible capital goods in terms of Rule 57Q.Accordingly, appeals filed by the assessee are allowed and appeals filed by the department are hereby dismissed.