

Collector of Customs Vs. Apsom Computers Ltd.

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Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Delhi

Decided On : Mar-15-2000

Reported in : (2001)(130)ELT660TriDel

Appellant : Collector of Customs

Respondent : Apsom Computers Ltd.

Judgement :

1. The Revenue is aggrieved by the order of the Commissioner of Customs (Appeals), New Delhi, who has ordered classification of "Desktop Sign Maker (PNC-900, 950)" and "large format sign maker PNC 1850" described as cutting plotters in the Bill of Entry under Customs Tariff Heading 8441.10 which inter alia covers cutting machines. According to the Revenue, the cutting plotters are special types of machines which perform dual functions of designing, etching and cutting vinyl and paper and as per Note 7 of Chapter 84 of the Schedule to the CTA, 1975, the machine is required to be classified under Heading 84.79 as it does not perform any principal function which is described in any Heading.

2. We have heard Shri H.K. Jain, learned SDR and perused the records including the cross-objections filed by the respondents. Cutting plotters work in conjunction with automatic data processing machines for drafting/marketing out of paper or vinyl. The function is to produce drawings or mark out vinyl according to data transferred to them from a computer aided design system and the machines convert the digital data from the CAD into graphical plotting. The catalogue of the product highlights the fact that sign makers alternately allow use of plotter pens after removing the

cutting blades. The machines are designed to print signs, etc. with computer aided design programme and cut the printed design/signs in required sizes as programmed. Hence, the machines are to be treated as performing the complementary functions of printing and cutting and the principal function is that of cutting, while printing function is subsidiary to the cutting function.

Therefore, applying Note 3 of Section XVI, the machines in question are to be classified as being that machine which performs the principal function which is cutting. Therefore, we agree with the classification adopted by the lower appellate authority under Heading 8441.10, uphold the impugned order and reject the appeal. The cross-objection abates.

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