C.C.E., Indore. Vs. M/S. NavIn Chemical Enterprises

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SooperKanoon Citation : sooperkanoon.com/22261

Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Delhi

Decided On : Apr-19-2001

Reported in : (2002)(147)ELT234TriDel

Appellant : C.C.E., Indore.

Respondent : M/S. NavIn Chemical Enterprises

Judgement :
1. The revenue filed this appeal against the order-in-appeal passed by the Commissioner (Appeals) whereby the benefit of MODVAT Credit, as capital goods on the following items, is allowed: 3. The contention of the revenue is that Centrifugal pumps are used in transfer of organic liquid, Globe valves are used for regulating the flow of liquids, Dimmer stat Auto Transformers are used in controlling the voltage of Lab. Analytical instrument and the Weishaput Burner Medel MS 72 Oil Hoses Heating for pumps are used for furnace oil firing in thermic, which is required for distillation. (sic) 4. The respondents are engaged in the manufacture of organic chemicals.

In the show cause notice, use of these items is mentioned which shows that these are used in processing the final product. The definition of the capital goods under Sec. 57 Q of Central Excise Rules provides that capital goods include machine, machinery, plant and equipment, apparatus, tool or appliances used for producing or processing for bringing about any change in substance for the manufacture of final product. This definition also includes components, spare parts and accessories of the machine, machinery, plant and equipment, etc. As the goods, in the question, are used as machine and machinery or parts of the machinery, which are used for processing or bringing about any change in substance in the manufacture of final product, I find no infirmity in the impugned order. The appeal, filed by the revenue, is rejected. (Dictated in Court).