Usha Ispat Ltd. Vs. Commissioner of Central Excise

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Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Mumbai

Decided On : Aug-31-2001

Appellant : Usha Ispat Ltd.

Respondent : Commissioner of Central Excise

Judgement :

1. The appellants manufactured pig iron. Copper tubes/pipes and rods were inserted in the glass furnace to increase the temperature. Tubes also carried air necessary for melting. These inputs ultimately got melted and formed part of the molten mass. The Commissioner (Appeals) accepted that these were used in these manner. He, however, termed these as appliances and denied the benefit under Rule 57A of the Central Excise Rules. Hence, the appeal.

2. The issue stands covered in a number of judgments in favour of the assessee. In view of the judgment in the contrary, the issue was referred to and was settled by the Larger Bench of the Tribunal in the case of CCE v. Hira Ferro Alloys Ltd {2000 (93) ECR 683 (Tri}. In this judgment, such pipes were held to be admissible input under Rule 57A.The metal of which pipes were made is not the material aspect. The ratio of this judgment applies to the present appeal. The appeal is allowed with consequential benefit.