

Commissioner of Central Excise Vs. Pillar Induction (i) Pvt. Ltd.

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Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Tamil Nadu

Decided On : Mar-07-2003

Reported in : (2003)(155)ELT498Tri(Chennai)

Judge : A Wadhwa, R K Jeet

Appellant : Commissioner of Central Excise

Respondent : Pillar Induction (i) Pvt. Ltd.

Judgement :

1. This is an appeal filed by the Revenue against the order passed by the Commissioner (Appeals) by which he has accepted the respondents' contention that the power supply units i.e. Control Panels intended for distribution and control of electricity to the furnace through inter-connection of cables and hoses is a part of the furnace and the proper classification of the same is under Chapter Heading 85.14.

Accordingly, he has rejected the Revenue's contention that such power supply units or control panels are classifiable under heading 85.37 as an independent item.

2. We have heard Shri P. Devadulu, Id. Dr. for the Revenue and Shri P.Aravind P. Datar, Id. Advocate for the appellants.

3. It has been brought to our notice that the issue of classification of the Control Panels has already been decided by this Bench vide Final Order Nos. 993-

995/2002, dt. 5-9-2002 in the case of Commissioner Central Excise v. Fluid Therm Technology P. Ltd. and others when the appeals filed by the Revenue were rejected. Operative portion of the Tribunal decision as contained in Para 5 is reproduced below.

"5. On a careful consideration of the submission we notice that the Commissioner (Appeals) in the impugned order has noticed the function of Control Panels, which have been designed specifically and are dedicated to the furnace in order to make it a single unit and that the furnace cannot be put to effective use without the particular control meant for it. He has noticed that the furnace and control panels are always presented together for assessment. He has applied the provisions of Note 4 to Section XVI Note (2)(b) to Section XVI, and also explanatory note at Page 1132 and has held that control panels are designed specifically and dedicated to the furnace and requires to be classified along with integral furnace.

We notice that the ratio of the citations referred to also lays down the same ruling that when a part is utilised along with main equipment and cleared along with it then it has to be classified along with the main equipment. In view of the findings given by the Commissioner (Appeals) which are legal and proper and in terms of the citations given above we do not find any merit in all these three appeals filed by Revenue and hence all the three appeals are rejected." Reading of the above paragraphs shows that as the "Control Panels" are specifically designed for working with the furnace, in terms of Section Note (2)(b) of the Section XVI, the same are classifiable along with the furnace. The same reasoning adopted by the Commissioner (Appeals) when he observed that the Power Supply Unit or Control Panel is integral part of the furnace and it principally designed for specific function and generating heat and without which the minimum frequency furnace cannot function. Inasmuch as the issue is already decided in favour of the Respondents by the above referred decision of the Tribunal, we find no justifiable reason to differ from the same.

Accordingly we do not find any merit in the Revenue's appeal and reject the same.

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