Cce Vs. Metro Tyres Ltd.

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Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Delhi

Decided On : Apr-15-2004

Reported in : (2005)(179)ELT493TriDel

Judge : A T V.K., P Chacko

Appellant : Cce

Respondent : Metro Tyres Ltd.

Judgement :

1. The issue involved in this appeal, filed by Revenue, is whether Tyre Bead Wire Rings manufactured by M/s. Metro Tyres Ltd. are chargeable to Central Excise duty.

2. Shri D.N. Chaudhary, learned SDR, submitted that the Commissioner (Appeals) has erroneously held that Bead Wire Rings are not marketable as another manufacturer namely, Hindustan Tyre Co., Ludhiana, is discharging duty on such Bead Wire rings used in the manufacture of exempted tyres that goes to show that Bead Wire Rings are marketable and hence duitable; that the impugned products are having low shelf life which per se is not determinative of marketability of the goods; that for instance, ice-cream has a shelf life in minutes and still then it cannot be said that the same is not marketable.

3. On the other hand Shri K.K. Anand, learned Advocate, submitted that the Trubunal in the Respondents' own matter has held vide final Order No. 231/2002-

C dated 8.11.2002, that Bead Wire Rings manufactured by them and captively consumed in the manufacture of animal drawn vehicle tyres and not marketable and hence not excisable; that the said decision has been followed by the Tribunal against in the Respondents' own matter vide Final Order No. 17/2004-B dated 17.12.2003; that the Commissioner (Appeals) has passed the impugned Order relying upon the Tribunal's Final Order dated 8.11.2002.

4. We have considered the submissions of both the sides. We observe that this Tribunal has considered in detail the aspect of marketability of the Bead Wire Rings manufactured by the Respondents and captively consumed in Final Order No. 231/2002-C dated 8.11.2002 and has held that the Bead Wire Rings are not marketable. The Commissioner (Appeals) in the impugned Order has followed the said decision of the Tribunal only. We, therefore, find no infirmity in the impugned Order and reject the appeal filed by the Revenue.