

**Collector of Central Excise Vs. Papyrus Papers Ltd.**

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**Court :** Customs Excise and Service Tax Appellate Tribunal CESTAT Delhi

**Decided On :** Nov-17-1987

**Reported in :** (1988)(15)ECC336

**Appellant :** Collector of Central Excise

**Respondent :** Papyrus Papers Ltd.

**Judgement :**

1. The question for decision in this appeal by Revenue is whether Cinder obtained by the respondents while burning coal in the boiler in the respondents factory constitutes manufacture within the meaning of Central Excise Act, 1944 and attracts Central Excise duty liability.
2. We have heard Smt. J.K. Chander, Departmental Representative for the appellants and Shri R.K. Virmani, Advocate for the respondents and have perused the papers.
3. During arguments, Shri Virmani drew our attention to our decision in Collector of Central Excise, Guntur v. Andhra Oxygen Pvt. Ltd. [1987 (30) ELT 967] where the Tribunal following the Delhi High Court decision in Modi Rubber Ltd. v. Union of India [1987 (29) ELT 502 Delhi] where rubber scraps and cuttings were held by the Hon'ble High Court not to be goods within the meaning of Central Excise law, held Carbidge sludge not to be goods and not excisable and obtaining of the same not constituting manufacture within the meaning of Central Excise law. While Smt. Chander has argued that Cinder is used for filling up the ditches on road and is

also sold for a price, we do not think that these considerations justify departing from the aforesaid decision.

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