

**Jay Electric Ltd. Vs. Collr. of Central Excise and**

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**SooperKanoon Citation :** [sooperkanoon.com/7994](http://sooperkanoon.com/7994)

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

**Decided On :** Nov-29-1994

**Reported in :** (1995)(76)ELT92Tri(Mum.)bai

**Appellant :** Jay Electric Ltd.

**Respondent :** Collr. of Central Excise and

**Judgement :**

1. For hearing the applicants' appeal on merits, they are required to deposit a sum of Rs. 5,32,044.25 towards duty vide order in appeal No.PCJ-210/SRT/94 (F. No. V-2(81)224/SRT/94, dated 7-10-1994. The issue relates to denial of Modvat credit on moly wire used as Mandrel for making tungsten filament. This has been held to be an appliance following the decision of this Bench in the case of M/s. Apar Ltd.
2. Shri W. Christian, the Id. advocate, appearing for the applicants, refers to the Board's clarification contained in F. No. 267/63/91-CD.8, dated 30-12-1992, wherein the Board have clarified that moly wire is to be considered as a consumable and not as a tool or appliance, since it is capable of only one time use and in that view Modvat credit is held to be admissible as a consumable. Shri Christian pleads that in view of the clarification of the Boards, the authorities are presently allowing Modvat benefit.
3. After hearing both the sides, though we held the issue in favour of the Revenue, in view of the Board's clarification which is reportedly available to all the assesseees, denial of Modvat credit in this case would not be justified prima facie. Hence, we grant stay and waiver of recovery of the duty amount.

