

Collector of Central Excise Vs. Shri Krishna Rolling Mills

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Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Delhi

Decided On : Aug-30-1996

Reported in : (1997)LC146Tri(Delhi)

Appellant : Collector of Central Excise

Respondent : Shri Krishna Rolling Mills

Judgement :

1. These revenue appeals are directed against order in Appeal Nos. 24 to 30/87(G) (D), dated 27-2-1987.

2. Arguing for the revenue, the Id. DR submits that Collector (Appeals) in the impugned order has erred in classifying the inputs as specified inputs under Notification No. 208/83 and thereby has wrongly allowed exemption from payment of duty by Notification No. 208/83 on finished goods, i. e. M. S. Round Bars cleared by the manufacturer. The inputs are plate-cuttings, angle cuttings and M. S. Rod cuttings and these are classifiable as scrap and therefore, are not eligible to exemption under Notification No. 208/83.

4. We have heard Id. DR and perused the records of the case. The inputs obtained are M. S. Rod cuttings, angle cuttings and plate cuttings. It is contended by the respondents that these are eligible materials and are classifiable under Customs Tariff Item 125(9)(ii) and 25(ii). In terms of Notification No. 208/83, dated 1-8-1983 as amended finished goods specified therein under S. No. 2 of the Notification are exempted from duty if among others inputs are classifiable under Tariff Item

25(9)(ii) and 25(ii). In the Final Order No. E/138-139 /96-B, dated 30-4-1996 in case of CCE, Guntur v. Model Steel (P) Ltd., the Tribunal held that the raw materials for the manufacture of M. S. rounds, squares, angles and channels were not scrap but were rollable materials and rejected the department's appeal. Ld. DR concedes that input materials are rerollable. In view of this following the ratio of the aforesaid order, we reject the revenue appeals and uphold the impugned order.

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