CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL BANGALORE

REGIONAL BENCH - COURT NO. 2

Customs Appeal No. 22004 of 2014

(Arising out of Order-in-Appeal No. COC-CUSTM-000-APP-363-13-14 dated 24.03.2014 passed by the Commissioner of Customs (Appeals), Cochin)

Chakradhara Aerospace and Cargo Private Limited
20, Sitra-Kalapatti Road, Coimbatore,
Tamil Nadu - 641048 **........Appellant**

VERSUS

Commisisoner Of Customs, Cochin
C R Building, I S Press Road,
Ernakulam, Cochin, kerala – 682018. **............Respondent**

Appearance:

Shri. M. Saravanan, Consultant for the Appellant

Shri. Vinod kumar garhwal, Authorised Representative (AR) for the Revenue

Coram:

Hon'ble Mr. P.A. Augustian, Member (Judicial)

<u>Final Order No. 21074 /2025</u>

Date of Hearing: 11.07.2025

Date of Decision: 11.07.2025

Per: P. A. Augustian

The issue in the present appeal is whether the Appellant is eligible for claiming the benefit of the Notification No. 21/2002-Cus dated 01.03.2002 as amended.

2. Appellant had filed Bill of Entry for clearance of Quilting Machine by claiming the benefit of Notification No.21/2002-Cus Sl No. 349(ii) which give exemption for Scientific And Technical Equipment required for launch Vehicles/Satellite/Payloads. However the Revenue denied the above said benefit of Notification on the ground that goods are not required for direct use by M/s. VSSE for launch vehicle and for satellite and payloads for Indian

Space Research Organization(ISRO). Aggrieved by said order, an appeal was filed before the Commissioner (Appeals) and Commissioner (Appeals) as per the impugned order also dismissed the appeal. Aggrieved by said order, present appeal is filed.

3. When the appeal came up for hearing, the Learned Consultant for the Appellant draw our attention to the relevant Notification and submits that as per the above said Notification, there is no such condition imposed that it should be for direct use. Relevant provision of the exemption is produced below:

[349.	88 or any other Chapter	The following goods, namely :- (i) Satellites and payloads; (ii) Scientific and technical instruments, apparatus, equipments (including computers and computer software), accessories, parts, components, spares, tools, mockups and modules, raw materials and consumables required for launch vehicles and for satellites and payloads 1[(iii) Ground equipment brought for testing of (i) above	Nil	Nil	69]

4. The Learned Consultant also draw our attention to the customs duty exemption certificate issued by the Vikram Sarabhai Space Centre and also the communication dated 12.10.2010 issued by Senior Purchase and Stores officer regarding clearance of the goods clarifying that it is required for launching vehicles/satellite and payloads and are fully exempted from payment of customs duty. The specific use of the above item is for stitching of Carbon Silica Fabric prior to impregnation of the fabric with Resin. This impregnation fabric will be used for realization of composite products for satellite launch vehicles, application by ISRO. The Learned Consultant also draw our attention to the decision of the Tribunal in the following matter:-

i. **M/s HMT Ltd Vs. Commr. of Central Excise, Cochin – 2007 (213) ELT 74 (Tri.-Bang)**
ii. **Anupam Industries Ltd. Vs. Commr. of C.EX & Cus., Vadodara – 2009 (245) ELT 433 (Tri.-Ahmd)**
iii. **P.L. Haulwel Trailers Vs. Commr. of C.EX., Chennai – 2002 (142) ELT 204 204 (Tri-Mad)**

5. The Learned Authorised Representative (AR) reiterated the finding in the impugned order.

6. Heard both sides and perused the records. It is an admitted fact that the goods are meant for Vikram Sarabhai Space Centre and being a Government of India Research and Development Organization, they are eligible for duty importation. Document produced by the appellant clearly shows that this required for M/s. VSSE for launch vehicle and for satellite and payloads for Indian Space Research Organization (ISRO). Further as evident from the condition of the Notification, there is no condition that it should be for direct use as held by Adjudication authority.

7. Considering the same, the appeal is allowed with consequential relief, if any, in accordance with law.

(Operative portion of the order was pronounced in open court on conclusion of hearing.)

(P.A Augustian)
Member (Judicial)

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