GRAM : CEGCANAL REGISTERED/A.D

THE CUSTOMS, EXCISE & GOLD (CONTROL) APPELLATE TRIBUNAL,

West Block No. 2, R.K. Puram, New Delhi - 110066.

BENCH NB(SM)

Appeal No. E/976/00-NB(S) Dated : 9/2/01

CEGAT
NEW DELHI
To,

M/s Vimal Alloys
Vill. - Saunti Amloh
Distt. - Fatehgarh Sahib (Pb).

In the matter of :

M/s Vimal Alloys Appellant

vs.

CCE Chandigarh Respondent

I am directed to transmit herewith a certified copy of Final Order No. A-1217/01-NB(SM) Dated :............2-2-01..................passed by the Tribunal under Section 35-C(1) of Central Excise & Salt Act, 1944/Section 129 (B) of the Customs, Act, 1962.

Asstt. Registrar
NB(SM)

Copy to :

1. CCE Chandigarh
2. CCE / ~~CC~~ (Appeal) Chandigarh
3. Chief Commissioner of Central Excise / ~~Customs~~. New Delhi
4. Adv. / ~~Consult~~. Sh. K.K. Anand Adv. Kothi No. 5, Sector 5-A, Chandigarh
5. S.D.R
6. JCDR
7. Bar Association, CEGAT, New Delhi
8. Library, CEGAT, New Delhi
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Asstt. Registrar NB(S)

(Final Order Sheet)

In the Custom, Excise & Gold (Control) Appellate Tribunal
New Delhi

APPEAL NO. E/976/00-NB(S) OF 19 (........................)

ARISING OUT OF ORDER IN ORIGINAL/APPEAL NO.

2236/CE/CHD/99 DATED 21.12.99

PASSED BY Commissioner (Appeals), Central Excise, Chandigarh

Date of decision 2.2.2001

M/s Vimal Alloys .... APPELANT (S)

Represented by Sh./Smt. ~~xxx~~ K.K. Anand, Adv.

VERSUS

CCE, Chandigarh .... RESPONDENT (S)

Represented by Sh./Smt. ~~xxx~~ S.C.Pushkarna, JDR

CORAM :
SHRI P.G. CHACKO, MEMBER (JUDICIAL)

To be referred to the Reporter or not ?
FINAL ORDER NO. A/217/01/NB C1/(m)

Per P.G. Chacko :

This appeal is against the order of the Commissioner (Appeals) disallowing to the appellants modvat credit of Rs.12,750/- on rejected metal rolls and imposing on them a penalty of Rs. 20,000/-.

2. I have examined the records and heard both sides.

Ld. Advocate Sh. K.K. Anand submits that the issue involved is squarely covered in favour of the assessees by two decisions of Larger Bench of this Tribunal, which he has cited as under :-

i) CCE, Meerut Vs. Tin Manufacturing Co. [2000 (39) RLT 197].

ii) CCE, Meerut Vs. Bhushan Steels and Strips Ltd. [2000 (39) RLT 200].

ld. Advocate, therefore, prays for allowing the appeal by following the Larger Bench decisions.

3. The above submission of ld. Counsel is not contested before me. I find that, in both the cited cases, the Larger Bench held that defective final products of any manufacturer, when returned by any buyer on payment of duty under cover of proper invoice, become eligible inputs in the hands of the manufacturer for the purpose of availment of modvat credit subject to the condition that such defective goods undergo re-processing in the manufacturer's factory. In the instant case, there is no dispute of the returned defective metal rolls having undergone such re-processing. Therefore, the issue involved in the present appeal stands squarely covered in favour of the appellants by the Larger Bench decisions. Accordingly, the appeal is allowed, with consequential reliefs to the appellants.

(P.G. CHACKO)
MEMBER (JUDICIAL)

RM