

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/2667/2000-NB(S)

Dated: 9/2/07

CEGAT
NEW DELHI

To,

M/s Vimal Alloys Ltd.

G.T. Road, Khanna side

Mandi Gobindgarh, (Pb.)

In the matter of:

M/s Vimal Alloys Ltd.

Appellant.

vs.

CCE Chandigarh.

Respondent

I am directed to transmit herewith a certified copy of Final Order No. A/167/07-NB(SM)
Dated: 30.1.07.....passed by the Tribunal under Section 35-C(1) of Central Excise
& Salt Act, 1944/Section 129 (B) of the Customs, Act, 1962.

Copy to:

CCE Chandigarh

1.

2. CCE/CEA(Appeal) Chandigarh
3. Chief Commissioner of Central Excise / Customs: New Delhi
4. Adv. / Constt. Sh. K.K. Anand Adv.

A-5, Basement,

5. S.D.R. Lajpat Nagar - 111

6. JCDR New Delhi - 241.

7. Bar Association, CEGAT, New Delhi

8. Library, CEGAT, New Delhi

9. Director (Review), C.B.E.C. North Block, New Delhi

10. Guard File.

11. M/s Deeparchic Publications, M-93, Marg-46, Saket, New Delhi.

12. M/s Centax Publications (P) Ltd., 1512-E, Bhishm Pitamah Marg, opp. Sachdeva P.T. College of Defence Colony, New Delhi-110003

13. M/s Lex Site Com. Ltd., Mumbai

14. Office Copy

15. M/s Census Publication

SU
Asstt. Registrar
NB(SM)

SU
Asstt. Registrar

CUSTOMS, EXCISE AND GOLD (CONTROL) APPELLATE TRIBUNAL
NEW DELHI:

Appeal No. E/2667/2000-NB(S)

(Arising out of Order-in-Appeal No. 137/DIR/P&PR/2000
dt. 13.6.2000 passed by the Commissioner (Appeals)
Central Excise, Chandigarh)

M/s. Vimal Alloys Ltd. .. Appellants
(Rep. by Shri K.K. Anand, Advocate)

vs.

Commissioner of Central Excise, CHD .. Respondents
(Rep. by Shri M.D. Singh, SDR)

Final Order No. A/167/01/NB (e/m) dated 10.10.2000

Per K.K. Bhatia, M(T):

The appellants manufacture Iron & Steel products falling under Chapter 72 of the schedule to the Central Excise Tariff Act, 1985. They availed modvat credit of Rs.14,834.39 on the Foundry Fluxes/Chemicals under Rule 57A of the Central Excise Rules, 1944. The Asst. Commissioner of Central Excise, Patiala vide his Order dt. 10.5.96 held that the Foundry Fluxes/Chemicals are used in the preparation of Sand Mould which in turn are used in the manufacture of castings. He has held that these are capital goods. He has observed that Rule 57A does not provide taking of the modvat credit on the inputs which are used in or in relation to the manufacture of capital goods which in turn are used in the manufacture of final products. He has accordingly, confirmed the demand of above stated amount on the appellants under Rule 57-I.

2. The party filed an appeal against the above order of the Asst. Commissioner and Commissioner (Appeals), Chandigarh dismissed the appeal of the party upholding the order passed by the lower authority.

3. The present appeal is against the above order of Commissioner (Appeals). I have heard Shri K.K. Anand, Advocate for the appellants and Shri M.D. Singh, SDR for the Respondents. Id. Advocate for the appellants relied on the decision of the Larger Bench of the Tribunal in M/s. Sri Ram Krishna Steel Industries vs. CCE Madras reported in 1996 (82) ELT 575 (T). In this decision, it is held that the modvat credit in respect of duty paid on Chemicals used in preparation of sand moulds under the manufacturing process of final steel castings is admissible under Rule 57A.

4. Following the ratio of the above decision of the Larger Bench of CEGAT, I allow the present appeal setting aside the order passed by the lower authority.

(Announced in the Court)

(K.K. Bhatia)
Member (Technical)

MS.
30.1.01