(1996) 10 SC CK 0075

In the Supreme Court Of India

Case No : Civil Appeals No. 4183 Of 1984 With Nos. 2649 Of 1987 And 4203 Of 1984

Collector of Customs, Bombay APPELLANT

Vs

Chaganlal and Sons RESPONDENT

Date of Decision : 03-10-1996

Acts Referred:
Customs Act, 1962 — Section 25

Citation : (1997) 68 ECR 31 : (1996) 88 ELT 310 : (1997) 10 SCC 261

Hon'ble Judges : S. P. Bharucha, J;S. B. Majmudar, J

Bench : Division Bench

Final Decision : Dismissed

Judgement

S.P. Bharucha and S.B. Majmudar, JJ.—The Revenue appeals against the orders of the Customs, Excise and Gold (Control) Appellate Tribunal''s finding that PVC leather cloth imported by the respondents was an embellishment for footwear and, there-fore, entitled to the benefit of the exemption given by the notification issued u/s 25 of the Customs Act, 1962. The exemption notification exempts "buckles and other embellishment for footwear" from the levy of that portion of the Customs duty thereon as is in excess of 40% ad valorem.

2. It was the case of the Revenue that embellishment did not mean material for embellishment. Also, that the goods imported were capable of being put to use in many fields other than as embellishment for footwear. The Tribunal followed its order in an earlier case (of M/s. P. Hira) and noted that it was not in dispute that the respondents had imported the goods to provide embellishment to footwear manufactured by them and that the material qualified to be classified as embellishment for leather footwear was supported by a certificate issued by the Export Promotion Council. Following the order in P. Hira''s case, and an order relating to stamping foil in Alibhoy Mohammed's case 1983 ECR 258D the Tribunal granted to the respondents the benefit of the said notification.

3. In our order dated 19th September, 1996 in CA. No. 1802/87, Collector of

Customs v. Aggarwal Commercial Corporation , we took account of the Tribunal''s order in the case of Allibhoy Mohd. and upheld its reasoning. We held that the fact that the stamping foil was in the form of long rolls or that pieces thereof had to be attached to footwear by heating and pressing did not detract from its being footwear embellishment.

4. It is to be noted that it was the case of the Revenue that the PVC rolls were, inter alia, material for embellishment of footwear. The Tribunal relied upon the fact that the PVC rolls had been imported to be used by the respondents as embellishment of footwear. It also relied upon a certificate issued by the Export Promotion Council and it held that the PVC leather rolls could be classified as an embellishment for footwear.

5. Upon such material, and in the light of our order aforementioned, the appeals must be dismissed. There shall be no order as to costs.