

Supreme Court of India

J.C. Mills Ltd. vs Collector Of Central Excise, ... on 23 July, 1997

Equivalent citations: 1997 (95) ELT 13 SC, JT 1998 (7) SC 459, (1998) 9 SCC 182

Bench: S Agrawal, G Nanavati

ORDER This appeal relates to refund of excise duty on cotton/cellulose spun yarn manufactured in the mills of the appellant, which is a composite mill manufacturing yarn as well as fabric. Excise duty was paid by the appellant on the yarn manufactured between the period 18-6-1977 and 15-7-1977 which was cleared on or after 15-7-1977. The claim for refund has been refused by the Customs, Excise & Gold (Control) Appellate Tribunal (hereinafter referred to as "the Tribunal") by the impugned judgment on the ground that duty is chargeable on the rates in force at the time of removal of goods. This matter is covered against the appellant by the judgment of this Court in CCE v. Surat Cotton Spg. A Wvg. Mills (P) Ltd., wherein it has been held that duty is payable as per Notification No. 226/77 dated 15-7-1977. In view of the said decision of this Court, it must be held that the appellant is liable to pay duty on the basis of Notification No. 276/77 dated 15-7-1977 in respect of the spun yarn which was manufactured between the period 18-6-1977 and 15-7-1977 but cleared on or after 15-7-1977 but the benefit of exemption under Notifications Nos. 131/77 and 132/77 dated 18-6-1977 would be available on spun yarn which had been used for the manufacture of fabrics prior to 15-7-1977. The appeal is disposed of accordingly. No costs.