

Collector of Central Excise, New Delhi

Vs

Louis Shoppe and Another

Civil Appeals Nos. 9217-18 of 1995

(B. P. Jeevan Reddy, S. Saghir Ahmed JJ)

12.03.1996

ORDER

1. Heard counsel for both the parties at this stage itself.
2. The question is whether wooden furniture by itself can be treated as 'handicrafts' within the meaning of Notification No. 76 of 1986 dated 10-2-1986? It must be said straightaway that furniture as such does not qualify as handicrafts. It may be characterised as 'handicrafts' if the following tests are satisfied :
  - "(1) It must be predominantly made by hand. It does not matter if some machinery is also used in the process.
  - (2) It must be graced with visual appeal in the nature of ornamentation or inlay work or some similar work lending it an element of artistic improvement. Such ornamentation must be of a substantial nature and not a mere pretense."
3. Whenever the above question arises, the authorities shall examine the matter from the above standpoint and pass orders accordingly.
4. The above principles shall apply to all pending matters and to all matters arising hereinafter. This direction we are making because it appears that the view taken by the Tribunal in the order under appeal - which is clearly not in accordance with the tests/principles laid down by us herein - appears to have been followed by the Tribunal since 1989 at least. The cases concerned herein shall not be reopened in view of the above principles.
5. The appeals are disposed of with the above directions. No costs.
6. A copy of this order may be sent to the Registrar, CEGAT and he may circulate the same to all the Benches.