

Cce Vs. Marshal Engineering Works

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Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Mumbai

Decided On : Jan-29-1998

Reported in : (1998)(75)LC547Tri(Mum.)bai

Judge : U Bhat, S T K.

Appellant : Cce

Respondent : Marshal Engineering Works

Judgement :

1. Respondent is absent but has requested for decision of the appeal on merits.
2. The dispute arose on several price lists filed by the respondent on manufacture of excisable goods on job work. The Assistant Collector passed an order approving price lists provisionally under Rule 9B of the Central Excise Rules and directing that further assessment shall be provisional until a pending matter involving a similar question was decided by the appellate authority. The Collector (Appeals) set aside the order and directed the Assistant Collector to finalise the assessment in terms of the order of the Collector (Appeals) which was passed in the meanwhile. The short question is whether margin of profit of the supplier of raw materials who receives back the manufactured goods can be added to the assessable value. What is to be added is the profit element on job work and that element has been added since it is a part of the job work charges. The profit which the supplier may earn cannot be added to the assessable value.