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Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Delhi

Decided On : May-13-1998

Reported in : (1998)(78)LC911Tri(Delhi)

Judge : U Bhat, S T K.

Appellant : Pratap Steel Ltd.

Respondent : Cce

Judgement :

1. The dispute in the appeal relates to inclusion of the cost of free after-sales-services in the assessable value of agricultural tractors manufactured by the appellant and cleared to wholesale dealers.

Appellant was keeping back this cost element from the dealers' margin and on satisfaction of due performance of the services, the amount withheld would be passed on to the wholesale dealers. That the cost of free after-sales-services cannot be included in the assessable value is clear from the Mahindra & Mahindra Ltd. 1998 (25) RLT 547 (T) : 1998 (76) ECR 290 (T). We, therefore, set aside the impugned orders and allow the appeals.