Commissioner of C. Ex. and Cus. Vs. Bharat Forge Ltd.

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SooperKanoon Citation : sooperkanoon.com/19007

Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Mumbai

Decided On : Aug-25-2000

Reported in : (2000)(122)ELT169Tri(Mum.)bai

Appellant : Commissioner of C. Ex. and Cus.

Respondent : Bharat Forge Ltd.

Judgement :

1. The question for consideration in this appeal the includibility in the assessable value' of the cost of drawings supplied by customers for forged product manufactured by the respondent, has been settled by the Tribunal in its decision in CCE v. Bharat Forge, in E/776/95-A. The Tribunal said that the assessable value could not include the cost of drawings supplied by customer.

2. The departmental representative's contention that, had the drawings not been supplied, the assessee would have been required to incur expenditure in their development which would have then formed part of the assessable value, is not relevant. It is not the department's case the assessee was doing anything other than make forgings according to the dimension of the customers. It was in other words not engaged in design of the products, which it forged. These designs were made by someone else; the assessee's work was to make the forgings.