

Vision Trade Links Vs. Cc

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Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Delhi

Decided On : Apr-27-2004

Reported in : (2004)(94)ECC487

Judge : K Usha, N T C.N.B.

Appellant : Vision Trade Links

Respondent : Cc

Judgement :

1. The appellant imported in July 2003 a consignment of mulberry silk fabrics. The unit price of purchase was 1 US Dollar per metre. Under the impugned order it has been held that the purchase price should be rejected and the goods should be assessed at a unit value of US Dollar 1.29 per metre. The reason for assessment of the goods at the enhanced value is that contemporaneously there was other import at the said higher price, 2. The contention of the appellant is that the enhancement of value is contrary to settled law inasmuch as every imported consignment is required to be assessed at its transaction value and not at the price of other imported goods. The appellants also point out that the higher value for the compared consignment could also be on account of the lower quantity under purchase. The appellant's purchase was 60,000 metres in quantity while the compared import was only 20,000 metres.

According to the appellants, the difference in price could have been on account of such vast difference in quantity.

3. The appellants are right in their contention that transaction value cannot be rejected merely on the ground that contemporaneously there was another import at higher price. There is no material in the present case to show that the transaction value did not represent the full commercial price of the goods under import. The appellants have also a valid explanation about the difference in value. In these circumstances, the enhancement of value made cannot be sustained.

Accordingly, the impugned order is set aside and the appeal is allowed with consequential relief, if any, to the appellant.

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