IN THE CUSTOMS, EXCISE & SERVICE TAX
APPELLATE TRIBUNAL
SOUTH ZONAL BENCH AT CHENNAI

E/169/2006

(Arising out of Order-in-Appeal No. 4/2006-CE dated 31.01.2006 passed by the Commissioner of Central Excise (Appeals), Coimbatore)

M/s. Archana Industries : Appellant

Vs.

CCE, Coimbatore : Respondent

Appearance

None
for the appellants

Shri A. Cletus, ADC (AR)
for the Respondent.

CORAM :

Hon'ble Ms. Sulekha Beevi, Member (Judicial)
Hon'ble Shri Madhu Mohan Damodhar, Member (Technical)

Date of Hearing/Decision: **10.08.2017**

FINAL ORDER No. 41699 **/2017**

Per Bench

The facts of the case are that the appellants were engaged in the manufacture of power driven pumps and registered with the Central Excise Department. On scrutiny of records it was noticed that the appellants had collected handling and forwarding charges from their customers apart from the price charged or the goods sought. A SCN was issued alleging that they have failed to include

Customs, Excise & Service Tax Appellate Tribunal charges in the assessable value for payment of excise duty. After due process off law, the adjudicating authority confirmed the duty of Rs. 98,792/- along with interest and also imposed equal penalty. In appeal, the Commissioner (Appeals) reduced the penalty to Rs.50,000/- but upheld the confirmation of duty demand and interest thereon. Hence this appeal.

2. None appeared on behalf of the appellant although notice was issued. The matter being of the year 2006, the case was taken up for disposal after hearing the Ld. AR and perusal of records.

3. The Ld. AR submitted that on scrutiny of records it has come out in evidence that the appellants were collected handling charges from their customers. As per Section 4 (3) (d) of the Central Excise Act, transaction value would include the additional amount collected by the appellants for handling and forwarding of the goods; that the demand has been rightly confirmed by the authorities below and does not call for any interference.

4. After hearing the submissions of the Ld. AR, Shri A. Cletus, ADC, as well as on perusal of records, we find that there is no dispute that the appellants have collected such charges of handling and forwarding. They have only contended that these are expenses incurred from their depot to the customers place and such charges do not constitute the price and hence not includible in the assessable value. We do not find any merit in this contention of the appellant. The Commissioner (Appeals) has given relief by

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reducing the penalty. In such circumstances, we find no merit in the appeal and the same is dismissed. Further, the amount involved being less than Rs. 2,00,000/-, the appeal is to be dismissed on the basis of monetary limit also.

(Order dictated and pronounced in the open Court)

Sulekha Beevi

(MADHU MOHAN DAMODHAR)
MEMBER (TECHNICAL)

(SULEKHA BEEVI C.S.)
MEMBER (JUDICIAL)

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