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

E/60/2009

(Arising out of Order-in-Appeal No. 115/2008 (P) dated 30.9.2008 passed by the Commissioner of Central Excise (Appeals), Chennai)

M/s. Hindustan Unilever Ltd. Appellant

Vs.

CCE, Puducherry Respondent

Appearance

Shri T. Chandran Nair, Advocate for the Appellant
Shri S. Govindarajan, AC (AR) for the Respondent

CORAM

Hon'ble Shri D.N. Panda, Judicial Member
Hon'ble Shri Madhu Mohan Damodhar, Technical Member

Date of Hearing / Decision: **24.03.2017**

Final Order No. 40547/2017

Per D.N. Panda

Learned counsel says that there is no disagreement for application of Rule 4 of Central Excise Valuation (Determination of Prices of Excisable Goods) Rules, 2000, since those were free samples to be distributed without being cleared for sale. The facts and circumstances of the case suggest that there is no dispute by Revenue that the goods were free samples distributed for sales promotion without being sold. Therefore,

Customs, Excise & Service Tax Appellate Tribunal learned counsel's submission that Rule 4 of the Valuation Rules shall apply was not in disagreement.

2. It is further submission by the learned counsel that while even determining the value under Rule 4, Department proposes that the value of the clearances subsequent to the clearances of the sample shall be adoptable.

3. We are in total disagreement with Revenue for the reason that even the Valuation Rules do not derogate from the basic principle of Section 4. Accordingly, the time and removal being one of the tests of valuation along with its companion, that is, place of removal, Revenue's contention fails. Accordingly, appeal is allowed.

(Dictated and pronounced in open court)

04/04/2017

4-4-2017

(MADHU MOHAN DAMODHAR)
Technical Member

(D.N. PANDA)
Judicial Member

Rex

Customs, Excise & Service Tax Appellate Tribunal

प्रमाणित प्रति/Certified True Copy
सहायक पंजीकार/Asst. Registrar
सीमाशुल्क उत्पादशुल्क एवं सेवा कर अपील अधिकरण/(CESTAT)
चेन्नै/Chennai