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

C/00276/2007

[Arising out of Order-in-Appeal No.C.CUS NO.201/07, dated 27.03.2007 passed by the Commissioner of Customs (Appeals), Chennai]

M/s.VOLVO INDIA PVT. LTD. APPELLANT

Versus

(PORT – IMPORT)

COMMISSIONER OF CUSOMS, CHENNAI RESPONDENT

Appearance:

For the Appellant Shri R. Srinivasan, Cons.
For the Respondent Shri K. Veerabhadra Reddy, JC (AR)

CORAM:

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

Date of hearing/decision **23-01-2017**

FINAL ORDER NO. 40286/2017

Per D.N. Panda:

Appellant imported parts from Belgium for trading and value of such imports (from Belgium) was higher compared to the similar parts imported from Sweden meant for use in the manufacture of goods by appellant. According to the appellant, in contingent event when it was compelled to sell the part came from Sweden, that does not call for valuation in par with the parts came from Belgium and differential duty realisable.

2. Revenue on the other hand says that appellant was permitted to bring the parts from Sweden for use in manufacture with the object that appropriate excise duty shall be realized on clearance of finished goods. If such parts are traded, that shall defeat the purpose of the law. Accordingly, the traded parts which came from

Sweden should be valued at the same value that was declared by appellant in respect of the imports made from Belgium.

3. Heard both sides and perused the records.

4. The show-cause notice dated 12.07.1999 at page 61 of the appeal folder reveals that **M/s. Volvo India (P) Ltd.** was the importer of the goods from its principal located at two different places of the globe. **M/s. Volvo Parts Corporation** located in **Belgium** was exporting the parts to the appellant for sale and **M/s. Volvo Truck Corporation in Switzerland** was exporting same goods to the appellant for use in manufacture. There was a difference in price between these two supplies while the goods are the same and the principal supplier was M/s. Volvo only. To the extent the parts imported from Sweden were not used in manufacture but were sold, that defeated the purpose of law for which the goods so sold were bound to valued in par with imports came from Belgium. Compelling reason for sale of goods came from Switzerland is immaterial to law. Accordingly, appeal is dismissed.

(Dictated and pronounced in open court)

14/02/2017

(MADHU MOHAN DAMODHAR)
TECHNICAL MEMBER

10/2/2017

(D.N. PANDA)
JUDICIAL MEMBER

ksr

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सीमाशुल्क उत्पादशुल्क एवं सेवा कर अपील अधिकरण/(CESTAT)
चेन्नै/Chennai

Customs, Excise & Service Tax Appellate Tribunal