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CUSTOMS. EXCISE & SERVICE TAX APPELLATE TRIBUNAL
PRINCIPAL BENCH, WEST BLOCK No.2, R.K.PURAM, NEW DELHI - 110066
EXCISE APPEAL BRANCH

Appeal No. E/5548/2004 - EX[DB] Date 24/09/2008

Assistant Registrar
C.E.S.T.A.T, New Delhi

To :
C.C.E. CHANDIGARH
PLOT NO.19, SEC-17-C,CHANDIGARH

C.C.E. CHANDIGARH Appellant
Vs
M/S PUNJAB TRACTORS LTD. Respondent

I am directed to transmit herewith a certified copy of **Final order No.** 715/08-EX EX[BR] dated 10-9-08 passed by the Tribunal under Section 35-C(1)of Central Excises Act, 1944

Assistant Registrar
(Excise Appeal Branch)

Copy to :
1. Respondent
 M/S PUNJAB TRACTORS LTD.
 PHASE IV,INDUSTRIAL AREA,S.A.S NAGAR,MOHALI
2. Adv. / Consult SH. A. K. MADHAVRAO, ADV.,
 B-6/10, S.J. ENC.
 N. DELHI-29
3 S.D.R
~~4 J.C.D.R.~~
5 Bar association. CESTAT. New Delhi
6 M/s. Deeparchi Publications. M-93. Marg. 46. Saket. New Delhi 110017
7 M/s Centax Publictions (P) Ltd.. 1512-B. Bhishm Pitamah marg. Opp. ICICI Bank of Defence Colony. New - 3
8 Excise & Customs cases. B-37. Sector -1. NOIDA - 201301 Gautam Budh Nagar. (U.P.)
9 Raghuraman's 44-B. Regal Flat.Shipra Suncity. Indirapuram - 201010.Ghaziabad. DT. U.P.
10 Nidheshak publications. I.P.Estate. new Delhi
11 Taxmann Allied Service Pvt Ltd.. 21/35. West Punjabi Bagh. New Delhi - 110026
12 Commercial Laws of India Pvt Ltd Post Bag No. 1033. No.70(Old No. 88). Thyagaraya Road. T. Nagar.Chennai
13 Taxindiaonline.com Pvt.Ltd. B-XI/8183.Vasant Kunj. New Delhi - 110070
14 Easy Service Tax Online Dot Com Pvt.Ltd.407A.Iscon Mall.Above Star India Bazar.Satellite Road.Ahmedabad-15
15 Office Copy
16 Guard file

Assistant Registrar
(Excise Appeal Branch)

IN THE CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL
West Block No.2, R.K.Puram, New Delhi-110066.
Principal Bench, New Delhi.

E/5548/04

[Arising out of Order-in-Appeal No.627/CE/CHD/2004 dt.31.8.04 passed by the Commissioner(Appeals), Chandigarh)

For approval and signature:

Hon'ble Mr. S.S.KANG, VICE PRESIDENT
Hon'ble Mr. RAKESH KUMAR, MEMBER TECHNICAL

1.	Whether Press Reporters may be allowed to see the Order for publication as per Rule 27 of the CESTAT (Procedure) Rules, 1982?	:
2.	Whether it would be released under Rule 27 of the CESTAT (Procedure) Rules, 1982 for publication in any authoritative report or not?	:
3.	Whether their Lordships wish to see the fair copy of the order	:
4.	Whether order is to be circulated to the Department Authorities:	:

CCE, Chandigarh — Appellant

Versus

M/s. Punjab Tractors Ltd. — Respondent

Appearance
Shri B.S.Suhag, Authorised Departmental Representative(DR) For appellant
Shri A.R.Madhav Rao, Adv. for respondent

Coram: Hon'ble Mr. S.S.KANG, VICE PRESIDENT
Hon'ble Mr. RAKESH KUMAR, MEMBER TECHNICAL

Date of hearing: 10.9.08
Final Order No. 715/08-Ex

Per S.S.Kang:

Heard both sides. The revenue filed this appeal against the impugned order Commissioner(Appeals) ~~held~~ holding that the cost of promotional items such as office bags, goggles cases, wallets etc. is not to be added to the assessable value of the tractors manufactured by the respondent. The items in question are purchased from the market and were sold to the dealers as per their requirement. The only contention of the revenue in the present appeal is that the distribution of such products will enhance the marketability of tractors manufactured by the respondent, therefore, the cost of such items is to be added to the assessable value of tractors. In the present case the goods are purchased by the respondent and further sold to their dealers and there is no compulsion on the dealers to buy such products. The Tribunal in the case of Maruti Suzuki India Ltd. vs CCE, Delhi vide final order No.606-609/08-Ex. Dt.12.8.08 held that cost of such material will not form the part of assessable value of the finished goods in absence of any evidence to show that there was any obligation on the part of the dealer to compulsorily buy and distribute such materials. In the present case, there is no evidence that there was obligation on the part of dealer to compulsorily buy the items in question. In view of the above decision of the Tribunal, we find no merit in this appeal. The appeal filed by the revenue is dismissed.

Order dictated in the open Court.

(S.S.Kang)
Vice President

(Rakesh Kumar)
Member Technical

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