

CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL
NEW DELHI

PRINCIPAL BENCH- COURT NO. I

Excise Appeal No. 50901 of 2024

(Arising out of Order-in-Original No. 157-166/2024-CE dated 04.05.2023 passed by Additional Director General (Adjudication), Directorate General of GST Intelligence, New Delhi.)

Exedy India Limited

Plot No. 09, Udyog Kendra Industrial Area,
Greater Noida, Uttar Pradesh-201304

....Appellant

Versus

**Additional Director General, (Adjudication),
Directorate General of GST Intelligence
(Adjudication Cell),**

West Block-VIII, Wing-6,
2nd Floor, R.K. Puram, New Delhi

....Respondent

APPEARANCE:

Shri Pankaj Dixit, Advocate for the Appellant
Shri Bhagwat Dayal, Authorised Representative of the Department

CORAM:

HON'BLE MR. JUSTICE DILIP GUPTA, PRESIDENT
HON'BLE MR. P. ANAJNI KUMAR, MEMBER (TECHNICAL)

DATE OF HEARING/ DECISION: May 05, 2025

FINAL ORDER NO. 50602/2025

JUSTICE DILIP GUPTA

The issue involved in this appeal that has been filed by a vendor of Maruti Suzuki India Limited (Maruti), which is engaged in the manufacture of motor vehicles and procures the desired parts and components from vendors, is whether the national cost of drawings and designs supplied free of cost by Maruti to the vendor should be included in the assessable value of parts or components manufactured by vendor and cleared to Maruti for the purpose of payment of central excise duty.

2. This issue was considered by this Division Bench in **Denso India Private Limited vs. Additional Director General (Adjudication), New Delhi¹** and it was held that the notional cost of drawings and designs supplied free of cost by Maruti to the vendors cannot be included in the assessable value of the parts and components manufactured by vendors and cleared to Maruti for the purpose of payment of central excise duty.

3. In view of the aforesaid decision of the Tribunal in **Denso India**, the impugned order dated 16.01.2024 passed by the Additional Director General (Adjudication) deserves to be set aside and is set aside. The appeal is, accordingly, allowed.

(Order dictated in the Open Court)

(JUSTICE DILIP GUPTA)
PRESIDENT

(P. ANJANI KUMAR)
MEMBER (TECHNICAL)

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