

**IN THE CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL  
EASTERN ZONAL BENCH : KOLKATA  
REGIONAL BENCH – COURT NO. 1  
E/CROSS/77275/2018**

**Excise Appeal No. 76725 of 2018**

(Arising out of Order-in-Original No.19/Commr.Audit/CEX/BBSR/2017-18 dated 25.01.2018 passed by Commissioner of CGST & C.Ex, Bhubaneshwar)

**Commissioner of CGST & C.Ex, Bhubaneshwar,** : **Appellant**  
C.R.Building, Rajaswa Vihar, Bhubaneswar-751007.

**VERSUS**

**M/s. Bilt Graphics Paper Products (P) Ltd.** : **Respondent**  
Unit-Sewa, Gaganapur, Jaypore, Dist: Koraput(Odisha)

**APPEARANCE:**

Shri P.Das, Authorized Representative for the Appellant

None for the Respondent

**CORAM:**

**HON'BLE SHRI ASHOK JINDAL, MEMBER (JUDICIAL)**  
**HON'BLE SHRI K. ANPAZHAKAN, MEMBER (TECHNICAL)**

**FINAL ORDER NO.77862/ 2025**

DATE OF HEARING :02.12.2025

**Order : [Per Shri Ashok Jindal]**

The Revenue is in appeal against the impugned order wherein the Ld. Adjudicating Authority dropped the demand against the Respondent. The Respondent has also filed Cross Objection to the appeal filed by the Revenue.

2. The facts of the case are that an investigation was conducted. It was found that there is a huge difference in the sale figure shown by the Respondent in the ER-1 returns and their trial balance. The reason for huge difference was sought from the Respondent who explained that the Respondent has taken an activity of cutting, slitting and sizing of paper which does not amount to

manufacture in terms of CBEC circular No. 139/8/2000-CX-4, dated 03.01.2001. But, the Revenue issued Show Cause Notice to the Respondent to demand duty from the appellant on this huge figures between the Trial Balance and ER - 1 returns. The Adjudicating Authority after considering the submission made by the Respondent, relying on judicial pronouncement and also on the above mentioned circular, dropped the demand against the Respondent.

3. Against the said order, the Revenue is before us on the ground that the Adjudicating Authority has not considered the valuation aspect in terms of Rule 7 of the Valuation Rules.

4. Heard the Ld. Authorized Representative. Considered the submissions.

5. It is an admitted fact that the difference between the sale figure shown in trial balance and ER-1 returns are due to the activity undertaken by the appellant with regard to cutting, slitting and sizing of paper. Admittedly the said activity does not amount to manufacture. In that circumstances on the differential figures, the Respondent was not liable to pay duty and on the rest of the activity they have paid duty which is not in dispute. In that circumstances, valuation aspect is not required to be examined by the Adjudicating Authority. Therefore, we do not find any infirmity in the impugned order.

6. Therefore, the impugned order is upheld and

the appeal filed by the Revenue is dismissed. Cross Objection filed by the Respondent is also disposed off in the same manner.

(Dictated and pronounced in the open court)

**(ASHOK JINDAL)**  
MEMBER (JUDICIAL)

**(K. ANPAZHAKAN)**  
MEMBER (TECHNICAL)