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IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO. 2858 OF 2006

COMMISSIONER OF CENTRAL EXCISE, MUMBAI

... Appellant

VERSUS

M/S. VOLTAS LTD. & ORS.

... Respondents

O R D E R

The question raised in the present appeal pertains to the valuation of goods manufactured on job work basis and the issue is as to whether it includes actual fabrication cost by the processor or only the fabrication charges received on the material supplied.

The goods were used for captive consumption. On that basis, the Customs, Excise and Service Tax Appellate Tribunal (hereinafter referred to as 'CESTAT') has held that Rule 6(b) (i) of the Valuation Rules is not applicable when the goods are produced on job work basis and returned to the material supplier. In coming to this conclusion, the CESTAT has relied upon the judgment of this Court in 'Collector v. Kandivali Metal Works [1998 (97) ELT A222 (S.C.)]. We may note that this legal position has been reiterated by this very Bench in 'Commissioner of Central Excise, Pune Mahindra UGINE Steel Co. Ltd. [(2015) 318 ELT 592].

We, thus, do not find any merit in this appeal which is, accordingly, dismissed.

....., J.
[A.K. SIKRI]

Signature Not Verified

Digitally signed by
Gulshan Kumar Arora
Date: 2015.09.04

....., J.

10:44:14 IST
Reason:

New Delhi;
August 28, 2015.

[ROHINTON FALI NARIMAN]

ITEM NO.103

COURT NO.14

SECTION III

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

Civil Appeal No. 2858/2006

C.C.E., MUMBAI

Appellant(s)

VERSUS

M/S. VOLTAS LTD. & ORS.

Respondent(s)

Date : 28/08/2015 This appeal was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE A.K. SIKRI
HON'BLE MR. JUSTICE ROHINTON FALI NARIMAN

For Appellant(s)

Ms. Rashmi Malhotra, Adv.
Mr. Kapil Rastogi, Adv.
Mr. B. Krishna Prasad, Adv.

For Respondent(s)

Mr. Kavin Gulati, Sr. Adv.
Ms. Rubi Singh Ahuja, Adv.
Mr. Vishal Gehrana, Adv.
Mr. Karan Dev Chopra, Adv.
Mrs. Manik Karanjawala, Adv.

UPON hearing the counsel the Court made the following
O R D E R

The appeal is dismissed in terms of the signed order.

(Nidhi Ahuja)
COURT MASTER

(Renu Diwan)
COURT MASTER

[Signed order is placed on the file.]