



सत्यमेव जयते

## केंद्रीय कर आयुक्त (अपील)

O/O THE COMMISSIONER (APPEALS), CENTRAL TAX,

केंद्रीय उत्पाद शुल्क भवन, 7<sup>th</sup> Floor, Central Excise Building,

Near Polytechnic,

सातवीं मंजिल, पोलिटेकनिक के पास, Ambavadi, Ahmedabad-380015

आम्बावाडी, अहमदाबाद-380015

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रजिस्टर डाक ए.डी.द्वारा

1085/01039

क फाइल संख्या (File No.): V2(84)11/Ahd-II/Appeals-II/ 2017-18

ख अपील आदेश संख्या (Order-In-Appeal No.): AHM-EXCUS-002-APP-301-302-17-18

दिनांक (Date): 29/01/2018 जारी करने की तारीख (Date of issue): 16-2-2018

श्री उमा शंकर, आयुक्त (अपील-II) द्वारा पारित

Passed by **Shri Uma Shanker**, Commissioner (Appeals)

ग \_\_\_\_\_ आयुक्त, केंद्रीय उत्पाद शुल्क, (मंडल-III), अहमदाबाद- II, आयुक्तालय द्वारा जारी

मूल आदेश सं \_\_\_\_\_ दिनांक \_\_\_\_\_ से सृजित

Arising out of Order-In-Original No. 1396-1397/R/16-17 Dated: 09/02/2017

issued by: Assistant Commissioner Central Excise (Div-III), Ahmedabad-II

घ अपीलकर्ता/प्रतिवादी का नाम एवम पता (Name & Address of the Appellant/Respondent)

**M/s Shayburg Valves Private Limited**

कोई व्यक्ति इस अपील आदेश से असंतोष अनुभव करता है तो वह इस आदेश के प्रति यथास्थिति नीचे बताए गए सक्षम अधिकारी को अपील या पुनरीक्षण आवेदन प्रस्तुत कर सकता है।

Any person aggrieved by this Order-in-Appeal may file an appeal or revision application, as the one may be against such order, to the appropriate authority in the following way:

भारत सरकार का पुनरीक्षण आवेदन :

Revision application to Government of India:

(1) (क) (i) केंद्रीय उत्पाद शुल्क अधिनियम 1994 की धारा अतत नीचे बताए गए मामलों के बारे में पूर्वोक्त धारा को उप-धारा के प्रथम परंतुक के अंतर्गत पुनरीक्षण आवेदन अधीन सचिव, भारत सरकार, वित्त मंत्रालय, राजस्व विभाग, चौथी मंजिल, जीवन दीप भवन, संसद मार्ग, नई दिल्ली-110001 को की जानी चाहिए।

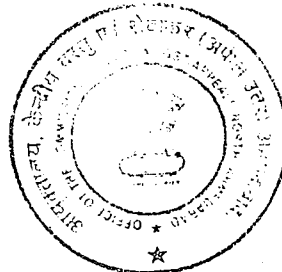
A revision application lies to the Under Secretary, to the Government of India, Revision Application Unit, Ministry of Finance, Department of Revenue, 4th Floor, Jeevan Deep Building, Parliament Street, New Delhi-110001, under Section 35EE of the CEA 1944 in respect of the following case, governed by first proviso to sub-section (1) of Section-35 ibid:

(ii) यदि माल की हानि के मामले में जब हानि कारखाने से किसी भंडारगार या अन्य कारखाने में या किसी भंडारगार से दूसरे भंडारगार में माल ले जाते हुए मार्ग में, या किसी भंडारगार या भंडार में चाहे वह किसी कारखाने में या किसी भंडारगार में हो माल की प्रक्रिया के दौरान हुई हो।

In case of any loss of goods where the loss occur in transit from a factory to a warehouse or to another factory or from one warehouse to another during the course of processing of the goods in a warehouse or in storage whether in a factory or in a warehouse

(ख) भारत के बाहर किसी राष्ट्र या प्रदेश में निर्यातित माल पर या माल के विनिर्माण में उपयोग शुल्क कच्चे माल पर उत्पादन शुल्क के रिबेट के मामले में जो भारत के बाहर किसी राष्ट्र या प्रदेश में निर्यातित है।

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- (c) In case of goods exported outside India export to Nepal or Bhutan, without payment of duty.

अंतिम उत्पादन की उत्पादन शुल्क के भुगतान के लिए जो ड्यूटी क्रेडिट मान्य की गई है और ऐसे आदेश जो इस धारा एवं नियम के मुताबिक आयुक्त, अपील के द्वारा पारित वो समय पर या बाद में वित्त अधिनियम (नं.2) 1998 धारा 109 द्वारा नियुक्त किए गए हो।

- (d) Credit of any duty allowed to be utilized towards payment of excise duty on final products under the provisions of this Act or the Rules made there under and such order is passed by the Commissioner (Appeals) on or after, the date appointed under Sec.109 of the Finance (No.2) Act, 1998.

- (1) केन्द्रीय उत्पादन शुल्क (अपील) नियमावली, 2001 के नियम 9 के अंतर्गत विनिर्दिष्ट प्रपत्र संख्या इए-8 में दो प्रतियों में, प्रेषित आदेश के प्रति आदेश प्रेषित दिनांक से तीन मास के भीतर मूल-आदेश एवं अपील आदेश की दो-दो प्रतियों के साथ उचित आवेदन किया जाना चाहिए। उसके साथ खाता इ. का मुख्यशीर्ष के अंतर्गत धारा 35-इ में निर्धारित फी के भुगतान के सबूत के साथ टीआर-6 चालान की प्रति भी होनी चाहिए।

The above application shall be made in duplicate in Form No. EA-8 as specified under Rule, 9 of Central Excise (Appeals) Rules, 2001 within 3 months from the date on which the order sought to be appealed against is communicated and shall be accompanied by two copies each of the OIO and Order-In-Appeal. It should also be accompanied by a copy of TR-6 Challan evidencing payment of prescribed fee as prescribed under Section 35-EE of CEA, 1944, under Major Head of Account.

- (2) रिविजन आवेदन के साथ जहाँ संलग्न रकम एक लाख रुपये या उससे कम हो तो रुपये 200/- फीस भुगतान की जाए और जहाँ संलग्न रकम एक लाख से ज्यादा हो तो 1000/- की फीस भुगतान की जाए।

The revision application shall be accompanied by a fee of Rs.200/- where the amount involved is Rupees One Lac or less and Rs.1,000/- where the amount involved is more than Rupees One Lac.

सीमा शुल्क, केन्द्रीय उत्पादन शुल्क एवं सेवाकर अपीलीय न्यायाधिकरण के प्रति अपील:-  
Appeal to Custom, Excise, & Service Tax Appellate Tribunal.

- (1) केन्द्रीय उत्पादन शुल्क अधिनियम, 1944 की धारा 35-बी/35-इ के अंतर्गत:-

Under Section 35B/ 35E of CEA, 1944 an appeal lies to :-

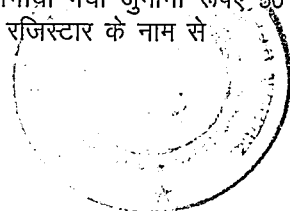
- (क) वर्गीकरण मूल्यांकन से संबंधित सभी मामले सीमा शुल्क, केन्द्रीय उत्पादन शुल्क एवं सेवाकर अपीलीय न्यायाधिकरण की विशेष पीठिका वेस्ट ब्लॉक नं. 3. आर. के. पुरम, नई दिल्ली को एवं

- (a) the special bench of Custom, Excise & Service Tax Appellate Tribunal of West Block No.2, R.K. Puram, New Delhi-1 in all matters relating to classification valuation and.

- (ख) उक्तलिखित परिच्छेद 2 (1) क में बताए अनुसार के अलावा की अपील, अपीलो के मामले में सीमा शुल्क, केन्द्रीय उत्पादन शुल्क एवं सेवाकर अपीलीय न्यायाधिकरण (सिस्टेट) की पश्चिम क्षेत्रीय पीठिका, अहमदाबाद में ओ-20, न्यू मेटल हॉस्पिटल कम्पाउण्ड, मेघानी नगर, अहमदाबाद-380016.

- (b) To the west regional bench of Customs, Excise & Service Tax Appellate Tribunal (CESTAT) at O-20, New Metal Hospital Compound, Meghani Nagar, Ahmedabad : 380 016. in case of appeals other than as mentioned in para-2(i) (a) above.

- (2) केन्द्रीय उत्पादन शुल्क (अपील) नियमावली, 2001 की धारा 6 के अंतर्गत प्रपत्र इए-3 में निर्धारित किए अनुसार अपीलीय न्यायाधिकरणों की गई अपील के विरुद्ध अपील किए गए आदेश की चार प्रतियाँ सहित जहाँ उत्पाद शुल्क की मांग, ब्याज की मांग और लगाया गया जुर्माना रूपए 5 लाख या उससे कम है वहां रूपए 1000/- फीस भेजनी होगी। जहाँ उत्पाद शुल्क की मांग, ब्याज की मांग और लगाया गया जुर्माना रूपए 5 लाख या 50 लाख तक हो तो रूपए 5000/- फीस भेजनी होगी। जहाँ उत्पाद शुल्क की मांग, ब्याज की मांग और लगाया गया जुर्माना रूपए 50 लाख या उससे ज्यादा है वहां रूपए 10000/- फीस भेजनी होगी। की फीस सहायक रजिस्टार के नाम से



रेखांकित बैंक ड्राफ्ट के रूप में संबंध की जाये। यह ड्राफ्ट उस स्थान के किसी नामित सार्वजनिक क्षेत्र के बैंक की शाखा का हो जहाँ उक्त न्यायाधिकरण की पीठ स्थित है।

The appeal to the Appellate Tribunal shall be filed in quadruplicate in form EA-3 as prescribed under Rule 6 of Central Excise(Appeal) Rules, 2001 and shall be accompanied against (one which at least should be accompanied by a fee of Rs.1,000/-, Rs.5,000/- and Rs.10,000/- where amount of duty / penalty / demand / refund is upto 5 Lac, 5 Lac to 50 Lac and above 50 Lac respectively in the form of crossed bank draft in favour of Asstt. Registrar of a branch of any nominate public sector bank of the place where the bench of any nominate public sector bank of the place where the bench of the Tribunal is situated.

- (3) यदि इस आदेश में कई मूल आदेशों का समावेश होता है तो प्रत्येक मूल आदेश के लिए फीस का भुगतान उपर्युक्त ढंग से किया जाना चाहिए इस तथ्य के होते हुए भी कि लिखा पढी कार्य से बचने के लिए यथास्थिति अपीलीय न्यायाधिकरण को एक अपील या केन्द्रीय सरकार को एक आवेदन किया जाता है।

In case of the order covers a number of order-in-Original, fee for each O.I.O. should be paid in the aforesaid manner notwithstanding the fact that the one appeal to the Appellant Tribunal or the one application to the Central Govt. As the case may be, is filled to avoid scriptoria work if excising Rs. 1 lacs fee of Rs.100/- for each.

- (4) न्यायालय शुल्क अधिनियम 1970 यथा संशोधित की अनुसूचि-1 के अंतर्गत निर्धारित किए अनुसार उक्त आवेदन या मूल आदेश यथास्थिति निर्णयन प्राधिकारी के आदेश में से प्रत्येक की एक प्रति पर रु.6.50 पैसे का न्यायालय शुल्क टिकट लगा होना चाहिए।

One copy of application or O.I.O. as the case may be, and the order of the adjournment authority shall a court fee stamp of Rs.6.50 paise as prescribed under scheduled-I item of the court fee Act, 1975 as amended.

- (5) इन ओर संबंधित मामलों को नियंत्रण करने वाले नियमों की ओर भी ध्यान आकर्षित किया जाता है जो सीमा शुल्क, केन्द्रीय उत्पादन शुल्क एवं सेवाकर अपीलीय न्यायाधिकरण (कार्याविधि) नियम, 1982 में निहित है।

Attention is invited to the rules covering these and other related matter contended in the Customs, Excise & Service Tax Appellate Tribunal (Procedure) Rules, 1982.

- (6) सीमा शुल्क, केन्द्रीय उत्पादन शुल्क एवं सेवाकर अपीलीय न्यायाधिकरण (सिस्टेट), के प्रति अपील के मामले में कर्तव्य मांग (Demand) एवं दंड (Penalty) का 10% पूर्व जमा करना अनिवार्य है। हालांकि, अधिकतम पूर्व जमा 10 करोड़ रुपए है। (Section 35 F of the Central Excise Act, 1944, Section 83 & Section 86 of the Finance Act, 1994)

केन्द्रीय उत्पाद शुल्क और सेवा कर के अंतर्गत, शामिल होगा "कर्तव्य की मांग" (Duty Demanded) -

- (i) (Section) खंड 11D के तहत निर्धारित राशि;
- (ii) लिया गलत सेनवैट क्रेडिट की राशि;
- (iii) सेनवैट क्रेडिट नियमों के नियम 6 के तहत देय राशि.

⇒ यह पूर्व जमा 'लंबित अपील' में पहले पूर्व जमा की तुलना में, अपील दाखिल करने के लिए पूर्व शर्त बना दिया गया है।

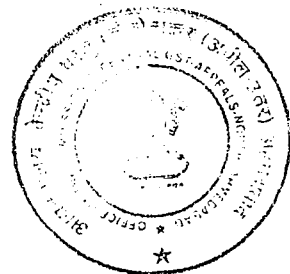
For an appeal to be filed before the CESTAT, 10% of the Duty & Penalty confirmed by the Appellate Commissioner would have to be pre-deposited. It may be noted that the pre-deposit is a mandatory condition for filing appeal before CESTAT. (Section 35 C (2A) and 35 F of the Central Excise Act, 1944, Section 83 & Section 86 of the Finance Act, 1994)

Under Central Excise and Service Tax, "Duty demanded" shall include:

- (i) amount determined under Section 11 D;
- (ii) amount of erroneous Cenvat Credit taken;
- (iii) amount payable under Rule 6 of the Cenvat Credit Rules.

इस सन्दर्भ में इस आदेश के प्रति अपील प्राधिकरण के समक्ष जहाँ शुल्क अथवा शुल्क या दण्ड विवादित हो तो माँग किए गए शुल्क के 10% भुगतान पर और जहाँ केवल दण्ड विवादित हो तब दण्ड के 10% भुगतान पर की जा सकती है।

In view of above, an appeal against this order shall lie before the Tribunal on payment of 10% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute."



ORDER-IN-APPEAL

1. This appeal was filed by M/s Shayburg Valves Private Limited, Plot No. 176, 186 & 187, (Paiki) B/1, Ajanta Industrial Estate, Village- Vasna Iyava, Tlauka- Sanand-382170 (hereinafter referred to as appellants), against the following Orders-in-Original (hereinafter referred to as 'impugned orders') passed by the Assistant Commissioner, Central Excise, Division-III, Ahmedabad-II, 2<sup>nd</sup> Floor, Gokuldharm Arcade, Sarkhej-Sanand Highway, Ulariya, Ahmedabad (herein after referred to as respondent).

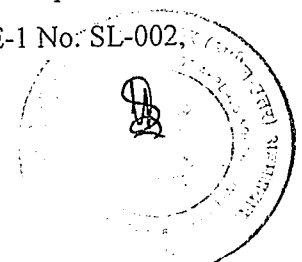
Sr. No.	Order No. & date	Appeal No.	Amount of rebate claimed (₹)	Amount sanctioned (₹)	Amount rejected (₹)
1	1396-1397/ Rebate/2016-17 dated 09.02.2017	V2(84)10/Ahd- II/Appeal-II /17- 18	5,27,282/-	4,25,452/-	1,01,830/-
2	Order vide letter F.No. V.84/18- 1594-1599/R/I/16 /465 dated 09.02.2017	V2(84)11/Ahd- II/Appeal-II /17- 18	1,64,665/-	1,39,639/-	25,026/-

2. The appellants are engaged in manufacturing of Industrial Valves falling under Chapter 84818030 and they are registered with the Central Excise department and holding Registration No. AAMCS0170NXM001. The appellants used to export the goods manufactured by them under claim of rebate as per rule 18 of Central Excise Rules-2002 read with notification no 19/2004-CE(NT) dated 06.09.2004. They had filed rebate claims for the amount of Rs. 5,27,282/- and Rs. 1,64,665/- as mentioned in the above table.

3. The Assistant Commissioner, Central Excise, Division-III, Ahmedabad-II vide the aforementioned impugned orders sanctioned the claimed amount of Rs. 4,25,452/- out of Rs. 5,27,282/- and Rs. 1,39,639/- out of Rs. 1,64,665/-. Whereas, the adjudicating authority has rejected the amount of Rs. 1,01,830/- out of 5,27,282/- and Rs. 25,026/- out of Rs. 1,64,665/- on the grounds that-

(a) In respect of Rebate claims of Rs. 5,27,282/- : The Excise duty paid on expenses like Testing Charges (ARE-1 No. SL-19/2015-16 & SL-22/15-16) & Documentation Charges (ARE-1 No. SL-22) are not excisable goods.

(b) In respect of Rebate claims of Rs. 1,64,665/-: The Excise duty paid on expenses like Coating Charges (ARE-1 No. SL-23), Documentation Charges (ARE-1 No. SL-002,



SL-21, SL-24) and Inspection Charges (ARE-1 No. SL-20/2015-16) are not excisable goods.

- (c) The duty paid as excise duty to be considered as "amount collected" under section 11D of Central Excise Act-1944. As per the Rule 18 of Central Excise Rules-2002, the rebate can be granted only for the duty paid on excisable goods. Therefore the amount of Rs. 1,01,830/- out of 5,27,282/- and Rs. 25,026/- out of Rs. 1,64,665/- are liable for rejection.
- (d) The rebate claims are found to be proper and principle of unjust enrichment is also not applicable in this case, as the goods have been exported.

4. Feeling aggrieved, the appellants have filed these appeals against the rejection of the amount of Rs. 1,01,830/- out of 5,27,282/- and Rs. 25,026/- out of Rs. 1,64,665/-, on the grounds that:

(a) The adjudicating authority failed to consider the transaction value as per ARE-1 and FOB value as per shipping bill, which are same.

(b) The adjudicating authority has applied section 11 D of Central Excise Act, 1944 for rejecting the rebate claim of excise duty which at all not applicable to the appellants in the present rebate claims of excise duty under rule 18 of the Central Excise Rule, 2002.

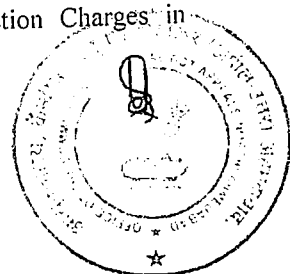
(c) The value of export should be determined after considering all expenses incurred till the goods are exported. In the present case the adjudicating authority failed to consider the expenses which are part the transaction (assessable) value as per section 4 of the Central Excise Act, 1944 and F.O.B as per shipping bill.

(d) Therefore, the impugned orders may be set aside and rejected amount of rebate claims may be allowed.

(f) Interest under section 11BB of the Central Excise Act, 1944 may be allowed for delayed of above rebate claims amount.

5. Personal hearing was conducted on 01/12/2017, Shri Dhanesh Khatri, Chartered Accountant, appeared on behalf of the appellant and reiterated the contents of appeal memorandum. He also submitted written submission along with relevant documents i.e. copies of invoices/Customs invoices/A.R.E-1/Shipping bills/Purchase orders.

6. I have carefully gone through the records of the case and the submissions given in the grounds of appeals, citation referred in the appeals and additional submissions made by the appellants. The issue to be decided by me is that whether the duty paid on expenses like Testing Charges, Documentation Charges, TSA Coating Charges and Inspection Charges in



connection with exported goods manufactured by them is eligible for rebate under Rule 18 of the Central Excise Rules, 2002 read with notification No. 19/2004-CE(NT) dated 6.9.2004.

7. Before dwelling on to the dispute, I would like to reproduce the following for ease of reference:

**CENTRAL EXCISE RULES, 2002**

**RULE 18. Rebate of duty.** — *Where any goods are exported, the Central Government may, by notification, grant rebate of duty paid on such excisable goods or duty paid on materials used in the manufacture or processing of such goods and the rebate shall be subject to such conditions or limitations, if any, and fulfilment of such procedure, as may be specified in the notification.*

*[Explanation. - For the purposes of this rule, "export", with its grammatical variations and cognate expressions, means taking goods out of India to a place outside India and includes shipment of goods as provision or stores for use on board a ship proceeding to a foreign port or supplied to a foreign going aircraft.]*

From Rule 18 it is very clear that rebate of duty is allowed in situation (i) rebate of duty in case of export of goods (ii) rebate of duty on materials used in the manufacture. There are two governing Notification No. 19/2004 deals with first situation and Notification No. 21/2004 deals with second situation.

**Notification No. 19/2004-Central Excise (N.T.)**

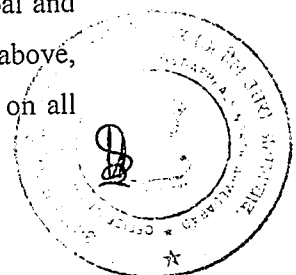
In exercise of the powers conferred by rule 18 of the Central Excise Rules, 2002 and in supersession of the Ministry of Finance, Department of Revenue, notification No. 40/2001-Central Excise (NT), dated the 26<sup>th</sup> June 2001, [G.S.R.469(E), dated the 26<sup>th</sup> June, 2001] in so far as it relates to export to the countries other than Nepal and Bhutan, the Central Government hereby directs that **there shall be granted rebate of the whole of the duty paid on all excisable goods falling under the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), exported to any country other than Nepal and Bhutan, subject to the conditions, limitations and procedures specified hereinafter,-**

(2) Conditions and limitations :- .....

(3) Procedures:- .....

*[Emphasis supplied]*

The rebate of excise duty on exported goods is granted under rule 18 of the Central Excise Rules, 2002. The procedure has been prescribed in notification No. 19/2004-CE(NT) dated 6.9.2004 in case of exports to countries other than Nepal and Bhutan. Now the notification, *ibid*, the relevant extracts of which is quoted above, clearly states that there shall be granted rebate of the whole of the duty paid on all



excisable goods falling under the First Schedule to the Central Excise Tariff Act, 1985, exported to any country other than Nepal and Bhutan, subject to the conditions, limitations and procedures specified therein.

8. On examining the rebate claims in this back drop I find that -

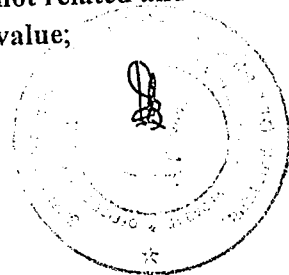
- (a) the appellant has filed the rebate under notification No. 19/2004-CE(NT) dated 6.9.2004;
- (b) the goods were exported within 6 months from the date of clearance from the factory;
- (c) the appellants have filed the rebate claims within the stipulated time limit prescribed under Section 11B of Central Excise Act, 1944.
- (d) the appellant has exported the goods on payment of duty;
- (e) exports have been made in accordance with the provisions of Rule 18 of Central Excise Rules, 2002 read with Notification No. 19/2004-CE(NT) dated 6.9.2004;
- (f) When they have exported the goods under ARE-1 then it clearly establishes that they intend to take the finished good stage benefit only. The appellants have also claimed the finished goods stage benefit under Notification No. 19/2004-CE(NT) dated 6.9.2004.
- (g) there appears to be no dispute as far as other conditions & limitations; laid down in the notification, except that the central excise duty paid on expenses like Testing Charges, Documentation Charges, TSA Coating Charges and Inspection Charges which are not excisable goods and therefore the adjudicating authority held that duty paid as excise duty to be considered as "amount collected" under section 11D of Central Excise Act-1944 and as per the Rule 18 of Central Excise Rules-2002, the rebate can be granted only for the duty paid on excisable goods. Therefore the amount of Rs. 1,01,830/- out of 5,27,282/- and Rs. 25,026/- out of Rs. 1,64,665/- are liable for rejection.

9. Now, I would like to reproduce the relevant paras of Section 4 Of Central Excise Act, 1944 for ease of reference:

"Section 4. Valuation of excisable goods for purposes of charging of duty of excise. -

(1) Where under this Act, the duty of excise is chargeable on any excisable goods with reference to their value, then, on each removal of the goods, such value shall -

(a) in a case where the goods are sold by the assessee, for delivery at the time and place of the removal, the assessee and the buyer of the goods are not related and the price is the sole consideration for the sale, be the transaction value;



(b) in any other case, including the case where the goods are not sold, be the value determined in such manner as may be prescribed.

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(3) (d) "transaction value" means the price actually paid or payable for the goods, when sold, and includes in addition to the amount charged as price, any amount that the buyer is liable to pay to, or on behalf of, the assessee, by reason of, or in connection with the sale, whether payable at the time of the sale or at any other time, including, but not limited to, any amount charged for, or to make provision for, advertising or publicity, marketing and selling organization expenses, storage, outward handling, servicing, warranty, commission or any other matter; but does not include the amount of duty of excise, sales tax and other taxes, if any, actually paid or actually payable on such goods."

*[Emphasis supplied]*

10. The rule 5 of Central Excise Valuation (determination of price of excisable goods) Rules, 2000 is also relevant which is reproduced below-

"Rule 5. Where any excisable goods are sold in the circumstances specified in clause (a) of sub-section (1) of section 4 of the Act except the circumstances in which the excisable goods are sold for delivery at a place other than the place of removal, then the value of such excisable goods shall be deemed to be the transaction value, excluding the cost of transportation from the place of removal up to the place of delivery of such excisable goods.

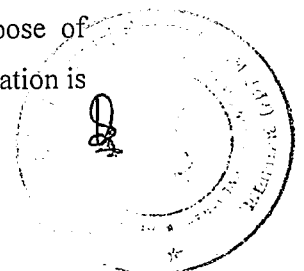
Explanation 1. - "Cost of transportation" includes -

- (i) the actual cost of transportation; and
- (ii) in case where freight is averaged, the cost of transportation calculated in accordance with generally accepted principles of costing.

Explanation 2. - For removal of doubts, it is clarified that the cost of transportation from the factory to the place of removal, where the factory is not the place of removal, shall not be excluded for the purposes of determining the value of the excisable goods.

*[Emphasis supplied]*

11. On going through the submitted documents, I find that the appellants have shown the charges of the expenses, like Testing Charges, Documentation Charges, TSA Coating Charges and Inspection Charges, separately in their invoices as per demand of their overseas buyer. I find that Industrial Valve has to be sent through the different processes for making it competent and marketable. Testing and Inspection are the important processes; an industrial valve becomes competent and marketable only after going through these processes. Thermal Sprayed Aluminum (TSA) Coating is essential for the purpose of corrosion protection and significant life improvement of Industrial Valve. Documentation is







also essential to provide customers basic details of the operation and maintenance of valves including details of installation. I find that these expenses were part and parcel in the manufacturing of the finished goods i.e. Industrial Valves falling under Chapter 84818030. These expenses are essential for making the goods competent and marketable. The appellants have also paid the duty on the whole finished goods rather than its parts. I also find that the transaction values in the present appeals are inclusive of these disputed expenses. I also find that the appellants are eligible for interest under section 11BB of the Central Excise Act, 1944 for delay in payment of the rebate claims.

12. In view of the foregoing discussion, I set aside the impugned orders passed by the adjudicating authority and allow the appeals filed by the appellants.

13. अपीलकर्ता द्वारा दर्ज की गई अपील का निपटारा उपरोक्त तरीके से किया जाता है।  
13. The appeal filed by the appellant stands disposed of in above terms.

  
(उमा शंकर)  
आयुक्त (अपील्स)

Attested

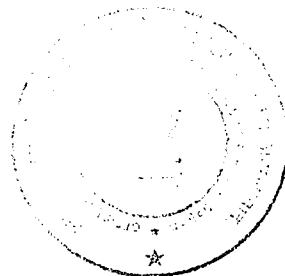
  
(Vinod Lukose)  
Superintendent (Appeals)  
Central Tax, Ahmedabad.

**BY SPEED POST TO:**

M/s Shayburg Valves Private Limited,  
Plot No. 176, 186 & 187, (Paiki) B/1,  
Ajanta Industrial Estate,  
Village- Vasna Iyava, Tlauka- Sanand-382170.

**Copy to:**

- (1) The Chief Commissioner, Central Tax, Ahmedabad Zone.
- (2) The Commissioner, Central Tax, Ahmedabad North.
- (3) The Assistant Commissioner, Central Tax Division-III, Ahmedabad North.
- (4) The Asstt. Commissioner(System), Central Tax HQ, Ahmedabad.  
(for uploading the OIA on website)
- (5) Guard file



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