**(2016) 01 SC CK 0019**

**In the Supreme Court Of India**

**Case No :** Civil Appeal No. 1646 of 2008

Commissioner of Central Excise — APPELLANT

Vs

Ford India Pvt. Ltd. — RESPONDENT

**Date of Decision :** 07-01-2016

**Acts Referred:**

**Citation :** (2016) 332 ELT 207

**Hon'ble Judges :** T.S. Thakur, C.J., A.K. Sikri and R. Banumathi, JJ.

**Bench :** Full Bench

**Advocate :** Yashank Adhyaru, Nisha Bagchi, Rajiv Nanda, Pooja Sharma and B. Krishna Prasad, Advocates, for the Appellant; V. Lakshmikumaran, M.P. Devanath, Hemant Bajaj, L. Charanya, Aditya Bhattacharya and Anandh K., Advocates, for the Respondent

**Final Decision :** Disposed Of

## Judgement

1. This appeal arises out of a judgment and order dated 25-5-2007 passed by the Customs, Excise and Service Tax Appellate Tribunal, Chennai [, 2007 (216) E.L.T. 530 (Tri.-Chen.)] whereby the Tribunal has while reversing the order passed by the Commissioner of Central Excise held that the advertisement expenditure incurred by the dealers of the Respondent-company does not form part of the transaction value for purposes of levy of excise under the Central Excise Act, 1944. We have heard learned Counsel for the parties at some length who have taken us through the show cause notice issued to the Respondent-company, the reply submitted by the company and the order passed by the Commissioner of Central Excise holding that the dealers appointed by the Respondent-company were under a legal obligation to comply with the directions issued by the Respondent-company inter alia in regard to carrying out of advertisement campaigns for sale promotion of the products manufactured by the company. The Commissioner has, on that basis, taken the view that the expenditure so incurred on any advertisement campaign was liable to be included as part of the transaction value under the Act for purposes of levy of excise duty.

 

A reading of the order passed by the Tribunal, however, leaves much to be desired in as much as several issues and aspects that arose for consideration and that had been dealt with by the Commissioner in his order have not been even mentioned leave alone satisfactorily dealt with. The order is on that short ground alone liable to be set aside. In fairness to Mr. V. Lakshmikumaran, learned Counsel for the Respondent, we must mention that even he was agreeable to the matter being remitted back to the Tribunal for a more articulate and satisfactory adjudication of the aspects that arise for consideration.

2. In the result, we allow this appeal, set aside the order passed by the Tribunal and remit the matter back to the Tribunal for a fresh disposal in accordance with law. No costs.

 