

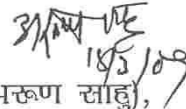
:केंद्रीय उत्पाद तथा सीमा शुल्क के आयुक्त का कार्यालय:
:टाऊन सेंटर : सिडको : औरंगाबाद 431 030:

व्यापार सूचना नं. 05/2009
(अ.क.03/GEN./2009 दिनांक 16.03.2009)

विषय : MRP based assessment Clarification regarding the scope of entry No.97 of the Notification No.2/2006-CE(NT) inserted vide the amending Notification No.11/06-CE(N.T.) present entry No.107 in the Notification No.14/08-CE(NT)-Reg...

उपरोक्त विषय पर भारत सरकार के वित्त मंत्रालय राजस्व विभाग नई दिल्ली द्वारा दिनांक 16.12.2008 की फा.सं.167/38/2008-CX-4 के तहत जारी पत्र की प्रतिलिपि सूचना, मार्गदर्शन एवं कार्यवाही के लिये प्राप्त करें /

सभी संबंधित संगठनों से अनुरोध है कि वे इस परिपत्र/पत्र की जानकारी अपने सभी सदस्य निर्माताओं और व्यापारियों को दें /


(अरुण साहु),
आयुक्त

फा.सं. VGN(30) 55/TC /2009
औरंगाबाद, दिनांक 16.03.2009

प्रतिलिपि प्रेषितः डाक सूची के अनुसार

- उप/सहायक आयुक्त सभी मंडल प्रभारी तथा आय.सी.डी.
- सभी अनुभाग प्रमुख मुख्यालय
- मुख्य आयुक्त केंद्रीय उत्पाद तथा सीमा शुल्क नागपुर
- आयुक्त के उत्पाद तथा सी.शुल्क (अपील), औरंगाबाद

F No. 167/38/2008-CX-4
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise and Customs

New Delhi, 16th December, 2008

Sir,

Subject: MRP based assessment-Clarification regarding the scope of entry No.97 of the Notification No. 2/2006-CE(N.T.) inserted vide the amending Notification No.11/06-CE(N.T.)(present entry no 107 in the notification No.14/08-CE (NT))-reg.

References have been received from the field formations regarding the scope of abovementioned entry. The entry reads as under:

S.No.	Chapter, heading, subheading or tariff item of the First Schedule	Description of goods	Abatement as a percentage of retail sale price
"97.	Any heading	Parts, components and assemblies of automobiles	33.5%

2.1 The first issue is regarding interpretation of term 'automobiles'. The said term has not been defined in the Notification, hence its general meaning needs to be considered.

In this regard, reference may be made to the **Circular No. 22/90-CX.4, dated 11-7-1990**. In this circular at para 2, it has been stated that automobiles are conveyances for transportation of passengers and goods on roads (Chapter 87) and that hydraulic excavators cannot be treated as automobiles.

2.2 Further, as per the Automobile Cess Rules (under the industries (Development and Regulation) Act, 1951), automobile is defined as follows:

'Automobile' means motor cars, buses, trucks, jeep type vehicles, vans, scooters, motorcycles, mopeds, and all other automobiles covered under the sub-heading (5) of Heading 7 'Transportation' of the First Schedule to the Act;

The relevant subheading 7(5) reads as follows:

7. Transportation

(5) Automobiles (motor cars, buses, trucks, motor cycles, scooters and the like)

2.3 It is also to clarify that the term 'automobiles' does not include animal driven or manual driven vehicles.

The above clarification/definition may be considered to interpret the scope of term 'automobile'.

3.1 Another issue that has arisen is the scope of the term 'parts' as used in the aforementioned entry. Chapter 87 of the Central Excise Tariff covers parts of different vehicles. Further, Section Note 2 of the Section XVII also defines the scope of 'parts' of goods falling in said section. Doubts have arisen as to whether 'parts' classified in Chapter 87 shall only be covered under the said entry or all parts irrespective of their classification should be

covered.

3.2 The issue has been examined. The said entry provides that 'parts, components and assemblies' falling in any heading in the Tariff are covered. Therefore, it is logical that all 'parts, components and assemblies,' irrespective of their classification shall be covered. It is also important to note that there is no specific entry for 'components' or 'assemblies' of automobiles in the Tariff, therefore, this also supports the view that all goods which are commonly known and sold in the trade as 'parts, components and assemblies ' are covered by said entry, irrespective of their clarification in the Tariff.

Hence, the term ' parts, components and assemblies' of automobiles includes items like batteries, brake assembly, tyres, tubes and flaps, IC engines, ball bearing, etc.

4. The contents of this clarification may be brought to the notice of trade and industry.

Yours faithfully,

(Ashima Bansal)
Under Secretary to the Government of India