

OFFICE OF THE COMMISSIONER OF CENTRAL EXCISE
NO.1, WILLIAMS ROAD, CANTONMENT, TRICHY-1.

TRADE NOTICE: 25/2005

DATED: 23.06.2005.

Sub: Communication of Ministry's Circular's No. 813/10/2005 – CX
dated 25.04.2005 – Regarding.

Copy of Ministry's Circular's No. 813/10/2005 – CX dated 25.04.2005 [F.No. 209/30/2003 – CX 6] regarding Clarification with regards to valuation of the goods is communicated herewith.

The contents of the Trade Notice may be brought to the knowledge of all constituent members of Trade Associations / Chambers of Commerce

(Issued from file C.No.IV/16/2/2005 – C.Ex.Pol.)

//ATTESTED//

Sd./xxx
(V. JAYARAMAN)
JOINT COMMISSIONER (TECH)

SUPERINTENDENT (TECH.)
To

As per mailing list II / III / All Section in Hqrs., Trichy.

Copy of Ministry's Circular's No. 813/10/2005 – CX Dated: 25.04.2005

I am directed to refer to Board's letter No. 6/39/2000-CX.I dated 1.7.2002 clarifying certain points relating to the Central Excise Valuation (Determination of Price of Excisable Goods) Rules,2000.

2. A number of references seeking further clarification on some of the points clarified in the Circular mentioned in para 1 above have been received in the Board. These points are being clarified in the table enclosed. These clarifications supercede the clarification given in above referred circular.
3. Trade Notices may be issued for the benefit of the Trade.
4. Hindi version will follow.
5. Receipt of this circular may kindly be acknowledged.

Yours faithfully
Ashok Kumar
Under Secretary to the Govt. of India

F.No.6/18/2003-CX.I
Dated the 25th April, 2005

Sl.No.	Old Sl.No.	Point of Doubt	Clarification
1.	13	How will valuation of samples be made done which are distributed free, as part of marketing strategy, or as gifts or donations?	In case of free samples, the value should be determined under Rule 4 of Central Excise Valuation (Determination of Price of Excisable Goods) Rules, 2000.
2	14	How will valuation be done when inputs or capital goods, on which CENVAT credit has been taken, are removed as such from the factory, under the erstwhile sub-rule (1C) of rule 57AB of the Central Excise Rules, 1944or under rule 3 (4) of the Cenvat Credit Rules, 2001or 2002?	In such situations, the provisions of Rule 3(5) of Cenvat Credit Rules, 2004 would apply.