

SUPREME COURT OF INDIA

Collector of Customs

Vs.

East African Traders

C.A.No.2511 of 1992

(S. P. Bharucha, R. C. Lahoti and N. Santosh Hedge JJ.)

02.12.1999

ORDER

1. The learned Attorney General, appearing for the appellant, has restricted his argument to the observations of the Tribunal in the order under appeal relating to the piercing of the veil of the respondent company to determine whether or not the buyer and the seller were related persons, this being governed by Rule 2, Sub-rule (2) of the Customs Valuation Rules, 1988. The law that would apply is that laid down in the judgment of this Court in Calcutta Chromo type Ltd. v. Collector of Central Excise, Calcutta: 1998(99)ELT202(SC) . It is permissible for the authorities and the Tribunal to pierce the veil in given facts and circumstances to ascertain whether the buyer and the seller are indeed related persons within the meaning of the said sub-rule.

2. The civil appeal is, therefore, disposed of.

3. No order as to costs.

expiry