Quality Industries Vs. Commissioner of Central Excise

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Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Mumbai

Decided On : Feb-04-1999

Reported in : (1999)(112)ELT155Tri(Mum.)bai

Appellant : Quality Industries

Respondent : Commissioner of Central Excise

Judgement :

1. This case was listed for admission. But looking at the circumstances, it was felt appropriate that the main appeal itself should be taken up for disposal. This was done after agreement from both the sides.

2. The assessee cleared some goods when the balance in their PLA was not sufficient to cover the amount of duty involved. The credit in their PLA was made vide TR-6 challan filed on 8-7-1993 which showed that the assessee's bank had given pay order on the Nodal bank branch on 9-7-1993 and that the same had been received by the Nodal bank on the same date. The case of the appellant is that they had no deliberate intention to evade duty and that in 16 years of their having been an assessee, not a single contravention had been committed by them. The delay in securing the pay order was on account of their employees mistake. It is claimed that the assessee incurred a substantial loss of interest because of deposit of the full amount of penalty.

3. On consideration of the facts and the arguments made, I am satisfied that it was a case of technical violation. I, therefore, reduce the quantum of penalty from Rs.

20,000/- to Rs. 500/- (Rupees Five hundred).

4. Ordered accordingly. Consequential relief should be granted to the assessee.