Commissioner of C. Ex. Vs. Bharat Steel Rolling Mills

Commissioner of C. Ex. Vs. Bharat Steel Rolling Mills

SooperKanoon Citation : sooperkanoon.com/39433

Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Delhi

Decided On : Jun-22-2005

Reported in : (2006)STR83

Judge : P Bajaj

Appellant : Commissioner of C. Ex.

Respondent : Bharat Steel Rolling Mills

Judgement :

1. In this appeal the Revenue has contested the correctness of the date from which interest has been allowed to them on the delayed payment of service tax by the Respondents. None is present on behalf of the Respondents. They have sought decision on merit. I have heard the learned D.R.2. Learned Commissioner (Appeals) has allowed the interest to the Revenue on the delayed payment of service tax, from 12-6-2000 by observing as under :- In terms of Section 75, every person who fails to pay the service tax under Section 68 within the prescribed period, he shall pay the service tax for the delayed period. As discussed herein above, the service is legally payable and thus the mandatory interest is also payable. The leviability of service tax on the goods transport operators was under dispute in view of Laghu Udyog Bharti case. But the controversy was over by revalidation of the law by the Finance Act, 2000 with retrospective effect. In terms of Finance Act, 2000, the tax was to be paid within 30 days of receiving of the assent of the President of India which was given on 12-5-2000. As it is observed that the due date is up to 12-6-2000 of depositing the tax and thus the interest

should be levied from 12-6-2000 till the date of deposition of tax i.e. 23-8-2000 and the interest for the delayed payment.

The view taken by the Commissioner (Appeals) is perfectly valid and legal. Plea of the Revenue that they are entitled to the interest from earlier date when the service tax was, for the first time, levied on the Respondents, has been rightly not accepted by the Commissioner (Appeals) in view of the provisions contained in Finance Act, 2000. I find no infirmity in the impugned Order and the same is upheld.Therefore, the appeal is dismissed.