

Status Polymers Vs. Commissioner of Central Excise

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Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Mumbai

Decided On : Jul-27-2006

Reported in : (2007)9STT419

Judge : S T S.S., K Kumar

Appellant : Status Polymers

Respondent : Commissioner of Central Excise

Judgement :

2. Prima facie we find that the agency functions proceed beyond the activities of Del Credere Agent. The Commissioner has confirmed the demand on the entire amount received for the services rendered by this agent. Prima facie we find that amounts received towards Del Credere Agency Service cannot be levied to service tax as held by the Tribunal in the case of Raja Rajeshwari International Polymers (P) Ltd. v. CCE, Bangalore the tax liability may arise. That will have to be heard and decided. In this view of the matter, we would consider that the applicant should be asked to pay a deposit of Rs. 1 lakh (Rupees One lakh only) out of total service tax demand, penalty and other liabilities arrived as sufficient to meet the requirement of Section 35F of the Central Excise Act, 1944 as applicable to Service Tax. Subject to such deposit and compliance thereof reported on 27-9-2006 further pre-deposit of duty shall stand waived and recovery thereof stayed pending the appeal and the matter would be listed for regular hearing.