Universal Cables Ltd. Vs. Commissioner of C. Ex.

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SooperKanoon Citation : sooperkanoon.com/44013

Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Delhi

Decided On : Nov-07-2006

Reported in : (2007)8STJ364CESTATNew(Delhi)

Judge : M Ravindran

Appellant : Universal Cables Ltd.

Respondent : Commissioner of C. Ex.

Judgement :

1. This stay application is directed against the Order-in-Original dated 21-7-06.

2. Considered the submissions made at length by both sides and perused the records. It is seen from the record that demand of duty has arisen out of the denial of Cenvat credit to the applicant on the courier services and internet services utilized by him for despatching of his final products and the internet services are used in the office. It can be seen that the internet services which are used by the applicant could be for doing research of final products manufactured in his factory and courier service is for the despatch of the final products.

The definition of input service as indicated in Rule 2(1) on interpretation would indicate that availment of Cenvat credit on the courier services, for despatch of final products may be correct. As such, I find that the applicant has made out a strong, prima facie, case for waiver of pre-deposit of Service Tax and penalty involved in this case. Accordingly, the pre-deposit of Service Tax and penalty is waived, recovery thereof stayed till the disposal of the appeal.