

Wires and Fabriks (Sa) Ltd. Vs. Cce

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Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Delhi

Decided On : Jul-31-2007

Reported in : (2008)12STJ215CESTATNew(Delhi)

Judge : S Kang, Vice

Appellant : Wires and Fabriks (Sa) Ltd.

Respondent : Cce

Judgement :

1. The applicant filed this application for waiver of pre-deposit of amount of Service Tax of Rs. 1,17,113/- and penalties. The demand is confirmed after denying credit in respect of Goods Transport Service as it relates to outward service. The demand is also confirmed after denying credit in respect of courier and CIIA services. The credit was denied on the ground that the service in question are post manufacturing services, therefore, applicants are not entitled for credit. The contention of the applicant is that courier service and CIIA are used for the purpose of clearance of goods for export and are used for business purposes.

2. I find that as per the Cenvat Credit Rules credit can be availed in respect of any service used by a manufacturing unit which is in or in relation to the manufacturing activity.

3. As the services in question are post manufacturing service, therefore, prima facie, it is not a case for total waiver of amount of Service Tax. The applicants are

directed to deposit an amount of Rs. 58,000/- within a period of six weeks. On deposit of the above-mentioned amount, the pre-deposit of remaining amount of Service Tax and penalty is waived. Adjourned to 18.9.2007 for reporting compliance.

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