

Dixon Electronics Vs. Cce

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Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Delhi

Decided On : Dec-19-2007

Reported in : (2008)12STJ404CESTATNew(Delhi)

Judge : J Balasundaram, Vice-

Appellant : Dixon Electronics

Respondent : Cce

Judgement :

1. In this case, the entire Service Tax together with interest was paid by the appellants, who were found to have been providing services of maintenance and repair. The appellants challenged the impugned order on the ground that, they were not to pay penalty due to instant payment of tax together with interest.

2. I have heard the learned JCDR for the respondent and perused the record. None is present for the appellants in spite of notice. I find that the issue has been settled by this Tribunal in the case of Mett Macdonald Ltd. v. CCE, Jaipur 2006 (2) STR 524, holding that, imposition of penalty is sustainable when tax liability was paid only after the inquiry was conducted by the Department. Therefore, there is no merit in the appellants' contention that the payment of demand of tax together with interest, prior to the issue of the show cause notice, would absolve them of the liability to pay penalty.

3. Following the ratio of the above decision, I uphold the impugned order of imposition of penalty and reject the appeal.

(Dictated and pronounced in the open Court on the 19th day of December, 2007)

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