

**In The Customs, Excise & Service Tax Appellate Tribunal  
West Zonal Bench At Ahmedabad**

**Appeal No. E/11298/2018-SM**

[Arising out of OIA-BHV-EXCUS-000-APP-214-2017-18 dated 23.03.2018 passed by the  
Commissioner (Appeals) Commissioner of Central Excise, Customs and Service Tax-RAJKOT]

M/s Madhu silica Pvt. Ltd

Appellant

Vs

C.C.E. & S.T.,- Bhavnagar

Respondent

**Represented by:**

For Appellant: Shri R. R. Dave (Consultant)

For Respondent: Shri L. Patra (A.R.)

**CORAM:**

**HON'BLE MR. RAMESH NAIR, MEMBER (JUDICIAL)**

Date of Hearing/Decision: 12.12.2018

**Final Order No. A / 12973 /2018**

***Per: Ramesh Nair***

The issue involved is that whether the appellant is entitled for cenvat credit in respect of services namely, Mandap Keeper Service, Anchor Bolt Fixing Service, Lift Erection service, Interior Design service, Color/painting, JCB Excavation Service, Stall erection and Fabrication for Exhibition, Plot NA Charges, Maintenance and Water Supply Charges by GIDC and Water Proofing Services.

2. Sh. R.R. Dave Ld. Consultant appearing on behalf of the appellant submits that out of the total demand of Rs. 22,52,661/-, the appellant had admittedly paid an amount of Rs. 16,87,515/- for which they are not contesting. He submits that the appellant are contesting only for an amount of Rs. 5,65,146/- related to various services. He submits that as regard the service of Mandap Keeper Service, the said service was used for inauguration function of the factory. The service of Anchor Bolt Fixing, the said service was used for fixing bolt in the plant and

machinery. As regard the service of Lift Erection Service, he submit that service is for maintenance or repair of lift installed in plant and machinery and lift is used for material handling. The service of Interior Design is related to partition and falls wooden ceiling of office building with the material supplied by the appellant. The service of Color/Painting was used for painting and water proofing work of the plant with the material supplied by the appellant. He submits that JCB Excavation Service was used by the appellant for leveling land in the factory. As regard Stall Erection or Fabrication Service, he submits that the fabricated stall was installed for the purpose of exhibition which is for the purpose of marketing. As regard the Service Charges paid to GIDC, he submits that the charges were paid towards the service such as Maintenance, Water Supply and NA Charges to the GIDC. Water Proofing Service is for Primer Coat, Base Coat, Mortar Mixing, Sealing of External & Internal Window Frame etc. He submits that as per the use of all the above service, it was used in or relation to manufacture or sale of final product, therefore, the credit is admissible.

3. Sh. L. Patra Ld. Assistant Commissioner (AR) appearing on behalf of the Revenue reiterates the findings of the impugned order.

4. I have carefully considered the submissions made by both the sides and perused the records, I find that as regard the Mandap Keeping Service, it is used for inauguration function of the factory, therefore, it is directly related to the factory activity, hence credit is admissible. As regard Anchor Bolt Fixing Service, the said service was used for fixing of bolt in the plant already installed in the appellant factory, therefore, service is in the nature of repair and maintenance of the plant. The Lift Erection Service is for maintenance of the lift installed in the factory, lift used for handling of material, hence directly related to the manufacture

of final product. As regard Interior Design Service, it was used for partition falls wooden ceiling of office building, it is nothing but repair, maintenance and modernization of the existing factory building and the same is included in the inclusion clause of the definition of input service. Similarly, Color/Painting is also used for repair, maintenance or modernization of the factory building. JCB Excavation Service was used for leveling of the land in the factory premise which is again service of repair, maintenance or modernization. As regard Stall Erection and Fabrication it is in respect of exhibition and sale of final product, therefore, the same is directly related to that marketing. The charges paid to GIDC is towards Maintenance of Water Supply which is very necessary for running entire production activity, therefore, it is related to manufacture of final product. Water Proofing Service is also related to repair and maintenance of factory building.

5. As per above discussion, I am of the view that all the services are essential for over all operation and marketing of the appellant factory, therefore they are admissible input services. Accordingly, the cenvat credit of Rs. 5,65,146/- is allowed and remaining amount of Rs. 16,87,515/- for which the Ld. Consultant has conceded that they are not contenting and they have paid the said amount, accordingly, said demand stand confirmed. As per my above discussion, the appeal is partly allowed in above terms.

*(Dictated and pronounced in the open court)*

**(Ramesh Nair)**  
**Member (Judicial)**

Seema