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

REGIONAL BENCH- COURT NO.3

Excise Appeal No.12629 of 2019

(Arising out of OIA-VAD-EXCUS-002-APP-223-2019-20 dated 31/07/2019 passed by Commissioner (Appeals) Commissioner of Central Excise, Customs and Service Tax-VADODARA-II)

UNIVERSAL MEDICAP LTD **......Appellant**
Village-Raniya, Salvi
Vadodara
Vadodara ,Gujarat

VERSUS

C.C.E. & S.T.-VADODARA-II **.........Respondent**
1st Floor... Room No.101,
New Central Excise Building,
Vadodara, Gujarat - 390023

APPEARANCE:
Shri Saurabh Dixit, Advocate for the Appellant
Shri G.Kirupanandan, Superintendent (AR) for the Respondent

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

Final Order No. A/ 10555 /2022

DATE OF HEARING: 20.05.2022
DATE OF DECISION: 20.05.2022

RAMESH NAIR

The issue involves is that whether the appellant are entitled for cenvat credit in respect of following services:

- Air travels, Authorized Service station, Clearing & Forwarding Agent Services, Custom House Agent Services, Commercial or Industrial Constructions Services, GTA outward Services, General Insurance Services, and Vehicle Repair Services etc.,

1.1 The show cause notice proposed denial of Cenvat credit on the ground that the documents are not proper and the services have no nexus with the manufacturing of final product. In the adjudication order at Para 11.4, the adjudicating authority has held that the credit on the basis of insufficient documents cannot be denied as convinced that documents are proper when the only issue was left for decision was that whether there is any nexus with the manufacturing activity of the final product. The adjudicating authority held that these services are not used in or in relation to manufacture accordingly, the Cenvat Credit was disallowed. Being aggrieved by the Order-In-Original, the appellant filed appeal before the Commissioner (Appeals), who concurring with the adjudicating authority held that these services have no nexus with the manufacturing activity of the appellant accordingly, he upheld the demand.

02. Shri Saurabh Dixit, learned counsel appearing on behalf of the appellant submits that the only issue left is that whether these services have nexus with the manufacturing activity. This tribunal in various judgments has considered the admissibility of cenvat credit on the very same services in various judgments. He relied upon the various judgments in respect of each services. He submits that as per the settled position in the said tribunal decisions, the credit is admissible.

03. Shri G.Kirupanandan, learned Superintendent (AR) appearing on behalf of the revenue reiterates the finding of the impugned order.

04. On careful consideration of the submissions made by both the sides and perusal of records, I find that the only issue to be decided by me is that whether there is nexus of subject services with the manufacturing activity of the manufacturer.

4.1 From the judgments, I find that almost all the services have been considered time and again by this tribunal for the manufacturing units and the credit was allowed. As submitted by the learned counsel, for the service wise judgments, chart is placed hereunder:-

Sl. No.	Nature of Services	Amount of Cenvat Credit	Services used for	Legal Authority
1	Air Travel Agent Service	641/-	Used in relation to the travel of the company personal for the marketing, meetings for business purposes.	a. Xilinx India Technology Services (P) Ltd 2016 (44) S.T.R. 129 (Tri. - Hyd.) b. Netcracker Technologies Solutions India Pvt. Ltd. 2017 (4) G.S.T.L. 10 (Tri. - Hyd.) c. John Deere India Pvt. Ltd. 2016 (41) S.T.R. 990 (Tri. - Mumbai) d. GOLDMAN SACHS INDIA SECURITIES PVT. LTD 2019 (4) TMI 28 - CESTAT MUMBAI

				e. The Ramco Cements Limited 2017 (6) TMI 97 - CESTAT Bangalore f. Robert Bosch Engg. & Business Solutions Ltd. 2017 (51) S.T.R. 329 (Tri. – Bang) g. Arm Embedded Technologies Pvt. Ltd. 2016 (45) S.T.R. 133 (Tri. – Bang) h. M/s. Unique Pharmaceuticals Laboratories 2018(12)TMI 1099-CESTAT Ahmedabad
2	Authorised Service Station	32,891/-	Used in connection with the repair and maintenance of the vehicles belonging to the manufacturing unit.	a. JSW STEEL LTD 2021 (12) TMI 381 - CESTAT BANGALORE b. Mangalore Refinery & Petrochemicals Ltd. 2016(42) S.T.R. 6(Kar.) c. Caparo Fasteners 2016(41) S.T.R. 1002(Tri.-Del.) d. Birla Corporation Ltd. 2016 (46) STR 430 (Tri-Del) e. J K Cement Works - 2009 (14) STR 538 (Tri – Del) f. Bharat Fritz Werner Ltd Vs CCE, Bangalore - 2011 (22) STR 429)Tri – Bang) g. CCE, Mysore Vs Chamundi Textiles (Silk Mills) Ltd - 2010 (258) ELT 141 (Tri – Bang)
3	Clearing & Forwarding Agent Service	148/-	For the imports of inputs or export of manufactured goods	a. Circular No. 999/6/2015-CX, dated 28-2-2015 b. Dynamic Industries Ltd

			from the place of removal i.e. port.	2014 (35) S.T.R. 674 (Guj.) c. Manglam Cement Ltd. - 2018 (16) G.S.T.L. J168 (S.C.) d. JSW STEEL LTD 2021 (12) TMI 381 - CESTAT BANGALORE e. Robert Bosch Engg& Business Solutions Pvt Ltd Vs CCE & ST, LTU, Bangalore 2017 (51) STR 329 (T-Bang)
4	Custom House Agent	39,897/-	For import and export related Customs clearance work	a. Circular No. 999/6/2015-CX, dated 28-2-2015 b. Dynamic Industries Ltd 2014 (35) S.T.R. 674 (Guj.) c. JSW STEEL LTD 2021 (12) TMI 381 - CESTAT BANGALORE d. Ingersoll-Rand International (India) Ltd Vs CST Bangalore 2015 (38) STR 646 (Tri- Bang) e. Stovec Industries Ltd Vs CCE Ahmadabad 2014 (33) STR 155 (Tri. - Ahmd.) f. Stovec Industries Ltd - 2014 (33) STR 124 (Guj.)
5	Construction Service	3,14,291/-	Factory / office building Construction	a. Circular dated. 29.04.2011 b. SUNDRAM FASTENERS LTD 2017(51)STR 19 c. Forge India Pvt. Ltd 2017(48) STR 246 (Tri-Del) d. Mirra & Mirra Industries 2017(48) STR 91 (Tri-Chennai) e. Maruti Suzuki India Ltd

				2017(47)STR 273(Tri-Chan) f. Orient Cement Ltd. 2017 (51) S.T.R. 459 (Tri. –Hyd) g. M/s. BELLSONICA AUTO COMPONENTS INDIA P. LTD. 2015(40) STR 40 (P&H)
6	GTA Service	8,332/-	ST paid on RCM basis for outward is a valid input service.	a. Vasavdatta Cements Ltd. 2018(11) GSTL 3(SC)
7	Insurance Service	59,350/-	Insurance of Plant/machinery/stocks against fire, in the course of production activities. It also included Raw materials, mediclaim for staff and employee etc.	a. Cantabel Retail India P. Ltd. 2018 (17) G.S.T.L. 275 (Tri. – Del) b. India Cement Ltd. 2014(313) ELT 714 (Tri-Chennai c. JSW Steel (Salav) Ltd. 2016(46) STR 863(Tri-Mum) d. Hindustan Zinc Ltd 2015(37) STR 608(Tri-Del) e. DSCL Sugar 2014(34) STR 58(Tri- Del). f. S.K.D. Lakshman Fireworks Industries2016(42) S.T.R 359(Tri.-Chennai) g. Hindalco Industries Ltd 2019 (25) G.S.T.L. 442 (Tri. – Mumbai h. Spectasoft Technologies Ltd. 2019 (24) G.S.T.L. 224 (Tri. - Chennai)
8	Vehicle Repair Service	3,440/-	Related to repairs to business owned vehicles, used in the course and furtherance of manufacturing business	a. Birla Corporation Ltd. 2016 (46) STR 430 (Tri-Del) b. JSW STEEL LTD 2021 (12) TMI 381 - CESTAT BANGALORE

				c. J K Cement Works - 2009 (14) STR 538 (Tri – Del) d. Bharat Fritz Werner Ltd Vs CCE, Bangalore - 2011 (22) STR 429)Tri – Bang) e. Chamundi Textiles (Silk Mills) Ltd - 2010 (258) ELT 141 (Tri – Bang)

From the above decisions, it is clear that each and every service involved in the present case are admissible input service. Following the decisions as cited above, the appellant are entitled for the cenvat credit on all the services.

05. Accordingly, the impugned order is set aside. Appeal is allowed.

(Dictated & Pronounced in the open court)

RAMESH NAIR
MEMBER (JUDICIAL)

Mehul