CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL
CHANDIGARH

REGIONAL BENCH - COURT NO. I

Excise Appeal No. 50513 of 2015

[Arising out of Order-in-Appeal No. 307/CE/APPEAL/DLH-IV/2014 dated 27.10.2014 passed by the Commissioner of Central Excise (Appeals), Delhi-IV, Faridabad]

Siddharath Export **......Appellant**
326, Parvesh Marg, Near Railway Crossing,
Old Faridabad, Haryana 121002

VERSUS

Commissioner of Central Excise, Delhi-IV, Faridabad **......Respondent**
New CGO Complex, NH IV,
Faridabad, Haryana 121001

APPEARANCE:

Mr. R.P. Jindal, Consultant for the Appellant

Mr. Aniram Meena, Authorized Representative for the Respondent

CORAM: HON'BLE MR. S. S. GARG, MEMBER (JUDICIAL)
HON'BLE MR. P. ANJANI KUMAR, MEMBER (TECHNICAL)

FINAL ORDER NO. 60763/2025

DATE OF HEARING: 07.07.2025
DATE OF DECISION: 07.07.2025

S. S. GARG :

The present appeal is directed against the impugned order dated 27.10.2014 passed by the Commissioner of Central Excise (Appeals), Delhi-IV, Faridabad, whereby the learned Commissioner (Appeals) has confirmed the demand amounting to Rs.1,17,182/- along with interest and equal penalty.

2. Briefly stated facts of the present case are that the appellant are engaged in the manufacture of auto parts components and are *inter alia* availing Cenvat Credit of the central excise duty paid on inputs i.e. bright bars falling under Chapter Heading 7215.10, 7215.20 used by them in the manufacture auto parts components which are cleared on payment of appropriate amount of central excise duty. These inputs i.e. bright bars are purchased from manufacturers/registered dealers against the invoices on which appropriate amount of central excise duty was being paid by the suppliers. Duty has been demanded from the appellant on the ground that no manufacturing process was involved in making bright bars from the bars and rods and therefore, no duty was required to be paid by the suppliers of these bright bars and accordingly, the appellant were not eligible to avail Cenvat Credit on these inputs. A show cause notice was issued to the appellant. The adjudicating authority, after following the due process, confirmed the demand of Rs.1,17,182/- along with interest and also imposed equal penalty. Two other demands of Rs.39,139/- and Rs.27,260/- respectively were also confirmed along with interest and equal penalties. Being aggrieved by the adjudication order, the appellant filed appeal before the Commissioner (Appeals), who set aside the demands of Rs.39,139/- and Rs.27,260/- respectively along with interest and equal penalties, but confirmed the demand of Rs.1,17,182/- along with interest and equal penalty. Hence, the present appeal.

3. Heard both the parties and perused the material on record.

4. The learned Consultant for the appellant submits that the issue is no more *res integra* as the same has been decided in number of cases in favour of the assessee. He further submits that the Revenue raised the demands on identical issue against various manufacturers of auto parts in Faridabad denying them the Cenvat Credit on bright bars as inputs.

4.1 He further submits that recently this Bench of the Tribunal in the case of **M/s O K Auto Components Pvt Ltd vs. Commr of CGST, Faridabad [Excise Appeal No. 53353 of 2014]** has quashed the demand on identical issue vide its **Final Order No. 60452/2025 dated 26.03.2025**.

4.2 He also submits that this Bench of the Tribunal in the case of **M/s Sandeep Laminators Pvt Ltd vs. CCE, Gurgaon – 2024-TIOL-407-CESTAT-CHD**, has also held that when the process undertaken by the assessee does not amount to manufacture, even then the Cenvat Credit is admissible if such inputs are cleared on payment of duty.

4.3 He further submits that the Principal Bench of the Tribunal has already quashed the identical demands against other units. He places reliance on the following cases:

- **M/s Rajshree Industries vs. CCE, Delhi-IV – 2015 (10) TMI 2562 CESTAT NEW DELHI**
- **M/s R B Steel Services & ors vs. CCE, Rohtak – 2015 (1) TMI 292 CESTAT NEW DELHI**
- **Bhavnish Metal vs. CCE, Delhi-IV – 2015 (11) TMI 772 CESTAT NEW DELHI**
- **New Vishvekarma Autotech Pvt Ltd vs. CCE, Delhi-IV - 2015 (10) TMI 1263 CESTAT NEW DELHI**

- **Bhambra Fabricators vs. CCE, Delhi-IV – 2015 (10) TMI 904 CESTAT NEW DELHI**
- **Piplani Entereprises vs. CCE, Delhi-IV – 2015 (10) TMI 902 CESTAT NEW DELHI**
- **Aakash Auto Industries vs. CCE, Delhi-IV – 2016 (3) TMI 775 CESTAT NEW DELHI**
- **CCE, Rohtak vs. Panch Ratna Steel Pvt Ltd – 2015 (10) TMI 1252 CESTAT NEW DELHI**

He submits that the department has not filed appeal against any of the above cited decisions and therefore, the issue of eligibility of Cenvat Credit of central excise duty paid on inputs i.e. bright bars, even if they have been produced out of a process that does not manufacture, has already attained finality in the assessee's favour. He prays that demand should be quashed in the present case also.

5. On the other hand, the learned Authorized Representative for the Revenue reiterates the findings of the impugned order.

6. After considering the submissions made by both the parties and perusal of the material on record, we find that the issue involved in the present case is no more *res integra* and the Tribunal in various cases cited supra has consistently held that the appellant/asseesee is entitled to Cenvat Credit of central excise duty paid on inputs i.e. bright bars, even if the process does not amount to manufacture. We also find that this Bench in the case of **M/s Sandeep Laminators Pvt Ltd** (supra), has decided the issue in favour of the appellant/assessee.

7. By following the ratios of the decisions cited above, we are of the considered opinion that the impugned order is not sustainable in

law, therefore, we set aside the same by allowing the appeal of the appellant with consequential relief, if any, as per law.

(Operative part of the order pronounced in the open court)

(S. S. GARG)
MEMBER (JUDICIAL)

(P. ANJANI KUMAR)
MEMBER (TECHNICAL)

RA_Saifi