CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL
NEW DELHI

PRINCIPAL BENCH – COURT NO. – II

Excise Appeal No. 55818 of 2023 [SM]

[Arising out of Order-in-Appeal No. 39(RLM)CE/JPR/2023 dated 22.08.2023 passed by the Commissioner of Central Excise & CGST (Appeals), Jaipur]

M/s. Cords Cable Industries Ltd. **...Appellant**
SP-239-241, Kaharani Industrial Area,
Bhiwadi, Rajasthan - 301019

VERSUS

Commissioner of CGST - Alwar **...Respondent**
A-Block, Surya Nagar,
Alwar, Rajasthan - 301001

APPEARANCE:
Shri Suhrid Bhatnagar, Advocate for the Appellant
Shri Kuldeep Rawat, Authorized Representative for the Respondent

CORAM: HON'BLE MR. ASHOK JINDAL, MEMBER (JUDICIAL)

DATE OF HEARING: 02.01.2025
DATE OF DECISION: 02.01.2025

FINAL ORDER No. 50015/2025

ASHOK JINDAL

The appellant is in appeal against the impugned order wherein the Cenvat credit has been denied to the appellant in terms of Section 9(2) of the Cenvat Credit Rules, 2004 as invoices are made in the name of other unit and the appellant has taken credit in the appellant units.

2. The facts of the case are that the appellant is having two units, one at Kaharani Industrial Area, Bhiwadi and another unit situated at Chopanki Industrial Area, Bhiwadi. During the course of audit, it was found that the Kaharani unit (the appellant before me) has taken Cenvat credit against the invoices issue in the name of Chopanki unit. The audit objection was raised and it was pointed out that appellant is not entitled to take Cenvat credit in terms of Rule 9(2) of Cenvat Credit Rules, 2004 as invoice pertains to their

another unit which is also manufacturing excisable goods. Therefore, the proceedings were initiated against the appellant by issuance of show cause notice to deny the Cenvat credit, to demand interest and to impose penalty on the appellant. The matter was adjudicated, Cenvat credit was denied and demand along with interest was confirmed. Penalty was also imposed. Aggrieved from the said order, the appellant is before me.

4. During the course of argument before me, learned counsel for the appellant submits that it is *bona fide* mistake that they have taken Cevat credit at Kaharani unit instead of Chopanki unit, therefore, they are ready to reverse the Cenvat creadit and the Cenvat credit in question was not utilized for further payment of duty. In that circumstances, the proceedings against the appellant be dropped.

5. Heard the learned counsel appearing for the appellant.

6. As appellant is ready to reverse Cenvat credit which was taken by them under *bona fide* mistake and they are maintaining sufficient balance in their Cenvat credit account, in that circumstances, I confirmed the demand on account of reversal of Cenvat credit but no interest and penalty is imposable on the appellant in view of the facts and circumstances of the case.

7. In these terms, the appeal is disposed of.

[Dictated and pronounced in the open Court]

(ASHOK JINDAL)
MEMBER (JUDICIAL)

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