

CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL
PRINCIPAL BENCH, WEST BLOCK No.2, R.K.PURAM, NEW DELHI - 110066
SINGLE MEMBER APPEAL BRANCH

Appeal No. E/519 /2006-SM[BR]

Date 28/01/2008

Assistant Registrar
C.E.S.T.A.T, New Delhi

To :
M/S MEHAK CHEMICAL P LTD.
PLOT NO-47-48,INDL AREA,TAHILWAL,DISTT,UNA
(HP)

M/S MEHAK CHEMICAL P LTD.

CCE,CHANDIGARH

Appellant
Vs
Respondent

I am directed to transmit herewith a certified copy of Final order No.174/2008-SM[BR] dated 14.1.2008
passed by the Tribunal under Section 35-C(1)of Central Excises Act, 1944


Assistant Registrar
(SM Appeal Branch)

Copy to :

1. Respondent

CCE,CHANDIGARH

DO

2. Adv. / Consult SHRI. BIPIN GARG ADV.

B-1/1289-A, VASANT KUNJ NEW DELHI-110070

3. S.D.R.

~~4. J.C.D.R.~~

5. Bar association, CESTAT, New Delhi

6. M/s. Deeparchi Publications, M-93, marg. 43, saket, New

7. M/s Centax Publications (P) Ltd., 1512-E, Bhishm Pitamah

8. Excise & Customs cases, B-37, Sector -1, NOIDA - 201301

9. R.Venkatraman Constt. 44-B, S.Suncity, Ghaziabad -

10. Nidheshak publications, I.P.Estate, new Delhi

11. Taxmann Allied Service Pvt Ltd., 21/35, West Punjabi Bagh,

12. Co, Law Institution

13. TAX INDIA, B-XI/8183, Vasant Kunj, New Delhi - 110070

14. Office Copy

15. Guard file


Assistant Registrar
(SM Appeal Branch)

CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL
PRINCIPAL BENCH, NEW DELHI
COURT NO.II

E/Appeal No.519/2006-SM

(Arising out of order in appeal No.444/CE/Chd/05 dated 21.12.05 passed by the Commissioner (Appeals), Customs & Central Excise, Chandigarh)

For approval and signature:

Hon'ble Mr.P.K. Das, Member(Judicial)

1. Whether Press reporters may be allowed to see the order for publication as per Rule 27 of the CESTAT (Procedure) Rules, 1982?
2. Whether it should be released under Rule 27 of the CESTAT (Procedure) Rules, 1982 for publication in any authoritative report or not ?
3. Whether Their Lordships wish to see the fair copy of the Order ?
4. Whether Order is to be circulated to the Departmental authorities?

M.

M/s Mehak Chemical (P) Ltd

Appellant
(Rep. by Shri Bipin Garg, Advocate)

Vs

CCE, Chandigarh

Respondent
(Rep. by Shri S. Gautam, DR)

Coram: Hon'ble Mr P.K. Das, Member(Judicial)

Date of Hearing: 14.1.2008

Per P.K. Das:

Binal (Order No. 174/08 SM (BR))

Heard both sides and perused the record.

2. The applicant filed this application against disallowance of credit on inputs used in the finished goods destroyed in fire. The Commissioner

(Appeals) has observed that the appellants had already been compensated by the insurer for the value of finished goods which is equivalent to the value of goods. The appellant in their memo of appeal contended that when payment is made by the insurance company in respect of loss of finished goods, the value of finished goods includes value of inputs.

3. The learned Counsel submits that the Larger Bench of the Tribunal in the case of Grasim Industries Vs CCE Indore reported in 2007 (208) ELT 336 has held that credit cannot be reversed when remission granted on final product destroyed in fire/accident. It is seen that the dispute is as to whether the appellant realized the duty amount from the insurance company.

4. The learned DR submits that the Larger Bench decision of the Tribunal is not applicable in this case.

5. Accordingly, the impugned order is set aside and the matter is remanded back to the adjudicating authority to decide the matter on the above direction of the larger Bench of the Tribunal in accordance with law.

The appeal is allowed by way of remand.

(Order dictated and pronounced in the open Court).

MPS*

(P.K. Dás)
Member(Judicial)