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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/485 /2009 – SM[BR] Date 09/11/2010

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

To :
C.C.E. RAIPUR
CENTRAL EXCISE BUILDING, DHAMTARI ROAD,
TIKRAPARA, RAIPUR 492001.

C.C.E. RAIPUR Appellant

Vs

M/S MAHAMAYA STEEL INDUSTRIES Respondent

I am directed to transmit herewith a certified copy of **Final order No**. 1199 / 2010-SM[BR] dated 15.10.2010 passed by the Tribunal under Section 35-C(1)of Central Excises Act, 1944

Assistant Registrar
(SM Appeal Branch)

Copy to :

1. Respondent
   M/S MAHAMAYA STEEL INDUSTRIES
   (A DIVISION OF RAJESH STRIPS LTD) B-8/9 SECTOR-C, INDUSTRIAL AREA, RAIPUR(CG)
2. Adv. / Consult SHRI H.V.GHIRNIKAR CA.
   M/S RESPONDENT:---------------
3. S.D.R
4. ~~J.C.D.R.~~
5. Bar association. CESTAT. New Delhi
6. Director Publications. Customs. Excise. I.P. Estate. New Delhi
7. M/s Centax Publictions Pvt Ltd., 1512-B, Bhishm Pitamah marg, Opp. ICICI Bank of Defence Colony, New Delhi - 3
8. Company Law Institute of India Pvt Ltd.,No.2(Old No. 36), Vaithyaram Street, T. Nagar,Chennai -17
9. M/s. Deeparchie Publications. M-93. Marg. 46. Saket. New Delhi 110017
10. Taxmann Allied Service Pvt Ltd.. 59/32. New Rohtak Road. New Delhi - 110005
11. Easy Service Tax Online Dot Com Pvt.Ltd.407A.Iscon Mall.Above Star India Bazar.Satellite Road.Ahmedabad-15
12. LAWCRUX Advisors Pvt Ltd. LAW House.1-8.Sector - 10. Faridabad 121003 (Haryana)
13. TaxIndiaOnline.com Pvt Ltd., Unit No.1, 2nd Floor,Vasant Arcade,Nelson Mandela Road, Vasant Kunj, New Delhi - 110070
14. Office Copy
15. Guard file

Assistant Registrar
(SM Appeal Branch)

CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL,
WEST BLOCK NO.II, R.K. PURAM, NEW DELHI-110066.
BENCH-SM

Date of Hearing/Decision:15.10.2010

Excise Appeal No. E/485/09-SM &
Excise CO No.95/2009-SM

[Arising out of Order-in-Appeal No.138/RPR-1/2008 dated 17.10.2008 passed by the Commissioner (Appeals-I), Raipur.]

For approval and signature:

HON'BLE Mr. ASHOK JINDAL, 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?	

CCE, Raipur ...Appellant

Vs.

M/s.Mahamaya Steel Indus. ... Respondent

Present for the Appellant :Shri.Rajendra Gupta, SDR
Present for the Respondent:Shri.H.V.Ghirnikar, CA

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

Final **ORDER NO.** 1199/2010 SM(BR) **DATED:15.10.2010**

PER: ASHOK JINDAL

Revenue has filed this appeal against impugned order, wherein the input service credit on insurance policy for workmen's compensation was allowed by the Lower Appellate Authority. As the amount involved in this case is only Rs.8,486/- but as per pursuance of the Revenue, matter is to be disposed of on merits only. Accordingly, the matter is taken up on merits.

2. The ld. DR reiterated the ground of appeal and submitted that insurance policy for workmen's compensation is no way related to the manufacturing activity. Hence sought the denial of Input Service Credit as per Rule 2 (l) of the Cenvat Credit Rules 2004.

3. On the other hand, the authorized representative of the respondent submits that the Insurance Policy for Workmen's Compensation has been taken for the workers, who are involved in manufacturing process and to cover the risk of those workers, the policy has been obtained by the respondents. Hence it is directly related to the manufacturing process and as per Rule 2 (l) of the Cenvat Credit Rules, 2004, the respondents are entitled for input Service Credit on Insurance premium for Workmen's Compensation.

4. Heard both sides.

5. I have carefully gone through the submissions made by both the sides. Although the amount is small but it is to be dealt on merits. As stated by the ld. AR of the respondents that this insurance policy has been taken for the workers who are involved in the manufacturing process to cover the risk for

workers who are involved in the manufacturing of the final product. Hence, I find that the contentions are having force and same can be accepted. Accordingly, I find that in this case the Insurance Policy for Workmen's Compensation has been taken by the respondent to cover the risk of the workers who are involved in the manufacturing process of the final product. Hence, the respondents are entitled for Input Service Credit as per Rule 2(l) of the Cenvat Credit Rules. Accordingly, impugned order is upheld. Appeal filed by the revenue is Rejected. Cross Objections are also disposed of in the above manner.

[Dictated & Pronounced in the open Court].

(ASHOK JINDAL)
MEMBER (JUDICIAL)

Anita