IN THE CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL, NEW DELHI PRINCIPAL BENCH, COURT NO. IV

Excise Appeal No. E/50808/2014-[SM]
[Arising out of Order-In-Appeal No. 201/SVS/GGN/2013 dated 03.04.2014 passed by CCE (Appeals) Gurgaon]

For approval and signature:
Hon'ble Mr. S.K. Mohanty, Member (Judicial)

C.C.E. Delhi-III ...Appellant(s)

Vs.

M/s. Autofit Pvt. Ltd. …Respondent(s)

Appearance:
Mrs. Kanu Verma Kumar(DR) for the Appellant
Mr. A.P. Mathur (Advocate) appeared for the Respondent

CORAM:
Hon'ble Mr. S.K. Mohanty, Member (Judicial)

Date of Hearing/ Decision. 29.10.2015

Final Order No. 54301 /2015

Per S K Mohanty:

Revenue is in appeal against the impugned order dated 03.04.2013 passed by the Commissioner of Central Excise (Appeals), Gurgaon. Grievance of the Revenue in this appeal is that renting of immovable property is not an input service for the respondent, since the said service has no nexus with manufacturing/ clearance process of the Final Product, and accordingly, Cenvat Credit of service tax on such service is not available to the Respondent.

2. Heard both sides and perused the records.

3. The period involved in this case is from 2009-2010 to 2010-2011. During the disputed period, the definition of 'input service' contained in Rule 2(l) of the Cenvat Credit Rules, 2004 takes within its ambit the phrase 'activities relating to business' for the purpose of consideration as input service. Since the disputed service has been utilized by the appellant for accomplishing the purpose of its business, the fact of which has not been disputed by the Department, I am of the view that cenvat credit of service tax paid on the disputed service is eligible for cenvat credit to the Respondent.

4. Therefore, I do not find any merits in the appeal filed by the Revenue, and accordingly, the same is dismissed.

(Dictated and pronounced in open court)

(S. K. Mohanty)
Member(Judicial)

Neha