IN THE CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL,

WEST BLOCK NO.2, R.K. PURAM, NEW DELHI-110066

BENCH-SM

COURT –III

Excise Appeal No.E/2512/2011-EX [SM]
[Arising out of Order-in-Appeals No.214 (DKV)/CE/JPR-I/2011 dated 22.07.2011 passed by the Commissioner (Appeals), Jaipur-I]

Shree Krishna Paper Mills & Indus. Ltd. …Appellant

Vs.

CC, Jaipur-I … Respondent

Present for the Appellant : Mr.A.K. Sharma, Sr. V.P.
Present for the Respondent: Mr.M.R. Sharma, A.R.

Coram: HON'BLE MR. S.K. MOHANTY, MEMBER (JUDICIAL)

Date of Hearing/Decision: 28/12/2016

FINAL ORDER NO. 56483/2016

PER: S.K. MOHANTY

Denial of cenvat credit of service tax paid on, workman compensation insurance, group personal accident insurance, money insurance and marine insurance, is the subject matter of present dispute. The authorities below have denied the cenvat benefit on those services, holding that the same are not conforming to the definition of 'input service' in terms of Rule 2 (l) of the Cenvat Credit Rules, 2004.

2. Heard both sides and perused the records. The period involved in this case is from 2004-05 to 2007-08. The fact is not under dispute that service tax paid on various insurance coverages was paid by the appellant for insuring its employees, as well as for the goods. Since the appellant has incurred the

expenses on account of these services for accomplishing its business activities, the same should be considered as business related expenses and falls under the definition of input service under the head 'activities relating to business". Therefore, denial of cenvat credit is not proper and justified. Thus, the impugned order is set aside and the appeal is allowed in favour of the appellant.

[Dictated and pronounced in the Open Court]

(S.K. MOHANTY)
MEMBER (JUDICIAL)

Anita