IN THE CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL
West Block No. 2, R.K. Puram, New Delhi – 110 066.

Date of Hearing/ Decision: 02.11.2017

Appeal No. E/60304/2013-EX[SM]

[Arising out of Order-in-Appeal No.37/Appl/LTU/2013 dated 01.07.2013 passed by the Commissioner of Central Excise and Service Tax, New Delhi]

Whirlpool of India Ltd. Appellant

Vs.

CCE & ST Ltu Delhi Respondent

Appearance
Shri Kamal Aggarwal, FCA - for the appellant
Shri K. Poddar, DR - for the respondent

CORAM: **Hon'ble Mr. M.V. Ravindran, Member (Judicial)**

Final Order No. 57592/2017

Per M.V. Ravindran:

1. This appeal is directed against Order-in-Appeal No. 37/2013 dated 01.07.2013.

2. Heard both sides and perused records.

3. The issue that falls for consideration in this case is regarding the eligibility to avail Cenvat credit of Service Tax paid on the insurance premium in respect of group insurance policies which has been obtained by the appellant for their employees. It is the case of the revenue that such Cenvat credit cannot be availed as insurance/group health insurance is a welfare activity. It is also the finding of the First Appellate Authority that group insurance health policy includes the insurance cover for the families of the employees and said Service Tax is not eligible for as input credit.

4. I find that the both the lower Authorities misdirected the findings and findings are invariance to the law which has been settled by the

higher judicial forum. As regards the eligibility to avail Cenvat credit of the Service Tax paid on premium of insurance policy in respect of group health insurance policy and other policies for the employees, the judgment of the Hon'ble High Court of Karnataka in the case of *Stanzen Toyotetsu India Pvt. Ltd. V/s CCE Bangalore-III* 2011 (23) STR 444 (Kar.) squarely covers the issue in the favour of this appellant. There are numerous judgments of the Tribunal which follow the same and have held that Cenvat credit can be availed by the assessee.

5. As regards the view expressed by the Ld. First Appellate Authority in the impugned order that Cevant credit cannot be availed on the portion of the Service Tax liability incurred on the policies for the families of the employees, I find even that even this issue is now settled by the Bench of the Tribunal in the case of *PTC Software (India) Pvt. Ltd. V/s CCE*, *Pune-III* 2014 (35) STR 632 and followed by the Tribunal in the case of *Faurecia Interior Systems (I) P. Ltd. V/s CCE, Pune III* 2015 (4) *TMI, 1063 CESTAT, Mumbai.*

6. In view of the foregoing, the issue being now already settled, I hold that the impugned order is unsustainable and liable to be set aside.

7. The impugned order is set aside and the appeal is allowed.

(Order dictated and Pronounced in open Court)

(M.V. Ravindran)
Member (Judicial)

Rekha