

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

**Date of Hearing/Order: 1.11.2017**

**Appeal No. E/52704/2016-SM**

(Arising out of Order-in-Appeal No. BHO-EXCUS-002-APP-41-16-17 dated 24.5.2016 passed by the Commissioner (Appeals), Central Excise & Customs & Service Tax, Raipur)

M/s Trimula Sponge Iron Pvt. Ltd.

Appellant

Vs.

CCE & ST, Raipur

Respondent

**Appearance**

Shri Manish Saharan, Advocate

- for the appellant

Shri G.R. Singh, D.R.

- for the respondent

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

**Final Order No. 57559/2017**

**Per M.V. Ravindran :**

This appeal is directed against the Order-in-Appeal No. 41/16-17 dated 24.5.2016.

2. Heard both sides and perused the record.

3. On perusal of records, it transpires that the issue is of demand of the duty on the shortages of inputs as per the visiting officer and also recovery of cash from the Managing Director of the appellant. The shortage was explained by the Managing Director in his

statement is due to moisture contained in the coal and the sponge iron and the cash which was recovered was explained as being kept in the home as the factory situated in the remote area and cannot be kept there. The appellant in reply to the show cause notice had filed detailed technical specifications as to how the moisture content affects the weight of the goods manufactured and cleared as also the presence of cash in the premises of Managing Director. It is seen from the record that both the lower authorities have not considered these submissions made by the appellants in its correct prospective and have mechanically confirmed the demand along with interest and confiscated the amount of cash. In my view, adjudicating authority needs to reconsider the issue afresh on the various points raised by the appellant to contest the demands raised on them as also regarding the recovery of the cash from the premises of the Managing Director. Keeping all the issues open, the impugned order is set aside and the appeal is disposed of by way of remand to the adjudicating authority to reconsider the issue afresh after following the principles of natural justice.

(Dictated & pronounced in open Court)

(M.V. Ravindran)  
Member (Judicial)

RM