

**IN THE CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL,
EAST REGIONAL BENCH : KOLKATA
Court No.1**

Excise Appeal No.76899 of 2018

(Arising out of Order-in-Appeal No.541/HWH/CE/2017-18 dated 16.01.2018 passed by Commissioner (Appeals) of CGST & Central Excise, Kolkata)

Commissioner of CGST & Central Excise, Howrah
(15/1, Strand Road, Kolkata-700001)

Appellant

VERSUS

M/s Jindal (I) Ltd.

(NH-6,Village-Jangalpur, PO-Argori,GP-Andul,PS-Sankrail, Howrah-711302)

Respondent

Appearance:

Shri S.K.Jha, Authorized Representative for the Appellant

S/Shri Tarun Chatterjee & Raju Mondal, both Advocates for the Respondent

CORAM:

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

HON'BLE MR.K.ANPAZHAKAN, MEMBER (TECHNICAL)

DATE OF HEARING : 04 DECEMBER 2025

FINAL ORDER NO.77871/2025

Per Ashok Jindal :

Revenue is in appeal against the impugned order.

2. The facts of the case are that the adjudicating authority has denied the cenvat credit on input service credit of service tax paid on sales commission for affecting their sales by their broker.

2.1 The proceedings were initiated against the respondent on the premises that the sales commission on which the service tax has been paid by the respondent is not an input service as it is post manufacturing activity. Therefore, they are not entitled to take the cenvat credit on the same and the same does not relate to the sales promotion.

2.2 In view of this, proceedings were initiated against the respondent demanding to deny cenvat credit availed by the

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respondent on sales commission. The adjudicating authority denied the cenvat credit to the respondent.

2.3 On appeal, the Id.Commissioner (Appeals) allowed the cenvat credit to the respondent.

2.4 Against that order, the Revenue is in appeal on the ground that the cenvat credit on sales commission is not available to the respondent.

3. Heard the Id.A.R. for the Revenue and the Id.Counsel for the respondent.

4. It is a fact that the sales commission has been paid by the respondent for promotion of their sales by the broker. In that circumstances, the sale commission is included in sales promotion under the definition of Rule 2 (I) of Cenvat Credit Rules, 2004. Therefore, we do not find any infirmity in the impugned order, accordingly, the same is upheld.

5. The appeal filed by the Revenue is dismissed.

(Dictated and pronounced in the open Court)

(Ashok Jindal)
Member (Judicial)

(K.Anpazhakan)
Member (Technical)

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