IN THE CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL
EASTERN ZONAL BENCH: KOLKATA

REGIONAL BENCH – COURT NO. 1

Excise Appeal No. 270 of 2009

(Arising out of Order-in-Original No. CCE/BBSR-II/No. 02-04/Commissioner/2009 dated 18.02.2009 passed by the Commissioner of Central Excise & Customs, Bhubaneswar-II, C.R. Building, Rajaswa Vihar, Bhubaneswar – 751 007, Orissa)

M/s. Rathi Steel and Power Limited **: Appellant**
[Formerly known as: 'M/s. Rathi Udyog Limited']
Vill.: Potapalli & Sikirdi,
P.O.: A Kapali, District: Sambalpur, Orissa

VERSUS

Commissioner of C.G.S.T. and Central Excise **: Respondent**
Bhubaneswar Commissionerate,
C.R. Building, Rajaswa Vihar, Bhubaneswar – 751 007, Orissa

APPEARANCE:

Shri Rajesh Chhibber, Advocate, for the Appellant

Shri Debapriya Sue, Authorized Representative, for the Respondent

CORAM:

HON'BLE SHRI ASHOK JINDAL, MEMBER (JUDICIAL)
HON'BLE SHRI K. ANPAZHAKAN, MEMBER (TECHNICAL)

FINAL ORDER NO. 75656 / 2026

DATE OF HEARING / DECISION: 22.05.2026

ORDER: [PER SHRI ASHOK JINDAL]

The appellant is in appeal against the impugned order wherein CENVAT Credit on various items viz., M.S. Angles, Beams, Channels, Plates, Flats, TMT Bars, Rounds, Rails, G.C. Sheets, Welding Electrodes, Nuts & Bolts, has been denied as 'inputs' and on various other items viz. C.R. Sheets, Electrical Goods, Fabrication Materials, M.S. Gratings, Port Barrel Assembly, Rod Grates, Norma/Suprtheme and Vitrea M, has been denied as 'capital goods', which was availed by the appellant during the period from October, 2005 to June, 2007 by issuance of various

Show Cause Notices which are dated 26.10.2006, 08.08.2007 and 30.01.2008 on the premise that these items were neither 'inputs' nor 'capital goods' for the appellant for the purpose of manufacture of their final product in terms of Rule 2(k) and Rule 2(a)(A)(i) of the CENVAT Credit Rules, 2004.

2. The matter was adjudicated and the said CENVAT Credit was denied vide the impugned order.

2.1. Against the said order, the appellant is before us.

3. The Ld. Counsel appearing on behalf of the appellant submits that although the ld. adjudicating authority in the impugned order has himself recorded that all these items are required for production of the appellant's final products, the CENVAT Credit has been denied by the ld. adjudicating authority by relying on divergent views taken by various Benches of the Tribunal during the impugned period. It is his submission that the issue has been settled finally by the Hon'ble Chhattisgarh High Court in the case of *Vandana Global Ltd. v. Commissioner of C.Ex., Raipur [2018 (16) G.S.T.L. 462 (Chhattisgarh)]* wherein it has been held that if an assessee is able to show that the usage of the items in question are essential for the manufacture of the final product, as inputs or capital goods, then the assessee shall be entitled to take CENVAT Credit thereon. Therefore, he prays that the impugned order be set aside.

4. On the other hand, the Ld. Authorized Representative of the Revenue reiterates the findings in the impugned order.

5. Heard the parties and considered their submissions.

6. We find that the short issue involved in this case is whether the items mentioned hereinabove (at paragraph 1 of this Order) are eligible for availment of CENVAT Credit by the appellant or not.

7. Admittedly, in the impugned order, the ld. adjudicating authority himself observes that all these items are essential for the manufacture of the appellant's final products. In these circumstances, in the light of the decision of the Hon'ble Chhattisgarh High Court in the case of Vandana Global Ltd. (supra), we hold that the appellant is entitled to take CENVAT Credit on the items in question.

8. In view of this, we do not find any merit in the impugned order and accordingly, the same is set aside.

9. In the result, the appeal is allowed, with consequential relief, if any.

(Dictated and pronounced in the open court)

Sd/-
(ASHOK JINDAL)
MEMBER (JUDICIAL)

Sd/-
(K. ANPAZHAKAN)
MEMBER (TECHNICAL)

Sdd