CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL
MUMBAI

REGIONAL BENCH - COURT NO. 01

Service Tax Appeal No. 89490 of 2018

(Arising out of Order-in-Appeal No. PVNS/55/APPEALS THANE/MC/2018-19/3547 dated 11.05.2018 passed by Commissioner (Appeals Thane) GST & Central Excise Mumbai)

Cipla Ltd. **.....Appellant**
Cipla House Peninsula Business Park
Ganpateao Kadam Marg Lower Parel,
Mumbai – 400 013.

VERSUS

Commissioner of Central Goods and Service Tax – Mumbai Central **.....Respondent**
4th Floor, C.Ex. Building, Churchgate,
Mumbai – 400020.

Appearance:

Shri Rajesh Ostwal, Advocate for the Appellant
Shri S.K. Hatangadi, Authorized Representative for the Respondent

CORAM:

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

FINAL ORDER NO. A/87394/2021

Date of Hearing: 21/12/2021
Date of Decision: 21/12/2021

PER : S.K. MOHANTY

Heard both sides and perused the records.

2. Denial of Cenvat Credit on various disputed services namely Group Mediclaim Insurance, Group Personal Accident Insurance, Insurance on Commercial Vehicle and Insurance on Contractor's Plant & Machinery and Insurance on Private Cars is the subject matter of present dispute. With regard to service tax paid on Mediclaim Insurance, Group Personal Accident Insurance, the learned Commissioner has allowed the Cenvat benefit for the period 2009-10 holding that under the pre-amended provisions of Rule 2(l) of the Cenvat Credit Rules, 2004, the phrase "activities relating to business" was specifically finding place and as such, such credit availed by the appellant should be considered as input service. However, he has denied the credit for the period 2011-12 on the ground that under the amended definition of Input Service, Group Mediclaim and Group Accident Policies were specifically excluded for consideration as input service. With regard to the other services, he has held that health service cannot be considered the input service for availment of the cenvat benefit.

3. With regard to availment of cenvat credit on Group Mediclaim Insurance, Group Personal Accident Insurance, the CBEC vide Circular No.943/4/2011-CX dated 29.04.2011 had clarified that if the provisions of service had been completed before 01.04.2011, the credit on such services should be available even if the credit particulars are entered in the Cenvat register after amendment of the definition of input service. Since, on this specific issue, the CBEC has clarified regarding entitlement of credit after the period 01.04.2011 for the services availed prior to such date, I am of the view that the impugned order passed by the Commissioner (Appeals) is denying in Cenvat benefit cannot be sustained. Therefore, the impugned order denying the Cenvat benefit on Group Mediclaim Insurance, Group Personal Accident Insurance, is set aside and the appeal to such extent is allowed in favour of the appellant.

4. With regard to the other services namely insurance on Commercial Vehicle, Insurance on Contractor's Plant & Machinery and

Insurance on Private Cars, the appellant did not press for the stand taken in this appeal for allowing the cenvat benefit. Thus, I do not find any infirmity in the impugned order insofar as the credit on those services was denied to the appellant. Accordingly, the appeal of the appellant to such extent is dismissed.

5. In the result, the appeal filed by the appellant is partly allowed.

(Dictated and pronounced in the open court)

(S. K. Mohanty)
Member (Judicial)

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