

IN THE HIGH COURT OF PUNJAB AND HARYANA  
AT CHANDIGARH

CEA No.22 of 2018 (O&M)  
Date of Decision.23.08.2018

Commissioner, Central Excise & Service Tax Commissionerate,  
Chandigarh-I

...Appellant

Vs

M/s Grewal Enterprises

...Respondent

**CORAM: HON'BLE MR. JUSTICE RAJESH BINDAL  
HON'BLE MR. JUSTICE AMIT RAWAL**

Present: Mr. Sourabh Goel , Advocate  
for the appellant.

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**RAJESH BINDAL J.**

The appellant in the present appeal has challenged the order dated 21.03.2017 passed by the Customs, Excise and Service Tax Appellate Tribunal, Chandigarh arising out of Appeal No.E/1962/2010, raising the following substantial questions of law:-

“(i) Whether the CESTAT is correct in allowing the benefit of CENVAT Credit of the duty paid on inputs when it is technically and physically impossible to use the GP Sheets in the manufacture of finished goods i.e. motor vehicle/tractor parts and there is no evidence to the contrary adduced by

the respondent?

- (ii) Whether the judgment of the CESTAT is contrary to the provisions of MODVAT scheme when the scheme itself has been devised to allow CENVAT credit of duty on inputs in that condition only where the inputs have been used in the manufacture of finished goods?
- (iii) Whether in the facts and circumstances of the case, the credit on inputs not contained in finished goods is required to be reversed?
- (iv) Whether it is proper for the Hon'ble Tribunal to extend the benefit by not appreciating the fact that the party was under obligation under Rule 57A and 57G of Central Excise Rules, 1944 which thus have failed to prove that the inputs in respect of which CENVAT credit is taken have actually been used in the manufacture of finished goods.”

At the very outset, learned counsel for the appellant submitted that the amount involved in the present appeal is ₹ 45,32,842/-. As the amount involved is less than the limit prescribed in the Circular issued by the Central Board of Indirect Taxes & Customs (Judicial Cell) dated 11.07.2018, the present appeal be dismissed as not maintainable.

Ordered accordingly.

However, it is made clear that dismissal of present appeal will not be taken as upholding the order passed by the Tribunal as the

legal issue raised therein is left open to be considered in an appropriate case.

**(RAJESH BINDAL)  
JUDGE**

**(AMIT RAWAL)  
JUDGE**

**August 23, 2018**  
Pankaj\*

**Whether speaking/reasoned      Yes/No**

**Whether reportable                Yes/No**