

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

REGIONAL BENCH – COURT NO. 2

**Excise Appeal No. 77011 of 2018**

(Arising out of Order-in-Appeal No. 15/HWH/XAP-84/2017-18 dated 28.02.2018 passed by the Principal Commissioner of C.G.S.T. and Central Excise, Kolkata North Commissionerate, G.S.T. Bhawan, Room No. 254, 180, Shantipally, Rajdanga Main Road, Kolkata – 700 107)

**M/s. ITC Limited**

PSPD, Unit: Tribeni, P.O.: Chandrahati,  
District: Hooghly, West Bengal – 712 504

**: Appellant**

**VERSUS**

**Commissioner of C.G.S.T. and Central Excise**

Howrah Commissionerate,  
[pertaining to Chandannagar Division, Howrah C.G.S.T. &  
Central Excise Commissionerate]

**: Respondent**

**APPEARANCE:**

Shri Arnab Chakraborty, Advocate, for the Appellant

Shri S.K. Dikshit, Authorized Representative for the Respondent

**CORAM:**

**HON'BLE SHRI R. MURALIDHAR, MEMBER (JUDICIAL)**

**HON'BLE SHRI K. ANPAZHAKAN, MEMBER (TECHNICAL)**

**FINAL ORDER NO. 77807 / 2025**

DATE OF HEARING / DECISION: 27.11.2025

**ORDER: [PER SHRI K. ANPAZHAKAN]**

The present appeal has been filed against the Order-in-Appeal No. 15/HWH/XAP-84/2017-18 dated 28.02.2018 passed by the Ld. Principal Commissioner of C.G.S.T. and Central Excise, Kolkata North Commissionerate, G.S.T. Bhawan, Kolkata, wherein CENVAT Credit availed by the appellant, M/s. ITC Ltd, was disallowed.

2. The facts of the case are that M/s. ITC Ltd., PSPD. Unit-Tribeni, PO: Chandrahati, District: Hooghly, Pin – 712 504 having PAN based Central Excise Registration No AAAC15950LXM007 (hereinafter referred to as "the appellant") are engaged in manufacturing various types of paper and paperboard etc. falling under Chapter 48 of Central Excise Tariff Act. 1985. Proceedings were initiated against the Appellant by way of issuing a Show Cause-cum-Demand Notice No.12/CE/R-11/Adjn/CGR/2016 dated 01.11.2016, wherein it has been alleged that the appellant has availed and utilized CENVAT credit amounting to Rs. 49,16,972/- on Input service on railway receipts and Service Tax Certificate for Transportation of Goods (STTG Certificate, for the period prior to 27/08/2014.

2.1. Rule 9(1) of CENVAT Credit Rules, 2004 specifies the documents for availing CENVAT credit. This rule was amended vide Notification No. 26/2014-CE(NT) dated 27.08.2014 to include Service Tax Certificate for Transportation of Goods (STTG Certificate) issued by Indian Railways along with photocopies of the railway receipts mentioned in STTG Certificate as documents eligible for availing CENVAT Credit. The said notification did not have any retrospective effect and have enforced from the date of its publication. Thus, the Revenue took the view that prior to 27.08.2014, STTG Certificate issued by Indian Railways along with the photocopies of the railway receipt mentioned in STTG Certificate were not valid documents eligible for taking CENVAT Credit; these documents were made valid only after insertion of a new clause 'fa' in Sub-Rule (1) of Rule 9 of CENVAT Credit Rules, 2001, with effect from 27.08.2014. Thus, it was alleged that input service credit on transportation of goods so availed by the appellant on

the basis of Railway receipts and STTG Certificates issued by Indian Railways, for the period prior to 27.08.2014, is inadmissible.

2.2. The said Notice was adjudicated wherein the Ld. adjudicating authority has disallowed the CENVAT Credit availed by the appellant on the basis of Railway receipts and STTG Certificates for the period prior to 27.08.2014. On appeal, the Ld. Principal Commissioner (Appeals) upheld the disallowance of credit vide the impugned order dated 28.02.2018.

2.3. Aggrieved against the denial of credit vide the impugned order, the appellant has filed this appeal.

3. The Ld. Counsel appearing on behalf of the appellant submits that Service Tax on Transportation of Goods by Rail was levied with effect from 01.12.2012; that as per Notification No. 26/2014-CE(NT) dated 27.08.2014, STTG Certificate has been prescribed as a document for availing credit on the credit of service tax paid on Transportation of Goods by Rail. He submits that for the period between 01.12.2012 to 27.08.2014, the railway receipts containing all the relevant details as required under Rule 9(1) of CENVAT Credit Rules, 2004, was the document based on which CENVAT Credit can be availed. Thus, it is his contention that there is no merit in the contention of the Revenue that no document has been prescribed for the period prior to 27.08.2014, for availing CENVAT credit of service tax paid on Transportation of Goods by Rail. It is further contended that nowhere it is mentioned that CENVAT Credit cannot be availed on the basis of other documents such as railway receipts and STTG certificates, which contains all details as required

under Rule 9(1) of CENVAT Credit Rules, 2004, for the period prior to 27.08.2014.

3.1. The Ld. Counsel for the appellant also submits that the issue is no longer *res integra*, as the same issue has been decided by this Tribunal in the case of *Jai Balaji Industries Ltd. Unit-I Vs CGST & C.Ex., Bolpur vide Final Order No. 75067 of 2025 dated 10.01.2025*. Accordingly, the it is the appellant's submission that the CENVAT credit availed by them on the basis of valid documents cannot be denied.

4. The Ld. Authorized Representative of the Revenue appearing before us reiterated the findings in the impugned order. He argues that STTG has been prescribed as the document relevant for availing credit of service tax paid on Transportation of Goods by Rail, only with effect from 27.08.2014; hence, the credit availed by the appellant on the basis of the said document is not admissible to them prior to 27.08.2014. Accordingly, he justified the disallowance of the CENVAT Credit.

5. Heard both sides and perused the appeal records.

6. We find that the issue involved in the present appeal is the eligibility towards availment of CENVAT Credit in respect of transportation of goods by the Indian Railways on the basis of railway receipts and STTG Certificates for the period prior to 27.08.2014. It is observed that the appellant has been availing CENVAT Credit in respect of transportation of goods by Indian Railways in accordance with Rule 9 of the CENVAT Credit Rules, 2004 on the basis of railway receipts and STTG certificates issued by the Indian Railways. With effect from 27.08.2014, sub-rule (fa)

has been inserted in Rule 9 (1) of the CENVAT Credit Rules, 2004. For the sake of ready reference, the said sub-rule is reproduced below: -

*"(fa) a Service Tax Certificate for Transportation of goods by Rail (herein after referred to as STTG Certificate) issued by the Indian Railways, along with the photocopies of the railway receipts mentioned in the STTG certificate; or"*

6.1. We take note of the fact that this certificate is an additional document prescribed for allowing the CENVAT Credit. That does not mean that railway receipts or STTG certificates, cannot be considered as a relevant document for availing CENVAT Credit. We observe that even after the introduction of sub-rule (fa) in Rule 9 (1) of the CENVAT Credit Rules, 2004, railway receipts containing all the relevant factual details continue to be a relevant document for availment of credit. STTG issued prior to 27.08.2014 was also a valid document for availing CENVAT Credit, as the same contains all details as prescribed under Rule 9(1) of the CENVAT Credit Rules, 2004.

6.2. We find that this view has been expressed by the Tribunal in the case of *JSW Steel Ltd. v. Commissioner of C.G.S.T., Navi Mumbai [2022 (3) TMI 413 CESTAT Mumbai] (Final Order No. A/85199/2022 dated 14.03.2022 in Excise Appeal No. 86637 of 2018)* wherein the CESTAT, Mumbai has decided as under: -

*"2.1 The appellant has availed cenvat credit on the strength of railway receipt which contained all the details as prescribed under Rule 9 of the Cenvat Credit Rules as it existed at the material time. Subsequently, Rule 9 was amended by Notification*

No. 26/2014-CE dated 27.08.2014 to insert sub-rule (ta) in sub-rule (1) which is as follows:-

*"(fa) a Service Tax Certificate for Transportation of goods by Rail (herein after referred to as STTG Certificate) issued by the Indian Railways, along with the photocopies of the railway receipts mentioned in the STTG certificate; or*

*2.2 Revenue alleged that since this certificate for transportation of goods by the appellant has been prescribed by the rules w.e.f. 27.08.2014, the cenvat credit availed by them on the basis of railway receipts in respect of the said services received from Railway is improper.*

*2.3 Accordingly a show cause notice dated 27.11.2017 was issued to the appellant seeking to deny the cenvat credit so availed. It also proposed recovery of interest and for imposition of penalty. This show cause notice has been adjudicated as per the impugned order.*

*2.4 Aggrieved, the appellant has filed this appeal.*

*3.1 We have heard Shri Vishal Agarwal, Advocate, for the appellant and Shri Sydney D'Silva, Additional Commissioner, Authorised Representative for the Revenue.*

*3.2 We have considered the impugned order along with the submissions made in appeal and during the course of argument.*

*3.3 There is no dispute that in terms of the definition of input services as per Rule 2(k), the services against which the credit has been availed are the input services for the appellant. Admissibility of the cenvat credit is determined as per Rule 3 of the Cenvat Credit Rules. Rule 9 prescribes the*

*documents against which cenvat credit can be taken by the appellant. It does not determine the admissibility of cenvat credit in any manner. Rule 9 of the Cenvat Credit Rules prior to amendment on 27.08.2014 reads as under-*

*"RULE 9. Documents and accounts. (1) The CENVAT credit shall be taken by the manufacturer or the provider of output service or input service distributor, as the case may be, on the basis of any of the following documents, namely:*

*(a) an invoice issued by -*

*(i) (a manufacturer or a service provider for clearance of -]*

*(I) inputs or capital goods from his factory or depot or from the premises of the consignment agent of the said manufacturer or from any other premises from where the goods are sold by or on behalf of the said manufacturer;*

*(II) inputs or capital goods as such;*

*(ii) an importer;*

*(iii) an importer from his depot or from the premises of the consignment agent of the said importer if the said depot or the premises, as the case may be, is registered in terms of the provisions of Central Excise Rules, 2002;*

*(iv) a first stage dealer or a second stage dealer, as the case may be, in terms of the provisions of Central Excise Rules, 2002;*

*or*

*(b) a supplementary invoice, issued by a manufacturer or importer of inputs or capital goods in terms of the provisions of Central Excise Rules, 2002 from his factory or depot or from the premises*

*of the consignment agent of the said manufacturer or importer or from any other premises from where the goods are sold by, or on behalf of, the said manufacturer or importer, in case additional amount of excise duties or additional duty leviable under section 3 of the Customs Tariff Act, has been paid, except where the additional amount of duty became recoverable from the manufacturer or importer of inputs or capital goods on account of any non-levy or short-levy by reason of fraud, collusion or any wilful mis-statement or suppression of facts or contravention of any provisions of the Excise Act, or of the Customs Act, 1962 (52 of 1962) or the rules made thereunder with intent to evade payment of duty.*

*Explanation. - For removal of doubts, it is clarified that supplementary invoice shall also include challan or any other similar document evidencing payment of additional amount of additional duty leviable under section 3 of the Customs Tariff Act; or*

*[(bb) a supplementary invoice, bill or challan issued by a provider of output service, in terms of the provisions of Service Tax Rules, 1994 except where the additional amount of tax became recoverable from the provider of service on account of non-levy or non-payment or short-levy or short-payment by reason of fraud or collusion or wilful mis-statement or suppression of facts or contravention of any of the provisions of the Finance Act or of the rules made thereunder with the intent to evade payment of service tax; or]*

*(c) a bill of entry; or*

*(d) a certificate issued by an appraiser of customs in respect of goods imported through a Foreign Post Office: [or, as the case may be, an Authorized Courier, registered with the Principal Commissioner*

*of Customs or the Commissioner of Customs incharge of the Customs airport.]*

*(e) a challan evidencing payment of service tax, by the service recipient as the person liable to pay service tax; or]*

*(f) an invoice, a bill or challan issued by a provider of input service on or after the 10th day of September, 2004; or*

*(g) an invoice, bill or challan issued by an input service distributor under Rule 4A of the Service Tax Rules, 1994:*

*[Provided that the credit of additional duty of customs levied under sub-section (5) of section 3 of the Customs Tariff Act, 1975 (51 of 1975) shall not be allowed if the invoice or the supplementary invoice, as the case may be, bears an indication to the effect that no credit of the said additional duty shall be admissible.]*

*((2) No CENVAT credit under sub-rule (1) shall be taken unless all the particulars as prescribed under the Central Excise Rules, 2002 or the Service Tax Rules, 1994, as the case may be, are contained in the said document:*

*Provided that if the said document does not contain all the particulars but contains the details of duty or service tax payable, description of the goods or taxable service, (assessable value, Central Excise or Service tax registration number of the person issuing the invoice, as the case may be,) name and address of the factory or warehouse or premises of first or second stage dealers or (provider of output service), and the Deputy Commissioner of Central Excise or the Assistant Commissioner of Central Excise, as the case may be, is satisfied that the goods or services covered by the said document*

*have been received and accounted for in the books of the account of the receiver, he may allow the CENVAT credit.]*

*[(3)\*\*]*

*(4) The CENVAT credit in respect of input or capital goods purchased from a first stage dealer or second stage dealer shall be allowed only if such first stage dealer or second stage dealer, as the case may be, has maintained records indicating the fact that the input or capital goods was supplied from the stock on which duty was paid by the producer of such input or capital goods and only an amount of such duty on pro rata basis has been indicated in the invoice issued by him:*

*[Provided that provisions of this sub-rule shall apply mutatis mutandis to an importer who issues an invoice on which CENVAT credit can be taken.)"*

*3.4 As has been pointed out, sub-rule (fa) subsequently provided for the documents issued by the Railway as documents for availing cenvat credit. However, such prescription w.e.f. 27.8.2014 could not have been the reason for holding that the credit availed against the railway receipts containing all the details was inadmissible. Rule 9 is subservient to Rule 3 for determining the admissibility of cenvat credit. If the requirements of Rule 3 are satisfied, the credit could not have been denied. Further, Rule 9(2) read with Rule 4A of the Service Tax Rules provides that any document which contains the details as prescribed under Rule 4A shall be considered as a proper duty paying document for all the purposes including availment of cenvat credit.*

*Similar view has been held by Hon'ble Bombay High Court in the case of Essel Propack Ltd. (2015 (39) STR 363 (Bom.)), wherein the Hon'ble High Court has observed as follows-*

"7. On going through the Cenvat Credit Rules, 2004, we find that they do not prescribe any documents for availing of Service Tax credit during the disputed period in respect of the Service Tax paid on goods transport agency services. The appellant, in the present case, has nowhere contended which were the specified document for availing of such credit during the relevant time. If no documents have been mentioned, TR-6 Challan has to be considered as a proper document, reflecting payment of such tax. Further, it is also not the case of the appellant that Service Tax was not paid by the respondents or that they were otherwise not entitled to such credit.

8. The Punjab & Haryana High Court, in the case of *CCE v. Raison India Ltd.* (2007) 6 STT 134 2008 (10) S.T.R. 505 (P & H) held that if the duty paid has the character of inputs and their receipt in manufacturer's factory and utilization in manufacture of final product is not disputed, then the credit cannot be denied to such person. It is also to be noted that the Department's Circular dated 19th November, 2001 observes that once the duty payment is not disputed and is found that the documents are genuine and not fraudulent, then the manufacturer would be entitled to Cenvat credit on duty paid inputs.

9. In the present case, the authorities below have accepted that the respondents are entitled to such Cenvat credit. The only point for consideration, in such circumstances is the type of document required to be produced to avail of such credit. The respondents have produced the TR-6 Challan which is emanated from the office of the appellants themselves

*to support their claim for such Cenvat credit, which material was accepted by the authorities below whilst passing the impugned order.*

*10. For the aforesaid reasons, the question of discarding the said Challan to avail of such Cenvat credit, as contended by the learned Counsel appearing for the appellant, cannot be accepted. The Authorities below, as such, have rightly accepted the said Challan as proof of payment of Service Tax and, as such, no infirmity can be found in the orders passed by the Authorities below. In any event, the appellants are not entitled to rely upon Rule 9 to refuse the credit to the respondents, as Rule 9 is a procedural aspect which cannot deny the claim of the respondents to avail of such Cenvat credit which they are, otherwise, admittedly, entitled to. The substantial question of law is answered accordingly."*

*4.1 In view of the above, we do not find any merit in the impugned order and set aside the same. Appeal is allowed. Consequential relief, if any, to the appellant."*

6.3. We also find that the same view has again been taken by this Tribunal in the case of *Jai Balaji Industries Ltd. Unit-I Vs CGST & C.Ex., Bolpur, vide Final Order No. 75067 of 2025 dated 10.01.2025.*

6.4. From the decisions cited above, we find that the STTG Certificates issued by the Railways have been prescribed as a document for availing credit with effect from 27.08.2014. However, railway receipts, which contain all details as prescribed under Rule 9 of the CENVAT Credit Rules, 2004, continue to be a

relevant document for availment of credit prior to and after 27.08.2014 also. It is also observed that STTG Certificate issued prior to 27.08.2014 was also a valid document for availing CENVAT Credit, as the same contains all details as prescribed under Rule 9(1) of the CENVAT Credit Rules, 2004.

6.5. In the present case, the appellant has availed the credit on the basis of railway receipts/ STTG certificates, which contained all details as required under Rule 9(1) of the CENVAT Credit Rules, 2004. Thus, we hold that the appellant is eligible for availing the credit amounting to Rs. 49,16,972/-. Hence, we set aside the disallowance of credit ordered in the impugned order. Accordingly, we allow the credit availed by the appellant on the basis of railway receipts and STTG certificates for the period prior to 27.08.2014.

7. Regarding the demand of interest, we find that there is no irregularity in the availment of credit by the appellant. Under these facts and circumstances, we find that the demand of interest is not sustainable. Consequently, we set aside the demand of interest, as confirmed in the impugned order.

7.1. As the credit availed by the appellant was not irregular, no penalty can be imposed on the appellant. Hence, we set aside the penalty imposed on the appellant in the impugned order.

8. In the result, we set aside the impugned order and allow the appeal filed by the appellant, with consequential relief, if any, as per law.

(Operative part of the order was pronounced in open court)

Sd/-

**(R. MURALIDHAR)**  
MEMBER (JUDICIAL)

Sd/-

**(K. ANPAZHAKAN)**  
MEMBER (TECHNICAL)

Sdd