

## **GIB/MB/ESSEL PROPACK/31.08.2018/OTHERS-11**

**Others Category :** CESTAT

**State :** Mumbai

**Order No.:** GIB/MB/ESSEL PROPACK/31.08.2018/OTHERS-11

**Name of Entry :**  
Essel Propack Ltd.

**Date :** 31-08-2018

**Breif Issue :**

### **Facts & Issue of the case:**

CESTAT observed that CSR is not in the nature of charity as it has got a direct bearing on the manufacturing activity of the company which is largely dependent on smooth supply of raw materials. Further, it augments the credit rating of the company and its standing in the corporate world. The Tribunal thus held that such expenses are incurred to win the confidence of the stakeholders and shareholders.

It also noted that CSR which was a mandatory requirement for the public sector undertakings, has been made obligatory also for the private sector and unless the same is to be treated as input service in respect of activities relating to business, production and sustainability of the company itself would be at stake.

Hence, Cenvat credit was allowed to the appellant.