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REGISTERED / AD

CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL
38,MG Marg Civil Lines,Old Red Building,Allahabad-211001
Regional Branch, Allahabad

Dated: 22/11/2017

To

Appellant as per address in table below

Respondent as per address in table below

Final Order No. A/71550/2017-SM[BR] dated 15/11/2017

I am directed to transmit herewith a certified copy of order passed by the Tribunal under section 01(5) of the **Finance Act, 1994 relating to Service Tax Act, 1994.**

Asstt. Registrar

Application	Appeal	Name and Address of Appellant
1	ST/70659/2017	**Commissioner CUSTOMS Central EXCISE and SERVICE TAX-Noida** C-56/42...SECTOR 62, NOIDA, UTTAR PRADESH 201307
		Name and Address of Respondent
2		Hcl Comnet Systems & Services Ltd F-8&9,sector-3,, NOIDA ,UP

Copy To

3Advocate(s) / Consultant(s):

Utkarsh Malviya & Natasha Sarkar (Advocate), ALD
3/1A/3 OPP AUTO SALES,Above the Office Of Blue Dart/DHL Courier, COLVIN ROAD, LOHIA MARG ALLAHABAD-211001

4 Bar Association, CESTAT, Allahabad

5 Director Publications, Customs, Excise. I.P. Estate, Delhi

6 M/s Centax Publications Pvt. Ltd., 1512-B, Bhishm Pitamah Marg, Opp ICICI Bank of Defence Colony New Delhi-3

7 Company Law Institute of India Pvt. Ltd., No 2 (old no 36), Vaithyaram Street, T. Nagar, Chennai-17

8 Taxmann Allied Service Pvt. Ltd., 59/32, New Rohtak Road, New Delhi-110005

9 LAWCRUX Advisors Pvt. Ltd., LAW House, 1-8, Sector-10, Faridabad 121003 (Haryana)

10 TaxIndiaOnline.com Pvt. Ltd., 2nd Floor, Vasant Arcade, Vasant Kunj, New Delhi - 110070

11 Mark Professional Services Pvt. Ltd., 108, Everest Block, Aditya Enclave, Hyderabad – 38

12 The ICFAI society, 52, Nagarjuna Hill,Punjagutta Hyderabad.-500082

13 M/S Knowledge Processing Pvt. ltd.(taxmanagementindia.com),FF-19,1st Floor,Cross River Mall,CBD Ground,Near Karkardooma Court,Delhi-110032

14 C.D.R. 15 Office Copy 16 Second Folder Copy 17 Guard File

Asstt. Registrar

IN THE CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL

REGIONAL BENCH : ALLAHABAD
COURT No. I

APPEAL No. ST/70659/2017-ST[SM]

(Arising out of Order-in-Appeal No. NOI/SVTAX/000/APPL-I/92/2017-18 dated 05/06/2017 passed by Commissioner of Central Excise (Appeals-I), Meerut)

Commissioner of Central Excise & Service Tax, Noida **Appellant**

Vs.

M/s Hcl Comnet Systems & Services Ltd. **Respondent**

Appearance:

Shri Sandeep Kumar Singh (Dy. Commr.) AR for Appellant
Shri Utkarsh Malviya & Natasha Sarkar (Advocate) for Respondent

CORAM:

Hon'ble Mr. Anil Choudhary, Member (Judicial)

Date of Hearing : 15/11/2017
Date of Decision : 15/11/2017

FINAL ORDER NO:..71550/2017.........

Per: Anil Choudhary

The Revenue is in appeal against allowing of Cenvat credit with respect to Pantry Boy Service/Catering Service and Event Management Services.

2. The brief facts are that the respondent is a provider of taxable services under various heads. They in the course of providing output services, availed the services of Pantry and Office Boy, LCD Projector relating to events of employees, Pest Control Services etc. They had taken credit on such services on the Service Tax paid. The Revenue had objected to the credit by issuing show cause as it appeared that these

services do not have any role in the provision of output services by the respondent. The Commissioner (Appeals) vide the impugned order was pleased to allow the Cenvat credit observing that the Event Management Services were received by the respondent for promotion of business and the same is duly recovered under the phrase "Advertisement and Sales Promotion" as defined under Rule 2(l) of CCR, both prior to 2011, March and after 31/03/2011. As regards the credit involved with respect to Pantry Boy Service, it was observed that these have been engaged for Cleaning Services and Housekeeping and the same qualifies as input services as maintaining a clean office environment is essential for providing output services. Reliance was placed on the ruling of this Tribunal in CCE Vs International Combustion India Ltd. 2016 (44) S.T.R. 110 (Tri.-Mumbai).

3. The Revenue have raised the ground that 'Event Management Services' have received by the respondent for organizing some events involving gathering of the staff, purportedly for conveying business policy to the employees and augmentation of business. Such functions may be organized to celebrate the progress of the company or maybe vanity show. Renting of equipment, namely, LCD Projector etc. for conveying business policy to employees staffs, is in no way connected to the provision of output services. It is also contended that renting of equipment is not essential for providing output services like Information Technology

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Services. So far Pantry Boy Service/Manpower Supply Services are concerned the contention of the respondent Revenue that these are required for assisting in day to day functioning of business by providing support services to the employees, clients and during meetings and working hours. The same is nothing but Manpower Recruitment and Supply Services. In this regard, it is contended that Manpower Supply Service is admissible in the case of supply of manpower for output operations of the respondent, which has nexus with the export of IT/ITES Services. Under the facts and circumstances there being no direct link of the services in providing output services, the same should be disallowed.

4. The Learned Counsel for the Respondent – assessee states that the issue is no longer res Integra. Under similar facts and circumstances in the case of HCL Technologies Ltd. vide Final Order No. 54011-54012/2015 dated 05/08/2015 a Coordinate Bench of this Tribunal, in the case of similar services like Renting of Equipment for Event Management Services and Pantry Boy Services have held the same to be allowable Input Services. The Learned Counsel further referred to another Coordinate Ruling in the case of HCL Technologies Ltd. Vs CCE 2015, (40) S.T.R. 369 (Tri.-Del.), wherein also the service of Renting of Equipment for Organizing Events and Event Management Services have been held to be allowable Input Services, wherein this Tribunal observed that such services are covered in the definition of

Input Services for the purpose of allowing credit of Service Tax as the definition under Rule 2(l) of CCR is very wide. The said definition covers both services utilized directly or indirectly, in rendering of output or Output Services.

5. Having considered the rival contentions, I find that the Learned Commissioner (Appeals) have rightly allowed Cenvat credit on the two services involved herein. I find that both the services are related to the business of the respondent and they have received the benefit of the same directly or indirectly, in the rendering of their Output Taxable Services. Accordingly, there is no merits in the appeal by Revenue, the same is dismissed. The Respondent – assessee shall be entitled for consequential benefits, if any, in accordance with law.

(Dictated & Pronounced in Court)

-Sd/-

(ANIL CHOUDHARY)

Member(JUDICIAL)

Lks

प्रमाणित प्रति / Certified True Copy

07/12/17

Asstt. Registrar

(C.E.S.T.A.T.)

38, M. G. MARG, ALLAHABAD-211001