CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL
BANGALORE

REGIONAL BENCH - COURT NO. 1

Service Tax Appeal No. 1121 of 2011

(Arising out of Order-in-Appeal No. 72/2011 dated 27.01.2011 passed by the Commissioner of Central Excise (Appeals – II), Bangalore.)

The Commissioner (Appeals-II), Central Excise,
16/1, SP Complex,
Lalbagh Road,
Bangalore – 27.

Appellant(s)

VERSUS

M/s. Paxar India Pvt. Ltd.,
7^{th} Main, III Phase,
Peenya Industrial Area,
Bangalore – 560 066.

Respondent(s)

APPEARANCE:

Mr. P. Saravana Perumal, Addl. Commissioner (AR) for the Appellant

None for the Respondent

CORAM: HON'BLE DR. D.M. MISRA, MEMBER (JUDICIAL)
HON'BLE MRS. R. BHAGYA DEVI, MEMBER (TECHNICAL)

Final Order No. 21620 /2024

DATE OF HEARING: 03.12.2024
DATE OF DECISION: 03.12.2024

PER : D.M. MISRA

None present for the respondent. Heard the learned Authorised Representative for the Revenue.

2. This is an appeal filed by the Revenue against Order-in-Appeal No. 72/2011 dated 27.01.2011 wherein the learned Commissioner following the judgment of the Hon'ble High Court in the case of ***Indian National Ship Owners Association Vs.***

Union of India [2009 (13) S.T.R. (235)], has set aside the demand of service tax on 'Intellectual Property Service' and 'Consulting Engineer Service' received by the appellant from foreign service provider during the period 16.08.2002 to 31.03.2006 in terms of Rule 2(1)(d)(iv) of Service Tax Rules, 1994.

3. We find that the levy of Service Tax for the period prior to 18.04.2006 on reverse charge mechanism basis cannot be sustained in view of the judgment of the Hon'ble Bombay High Court in ***Indian National Ship Owners Association*** case(supra) and later upheld by the Hon'ble Supreme Court.

4. In the result, the impugned order is upheld and Revenue's appeal is rejected.

(Operative portion of the order was pronounced in open court
on conclusion of hearing.)

(D.M. MISRA)
MEMBER (JUDICIAL)

(R. BHAGYA DEVI)
MEMBER (TECHNICAL)

Gb/Raja….