CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL
BANGALORE

REGIONAL BENCH - COURT NO. 1

Service Tax Appeal No. 21795 of 2017

(Arising out of Order-in-Appeal No. 134/2017/LTU dated 09.06.2017 passed by the Commissioner (Appeals), Large Taxpayer Unit, Bangalore.)

M/s. Texas Instruments (India) Pvt. Ltd.
Bagmane Tech Park,
66/3, Adjacent LRDE Byrasandra,
C.V. Raman Nagar Post,
Bangalore – 560 093.

Appellant(s)

VERSUS

The Commissioner of Central Tax
TTMC, BMTC Bus Stand,
4th Floor, Domlur,
Bangalore – 560 071.

Respondent(s)

APPEARANCE:

Shri Syed Peeran and Ms. Vani Dwevedi, Advocates for the Appellant.

Shri M. A. Jithendra, Asst. Commissioner (AR) for the Respondent.

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

FINAL ORDER NO. 22104 /2025

DATE OF HEARING: 17.12.2025
DATE OF DECISION: 17.12.2025

PER: R. BHAGYA DEVI

This appeal is filed against Order-in-Appeal No. 134/2017/LTU dated 09.06.2017 passed by the Commissioner (Appeals), Large Taxpayer Unit, Bangalore.

2. Briefly the facts of the case are that the appellant M/s. Texas Instruments India Pvt. Ltd. are rendering services under the category of Management or Business Consultant Service, Information Technology Software Services etc. and have been discharging service tax under Reverse Charge Mechanism (RCM) in terms of Section 66(A) of the Finance Act, 1994. The appellant had filed two refund claims under Rule 5 of Cenvat Credit Rules (CCR), 2004 for the period from April 2011 to September 2011 which is partially allowed and partially rejected by the original authority which was upheld by the Commissioner (Appeals). The appellant is in appeal against the amount of refund of Rs. 14,95,750/- rejected by the Commissioner (Appeals) in the impugned order.

3. The Learned Counsel submitted that out of total credit of Rs.14,95,750/-, the appellant has already received refund of Rs.5,36,898/- vide parallel refund proceedings and hence to that extent the impugned order cannot be sustained. It is further submitted that the expression 'input service' under Rule 2(l) of the CCR, 2004 has a wide amplitude and enables the service provider to avail credit on all input services which are integrally connected with the process of providing output service, without which the provision of such service would be commercially inexpedient. The expression 'business' is an integrated/ continuous activity and is not confined or restricted to mere manufacture of the product. Therefore, 'activities in relation to business' would cover all the activities that are related to the functioning of a business as is held in the case of ***Coca Cola India Pvt Ltd v. CCE, Pune*** reported at ***2009 (242) ELT 168 (Bom)***. The definition of 'input service' is very wide whereby it is not restricted to services used in or in relation to manufacture of final products, but extends to all services used in relation to the business of manufacturing or providing the output service as

observed by the Hon'ble High Court in the case of **CCE, Nagpur v. Ultratech Cement Limited** reported at **2010 (20) STR 577 (Bom).** Further, referring to the decision by the Hon'ble Supreme Court in the case of **J K. Cotton Spinning & Weaving Mills Co. Ltd. vs. Sales Tax Officer, Kanpur** reported at **2002-TIOL-116-SC-CT-LB** observed that if a process or activity is so integrally related to the ultimate manufacture of goods so that without that process or activity will be entitled to credit.

3.1. Further, referring to the **Circular No.120/1/2010-ST dated 19.01.2010** and **Board Circular DOF No.334/1/2012-TRU dated 16.3.2012** submitted that it has been clarified that no correlation between services is required as the intention of the Government is to allow refund to the exporters. It is also stated that the nexus of the disputed input services with the output service of the Appellant has already been examined by this Hon'ble Tribunal for the previous and subsequent periods and consequently, the refund has been allowed in respect of the same. Reliance is placed on **Microsoft India (R&D) Pvt. Ltd. v. C.C. EX. & S.T. Bangalore: 2022 (56) G.S.T.L. 29 (Tri. - Bang.)** wherein it has been held that when the nexus has been accepted for the previous period, the Department is estopped from taking a different view for the subsequent periods.

4. The Learned Authorised Representative reiterated the findings of the Commissioner (Appeals) in the impugned order.

5. Heard both sides. We find that the cenvat credit has been denied on the ground that there has not been nexus between the input services and output services which has now been settled by various decisions as relied upon by the appellant. Hence, we do find any reason to deny the cenvat credit on the said services and moreover, we find that for the same services the cenvat

credit has been allowed to the appellant during the subsequent periods. However, we find that Rs.72,011/- has been denied on the ground that it was claimed on account of repetition of the invoices, hence the same is denied. We therefore, set aside the impugned order and allow the appeal only to the extent of (Rs.14,95,750 – Rs.72,011) Rs.14,23,739/-.

Appeal is partially allowed.

(Operative portion of the Order was dictated and pronounced in Open Court.)

(D.M. MISRA)
MEMBER (JUDICIAL)

(R. BHAGYA DEVI)
MEMBER (TECHNICAL)

rv