CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL
BANGALORE

REGIONAL BENCH - COURT NO. 1

Service Tax Appeal No.122 of 2012

(Arising out of Order-in-Appeal No.JMJ/44/2011 dated 11.10.2011 passed by the Commissioner (Appeals), Bangalore.)

M/s. Bosch Ltd.
Hosur Road, Audgodi,
Bangalore-560 030.

Appellant(s)

VERSUS

Commissioner of Central Excise and Service Tax
100 Ft. Ring Road, JSS Towers,
Banashankari-III Stage,
Bengaluru-560 085.

Respondent(s)

APPEARANCE:
Ms. Gomati Srinivasa, Advocate for the Appellant.
Mr. Rajashekar B.N.N, Superintendent (AR) for the Respondent.

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

Final Order No. 20412 /2026

DATE OF HEARING: 08.01.2026
DATE OF DECISION: 08.01.2026

PER : D.M. MISRA

This is an appeal filed against Order-in-Appeal No.JMJ/44/2011 dated 11.10.2011 passed by the Commissioner (Appeals), LTU, Bangalore.

2. Briefly stated the facts of the case are that the appellant are engaged in manufacture of automobile parts falling under Chapter 84 & 85 of the Central Excise Tariff Act, 1985. Also, they are registered for providing taxable services such as erection, commissioning or installation service etc. On scrutiny of their records for the period from October 2008 to March 2009, it is noted that an amount of Rs.4,10,000/- has been indicated

as amount received against export of service on which no service tax was paid. Alleging that the appellant had provided services falling under the category of 'Erection, Commissioning and Installation Service' to M/s. Robert Bosch GmbH, Germany (Bosch Germany, for short), show-cause notice was issued on 19.04.2010 for recovery of the service tax amounting to Rs.50,676/- along with interest and penalty. On adjudication, the demand was confirmed with interest and penalty. Aggrieved by the said order, they filed appeal before the learned Commissioner(Appeals) who in turn rejected their appeal. Hence, the present appeal.

3. At the outset, the learned advocate for the appellant has submitted that they had a plant at Nashik, India which has placed an order on Bosch Germany to undertake installation and commissioning of 'internal griding machines' at their Bosch Nashik Plant. After competition of installation and commissioning service, Bosch Germany raised an invoice dated 02.06.2009 on Nashik plant which was paid in foreign currency by the Nashik plant and also appropriate service of Rs.11,10,580/- was paid on the installation and commissioning service rendered by Bosch Germany. To undertake the installation and commissioning as per the order of Nashik plant, Bosch Germany has required certain services in the form of mechanical support from the appellant and they placed an order accordingly on the appellant on 09.11.2008. Consequently, to support the installation and commissioning of the 'internal grinding machine' at Bosch Nashik plant, they have deputed one mechanical and one project engineer for providing Business Auxiliary Service i.e. mechanical support for commissioning and installation of the said machine in Nashik plant. It is her contention that what was provided to Bosch Germany by the appellant is a mechanical support to undertake the installation and commissioning services for which they received consideration. It is her contention that the service rendered by

the appellant to Bosch Germany is in the nature of 'Business Auxiliary Service' as defined under Section 65(19) (vi) of the Finance Act, 1994 and consequently covered under the Category III of Rule 3(1) of Export of Service Rules, 2005. It is their contention that recipient of service Bosch Germany is located outside India and the consideration received in foreign currency; therefore, the services provided by them be treated as 'Export of Service' and accordingly, no service tax is payable. She has submitted that the services were provided on behalf of Bosch Germany at the Bosch Nashik Plant; therefore, it is rightly classifiable as Business Auxiliary Service.

4. Learned AR for the Revenue has reiterated the findings of the learned Commissioner(Appeals).

5. Heard both sides and perused the records.

6. The short issue involved in the present appeal is whether the services rendered by the appellant to their holding company M/s. Rober Bosch GMBH (Bosch Germany) is in the nature of Business Auxiliary Service and covered under the scope of 'Export of Service'.

7. From the purchase order and other records placed on record by the appellant, we find that Bosch Nashik placed an order for installation and commissioning of 'internal grinding machines' at their plant for which they raised an invoice. After receiving the said services on payment of the invoice, necessary service tax was discharged by the Nashik Plant which is not in dispute. The services rendered by the appellant to their Bosch Germany is a support service of providing the service of project engineer for the work of installation and commissioning service undertaken by the Bosch Germany at the Bosch Nashik Plant. In these circumstances, it cannot be said that the appellant are engaged in providing 'erection, commissioning and installation

service' to Bosch Nashik. Thus, the services provided by the appellant squarely fall under the scope of 'Business Auxiliary Service' which is covered under the scope of Export of Service Rules, 2005 since the recipient of service is located outside India and the amount is received in foreign currency. In the result, the impugned order is set aside and the appeal is allowed with consequential relief, if any, as per law.

(Dictated and pronounced in Open Court)

(D. M. MISRA)
MEMBER (JUDICIAL)

(R. BHAGYA DEVI)
MEMBER (TECHNICAL)

Raja….