

**CUSTOMS, EXCISE & SERVICE TAX APPELLATE
TRIBUNAL
BANGALORE**

REGIONAL BENCH - COURT NO. 1

Service Tax Appeal No. 25813 of 2013

(Arising out of Order-in-Original No. 133/2012 dated 26.10.2012
passed by the Commissioner of Service Tax, Bangalore)

**M/s. Golf Links Software Park
(P) Ltd.,**

Embassy Point,
No.150, Infantry Road,
Bangalore – 560 001.

Appellant(s)

VERSUS

Commissioner of Service Tax,

5th Floor, No.16/1,
SP Complex, Lalbagh Road,
Bangalore – 560 027.

Respondent(s)

APPEARANCE:

Mr. N. Anand, Advocate for the Appellant

Mr. Vikalp Jain, Superintendent (AR) for the Respondent

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

Final Order No. 20487 /2026

DATE OF HEARING: 19.02.2026

DATE OF DECISION: 19.02.2026

PER : DR. D.M. MISRA

This is an appeal filed against Order-in-Original No.133/2012 dated 26.10.2012 passed by the Commissioner of Service Tax, Bangalore.

2. Briefly stated the facts of the case are that the appellant are engaged in providing taxable services under the category of

'Commercial and Industrial Construction Service', 'Renting of Immovable Property Service', 'Maintenance and Repair Service' and 'Management Consultancy Service' etc. during the relevant period April 2010 to March 2011. Alleging that the appellant had availed inadmissible cenvat credit on various input services which are used in discharging service tax on the output services viz. Renting of Immovable Property Service which is neither subjected to service tax nor be treated as goods, show-cause notice was issued to them on 22.08.2011 for recovery of the total cenvat credit of Rs.14,89,35,330/- availed during the period April 2010 to March 2011 with interest and penalty. On adjudication, the demand was reduced and confirmed to Rs.6,93,82,122/- with interest and penalty. Hence, the present appeal

3. At the outset, the learned advocate for the appellant has submitted that this is one of the periodical show-cause notices issued for recovery of cenvat credit availed on various input services which are used to discharge service tax on output services viz. 'Renting of Immovable Property Service'. He has submitted that for the period June 2007 to March 2009, demand, denying cenvat credit confirmed by the adjudicating authority, was challenged before the Tribunal which resulted in issuing order in their favour reported at 2018-TIOL-2877-CESTAT-BANG. Revenue's appeal against the said order was rejected by the Hon'ble Karnataka High Court reported at 2023 (8) Centax 30 (Kar.). This has been followed subsequently by this Tribunal in their own case vide Final order No.21068/2025 dated 24.07.2025. Similar view has been taken by this Tribunal in the case of Oberon Edifices & Estates Pvt. Ltd. Vs. CCE [(2023) 10 Centax 346 (Tri. Bang.)].

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

5. Heard both sides and perused the records.

6. The short issue involved in the present appeal for consideration is whether the appellant are entitled to avail cenvat credit on various input services used in providing output services viz. 'Renting of Immovable Property Service' during the relevant period April 2010 to March 2011. The issue in dispute is no more res integra and covered by series of judgments. This Tribunal, in the appellant's own case, reported at 2018-TIOL-2877-CESTAT-BANG, decided the issue in favour of the appellant and it is observed as follows:

6. We have carefully considered the submissions made by both the parties and perused the records as well as have gone through the various decisions relied upon by the appellant. The issue involved in the present appeal is whether the services such as architects service, construction service, management consultancy service, real estate agent service, erection and commissioning service etc. used for construction of the premises are admissible input services for taking CENVAT Credit as against the output service of the appellant i.e. renting of immovable property and other related services on which Service Tax has been discharged. In order to appreciate the controversy, it is necessary to examine the definition of "input service" as provided under Rule 2 (l) of CENVAT Credit Rule, 2004 during the relevant time which is re-produced below:

"Input Services- As per Rule 2 (l) of CENVAT Credit Rules, 2004, (prior to 01.04.2011) "input service" means any service.

(i) Used by a provider of taxable service for providing an output service, or

(ii) Used by the manufacture, whether directly or indirectly, in or in relation to the manufacture of final products and clearance of final products from the place of removal,

and includes services used in relation to setting up, modernization, renovation or repairs of a factory,

premises of provider or output service or an office relating to such factory or premises, advertisement or sales promotion, market research, storage upto the place of removal, procurement of inputs, activities relating to business, such as accounting, auditing, financing, recruitment and quality control, coaching and training, computer networking, credit rating, share registry, and security, inward transportation of inputs or Capital goods and outward transportation upto the place of removal.”

6.1 From the above definition, it is clear that any service used by the service provider for providing an output service is admissible “input service”. Input service specifically includes amongst other services used in relation to setting up of premises of the provider of output service or an office relating to such provider. From the definition, it is clear that the input service is not limited to the services for providing output service but it also includes the services for setting up the premises of provider of output service. In the present case, all the input services involved are used for setting up the premises. The Board Circular relied upon by the Revenue are contrary to the various decisions relied upon by the appellant.

This judgment has been upheld by the Hon’ble Karnataka High Court reported at 2023 (8) Centax 30 (Kar.), observing as:-

6. We have carefully considered rival contentions and perused the order passed by the CESTAT in *M/s. Millennia Realtors Pvt. Ltd.* The assessee therein, was in the business of renting immovable properties and the issue involved was whether the assessee therein was entitled for CENVAT credit on the input and input services consumed or utilized in construction of the Commercial Complex. After considering various authorities, the Tribunal has held that the assessee was entitled to CENVAT credit both on inputs and input services utilized for the construction to be utilized as output service being renting of immovable property. It is not in dispute that the said order passed by the CESTAT, Bengaluru has not been challenged by the Revenue.

7. In the result, following the aforesaid precedent, the impugned order is set aside and the appeal is allowed with consequential relief, if any, as per law.

(Operative part of this Order was pronounced in Open Court
on conclusion of the hearing.)

(D.M. MISRA)
MEMBER (JUDICIAL)

(R. BHAGYA DEVI)
MEMBER (TECHNICAL)

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