IN THE CUSTOMS, EXCISE & SERVICE TAX
APPELLATE TRIBUNAL
SOUTH ZONAL BENCH AT CHENNAI

ST/754, 762/2010 & ST/755/2010

(Arising out of Order-in-Appeal No. 113/2010 ST (SLM) dated 06.09.2010 passed by the Commissioner of Central Excise (Appeals), Salem). OIA No 138 & 139/10 ST(SLM) dt. 29.10.10 Passed by the CCE (Appeals), Salem.

1 & 2 M/s. Arunachala Gounder Textile Mills Pvt. Ltd.: Appellants
3. JPP Mills Pvt. Ltd.

Vs.

CCE, Salem Respondent

Appearance

Darushi N. Hegde, Advocate
for the Appellant

Shri Arul C. Durairaj, Supdt. (AR)
for the Respondent

CORAM :

Hon'ble Smt. ARCHANA WADHWA, JUDICIAL MEMBER
Hon'ble Shri B. RAVICHANDRAN, TECHNICAL MEMBR

Date of Hearing/Decision: **20.12.2017**

FINAL ORDER No. 43263-43265/2017

Per: Archana Wadhwa

All the three appeals are being disposed of by a common order as the issue involved in these appeal is an identical one.

2. The issue relates to demand of service tax under BAS on the commission paid to a foreign agent's service procured by the appellants. We note that the Tribunal in one of the same appellant's

case being M/s. J.P.P. Mills Pvt. Ltd. Vs. CCe, Salem, vide its Final Order No. 41606/2017 dated 07.08.2017, has observed that in as much as the services in question were related to textile processing, as the appellants had exported yarn, they would be entitled to the benefit of Notification No. 14/2004-ST dated 10.09.2004. For better appreciation para-6 of the said order is reproduced below:-

> "6. The Ld. Counsel has adverted to the Notification No.14/2004 ST dt.10.9.2004 by which exemption is granted to services related to textile processing. She relied upon the judgement in the case of Texyard International V Commissioner 2015 (40) STR 322 (Tri) and Arvind A Traders 2016 (44) STR 264 (Tri-Chennai). The issue stands covered by these judgments since the appellants are manufacturers of artificial and synthetic staple fibre yarn. Following the same we hold that the demand beyond 18.4.2006 is also not sustainable.

7. In as much as the issue involved in the present appeals is identical to the decision referred above, by following the above decision of the Tribunal in the assessee's own case, we set aside the impugned orders and allow all the three appeals with consequential relief to the appellants.

(Order dictated and pronounced in the open Court on)

21/12/17

(B. RAVICHANDRAN) 21/12/17.
TECHNICAL MEMBER

(ARCHANA WADHWA)
JUDICIAL MEMBER

BB