

**CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL
SOUTH ZONAL BENCH
CHENNAI**

Appeal No.ST/280/2010

[Arising out of Order-in-Appeal No.18/2010-ST dt. 18.2.2010 passed by the Commissioner of Customs, Central Excise & Service Tax (Appeals), Coimbatore]

Adwaith Lakshmi Industries Ltd.

Appellant

Versus

Commissioner of Central Excise & ST,
Coimbatore

Respondent

Appearance:

Shri J. Shankarraman, Advocate
For the Appellant

Shri S. Govindarajan, AC (AR)
For the Respondent

CORAM :

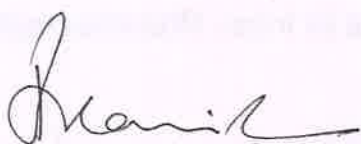
Hon'ble Ms. Sulekha Beevi C.S. Member (Judicial)
Hon'ble Shri B. Ravichandran, Member (Technical)

Date of hearing / decision : 13.11.2017

FINAL ORDER No. 429/4/2017

Per B. Ravichandran

The appeal is against the order of Commissioner of Central
Excise (Appeals), Coimbatore.



2. The dispute in the present appeal relates to liability of service tax on reverse charge basis in respect of certain business exhibition services availed by the appellant. These services were provided by a foreign based company. The Revenue held the view that appellants are liable to pay tax on reverse charge basis by invoking Section 66A of the Finance Act, 1994.

3. Ld. Counsel contests the finding of the lower authorities on the ground that said Business Exhibition Service is covered under category (ii) of Rule 3 of Taxation of Service (Provided from Outside India and Received in India) Rules, 2006. These services were fully provided outside India and there is no scope for invoking Section 66A on such services. He relied on various decisions of the Tribunal.

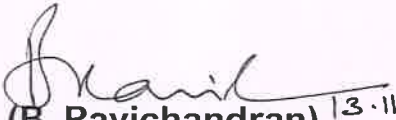
4. Ld. A.R reiterated the findings of the lower authorities.

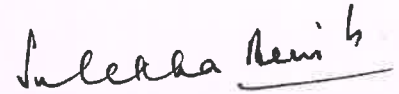
5. After hearing both sides, we note that Business Exhibition Service received by the appellant is fully performed outside India by the foreign service provider and is clearly covered under category (ii) of Rule 3 of the 2006 Rules. The lower authorities erred in holding that since recipient of service is located in India, the service should be construed as 'consumed/performed in India'. In view of clear provision of 2006 Rules, we find no justification for such conclusion. We also refer to the decision of Tribunal in *Intas Pharmaceuticals Ltd.*



Vs CST Ahmedabad - 2009 (95) RLT 111 (CESTAT-Ahmd.) holding that when service is fully provided outside, there is no applicability of reverse charge mechanism. Accordingly, we hold that the impugned order is not sustainable and the same is set aside. Appeal is allowed with consequential relief, if any, as per law.

(dictated and pronounced in court)


(B. Ravichandran) 13.11.17
Member (Technical)


(Sulekha Beevi C.S)
Member (Judicial)

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प्रमाणित प्रति / Certified True Copy

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