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

ST/40673/2014

(Arising out of Order-in-Original No. 25/2013-ST dated 30.12.2013 passed by the Commissioner of Service Tax, Tiruchirapalli)

M/s. Yespee Tyre Retreaders : Appellant

Vs.

CCE & ST, Trichy : Respondent

Appearance

Shri S. Kannappan, Advocate
for the appellant

Shri K.P. Muralidharan, AC (AR)
for the Respondent.

CORAM :

Hon'ble Ms. Sulekha Beevi, Member (Judicial)
Hon'ble Shri Madhu Mohan Damodhar, Member (Technical)

Date of Hearing/Decision: **11.08.2017**

FINAL ORDER No. 41697 **/2017**

Per Bench

The issue in the above appeal is against the demand of service tax of Rs. 60,17,099/- raised by denying the benefit of Notification No. 12/2003-ST dated 20.6.2003.

2. The assessees are engaged in retreading of old tyres using bought-out tread rubber and other items like paste and

Customs, Excise & Service Tax Appellate Tribunal other materials required for retreading. While clubbing the tread rubber charges for such retreading work, cost of tread rubber in retreading is also received from the customer. Though the appellant paid the service tax, the department was of the view that the entire cost has to be subject to levy of service tax. Show cause notices issued were confirmed and assessees have thus approached this Tribunal

3. The issue whether in providing tyre retreading service, cost of materials are liable to deducted in terms of Notification No.12/2003-ST is settled by the decision of the Hon'ble Supreme Court in the case of Safety Retreading Company – 2017-TIOL-28-SC-ST.

4. Following the above judgment, we hold that the demand is not sustainable and the appeal filed by the assessee is allowed.

(Operative part of the Order pronounced in the open Court)

(MADHU MOHAN DAMODHAR)
MEMBER (TECHNICAL)

Sulekha Beevi

(SULEKHA BEEVI C.S.)
MEMBER (JUDICIAL)

BB

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6/9.
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अपील अधिकरण/(CESTAT)
चेन्नै/Chennai

Customs, Excise & Service Tax Appellate Tribunal