

**CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL  
MUMBAI**

**WEST ZONAL BENCH**

**Service Tax Appeal No: 85998 of 2015**

[Arising out of Order-in-Appeal No: PUN-EXCUS-001-APP-183-14-15 dated 4<sup>th</sup> February 2015 passed by the Commissioner of Central Excise (Appeals), Pune – I.]

Sehgal Wheels Pvt Ltd  
D-3 Block, MIDC, Mumbai – Pune Road,  
Near Highway Towers, Akurdi, Pune 411 035

*... Appellant*

*versus*

Commissioner of Central Excise & Service Tax  
41A, ICE House, Sassoon Road, Pune – 411 001

*...Respondent*

**APPEARANCE:**

Ms Chandni Tanna, Advocate for the applicant appellant

Shri Dilip Shinde, Assistant Commissioner (AR) for the respondent

**CORAM:**

**HON'BLE DR DM MISRA, MEMBER (JUDICIAL)  
HON'BLE MR C J MATHEW, MEMBER (TECHNICAL)**

**FINAL ORDER NO: \_\_\_\_\_ A/88463/2018 \_\_\_\_\_**

DATE OF HEARING: 13/12/2018  
DATE OF DECISION: 13/12/2018

**PER: C J MATHEW**

The appeal of M/s Sehgal Wheels Pvt Ltd against order-in-appeal no. PUN-EXCUS-001-APP-183-14-15 dated 4<sup>th</sup> February 2015 of Commissioner of Central Excise (Appeals), Pune – I pertains

to certain charges recovered by appellant from customers purportedly for getting the vehicles registered and smart card issued by the statutory authorities as prescribed in the Motor Vehicles Act, 1988 between January 2011 to December 2011. The notice issued for recovery for tax of ₹ 4,09,516/- on the amount was confirmed by the order of the original authority along with interest thereon and imposition of penalty under section 76, 77 and 78 of Finance Act, 1994 which, having been upheld in impugned order, is before us.

2. We have heard Learned Counsel for appellant and Learned Authorised Representative.

3. Learned Counsel draws our attention to the decision of the Tribunal in their own dispute for the period from July 2007 to December 2010 *vide* order no. A/94498-94499/16/STB dated 30<sup>th</sup> November 2016 while disposing off appeal no. ST/705/2012 and ST/88975/2014 against order-in-appeal no. P-I/MMD/141/2012 dated 27<sup>th</sup> July 2012 and PUN-EXCUS-001-APP-37-14-15 dated 4<sup>th</sup> June 2014 of Commissioner of Central Excise (Appeals), Pune – I in decision of 30<sup>th</sup> November 2006. On perusal of the said order, which held that

*'2. The issue involved in these two appeals in regarding the Service Tax liability under the category of "Business Support Services" for the period July, 2007 to December, 2009 and January, 2010 to December,*

*2010 on an amount collected by appellant as an extra charge from their customers, apart from the sale price of the vehicles. It was contended by the appellant before the lower authorities that extra charges are nothing RTO Registration charges, Smart Card fees, vehicle registration fees, fuel cost, number plate cost, articles of pooja of vehicle, documentation charges and handling charges.'*

by following the decision of the Tribunal in *Wonder Cars Pvt Ltd v. Commissioner of Central Excise, Pune – I [2016 (42) STR 1055 (Tri.Mumbai)]* we find it to be a precedent. In *re Wonder Cars Pvt Ltd* it has held

*'5. We find that the findings recorded by the lower authorities are incorrect as the definition of Business Support Services as per Section 65(104c) of the Finance Act reads as under:*

*“support services of business and commerce” means services provided in relation to business or commerce and includes evaluation of prospective customers, telemarketing, processing of purchase orders and fulfilment services, information and tracking of the delivery schedules, managing distribution and logistics, customer relationship management services, accounting and processing of transactions, operational assistance for marketing, formulation of customer service and pricing policies, infrastructural support services and other transaction processing.*

*Explanation. - For the purpose of this clause, the expression “infrastructural support services” includes providing office along with office utilities, lounge, reception with the competent personnel to handle messages, secretarial services internet and telecom facilities, pantry and security”.*

*It can be seen from the above reproduced definition that the said definition covers services which are rendered as indicated therein. In the case in hand, the amount collected as extra charges is not for any of the services which are enumerated in the said definition. The first appellate authority has stated that appellant is a rendering customer relationship services which in our view is incorrect as the definition talks about an entity rendering customer relationship management services and not the customer relationship by the appellant himself. In our view the definition of 'Business Support Services' will not cover the services rendered by the appellant even in the residual category of "other transaction processing".*

We find the submission to be correct.

4. Following the above decision and the application to the dispute of the appellant for the prior period, we set aside the impugned order and allow the appeal.

*(Pronounced in open court)*

**(Dr. D M Misra)**  
**Member (Judicial)**

**(C J Mathew)**  
**Member (Technical)**