

Vasudev Mehta

2025 (12) TMI 1004 - CESTAT CHENNAI M/s. Intellect Design Arena Limited Versus Commissioner of GST and Central Excise, Chennai Facts The Appellant develops software which is licensed to overseas subsidiaries (“Licensees”) under inter-company agreements. The Licensees execute EULA and implementation contracts with end-customers abroad. Where part of the implementation work is performed by the Licensees, the Appellant reimburses the Licensees’ costs; which the Department treats these reimbursements as consideration for import of manpower/software support services, liable to Service Tax under RCM. Arguments The appellant submitted as follows: That foreign exchange remittances made by the Appellant are in the nature of reduction in consideration for the services rendered by the Appellant to the Licensees. T.....