



सत्यमेव जयते

आयुक्त का कार्यालय
Office of the Commissioner
केंद्रीय जीएसटी, अपील अहमदाबाद आयुक्तालय
Central GST, Appeals Ahmedabad Commissionerate
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आज़ादी का
अमृत महोत्सव

By SPEED POST

DIN:- 20231264SW000000A6D1

(क)	फाइल संख्या / File No.	GAPPL/COM/STP/3795/2023-APPEAL / 9601 - 9625
(ख)	अपील आदेश संख्या और दिनांक / Order-In-Appeal No. and Date	AHM-EXCUS-003-APP-161/2023-24 and 21.12.2023
(ग)	पारित किया गया / Passed By	श्री ज्ञानचंद जैन, आयुक्त (अपील्स) Shri Gyan Chand Jain, Commissioner (Appeals)
(घ)	जारी करने की दिनांक / Date of issue	21.12.2023
(ङ)	Arising out of Order-In-Original No. 185/AC/DEM/MEH/ST/Bharatji D. Thakor/2022-23 dated 30.03.2023 passed by the Assistant Commissioner, CGST, Division - Mehsana, Commissionerate - Gandhinagar	
(च)	अपीलकर्ता का नाम और पता / Name and Address of the Appellant	M/s Bharatji Dashrathji Thakor, Prop. of Gramin Saksharta Mission, 1st Floor, Gold Coin Complex, Opp. Taluka Panchayat, Visnagar, Mehsana - 384315

कोई व्यक्ति इस अपील-आदेश से असंतोष अनुभव करता है तो वह इस आदेश के प्रति यथास्थिति नीचे बताए गए सक्षम अधिकारी को अपील अथवा पुनरीक्षण आवेदन प्रस्तुत कर सकता है, जैसा कि ऐसे आदेश के विरुद्ध हो सकता है।

Any person aggrieved by this Order-in-Appeal may file an appeal or revision application, as the one may be against such order, to the appropriate authority in the following way.

भारत सरकार का पुनरीक्षण आवेदन:-

Revision application to Government of India:

(1) केन्द्रीय उत्पादन शुल्क अधिनियम, 1994 की धारा अतत नीचे बताए गए मामलों के बारे में पूर्वोक्त धारा को उप-धारा के प्रथम परन्तुक के अंतर्गत पुनरीक्षण आवेदन अधीन सचिव, भारत सरकार, वित्त मंत्रालय, राजस्व विभाग, चौथी मंजिल, जीवन दीप भवन, संसद मार्ग, नई दिल्ली: 110001 को की जानी चाहिए :-

A revision application lies to the Under Secretary, to the Govt. of India, Revision Application Unit Ministry of Finance, Department of Revenue, 4th Floor, Jeevan Deep Building, Parliament Street, New Delhi - 110 001 under Section 35EE of the CEA 1944 in respect of the following case, governed by first proviso to sub-section (1) of Section-35 ibid :-

(क) यदि माल की हानि के मामले में जब ऐसी हानिकार खाने से किसी भण्डागार या अन्य कारखाने में या किसी भण्डागार से दूसरे भण्डागार में माल ले जाते हुए मार्ग में, या किसी भण्डागार या भण्डार में चाहे वह किसी कारखाने में या किसी भण्डागार में हो माल की प्रक्रिया के दौरान हुई हो।

In case of any loss of goods where the loss occur in transit from a factory to a warehouse or to another factory or from one warehouse to another during the course of processing of the goods in a warehouse or in storage whether in a factory or in a warehouse.



(ख) भारत के बाहर किसी राष्ट्र या प्रदेश में निर्यातित माल पर या माल के विनिर्माण में उपयोग शुल्क कच्चे माल पर उत्पादन शुल्क के रिबेट के मामलों में जो भारत के बाहर किसी राष्ट्र या प्रदेश में निर्यातित है।

In case of rebate of duty of excise on goods exported to any country or territory outside India of on excisable material used in the manufacture of the goods which are exported to any country or territory outside India.

(ग) यदि शुल्क का भुगतान किए बिना भारत के बाहर (नेपाल या भूटान को) निर्यात किया गया माल हो।

In case of goods exported outside India export to Nepal or Bhutan, without payment of duty.

(घ) अंतिम उत्पादन की उत्पादन शुल्क के भुगतान के लिए जो ड्यूटी क्रेडिट मान्य की गई है और ऐसे आदेश जो इस धारा एवं नियम के मुताबिक आयुक्त, अपील के द्वारा पारित वो समय पर या बाद में वित्त अधिनियम (नं 2) 1998 धारा 109 द्वारा नियुक्त किए गए हो।

Credit of any duty allowed to be utilized towards payment of excise duty on final products under the provisions of this Act or the Rules made there under and such order is passed by the Commissioner (Appeals) on or after, the date appointed under Sec.109 of the Finance (No.2) Act, 1998.

(2) केन्द्रीय उत्पादन शुल्क (अपील) नियमावली, 2001 के नियम 9 के अंतर्गत विनिर्दिष्ट प्रपत्र संख्या इए-8 में दो प्रतियों में, प्रेषित आदेश के प्रति आदेश प्रेषित दिनांक से तीन मास के भीतरमूल-आदेश एवं अपील आदेश की दो-दो प्रतियों के साथ उचित आवेदन किया जाना चाहिए। उसके साथ खाता इ का मुख्य शीर्ष के अंतर्गत धारा 35-इ में निर्धारित फी के भुगतान के सबूत के साथ टीआर-6 चालान की प्रति भी होनी चाहिए।

The above application shall be made in duplicate in Form No. EA-8 as specified under Rule, 9 of Central Excise (Appeals) Rules, 2001 within 3 months from the date on which the order sought to be appealed against is communicated and shall be accompanied by two copies each of the OIO and Order-In-Appeal. It should also be accompanied by a copy of TR-6 Challan evidencing payment of prescribed fee as prescribed under Section 35-EE of CEA, 1944, under Major Head of Account.

(3) रिविजन आवेदन के साथ जहाँ संलग्न रकम एक लाख रुपये या उससे कम होतो रुपये 200/- फीस भुगतान की जाए और जहाँ संलग्नरकम एक लाख से ज्यादा हो तो 1000/- की फीस भुगतान की जाए।

The revision application shall be accompanied by a fee of Rs.200/- where the amount involved is Rupees One Lac or less and Rs.1,000/- where the amount involved is more than Rupees One Lac.

सीमा शुल्क, केन्द्रीय उत्पादन शुल्क एवं सेवा कर अपीलीय न्यायाधिकरण के प्रति अपील:-
Appeal to Custom, Excise, & Service Tax Appellate Tribunal.

(1) केन्द्रीय उत्पादन शुल्क अधिनियम, 1944 की धारा 35-बी/35-इ के अंतर्गत:-
Under Section 35B/ 35E of CEA, 1944 an appeal lies to :-

(2) उक्तलिखित परिच्छेद में बताए अनुसार के अलावा की अपील, अपीलो के मामले में सीमा शुल्क, केन्द्रीय उत्पादन शुल्क एवं सेवाकर अपीलीय न्यायाधिकरण (सिस्टेट) की पश्चिम क्षेत्रीय पीठिका, अहमदाबाद में 2nd माला, बहुमाली भवन, असरवा, गिरधरनागर, अहमदाबाद-380004।

To the west regional bench of Customs, Excise & Service Tax Appellate Tribunal (CESTAT) at 2nd floor, Bahumali Bhawan, Asarwa, Girdhar Nagar, Ahmedabad: 380004. In case of appeals other than as mentioned above para.

The appeal to the Appellate Tribunal shall be filed in quadruplicate in form EA-3 as prescribed under Rule 6 of Central Excise(Appeal) Rules, 2001 and shall be accompanied against (one which at least should be accompanied by a fee of Rs.1,000/-, Rs.5,000/- and Rs.10,000/- where amount of duty / penalty / demand / refund is upto 5 Lac, 5 Lac to 50 Lac and above 50 Lac respectively in the form of crossed bank draft in favour of Asstt. Registrar of a branch of any nominated public



sector bank of the place where the bench of any nominate public sector bank of the place where the bench of the Tribunal is situated.

(3) यदि इस आदेश में कई मूल आदेशों का समावेश होता है तो प्रत्येक मूल आदेश के लिए फीस का भुगतान उपर्युक्त ढंग से किया जाना चाहिए इस तथ्य के होते हुए भी कि लिखा पढी कार्य से बचने के लिए यथास्थिति अपीलीय न्यायाधिकरण को एक अपील या केन्द्रीय सरकार को एक आवेदन किया जाता है।

In case of the order covers a number of order-in-Original, fee for each O.I.O. should be paid in the aforesaid manner notwithstanding the fact that the one appeal to the Appellant Tribunal or the one application to the Central Govt. As the case may be, is filled to avoid scriptoria work if excising Rs. 1 lacs fee of Rs.100/- for each.

(4) न्यायालय शुल्क अधिनियम 1970 यथा संशोधित की अनुसूची -1 के अंतर्गत निर्धारित किए अनुसार उक्त आवेदन या मूलआदेश यथास्थिति निर्णयन प्राधिकारी के आदेश में से प्रत्येक की एक प्रतिपर रु 6.50 पैसे का न्यायालय शुल्क टिकट लगा होना चाहिए।

One copy of application or O.I.O. as the case may be, and the order of the adjournment authority shall a court fee stamp of Rs.6.50 paise as prescribed under scheduled-I item of the court fee Act, 1975 as amended.

(5) इन ओर संबंधित मामलों को नियंत्रण करने वाले नियमों की ओर भी ध्यान आकर्षित किया जाता है जो सीमा शुल्क, केन्द्रीय उत्पादन शुल्क एवं सेवाकर अपीलीय न्यायाधिकरण (कार्याविधि) नियम, 1982 में निहित है।

Attention is invited to the rules covering these and other related matter contended in the Customs, Excise & Service Tax Appellate Tribunal (Procedure) Rules, 1982.

(6) सीमा शुल्क, केन्द्रीय उत्पादन शुल्क एवं सेवाकर अपीलीय न्यायाधिकरण (सिस्टेट) एके प्रति अपील के मामले में कर्तव्यमांग (Demand) एवं दंड (Penalty) का 10% पूर्व जमा करना अनिवार्य है। हालांकि, अधिकतम पूर्व जमा 10 करोड़ रुपए है। (Section 35 F of the Central Excise Act, 1944, Section 83 & Section 86 of the Finance Act, 1994)

केन्द्रीय उत्पाद शुल्क और सेवाकर के अंतर्गत, शामिल होगा कर्तव्य की मांग (Duty Demanded)।

- (1) खंड (Section) 11D के तहत निर्धारित राशि;
- (2) लिया गलत सेनवैट क्रेडिट की राशि;
- (3) सेनवैट क्रेडिट नियमों के नियम 6 के तहत देय राशि।

यह पूर्व जमा 'लंबित अपील' में पहले पूर्व जमा की तुलना में 'अपील' दाखिल करने के लिए पूर्व शर्त बना दिया गया है।

For an appeal to be filed before the CESTAT, 10% of the Duty & Penalty confirmed by the Appellate Commissioner would have to be pre-deposited, provided that the pre-deposit amount shall not exceed Rs.10 Crores. It may be noted that the pre-deposit is a mandatory condition for filing appeal before CESTAT. (Section 35 C (2A) and 35 F of the Central Excise Act, 1944, Section 83 & Section 86 of the Finance Act, 1994).

Under Central Excise and Service Tax, "Duty demanded" shall include:

- (i) amount determined under Section 11 D;
- (ii) amount of erroneous Cenvat Credit taken;
- (iii) amount payable under Rule 6 of the Cenvat Credit Rules.

(6) (i) इस आदेश के प्रति अपील प्राधिकरण के समक्ष जहाँ शुल्क अथवा शुल्क या दण्ड विवादित हो तो माँग किए गए शुल्क के 10% भुगतान पर और जहाँ केवल दण्ड विवादित हो तब दण्ड के 10% भुगतान पर की जा सकती है।

In view of above, an appeal against this order shall lie before the Tribunal on payment of 10% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute."



अपीलिय आदेश/ ORDER-IN-APPEAL

The present appeal has been filed by M/s Bharatji Dashrathji Thakor, Prop. of Gramin Saksharta Mission, 1st Floor, Gold Coin Complex, Opp. Taluka Panchayat, Visnagar, Mehsana – 384315 [Address mentioned in OIO - M/s Bharatji Dashrathji Thakor, Goga Vas, AT- Handosan, Visnagar, Tal-Visnagar-384315] [hereinafter referred to as “the appellant”] against Order in Original No. 185/AC/DEM/MEH/ST/Bharatji D. Thakor/2022-23 dated 30.03.2023 [hereinafter referred to as “the impugned order”] passed by the Assistant Commissioner, CGST, Division - Mehsana, Commissionerate - Gandhinagar [hereinafter referred to as “the adjudicating authority”].

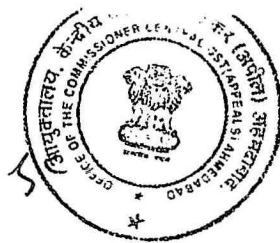
2. Briefly stated, the facts of the case are that the appellant were not registered under Service Tax and were holding PAN No. AJCPT9653M. As per information received from the Income Tax Department, it was observed that during the period F.Y. 2016-17, the appellant had earned substantial service income by way of providing taxable services, but had neither obtain Service Tax Registration nor paid Service Tax thereon. Accordingly, in order to seek information, letters dated 16.09.2021, 30.09.2021 & 07.10.2021 were issued to the appellant calling for the details of services provided during the period. But they didn't submit any reply. Further, the jurisdictional officers considering the services provided by the appellant as taxable under Section 65 B (44) of the Finance Act, 1994 determined the Service Tax liability on the basis of value of ‘Sales of Services’ under Sales/Gross Receipts from Services (Value from ITR) and Form 26AS for the F.Y. 2016-17, as per details below :

Sr. No.	Period (F.Y.)	Differential Taxable Value as per Income Tax Data (in Rs.)	Rate of Service Tax incl. Cess	Service Tax liability to be demanded (in Rs.)
1.	2016-17	28,30,033/-	15%	4,24,504/-

3. The appellant was issued Show Cause Notice No. CGST/Div/Mehsana/90/AJCPT9653M/21-22 dated 18.10.2021 (in short SCN) proposing to demand and recover Service Tax amounting to Rs.4,24,504/- under proviso to Section 73 (1) of Finance Act, 1994 along with interest under Section 75 of the Act. The SCN also proposed imposition of penalty under Section 70, Section 77(1)(a) and Section 78 of the Finance Act, 1994.



4. The SCN was adjudicated *ex-parte* vide the impugned order wherein :
- Service Tax demand of Rs.4,24,504/- was confirmed for the F.Y. 2016-17 under Section 73(1) of the Finance Act, 1994 alongwith interest under Section 75 of the Finance Act, 1994.
 - Penalty of Rs.10,000/- was imposed under Section 77(1)(a) of the Finance Act, 1994.
 - Penalty of Rs.20,000/- was imposed under Section 70 of the Finance Act, 1994.
 - Penalty of Rs.4,24,504/- was imposed under Section 78 of the Finance Act, 1994 with option for reduced penalty in terms of clause (ii).
5. Aggrieved by the impugned order, the appellant has preferred this appeal on following grounds:
- Appellant is a proprietary firm engaged in providing services mainly in the nature of vocational/employable skill training to various section of society for obtaining jobs in the industrial or service sector. Appellant has entered in to the 'Agreement with M/s. IL&FS Skill Development Corporation Limited effective from 20th December 2013 with objective of developing unskilled and semi-skilled labour force into productive and skilled labour by conducting the training program to the trainees as per the projects implemented by the IL&FS Skill Development Corporation Limited. Copy of agreement is produced.
 - Appellant is accredited Training partner of NSDC for Pradhan Mantri Kaushal Vikas Yojana (PMKVY) as well as Gujarat Urban Literacy Mission (GULM) and Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDUGKY) under Ministry of Rural Development (MoRD), Government of India. M/s. IL&FS Skill Development Corporation Limited (the 'IL&FS Skills') has been setup the IL&FS Education and Technologies Services Limited and National Skill Development Corporation (the "NSDC"). Government of India has launched a skill vouchers scheme popularly known as 'Standard Training Assessment & Reward (STAR)' to be implemented through NSDC.
 - As per the agreement, Appellant was responsible to undertake following activities to achieve the objectives -
 - a) Identification and selection of trainees
 - b) Mobilization of trainees



- c) Providing infrastructure for the training
- d) Providing Assistant Trainer for the training
- e) Overall supervision of Training programmes
- f) Assist in Assessment & certification of Trainees
- g) Providing manpower to support master trainers/subject matter experts/domain expert appointed by the IL&FS Skills to efficiently run the training centre.
- h) Providing other facilitating support
- i) Providing other assistance as may be required and agreed upon from time to time
- j) Maintaining documentation of enrolment, training profile, Trainees feedback, data of achievement of deliverables and various other documents required for the training programme.
- k) Compliances of all the guideline issued for or under STAR scheme by NSDC and/or IL&FS Skills.

➤ Appellant has rendered training services in the following fields –

Sr. No.	Name of Trade
1	BPO Associate
2	Retails sales Associate Jewellery Sales Associate
3	Financial Services
4	General Duty Assistant
5	Unarmed Security Guard

➤ Appellant is were recognized by National Skill Development Corporation as approved training partner and the underlying services were covered as per Sr. No. 9A of Notification No. 25/2012-Service Tax dated 20.06.2012 which is reproduced as under -

"9A. Any services provided by;-

- (i) the National Skill Development Corporation set up by the Government of India;*
- (ii) a Sector Skill Council approved by the National Skill Development Corporation;*
- (iii) an assessment agency approved by the Sector Skill Council or the National Skill development Corporation;*
- (iv) a training partner approved by the National Skill Development Corporation or the Sector Skill Council; in relation to -*



- (a) *the National Skill Development programme implemented by the National Skill Development corporation; or*
- (b) *a vocational skill development course under the National Skill certification and Monetary Reward Scheme; or*
- (c) *any other scheme implemented by the National Skill Development Corporation."*

- Therefore, services provided by the appellant is exempt from the services tax as they are training partners of NSDC in relation to a Scheme implemented by NSDC which are directed to skill development and to increase employability in India. In view of above, being engaged in exempted services, appellant has not registered under the Finance Act 1994.
- As state above, appellant was engaged in providing the services covered under mega exemption notification and hence entire turnover of services were outside the purview of service tax. They further requested to consider the above stated facts and set aside the impugned *ex-parte* order.

6. Personal Hearing in the case was held on 14.12.2023. Mr. Imran Shaikh, Chartered Accountant, appeared for personal hearing on behalf of the appellant. He reiterated the contents of the written submission and requested to allow their appeal. Further, he sought one week time to submit additional documents.

6.1 Subsequently, the appellant submitted additional submission dated 18.12.2023 wherein they inter alia submitted the following grounds :

- The appellant is accredited Training partner to carry out the programs, vocational skill development courses or any other schemes implemented by the National Skill Development Corporation (NSDC) or through the Sector Skill Council. They produced the copy of agreement entered into with appellant and IL&FS Skill Development Corporation Limited as well as other approvals orders wherein the appellant has been appointed as partner to undertake the skill developments scheme/programs.
- Hence, appellant's services were fall the entry 9A of Notification No. 25/2012-Service Tax dated 20.06.2012 which was amended vide Notification No. 13/2013-Service Tax dated 10.09.2013. In this connection, they produced the



copy of notification for reference. In view thereof, services provided by the appellant is exempt from the services tax being training partners of NSDC.

- The Adjudicating authority has subjected to tax the entire turnover as reported in income tax return. They produced the copy of IT returns as well as financials for previous two years as sought in last hearing. On its perusal, the appellate authority may observe that appellant's turnover is below the threshold limit. Without prejudice to the merits of the case, appellant should have be granted the benefit of basic exemption limit.

7. I have carefully gone through the facts of the case available on record, grounds of appeal in the appeal memorandum, oral submissions made during personal hearing, the impugned order passed by the adjudicating authority and other case records. The issue before me for decision in the present appeal is whether the demand of service tax amounting to Rs.4,24,504/- confirmed under proviso to Section 73 (1) of Finance Act, 1994 alongwith interest, and penalties vide the impugned order decided by *ex-parte*, in the facts and circumstances of the case, is legal and proper or otherwise. The demand pertains to the period of F.Y. 2016-17.

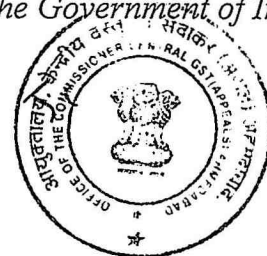
8. It is observed that the adjudicating authority have not conducted any inquiry in the case and the impugned order was decided *ex-parte*, which is the violation of principle of natural justice.

8.1 I find that they are engaged in the activity of "Training programs, vocational skill development courses or any other schemes implemented by the National Skill Development Corporation (NSDC)". In support of the same, they have submitted the copy of agreement entered between appellant and IL&FS Skill Development Corporation Limited alongwith other approval order wherein the appellant has been appointed as partner in the program for training and skill development of unskilled and semi-skilled labor force in various trades. They claimed that their services were exempted vide Sr. No. 9A of Notification No. 25/2012-Service Tax dated 20.06.2012 which was amended vide Notification No. 13/2013-Service Tax dated 10.09.2013. For better understating, the relevant portion of the notification is reproduced below :

...

9A. Any services provided by:-

(i) the National Skill Development Corporation set up by the Government of India;




- (ii) a Sector Skill Council approved by the National Skill Development Corporation;
 (iii) an assessment agency approved by the Sector Skill Council or the National Skill development Corporation;
 (iv) a training partner approved by the National Skill Development Corporation or the Sector Skill Council;
 in relation to
 (a) the National Skill Development programme implemented by the National Skill Development corporation; or
 (b) a vocational skill development course under the National Skill certification and Monetary Reward Scheme; or
 (c) any other scheme implemented by the National Skill Development Corporation.

....

8.2 Examining the above legal provisions with the facts of the case, I find merit in the contentions of the appellant and find that the their service of "Training programs, vocational skill development courses or any other schemes implemented by the National Skill Development Corporation (NSDC)" merits exemption from Service Tax in terms of Sr. No. 9A of Notification No. 25/2012-Service Tax dated 20.06.2012 which was amended vide Notification No. 13/2013-Service Tax dated 10.09.2013.

9. In view of the above discussions, I am of the considered view that the demand of service tax amounting to Rs. 4,24,504/- calculated on the differential taxable value of Rs.28,30,033/- for the period F.Y. 2016-17 confirmed vide the impugned order is unsustainable on merits and is therefore set aside. As the demand of Service Tax fails to sustain the interest and penalty also fall. The appeal filed by the appellant is allowed.

10. अपील कर्ता द्वारा दर्ज की गई अपील का निपटारा उपरोक्त तरीके से किया जाता है।
 The appeal filed by the appellant stands disposed of in above terms.


 जगनचंद जैन

आयुक्त (अपील्स)

Dated: 21st December, 2023

सत्यापित/Attested :



रेखा नायर

अधीक्षक (अपील्स)

सी जी एस टी, अहमदाबाद



By REGD/SPEED POST A/D

To,
M/s Bharatji Dashrathji Thakor,
Prop. of Gramin Saksharta Mission,
1st Floor, Gold Coin Complex,
Opp. Taluka Panchayat, Visnagar,
Mehsana – 384315.

Copy to :

1. The Principal Chief Commissioner, CGST and Central Excise, Ahmedabad.
2. The Commissioner, CGST and Central Excise, Gandhinagar.
3. The Assistant Commisisoner, CGST & CEX, Mehsana Division, Gandhinagar Commissionerate.
4. The Superintendent (Systems), CGST, Appeals, Ahmedabad, for publication of OIA on website.
5. Guard file.
6. PA File.

