



सत्यमेव जयते

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

**By SPEED POST**

DIN:- 20240164SW0000222C3A

(क)	फ़ाइल संख्या / File No.	GAPPL/COM/STP/4305/2023 / 2कन - 2कख
(ख)	अपील आदेश संख्या और दिनांक / Order-In -Appeal and date	AHM-EXCUS-001-APP-220/2023-24 and 29.12.2023
(ग)	पारित किया गया / Passed By	श्री ग्यानचंद जैन, आयुक्त (अपील) Shri Gyan Chand Jain, Commissioner (Appeals)
(घ)	जारी करने की दिनांक / Date of Issue	04.01.2024
(ङ)	Arising out of Order-In-Original No. 181/WS03/AC/CSM/2022-23 dated 15.03.2023 passed by The Assistant Commissioner, CGST, Divison-III, Ahmedabad South.	
(च)	अपीलकर्ता का नाम और पता / Name and Address of the Appellant	M/s. H.K. Bus Services, GF/1, Shefali Commercial Center, Opp. Mehndi Navaj Zung Hall, Paldi, Ahmedabad- 380007

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, 4<sup>th</sup> 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 उत्पादन शुल्क के रिबेट के मामले 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.

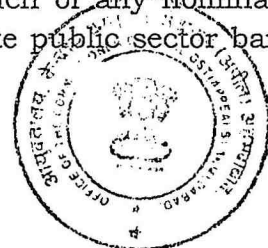
सीमा शुल्क, केन्द्रीय उत्पादन शुल्क एवं सेवा कर अपीलीय न्यायाधिकरण के प्रति अपील:-  
Appeal to Custom, Excise, & Service Tax Appellate Tribunal.

(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 2<sup>nd</sup> माला, बहुमाली भवन, असरवा, गिरधरनागर, अहमदाबाद-380004।

To the west regional bench of Customs, Excise & Service Tax Appellate Tribunal (CESTAT) at 2<sup>nd</sup>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-nominate 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 रू 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।

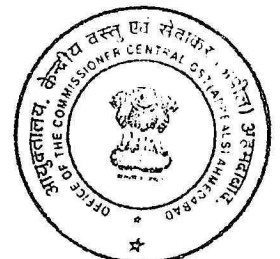
For an appeal to be filed before the CESTAT, 10% of the Duty & Penalty confirmed by the Appellate Commissioner would have to be pre-deposited, provided that the pre-deposit amount shall not exceed Rs.10 Crores. It may be noted that the pre-deposit is a mandatory condition for filing appeal before CESTAT. (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."



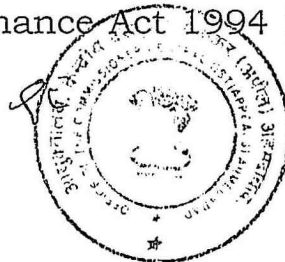
## ORDER-IN-APPEAL

The present appeal has been filed by M/s. H. K. Bus Services, GF/1, Shefali Commercial Center, Opp. Mehndi Navaj Zung Hall, Paldi, Ahmedabad - 380 007 (hereinafter referred to as "*the appellant*") against Order-in-Original No. 181/WS03AC/CSM/2022-23 dated 15.03.2023 (hereinafter referred to as "*the impugned order*") passed by the Assistant Commissioner, Central GST, Division IV, Ahmedabad South (hereinafter referred to as "*the adjudicating authority*").

2. Briefly stated, the facts of the case are that the appellant were holding Service Tax Registration No. AAIFH6924QSD001. On scrutiny of the data received from the Central Board of Direct Taxes (CBDT), it was noticed that the appellant had declared less gross value in their Service Tax Returns (ST-3) for the F.Y. 2015-16 as compared to the gross value declared by them in their Income Tax Return ITR/TDS Returns. Accordingly, it appeared that the appellant had mis-declared the gross value of sales of service in the service tax returns and short paid /not paid the applicable service tax. The appellant were called upon to submit copies of relevant documents for assessment for the said period. However, the appellant neither submitted any required details/documents explaining the reason for the difference raised between gross value declared in ST-3 Returns and Income Tax Return (ITR)/TDS nor responded to the letter in any manner.

2.1 Subsequently, the Appellant were issued Show Cause Notice No. V/WS07/V/O & A/SCN-1016/2020 dated 24.12.2020 wherein:

- a) Demand and recover an amount of Rs. 41,85,695/- under proviso to Sub Section (1) of Section 73 of the Act along with interest under section 75 of the Finance Act 1994 (hereinafter



referred to as 'the Act').

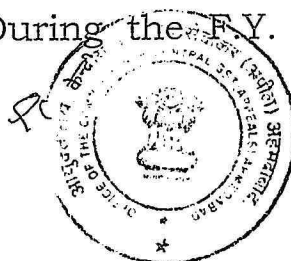
- b) Impose penalty under the provisions of Section 77(1)(c), 77(2) and 78 of the Act.

2.2 The Show Cause Notice was adjudicated vide the impugned order by the adjudicating authority wherein:

- a) The demand of service tax amounting to Rs. 41,85,695/- was confirmed under section 73(1) of the Act by invoking extended period of 5 years along with interest under section 75 of the Act.
- b) Penalty amounting to Rs. 10,000/- was imposed under section 77 (1) of the Act..
- c) Penalty amounting to Rs. 41,85,695/- was imposed under 78 of the Act.
- d) Penalty of Rs. 20,000/- was imposed on the appellant under section 70 of the Act with Rule 7C of Service Tax Rules, 1994 for non filling/late filing of ST-3 Returns.

3. Being aggrieved with the impugned order passed by the adjudicating authority, the Appellant have preferred the present appeal, inter alia, on the following grounds:-

- That the appellant are providing service of Rent-A-Cab Operator. They are Non-Air-conditioned Buses owner. During the F.Y. 2015-16, they were providing service of transportation of passengers by bus from one point to another point i.e. To and Fro from Ahmedabad to Nasik, Ahmedabad to Indore and to other various routes. Their vehicles are registered with RTO and have non air conditioned carriage permission of RTO. They are not providing buses for tours etc. They are also providing services to Corporate for transportation of their staff to the factory premises or offices. During the F.Y. 2015-16, they



received amount of Rs. 2,88,66,865/- (Rs. 2,53,47,515/- + Rs. 35,19,350/-) in aggregate as an income from Bus fare.

- With respect to amount received Rs. 2,53,47,515/- from transportation of passenger in Non-Sir-Conditioned Buses from one point to another point, they have claimed Serial No. 23 (b) of Mega Exemption Notification No. 25/2012 -ST dated 20<sup>th</sup> June, 2012 issued by the CBEC which was in effect from 01.07.2012 to 30.06.2017, which exempts the service provided for Transport of passenger, with or without accompanied belongings, by a non-air conditioned contract carriage other than radio taxi, for transportation of passengers, excluding tourism, conducted tour, charter or hire from the whole of the service tax leviable thereon under Section 66B of the Finance Act, 1994.
- As regard to the amount Rs. 35,19,350/- out of total receipt in the F.Y. 2015-16, they claimed that this pertains to service of transportation of staff to Corporate Companies and is liable to service tax in the hands of recipients on Reverse Charge Basis (RCM) in terms of Sr. No. 7 (a) of Notification No. 30/2012-ST dated 20.06.2012.

4. Personal hearing in the case was held on 22.12.2023. Shri Shakir V. Chauhan, Chartered Accountant appeared on behalf of the appellant for personal hearing and reiterated the written submission and requested to allow the Appeal.

5. The appellant in their additional submission dated 28.12.2023 submitted Form 26AS certificate (TDS Statement), copy of invoices issued to M/s Claris Otsuka Pvt. Ltd., Ahmedabad and M/s Intas Pharmaceuticals ltd. Ahmedabad, RTO passing of buses.



6. I have carefully gone through the facts of the case, grounds of appeal, submissions made in the Appeal Memorandum and documents available on record. The issue to be decided in the present appeal is whether the impugned order passed by the adjudicating authority, confirming the demand of service tax against the Appellant along with interest and penalty, in the facts and circumstance of the case, is legal and proper or otherwise. The demand pertains to the period F.Y. 2015-16.

7. As per para 13 of the impugned order and on perusal of Form 26AS certificate, I find that the income of the appellant in the F.Y. 2015-16 is Rs. 2,88,66,865/-, out of which the appellant has received income to the tune of Rs. 35,19,350/- for the service of transportation provided to staffs of corporate companies, which are M/s Claris Otsuka Pvt. Ltd., Ahmedabad and M/s Intas Pharmaceuticals ltd. Ahmedabad. The appellant vehemently contended that on the income of Rs. 35,19,350/- service tax is liable to be paid in the hands of service recipient under Reverse Charge Mechanism (RCM) i.e. person who is recipient of service is liable to pay service in the light of Serial No. 7 (a) of the Notification No. 30/2012-ST dated 20<sup>th</sup> June, 2012 read with Section 68 (2) of the Finance Act, 1994 and not from them considering it as forward charge method. The relevant provision of Notification No. 30/2012-ST dated 20<sup>th</sup> June, 2012 is reproduced as under:

*(II) The extent of service tax payable thereon by the person who provides the service and the person who receives the service for the taxable services specified in (I) shall be as specified in the following Table, namely:-*

Sr. No.	Description of a service	Percentage of service tax payable by the person providing service	Percentage of service tax payable by the person receiving service
7	(a) in respect of services provided or agreed to be provided	100%	100%

	<i>by way of renting of a motor vehicle designed to carry passengers on abated value to any person who is not engaged in the similar line of business</i>		
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7.1 I find reading the above provision that if the service provided by way of renting of motor vehicle designed to carry passengers, the service tax is liable to be paid by the Service Recipient only.

8. I observed in the para 18 of the impugned order that the appellant had not produced any invoice, bill or challan issued to the Service Recipient regarding providing service of transportation of staff to Corporate Companies. Now, during filing of the appeal, the appellant submitted the copy of invoices issued to M/s Claris Otsuka Pvt. Ltd., Ahmedabad and M/s Intas Pharmaceuticals ltd. Ahmedabad, which they did not produce before the adjudicating authority. As per The income is bifurcated in the SCN in question, the demand has been raised for the period FY 2015-16 based on the Income Tax Returns filed by the appellant. They should have submitted the said documents before the adjudicating authority, who is best placed to verify the authenticity of the documents as well as their eligibility for exemption.

9. Considering the facts of the case as discussed hereinabove and in the interest of justice, I am of the considered view that the case is required to be remanded back to the adjudicating authority to examine the case on merits and also to consider the claim of the appellant for exemption from the service tax. The appellant is directed to submit all the records and documents in support of their claim for exemption from the service tax before the adjudicating authority. The adjudicating authority shall after considering the records and documents submitted by the appellant decide the case afresh by following the principles of natural justice.





10. In view of the above discussion, I remand the matter back to the adjudicating authority to reconsider the issue a fresh and pass a speaking order after following the principles of natural justice.

11. 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.




ज्ञानचंद जैन

आयुक्त (अपील्स)

Date : 29.12.2023

Attested



अनंद कुमार  
अधीक्षक (अपील्स)

सी. जी. एस. टी, अहमदाबाद

**BY RPAD/ SPEED POST**



To  
M/s. H. K. Bus Services,  
GF/1, Shefali Commercial Center ,  
Opp. Mehndi Navaj Zung Hall,  
Paldi, Ahmedabad – 380 007

Appellant

The Assistant Commissioner  
CGST & Central Excise  
Division IV, Ahmedabad.

Respondent

**Copy to :**

1. The Principal Chief Commissioner, Central GST, Ahmedabad Zone.
2. The Commissioner Central GST, Ahmedabad South.
3. The Assistant Commissioner, CGST, Division IV, Ahmedabad South
4. The Asstt. Commissioner (HQ System) Central GST, Ahmedabad South (for uploading the OIA).
5. Guard File.
6. P.A. File.

