



सत्यमेव जयते

आयुक्त(अपील)का कार्यालय,
Office of the Commissioner (Appeal),

केंद्रीय जीएसटी, अपील आयुक्तालय, अहमदाबाद
Central GST, Appeal Commissionerate, Ahmedabad
जीएसटी भवन, राजस्वमार्ग, अम्बावाड़ी अहमदाबाद ३८००१५.
CGST Bhavan, Revenue Marg, Ambawadi, Ahmedabad 380015
07926305065 - टेलिफैक्स 07926305136



DIN : 20230764SW000000D191

स्पीड पोस्ट

- क फाइल संख्या : File No : GAPPL/COM/STP/13,14,19/2023 / 1402 - 1403
- ख अपील आदेश संख्या Order-In-Appeal No. AHM-EXCUS-001-APP-68 to 70/2023-24
दिनांक Date : 24-07-2023 जारी करने की तारीख Date of Issue 31.07.2023
आयुक्त (अपील) द्वारा पारित
Passed by Shri Shiv Pratap Singh, Commissioner (Appeals)
- ग Arising out of OIO No. 15-17/CGST/Ahmd-South/JC/NB/2022-23 दिनांक: 12.09.2022 passed by
Joint Commissioner, CGST, Ahmedabad South
- घ अपीलकर्ता का नाम एवं पता Name & Address

Appellant

M/s Aspi Cars Pvt Ltd
Near Vishala Hotel,
Sarkhej Narol Road,
Ahmedabad - 380055

कोई व्यक्ति इस अपील आदेश से असंतोष अनुभव करता है तो वह इस आदेश के प्रति यथास्थिति नीचे बताए गए सक्षम अधिकारी को अपील या पुनरीक्षण आवेदन प्रस्तुत कर 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 :

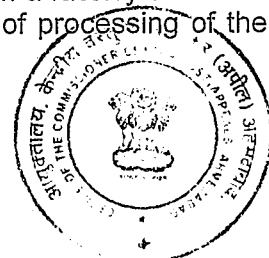
Revision application to Government of India:

(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।

(i) 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 :

(ii) 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।

(ii) 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.



- (क) 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।
- (A) 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.

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

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

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।

- (c) 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.

- (1) 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.

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

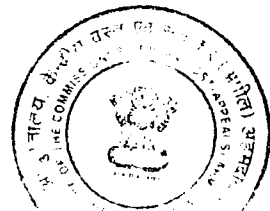
The revision application shall be accompanied by a fee of Rs.200/- where the amount involved is Rupees One Lac or less and Rs.1,000/- where the amount involved is more than Rupees One Lac.

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 :-

- (क) उक्तलिखित परिच्छेद 2 (1) क 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
- (a) 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 in para-2(i) (a) above.



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 शुल्कअधिनियम 1970 यथासंशोधित की अनुसूचि-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 कान्यायालय 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.

72^प सीमा शुल्क, केन्द्रीय उत्पादन शुल्क एवं सेवाकर अपीलीय न्यायाधिकरण(सिस्टेट),के प्रतिअपीलो 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)-

- a. (Section) खंड 11D के तहत निर्धारित राशि;
इण लिया गलत सेनवैट क्रेडिट की राशि;
बण 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.

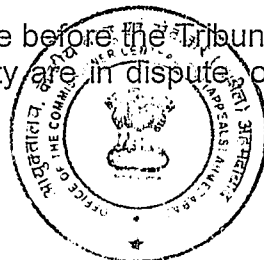
For an appeal to be filed before the CESTAT, 10% of the Duty & Penalty confirmed by the Appellate Commissioner would have to be pre-deposited, provided that the pre-deposit amount shall not exceed Rs.10 Crores. It may be noted that the pre-deposit is a mandatory condition for filing appeal before CESTAT.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

- (lxxxii) amount determined under Section 11 D;
(lxxxiii) amount of erroneous Cenvat Credit taken;
(lxxxiv) amount payable under Rule 6 of the Cenvat Credit Rules.

इस आदेश के प्रति अपील प्राधिकरण के समक्ष जहाँ शुल्क अथवा शुल्क या दण्ड विवादित हो तो मांग 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

These three appeals have been filed by M/s. Aspi Cars Pvt. Ltd., Near Vishala Hotel, Sarkhej Narol Road, Ahmedabad – 380055 (hereinafter referred to as “the appellant”) against Order-in-Original No.15-17/CGST/Ahmd-South/JC/NB/2022-23 dated 12.09.2022 issued on 13.09.2022 (hereinafter referred to as “the impugned order”) passed by the Joint Commissioner, Central GST, Ahmedabad South (hereinafter referred to as “the adjudicating authority”).

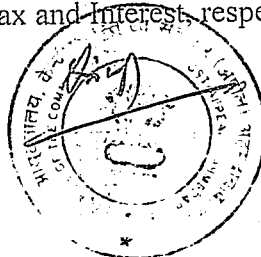
2. Briefly stated, the facts of the case are that the appellant are engaged in providing services as Authorized Service Station for M/s. Tata Motors Ltd., and are providing various taxable services and were registered with Service Tax Registration No. ACIFS9592HSD001. During the scrutiny of ST-3 returns of the appellant, it was observed by the jurisdictional service tax officer, that the appellant had not paid service tax on the portion of the value of spare parts used in the servicing of Motor vehicles. It was observed that the spare parts used in the course of providing service are to be treated as inputs for providing the service and accordingly cost of such inputs form an integral part of the value of the taxable service and where spare parts are used by a service station for servicing of vehicle, service tax is required to be levied on the entire bill, raised by the service provider namely service station.

2.1 The jurisdictional service tax officers further observed that the appellant had also not paid service tax on the portion of the value of Incentive Income and Reimbursement Charges. The Incentive Income and Reimbursement Charges received from the manufacturer of vehicles are taxable under Business Auxiliary service. It was observed that M/s. Tata Motors Ltd. had paid incentive to the appellant during the said period to promote and increase their sales, to stimulate demand and to build up goodwill of M/s. Tata Motors Ltd., and these payments were made to the appellant only because the appellant promoted, marketed and eventually sold vehicles and spare parts that were manufactured and provided to the appellant by M/s. Tata Motors Ltd.

2.2 After completion of the scrutiny, three Show Cause Notices were issued dated 24.10.2012, 19.06.2013 and 04.06.2014 proposing as detailed below:

(A) SCN No. STC/4-31/O&A/12-13 dated 23.10.2012

- i. Demanding Service Tax of Rs. 5,39,370/- on the Commission income under proviso to Section 73 (1) of the Finance Act, 1994, for the FY 2007-08 to FY 2009-10, along with interest of Rs. 2,36,958/- under section 75 of the Finance Act, 1994 and proposing the adjustment of amount of Rs. 5,39,370/- and Rs. 2,36,958/- already paid by them against the liability of Service Tax and Interest, respectively.



- ii. Demanding Service Tax of Rs. 8,02,700/- on the Incentive income under proviso to Section 73 (1) of the Finance Act, 1994, for the FY 2007-08 to FY 2010-11, along with interest under section 75 of the Finance Act, 1994.
- iii. Demanding Service Tax of Rs. 9,52,483/- on the value of spare parts and lubricant used by them for servicing of motor vehicles under Section 73 (1) of the Finance Act, 1994, for the FY 2007-08 to FY 2008-09, along with interest under section 75 of the Finance Act, 1994.
- iv. Demanding Service Tax of Rs. 1,30,10,871/- on the value of spare parts and lubricant used by them for servicing of motor vehicles under Section 73 (1) of the Finance Act, 1994, for the FY 2007-08 to FY 2010-11, along with interest under section 75 of the Finance Act, 1994.
- v. Imposing Penalty under Section 76, Section 77(2) and Section 78 of the Finance Act, 1994.

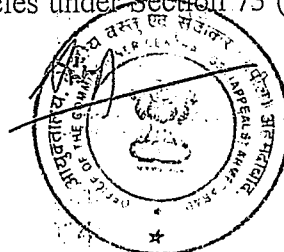
(B) SCN No. STC/4-65/O&A/12-13 dated 19.06.2013

- i. Demanding Service Tax of Rs. 5,77,593/- on the Incentive income under proviso to Section 73 (1) of the Finance Act, 1994, for the FY 2011-12, along with interest under section 75 of the Finance Act, 1994.
- ii. Demanding Service Tax of Rs. 48,66,358/- on the value of spare parts and lubricant used by them for servicing of motor vehicles under Section 73 (1) of the Finance Act, 1994, for the FY 2011-12, along with interest under section 75 of the Finance Act, 1994.

- iii. Imposing Penalty under Section 76 and Section 77(2) of the Finance Act, 1994.

(C) SCN No. STC/4-68/OA/13-14 dated 04.06.2014

- i. Demanding Service Tax of Rs. 3,67,317/- on the Incentive income under proviso to Section 73 (1) of the Finance Act, 1994, for the period from 01.07.2012 to 30.09.2013, along with interest under section 75 of the Finance Act, 1994.
- ii. Demanding Service Tax of Rs. 16,87,399/- on the value of spare parts and lubricant used by them for servicing of motor vehicles under Section 73 (1) of the Finance Act,



1994 for the period from 01.04.2012 to 30.06.2012, along with interest under section 75 of the Finance Act, 1994.

- iii. Demanding Service Tax of Rs. 77,17,914/- on the value of spare parts and lubricant used by them for servicing of motor vehicles under Section 73 (1) of the Finance Act, 1994 for the period from 01.07.2012 to 30.09.2013, along with interest under section 75 of the Finance Act, 1994.
- iv. Imposing Penalty under Section 76 and Section 77(2) of the Finance Act, 1994.

2.3 All the said three Show Cause Notices were adjudicated vide the impugned order, wherein the adjudicating authority has partly confirmed and partly dropped the demands of service tax, as detail below:

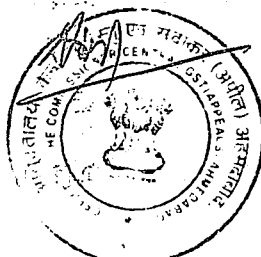
(A) For SCN No. STC/4-31/O&A/12-13 dated 23.10.2012 : The adjudicating authority has confirmed the demand to the extent of Rs. 22,94,553/- along with interest under Section 75 of the Finance Act, 1994, He has imposed a penalty of Rs. 22,94,553/- under Section 78 of the Finance Act, 1994 and also imposed a penalty of Rs. 10,000/- under Section 77 of the Finance Act, 1994. The remaining amount of demand of service tax was dropped.

(B) SCN No. STC/4-65/O&A/12-13 dated 19.06.2013 : The adjudicating authority has confirmed the demand to the extent of Rs. 5,77,593/- along with interest under Section 77 of the Finance Act, 1994. He has imposed a penalty of Rs. 1,45,000/- under Section 76 and also imposed a penalty of Rs. 10,000/- under Section 77 of the Finance Act, 1994. The remaining amount of demand of service tax was dropped.

(C) SCN No. STC/4-68/OA/13-14 dated 04.06.2014 : The adjudicating authority has confirmed the demand to the extent of Rs. 3,67,317/- along with interest under Section 77 of the Finance Act, 1994. He has imposed a penalty of Rs. 92,000/- under Section 76, and also imposed a penalty of Rs. 10,000/- under Section 77 (2) of the Finance Act, 1994. The remaining amount of demand of service tax was dropped.

3. Being aggrieved with the impugned order passed by the adjudicating authority, the appellant have preferred the present appeals, along with an applications for condonation of delay.

4. On going through the appeals memorandum, it is noticed that the impugned order was issued on 13.09.2022 and received by the appellant on 28.09.2022. However, the present appeals, in terms of Section 85 of the Finance Act, 1994 were filed on 06.12.2022, i.e. after a



delay of 8 days from the last date of filing of appeal. The appellant have along with appeals memorandum also filed Applications seeking condonation of delay stating that the authorized person was on tour during the last days of filing of appeals, and even though the entire preparation for filing the appeals was done, and the pre-deposit challans were also ready, it could not be filed only because the authorised person signing the appeals was not available, and was continuously on tour, due to upcoming state elections in Gujarat. Thus, it resulted in delay of 8 days.

5. Personal hearing in the matter was held on 14.07.2023 through virtual mode. Shri R. Subramanya, Advocate, appeared for personal hearing online on behalf of the appellant. He submitted that the appellant is an authorised dealer for Tata Motors and for Maruti Ltd. He reiterated the submission made in the COD applications and in the appeals. He requested to set aside the impugned order.

6. Before taking up the issue on merits, I proceed to decide the Applications filed seeking condonation of delay. It is observed that the relevant Section 85 of the Finance Act, 1994, provides that the appeal should be filed within a period of 2 months from the date of receipt of the decision or order passed by the adjudicating authority. I find that the appellant is registered with Service Tax and is a Private Limited Company and worked as an authorised dealer for Tata Motors and for Maruti Ltd. They are required to be aware of the provisions of the Finance Act, 1994 being a private limited company and cannot take shelter of the reason that authorised person signing the appeals was not available.

7. Further, under the proviso appended to sub-section (3A) of Section 85 of the Act, the Commissioner (Appeals) is empowered to condone the delay or to allow the filing of an appeal within a further period of one month thereafter, if he is satisfied that the appellant was prevented by sufficient cause from presenting the appeal within the period of two months. Relevant text of Section 85 is reproduced below:

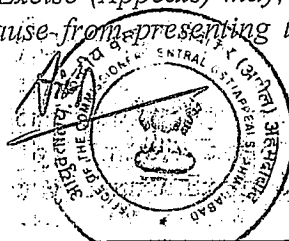
"SECTION 85. Appeals to the Commissioner of Central Excise (Appeals).—

(1) Any person aggrieved by any decision or order passed by an adjudicating authority subordinate to the Principal Commissioner of Central Excise or Commissioner of Central Excise may appeal to the Commissioner of Central Excise (Appeals).

(2) Every appeal shall be in the prescribed form and shall be verified in the prescribed manner.

(3) An appeal shall be presented within three months from the date of receipt of the decision or order of such adjudicating authority, relating to service tax, interest or penalty under this Chapter, made before the date on which the Finance Bill, 2012, receives the assent of the President:

Provided that the Commissioner of Central Excise (Appeals) may, if he is satisfied that the appellant was prevented by sufficient cause from presenting the appeal within the



aforesaid period of three months, allow it to be presented within a further period of three months.

(3A) An appeal shall be presented within two months from the date of receipt of the decision or order of such adjudicating authority, made on and after the Finance Bill, 2012 receives the assent of the President, relating to service tax, interest or penalty under this Chapter :

Provided that the Commissioner of Central Excise (Appeals) may, if he is satisfied that the appellant was prevented by sufficient cause from presenting the appeal within the aforesaid period of two months, allow it to be presented within a further period of one month."

8. I find that in terms of Section 85, the limitation period of two months for filing the appeal in the present cases starts from 28.09.2022 and the appellant were required to file the appeal on or before 28.11.2022. However, the appeals were filed on 06.12.2022 that too without showing sufficient genuine cause for such delay.

9. It appears that legal provisions relating to condonation of delay was taken very casually and presumed that condonation of delay will be granted as a matter of right without any proper and genuine explanation.

10. I find that the appellant, in the facts and circumstances discussed above, has not been explained the sufficient cause for condoning the delay. Accordingly, I reject the applications seeking condonation of delay. Hence, the appeals have also to be rejected.

11. In view of the above discussion and well settled law, without expressing any opinion on the merits of the case, I reject all the three appeals filed by the appellant on the grounds of limitation.

12. अपील कर्ता द्वारा दर्ज की गई अपील का निपटारा उपरोक्त तरीके से किया जाता है ।

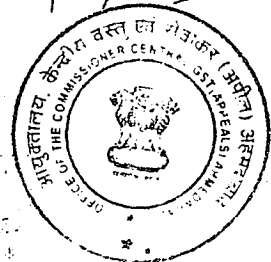
The appeals filed by the appellant stands disposed of in above terms:

(Shiv Pratap Singh)
Commissioner (Appeals)

Attested

(R. C. Maniyar)
Superintendent(Appeals),
CGST, Ahmedabad

Date : 24-7-23



By RPAD / SPEED POST

To,
M/s. Aspi Cars Pvt. Ltd.,
Near Vishala Hotel,
Sarkhej Narol Road,
Ahmedabad – 380055

Appellant

The Joint Commissioner,
Central GST,
Ahmedabad South

Respondent

Copy to :

- 1) The Principal Chief Commissioner, Central GST, Ahmedabad Zone
- 2) The Principal Commissioner, CGST, Ahmedabad South
- 3) The Joint Commissioner, CGST, Ahmedabad South
- 4) The Assistant Commissioner, CGST, Division II, Ahmedabad South
- 5) The Assistant Commissioner (HQ System), CGST, Ahmedabad South
(for uploading the OIA)

- 6) Guard File
- 7) PA file



