CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL
ALLAHABAD

REGIONAL BENCH – COURT NO.I

Service Tax Appeal No.70109 of 2017

(Arising out of Order-in-Appeal No.NOI/SVTAX/000/APPL-1/224/2016-17 dated 16/11/2016 passed by Commissioner (Appeals-I), Central Excise, Meerut)

M/s Uniparts India Ltd. **.....Appellant**

B-208, Sectior-81,

Phase-II, Noida,

Pin:201305 (U.P.)

VERSUS

Commissioner (Appeals), Central Excise **.....Respondent**

University Road,

Mangal Pandey Nagar,

Meerut-250005

APPEARANCE:

Absent for Appellant
Shri Rajeev Ranjan, Authorized Representative for Respondent

CORAM :
Hon'ble Mrs. ARCHANA WADHWA, MEMBER (JUDICIAL)
Hon'ble Mr. ANIL G. SHAKKARWAR, MEMBER (TECHNICAL)

FINAL ORDER NO. 71519 / 2019

DATE OF HEARING : 31 July, 2019
DATE OF DECISION :31 July, 2019

PER : ANIL G. SHAKKARWAR

When the matter was called there was no representation on behalf of the appellant. We have heard the learned Additional Commissioner, Shri Rajeev Ranjan appearing on behalf of the Revenue who has submitted that the issue involved in the present appeal is that when the employee leaves the employment before completion of contract period, some amount is recovered from the employee by the employer and Revenue has treated such recovery of amount as consideration for provision of service. On perusal of record and provisions of Service Tax w.e.f. 01 July, 2002, we note that a service provided by employee to an employer is not covered by the provision of service tax. The transaction in the present case is recovery of such salary paid to the employee for breach of contract. Therefore, the same is not covered by levy of Service Tax. We, therefore, set aside the impugned order and allow the appeal.

(Dictated and Pronounced in open Court)

Sd/-
(Archana Wadhwa)
Member (Judicial)

Sd/-
(Anil G. Shakkarwar)
Member (Technical)

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