CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL
CHANDIGARH

REGIONAL BENCH - COURT NO. 2

Service Tax Appeal No. 60428 of 2023

[Arising out of Order-in-Appeal No. LUD-EX-CUS-001-APP-280-281-2023 dated 13.04.2023 passed by the Commissioner (Appeals), Central Goods & Service Tax, GST Bhawan, Rishi Nagar, Ludhiana]

M/s Gurpinderjit Singh **......Appellant**
C/O Gurmail Singh, Village Takhar, PO
Sargundi, Tehsil, Phillaur,
Jalandhar, Punjab 144409

VERSUS

Commissioner of Central Excise and Service Tax, Ludhiana **......Respondent**
GST Bhawan, F Block, Rishi Nagar
Ludhiana, Punjab 141001

WITH

Service Tax Appeal No. 60429 of 2023

[Arising out of Order-in-Appeal No. LUD-EX-CUS-001-APP-280-281-2023 dated 13.04.2023 passed by the Commissioner (Appeals), Central Goods & Service Tax, GST Bhawan, Rishi Nagar, Ludhiana]

M/s Harpinderjit Singh **......Appellant**
C/O Gurmail Singh, Village Takhar, PO
Sargundi, Tehsil, Phillaur,
Jalandhar, Punjab 144409

VERSUS

Commissioner of Central Excise and Service Tax, Ludhiana **......Respondent**
GST Bhawan, F Block, Rishi Nagar
Ludhiana, Punjab 141001

APPEARANCE:

Shri Mohit Gaba, C.A. for the Appellant

Shri Kanish Saini, Authorized Representative for the Respondent

CORAM: HON'BLE MR. ASHOK JINDAL, MEMBER (JUDICIAL)

FINAL ORDER NO. 60749-60750/2025

DATE OF HEARING: 26.062025
DATE OF DECISION: 26.062025

ASHOK JINDAL:

Both the appeals having a common issue, therefore both are decided by a common order.

2. The facts of the case are that the appellants had immovable property which has been rent outed by them during the period April, 2017 to March, 2017 and they have paid service tax on rent receipt in time but due to the some technical glitch the returns could not be downloaded from the ACES portal in time. Therefore, the proceedings were initiated against the appellant for non-submission of their ST-3 returns. Accordingly, a penalty under Section 70(1) of the Finance Act, 1994 have been imposed on the appellants. The penalty of Rs.40,000/- each has been confirmed by the learned Commissioner (Appeals). Against the said order, the appellants are before me.

3. Heard the parties and considered the submissions.

4. I find that in this case, the allegation against the appellants is that they have not filed the ST-3 returns. Whereas, penalty has been imposed on the appellants for late filing of the returns. By imposing penalty under Section 70(1) of the Finance Act, 1994 for late filing the returns is itself contradictory to the allegation that the appellant has not filed the returns. In that circumstances, penalties under Section

70(1) of the Act are not imposable on the appellants. Accordingly, penalties imposed on the appellants are set aside.

5. In result, the appeals are allowed with consequential relief, if any.

(Dictated and pronounced in the open court)

(ASHOK JINDAL)
MEMBER (JUDICIAL)

Kailash