

**CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL  
CHANDIGARH**

REGIONAL BENCH - COURT NO. I

**Service Tax Appeal No. 61031 of 2019**

[Arising out of Order-in-Appeal No. 68/ST/CGST-Gurugram/SG/2019 dated 28.06.2019 passed by the Commissioner (Appeals), CGST, Gurugram]

**M/s SBI Cards & Payment Services Ltd**

**.....Appellant**

9<sup>th</sup> to 12<sup>th</sup> Floor, Tower C, DLF Infinity Towers,  
DLF Phase II, DLF Cyber City, Gurugram, Haryana

*VERSUS*

**Commissioner of Central Excise, Goods &  
Service Tax, Gurugram**

**.....Respondent**

Plot No. 36-37, Sector 32,  
Gurugram, Haryana 122001

**APPEARANCE:**

Ms. Krati Singh and Ms. Jashan Preet Kaur, Advocates for the Appellant

Mr. Narinder Singh and Mr. Yashpal Singh, Authorized Representatives for  
the Respondent

**CORAM: HON'BLE MR. S. S. GARG, MEMBER (JUDICIAL)**

**FINAL ORDER NO. 61605/2025**

DATE OF HEARING: 23.10.2025

DATE OF DECISION: 23.10.2025

The present appeal is directed against impugned order dated 28.06.2019 passed by the Commissioner (Appeals), CGST, Gurugram, whereby the learned Commissioner (Appeals) has rejected the appeal of the appellant by denying the Cenvat credit to the appellant availed on mediclaim insurance service.

2. Briefly stated facts of the present case are that the appellant is engaged in the business of providing credit card services to its customers. The appellant availed and utilized the credit of service tax paid in respect of employee group insurance and group medicaid insurance premium. At the time of audit, it was observed by the department that the appellant has taken inadmissible credit of service tax paid on group insurance and medical insurance taken for employees. Consequently, a show cause notice dated 25.06.2013 was issued to the appellant. After following the due process, the Adjudicating Authority vide OIO dated 21.12.2016 confirmed the demand along with interest and penalty. Being aggrieved by the OIO dated 21.12.2016, the appellant filed appeal before the Commissioner (Appeals) who vide OIA dated 28.04.2017 remanded the matter back to the Adjudicating Authority and thereafter, the Adjudicating Authority vide OIO dated 15.01.2019 partly allowed the Cenvat credit to the appellant. Aggrieved by the OIO dated 15.01.2019, the appellant again filed appeal before the Commissioner (Appeals) who vide the impugned OIA dated 28.06.2019, has rejected their appeal by upholding the OIO dated 15.01.2019. Hence, the present appeal.

3. Heard both the parties and perused the material on record.

4. The learned Counsel for the appellant submits that the issue involved in the present case is no more *res integra* and stands settled in favour of the appellant by the Larger Bench of the Tribunal. She further submits that the issue involved in the present

case is that of eligibility to avail the credit on group insurance service in terms of Rule 2(I) of the Cenvat Credit Rules, which was referred to the Larger Bench by the CESTAT Allahabad in the case of CCE & ST, Noida vs. HCL Technologies Ltd [2020 (35) GSTL 121 (Tri. All.)] vide its Interim Order dated 06.02.2019. She further submits that after considering the submissions of both the parties, the Larger Bench vide its Interim Order dated No. 23/2025 dated 07.10.2025 has held that the group insurance service (medical) qualifies as input service under Rule 2(I) of the Cenvat Credit Rules and therefore the credit for the same is admissible to the appellant. She also relies on the following decisions wherein it has been held that Cenvat credit for group insurance services (medical) is admissible to the assesseees:

- HCL Technologies Ltd vs. CCE and vice versa [2016 (42) STR 48 (Tri. Delhi)]
- CCE vs. HCL Technologies Ltd [2015 (37) STR 716 (All.)]
- Tata Teleservices (Maharashtra) Limited vs. CST, Mumbai-II – Interim Order No. 05/2024 dated 18.03.2024 [2024 (3) TMI 1047 CESTAT MUMBAI LB]
- Tata Teleservices (Maharashtra) Limited vs. CST, Mumbai-II [2025 (8) TMI 803 CESTAT MUMBAI]
- CCE, Mumbai Central vs. Axis Bank Ltd [2019 (369) ELT 583 (Bom.)]
- Geojit Financial Services Limited vs. CCE, Cochin [2025 (2) TMI 102 CESTAT BANGALORE]
- Genpact India vs. CCE and vice versa [2025 (7) TMI 564 CESTAT CHANDIGARH]
- CST, Bangalore vs. Team Lease Services Pvt Ltd [2014 (36) STR 453 (Kar.)]

- Deloitte Support Services India Pvt Ltd vs. CCE & ST, Hyderabad-IV [2021 (44) GSTL 264 (Tri. Hyd.)]
- Alstom T and D India Ltd & Schneider Electric Infrastructure Ltd vs. CCE & ST [2020-TIOL-349-CESTAT-AHMD]

4.1 She also submits that the entire demand is barred by limitation because the demand was raised by invoking the extended period for the period 2008-09 to 2010-11 whereas the show cause notice was issued on 25.06.2013 on the ground that the appellant has deliberately suppressed the facts from the department. She further submits that invocation of extended period is not sustainable because in the present case, the issue involves interpretation of complex provisions and the fact that the issue was referred to Larger Bench, also shows that the appellant has not suppressed the facts from the department with intent to evade service tax. For this, she relies on the following cases:

- GE Capital Business Process Management Services vs. CCE & ST, Gurgaon-I [Final Order No. 62409/2018 dated 23.05.2018 (CESTAT CHANDIGARH)]
- CCE & CGST, Gurugram vs. Bharti Teleport Ltd [2024 (10) TMI 825 CESTAT CHANDIGARH]
- Bharti Airtel Limited vs. CCE, Bangalore-I [2021 (4) TMI 306 CESTAT BANGALORE]

5. On the other hand, the learned Authorized Representative for the Revenue reiterates the findings of the impugned order.

6. After considering the submissions made by both the parties and perusal of the material on record, I find that this issue is no more *res integra* and has been settled by the Larger Bench vide **Interim Order No. 23/2025 dated 07.10.2025** in the case of

**CCE & ST, Noida vs. HCL Technologies Ltd**, wherein the Larger Bench has held that group insurance service (medical) qualifies as input service under Rule 2(l) of the Cenvat Credit Rules and therefore the credit for the same is admissible to the appellant.

7. Further, I find that the since the issue was referred to the Larger Bench and it involves interpretation of complex provisions, hence, the allegation of suppression of the facts from the department with intent to evade service tax is not sustainable and the entire demand is also barred by limitation.

8. In view of above discussion, I set aside the impugned order on merits as well as on limitation; consequently, the appeal is allowed.

(Operative part of the order pronounced in the open court)

**(S. S. GARG)**  
**MEMBER (JUDICIAL)**