

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

REGIONAL BENCH - COURT NO. I

Service Tax Appeal No. 55340 of 2013

[Arising out of Order-in-Original No. 31/LDH/2012 dated 19.10.2012 passed by the Commissioner of CE & ST, Ludhiana]

Rohan And Rajdeep Infrastructure Pvt Ltd**Appellant**

G.T. Road, Opposite Sangam Cinema,
Bus Terminal, Amritsar, Punjab

VERSUS

Commissioner of Central Excise & Service Tax, Ludhiana**Respondent**

GST Bhawan, F Block, Rishi Nagar,
Ludhiana, Punjab

WITH

Service Tax Appeal No. 61690 of 2018 (Rohan And Rajdeep Infrastructure Pvt Ltd)

[Arising out of Order-in-Appeal No. LUD-EXCUS-001-APP-793-796-18 dated 26.03.2018 passed by the Commissioner, CGST Audit Commissionerate, Ludhiana]

Service Tax Appeal No. 61691 of 2018 (Rohan And Rajdeep Infrastructure Pvt Ltd)

[Arising out of Order-in-Appeal No. LUD-EXCUS-001-APP-793-796-18 dated 26.03.2018 passed by the Commissioner, CGST Audit Commissionerate, Ludhiana]

Service Tax Appeal No. 61692 of 2018 (Rohan And Rajdeep Infrastructure Pvt Ltd)

[Arising out of Order-in-Appeal No. LUD-EXCUS-001-APP-793-796-18 dated 26.03.2018 passed by the Commissioner, CGST Audit Commissionerate, Ludhiana]

Service Tax Appeal No. 61693 of 2018 (Rohan And Rajdeep Infrastructure Pvt Ltd)

[Arising out of Order-in-Appeal No. LUD-EXCUS-001-APP-793-796-18 dated 26.03.2018 passed by the Commissioner, CGST Audit Commissionerate, Ludhiana]

Service Tax Appeal No. 61897 of 2018 (Rohan And Rajdeep Infrastructure Pvt Ltd)

[Arising out of Order-in-Appeal No. LUD-EXCUS-001-APP-1249-18 dated 07.06.2018 passed by the Commissioner (Appeals), CGST, Ludhiana]

APPEARANCE:

Mr. Prakash Shah, Sr. Advocate with Mr. Naveen Bindal, Advocate and Mr. Sagar Shah, C.A. for the Appellant
Mr. Anurag Kumar with Mr. Yashpal Singh, Authorized Representatives for the Respondent

CORAM: HON’BLE MR. S. S. GARG, MEMBER (JUDICIAL)
HON’BLE MR. P. ANJANI KUMAR, MEMBER (TECHNICAL)

FINAL ORDER NO. 60117-60122/2026

DATE OF HEARING: 10.12.2025
DATE OF DECISION: 03.02.2026

S. S. GARG :

These six appeals are directed against three different impugned orders, i.e. OIO dated 19.10.2012 passed by the Commissioner, OIA dated 26.03.2018 passed by the Commissioner Audit (Appeals) and OIA dated 07.06.2018 passed by the Commissioner (Appeals), vide which the demand of service tax has been confirmed along with interest and penalty. Details of all six appeals are as under in the tabular form:

Sr. No.	Appeal No.	Period	SCN date	OIO date	OIA date	Demand of Service Tax (Rs)	Penalty (Rs)
1.	ST/55340/2013	Oct 2006 to Sept 2011	11.04.2012	19.10.2012	-	1,70,91,927	1,70,91,927 u/s 78 & 10,000 u/s 77
2.	ST/61690/2018 to ST/61693/2018	Oct 2011 to Mar 2012	18.04.2013	-	26.03.2018	16,19,120	10,000 u/s 77
3.		Apr 2012 to Mar 2013	15.10.2013			40,39,300	10,000 u/s 77
4.		Apr 2013 to Sept 2013	17.04.2015			16,86,724	10,000 u/s 77
5.		Oct 2013 to Mar 2014	16.10.2015			16,46,074	10,000 u/s 77
6.	ST/61897/2018	Apr 2014 to Mar 2015	05.04.2016	-	07.06.2018	33,41,199	3,34,120 u/s 76

Since, the issue involved in all these six appeals is identical, therefore, all appeals are taken up together for the purpose of discussion and decisions.

2. Briefly stated facts of the case are that the Appellant is engaged in provided the services under 'Business Support Service'. It was gathered that the Appellant was engaged in collecting adda-fees from the users of bus-terminal at Amritsar from transporters for using various facilities at the bus-terminal.

2.1 Further, during the investigation, it was found that the Appellant was registered with the department for providing services under the category of 'Commercial & Industrial Constructions' as well as 'Advertising Service'; however, the Appellant provided 'Business Support Service' and collected consideration in the name of adda-fees from various transporters.

2.2 Accordingly, the SCN dated 11.04.2012 was issued for the period October 2006 to September 2011 *inter alia* alleging that the adda-fees collected by the Appellant are for support services/facilities and are in the nature of 'Business Support Services' on which service is leviable with effect from 01.05.2006. The Appellant filed the reply to the said SCN and contested the demand on merit as well as on limitation.

2.3 After following the due process, the learned Adjudicating Authority adjudicated the said SCN vide impugned OIO dated 19.10.2012 *inter alia* confirming the demand of service tax along with

interest and also imposed penalties under Sections 77 & 78 of the Finance Act.

2.4 Thereafter, five periodical SCNs were also issued for the period October 2011 to March 2015, which were adjudicated by the learned Adjudicating Authorities vide five separate OIOs *inter alia* confirming the demand of service tax along with interest and imposing the penalties on the Appellant.

2.5 Being aggrieved by those five OIOs, the Appellant filed appeals before the Commissioner (Appeals) and the appeals of the Appellant were dismissed by the Commissioner (Appeals) vide the impugned OIAs dated 26.03.2018 & 07.06.2018.

2.6 Aggrieved by the OIO dated 19.10.2012 and OIAs dated 26.03.2018 & 07.06.2018, the Appellant has preferred the present appeals before us.

3. Heard both sides and perused the material on records.

4. The learned Counsel for the Appellant submits that the impugned orders are not sustainable in law and are liable to be set aside as the same have been passed without properly appreciating the facts & the law and binding judicial precedents as well as the agreement entered into by the Appellant with the Punjab Infrastructure Development Board ('PIDB/Authority').

4.1 The learned Counsel further submits that the entire case of the department in the present proceedings is that the services, i.e. modernizing and developing Amritsar Bus Terminal, are provided by

the Appellant to the bus operators and not to Authority; further, it has been held that the services provided by the Appellant are in furtherance of the business of bus operators and other users of the bus-terminal and therefore, the said services are classified under the category of 'Business Support Services'.

4.2 The learned Counsel further submits that the Appellant is not rendering support services to bus operators and no service tax is payable by the Appellant under 'Business Support Services'. He also submits that the adda-fees are notified by the State of Punjab based on the duration for which buses and other vehicles are parked in open-land. He also submits that the service tax is demanded on adda-fees mentioned in Schedule-II and no service tax is demanded on charges collected by the Appellant in Schedule-III.

4.3 The learned Counsel further submits that service tax has wrongly been demanded without considering the facts of the present case and the terms of concession agreement. He also refers to the various clauses of the agreement entered into between the Appellant and the Authority under Punjab Infrastructure (Development & Regulation) Act, 2002 ('PIDR Act') and submits that various clauses of the agreement clearly show that undisputedly, both prior to and post the concession period, the Authority was and shall be obliged to provide the facilities within the bus-terminal and the obligation to maintain the bus-terminal was always on the Authority, however by said agreement, the Appellant was permitted to collect the adda-fees and it was in lieu of consideration payable by PIDB for the

construction and development of project in terms of the concession agreement.

4.4 The learned Counsel further submits that the Appellant had no right or role to play in determination of the fees to be collected from the bus operators and the same was at the sole discretion of the Authority which is evident from clause 2.1 of the agreement.

4.5 The learned Counsel further submits that the agreement shall be governed by the provisions of PIDR Act. In this regard, he refers to the provisions of the PIDR Act wherein the certain terms and conditions were mentioned. He further submits that the reading of the provisions of PIDR Act, it is clear that the legislation aims for development of the infrastructure in State of Punjab with help of private sector participation and such private sectors are granted concessions by the Government for development, finance, construction & maintenance of such infrastructure as agreed between the parties.

4.6 The learned Counsel further submits that as per the Schedule-II of the PIDR Act, the term 'Build Operation and Transfer' shall mean *"a contractual arrangement whereby the Concessionaire undertakes the construction including financing of a given infrastructure facility and the operation & maintenance thereof. The Concessionaire operates the facility over a fixed term during which it is allowed to charge facility users appropriate tolls, fees, rentals, and charges not exceeding these proposed in its bid or as investment, and operating and maintenance expenses in the project. The Concessionaire*

transfers the facility to the Government Agency or Local Government Unit concerned at the end of the fixed terms which shall or exceed thirty years."

4.7 The learned Counsel further submits that merely allowing the adda-fees from the users of facility developed by the Appellant for PIDB will not alter the nature of the activity and the recipient of service would be undoubtedly PIDB. He also submits that in fact, there was never a privity of contract between the Appellant and the bus operators to provide any services; the agreement was signed between the Appellant and the Authority whereby the Appellant agreed to construct, develop, design, finance the project and operate and maintain during concession period, and the Authority in consideration of the same permitted the Appellant to levy and collect the adda-fees from bus operators.

4.8 The learned Counsel also submits that the service tax is a contract based levy; the service provider is engaged contractually by the service recipient to receive services; the provision and use of service, thus, has to be seen in terms of the agreement between the parties. In this regard, he relies on the following decisions:

- **Commr of CGST, Chennai vs. Wunderbar Films Pvt Ltd – 2024 (3) TMI 17 – Madras High Court**
- **Mohit Minerals Pvt Ltd vs. UOI - 2020 (33) GSTL 321 (Guj.)**

4.9 The learned Counsel further submits that it is an admitted fact that the Appellant had contract with State of Punjab and liability to service tax has to be determined based on the contract with State of

Punjab and further, there exists no contract with the bus operators for providing any services. He further submits that at the time of entering into contract with State of Punjab, the Appellant could not have agreed to provide support services to unknown bus operators. He further submits that the Appellant, in fact, is supporting the State of Punjab to discharge its sovereign function by way of private participation in creation of the public infrastructure.

4.10 The learned Counsel further submits that the Commissioner has erred in holding that the Appellant is collecting adda-fees in lieu of providing facilities of embarking and disembarking, issuing tickets, public conveniences etc, which promote the business of bus operators and without the same, their business would suffer and thus, according to the department, the Appellant provides services to the bus operators in furtherance of their business. He also submits that in fact, the alleged support services are provided by PIDB to the bus operators and not by the Appellant.

4.11 The learned Counsel also submits that on perusal of the definition of 'support services' under Section 65(104c) of the Act and as clarified by the Board, it is clear that what is covered by the business support service is the outsource services; and in the present case, it cannot be said that the bus operators have outsourced the services of permitting use of the bus-terminal. He also submits that at best, it can be said that PIDB outsources the services of constructing and maintaining the bus-terminal. In this regard, he refers to Circular No. 334/4/2006-TRU dated 28.02.2006 wherein the

intention to introduce and tax the category of 'support services' is clarified.

4.12 The learned Counsel also submits that a bus-terminal is created as a public utility service and not as a business support service for private bus operators; public utility service and transport activity is incidental to the ordinary functions of the Government and bus-terminals are for public and it is the public to whom the services are provided; collection of adda-fees does not change the nature of the activity.

4.13 The learned Counsel further submits that in any event, PIDB cannot be said to be in business of developing and maintaining the bus-terminals on commercial basis.

4.14 The learned Counsel also submits that there is no relation/connection whatsoever between the Appellant and the bus operators in so far as the provisions of services are concerned in as much as there is no privity between the Appellant and the bus operators to provide any services; adda-fees and other charges are collected by virtue of the concession agreement.

4.15 The learned Counsel relies on the decision of this Tribunal in the case of **Chandigarh Transport Corporation vs. CCE, Chandigarh-I - 2023 (7) TMI 363 - CESTAT Chandigarh**, wherein on identical issue, demand of service tax on adda-fee was set aside. He also places reliance on the following decisions:

- **IN RE: Kadamba Transport Corporation Ltd - 2010 (19) STR 617 (Commr. Appl.)**

- **IDAA Infrastructure Pvt Ltd vs. CST, Mumbai – 2014 (34) STR 87 (Tri. Mumbai)**
- **PNC Infratech Ltd vs. CCE, Ludhiana – 2023 (7) TMI 258 – CESTAT Chandigarh**
- **B.G. Shirke Construction Technology Pvt Ltd vs. CCE, Pune-III - 2014 (33) STR 77 (Tri. Mumbai)**

5. On the other hand, the learned Authorized Representative for the department reiterates the findings of the impugned orders and submits that the adda-fees were being collected from the bus operators on entry to the bus-terminals for various diverse services being provided by the Appellant to other bus operators such as providing counters for selling tickets, related infrastructure for parking buses etc thereby assisting other bus operators for furtherance of their business.

5.1 The learned Authorized Representative refers to the definitions contained in the concession agreement namely adda-fees, concessionaire, commercial operation etc as well as grant of concession and other clauses namely limitations, ownership, taxation and confidentiality etc.

5.2 The learned Authorized Representative further submits that the levy under the service tax arises when a person charges some consideration to another person for providing something in the shape of some services defined under the statute as taxable services.

5.3 The learned Authorized Representative also submits that in the present case, the Appellant has assisted the transporters for furtherance of their business by providing various facilities at the bus-terminal and has facilitated the business of transporters by providing

services for some money consideration which has been termed as 'adda-fee'.

5.4 The learned Authorized Representative further submits that the services provided by the Appellant fall in the category of 'business support services' and were taxable in terms of Section 65(105)(zzzq) of the Finance Act, 1994 during the relevant period.

5.5 The learned Authorized Representative also submits that the Appellant has provided infrastructural support to the bus operators to ply their buses for commercial consideration.

5.6 The learned Authorized Representative further submits that the issue involved in the present case is covered by the decision of this Tribunal in the case of **Prem Kumar Maini vs. CCE & ST, Chandigarh – Final Order No. 60554/2024 dated 27.09.2024**, wherein the Tribunal has held that the adda-fee is subject to service tax under the category of 'business support service'.

6. To rebut the argument of the learned Authorized Representative for the Revenue, regarding the decision of the Tribunal in the case of **Prem Kumar Maini** (supra), the learned Counsel for the Appellant submits that the Tribunal, in the said case, has taken a contrary view and has held that adda-fee is liable to service tax under the category of 'business support services'.

6.1 The learned Counsel tries to distinguish the facts of the case of **Prem Kumar Maini** (supra) with the present case. He submits that in the case of **Prem Kumar Maini** (supra), the assessee Mr. Maini

was allowed to operate and maintain the existing bus-terminal and collect the adda-fee; Mr. Maini was appointed mainly for collecting adda-fee; Mr. Maini was handed over an existing bus-terminal for the limited purpose of its operation and maintenance, and unlike the present case's Appellant, Mr. Maini did not invest any money to build a completely new terminal at his own costs on 'build operate and transfer'. Whereas, in the present case, the Appellant had built a completely new bus-terminal at its own costs and was required to handover and transfer the assets to the State of Punjab on the expiry of eleven years; instead of paying the costs of construction of new bus-terminal, the Appellant was allowed to collect adda-fees mentioned in Schedule-II and other charges mentioned in Schedule-III; the concession agreement was governed by PIDR Act and adda-fee was fixed by the State of Punjab.

6.2 The learned Counsel further submits that the above facts are completely missing in the case of **Prem Kumar Maini** (supra). He also submits that it is a settled law that even one additional or different fact may make a world of difference between conclusions in two cases. In this regard, he relies on the judgment of Hon'ble Apex Court in the case of **Collector of Central Excise vs. Alnoori Tobacco Products – 2004 (170) ELT 135 (SC)**.

6.3 The learned Counsel further submits that in view of completely different contractual terms in the present case and in the case of **Prem Kumar Maini** (supra), the order of the Tribunal passed in the case of **Prem Kumar Maini** (supra) is distinguishable on facts and is not applicable in the present case.

7. We have considered the submissions made by both the parties and perused the material placed on record including the case-laws relied upon by both the parties. Before proceed to give our findings, it is relevant to consider the definition of 'business support service' provided under Section 65(104c) & Section 65(105)(zzzq) of the Finance Act, which is reproduced herein below:

"65(104c): *"support services of business or commerce" means services provided in relation to business or commerce and includes evaluation of prospective customers, telemarketing, processing of purchase orders and fulfilment services, information and tracking of delivery schedules, managing distribution and logistics, customer relationship management services, accounting and processing of transactions, [operational or administrative assistance in any manner], formulation of customer service and pricing policies, infrastructural support services and other transaction processing."*

Explanation.— For the purposes of this clause, the expression "infrastructural support services" includes providing office along with office utilities, lounge, reception with competent personnel to handle messages, secretarial services, internet and telecom facilities, pantry and security;]

65(105): *"taxable service" means any service provided [or to be provided],—*

(zzzq) *to any person, by any other person, in relation to support services of business or commerce, in any manner"*

Further, vide Circular No. 334/4/2006-TRU dated 28.02.2006, the Board has clarified as under:

"3.13 Business Support Services: *Business entities outsource a number of services for use in business or commerce. These services include transaction processing, routine administration or accountancy, customer relationship management and tele-marketing. There are also business entities which provide infrastructural support such as providing instant offices along with secretarial assistance known as "Business Centre Services". It is proposed to tax all such outsourced services. If these services are provided on behalf of a person, they are already taxed under Business Auxiliary Service. Definition of support services of business or commerce gives indicative list of outsourced services."*

Further, vide Circular No. 334/3/2011-TRU dated 28.02.2011, the Board has clarified as under:

"5. Business Support Service [section 65 (105) (zzzq)]:

5.1 *The scope of the service is being expanded to include operational or administrative assistance of any kind. The scope will cover all support activities for others on a contract or fee, that are ongoing business support functions that businesses and organizations commonly do for themselves but sometimes find it economical or otherwise worthwhile to outsource."*

8. We find that in the present case, the Appellant had entered into an agreement with PIDB vide which the Appellant was allowed to raise construction of bus-terminal at Amritsar and charge adda-fees as mentioned in Schedule-II. It is relevant to consider the terms of the agreement, which are reproduced herein below:

- i. The agreement is governed by the provision of Punjab Infrastructure (Development & Regulation) Act, 2002 ("PIDR Act").*
- ii. The Appellant has accepted the Concession granted by the Authority and undertaken the Project and agreed to return to the Authority the Project assets back to the Authority at the end of the concession period.*
- iii. Project has been defined to mean development, finance, design, construction, operation and maintenance of the facilities at the site, including incidental activities and appropriation of Adda Fees and user charges for the purpose of providing services on a continuous basis and transfer of facilities to Authority at the end of the concession period.*
- iv. The Authority only has the right to levy and increase the Adda Fees for the user of bus terminal by the bus operator including Punjab State Transport buses, by way of issuing appropriate orders or notification.*
- v. The Adda Fees is collected from bus operators for the parking buses within terminal is fundamentally important for the financial stability of the entire project.*
- vi. The title and ownership of the project, at all times, shall be with the Authority and in no circumstances, whatsoever be passed over the Appellant and /or any other person.*

- vii. The Authority shall issue construction completion certificate duly signed by an independent engineer, upon the successful completion of the construction of the Project. The operation and maintenance period of Project shall commence thereafter and shall terminate at the transfer date.*
- viii. The Appellant was required to submit a report of Adda fees collection and the details of bus traffic in the terminal.*

The analysis of various terms & conditions of the agreement clearly show that the Appellant was, in fact, reimbursed the costs of the project by permitting to collect the adda-fee which is nothing but is in lieu of consideration payable by PIDB for the construction and development of the project.

9. We also find that as per the agreement, the Appellant had no right or role to play in determination of the fees to be collected from the bus operators and the same was at the sole discretion as the same is evident from clause 2.1 of the agreement.

10. We also find that the demand in the present case is only on adda-fees specified in Schedule-II under the head of taxable business support service, even though the department has stated that the service tax demand is on other charges specified in Schedule-III also, but the computation of demand in the SCNs is restricted to adda-fees only.

11. Further, we find that the entire case of the department is that the Appellant provided support services to bus operators, and without providing the facility for entry & exit and embarking/disembarking of passengers, the business of the bus operators will definitely suffer and that the services are being provided by the Appellant to the bus

operators in furtherance of their business/smooth conduct of the passengers as held at *para 4.7* of the impugned OIO dated 19.10.2012. The said finding of the learned Commissioner clearly shows that the alleged services provided by the Appellant do not come under the 'business support services' because the business support services, as per the definition *cited above*, cover those services which are outsourced by the service recipient, and it is highly fallacious to hold that bus operators outsourced the construction of bus-terminal on build operate and transfer basis to the Appellant; therefore, it is beyond doubt that the Appellant has not rendered any 'business support services' to bus operators.

12. Further, we find that it is a settled law that the service tax is a contract based levy; in other words, service tax is levied on a transaction between recipient and provider pursuant to a contract between the parties.

12.1 In this regard, we may refer to the decision of Hon'ble Madras High Court in the case of **Commr of CGST, Chennai vs. Wunderbar Films Pvt Ltd** (supra), wherein it has been held as under:

"9.1 However, the learned Judge thereafter proceeded to make certain observations on merits, which causes serious prejudice to the Revenue as it imposes fetters on the power / authority of the Adjudicating authority in carrying out the adjudication pursuant to the order of remand. The question as to whether a particular transaction would attract the levy of Service Tax as constituting a taxable service within the meaning of 65(105)(zzzt) prior to 01.07.2012 or Section 66B read with Section 658(44) and Section 66E(c) w.e.f. 01.07.2012 ought to be determined on the basis of the contracts entered into between the service provider and the

recipient. One cannot generalize the transactions nor determine the liability without examining the contracts individually for the rights/ obligations flowing therefrom may vary from contract to contract. This would be evident by the very fact that some of the contracts have been treated by the respondents in the writ appeals as representing temporary transfers thereby attracting the levy of Service Tax, while other contracts are understood by the respondents as resulting in perpetual transfers ie., permanent and not temporary, thus outside the purview of levy of Service Tax. We are of the view that the observations so made by the learned Judge represent a truncated rather incomplete adjudication, warrant interference."

12.2 Similarly, the Hon'ble Gujarat High Court in the case of **Mohit Minerals Pvt Ltd** (supra) has held as under:

"201. Hence, it is a tax on consumption and not on business. It is a contract based levy which depends on the contract between the supplier and the recipient. Thus, where the tax is sought to be levied and collected by a person other than the supplier or the supplier of service, distortions and contingency which the Act does not covers, are bound to occur."

13. Further, we find that it is an admitted fact that the Appellant had a contract with State of Punjab and liability to service tax has to be determined based on the contract with State of Punjab; there exists no contract with the bus operators for providing any services; further, at the time of entering into contract with State of Punjab, the Appellant could not have agreed to provide support services to unknown bus operators; further, the entire bus-terminal constructed by the Appellant could not have been constructed to support the business of the bus operators, in fact, bus-terminals are created as a

public utility service and not as support services for bus operators and hence, the service tax is not leviable under the business support services.

14. Further, we find that adda-fees are collected by the Appellant as per the agreement with the PIDB which authorizes the Appellant to collect the adda-fees in lieu of the investment made by the Appellant for developing the bus-terminal. At the most, these adda-fees are in the nature of parking-fees which are exempt under 'renting of immovable property services'.

15. Further, it is pertinent to note that Schedule-X to agreement is "project site lease deed" by which the Appellant is being granted leasehold rights in the project site i.e. land, on which bus-terminal is required to be developed and in consideration, the Appellant is required to pay lease rental of Rs.50,000/- per month to PIDB for the concession period. The agreement between the Appellant and PIDB proves that the services provided, if at all, are to be PIDB and not to be users of the bus-terminal.

16. Further, we find that the Revenue is heavily relying on the decision of this Tribunal in the case of **Prem Kumar Maini** (supra) to buttress its argument that the Appellant is liable to pay service tax on adda-fees under the 'business support services'. We have gone through the decision of the Tribunal in the said case and have also examined the facts of the said case with the present case, including the agreement entered into between the Appellant and the PIDB. In our considered view, the ratio of the said decision is not applicable in

the present case because in the said case, Mr. Maini was allowed to operate and maintain the existing bus-terminal and collect the adda-fee and pay a part to the Government; Mr. Maini was appointed mainly to collect adda-fee; Mr. Maini did not invest any money to build a completely new terminal at his own costs on 'build operate and transfer' basis. Whereas, in the present case, the Appellant had built a completely new bus-terminal at its own costs and was required to handover and transfer the assets to the State of Punjab on the expiry of the contract period. In the present case, instead of paying the costs of construction of new bus-terminal, the Appellant was allowed to collect adda-fees mentioned in Schedule-II and other charges mentioned in Schedule-III; the concession agreement was governed by PIDR Act and adda-fee was fixed by the State Government; and the Appellant had no choice but to collect adda-fee as the prescribed rate. Therefore, in view of completely different contractual terms in the present case and in the case of **Prem Kumar Maini** (supra), the decision of the Tribunal in the said case is distinguishable on the facts and is not applicable in the facts of the present case.

17. As regards the invocation of extended period of limitation, we find that in the present case, the Appellant, for the first time, had submitted all the relevant information to the department on 06.04.2009 and had obeyed all the directions of the department i.e. appeared before the department, submitted the information as required, therefore, the limitation of one year would start from 06.04.2009 and the department should have issued the SCN on or

before 05.04.2010 whereas the SCN was issued on 11.04.2012, which is beyond the period of one year as prescribed by law. Further, we also find that the department has not been able to bring any evidence regarding the suppression, fraud, mis-statement etc on the part of the Appellant with intent to evade payment of tax, therefore, substantial demand in the first appeal (*ST/55340/2013*) is barred by limitation.

18. In view of our discussion above, we hold that the demand of service tax on adda-fees in the present case under the category of 'business support services' is not sustainable in law and is liable to be set aside. In result, impugned orders are set aside and all the appeals of the Appellant are allowed with consequential relief, if any, as per law.

(Order pronounced in the open court on 03.02.2026)

(S. S. GARG)
MEMBER (JUDICIAL)

(P. ANJANI KUMAR)
MEMBER (TECHNICAL)