



**FINAL ORDER No.40532/2023****ORDER : Per Ms. SULEKHA BEEVI, C.S.**

Brief facts are that the appellant is engaged in the business of "Freight Forwarding of imported and exported goods" on port-to-port basis. It was noticed by the department that the appellant had short paid service tax on various services. After due process of law, the original authority confirmed the demands as proposed in the SCN. On appeal against the order of confirmation of demand, the Commissioner (Appeals) set aside the demand and penalties except with regard to demand made on reimbursable expenses. Hence this appeal.

2. Ld. Consultant Sri S. Adithya appeared and argued for the appellant. It is submitted that the period involved is from 19.04.2006 to 30.11.2008. Ld. Consultant adverted to the show cause notice and submitted that the demand has been raised on various charges collected by the appellant from the clients in the nature of Bill of Lading expenses, Terminal handling charges, Liner DO fees, Container halting and movement charges, etc. These are nothing but expenses reimbursed to the appellant by their clients. Ld. Consultant submitted that decision of Hon'ble Supreme Court in the case of *UOI Vs Intercontinental Consultants and Technocrafts Pvt. Ltd.* - 2018 (10) G.S.T.L. 401 (SC) would be applicable to the facts of the case and prayed that the appeal may be allowed.

3. Ld. A.R Sri N. Sathya Narayanan appeared for the Department and supported the findings in the impugned order.

4. The issue is whether the demand, interest confirmed is sustainable in regard to the reimbursable expenses collected by the appellant. The issue stands covered by the decision of the Hon'ble Supreme Court in the case of *UOI Vs Intercontinental Consultants and Technocrats Pvt. Ltd.* (supra). The period involved in the appeal is prior to 2015. We therefore find that demand cannot sustain. Impugned order is modified to the extent of setting aside the confirmation of duty along with interest. Appeal is allowed with consequential relief, if any, as indicated above.

(dictated and pronounced in court)

Sd/-

**(M. AJIT KUMAR)**  
Member (Technical)

Sd/-

**(SULEKHA BEEVI C.S.)**  
Member (Judicial)

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