

**CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL  
NEW DELHI**

**PRINCIPAL BENCH – COURT NO. 4**

**Service Tax Appeal No. 50172 of 2020**

[Arising out of Order-in-Original No.DL-GST-WEST-COM-45-19-20 dated 23.10.2019 passed by the Commissioner of Central Tax (Delhi West), New Delhi]

**M/s. NNS Online Pvt Ltd.**

**Appellant**

25/10 East Punjabi Bagh,  
New Delhi-110026

Vs.

**Commissioner Central Tax,  
(Delhi West)**

**Respondent**

EIL Annexe Building, 5<sup>th</sup> Floor,  
Bhikaji Cama Place, R.K.Puram,  
New Delhi-110066

**AND**

**Service Tax Appeal No. 51243 of 2022**

[Arising out of Order-in-Appeal No.24/2021-22 dated 06.01.2022 passed by the Commissioner, Goods and Service Tax (Appeals)-II, Delhi]

**M/s. NNS Online Pvt Ltd.**

**Appellant**

25/10 East Punjabi Bagh,  
New Delhi-110026

Vs.

**Commissioner Central Tax,  
(Delhi West)**

**Respondent**

UG Floor, EIL Annexe Building, 5<sup>th</sup> Floor,  
Bhikaji Cama Place, R.K.Puram,  
New Delhi-110066

**Appearance:**

Present for the Appellant : Shri Sanjeev Bajaj, Chartered Accountant

Present for the Respondent: Shri Shashank Yadav, Authorised Representative

**CORAM:**  
**HON'BLE DR. RACHNA GUPTA, MEMBER ( JUDICIAL )**  
**HON'BLE MR. A.K. JYOTISHI, MEMBER ( TECHNICAL )**

**Date of Hearing: 16/07/2025**  
**Date of Decision: 12/11/2025**

**FINAL ORDER No. 51728-51729/2025**

**DR. RACHNA GUPTA:**

The present order disposes of two appeals pertaining to the same appellant involving the same issue, however, for two different periods.

The details of both the appeals are as follows:

Sl. No.	1	2
Appeal No.	<b>ST/50172/2020</b>	<b>ST/51243/2022</b>
Show Cause Notice	No.05/2019-20 Dated 22.04.2019	No.05/125/2019-20 Dated 16.10.2019
Impugned Orders	Order-in-Original No.45/2019-20 Dated 23.10.2019	Order-in-Appeal No.24/2021-22 Dated 06.01.2022 arising out of Order-in-Original dated 21.09.2020
Period of Dispute	2013-14 to 2016-17	April to June 2017
Service Tax Demand	Rs.2,37,29,613/-	Rs.15,17,403/-

2. The facts for both the appeals are as follows:

- (i) The appellants **M/s. NNS Online Pvt Ltd.** are registered for providing taxable services of Security/Detective Agency Services, Business Exhibition services and Works Contract services. Based on an intelligence with the department that the appellants, despite being registered for renting taxable services, were not discharging their service tax liability properly that the premises of appellants got searched on 18.03.2016. The premises were used as office premises for following companies:

"M/s NNS Online Pvt. Ltd., M/s NNS Events & Exhibitions Pvt. Ltd., M/s Meri Dilli Events Private Limited, M/s A & G Commercial Kitchen Equipments Pvt. Ltd., M/s NNS Online Private Limited was engaged in publishing Newspaper & monthly journals. M/s NNS Events & Exhibition Private Limited was engaged in organizing events & exhibitions and M/s Meri Dilli Events Pvt. Ltd. was organizing events and exhibitions also."

- (ii) Further investigations were conducted from the scrutiny of the documents recovered at the time of search and the statements recorded. The appellant was observed to have failed to pay the service tax of such amount and for such period in the respective appeals as is mentioned in the table above. Resultantly, the appellant was served with two show causes notices (as mentioned in the table above) proposing recovery of the respective amount of service tax along with interest and the penalties under the provisions of Finance Act, 1994, alleging that the appellant was rendering taxable services of Security Detective Agency services and Business Exhibition services. The proposals of both show cause notices stands accepted vide the respective orders. The number and date of both these orders are mentioned in the table above. Being aggrieved of both the said orders that the appellant is before this Tribunal.

3. We have heard Shri Sanjeev Bajaj, learned Chartered Accountant for the appellant and Shri Shashank Yadav, learned authorised representative appearing for the Department.

4. Learned counsel for the appellant has mentioned that appellant company was incorporated with the sole object of doing the business of publishing of newspaper, magazines etc., during the period in dispute. In

both the appeals the appellant has been doing the said business and was receiving the income from sale/subscription of newspapers, magazines, receiving advertisements from various clients in these newspapers and magazines and selling data in respect of such news the leading newspapers. It is submitted that during search also department observed that the appellant company was engaged in publishing newspapers and monthly journals. M/s. Rajesh Gupta, Director of appellant company in his statement also deposed that the activity of appellant's company is that of publishing newspapers, news services and periodicals. But nothing has been considered by the adjudicating authorities below and the activity of appellant is wrongly alleged to be that of Security Detective Agency service. It is mentioned that with respect to another alleged activity that is Business Exhibition services, the appellant is already discharging the service tax liability. Same has also been ignored by the authorities below.

5. Learned counsel further submitted that the adjudicating authorities below have relied upon the ST-3 Returns of the appellant, wherein the services were categorised under Security Detective Agency services. However, it has miserably been ignored that those service tax returns were filed under Reverse Charge Mechanism, i.e., the appellant was rather the service recipient of those services as have been wrongly alleged to be the services rendered by the appellant. The show cause notices were issued on the wrong premises. Confirmation of demand of such show cause notices is liable to be set aside. Learned counsel further impressed upon that the entire documentary evidence was before the authorities' right from the stage of search till the adjudication by the departmental authorities. The documents are clear to prove that the appellant was

receiving income from publishing newspapers, magazines, advertisement and sale of data. The findings are contrary to the voluminous documentary records. Show cause notices were issued invoking the extended period of limitation despite the fact that there is no iota of any alleged suppression. With these submissions both the orders are prayed to be set aside and both the appeals are prayed to be allowed.

6. Learned authorised representative for the department has, at the outset, reiterated the findings arrived at in the impugned orders. It is submitted that the appellants contentions in their defence reply to the show cause notice as well as the grounds taken in the present appeals do not match with the description of services mentioned in their ST-3 returns of the disputed period.

7. The ST-3 returns are mentioned to be annexed with the appeal memo of appeal no.50172 at page no.64 to 71 thereof. Hence, there is no infirmity in the findings holding appellant liable to pay service tax for rendering Security Detective Agency services. The extended period of limitation has also been rightly invoked as the appellant had incorrectly declared their service tax liability in those returns. There is apparent wilful non-payment of service tax by the appellant. Show cause notices are not barred by time. Finally, relying upon the decision of the hon'ble Supreme Court in the case of **Usha Rectifier Corporation (I) Ltd. vs. Commissioner of Central Excise**, reported in **2011 (1) TMI 12 (SC)** with these submissions both the appeals are prayed to be dismissed.

8. Having heard both the parties and perusing the entire record, we observe that the demand in both these appeals has been confirmed based on the following findings:

- (i) That the appellant did not explain the nature of their income from magazines/ newspapers/ advertisement etc.
- (ii) In the service tax returns filed by the appellant the services were categorised under Security Detective Agency services and Business Exhibition services.

9. The service tax returns on the record of the appeal memo are perused to adjudicate the veracity of said findings. It is observed that in Column-A10 thereof, where the tax details with respect to security detective agency services mentioned, it is clear that the service tax for the said activity has been paid by the appellant under Reverse Charge Mechanism in terms of section 68 (2) of the Finance Act. The appellant, therefore, apparently, is the service recipient of security detective agency services.

This particular observation is sufficient to falsify one of the finding of the adjudicating authority below as mentioned above.

10. It is also observed that at the stage of search itself it was found that the appellant and its group companies are engaged in publishing newspapers and monthly journals and also in organising events and exhibitions. Voluminous documents with respect to balance sheets, accounts of sale newspapers and periodicals etc., accounts of advertisement with view sample bills and that of subscriptions/

contributions along with Profit & Loss account were duly submitted by the appellant for the disputed period. Even, order-in-original dated 23.10.2019 in para 3 thereof records that "during the search it was observed that M/s. NNS Online Pvt Ltd was engaged in publishing newspapers and monthly journals". In defence reply also and the statement of the Director of company dated 18.03.2016, it has been reiterated that the activity of company is shown as publishing of newspapers, news services and periodicals, there is nothing on record except for appellants own ST-3 returns to prove that the appellant is doing business of services security detective agency services. As already observed above that those returns rather prove appellant to be the recipient of Security Detective Agency service. The burden was upon the department to prove the allegations but if stands un-discharged.

11. Further, we observe that it stands established from the documents on record that the appellant has provided following services:

- Publishing of Newspapers, Periodicals, etc.
- Subscription of Newspapers, Periodicals, etc.
- Advertisement (Sale of Space)
- Contribution received against supply of data

12. All these services fall under the category of negative list as per Clause (e) and (g) under section 66 (D) of the Finance Act, 1994 read with Notification No.19/2012-ST dated 05.06.2012.

13. These facts were brought to the notice of the adjudicating authorities but have miserably being ignored. Confirmation of demand

contrary to the statutory mandate amounts to illegality and, accordingly, is liable to be set aside.

14. Finally, we observe that the impugned demand is based on appellants' own documents recovered at the time of search of their premises. Nothing, in addition, has been unearthed by the department. The appellant has been discharging service tax on business exhibition services and has also been discharging the liability of tax under Reverse Charge Mechanism in terms of Notification No.30/2012 dated 20.06.2012 for receiving Security Detective Agency services. It is held that there is nothing on record which may be called as the wilful suppression of facts on part of appellant that too with an intent to evade the payment of service tax. Rather, as already observed above, there is no evasion of service tax on part of the appellant. We hold that the show cause notices issued invoking extended period of limitation are time barred. The demand confirmed based upon such show cause notices is definitely liable to be set aside. We draw our support from the decision of Hon'ble Supreme Court in the case of **Gopal Zarda Udyog vs. Commissioner of Central Excise, Delhi** reported in **2005 (188) ELT 251(SC)**. The Hon'ble Court held as follows:

"Explained period is applicable only when something positive other than mere inaction or failure on the part of the manufacturer is proved. Concious or deliberate withholding of the information by manufacturer is necessary for invoking the extended period. If the department had full knowledge or the manufacturer had reasonable belief that he is not required to give a particular information, only normal period of limitation i.e., 1 year is applicable."

15. In totality of the entire above discussion, both the impugned orders in both the appeals are, hereby, set aside. Consequent, thereto, both the appeals are allowed.

(Order pronounced in the open Court on **12.11.2025**)

**(DR. RACHNA GUPTA)**  
**MEMBER (JUDICIAL)**

**(A.K. JYOTISHI)**  
**MEMBER (TECHNICAL)**

Archana