CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL
New Delhi

PRINCIPAL BENCH – COURT NO. III

Service Tax Appeal No. 51197 Of 2020

[Arising out of Order-in-Appeal No. 114(SM)/ST/JPR/2020 dated 13.03.2020 passed by the Commissioner (Appeals) of Central Excise & CGST-Jaipur]

Manoj Kumar Jangir : **Appellant**
Ward No. 2, Joshi Colony, Neem Ka
Thana, Distt. Sikar

Vs

Commissioner of CGST, Central Excise, Alwar : **Respondent**

APPEARANCE:
Shri Keshri nandan Agarwal, Chartered Accountant for the Appellant
Shri S. K. Meena, Authorized Representative for the Respondent

CORAM :

HON'BLE MS. BINU TAMTA, MEMBER (JUDICIAL)
HON'BLE MS. HEMAMBIKA R. PRIYA, MEMBER (TECHNICAL)

FINAL ORDER No. 51935/2025

Date of Hearing:19.12.2025

Date of Decision:19.12.2025

HEMAMBIKA R. PRIYA

Challenge in this appeal is to the Order-in-Appeal No. 114(SM)/ST/JPR/2020 dated 11.03.20 wherein the service tax demand amount of ₹1,76,300/- was confirmed along with interest. Penalty equal to duty and other penalties were imposed.

2. The brief facts are that on the basis of the third party information, the department asked the appellant to submit details of the income received for providing taxable services, as reported in the information received from the Income tax department. The appellant

failed to provide my information. Hence, a show cause notice dated 20.4.2018 was issued demanding service tax of ₹1,78,068/- along with interest and proposed imposition of penalty. The said notice was adjudicated by the Assistant Commissioner who vide order in original confirmed the demand and imposed penalties. Aggrieved, the appellant filed an appeal before the Commissioner (Appeals) who upheld the order in original. The present appeal has been filed before us against the impugned order.

3. Learned Counsel for the appellant submitted that the appellant was eligible for the threshold exemption of ₹10 lakhs which had not been extended to them. He also contended that the order had also treated income from sale of jute bags as works contract service, which was incorrect. He further contended that mere deduction of TDS does not establish that any service had been provided. He also stated that the buyer had categorically confirmed by way of an affidavit that no services were received, whereas only goods were received. Learned counsel also stated that even if service tax was leviable, cum tax benefit is required to be extended. He prayed that the appeal may be allowed.

4. Learned Authorized Representative for the department submitted that the appellant had not submitted any documents in support of their contention that there was sale of goods and no service was provided. Learned Authorized Representative submitted that the appellant was not registered with the VAT department and neither had he filed any VAT returns. Learned Authorized Representative also contended that TDS under Section 194C was deducted only in case of

works contract service, which was the fact in the instant case. He contended that the appellant had never disclosed the facts before the department, hence extended period was invoked.

5. We have heard the learned counsel for the appellant and the learned Authorized Representative for the department.

6. At the outset we take note of the submission of the Ld Counsel that the appellant was eligible for the threshold exemption of ₹10 lakh available to service providers under the relevant notifications issued under the Finance Act, 1994.

7. A perusal of the impugned order as well as the order in original reveals that this fact of the eligibility of the appellant for threshold exemption under the relevant notifications have not been examined by either of the authorities. Hence, we hold that it would be appropriate to remand this matter to the original adjudicating authority to examine the matter afresh, giving opportunity to the appellant to submit all relevant documents and submission.

8. Consequently, we set aside the impugned order and allow the appeal by way of remand.

(Dictated & pronounced in the open Court)

(BINU TAMTA)
MEMBER (JUDICIAL)

(HEMAMBIKA R. PRIYA)
MEMBER (TECHNICAL)

G.Y.