

**IN THE CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL
EASTERN ZONAL BENCH : KOLKATA**

REGIONAL BENCH – COURT NO. 2

Service Tax Appeal No. 76735 of 2018

(Arising out of Order-in-Original No. 37/COMMR/CGST&CE/HWH/Adjn/2017-18 dated 26.02.2018 passed by the Commissioner of Central Tax, G.S.T., Howrah, M.S. Building, Custom House, 15/1, Strand Road, Kolkata – 700 001)

M/s. Bindhya Bashini Traders

: Appellant

268/10, G.T. Road, Liluah,
Howrah, West Bengal – 711 204

VERSUS

Commissioner of C.G.S.T. and Central Excise

: Respondent

Howrah Commissionerate
M.S. Building, Custom House, 15/1, Strand Road,
Kolkata – 700 001

APPEARANCE:

Shri Aditya Dutta, Advocate for the Appellant

Shri Debapriya Sue, Authorized Representative for the Respondent

CORAM:

HON'BLE SHRI R. MURALIDHAR, MEMBER (JUDICIAL)

HON'BLE SHRI K. ANPAZHAKAN, MEMBER (TECHNICAL)

FINAL ORDER NO. 75320 / 2025

DATE OF HEARING: 06.02.2025

DATE OF DECISION: 12.02.2025

ORDER: [PER SHRI K. ANPAZHAKAN]

M/s. Bindhya Bashini Traders, 268/10, G.T. Road, Liluah, Howrah, West Bengal – 711 204 (hereinafter referred to as the "appellant") have been engaged in providing services in the nature of cleaning service to the Indian Railways viz. South Eastern Railways. The services rendered are in the nature of 'upkeep/maintenance of platforms', 'dry sweeping of empty rakes and mechanized yard cleaning', 'railway platform cleaning', 'disposal of accumulated garbage

to designated places', 'on-board housekeeping service in reserved coaches of Poorva Express' and 'cleaning of Sonpur Railway Station platform and its surrounding area'. The appellant was of the view that the services rendered to the Indian Railways were not exigible to Service Tax and accordingly, did not take Service Tax Registration. Subsequently, in view of the Circular dated 03.05.2013 issued by the South Eastern Railways and their subsequent letter dated 03.06.2013, the appellant obtained Service Tax Registration on 01.10.2013 and started paying Service Tax under the category of 'works contract service' and filed Returns under the said category.

1.1. The appellant came to know through their business sources that the services rendered by them are not liable to Service Tax, either prior to 30.06.2012 or after 01.07.2012. Accordingly, they stopped paying Service Tax and filed 'nil' Returns for the period from October 2014 to March 2015 indicating that they were not liable to pay Service Tax in view of Notification No. 25/2012-S.T. dated 20.06.2012 [Sl. No. 25]. Subsequently, on 14.07.2016, the appellant received a letter from the Eastern Railways clarifying that as per Sl. No. 25 of Notification No. 25/2012-S.T. dated 20.06.2012, services provided by them to the Railways such as cleaning of railway stations, platforms, rag picking, etc., were exempted from the levy of Service Tax as per Sl. No. 25 of Notification No. 25/2012-S.T. dated 20.06.2012.

2. In the meantime, Officers of the Directorate General of Central Excise Intelligence (DGCEI) visited the premises of the appellant on 13.05.2016 and initiated an enquiry. As it was noticed that the

appellant was not paying Service Tax for the period from 2012-13 to 2015-16, a Show Cause Notice dated 22.11.2017 was issued to the appellant inter alia demanding Service Tax amounting to Rs.3,62,49,969/-.

3. The said Notice was adjudicated by the Ld. Commissioner of Central Tax, G.S.T., Howrah Commissionerate vide the impugned Order-in-Original No. 37/COMMR/CGST&CE/HWH/Adjn/2017-18 dated 26.02.2018 wherein the Ld. Commissioner has confirmed the Service Tax demand of Rs.3,62,49,969/-(Inclusive of Cess) along with applicable interest thereon and also imposed penalty equal to the amount of tax demanded under Section 78 of the Finance Act, 1994; a penalty of Rs.10,000/- was imposed under Section 77 of the Finance Act, 1994. The amount of Rs.50,08,140/- along with interest of Rs.1,30,889/- already deposited by the appellant was appropriated against the confirmed demand. A penalty of Rs.1,00,000/- was also imposed on the Partner of the appellant for violation of the provisions of the Central Excise Act, 1944 as applicable to Service Tax.

3.1. Aggrieved against the impugned order, the appellant has filed this appeal.

4. The appellant has made various submissions, which are summarised as under: -

- (i) With the issue of N.F. No. 25/2012-ST dated 20.06.2012 (effective from 01.07.2012) the following services as per clause (a) of Sl. No. 25 of the said Notification have been exempted from service tax. The said entry states as under:-

"Services provided to Government, a local authority or a governmental authority by way of

(a) Carrying out any activity in relation to any function ordinarily entrusted to a municipality in relation to water supply, public health, sanitation conservancy, solid waste management

(b)"

(ii) The adjudicator has primarily sought to deny the exemption under Sl. No. 25 of Notification No. 25/2012-ST dated 20.06.2012 to the appellant on the basis of the finding that the service being rendered by the appellant to the Indian Railways was in a 'restricted area' and not a 'public area'. However, the Id. adjudicating authority failed to appreciate the fact that the exemption notification nowhere states that the service being performed have to be performed in a 'public area' and then only an assessee shall be eligible to enjoy the benefits of the notification. The said notification only states that for availing the benefit of the exemption notification, the activity is required to be performed in relation to any function ordinarily entrusted to a municipality in relation to water supply, public health, sanitation conservancy, solid waste management and to provide it to an entity which is classifiable under the category of Government, a local authority or a Governmental authority.

(iii) The appellant has rendered services in the nature of 'upkeep/maintenance of platforms', 'dry sweeping of empty rakes and mechanized yard cleaning', 'Railway platform cleaning', 'disposal of accumulated garbage to designated places', 'On-board housekeeping service in

reserved coaches of Poorva Express' and 'cleaning of Sonpur Railway Station platform and its surrounding area'. Thus the first part of the Notification stands fulfilled.

- (iv) The services in question were rendered to the Indian Railways which as per Wikipedia is under the 100% ownership of Ministry of Railways, Government of India. Thus, it is clear that the Indian Railways belongs to the category of 'Government'.
- (v) Thus both the conditions of the Notification No. 25/2012-S.T. dated 20.06.2012 i.e., (i) the category of service and (ii) to whom such services were rendered, have been fulfilled by them. No service tax is charged when a municipality renders such services. In this particular case, the same kind of services has been rendered by the appellant and that too to the Indian Railways and therein comes the usefulness or applicability of the Notification No. 25/2012-ST dated 20.06.2012 which has exempted such kind of services which are functions ordinarily entrusted to a municipality. If a municipality would have rendered such services, such Notification would automatically become otiose. Such kind of notification was not in existence prior to 01.07.2012 and has taken effect only from 01.07.2012 for the purpose of exempting such services from service tax when rendered to Government, a local authority or a governmental authority. Accordingly, the view expressed by the adjudicator in the impugned order in confirming the demand does not hold good and those are extraneous considerations.

(vi) In sum and substance, the impugned services having been rendered by the appellant to Government, there is no liability to Service Tax as per Sl. No. 25 of Notification No. 25/2012-S.T. dated 20.06.2012.

(vii) On the aspect of limitation, the Department had issued the Show Cause Notice dated 22.11.2017 for the period from 2012-13 to 31.03.2017 on the basis of data/records shown in the audited Balance Sheet for the Financial Years 2012-13, 2013-14, 2014-15 and 2015-16, Form 26AS, TDS Certificate and ST-3 Returns and as such, since the demand was based on such records, extended period of limitation is not invocable. This view has been held by this Tribunal in the case of *Munna Construction v Commissioner of C.Ex& S.T., Jamshedpur* [Final Order No. 77625 of 2024 dated 22.11.2024 in Service Tax Appeal No. 76359 of 2014 (CESTAT, Kolkata)]. Accordingly, the demand pertaining to the period 2012-13, 2013-14, 2014-15, 2015-16 issued under the Show Cause Notice dated 22.11.2017 is barred by limitation.

(viii) Therefore, taking the aspects of limitation as stated above and also the law as it existed on and from 01.07.2012 on the aspect of the leviability of service tax on the impugned services, the confirmation of the demands does not survive.

(ix) The appellant submitted that when the demand itself does not survive, there is no

question of imposition of any penalty either on the company itself or on any of its partners.

4.1. The appellant also submits that the Show Cause Notice has raised the demand under the category of "cleaning service" as defined under Section 65(105)(zzzd) read with Section 65(24b) of the Finance Act, 1994. It is contended that a reading of the above Section makes it clear that Service Tax is leviable only in respect of cleaning activities undertaken with respect to objects or premises, of commercial or industrial buildings and premises thereof; or factory, plant or machinery, tank or reservoir of such commercial or industrial buildings and premises thereof; In the present case, the appellant are cleaning railway coaches, platforms, etc., running on the track and which are all properties of the Indian Railways and as such, the premises involved cannot be considered to be 'commercial' or 'industrial' in nature. Accordingly, the appellant submits that the activity undertaken by them is not liable to Service Tax under the category of 'cleaning service' under Section 65(105)(zzzd) of the Finance Act, 1994. In support of this contention, the appellant has cited the decisions in the following cases: -

- *R.K. Refreshment & Enterprises (P) Ltd. v. Commissioner of C.Ex., Raipur [2018 (14) G.S.T.L. 281 (Tri. - Del.)]*
- *P. Siva Prasad v Commissioner of C.Ex., Cus. & S.T., Hyderabad-III [2019 (27) G.S.T.L. 233 (Tri-Hyd.)]*

4.1.1. Regarding the demand of Service Tax after 01.07.2012, the appellant submits that the Show Cause Notice has made a passing reference regarding the liability of Service Tax under Section 66B of the Finance Act, 1994 for the liability of service tax after 01.07.2017, but the Id. adjudicating authority has not given any finding regarding the liability of Service Tax as per the provisions of Section 66B of the Act for the period post 01.07.2012; even for the period after 01.07.2012, the demand has been confirmed under 'cleaning service' as defined under Section 65(105)(zzzd). The appellant therefore contends that as the demand has been confirmed under the provisions which does exist after 01.07.2012. Accordingly, they submit that the demand confirmed by invoking the provisions applicable for the period prior to 30.06.2012, for confirming the demand after 01.07.2017, is not sustainable.

5. The Ld. Authorized Representative of the Revenue submits that the appellant is not eligible for the benefit of exemption as provided under Sl. No. 25 of Notification No. 25/2012-S.T. dated 20.06.2012 in as much as the said Notification exempts services which are ordinarily entrusted to a municipality, but in this case, the services rendered by the appellant were not entrusted to a municipality.

5.1. He also contends that the services rendered by the appellant were not in a 'public area' and thus the exemption provided under Sl. No. 25 of Notification No. 25/2012-S.T. dated 20.06.2012 is not available to them. Accordingly, the Ld. Authorized Representative of the Revenue prayed for rejecting the appeal filed by the appellant.

6. Heard both sides and perused the appeal records.

7. We observe that in the instant case, the appellant has rendered services in the nature of 'upkeep/maintenance of platforms', 'dry sweeping of empty rakes and mechanized yard cleaning', 'railway platform cleaning', 'disposal of accumulated garbage to designated placed', 'on-board housekeeping service in reserved coaches of Poorva Express' and 'cleaning of Sonpur Railway Station platform and its surrounding area', to the South Eastern Railways. The demand in this case has been raised for the period from 2012-13 to 2015-16.

7.1. We find that for the period up to 30.06.2012, the Department seeks to classify the services rendered by the appellant under the category of "cleaning service", as defined under Section 65(105)(zzzd) read with Section 65(24b) of the Finance Act, 1994. The said definition is reproduced below for the sake of ready reference: -

"SECTION 65. Definitions. — In this Chapter, unless the context otherwise requires, -

.....

(24b) "cleaning activity" means cleaning, including specialised cleaning services such as disinfecting, exterminating or sterilising of objects or premises, of —

(i) commercial or industrial buildings and premises thereof; or

(ii) factory, plant or machinery, tank or reservoir of such commercial or industrial buildings and premises thereof,

but does not include such services in relation to agriculture, horticulture, animal husbandry or dairying;"

7.2. From the definition as reproduced above, it is observed that the 'cleaning activity' rendered is liable to Service Tax only if the same are rendered in respect of "commercial or industrial buildings and premises" or "factory, plant or machinery, tank or reservoir of such commercial or industrial buildings and premises" which are all commercial in nature. However, we find that in this case, the services were rendered by the appellant to the Indian Railways, which is a Government of India Organisation. The Department of Railways cannot be called as a 'commercial concern' as its operations of passenger transportation of passengers in trains is meant for the welfare of the general public and it cannot be considered as an activity done with a profit motive. In these circumstances, we hold that the cleaning services rendered by the appellant cannot be held liable to Service Tax for the period up to 30.06.2012. We find that this view is supported by the decision of the Tribunal in the case of *R.K. Refreshment & Enterprises (P) Ltd. v. Commissioner of C.Ex., Raipur [2018 (14) G.S.T.L. 281 (Tri. - Del.)]*, wherein it was held as under: -

"3. We have heard both the Ld. Counsel for the appellant and the Ld. AR for the Revenue and perused the appeal record including the impugned order. We take up the disputed activities for tax liability one by one.

(i) Cleaning Services (Rs. 3,09,194/-) :

The appellants were engaged in cleaning of railway coaches and toilets in the said coaches. The original authority confirmed tax liability under cleaning service. Section 65(105)(zzzd) read with Section 65(24b) of the Finance Act, 1994 is relevant in the tax levy. The "cleaning activity" is defined as cleaning, including, specialized cleaning services, such as, disinfecting, exterminating or sterilizing of

objects or premises of (i) Commercial or industrial building and premises thereof; or (ii) factory, plant or machinery, tank or reservoir of such commercial or industrial buildings and premises thereof, but does not include such services in relation to agriculture, horticulture, animal husbandry or dairying. It is clear that cleaning is with reference to objects or premises of commercial or industrial building, factory and premises thereof. The original authority gave a reason that railway coaches are either standing on platform or running on the track and the same are to be considered as object on the premises for Indian railway holding railway coaches and contracts constituents of capital assets and machinery of Indian railway, the original authority held cleaning of such railway coaches will be considered as cleaning of commercial premises. The coaches are rolling stock of railways. They are for transport mode and cannot fall under the commercial object of industrial building, factory, plant or machinery, etc. The interpretation of the original authority is far fetched and not sustainable in view of the plain meaning of the statutory definition for tax entry."

7.3. A similar view has also been taken in the decision rendered in the case of *P. Siva Prasad v Commissioner of C.Ex., Cus. & S.T., Hyderabad-III* [2019 (27) G.S.T.L. 233 (Tri-Hyd.)]. The relevant part of the said Order is reproduced below: -

"13. We now deal with the above issues and decide -

(a) Supply of bed rolls under the head 'business auxiliary services'

.....

(b) Cleaning of toilets and compartments :

It is the case of the Revenue that these services are chargeable to service tax under the head 'cleaning services' under Section 65(24b) read with Section 65(105)(zzzd) of the Finance Act, 1994 while it is the case of the assessee appellant that these services are not covered by the definition of 'cleaning services' as they have not been rendering

any such services in the commercial premises but are rendering the same on the trains. Section 65(24b) reads as follows :

The "cleaning activity" is defined as cleaning, including, specialized cleaning services, such as, disinfecting, ex-terminating or sterilizing of objects or premises of (i) Commercial or industrial building and premises thereof; or (ii) factory, plant or machinery, tank or reservoir of such commercial or industrial buildings and premises thereof, but does not include such services in relation to agriculture, horticulture, animal husbandry or dairying. It is clear that cleaning is with reference to objects or premises of commercial or industrial building, factory and premises thereof.

The question is whether the trains in which they render these services can be considered as commercial or industrial buildings or premises or factory, plant or machinery, tank or reservoir of such commercial and industrial buildings and premises or otherwise. The Principal Bench of Tribunal at Delhi has, in the case of R.K. Refreshments & Enterprises Pvt. Ltd. and Others (supra) held that the railway coaches or rolling stock of the railways meant for transport and cannot be considered as a commercial or industrial building or factory or plant or machinery. Therefore, the cleaning services rendered in the railway coaches are not covered by the taxing statute. Since the taxing statute must be strictly interpreted as has been held by the Constitutional Bench of Hon'ble Supreme Court in Civil Appeal No. 3327/2007, Commissioner of Customs (Import), Mumbai v. Dilip Kumar & Company and Others [[2018 \(361\) E.L.T. 577](#) (S.C.)] without regard to the consequences of such interpretation. We concur with the views of the coordinate bench that railway coaches cannot be considered as commercial premises, being the rolling stock. If it had been the intention of the Legislature to cover even cleaning of railway coaches, buses, aircrafts, ships etc., they would have been specifically covered. A taxing statute has to be strictly interpreted and if someone gets out of tax net because of the way the taxing statute has been drafted, this cannot be remedied through a judicial/quasi judicial order. We therefore hold that the appellant is not liable to pay service tax on the cleaning services."

7.4. In view of the above, we hold that the demand of Service Tax confirmed in the impugned order for the period up to 30.06.2012 under the category of "cleaning service" is not sustainable and hence we set aside the same.

8. In respect of the demand of Service Tax for the period after 01.07.2012, we find that there is a reference in the Show Cause Notice that the appellant is liable to pay Service Tax after 01.07.2012 under Section 66B of the Finance Act, 1994. However, in the impugned order, the Id. adjudicating authority has not given any finding in respect of the liability of the appellant to Service Tax for the period after 01.07.2012 as per Section 66B. We find that the Id. adjudicating authority has confirmed the demand of Service Tax for the entire period covered in the Show Cause Notice under "cleaning service" and has held that it is liable to Service Tax as per the definition provided under Section 65(105)(zzzd) of the said Act. We observe that the provisions quoted by the Id. adjudicating authority are applicable only up to 30.06.2012. For the period after 01.07.2012, the Id. adjudicating authority has not given any finding as to how the services rendered by the appellant are liable to Service Tax as provided under Section 66B of the Finance Act, 1994. In view of the findings in paras 7 to 7.4 supra, it has been held that the activity undertaken by the appellant is not liable to service tax, as Indian Railways is not a 'commercial concern'.

8.1. Further, we also observe that the appellant has been rendering the said services to the Indian Railways and it is on record that they were in correspondence with the Indian Railways regarding their Service Tax liability. The Indian Railways had

instructed that the services rendered to them are not liable to Service Tax, vide Circular dated 03.05.2013 and a letter dated 03.06.2013. Further, it is observed that when the Indian Railways asked the appellant to obtain registration under 'works contract service', they immediately took registration on 01.10.2013. Subsequently, when they came to know that Service Tax is not being paid by others who were undertaking similar businesses, they stopped paying Service Tax and filed 'nil' Return for the period from October 2014 to March 2015, by availing the benefit of Entry No.25 of Notification No. 25/2012-S.T. dated 20.06.2012. Thus, we observe that the appellant has always acted as per the direction of Indian Railways.

8.2. Regarding the eligibility of the exemption as provided under Entry No. 25 of Notification No. 25/2012-S.T. dated 20.06.2012, it is required to examine the relevant provisions of the said Notification, which is extracted below: -

"25. Services provided to Government, a local authority or a governmental authority by way of

-

(a) carrying out any activity in relation to any function ordinarily entrusted to a municipality in relation to water supply, public health, sanitation conservancy, solid waste management or slum improvement and upgradation; or

(b) repair or maintenance of a vessel or an aircraft;"

8.3. We observe that initially the appellant has taken registration on 01.10.2013 as advised by Indian Railways. Later, they stopped payment of service tax filed 'Nil' returns during the period October 2014 to March 2015. We find that the Department had not raised any objection when the appellant filed the 'nil' Return and claimed eligibility of the exemption provided under Entry No. 25 of Notification No. 25/2012-S.T. dated 20.06.2012. From the extract reproduced in para 8.2. supra, we find that the services provided to the Government which are in the nature of services ordinarily rendered by a municipality such as water supply, public health, sanitation conservancy and solid waste management are, inter alia, are exempted from Service Tax by virtue of the above said Notification. In this case, there is no dispute that the appellant has rendered the services namely, 'upkeep/maintenance of platforms', 'dry sweeping of empty rakes and mechanized yard cleaning', 'railway platform cleaning', 'disposal of accumulated garbage to designated placed', 'on-board housekeeping service in reserved coaches of Poorva Express' and 'cleaning of Sonpur Railway Station platform and its surrounding area' to a Government body viz. the Indian Railways. We find that the services rendered by the appellant are in the nature of "public health, sanitation conservancy and solid waste management". Entry No.25 of the Notification 25/2012-ST exempts all such services which are rendered to Government, as the same are otherwise exempted from service tax when rendered by a Municipality. Accordingly, we find that the services rendered by the appellant are squarely covered within the ambit of Sl. No. 25 of Notification No. 25/2012-S.T. dated 20.06.2012. We therefore hold that the

appellant has rightly claimed exempted under the above Notification for the services rendered to the Indian Railways.

8.4. Further, it is observed that the Indian Railways issued a letter to the appellant on 14.07.2016 clarifying as to the Service Tax liability on the services rendered, which is reproduced below:-

Annexure H

(36)

ANN - 1

Eastern Railway

No: - T/MISC/ 2016

Howrah, Dt. 14.07.2016

Bindya Bashini Traders,
268/10 G.T Road,
Lilluah, Howrah-711204.

Sub: - Payment of Service Tax

In reply to your above referred letter the undersigned wants to clarify that as per notification No 25/2012 and item no 25 services provided to the government through works contract, levy of service tax is exempt. Such provisions would exempt works contract, for conservancy and sanitary work and the work executed by the firm like cleaning of stations, platforms, rag picking falls under the purview.

Sr.Divisional Operations Manager(G),
Howrah

वरिष्ठ मंडल परिचालन प्रबंधक (जी)
पूर्व रेलवे, हावड़ा
Sr.Divisional Operations Manager
Eastern Railway, Howrah

8.5. From the above letter, we find that it has been categorically stated by the Indian Railways that the services rendered by the appellant which were in the nature of "conservancy and sanitary work" and also the work executed by their firm like "cleaning of stations, platforms, rag picking" are not to Service Tax. Even though Indian Railways is not the authority to decide the service tax liability of an activity, as the same cannot be brushed aside as it has been issued for the sake of uniformity for all similar service providers. Further after examination of Entry No. 25 of Notification No. 25/2012-S.T. dated 20.06.2012, we are also of the view that the appellant is eligible for the benefit of Entry No. 25 of Notification 25/2012-ST.

8.6. In the impugned order, the Id. adjudicating authority has observed that the services rendered by the appellant in areas such as platforms, railway coaches are not public areas and hence, the aforesaid exemption is not available to them. We do not agree with the said observation of the Id. adjudicating authority. Railway platforms and coaches are spaces accessible to the general public and it is the duty of the Railways to keep such areas neat and clean. Therefore, we hold that the appellant are entitled to avail the benefit of the exemption provided under Sl. No. 25 of Notification No. 25/2012-S.T. dated 20.06.2012 and hence demand of service tax confirmed in the impugned order by denying the benefit of the said notification is not sustainable and accordingly, we set aside the same.

9. Regarding the issue of limitation, we observe that the Department had issued the Show Cause Notice dated 22.11.2017 for the period from 2012-13 to 31.03.2017 on the basis of data/records shown in the audited Balance Sheet for the Financial Years 2012-13, 2013-14, 2014-15 and 2015-16, Form 26AS, TDS Certificate and ST-3 Returns and as such, since the demand was based on such records, there is no suppression of facts with intention to evade the tax established. Accordingly, we hold that extended period of limitation is not invocable in this case. This view has been held by this Tribunal in the case of *Munna Construction v Commissioner of C.Ex& S.T., Jamshedpur* [Final Order No. 77625 of 2024 dated 22.11.2024 in Service Tax Appeal No. 76359 of 2014 (CESTAT, Kolkata)].

9.1. We also find that the appellant, being a contractor engaged by the Indian Railways, took registration and paid Service Tax upon being advised by the Indian Railways. Thus, it is not a case where the appellant has collected and not paid the Service Tax to the Department. It is a case where the appellant had entertained a doubt as to their Service Tax liability and were firmly of the view that the services rendered were exempt as per Sl. No. 25 of Notification No. 25/2012-S.T. Therefore, there is no suppression of facts with intention to evade the tax on the part of the appellant existing in this case. Hence, the demand of Service Tax by invocation of the extended period of limitation is not sustainable. For the same reason no penalty is imposable on the appellant.

10. In view of the above discussions, we hold that the services rendered by the appellant are eligible for the exemption as provided under Sl. No. 25 of Notification No. 25/2012-S.T. dated 20.06.2012 as claimed by the appellant since the said services are in the nature of public health, sanitation conservancy and solid waste management which are otherwise provided by the municipality to the general public. Accordingly, we hold that the demand of Service Tax confirmed in the impugned order is not sustainable. Since the demand itself is not sustainable, the question of demanding interest and imposing penalty on the appellant company does not arise.

11. In the result, we set aside the impugned order and allow the appeal filed by the appellant.

(Order pronounced in the open court on **12.02.2025**)

Sd/-

(R. MURALIDHAR)
MEMBER (JUDICIAL)

Sd/-

(K. ANPAZHAKAN)
MEMBER (TECHNICAL)

Sdd