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

REGIONAL BENCH - COURT NO.2

Service Tax Appeal No.75742 of 2016

(Arising out of Order-in-Appeal No.58-59/Commr/DGP/ST/2015-16 dated 10.02.2016 passed by Commissioner of Central Excise, Service Tax and Customs, Durgapur)

M/s Central Industrial Security Force

(MTPS, Mejia, (DVC), Durlovpur, Dist- Bankura-722 181)

Appellant

VERSUS

Commr. of CGST & Central Excise, Durgapur

(Satyajit Roy Sarani, City Centre, Durgapur-713216)

Respondent

APPEARANCE

Mr.Rishi Raju, Advocate, for the appellant
Mr.R.K.Agarwal, Jt.Commissioner, for the respondent

CORAM: HON'BLE SHRI R. MURALIDHAR, MEMBER(JUDICIAL)
HON'BLE SHRI RAJEEV TANDON, MEMBER(TECHNICAL)

FINAL ORDER NO. – 76959/2025

Date of Hearing : 15.07.2025
Date of Decision : 15.07.2025

Per : R. MURALIDHAR :

The appellant is in an appeal against the confirmed demand on account of the allegation that Service Tax is required to be paid even on the reimbursement received by the appellant. On this ground the demand of Rs.55,23,305/- has been made.

2. The learned counsel submits that the issue is no more *res integra* and he relies on various decisions in respect of the same appellant, passed by other coordinate Benches Tribunal including this Bench. In respect of confirmed demand of Rs.1,73,912/-, he submits that same stands paid and has been appropriated in the order itself. However, it is yet to be ascertained as to whether the interest has been paid or not.

3. Noting the same we hold that the appellant is required to pay the interest on that and is also required to pay equal amount of penalty as has been decided in the impugned order.

4. In respect of another demand of Rs.88,89,814/-, it is on record that the appellant has paid the same along with interest of Rs.1,40,823/-. They are agitated by the penalty of Rs.3,01,751/- imposed on them and another penalty of Rs.2,000/- imposed on them under Section 77.

5. We find that being a PSU and having explained their bona-fides, we hold that in terms of Section 80, penalty of Rs.3,01,751/- under Section 76 and Rs.2,000/- under Section 77 is not required to be paid. We set aside these penalties.

6. To summarise:

a) Interest is required to be paid on Rs.1,73,912/-;
b) Equal amount of penalty amounting to Rs.1,73,912/- is required to be paid;
c) The other penalties are set aside.

7. The appeal stands disposed on above terms.

(Dictated and Pronounced in the open court)

Sd/- Sd/-

(Rajeev Tandon)
Member (Technical)

(R. Muralidhar)
Member (Judicial)

SB