IN THE CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL, KOLKATA

REGIONAL BENCH – COURT NO.1

Service Tax Appeal No.76519 of 2017

(Arising out of Order-in-Appeal No.33/DNB/2017 dated 02.03.2017 passed by Commissioner of CGST & Central Excise, Ranchi)

M/s Harendra Mahato
(House No.28, Bhelatand, Dhanbad-828103)

Appellant

VERSUS

Commissioner of Customs (Preventive), Ranchi
(Mahabir Tower, Main Road, Ranchi-834001)

Respondent

APPERANCE :

Shri Aditya Dutta, Advocate & Shri M.K.Sinha, CMA for the Appellant
Ms.Suman, Authorised Representative for the Respondent

CORAM:
HON'BLE MR.ASHOK JINDAL, MEMBER (JUDICIAL)
HON'BLE MR.K.ANPAZHAKAN, MEMBER (TECHNICAL)

FINAL ORDER NO.75663/2026

DATE OF HEARING : 21 MAY 2026
DATE OF DECISION : 21 MAY 2026

Per Ashok Jindal :

The appellant is in appeal against the impugned order wherein demand of service tax has been raised against the appellant for the period April, 2008 to March, 2013 on the premises being the appellant is the owner of the firm since 2008 itself.

2. The facts of the case are that the services were rendered by Shri Harendra Mahto as proprietor of the firm, to Tata Steel Ltd., like repairing works of workers/staff quarters, supply materials, transportation of goods and some other various services, which are not taxable and the same are not in dispute.

2.1 Shri Harendra Mahto, met an accident and passed away on 17.09.2008. Thereafter, his business were looking after his father, Shri

Shankar Mahto. Subsequently, Smt.Sushila Devi, mother of Shri Harendra Mahto, gets registered with the Service Tax Department under various categories on 20.07.2011 and started providing the same services, which were rendering her son and her husband. These services were provided during the period 2012-13. The taxable value for the said services during the period 2012-13 was to tune of Rs.26,73,464/-. The appellant filed nil returns. But for the said services, the taxable value was Rs.26,73,464/- during the period 2012-13. Therefore, the demand of service tax was raised during the period from April, 2008 to March, 2013. Consequently, the show-cause notice was issued. A proposal of imposition of penalty was also made.

2.2 The matter was adjudicated. The demand of service tax of Rs.17,81,136/- along with interest was confirmed during the period from April, 2008 to March, 2013 and various penalties were also imposed on the appellant.

2.3 Against the said order, the appellant is before us.

3. The ld.Counsel for the appellant submits that the appellant was registered with the Service Tax Department on 20.07.2011, therefore, for the earlier activities, the appellant is not liable to pay service tax. The appellant admitted that they have provided services during the period 2012-13 and for the said services, the taxable value was Rs.26,73,464/ and after getting threshold exemption in terms of Notification No.33/2012-ST dated 20.06.2012, the taxable value would come down to Rs.16,73,464/- on which the service tax amount is payable only Rs.2,06,840/-. In that circumstances, the rest of the demand is to be set aside.

4. On the other hand, the ld.A.R. for the Revenue, supported the impugned order.

5. Heard both the parties and considered the submissions.

6. We find that it is a fact on record that from 20.07.2011, the appellant gets registered with the Service Tax Department and filed their ST-3 Returns. Admittedly, prior to that period, either her son or her husband, was providing the services, but no demand has been raised against those peoples. Further, no demand is to be raised against those persons, who have provided the services during the impugned period from April, 2008 to 19.07.2011. As the appellant started providing taxable services during the period 2012-12 to the tune of Rs.26,73,464/, therefore, by giving the benefit of threshold exemption of Rs.10 lakhs in terms of Notification No.33/2012-ST dated 20.06.2012. We hold that the appellant is liable to pay service tax of Rs.16,73,464/- along with interest and the appellant is liable to penalty also on the said amount in terms of Section 78 of the Finance Act, 1994.

7. In these terms, the appeal is disposed off.

(Dictated and pronounced in the open court)

(Ashok Jindal)
Member (Judicial)

(K.Anpazhakan)
Member (Technical)

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