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

REGIONAL BENCH – COURT NO. 1

Service Tax Appeal No. 75790 of 2017

(Arising out of Order-in-Appeal No. 14/ST-I/KOL/2017 dated 31.01.2017 passed by the Commissioner of Central Excise (Appeal-I), Kolkata 169, A. J. C. Bose Road, Bamboo Villa(4th Floor), Kolkata-700014)

M/s. Resitech Electricals Pvt. Ltd.; **: Appellant**
Gopalpur House, R. Gopalpur,
North 24-Parganas, Kolkata-700136

VERSUS

Commissioner of Central Excise, Appeal-I, Kolkata **: Respondent**
169, A. J. C. Bose Road, Bamboo Villa(4th Floor), Kolkata-700014

<u>APPEARANCE</u>:

Shri Somnath Chakraborty, Advocate for the Appellant

Shri A. Mukherjee, Authorized Representative for the Respondent

<u>CORAM</u>:

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

FINAL ORDER NO.<u>75752/2026</u>

DATE OF HEARING / DECISION: 11.06.2026

Order: [PER SHRI ASHOK JINDAL]

The appellant is in appeal against the impugned order.

1.1 The fact of the case are that the appellant is engaged in the manufacture of electronic goods and panels thereof. An audit was conducted, wherein it was found that the appellant was not discharging their Service Tax liability under reverse charge mechanism in respect of goods transport agency services.

2. Therefore, a Show Cause Notice dated 06.04.2011 was issued, to demand Service Tax from the appellant.

3. Pursuant to the audit, the appellant took registration and paid the Service Tax under reverse charge mechanism, on transportation of raw materials as well as their finished goods.

3. The claim of the appellant is that as it was a new levy of Service Tax, under reverse charge mechanism, for availing goods transport agency service, they had not paid Service Tax and not obtained registration for goods transport agency services. However, it is their submission that they have paid the entire amount of Service Tax payable, along with interest.

4. It has also been submitted that the appellant had obtained the services of a courier agency, for outward transportation of goods: the courier agency charged Service Tax from the appellant, subsequent to which the appellant paid Service Tax to the courier agency.

5. Therefore, it is the appellant's submission that the demand of Service Tax raised against them is not sustainable.

6. Further, on the basis of the submission that the appellant was under the bona fide belief that they were not required to pay Service Tax under reverse charge mechanism on goods transport agency service, it is also prayed that no penalty be imposed on the appellant.

7. On the other hand, the Ld. Authorised Representative of the Revenue supported the impugned order.

8. Heard the parties.

9. We find that on being pointed out by the audit, the appellant paid the entire amount of Service Tax payable by them, along with interest, on goods transport agency services under reverse charge mechanism.

10. It is also a fact on record that the courier agency, whose services had been availed by the appellant, has paid the entire Service Tax for the said services. In these circumstances, the demand of Service Tax in respect of courier agency services is not payable by the appellant.

11. Further, in the facts and circumstances of the case, no penalty is imposable on the appellant.

In view of the above findings, we remand the matter back to the adjudicating authority, to consider as to whether the appellant has correctly paid Service Tax on the said services or not and thereafter pass an appropriate order in accordance with law.

12. Therefore, by setting aside the impugned order, the appeal is allowed, by way of remand.

(Operative part of Order was pronounced in Open court)

(ASHOK JINDAL)
MEMBER (JUDICIAL)

(K. ANPAZHAKAN)
MEMBER (TECHNICAL)

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