CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL, MUMBAI

REGIONAL BENCH - COURT NO. I

Service Tax Appeal No. 89800 of 2013

(Arising out of Order-in-Original No. 22/ST/2013/C dated 12.09.2013 passed by the Commissioner of Central Excise & Service Tax, Nagpur)

M/s Western Coalfields Ltd. **.... Appellant**
Nagpur Area O/o Chief General Manager,
Jaripatka, Nagpur – 440 014.

Versus

Commissioner of CGST & Central Excise, Nagpur-II **.... Respondent**
GST Bhavan, Telangkhedi Road,
Civil Lines, Nagpur – 440 001

WITH

Service Tax Appeal No. 89814 of 2013

(Arising out of Order-in-Original No. 23/ST/2013/C dated 12.09.2013 passed by the Commissioner of Central Excise & Service Tax, Nagpur)

M/s Western Coalfields Ltd. **.... Appellant**
Nagpur Area O/o Chief General Manager,
Jaripatka, Nagpur – 440 014.

Versus

Commissioner of CGST & Central Excise, Nagpur-II **.... Respondent**
GST Bhavan, Telangkhedi Road,
Civil Lines, Nagpur – 440 001

AND

Service Tax Appeal No. 89815 of 2013

(Arising out of Order-in-Original No. 25/ST/2013/C dated 12.09.2013 passed by the Commissioner of Central Excise & Service Tax, Nagpur)

M/s Western Coalfields Ltd. **.... Appellant**
Ballarpur Area, O/o Chief General Manager,
Sasti Township, Tah. Rajpura,
Chandrapur, Maharashtra – 442 706.

Versus

Commissioner of CGST & Central Excise, Nagpur-II **.... Respondent**
GST Bhavan, Telangkhedi Road,
Civil Lines, Nagpur – 440 001

AND

Service Tax Appeal No. 89830 of 2013

(Arising out of Order-in-Original No. 21/ST/2013/C dated 12.09.2013 passed by the Commissioner of Central Excise & Service Tax, Nagpur)

M/s Western Coalfields Ltd. **.... Appellant**
Wani Area, CGM Complex,
Nagpur Road, Urjagram, MIDC Padoli,
Chandrapur – 442 406.

Versus

Commissioner of CGST & Central Excise, Nagpur-II .... Respondent
GST Bhavan, Telangkhedi Road,
Civil Lines, Nagpur – 440 001

AND

Service Tax Appeal No. 89831 of 2013

(Arising out of Order-in-Original No. 24/ST/2013/C dated 12.09.2013 passed by the Commissioner of Central Excise & Service Tax, Nagpur)

M/s Western Coalfield Ltd. **.... Appellant**
Majiri Area, O/o Chief General Manager,
Kunach Complex, Shivaji Nagar,
Chandrapur – 442 503.

Versus

Commissioner of CGST & Central Excise, Nagpur-II .... Respondent
GST Bhavan, Telangkhedi Road,
Civil Lines, Nagpur – 440 001

AND

Service Tax Appeal No. 89867 of 2013

(Arising out of Order-in-Original No. 27/ST/2013/C dated 12.09.2013 passed by the Commissioner of Central Excise & Service Tax, Nagpur)

M/s Western Coalfields Ltd. **.... Appellant**
Chandrapur Area O/o Chief General Manager,
Chandrapur, Maharashtra – 442 402.

Versus

Commissioner of CGST & Central Excise, Nagpur-II .... Respondent
GST Bhavan, Telangkhedi Road,
Civil Lines, Nagpur – 440 001

AND

Service Tax Appeal No. 85027 of 2014

(Arising out of Order-in-Original No. 26/ST/2013/C dated 12.09.2013 passed by the Commissioner of Central Excise & Service Tax, Nagpur)

M/s Western Coalfields Ltd. **.... Appellant**
O/o Chief General Manager,
Wani North Area, PO Ballar, Wani,
Yawatmal – 445 304.

Versus

Commissioner of CGST & Central Excise, Nagpur-II .... Respondent
GST Bhavan, Telangkhedi Road,

Civil Lines, Nagpur – 440 001

AND

Service Tax Appeal No. 85714 of 2015

(Arising out of Order-in-Original No. 08/ST/2013/C dated 12.09.2013 passed by the Commissioner of Central Excise & Service Tax, Nagpur)

M/s Western Coalfields Ltd. **.... Appellant**
Umere Area, O/o Area General Manager,
Umrer Project, Umrer Colliery,
Dist. Nagpur, Maharashtra – 441 204.

Versus

Commissioner of CGST & Central Excise, Nagpur-II **.... Respondent**
GST Bhavan, Telangkhedi Road,
Civil Lines, Nagpur – 440 001

AND

Service Tax Appeal No. 87184 of 2015

(Arising out of Order-in-Original No. 15/ST/NGP-II/2015/C dated 23.06.2015 passed by the Commissioner of Central Excise & Service Tax, Nagpur)

M/s Siddhivinyak Transport Corpotation **.... Appellant**
Sharda Sah-Niwas, Hill Road, Ramnagar,
Nagpur – 440 010

Versus

Commissioner of CGST & Central Excise, Nagpur-II **.... Respondent**
GST Bhavan, Telangkhedi Road,
Civil Lines, Nagpur – 440 001

APPEARANCE:

Shri H.G. Dharmadhikari, Advocate for the Appellants

Shri Manish Mohan (Principal Commissioner), Authorized Representative for the Respondent

CORAM:

HON'BLE MR. S.K. MOHANTY, MEMBER (JUDICIAL)
HON'BLE MR. M.M. PARTHIBAN, MEMBER (TECHNICAL)

FINAL ORDER NO. A/85167-85175/2026

Date of Hearing: 21.01.2026

Date of Decision: 21.01.2026

PER: S.K. MOHANTY

Heard both sides and perused the case records.

2. The appellants are engaged in the activity of production of coal. For facilitating such production activity, they had engaged the transporters for transportation of coal within the mining area. The service tax liability attributable to the goods transportation agency service (GTA) was discharged by them under the Reverse Charge Mechanism (RCM), as the recipient of such service. They had also discharged the service tax liability on 'renting of immovable property' service. For provision of both the category of services, the appellants got themselves registered with the jurisdictional Service Tax authorities. Apart from undertaking such activities, during the disputed period, the appellants were also engaged in rendering services to their various customers by way of loading of coal in railway wagons, including loading of coal into tipper trucks at Pithead and subsequent transportation therefrom to railway siding and then loading in the wagons for their customers. For rendering such services, the appellants used to charge a certain amount from their customers in the name of "Surface Transportation Charges" (STC) at the prescribed rates. Such activities undertaken by the appellants were interpreted by the Department as provision of service under the category of "Cargo Handling Service". Since the appellants had not obtained registration and did not discharge service tax liability on the STC charges, which were collected from their customers, show-cause proceedings were initiated, seeking for confirmation of the service tax demand on the appellants. The show-cause notices issued by the Department were adjudicated vide various impugned orders, wherein the original authority have confirmed the service tax demands, as proposed for recovery in the show-cause notices. The impugned orders have also confirmed the interest demand as well as imposed penalties under Sections 77 and 78 of the Finance Act, 1994 on the appellants. Feeling aggrieved with the impugned orders, the appellants have preferred these appeals before the Tribunal.

3. When the matter was called out for hearing, learned Advocate appearing for the appellants submitted that for the subsequent period i.e. April, 2012 to June, 2017, the show-cause notices issued by the Department, proposing for recovery of service tax on the identical set of facts were dropped vide the Order-in-Original No. 26-47/ST/2020/C/NGP dated 08.07.2020 by the adjudicating authority. On a query from the Bench, learned AR appearing for the Revenue-respondent has stated that the said

order dated 08.07.2020 passed by the Commissioner of Service Tax has been accepted by the Department and no further appeal was filed before the higher appellate forums.

4. The period of dispute involved in the present appeals is from 2007-08 (October, 2007) to 2011-12. Since on the identical set of facts involved in the case of appellants themselves for the subsequent period, the learned adjudicating authority vide order dated 08.07.2020 had dropped the show-cause proceedings, holding that the STC collected by them from the customers should not be exigible to service tax under the category of Cargo Handling Services and the said adjudication order dated 08.07.2020 was accepted by the Department, being not appealed against, we are of the view that different interpretation cannot be placed at this juncture for deciding the present appeals filed for the earlier periods. Therefore, the impugned orders, confirming the service tax demands on the STC cannot be sustained.

5. The appellant M/s Siddhivinayak Transport Corporation has also filed an appeal against the adjudication order, wherein the service tax demand was confirmed under the category of Cargo Handling Services. Since, we have discussed about the earlier order dated 08.07.2020 passed by the adjudicating authority in dropping the show-cause proceedings against the appellant M/s Siddhivinayak Transport Corporation and the present matter being identical to the order dictated in favour of M/s Western Coalfield Ltd., the present appeal field by M/s Siddhivinayak Transport Corporation is deserves to be allowed favourably.

6. Therefore, we do not find any merits in the impugned orders, insofar as the adjudged demands were confirmed on the appellants, holding that STC charges should form part of the taxable entry of 'cargo handling services'. Accordingly, the impugned orders are set aside and the appeals are allowed in favour of the appellants.

(Dictated and pronounced in open court)

(S.K. MOHANTY)
MEMBER (JUDICIAL)

M.M. PARTHIBAN)
MEMBER (TECHNICAL)

Sinha