

<p>आयुक्त का कार्यालय केंद्रीय वस्तु एवं सेवा कर एवं उत्पाद शुल्क ,अहमदाबाद उत्तर, कस्टम हाँउस(तल प्रथम) नवरंगपुरा- अहमदाबाद ,380009</p>		<p>Office of the Commissioner of Central Goods & Services Tax & Central Excise, Ahmedabad North, Custom House(1st Floor) Navrangpura, Ahmedabad-380009</p>
<p>फ़ोन नंबर./ PHONE No.: 079-2754 4599 फ़ैक्स/ FAX : 079-2754 4463 E-mail:- oaahmedabad2@gmail.com</p>		

निबन्धित पावती डाक द्वारा / By REGISTERED POST AD

फा .सं./ **STC/15-200/OA/2021-22**

DIN- 20230164WT000082348D

आदेश की तारीख / Date of Order : 17.01.2023
जारी करने की तारीख / Date of Issue : 18.01.2023

द्वारा पारित/Passed by -

उपेन्द्र सिंह यादव / UPENDRA SINGH YADAV

आयुक्त / COMMISSIONER

मूल आदेश संख्या /

ORDER-IN-ORIGINAL No. AHM-EXCUS-002-COMMR-35/2022-23

जिस व्यक्ति(यों) को यह प्रति भेजी जाती है, उसे व्यक्तिगत प्रयोग के लिए निःशुल्क प्रदान की जाती है।

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2. इस आदेश से असंतुष्ट कोई भी व्यक्ति -इस आदेश की प्राप्ति से तीन माह के भीतर सीमा शुल्क ,उत्पाद शुल्क एवं सेवाकर अपीलीय न्यायाधिकरण ,अहमदाबाद पीठ को इस आदेश के विरुद्ध अपील कर सकता है। अपील सहायक रजिस्ट्रार ,सीमा शुल्क ,उत्पाद शुल्क एवं सेवाकर अपीलीय न्यायाधिकरण , द्वितीय तल, बाहुमली भवन असरवा, गिरधर नगर पुल के पास, गिरधर नगर, अहमदाबाद, गुजरात 380004 को संबोधित होनी चाहिए।

Any person deeming himself aggrieved by this Order may appeal against this Order to the Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad Bench within three months from the date of its communication. The appeal must be addressed to the Assistant Registrar, Customs, Excise and Service Tax Appellate Tribunal, 2nd Floor, Bahumali Bhavan, Asarwa, Near Girdharnagar Bridge, Girdharnagar, Ahmedabad, Gujarat 380004.

2.1 इस आदेश के विरुद्ध अपील न्यायाधिकरण में अपील करने से पहले मांगे गये शुल्क के 7.5% का भुगतान करना होगा, जहाँ शुल्क यानि की विवादग्रस्त शुल्क या विवादग्रस्त शुल्क एवं दंड या विवादग्रस्त दंड शामिल है ।

An appeal against this order shall lie before the Tribunal on payment of 7.5% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute.

(as per amendment in Section 35F of Central Excise Act, 1944 dated 06.08.2014)

3. उक्त अपील प्रारूप सं .इ.ए 3.में दाखिल की जानी चाहिए। उसपर केन्द्रीय उत्पाद शुल्क (अपील) नियमावली 2001 ,के नियम 3 के उप नियम (2)में विनिर्दिष्ट व्यक्तियों द्वारा

हस्ताक्षर किए जाएंगे। उक्त अपील को चार प्रतियाँ में दाखिल किया जाए तथा जिस आदेश के विरुद्ध अपील की गई हो ,उसकी भी उतनी ही प्रतियाँ संलग्न की जाएँ)उनमें से कम से कम एक प्रति प्रमाणित होनी चाहिए। अपील से संबन्धित सभी दस्तावेज भी चार प्रतियाँ में अग्रेषित किए जाने चाहिए।

The Appeal should be filed in Form No. E.A.3. It shall be signed by the persons specified in sub-rule (2) of Rule 3 of the Central Excise (Appeals) Rules, 2001. It shall be filed in quadruplicate and shall be accompanied by an equal number of copies of the order appealed against (one of which at least shall be certified copy). All supporting documents of the appeal should be forwarded in quadruplicate.

4. अपील जिसमें तथ्यों का विवरण एवं अपील के आधार शामिल हैं चार प्रतियाँ में दाखिल , उसकी भी उतनी ही ,की जाएगी तथा उसके साथ जिस आदेश के विरुद्ध अपील की गई हो उनमें से कम से क)प्रतियाँ संलग्न की जाएंगी म एक प्रमाणित प्रति होगी।

(The Appeal including the statement of facts and the grounds of appeal shall be filed in quadruplicate and shall be accompanied by an equal number of copies of the order appealed against (one of which at least shall be a certified copy.)

5. अपील का प्रपत्र अंग्रेजी अथवा हिन्दी में होगा एवं इसे संक्षिप्त एवं किसी तर्क अथवा विवरण के बिना अपील के कारणों के स्पष्ट शीर्षों के अंतर्गत तैयार करना चाहिए एवं ऐसे कारणों को क्रमानुसार क्रमांकित करना चाहिए।

The form of appeal shall be in English or Hindi and should be set forth concisely and under distinct heads of the grounds of appeals without any argument or narrative and such grounds should be numbered consecutively.

6. अधिनियम की धारा 35बी के उपबन्धों के अंतर्गत निर्धारित फीस जिस स्थान पर पीठ स्थित है, वहां के किसी भी राष्ट्रीयकृत बैंक की शाखा से न्यायाधिकरण की पीठ के सहायक रजिस्ट्रार के नाम पर रेखांकित माँग ड्राफ्ट के जरिए अदा की जाएगी तथा यह माँग ड्राफ्ट अपील के प्रपत्र के साथ संलग्न किया जाएगा।

The prescribed fee under the provisions of Section 35 B of the Act shall be paid through a crossed demand draft, in favour of the Assistant Registrar of the Bench of the Tribunal, of a branch of any Nationalized Bank located at the place where the Bench is situated and the demand draft shall be attached to the form of appeal.

7. न्यायालय शुल्क अधिनियम 1970 ,की अनुसूची ,1-मद 6 के अंतर्गत निर्धारित किए अनुसार संलग्न किए गए आदेश की प्रति पर 1.00रुपया का न्यायालय शुल्क टिकट लगा होना चाहिए।

The copy of this order attached therein should bear a court fee stamp of Re. 1.00 as prescribed under Schedule 1, Item 6 of the Court Fees Act, 1970.

8. अपील पर भी रु 4.00 .का न्यायालय शुल्क टिकट लगा होना चाहिए।

Appeal should also bear a court fee stamp of Rs. 4.00.

विषय: -कारण बताओ सूचना:

Subject- Proceedings initiated vide Show Cause Notice No. STC/15-200/OA/2021-22 dated 23.04.2021 issued to M/s. Pithadai Infrastructure, 36-A, Vaibhav Shopping, Bopal, Ahmedabad - 380058 (Gujarat)

ORDER-IN-ORIGINAL NO. AHM-EXCUS - 35/2022-23

M/s. Pithadai Infrastructure, 36-A, Vaibhav Shopping, Bopal, Ahmedabad – 380058 (Gujarat) were issued Show Cause Notice No. STC/15-200/OA/2021-22 dated 23.04.2021 by the Commissioner, Central GST & Central Excise, Ahmedabad North, Ahmedabad.

Brief facts of the case pertaining to Show Cause Notice No. STC/15-200/OA/2021-22 dated 23.04.2021 are as follows:

1. Analysis of “Sales/Gross Receipts from Services (value from ITR)”, the “Total Amount Paid/Credited under 194C, 194H, 194I, 194J) and “Gross Value of Services Provided” of M/s. Pithadai Infrastructure, 36-A, Vaibhav Shopping, Bopal, Ahmedabad – 380058 (Gujarat) (hereinafter referred to as the 'Assessee' for the sake of brevity) was carried out by the Central Board of Direct Taxes (CBDT) for the F.Y. 2015-16 and 2016-17. The details of the said analysis were shared by the CBDT with the Central Board of Indirect Taxes (CBIC). On the basis of the data shared by the CBDT, it appeared that the assessee had earned income by providing services on which Service Tax was leviable; it also appeared that the Assessee had rendered such taxable services without obtaining registration and thereby had also not made the payment of applicable Service Tax on the services rendered.
2. With effect from 01.07.2012, the negative list regime came into existence under which all services were taxable and only those services which were mentioned in the negative list were exempted. The nature of activities carried out by the Assessee appeared to be covered under the definition of service and the same appeared to be not covered under the Negative List as given in the Section 66D of the Finance Act, 1994, as amended from time to time.
3. Since the Assessee had not declared the above income in their Service Tax Return and had not paid Service Tax on the said income, it was necessary to initiate statutory demand from the Assessee for confirmation of their Service Tax liability under the relevant provisions of the Finance Act, 1994 and Service Tax Rules, 1994. Therefore, in order to ascertain the veracity of the issue, the assessee was given opportunity to appear for pre show-cause notice consultation on 23.04.2021, but the assessee did not avail the same.
4. Since the assessee did not submit the required details of services provided during the Financial Year 2015-16 and 2016-17, nor did they avail

the opportunity of pre show cause consultation, the service tax liability of the service tax assessee had to be ascertained on the basis of income mentioned in the ITR returns and Form 26AS filed by the assessee with the Income Tax Department. The figures/data provided by the Income Tax Department was considered as the total taxable value in order to ascertain the service tax liability under Section 67 of the Finance Act, 1994.

5. By the act of non-compliance and non-submission of any information to the department, it appeared that the Assessee had contravened the following provisions of Chapter-V of the Finance Act, 1994, the Service Tax Rules, 1994:

- i. Section 69(1) of the Finance Act, 1994 read with Notification No. 33/2012-Service Tax dated 26.06.2012 in as much as they had failed to obtain Service Tax Registration
- ii. Section 67 of the Finance Act, 1994 in as much as they had failed to determine the correct value of taxable service provided by them
- iii. Section 70 of the Finance Act, 1994 read with Rule 7 of the Service Tax Rules 1994 in as much as they had failed to assess their tax liability and had also failed to furnish returns in such form i.e. ST3 Returns, in such manner and at such frequency as mandated
- iv. Section 66B and Section 68 of the Finance Act, 1994 read with Rules 6 of the Service Tax Rules, 1994 in as much as they had failed to pay the Service Tax at the appropriate rate within the prescribed time and in such manner as provided under the said provision

6. It appeared that the assessee had not paid the service tax by way of suppression of facts and in contravention of provision of the Finance Act, 1994 and rules made there under relating to levy and collection of service tax, with intent to evade payment of service tax. Hence, the service tax liability arising due to said contraventions appeared to be recoverable from the assessee, under the provisions of Section 73(1) of the Finance Act, 1994 by invoking extended period of time. The assessee also appeared liable to pay interest at the appropriate rates for the period from due date of payment of service tax till the date of actual payment as per the provisions of Section 75 of the Finance Act, 1994. The provisions of Finance Act, 1994 read with Service Tax Rules, 1994 framed there under, were saved by the Section 174(2) of the CGST Act, 2017.

7. All these acts of contravention of the provisions of Section 68 and 70 of the Finance Act, 1994 read with Rule 6 and 7 of Service Tax Rules, 1994

appeared to be liable for penalty under the provisions of Section 78 of the Finance Act, 1994 as amended from time to time.

8. The assessee had failed to furnish the information in their Service Tax Returns and contravened various provision of Finance Act, 1994 and Rules made there under, and thereby had rendered themselves liable for penalty under Section 77 of the Finance Act, 1994.

9. Therefore, as per the analysis shared by the CBDT, the Service tax payable on the basis of value of "sales of services under Sales/Gross Receipts From Services (Value from ITR)" or "Total Amount Paid/Credited Under Section 194C, 194I, 194H, 194J" for the financial year 2015-16 and 2016-17 was assessed as below:-

(Amount in Rs)

Sr. No.	F.Y.	Sales/Gross Receipts from Services as per Form 26AS (In Rs.)	Resultant Service Tax short paid (in Rs.)
1	2015-16	7,50,95,825/-	1,04,77,328/-
2	2016-17	7,49,73,714/-	1,11,83,407/-
TOTAL		15,00,69,539/-	2,16,60,736/-

Therefore, it appeared that the Assessee had not discharged their Service Tax liability and the Assessee was liable to pay Service Tax including Cess [@12.36% for F.Y. 2015-16 from 01.04.2015 to 31.05.2015]; [@14% from 01.06.2016 to 14.11.2015]; [@14.50% from 15.11.2015 to 31.05.2016] and [@15% from 01.06.2016 to 31.03.2017] alongwith applicable interest and penalty for the F.Y. 2015-16 to 2016-17.

10. Unquantified demand at the time of issuance of SCN.

Para 2.8 of the Master Circular No. 1053/02/2017-CX dated 10.03.2017 issued by the CBEC, New Delhi clarified that:

'2.8 Quantification of duty demanded: It is desirable that the demand is quantified in the SCN, however if due to some genuine grounds it is not possible to quantify the short levy at the time of issue of SCN, the SCN would not be considered as invalid. It would still be desirable that the principles and manner of computing the amounts due from the assessee are clearly laid down in this part of the SCN. In the case of Gwalior Rayon Mfg. (Wvg.) Co. Vs .UOI, 1982 (010) ELT 0844 (MP), the Madhya Pradesh High Court at Jabalpur affirms the same position that merely because necessary particulars have not been stated in the show cause notice, it could not be a valid ground for quashing the notice, because it is open to

the petitioner to seek further particulars, if any, that may be necessary for it to show cause if the same is deficient.'

11. As per the provisions of Section 72 of the Finance Act, 1994, if any person, liable to pay Service Tax -

- (a) fails to furnish the return under section 70;
- (b) having made a return, fails to assess the tax in accordance with the provisions of this Chapter or rules made thereunder,

the Central Excise Officer, may require the person to produce such accounts, documents or other evidence as he may deem necessary and after taking into account all the relevant material which is available or which he has gathered, shall by an order in writing, after giving the person an opportunity of being heard, make the assessment of the value of taxable service to the best of his judgment and determine the sum payable by the assessee or refundable to the assessee on the basis of such assessment.

12. The Assessee was also given the opportunity for pre-SCN consultation on 23.04.2021, but they did not avail the same.

13. Therefore, a Show Cause Notice No. STC/15-200/OA/2021-22 dated 23.04.2021 was issued by the Commissioner, Central GST & Central Excise, Ahmedabad North to the Assessee (M/s. Pithadai Infrastructure) asking them as to why;

- i. The services rendered by them should not be considered as "taxable services" under Section 65 of the Finance Act, 1994, as amended, and the total/gross amount of Rs. 15,00,69,539/- received towards rendering such services should not be considered as taxable value of the said taxable services charged by them for the F.Y. 2015-16 to 2016-17;
- ii. Service Tax of Rs. 2,16,60,736/- (Rupees Two Crore Sixteen Lakh Sixty Thousand Seven Hundred Thirty Six only) which was not paid for the F.Y. 2015-16 to 2016-17 as per the Table in para 9 above should not be demanded and recovered from them under the proviso to Sub-section (1) of Section 73 of the Finance Act, 1994; read with relaxation provisions of Section 6 of the Chapter V of the Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020 (No. 2 of 2020) promulgated on 30.03.2020 by invoking extended period of time limit;
- iii. Interest at the prescribed rate should not be demanded and recovered from them for the period of delay of payment of service tax mentioned at (i) above under Section 75 of the Finance Act, 1994;
- iv. Prescribed late fee, should not be recovered from them for each ST-3 return filed late for the relevant period, under Rule 7C of the

Service Tax Rules, 1994 read with Section 70 of the Finance Act, 1994;

- v. Penalty should not be imposed upon them under Section 76 of the Finance Act, 1994 for their failure to make payment of service tax payable by them within prescribed time-limit;
- vi. Penalty should not be imposed upon them under Section 77(1) of the Finance Act, 1994 for their failure to take Service Tax Registration as per the provisions of Section 69 of the Finance Act, 1994;
- vii. Penalty should not be imposed upon them under Section 78 of the Finance Act, 1994 for non-payment of Service Tax by wilfully suppressing the facts from the department with intent to evade the payment of Service Tax as explained herein above.

DEFENCE REPLY:

14. The Assessee vide their letter dated 26.04.2022 (submitted to the department on 28.04.2022) submitted their reply to the Show Cause Notice dated 23.04.2021, wherein they have inter alia stated as under –

- i. That they have provided service of works contract to the government (Sardar Sarovar Narmada Nigam Limited) as a subcontractor of M/s. Pithadai Transport & Carting (who were sub-contractor of M/s. Jalaram Project Pvt. Ltd. to whom the SSNL had originally allotted the work)
- ii. That they have provided service of works contract to the government (Sardar Sarovar Narmada Nigam Limited) as a subcontractor of M/s. Hardware Tools and Machinery Ltd.
- iii. That their work is exempted from service tax as per Notification No. 25/2012-Service Tax dated 20.06.2012.

14.1 The Assessee, in support of the arguments put forth by them, has submitted the following documents –

- a) 26AS [FY 2015-16, FY 2016-17]
- b) P&L Account Statement [FY 2015-16, FY 2016-17]
- c) Income Tax returns [FY 2015-16, FY 2016-17]
- d) Work Order Copy of Sardar Sarovar Narmada Nigam Limited bearing No. CPC/Vallabhipur/LD-4B/Upper Portion/2015/924 dated 18.04.2015 issued to M/s. Jalaram Constructions for the work of "Constructing Earthwork, C.C. Lining, Structures and Service Road of the Distributory only (without minors) Kamatalav

- Distributory (LD-4B: Upper Portion from ch. 13765 m) offtaking from Vallabhipur Branch Canal @ ch,64.795 km including Operation, Maintenance and Security for Five years”
- e) Contract of M/s. Jalaram Project Pvt. Ltd. bearing No. Jalaram Projects Pvt. Ltd./Work Order/LD-4B Upper Portion dated 01.01.2016 to M/s. Pithadai Transport & Carting for the same work i.e. “Constructing Earthwork, C.C. Lining, Structures and Service Road of the Distributory only (without minors) Kamatalav Distributory (LD-4B: Upper Portion from ch. 13765 m) offtaking from Vallabhipur Branch Canal @ ch,64.795 km including Operation, Maintenance and Security for Five years”
- f) Contract of M/s. Pithadai Transport & Carting dated 31.12.2015 to M/s. Pithadai Infrastructure for the same work i.e. “Constructing Earthwork, C.C. Lining, Structures and Service Road of the Distributory only (without minors) Kamatalav Distributory (LD-4B: Upper Portion from ch. 13765 m) offtaking from Vallabhipur Branch Canal @ ch,64.795 km including Operation, Maintenance and Security for Five years”
- g) Work Order Copy of Sardar Sarovar Narmada Nigam Limited bearing No. CPC/Limbdi-CAD/Slice-13/R&C/2013/851 dated 30.01.2014 issued to M/s. Hardware Tools and Machinery Project Pvt. Ltd., Ahmedabad for the work of “Constructing Canal Earthwork, Lining, Structures and Service Road for the Distributory and Minors of Limbdi Branch Canal including Operation, Maintenance and Security for Five years for LD-17, LD-18 & MO-6 (Slice-13) (At risk & cost of previous agency”
- h) Contract of M/s. Hardware Tools and Machinery Project Pvt. Ltd. dated 10.03.2014 to M/s. Pithadai Infrastructure for the same work i.e. “Constructing Canal Earthwork, Lining, Structures and Service Road for the Distributory and Minors of Limbdi Branch Canal including Operation, Maintenance and Security for Five years for LD-17, LD-18 & MO-6 (Slice-13) (At risk & cost of previous agency”
- i) Work Order Copy of Sardar Sarovar Narmada Nigam Limited bearing No. CPC/M&R/Dn-4A/Dabhoi/2016/990 dtd. 18.05.2016 issued to M/s. Hardware Tools and Machinery Project Pvt. Ltd., Ahmedabad for the work of “Maintenance of works of Wadia, Tilakwada, Sankheda, Mandva, Bhilodia Branch, 20 distributories and its 127 minors”

- j) Contract of M/s. Hardware Tools and Machinery Project Pvt. Ltd. dated 01.12.2016 to M/s. Pithadai Infrastructure for the same work i.e. "Maintenance of works of Wadia, Tilakwada, Sankheda, Mandva, Bhilodia Branch, 20 distributories and its 127 minors"

14.2 The Assessee, further vide their letter dated 15.09.2022 have contended that they have provided services to the government falling under entry No. 12(d) of the Notification No. 25/2012-ST. They also submitted the following documents -

- a) RA Bills/Invoices w.r.t. Income reflected in the 26AS
b) Form 26AS (F.Y. 2015-16 and 2016-17)

PERSONAL HEARING:

15. Personal hearings were granted to the assessee on, 12.05.2022, 24.06.2022, 29.07.2022 and 13.09.2022. However the Assessee did not appear for personal hearing on any of the above mentioned dates. Finally the personal hearing was fixed on 20.10.2022 and the same was attended by Shri Mitesh Udani, Accountant on behalf of the Assessee. During the course of personal hearing, Shri Mitesh Udani reiterated the contents of their written submission dated 26.04.2022 and 15.09.2022. He further stated that they have provided Canal and Irrigation related work service to government and local authority and that they are exempt from payment of Service Tax.

DISCUSSION AND FINDINGS:

16. I have carefully gone through the facts of the case and records available in the case file, the Show Cause Notice dated 23.04.2021, the defence reply dated 26.04.2022 and 15.09.2022, the documents submitted alongwith the defence replies and oral submissions made by the assessee during the course of personal hearing on 20.10.2022. Accordingly, I find that the following issues are required to be decided by me as an adjudicating authority -

- a. Whether the Service Tax has been correctly demanded vide the Show Cause Notice dated 23.04.2021.
b. Whether the contention of the Assessee that the services provided by them are exempted as per Notification No. 25/2012 dated 20.06.2012 is sustainable or not.

17. I find that the genesis of the demand has risen from the analysis of the 26AS and ITR of the Assessee by the CBDT and the same being shared with the department for the period 2015-16 and 2016-17. The CBDT found that during the year 2015-16 and 2016-17, the Assessee has rendered services and had received income on such services. Therefore for verification of the apparent non-payment of Service Tax by the Assessee, the department, prior to the issuance of Show Cause Notice, had given the opportunity for pre-SCN consultation to the Assessee on 23.04.2021, but they did not avail the same. Therefore, the department had no option but to issue a formal demand for recovery of unpaid Service Tax from the Assessee. Accordingly SCN dated 23.04.2021 was issued to the Assessee demanding service tax of **Rs. 2,16,60,736/-** (Rs. 1,04,77,328/- + Rs. 1,11,83,407/-) on the value of total taxable service, provided by the Assessee amounting to Rs. **15,00,69,539/-** (Rs. 7,50,95,825/- + Rs. 7,49,73,714/-) for F.Y. 2015-16 and 2016-17.

18. I also find that the demand for the year 2015-16 and 2016-17 in the Show Cause Notice has been raised based on the income reflected in the 26AS of the Assessee for the relevant F.Y. 2015-16 and 2016-17, and therefore, for the sake of consistency in computation of tax, I would also rely on the Income reflected in the 26AS for the period 2015-16 and 2016-17. A table showing the details of recipient wise income reflected in the 26AS under section 194C of the Income Tax Act, 1961 is as under -

Sl. No.	Name of the Recipient of Service	2015-16	2016-17
		RA Bill Submitted	RA Bill Submitted
1	Hardware Tools & Machinery Projects Pvt. Ltd.	4934608	28041513
		12226183	469093
		4735389	2078130
		4296481	5060918
		3020628	1155246
		8201401	0
		2719302	0
		11513498	0
		12887463	0
2	Pithadia Transports & Carting	2767760	14365800
		360000	4532500
		3195024	3528000
		360000	1050000
		3518088	2050000
		360000	5800000
3	Jalaram Projects Private Limited	0	3088240
		0	1392804
		0	2361470
	Total Income as per Form 26AS	75095825	74973714

19 Accordingly, I find that the issue which requires determination as of now is whether the assessee is liable to pay service tax on the taxable value of Rs. **15,00,69,539/-** (Rs. 7,50,95,825/- plus Rs. 7,49,73,714/-) for the Financial Year 2015-16 and 2016-17.

19.1 I find that the Assessee has not contested the computation of the value of taxable services in the SCN and there is no dispute as far as the receipt of the consideration for provision of service by the assessee is concerned. The only contention of the Assessee is that they are engaged in activity of Canal and Irrigation related work service to government and local authority; that the services provided by them are exempted services; that accordingly they were not liable to pay service tax on provision of such services. Therefore I find that there is no dispute as far as the provision of services as well as receipt of income on provision of such services by the assessee for the period from 2015-16 and 2016-17 as given below:

Sl. No.	Year	Total Taxable Value (Rs.)
1	2015-16	7,50,95,825/-
2	2016-17	7,49,73,714/-
	TOTAL	15,00,69,539/-

20. Therefore, the subsequent issue that needs to be decided is whether the services provided by the assessee were eligible for exemption under Notification No. 25/2012-ST or otherwise as claimed by the assessee.

20.1 The Assessee has claimed that the they are engaged in activity of providing Canal and Irrigation related work service to government and local authority and the services provided by them are exempted services falling under entry No. 12(d) of Notification 25/2012-ST dated 20.06.2012. To appreciate the issue in the correct perspectives, relevant extracts/entries of Notification No. 25/2012-ST under which the services rendered by the Assessee falls, are reproduced as follows:

Relevant Entry Numbers of Notification No. 25/2012-ST dated 20.06.2012:

“12. Services provided to the Government, a local authority or a governmental authority by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of –

- (a)
- (b)
- (c)
- (d) canal, dam or other irrigation works;

29. Services by the following persons in respective capacities -

- (a)
- (b)
- (c)
- (d)
- (e)
- (f)
- (g)

(h) sub-contractor providing services by way of works contract to another contractor providing works contract services which are exempt”

20.2 For ease of reference, a summary of the copy of work orders and sub-contracts submitted by the Assessee evidencing the service provided by them is furnished below –

Sl. No.	Work Order/Contract No. & Date	Nature of work	Work allotted by	Provider of Service
1	CPC/M&R/Dn-4A/Dabhoi/2016/990 dtd. 18.05.2016	Maintenance of works of Wadia, Tilakwada, Sankheda, Mandva, Bhilodia Branch, 20 distributories and its 127 minors	Sardar Sarovar Narmada Nigam Ltd.	Hardware Tools & Machinery Project Pvt. Ltd.
	Contract dtd. 01.12.2016		Hardware Tools & Machinery Project Pvt. Ltd.	Pithadai Infrastructure
2	CPC/Limbdi-CAD/Slice-13/R&C/2013/851 dtd. 30.01.2014	“Constructing Canal Earthwork, Lining, Structures and Service Road for the Distributory and Minors of Limbdi Branch Canal including Operation, Maintenance and Security for Five years for LD-17, LD-18 & MO-6 (Slice-13) (At risk & cost of previous agency”	Sardar Sarovar Narmada Nigam Ltd.	Hardware Tools & Machinery Project Pvt. Ltd.
	Contract dtd. 03.02.2014		Hardware Tools & Machinery Project Pvt. Ltd.	Pithadai Infrastructure

3	CPC/Vallabhipur/LD-4B/Upper Portion/2015/924 dtd. 18.04.2015	Constructing Earthwork, C.C. Lining, Structures and Service Road of the Distributory only (without minors) Kamatalav Distributory (LD-4B: Upper Portion from ch. 13765 m) offtaking from Vallabhipur Branch Canal @ ch,64.795 km including Operation, Maintenance and Security for Five years	Sardar Sarovar Narmada Nigam Ltd.	Jalaram Construction
	Contract dated 01.01.2016		Jalaram Construction	Pithadai Transport & Carting
	Contract dated 01.01.2016		Pithadai Transport & Carting	Pithadai Infrastructure

Para 20.3 Further, the scanned copies of the work-orders and sub-contracts are also reproduced below for further clarity in the matter –

Sardar Sarovar Narmada Nigam Ltd.

(A Wholly owned Govt. of Gujarat undertaking)

Deputy General Manager (CPC)
6th Floor, Block No 12, New Sachivalaya Complex,
Gandhinagar - 382 010, Gujarat - INDIA
Phone : 079-23252742
Email : dgmcpessnl@gmail.com
FAX No. -079-23252304, 23223056



No.CPC/M&R /Dn-4A/Dabhol/2016/990.

Date:18/05/2016.

Urgent By Fax No. 079-2672107

e-mail-md@htmpl.com

To,
Hardware Tools & Machinery Project Pvt Ltd.
603-902, Shapath-I,
Opp-Rajpath Club,S.G. Road,
Ahmedabad-380 015

Sub.: Tender for the work of Maintenance & Repairs works of Wedia, Tilakwada, Sankheda, Mandva, Bhilodia Branch, 20 distributories and its 127 minors.

SSNNL notice inviting tender no.9 of 2015-16 (Tender ID – 207858)

Acceptance of Tender cum work order.

Dear Sir,

Sardar Sarovar Narmada Nigam Ltd. had invited tenders for the above referred work vide tender notice no. 9 of 2015-16.

The Sardar Sarovar Narmada Nigam Ltd., has accepted your tender at your quoted amount of Rs. 24,54,80,653.89 (Rupees Twenty Four Crore Fifty Four Lac Eighty Thousand Six Hundred Fifty Three and ps. Eighty Nine only) which is 5.687% below the estimated cost Rs 26,02,83,980.67 put to tender at SOR 2013-14.

You are hereby notified to pay the Security Deposit as under as per Clause 6 in Section-I of Volume One – B of the Bid Documents within ten days from the date of issuance of this "Letter of Acceptance – cum- work order" i.e. on or before dt.28-05-2016 in the office of the Executive Engineer, N.P.C.Dn.No.4A, Dabhol and sign and execute a contract:

- (i) Rs.65,07,100/- in form of Government securities as per clause (a)(i)
- (ii) Rs.1,30,14,200/- in form of Bank Guarantee as per clause (a)(ii)

You are further notified that as provided under clause 11 in Section-I of Volume One – B of the Bid document, the work has to be completed within a period of 6 (Six) Months.

The time of completion starts running from the date of issuance of this "Letter of Acceptance – cum- work order".

Work Order

HARDWARE TOOLS & MACHINERY PROJECTS PVT. LTD.

Add.:- 803 & 802, Shapath-I, Opp. Rajpath Club, S.G. Road, Ahmedabad - 15

To,
PITHADAI INFRASTRUCTURE

27, Advani Market, Shahibaug Road,
Opp. Delhi Gate,
Ahmedabad-380004
State:- Gujarat

PAN NO.:- AAPFP6222Q
TIN NO.:- 24070204867
MO.:- +91 8141286428
Date:- 01-12-2016


For the work

Sub : M & R Work of Distry and Minors of Wadia, Tilakwada, Mandava, Bhilodiya and Shankheda Branch Canal

Sr. No.	Qty	Description	Unit	Rate
1	As per Actual	Constructing M & R Works for Distry and Minors of Wadia and Mandava Branch Canal.	As per Statement	As per Statement
Approximate value of work to be executed by you shall be Rs. 70 Lacs.				
TERMS & CONDITION :-				
1. Machineries/ material/ fuel/ labor shall be owned by Sub- constructors only.				
2. Menpower/ food/ shelter will be borne by Sub- Contractor only.				
3. Cement shall be provided by Company at the fix rate of Rs. 210 per bags.				
4. Rates of each Item shall be as per approved statement.				
5. 5 % SD deducted on actual work done amount.				
6. TDS/VAT as applicable on the actual work done amount.				
7. Payment shall only after received payment from SSNNL within TWO days.				
8. Quantity of work shall be as per MB recorded.				
9. Bill & Payment shall be made based on actual quantity executed.				
10. Periodically photographs will be taken by Contractor for submission of SSNNL.				
11. Subject to Ahmedabad Jurisdiction.				

M/s. Hardware Tools & Machinery Projects Pvt. Ltd.

Pithadai Infrastructure


Authorized Signatory.

Partners

Sardar Sarovar Narmada Nigam Ltd.

(A Wholly owned Govt. of Gujarat undertaking)

Deputy General Manager (CPC)
6th Floor, Block No.12, New Sachivalaya Complex,
Gandhinagar - 382 010, Gujarat - INDIA.
Phone : 079-23252742
Email : dgmcpssnl@gmail.com
FAX No.-079-23252394, 23223056



URGENT
BY FAX 079-26872107

No. CPC/Limbdi-CAD/Slice-13/R&C/2013/851
Date : 30/01/2014

To,
Hardware Tools and Machinery Project Pvt. Ltd
Ahmedabad..

Sub:- Tender form the work of constructing canal Earth work, Lining, Structures & Service Roads for the Distributaries and Minors of Limbdi Branch Canal including Operation and Maintenance for Five Years for LD-17. LD-18 & MO-6 (Slice-13) (At risk & cost of previous agency SSNNL Notice inviting tender no.9 of 2013-14 (Tender ID - 131106)

- Acceptance of Tender cum work order.

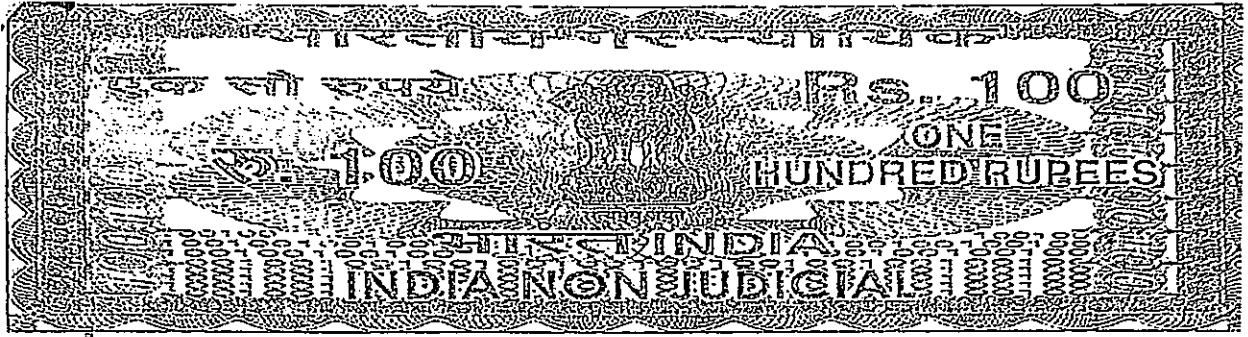
Ref. : Your letter dtd.30-01-2014

Dear Sir,

Sardar Sarovar Narmada Nigam Ltd. had invited tenders for the above referred work vide tender notice no. 9 of 2013-14.

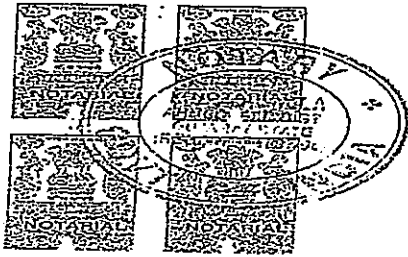
The Sardar Sarovar Narmada Nigam Ltd., has accepted your tender for Rs. 34,78,29,122.45 (Rupees Thirty four crore seventy three lac twenty nine thousand hundred one hundred and ps. Forty five only) which is 3.62% below the estimated cost put to tender Rs. 36,00,18,273.84 at SOR 2012-13. You have agreed to execute the subject work matching with the price of the first lowest bidder vide your letter referred above dt. 30-01-2014. The letter shall form part of the agreement.

You are hereby notified to pay the Security Deposit as under as per Clause 6 under Volume One - B of the Bid Documents within ten days from the date of issuance of this "Letter of Acceptance - cum- work order" i.e. on or before dt.10-02-2014 in the office of the Executive Engineer, S.B.C.Dn.No.4/1, Limbdi and sign and execute a contract:



ગુજરાત ગુજરાત GUJARAT

AF 057884



તારીખ: ૧૦/૩/૧૪
 તારીખ: માર્ચ ૨૦૧૪
 તારીખ: - 3 FEB 2014
 સહી: D. A. Desai
 બા. નં. ૪૨૦, ૪૨૦/૧૦૦૦
 એ. એસ. સ્ટેડ, મેન-ગેટ, અમદાવાદ નગર
 એસ. ડી. સી. જાકી

HARDWARE TOOLS & MACHINERY PROJECTS PVT. LTD.
 ૨૦૧૩, સુભાષી રોડ, આમદાવાદ નગર
 સુભાષી, સુભાષી, આમદાવાદ નગર

SERIAL NO. ૩૩૬૨
 NO
 NC

AGREEMENT

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THIS AGREEMENT is made on this 10th day of the month of March of year of 2014 by and between Hardware Tools & Machinery Projects Pvt. Ltd., Ahmedabad, having its office at 906-A, 803 & 902, Shapath-I, S.G. Highway, Ahmedabad-380015, (hereafter referred to as HTMPPL) on ONE PART.

For, Hardware Tools & Machinery Projects Pvt. Ltd.

D. A. Desai
 Authorized Signatory

For, Pithadai Infrastructure

D. P. Desai
 Partner

AND

Pithadai Infrastructure, 27 Advani Market, Shahibaug Road, Delhi Darwaja, Ahmedabad, having its registered office at E/106 JAY AMBENAGAR, OPP. LAV-KUSH TOWER, DRIVE IN ROAD, THALTEJ, Ahmedabad - 61. (hereafter referred to as 'PI') on OTHER PART.

For



The sublet work of Constructing Canal Earth work, Lining, Structures & Service Roads for the Distributaries and Minors of Limbdi Branch Canal including Operation and Malatenance for Five Years for LD-17, LSD-17, LD-18 & MO-6 (Slice-13) (At risk & cost of previous agency), has been awarded to HTMPPL by Sardar Sarovar Narmada Nigam Limited (hereafter referred to as 'SSNNL') through The DGM (CPC), SSNNL, 6th Floor, Block No.12, New Sachivalaya, Gandhinagar - 382 010 vide work order No: CPC/LIMBDI- CAD/ SLICE 13, R & C/2013/851, Dated- 30-01-2014. The said contract herein referred as 'PRINCIPAL CONTRACT'.

'PRINCIPAL CONTRACT': Main contract awarded to HTMPPL by SSNNL vide work order No: CPC/LIMBDI/- CAD/ SLICE 14, R & C/2013/852, Dated- 30-01-2014 amounting to Rs. 34.73 Crore.

The 'HTMPPL' sublets part work amounting to approx Rs. 21.01 crore of 'PRINCIPAL CONTRACT' to 'PI' on back to back sublet basis with following terms and conditions.

Terms and conditions:

- The tender documents i.e. (i) Vol- 1A, (ii) Volume - One-B, Terms and Condition (iii) Volume One -C (iv) Volume - II Specification (v) Volume - III - Drawings of 'PRINCIPAL CONTRACT' are part of agreement. The work has to be carried out as per the terms & conditions & specification given in above mentioned documents.

For, Hardware Tools & Machinery Projects Pvt. Ltd.

D. A. Desai
 Authorized Signatory

For, Pithadai Infrastructure

D. P. Desai
 Partner

Sardar Sarovar Narmada Nigam Ltd.

(A Wholly owned Govt. of Gujarat undertaking)

Deputy General Manager (CPC)
6th Floor, Block No.17, New Sachivalaya Complex,
Gandhinagar - 382 010, Gujarat - 382010
Phone : 079-23252742
Email : dgmpesssrnl@gmail.com
FAX No. 079-23252394, 23223056

URGENT
BY FAX
FAX No. 079-27495739

No. CPC/Vallabhipur/LD-4B/Upper Portion/2015/924
Date 18-04-2015

To,
Jalaram Construction,
401, Vitthal Villa, Satadhar Circle,
Sola Road,
Ahmedabad

Sub. : Tender for the work of Constructing Earthwork, C.C. Lining, Structures and Service Road of the Distributary only (without minors) Kamatalav Distributary (LD-4B: Upper portion from ch.13765 m) offtaking from Vallabhipur Branch Canal @ ch.64.795 km including Operation, Maintenance and Security for Five years

SSNNL – Tender Notice no.1 of 2014-15 (Tender ID – 165918)

- Acceptance of Tender cum work order.

Dear Sir,

Sardar Sarovar Narmada Nigam Ltd. had invited tenders for the above referred work vide tender notice no. 1 of 2014-15.

The Sardar Sarovar Narmada Nigam Ltd., has accepted your tender for Rs. 29,14,10,147.90 (Rupees Twenty nine crore fourteen lac ten thousand one hundred forty seven & ps. Ninety only) (including O & M) which is 19.2988% below the Estimated cost of Rs.36,10,97,598.50 put to tender at SOR 2012-13 (including O & M).

You are hereby notified to pay the Security Deposit as under as per Clause 6 of Section-1 of Volume One – B of the Bid Documents within ten days from the date of issuance of this "Letter of Acceptance – cum- work order" i.e. on or before dt. 28-04-2015 in the office of the Executive Engineer, S.B.C.Dn.No.1/3, Limbdi and sign and execute a contract:



**JALARAM
PROJECTS
PVT. LTD.**

401 Vitthal Villa,
Nr. Satadhar Circle, Sola Road,
Thaltej, Ahmedabad - 380 061
Tel.: 079 - 2749 9814 Fax: 2749 5731
CIN No. U45200GJ2016PTG08557
admin@jalaramprojects.in | info@jalaramprojects.in | www.jalaram

No. Jalaram Projects Pvt Ltd /Work order/LD-4B Upper Portion/

Dt.01-01-2016

To,
Pithadal Transport & Carting
C-303, Titanium square,
S.G Highway
Thaltej
Ahmedabad

WORK ORDER

Name of Work : Work order for Work of Constructing Earth work, C.C Lining, Structures and Service Road of the Distributary only (Without Minors) of Kamatalav Distry (LD-4B : Upper Portion from Ch. 0 to 13765 m) offtaking from Vallabhipur Branch Canal @ Ch.64.795 Km Including Operation ,Maintenance & Security for five years.

Dear Sir,

This is reference to the above mention work, we are please to award the work to execute the Earth work, C.C Lining, Structures and Service Road of the Distributary only (Without Minors) of Kamatalav Distry (LD-4B : Upper Portion from Ch. 0 to 13765 m) offtaking from Vallabhipur Branch Canal @ Ch.64.795 Km Including Operation ,Maintenance & Security for five years.under this work order.

The work should be executed as per terms and conditions of the agreement signed by the Jalaram Projects Pvt Ltd and the Owner and further terms and conditions are as follows:

Terms & Condition

1. The entire work shall be carried out strictly as per tender specification and to satisfaction of client.
2. The Rates are fixed and firm for the entire work.
3. You should implement the safety regulation of clients.
4. In case any dispute arising under this contract the same is sorted out at Ahmedabad with Mutual discussion. The decision of under signed is final and binding on both the parties.
5. The work should be completed in all respect up to 30-09-2016 without fail.
6. All applicable taxes will be deducted from your bill.





Pithadai Transports & Carting

C-303, Titanium square, S.G. Highway, Thaltej, Ahmedabad.
Tele. No. : 079-40326488 • Email : pithadai@gmail.com

SUB – CONTRACT AGREEMENT

THIS SUB-CONTRACT AGREEMENT entered in at Rajkot on this 31/12/2012 by and between Pithadai Transport And Carting C-303, Titanium Square, SG Highway, Thaltej, Ahmedabad, a partnership firm register, having its registered office at 99, Ashirvad Shopping Center, Mahadev Nagr, Vastral, Ahmedabad, represented by its Partner Mr. Yogeshbhai P. Kasundra hereinafter called "the Contractor" (which expression shall mean and include unless it be repugnant to the context or meaning thereof its successors and assigns) of the first part AND

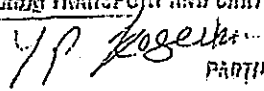
Pithadai Infrastructure, 27, Adani Market, Shahibaur, Delhi Darwaja, Ahmedabad, a partnership firm having its office at. Ahmedabad represented by its Proprietor Mr. Yogendrabhai Patel hereafter called "the Sub-Contractor" [which expression shall mean and include, unless it be repugnant to the context or meaning thereof, the legal heirs, representatives, administrative successors and permitted assigns all or surviving partner] on the second part

Work order for work of construction Earth work, CC Lining, Structure and Service Road of the Distributary only (Without Minor) of Kamatalav Distry (LD-4b-Upper-Portion from Ch. 0 to 13765 M) of taking from vallbhipur Branch Canal @ Ch.64.795 KM Including Machinery and labour which is allotted to you.

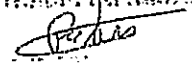
Now therefore in consideration of the above mentioned premises and the mutual promises contained herein Pithadai Transport And Carting and Pithadai Infrastructure "The Sub-Contractor" have agreed to enter into this agreement under the terms and conditions set forth hereinafter.

NOW THEREFORE, THIS DEED WITNESS AND THE PARTIES HERTO HEREBY AGREE AS FOLLOWS

1. "The Sub-Contractor" confirms that he had an opportunity to study the all tender documents mentioned hereinabove works. The Sub-Contractor further confirms that they had visited the site of the Main works and familiarized itself with the site conditions and has clearly understood the nature and scope of the works under the Sub-Contract given to the Sub-Contractor.
2. The Sub-contractor further confirms that it shall carry out the works in accordance with the Tender documents the provision where of shall perform the sub contracted works to the entire satisfaction of Pithadai Transport And Carting and the Employer's representatives. In addition to this the Sub-contractor shall also mobilize adequate machinery, labour and other additional resources as it may be directed by Pithadai Transport And Carting so as to

FOR PITHADAI TRANSPORT AND CARTING

PARTNER

Page 1 of 4

FOR PITHADAI INFRASTRUCTURE


121660736/-

20.4 Accordingly, on the basis of work-orders and sub-contracts reproduced above, it can be seen that the Assessee has rendered the services related to construction of Canal and Irrigation to M/s. Sardar Sarovar Narmada Nigam Ltd. (a wholly owned Government of Gujarat undertaking) as below –

- i. As a sub-contractor of M/s. Hardware Tools & Machinery Project Pvt. Ltd., who were the main contractor of SSNL and
- ii. As a sub-contractor of M/s. Pithadai Transport & Carting, who were sub-contracted the work by M/s. Jalaram Projects Pvt. Ltd., to whom the SSNL had awarded the main contract.

The details of the main contract and sub-contracts has also been furnished in para 20.2 herein above. Therefore the services related to the construction of Canal & Irrigation rendered ultimately to M/s. Sardar Sarovar Narmada Nigam Ltd by M/s. Pithadai Infrastructure are clearly exempted vide Entry No. 12(d) of the Notification No. 25/2012-Service Tax read with Entry No. 29(h) of the Notification No. 25/2012-Service Tax. The relevant text of Entry No. 12(d) read with Entry No. 29(h) of Notification No. 25/2012-Service Tax has already been reproduced in Para 20.1 herein above.

20.5 I also find that the Assessee has submitted all the relevant RA Bills also evidencing the receipt of income with respect to the exempted service rendered by them as per the income reflected in their Form 26AS as mentioned in para 18 above. Scanned copies of major RA bills w.r.t. every recipient of the Assessee, are also reproduced below for reference --



Pithadai Infrastructure

27, Advani Mkt., Shahibaug Road, Opp. Delhi Gate, Ahmedabad - 380004
 Email : pithadai@gmail.com • Web : www.pithadai.com

Date- 05.03.2016

ENTERED

To,
 Hardware Tools & Machinery Project Pvt.Ltd,
 803 & 902 Shapath-1,
 Opp. Rajpath Club, S.G.Highway,
 Ahmedabad-380 015.

DATE - 5/3/2016

RA BILL NO. 22			
Sub : Constructing LD-17, LD-18 & MO-6 (Slice-13)			
Dear Sir,			
We submit herewith our RA BILL No. 22 for constructing of Umbdi Branch Canal Slice-13			
(A) AMOUNT OF WORK DONE AS PER ATTACHED SHEET			12226183
(B) AMOUNT OF PRICE ESCALATION AS PER ATTACHED SHEET			0
TOTAL BILL AMOUNT			12226183

(In Words: One Crore Twenty Two Lacs Twenty Six Thousand One Hundred Eighty Three Only)

Thanking you.

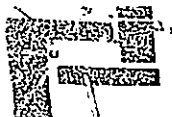
[Handwritten signature]

PAN NO.:- AAPFP6222Q
 TIN NO.:- 24070204867

1,18,00,260
 3,17,891/-
 1,21,90,251/-

FOR PITHADAI INFRASTRUCTURE

[Handwritten signature]
 PARTNER



Pithadai Infrastructure

27, Advani Mkt., Shahibaug Road, Opp. Delhi Gate, Ahmedabad - 380004
Email : pithadai@gmail.com - Web : www.pithadai.com

Date- 26.05.2015

To,
Hardware Tools & Machinery Project Pvt.Ltd.
803 & 902 Shapath-I,
Opp. Rajpath Club, S.G.Highway,
Ahmedabad-380 015.

RA BILL NO. 16
Sub : Constructing LD-17, LD-18 & MO-6 (Slice-13)



Dear Sir,
We submit herewith our RA BILL No. 16 for constructing of Limbdi Branch Canal Slice-13

(A) AMOUNT OF WORK DONE AS PER ATTACHED SHEET	11513498
(B) AMOUNT OF PRICE ESCALATION AS PER ATTACHED SHEET	0
TOTAL BILL AMOUNT	<u>11513498</u>



(In Words: One Crores fifteen Lacks thirteen Thousands Four Hundred ninty eight Only)

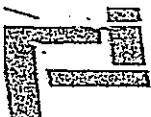
Thanking you.
For, Pithadai Infrastructure

Partner

PAN NO.:- AAPFP6222Q
TIN NO.:- 24070204867

FOR. PITHADAI INFRASTRUCTURE

D. P. Khambhani
PARTNER



Pithadai Infrastructure

27, Advani Mkt., Shahibaug Road, Opp. Delhi Gate, Ahmedabad - 380004
Email : pithadai@gmail.com - Web : www.pithadai.com

Date- 18-03-2015

To,
Hardware Tools & Machinery Project Pvt.Ltd.
803 & 902 Shapath-I,
Opp. Rajpath Club, S.G Highway,
Ahmedabad-380 015

RA BILL NO. 15
Sub : Constructing LD-17, LD-18 & MO-6 (Slice-13)

Dear Sir,
We submit herewith our RA BILL No. 15 for constructing of Limbdi Branch Canal Slice-13

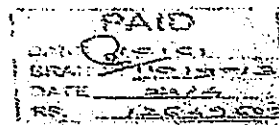
(A) AMOUNT OF WORK DONE AS PER ATTACHED SHEET	12887363
(B) AMOUNT OF PRICE ESCALATION AS PER ATTACHED SHEET	0
TOTAL BILL AMOUNT	<u>12887363</u>

(In Words: One Crores Twenty Eight Lacks Eighty Seven Thousands Four Hundred Sixty Three Only)

Thanking you.

PAN NO.:- AAPFP6222Q
TIN NO.:- 24070204867

For, Pithadai Infrastructure
T. P. Khambhani
Partner





Pithadai Infrastructure

27, Advani Mkt., Shahibaug Road, Opp. Delhi Gate, Ahmedabad - 380004
Email : pithadai@gmail.com • Web : www.pithadai.com

RETAIL Invoice		
PITHADAI TRANSPORTS AND CARTING		Invoice No. : RA-2
99, ASHRIVAD SHOPPING CENTRE, AJAY TENAMENTS		DATE : 31-01-2016
AHMEDABAD:380026		
BUYER Pan no: AANFP3862C		

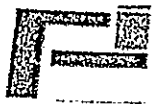
Sr. No.	Description	Quantity	Amount
1	Execution of work contract	1	34,47,726.00
Total Qty. :		1	34,47,726.00
TDS			70,362.00
			35,18,088.00

In Words: Thirty-Five Lakh eighteen Thousand eighty-Eight only.

Terms & conditions:
 1. Goods once sold can not be taken back or exchanged.
 2. Interest @ 18% p.a. charged on overdue payment.
 3. Subject to Ahmedabad jurisdiction.

FUR. PITHADAI INFRASTRUCTURE

PARTNER
 Authorised Signatory



Pithadai Infrastructure

27, Advani Mkt., Shahibaug Road, Opp. Delhi Gate, Ahmedabad - 380004
Email : pithadai@gmail.com • Web : www.pithadai.com

RETAIL Invoice		
HARDWRE TOOLS AND MACHINERY PROJECTS PVT LTD		Invoice No. :
803 & 902 , 906A "Shapath 1", Opp. Rajpath Club, S.G. Road,		DATE : 01-03-2017
Ahmedabad - 380 015		
BUYER Pan no: AABCH6351H		

Sr. No.	Description	Quantity	Amount
1	Execution of work contract	1	2,74,80,683.00
Total Qty. :		1	2,74,80,683.00
TDS :			5,60,830.00
			2,80,41,513.00

In Words: Two Crore eighty Lakh forty-One Thousand Five hundred thirteen only.

Terms & conditions:
 1. Goods once sold can not be taken back or exchanged.
 2. Interest @ 18% p.a. charged on overdue payment.
 3. Subject to Ahmedabad jurisdiction.

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 Email : pithadai@gmail.com - Web : www.pithadai.com

RETAIL Invoice			
PITHADAI TRANSPORTS AND CARTING		Invoice No. :	RA-12
99 RASHTRIVAD SHOPPING CENTRE, AJAY TENAMENTS		DATE	31-03-2017
AHMEDABAD:380026			
BUYER Pan no: AANFP3862C			
Sr. No.	Description	Quantity	Amount
1	Execution of work contract	1	1,40,78,483.00
Total Qty. :		1	1,40,78,483.00
TDS			2,87,317.00
			1,43,65,800.00

Words: One Crore forty-Three Lakh Sixty-Five Thousand Eight hundred only.

Conditions:
 Goods once sold can not be taken back or exchanged.
 Interest @18%p.a. charged on overdue payment.

FOR, PITHADAI INFRASTRUCTURE
 Pithadai Infrastructure

 PARTNER
 Authorised Signatory

Pithadai Infrastructure

27, Advani Mkt., Shahibaug Road, Opp. Delhi Gate, Ahmedabad - 380004
 Email : pithadai@gmail.com - Web : www.pithadai.com

RETAIL Invoice			
JALARAM PROJECTS PVT LTD		Invoice No. :	RA-3
401, Vithal Villa, Nr. Satadhar Circle, Sola Road,		DATE	01-03-2017
Bhaltej, Ahmedabad - 380061			
BUYER Pan no: AADCJ6296P			
Sr. No.	Description	Quantity	Amount
1	Execution of work contract	1	30,26,475.00
Total Qty. :		1	30,26,475.00
TDS			61,765.00
			30,88,240.00

Words: Thirty Lakh eighty-Eight Thousand Two hundred forty only.

Conditions:
 Goods once sold can not be taken back or exchanged.
 Interest @18%p.a. charged on overdue payment.

FOR, PITHADAI INFRASTRUCTURE
 Pithadai Infrastructure

 PARTNER
 Authorised Signatory

The details of all the RA Bills produced are as under -

2015-16

Sl. No.	Name of the Recipient of Service	RA Bill/Invoice No. & date	2015-16
1	Hardware Tools & Machinery Projects Pvt. Ltd.	RA Bill No. 25 dtd. 26.03.2016	4934608
		RA Bill No. 24 dtd. 05.03.2016	12226183
		RA Bill No. 23 dtd. 19.01.2016	4735389
		RA Bill No. 20 dtd. 07.10.2015	4296481
		RA Bill No. 19 dtd. 13.07.2015	3020628
		RA Bill No. 18 dtd. 13.06.2015	8201401
		RA Bill No. 17 dtd. 01.06.2015	2719302
		RA Bill No. 16 dtd. 26.05.2015	11513498
		RA Bill No. 15 dtd. 18.04.2015	12887463
2	Pithadia Transports & Carting	Invoice No. RA-6 dtd. 31.03.2016	2767760
		Invoice No. RA-1 dtd. 31.01.2016	360000
		Invoice No. RA-4 dtd. 29.02.2016	3195024
		Invoice No. RA-5 dtd. 31.03.2016	360000
		Invoice No. RA-2 dtd. 31.01.2016	3518088
		Invoice No. RA-3 dtd. 29.02.2016	360000
	Total Income as per Form 26AS		75095825

2016-17

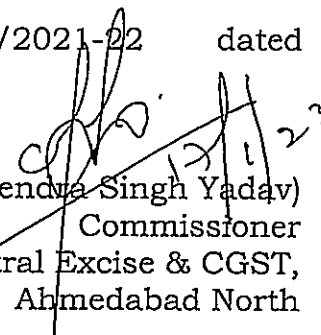
Sl. No.	Name of the Recipient of Service	RA Bill/Invoice No. & date	2016-17
1	Hardware Tools & Machinery Projects Pvt. Ltd.	Invoice dtd. 01.03.2017	28041513
		Invoice dtd. 31.01.2017	469093
		RA Bill No. 29 dtd. 01.01.2017	2078130
		RA Bill No. 27 dtd. 02.06.2016	5060918
		RA Bill No. 26 dtd. 24.05.2016	1155246
2	Pithadia Transports & Carting	Invoice No. RA-12 dtd. 31.03.2017	14365800
		Invoice No. RA-2 dtd. 28.02.2017	4532500
		Invoice No. RA-10 dtd. 31.01.2017	3528000
		Invoice No. RA-9 dtd. 31.12.2016	1050000
		Invoice No. RA-8 dtd. 30.11.2016	2050000
		Invoice No. RA-7 dtd. 01.11.2016	5800000
3	Jalaram Projects Private Limited	Invoice No. RA-3 dtd. 01.03.2017	3088240
		Invoice No. RA-2 dtd. 03.12.2016	1392804
		Invoice No. RA-1 dtd. 27.09.2016	2361470
	Total Income as per Form 26AS		74973714

21. Now, as discussed in foregoing paras, I find that the Assessee has submitted all the documentary evidence viz. Form 26AS, Work Order, corresponding contract, all RA Bills for the period of 2015-16 and 2016-17, to prove that the services rendered by them are exempt in terms of Entry No. 12(d) of Notification No. 25/2012-ST dated 20.06.2012. The demand has also been made vide the subject SCN on the grounds that the Assessee has not obtained Service Tax registration, and have not reflected the income in their ST-3 returns. Apart from the charge of non-reflection of income in the ST-3 returns, no other documentary evidence has been adduced by the department to substantiate the allegations. Whereas the Assessee has sufficiently proved that the income received by them were for provision of exempted services i.e. activity of Canal and Irrigation related work service to government, as discussed in the preceding paras. Accordingly, I hold that the Assessee is not liable to pay the Service Tax on the demand raised against them vide the SCN No. STC/15-198/OA/2021-22 dated 23.04.2021.

22. In view of the facts and circumstances pertaining to the case, I find that the demand is not tenable. Accordingly I do not consider it necessary to delve on the merits of invoking extended period of limitation. For the same reasons, I am also not entering into discussions on the need or otherwise of imposing penalty. Therefore, from the factual matrix as discussed in the foregoing paras, I pass the following order: -

ORDER

I hereby drop the proceedings initiated against M/s. Pithadai Infrastructure, 36-A, Vaibhav Shopping, Bopal, Ahmedabad - 380058 (Gujarat), vide Show Cause Notice STC/15-200/OA/2021-22 dated 23.04.2021


(Upendra Singh Yadav)
Commissioner
Central Excise & CGST,
Ahmedabad North

By Registered Post AD/By Hand Delivery

F.No. STC/15-200/OA/2021-22

To,

M/s. Pithadai Infrastructure,
36-A, Vaibhav Shopping, Bopal,
Ahmedabad - 380058 (Gujarat)

Date: __.01.2023.

Copy for information to:

1. The Principal Chief Commissioner of CGST & Central Excise, Ahmedabad Zone.
2. The Deputy/Asst. Commissioner, Division-VI, CGST & C.Ex., Ahmedabad North.
3. The Superintendent, Range-I, Division-VI, CGST & C.Ex., Ahmedabad North.
- ✓ 4. The Superintendent (Systems), Hq., CGST & C.Ex., Ahmedabad North.
5. Guard File.