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

REGIONAL BENCH – COURT NO. 2

Service Tax Appeal No. 79275 of 2018

(Arising out of Order-in-Original No. 06/ST/Commissioner/2018 dated 25.04.2018 passed by the Commissioner of Central GST & Central Excise, Patna-I)

M/s. Khagaul Loco Labour Co-Operative Society Ltd. **: Appellant**
Shree Krishna Market, 52 Jairam Bazar,
P.O. Khagaul, Patna-801105, Bihar

VERSUS

The Commissioner of Central GST & Central Excise, Patna-I **: Respondent**

APPEARANCE:

Shri Aditya Dutta, Advocate, for the Appellant

Shri Debapriya Sue, Authorized Representative for the Respondent

CORAM:

HON'BLE SHRI R. MURALIDHAR, MEMBER (JUDICIAL)
HON'BLE SHRI K. ANPAZHAKAN, MEMBER (TECHNICAL)

FINAL ORDER NO.75883/2026

DATE OF HEARING: 15.07.2026
DATE OF PRONOUNCEMENT: 16.07.2026

ORDER: [PER SHRI K. ANPAZHAKAN]

M/s. Khagaul Loco Labour Co-operative Society Limited [ST Reg. Certificate No. AAAAK3933DSD003], 52, Jairam Bazar, P.O. Khagaul, Patna- 801 105 (herein after referred as the Appellant) have been engaged in providing services in the nature of Cleaning Service to Indian Railways viz. Eastern Railways, East Central Railways, Western Railways. Services rendered by the Appellant have been in the category of 'Mechanised and Manual Cleaning of Station', 'Onboard Housekeeping' cleaning and disinfection of toilets, bed roll distribution etc.

1.1. The Appellant have been registered with the service tax department and have been collecting and depositing service tax so collected by them in the cases Railways had mentioned the same in their contracts and paid the same to the Appellant. Regarding the levy of service tax on the services rendered to Indian Railways, there were some apparent confusion which prevailed amongst different railway divisions/zones and the same was also clear from the contracts entered into by the different zones. Owing to such confusion in the relevant contracts where there was mention of service tax, the Appellant had raised bills with service tax and paid the service tax so collected to the government exchequer but in other cases where there was no mention of levy of service tax in the respective contracts, the Appellant did not raise any service tax bill to the respective Divisions/Zones of the Railways.

1.2. Based on the records regarding identical service provided by the Appellant to Indian Railways, the Department had first issued one **SCN vide C No. V(12)49-CEP/2011/3168 dated 11.10.2012** for the period **2007-08 to 2011-12** demanding service tax of **Rs. 28,04,724/-** under the category of 'cleaning service' and such demand though confirmed by the lower authorities, has subsequently been decided in favour of the Appellant by CESTAT, Kolkata vide Final Order No. 77498/2025 dated 26.09.2025.

1.3. Subsequently, search was conducted by DGGI, Patna on **18.02.2014** in the office premises of the Appellant at Patna. During the course of search, some records were seized and statement of Secretary of the Appellant, Shri Bhanu Ahuja was also recorded on **24.02.2014**.

1.4. On completion of investigation, Additional Director General had issued us a **Demand cum Notice to Show Cause** under **F No. 17/KZU/KOL/ST/Gr.B/14/6854** dated **14.10.2014** for the period from **2009-10 to 2013-14** demanding service tax amounting to **Rs. 4,88,53,567/-** along with interest and proposed equal penalty under Section 78 of the Finance Act, 1994; penalty was also proposed under Section 76 and 77 of the FA, 1994. The SCN was issued on the following grounds:-

(a) Services of cleaning of i) railway station premises—involving disinfection of platforms, office, toilets, tracks, etc and ii) mechanised coach cleaning – involving exterior and interior cleaning/disinfection of stationary trains at its termination point fall under the category of 'cleaning service' as provided to the 'Railways' and since 'Railways' is a commercial organisation, therefore, service tax of Rs. 84,67,726/- is payable on this score.

(b) Further, the activities of **On-Board House-keeping Service** involving cleaning and disinfection of toilets, bedroll distribution etc are covered under the category 'Business Auxiliary Service', therefore, service tax of Rs. 4,03,85,841/- is also payable on this score.

1.5. The SCN was adjudicated by the Commissioner of Central GST& Central Excise, Patna, vide the impugned Order-in-Original **No. 06/ST/Commissioner/2018 dated 25.04.2018** wherein the Ld. Commissioner has confirmed the entire service tax demand of **Rs. 4,88,53,567/-** along with interest and equal amount of penalty for the period of **2009-10 to 2013-14**. In the Impugned order, the Ld. Commissioner has also imposed penalty of **Rs. 10,000/- each** in terms of Section 77(1)(a) and 77(2) of FA,1994. In the Order-in-Original, the demand of service tax has been confirmed inter-alia based on the following observations:-

(a) Railways is a commercial concern hence the activity of cleaning of i) railway station premises—involving disinfection of platforms, office, toilets, tracks, etc and ii) mechanised coach cleaning – involving exterior and interior cleaning/disinfection of stationary trains at its termination point fall under the category of cleaning service under Section 65(24b) of the Finance Act, 1994 and is chargeable to service tax.

(b) The activities regarding On Board House-keeping Service involving cleaning and disinfection of toilets, bedroll distribution etc are covered under the category 'Business Auxiliary Service' under Section 65(19) of the Finance Act, 1994 and as such is chargeable to service tax.

1.6. Being aggrieved by the Order-in-Original dated 25.04.2018, the Appellant has filed the instant appeal.

2. The submissions made by the Appellant are summarized as under:

On service tax demand of Rs. 84,67,726/- under the category of Cleaning Service

It is the submission of the Appellant that identical issue has already been decided and settled in favour of the appellant by this Tribunal in the case of *M/s. Bindhya Bashini Traders v Commissioner of C.G.S.T. and Central Excise* vide *Final Order No. 75320/2025 dated 12.02.2025* wherein it has been decided that for the period upto 01.07.2012 the above said services rendered are not liable to service tax under the category of 'cleaning service'. For the period post 01.07.2012, it has been held that such services are exempt from payment of service tax as per Entry No. 25 of N.F. No. 25/2012-ST dated 20.06.2012. The same ratio is applicable to the facts and circumstances of the present case, as the Appellant herein also rendered the same services as provided by Bindhya Bashini Traders. Accordingly, the Appellant submits that the demand confirmed on this count in the impugned order is not sustainable.

2.1. On service tax demand of Rs. 4,03,85,841/- under the category of Business Auxiliary Service

The said demand is being dealt with in two parts (i) one before 01.07.2012 and (ii) one after 01.07.2012.

2.1.1. On demand of service tax post 1.07.2012

The Appellant submits that the activities of On-Board House-keeping Service involving cleaning and disinfection of toilets, bedroll distribution etc provided by them to the Indian Railways is exempted from service tax as per Entry 25 of N.F. No. 25/2012-ST dated 20.06.2012 as has been decided by this Tribunal in the case of *M/s. Bindhya Bashini Traders v Commissioner of C.G.S.T. and Central Excise* vide *Final Order No. 75320/2025 dated 12.02.2025*.

2.1.2. On demand prior to 01.07.2012

The Appellant submits that the same issue has been raised earlier vide **SCN vide C No. V(12)49-CEP/2011/3168 dated 11.10.2012** for the period **2007-08 to 2011-12** wherein service tax was charged by the department under the head of 'cleaning service' on the same category of services provided by them to the Indian Railways. The said issue has been finally decided in favour of the Appellant by CESTAT, Kolkata vide Final Order No. 77498/2025 dated 26.09.2025. Thus, the Appellant submits that the department is well aware of the activities undertaken by them and no suppression of fact can be attributed on the part of the Appellant. Hence while issuing the instant SCN dated **14.10.2014** for the **FY 2009-10 to 2013-14** based on the same set of relevant facts charge of suppression cannot be imputed by the Department. In this regard, the Appellant relied on the decision of the Hon'ble Supreme Court in the case of Nizam Sugar Factory v Collector of Central Excise, A.P. [2008 (9) S.T.R. 314 (S.C.)] and contended that extended period cannot be invoked again on the very same issue to demand service tax for the subsequent period. Accordingly, the Appellant submits that the demand confirmed in the impugned order for the period prior to 01.07.2012, by invoking the extended period of limitation is not sustainable.

3. The Ld. A.R. reiterated the findings in the impugned order. He further submits that in the **SCN vide C No. V(12)49-CEP/2011/3168 dated 11.10.2012,** the demand has been raised under the category of 'Cleaning Services', whereas the demand in the present case has been raised under the category of 'Business Auxiliary Services'. Accordingly, he submits that the ratio of the decision in the case of Nizam Sugars is not applicable to the facts of the present case. Accordingly, he justified the demands confirmed in the impugned order.

3.1. The Ld. A.R. further submitted that as recorded in para 22 of the impugned order, an amount of Rs.87,07,264/- has been collected by the Appellant from Railways and hence, the Appellant is liable to pay the service tax collected from Railways to the Exchequer.

4. Heard both sides and perused the appeal documents.

5. Regarding the demand of service tax of Rs. 84,67,726/- under the category of 'Cleaning Service', we find that the Appellant has undertaken the activities of cleaning of i) railway station premises—involving disinfection of platforms, office, toilets, tracks, etc and ii) mechanised coach cleaning – involving exterior and interior cleaning/disinfection

of stationary trains at its termination point. We find that the said activities would not fall under the category of 'Cleaning Service' as defined under Section 65(24b) of the Finance Act, 1994 and not chargeable to service tax, as the said services were not rendered to a Commercial Concern. We find that an identical issue has already been decided and settled in favour of the appellant by this Tribunal in the case of *M/s. Bindhya Bashini Traders v Commissioner of C.G.S.T. and Central Excise* vide *Final Order No. 75320/2025 dated 12.02.2025* wherein it has been decided that for the period upto 01.07.2012 the above said services rendered are not liable to service tax under the category of 'cleaning service'. For ready reference, the relevant portion of the said decision is reproduced below:

> *7. We observe that in the instant case, the appellant has rendered services in the nature of 'upkeep/maintenance of platforms', 'dry sweeping of empty rakes and mechanized yard cleaning', 'railway platform cleaning', 'disposal of accumulated garbage to designated placed', 'on-board housekeeping service in reserved coaches of Poorva Express' and 'cleaning of Sonpur Railway Station platform and its surrounding area', to the South Eastern Railways. The demand in this case has been raised for the period from 2012-13 to 2015-16.*
>
> *7.1. We find that for the period up to 30.06.2012, the Department seeks to classify the services rendered by the appellant under the category of "cleaning service", as defined under Section 65(105)(zzzd) read with Section 65(24b) of the Finance Act, 1994. The said*

definition is reproduced below for the sake of ready reference: -

"SECTION 65. Definitions. — In this Chapter, unless the context otherwise requires, - ….. (24b) "cleaning activity" means cleaning, including specialised cleaning services such as disinfecting, exterminating or sterilising of objects or premises, of — (i) commercial or industrial buildings and premises thereof; or (ii) factory, plant or machinery, tank or reservoir of such commercial or industrial buildings and premises thereof, but does not include such services in relation to agriculture, horticulture, animal husbandry or dairying;"

7.2. From the definition as reproduced above, it is observed that the 'cleaning activity' rendered is liable to Service Tax only if the same are rendered in respect of "commercial or industrial buildings and premises" or "factory, plant or machinery, tank or reservoir of such commercial or industrial buildings and premises" which are all commercial in nature. However, we find that in this case, the services were rendered by the appellant to the Indian Railways, which is a Government of India Organisation. The Department of Railways cannot be called as a 'commercial concern' as its operations of passenger transportation of passengers in trains is meant for the welfare of the general public and it cannot be considered as an activity done with a profit motive. In these circumstances, we hold that the cleaning services rendered by the appellant cannot be held liable to Service Tax for the period up to

30.06.2012. We find that this view is supported by the decision of the Tribunal in the case of R.K. Refreshment & Enterprises (P) Ltd. v. Commissioner of C.Ex., Raipur [2018 (14) G.S.T.L. 281 (Tri. - Del.)], wherein it was held as under: -

"3. We have heard both the Ld. Counsel for the appellant and the Ld. AR for the Revenue and perused the appeal record including the impugned order. We take up the disputed activities for tax liability one by one. (i) Cleaning Services (Rs. 3,09,194/-) : The appellants were engaged in cleaning of railway coaches and toilets in the said coaches. The original authority confirmed tax liability under cleaning service. Section 65(105)(zzzd) read with Section 65(24b) of the Finance Act, 1994 is relevant in the tax levy. The "cleaning activity" is defined as cleaning, including, specialized cleaning services, such as, disinfecting, exterminating or sterilizing of objects or premises of (i) Commercial or industrial building and premises thereof; or (ii) factory, plant or machinery, tank or reservoir of such commercial or industrial buildings and premises thereof, but does not include such services in relation to agriculture, horticulture, animal husbandry or dairying. It is clear that cleaning is with reference to objects or premises of commercial or industrial building, factory and premises thereof. The original authority gave a reason that railway coaches are either standing on platform or running on the track and the same are to be considered as

object on the premises for Indian railway holding railway coaches and contracts constituents of capital assets and machinery of Indian railway, the original authority held cleaning of such railway coaches will be considered as cleaning of commercial premises. The coaches are rolling stock of railways. They are for transport mode and cannot fall under the commercial object of industrial building, factory, plant or machinery, etc. The interpretation of the original authority is far fetched and not sustainable in view of the plain meaning of the statutory definition for tax entry."

7.3. A similar view has also been taken in the decision rendered in the case of P. Siva Prasad v Commissioner of C.Ex., Cus. & S.T., Hyderabad-III [2019 (27) G.S.T.L. 233 (Tri-Hyd.)]. The relevant part of the said Order is reproduced below: - "13. We now deal with the above issues and decide - (a) Supply of bed rolls under the head 'business auxiliary services' ………. (b) Cleaning of toilets and compartments : It is the case of the Revenue that these services are chargeable to service tax under the head 'cleaning services' under Section 65(24b) read with Section 65(105)(zzzd) of the Finance Act, 1994 while it is the case of the assessee appellant that these services are not covered by the definition of 'cleaning services' as they have not been rendering any such services in the commercial premises but are rendering the same on the trains. Section 65(24b) reads as follows: The *"cleaning activity" is defined as cleaning, including, specialized cleaning services, such as, disinfecting, ex-terminating or sterilizing of objects or premises of (i) Commercial or industrial building and premises thereof; or (ii) factory, plant or machinery, tank or reservoir of such commercial or industrial buildings and premises thereof, but does not include such services in relation to agriculture, horticulture, animal husbandry or dairying. It is clear that cleaning is with reference to objects or premises of commercial or industrial building, factory and premises thereof. The question is whether the trains in which they render these services can be considered as commercial or industrial buildings or premises or factory, plant or machinery, tank or reservoir of such commercial and industrial buildings and premises or otherwise. The Principal Bench of Tribunal at Delhi has, in the case of R.K. Refreshments & Enterprises Pvt. Ltd. and Others (supra) held that the railway coaches or rolling stock of the railways meant for transport and cannot be considered as a commercial or industrial building or factory or plant or machinery. Therefore, the cleaning services rendered in the railway coaches are not covered by the taxing statute. Since the taxing statute must be strictly interpreted as has been held by the Constitutional Bench of Hon'ble Supreme Court in Civil Appeal No. 3327/2007, Commissioner of Customs (Import), Mumbai v. Dilip Kumar & Company and Others [2018 (361) E.L.T. 577 (S.C.)] without regard to the consequences of such*

> *interpretation. We concur with the views of the coordinate bench that railway coaches cannot be considered as commercial premises, being the rolling stock. If it had been the intention of the Legislature to cover even cleaning of railway coaches, buses, aircrafts, ships etc., they would have been specifically covered. A taxing statute has to be strictly interpreted and if someone gets out of tax net because of the way the taxing statute has been drafted, this cannot be the remedied through a judicial/quasi judicial order. We therefore hold that the appellant is not liable to pay service tax on the cleaning services."*
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> *7.4. In view of the above, we hold that the demand of Service Tax confirmed in the impugned order for the period up to 30.06.2012 under the category of "cleaning service" is not sustainable and hence we set aside the same.*

5.1. We find that the ratio of the decision cited supra is squarely applicable to this case. Accordingly, we hold that the demand of service tax confirmed in the impugned order under 'Cleaning Service' is not sustainable for the period prior to 01.07.2012.

5.2 For the period post 01.07.2012, in the same decision cited supra, it has been held that such services are exempt from payment of service tax as per Entry No. 25 of N.F. No. 25/2012-ST dated 20.06.2012. For ready reference, the relevant portion of the said decision is reproduced below:

8.2. Regarding the eligibility of the exemption as provided under Entry No. 25 of Notification No. 25/2012-S.T. dated 20.06.2012, it is required to examine the relevant provisions of the said Notification, which is extracted below: -

"25. Services provided to Government, a local authority or a governmental authority by way of - (a) carrying out any activity in relation to any function ordinarily entrusted to a municipality in relation to water supply, public health, sanitation conservancy, solid waste management or slum improvement and upgradation; or (b) repair or maintenance of a vessel or an aircraft;"

8.3……From the extract reproduced in para 8.2. supra, we find that the services provided to the Government which are in the nature of services ordinarily rendered by a municipality such as water supply, public health, sanitation conservancy and solid waste management are, inter alia, are exempted from Service Tax by virtue of the above said Notification. In this case, there is no dispute that the appellant has rendered the services namely, 'upkeep/maintenance of platforms', 'dry sweeping of empty rakes and mechanized yard cleaning', 'railway platform cleaning', 'disposal of accumulated garbage to designated placed', 'on-board housekeeping service in reserved coaches of Poorva Express' and 'cleaning of Sonpur Railway Station platform and its surrounding area' to a Government body viz. the Indian Railways. We find that the services

> *rendered by the appellant are in the nature of "public health, sanitation conservancy and solid waste management". Entry No.25 of the Notification 25/2012-ST exempts all such services which are rendered to Government, as the same are otherwise exempted from service tax when rendered by a Municipality. Accordingly, we find that the services rendered by the appellant are squarely covered within the ambit of Sl. No. 25 of Notification No. 25/2012 S.T. dated 20.06.2012. We therefore hold that the appellant has rightly claimed exempted under the above Notification for the services rendered to the Indian Railways.*

5.3. We find that the ratio of the decision cited supra is applicable to the facts and circumstances of the present case, as the Appellant herein also rendered the same services as provided by Bindhya Bashini Traders. Accordingly, we hold that the demand confirmed on this count in the impugned order is not sustainable and hence we set aside the same.

6. Regarding the service tax demand of Rs. 4,03,85,841/- under the category of Business Auxiliary Service, we find that the said demand has been confirmed for the period prior to 01.07.2012 as well as post 01.07.2012.

6.1. Regarding the demand of service tax post 1.07.2012, we find that the Appellant rendered the activities of On-Board House-keeping Service involving cleaning and disinfection of toilets, bedroll distribution etc provided by them to the Indian Railways. We find that the said services are exempted from payment of service tax as per Entry 25 of N.F. No. 25/2012-ST dated 20.06.2012 as has been decided by this Tribunal, in the case of *M/s. Bindhya Bashini Traders v Commissioner of C.G.S.T. and Central Excise* vide *Final Order No. 75320/2025 dated 12.02.2025* and extracted at para 5.2 supra. Thus, relying on the said decision, we hold that the demand the demand of service tax confirmed in the impugned order post 01.07.2012 is not sustainable.

6.2. Regarding the demand confirmed for the period prior to 01.07.2012, we find that the same issue has been raised earlier vide **SCN vide C No. V(12)49-CEP/2011/3168 dated 11.10.2012** for the period **2007-08 to 2011-12** wherein service tax was charged by the department under the head of 'Cleaning Service' on the same category of services provided by the Appellant to the Indian Railways. The said issue has been finally decided in favour of the Appellant by CESTAT, Kolkata vide Final Order No. 77498/2025 dated 26.09.2025. Thus, we find that the department is well aware of the activities undertaken by the Appellant and no suppression of fact can be attributed on the part of the Appellant. Thus, we observe that while issuing the instant SCN dated **14.10.2014** for the **FY 2009-10 to 2013-14** based on the same set of facts, charge of suppression cannot be attributed on the part of the Appellant. In this regard, we rely on the decision of the Hon'ble Supreme Court in the case of Nizam Sugar Factory v Collector of Central Excise, A.P. [2008 (9) S.T.R. 314 (S.C.)] wherein at Para 9, it has been observed as under:-

> *When the first SCN was issued all the relevant facts were in the knowledge of the authorities. Later on, while issuing the second and third show cause notices the same/similar facts could not be taken as suppression of facts on the part of the assessee as these facts were already in the knowledge of the authorities. We agree with the view taken in the aforesaid judgments and respectfully following the same, hold that there was no suppression of facts on the part of the assessee/appellant.*

6.3. From the decision cited supra, we find that once show cause notice has been issued alleging suppression of fact, then extended period cannot be invoked again on the very same issue to demand service tax for the subsequent period. Accordingly, we hold that the demand confirmed in the impugned order for the period prior to 01.07.2012, by invoking the extended period of limitation is not sustainable and hence we set aside the same.

7. As the demand of service tax is not sustained, the question of demanding interest or imposing penalties does not arise and hence we set aside the same.

8. Regarding the submission of the Ld. A.R. that an amount of Rs.87,07,264/- has been collected by the Appellant from Railways, the Appellant submitted that the said amount does not relate to service tax. There was a dispute regarding the payments by the Railways. To settle the dispute, they have approached the Hon'ble High Court. The Hon'ble High Court vide its order dated **06.06.2013** advised to reconcile the issue and settle the dispute. The said

order passed by the Hon'ble High Court is extracted below for ready reference:

06.06.2013

gd

W.P. 24493 (W) of 2012

M/S. Khagaul Loco Labour's
Co-operative Society Limited & Anr.
Vs.
Union of India & Ors.

Mr. Joydeep Kar
Mr. Joydeep Roy
..for the Petitioners

Mr. Swapan Banerjee
..for Respondents

The grievance of the petitioners is that an exorbitant amount in excess of Rs.1.5 crore has been arbitrarily withheld from the petitioners' bills raised on the railways for the petitioners rendering on-board cleaning services. The petitioners demanded an explanation from the railways as to why such amount was deducted. In pursuance of such demand, the railways issued a letter on March 26, 2012, a copy whereof is annexure "P-5" to the petition.

According to the railways, a sum of about Rs.71 lakh was deducted for non-supply of material and improper conduct of work. The letter also indicates that a sum of about Rs.74 lakh was deducted on account of service tax.

It is the petitioners' contention that no amount could have been deducted from the bills by way of service tax since it was the petitioners who rendered the services.

The railway authorities should reconsider the position on the deduction on account of service tax and communicate the decision to the petitioners within four weeks from date.

However, it will be open to the petitioners to take appropriate steps in terms of the contract to realise the dues of the petitioners from the railways if the petitioners are of the view that they have a valid claim.

W.P. 24493 (W) of 2012 is disposed of without any order as to costs.

Urgent certified photocopies of this order, if applied for, be given to the parties upon compliance of the requisite formalities.

(Sanjib Banerjee, J.)

8.1. The Appellant submitted that as directed by the Hon'ble High Court the Railways first returned back an amount of Rs.74,05,507/- and hence the said amount in no way relates to service tax. As a proof of return of the said amount of Rs. 74,05,507/- the Appellant submitted the Ledger account to this effect. For ready reference, the extract of the said Ledger is reproduced below:

STATEMENT OF ACCOUNT

M/S KHAGAUL LOCO LABOURS CO -- OPERATIVE SOCIETY LTD
30291002681
57 STATION ROAD GOSAIN TOLI CHUTIA
BESIDE CHUTIA POST Ranchi M Corp OFFICE
RANCHI Ranchi
834001

Account No : 791657408
Product: CA-GEN-PUB-METRO/URBAN-INR
Currency: INR
Int Rate : 14.90 % P.a
Limit : 0.00
Drawing Power: 0.00
Cleared Balance : 0.00
Uncleared Amount : 0.00
Nominee name :
Ckyc ID :

INDIAN BANK
LILUAH BRANCH
266 A, G T Road Liluah
Howrah Dist.
711204
Branch Code : 00605
Phone No : 6556019
Email ID : liluah@indianbank.co.in
IFSC Code : IDIB000L004
Statement Date :15-Jul-2026
Statement From :01-Jan-2014
Statement To :31-Dec-2014
Statement Time :03:11:07
Page No. : 6

Post Date	Value Date	Details	Chq.No.	Debit	Credit	Balance
		Brought Forward				1888516.00cr
13/05/14	13/05/14	Paid to SELF	659061	500000.00		1388516.00Cr
13/05/14	13/05/14	659057 11RAJ GIRAJ ENTP P LTD	659057	59225.00		1329291.00Cr
13/05/14	13/05/14	659016 11S B I ESIF	659016	95725.00		1233566.00Cr
13/05/14	13/05/14	659050 11SBI E S I FUND	659050	25913.00		1207653.00Cr
13/05/14	13/05/14	659015 11SBI E S I F	659015	95725.00		1111928.00Cr
13/05/14	13/05/14	S E RAILWAY SBIN814133122952			7405507.00	8517435.00Cr
14/05/14	14/05/14	Paid to SELF	659066	1000000.00		7517435.00Cr
		Carried Forward				7517435.00Cr

Statement Summary Dr. Count:6 Cr. Count:1 11206693.00 18716315.00

In Case Your Account Is Operated By A Letter Of Authority/Power Of Attorney Holder, Please Check The Transaction With Extra Care.

8.2. As regards, the balance alleged collected amount of Rs.13,01,757/- (Rs.87,07,264/- (-) Rs.

74,05,507/-) the said amount was also returned by the Railways to the appellant as settlement amount against the 1.5 crores arbitrarily withheld against the appellant's Bills as recorded by the Hon'ble Calcutta High Court in its Order dated 06.06.2013 and as such the said amount also does not relate to service tax.

8.3. From the documentary evidences submitted by the Appellant, we find that the said amount of Rs.87,07,264/-mentioned in para 22 of the impugned order is not related to service tax, collected by the Appellant from Railways. Thus, we do not find any merit in the submission of the Ld. A.R that the Appellant has collected the service tax and retained the same. Further, we find that the Appellant has paid the service tax collected by them from Railways and filed ST-3 returns. There is no other evidence available on record to show that the Appellant has retained the amount of service tax collected from Railways and not paid the same to the Exchequer. Accordingly, we reject the allegation as there is no evidence available on record to substantiate the same.

9. In the result, we set aside the impugned order and allow the appeal filed by the Appellant with consequential relief, if any, as per law.

(Order Pronounced in Open court on 16.07.2026)

(R. MURALIDHAR)
MEMBER (JUDICIAL)

(K. ANPAZHAKAN)
MEMBER (TECHNICAL)

RKP