



माल एवं सेवाकर (जी.एस.टी.) के आयुक्त का कार्यालय  
OFFICE OF THE COMMISSIONER OF GOODS AND SERVICES TAX (GST)

एन-5 टाउन सेंटर, सिडको, औरंगाबाद - 431003

N-5 TOWN CENTRE, CIDCO, AURANGABAD - 431 003

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R.P.A.D.

Aurangabad, the

**DIN-20201266VJ0000495234**

To,

M/s. Takecare India Pvt. Ltd.,  
Value Industries Ltd Campus,  
15 K.M. Stone, Paithan Road,  
Chitegaon, Paithan Bidkingaon,  
Aurangabad Maharashtra.

DIN NO.

**SHOW CAUSE CUM DEMAND NOTICE**

(Sr. No. 65 /ST/TPI/ JC/20-21 dated 22.12.2020 )

M/s. Takecare India Pvt. Ltd., Value Industries Ltd Campus, 15 K.M. Stone, Paithan Road, Chitegaon, Paithan Bidkingaon, Aurangabad Maharashtra holding Service Tax Registration No. AABCM5639HST003 (hereinafter referred to as "the noticee") are engaged in providing/receiving taxable services covered under the Finance Act, 1994 (hereinafter referred to as "the Act").

2(a) As per the Third Party Data of Income Tax Department viz. AURANGABAD \_ST\_Mismatch\_With\_Similar\_Pan\_of\_ITR\_TDS No. 3, it was observed that the noticee had shown expenditure of Rs.22,88,80,364/- towards receipt of various services for the Financial Year 2014-15.

2(b) Further as per the available records of this office, it is noticed that

noticee has not filed ST-3 for the period Oct-14 to Mar-15 and filed ST-3 Return for the period Apr-14 to Sept-14 on 20.10.2014 and noticee has declared Value of service received in ST-3 Return for the period Apr-14 to Sept-14 which is as under:

Sr.No.	Name of Service Received	Amount declared in ST-3 (Apr-14 to Sept-14)
1	Rent-a-Cab Scheme Operator Service	177400
2	Security/Detective agency service	1124573
3	Manpower recruitment/supply agency service	67270465
4	Maintenance or repair Service	0
5	Errection, Commissioning & installation Service	0
6	GTA	20359420
7	Business Support Service	0
8	Legal Consultancy Service	192880
	<b>Total</b>	<b>89124738</b>

2 (c) Further, as per the Third Party Data of Income Tax Department viz. Aurangabad\_ST\_Mismatch\_with\_Similar Pan of ITR\_TDS No.3 data for 2014-15, it was observed that the noticee had shown Sales/Gross Receipts from Services (Value from ITR) of Rs. 1,05,40,08,174/-for the Financial Year 2014-15, while the value of Service provided as per ST-3 is 1,05,34,82,952/-Accordingly, Superintendent, Paithan Range, of Aurangabad Rural Division has issued letters through E-mail/post dated 13.10.2020 and 11.11.2020 asked them to produce relevant documents/records to ascertain the tax liability. However, the noticee failed to do so.

**3(a).** In view of the para 2(a) and para 2(b) above, it is observed that noticee is receiving various taxable services covered under the erstwhile Finance Act, 1994. The activity carried out by the noticee falls under the category of service as defined under erstwhile Section 68 (2) of chapter V of the Finance Act, 1944 (hereinafter referred to as the Chapter & Act) read with Rule 2 (1) (d) (i) and Rule 6 of the Service Tax Rules, 1994 (hereinafter referred to as the Rules).

**4(a). Computation of Service Tax:** It appears that the noticee has not paid appropriate Service Tax on taxable value as per the information of third party data received from the Income Tax Department viz. (AURANGABAD\_ST\_Mismatch\_With\_Similar\_Pan\_of\_ITR\_TDS No.3 and as per ST-3, for the period 2014-15. Therefore, the service tax due on the said amount is worked out as detailed below.

**Table 1**

Financial Year	ITR/TDS Value of Service received declared to Income Tax department (Rs.)	Value of service received declared to Service Tax department (Rs.)	Difference in value as to Service Tax (Rs.)	Rate of Service Tax	Service Tax payable under RCM in (Rs.)
1	2	3	4 (2-3)	5	6
2014-15	228880364	89124738	139755626	12.36%	17273795

**4(b).** Further, the Value of Rs. 228880364/- being consideration paid by the noticee towards receiving the various taxable services, is the gross amount incurred by the noticee and is thus considered as value of taxable services received during the relevant period. It appears that the noticee was required to pay the Service Tax amounting to **Rs.1,72,73,795/-** on the differential value of **Rs.13,97,55,626/-** at the rate specified in erstwhile Section 66/66B of the Act, as applicable during the relevant period, on monthly/quarterly basis, to the credit of the Central Government, in view of the provisions of erstwhile Section 68 (2) of the Act read with the provisions of erstwhile Rule 2 (1) (d) (i) read with Notification No. 30/2012-Service Tax dtd. 20.06.2012, as amended and Rule 6 (1) of the Rules, but they failed to do so.

4(c) Further, it appears that, the noticee was liable to assess and pay the Service Tax due on the services received and declare taxable value in the specified Form ST-3 return, on half-yearly basis, as specified in erstwhile Section 70 (1) of the Act read with the provisions of erstwhile Rule 7 of the

Rules, but they failed to do so. Thus, the noticee has suppressed the payment of value **Rs.13,97,55,626/-** towards receipt of various services from the Department with intent to evade the payment of Service Tax, during the period 2014-15.

**5(a)** In view of para 2(c) the above, it is observed that noticee is providing various taxable services covered under the Finance Act, 1994. The activity carried out by the noticee falls under the category of service as defined under erstwhile Section 65B (44) of Chapter V of the Finance Act, 1944 (hereinafter referred to as the Chapter & Act).

**5(b)** It further appears that the noticee has not paid/short paid Service Tax on taxable value as per the information of third party data received from the Income Tax Department viz. Aurangabad\_ST\_Mismatch\_with\_Similar Pan of ITR\_TDS No.3 data for 2014-15. Therefore, the service tax due on the said amount is worked out as detailed below.

**Table 2**

Financial Year	Sales/Gross Receipts From Services (Value from ITR)	Value declared to Service Tax department	Difference in value	Rate of Service Tax	Service Tax payable in Rs.
1	2	3	4 (2-3)	5	6
2014-15	1,05,40,08,174	1,05,34,82,952	5,25,222	12.36%	64,917

**5(c).** Further, the Value of Rs. 1,05,40,08,174/- being consideration received by the noticee towards providing the various taxable services, is the gross amount charged by the noticee and is thus considered as value of taxable services provided during the relevant period. It appears that the noticee was required to pay the Service Tax amounting to Rs. 64,917/- on the differential value of Rs. 5,25,222/-at the rate specified in erstwhile Section 66/66B of the Act, as applicable during the relevant period, on

monthly/quarterly basis, to the credit of the Central Government, in view of the provisions of erstwhile Section 68 (1) of the Act read with the provisions of erstwhile Rule 6 (1) of the Rules, but they failed to do so.

**5(d)** Further, it appears that, the noticee was liable to assess and pay the Service Tax due on the services provided and declare taxable value in the specified Form ST-3 return, on half-yearly basis, as specified in erstwhile Section 70 (1) of the Act read with the provisions of erstwhile Rule 7 of the Rules, but they failed to do so. Thus, the noticee has suppressed the receipts of differential value Rs.5,25,222/-from the Department with intent to evade the payment of Service Tax, during the period 2014-15.

**6. Contravention OF Legal Provisions:** Whereas from the foregoing, it appeared that the noticee has contravened the following provisions of the erstwhile Finance Act, 1994, and Rules made there under:

i) Erstwhile Section 68 (2) of the said Act read with erstwhile Section 66/Section 66B of the Act read with erstwhile Rule 2 (1) (d) (i) read with Notification No. 30/2012-Service Tax dtd. 20.06.2012, as amended and Rule 6 of the Rules, as applicable during the relevant period, in as much as they failed to pay the appropriate Service Tax for Financial Year 2014-15 on the due date as prescribed.

ii) Erstwhile Section 68 (1) of the said Act read with erstwhile Section 66/Section 66B of the Act read with erstwhile Rule 6 of the Rules, as applicable during the relevant period, in as much as they failed to pay the appropriate Service Tax for Financial Year 2014-15 on the due date as prescribed.

ii) Erstwhile Section 70 (1) of the said Act read with erstwhile Rules 7 (1), 7 (2) & 7 (3) of the Rules, in as much as they failed to assess the Service Tax due, on the services received by them and also failed to furnish prescribed ST-3 Returns with correct details in prescribed time.

iii) Erstwhile Section 69 of the Act read with erstwhile Rule 4 of the Rules, in as much as they failed to amend their Service Tax registration.

**7.** It appears that in the regime of self assessment, more reliance is placed on the noticee who has to take every care and ensure that he has

correctly assessed and discharged tax liability and followed service tax procedure. However, the noticee had never declared to the department the fact of having paid an amount of Rs. 139755626/- (as detailed in above table) towards receiving the taxable services and the noticee had short declared the receipt against provision of service/s to the Service Tax department by Rs. 5,25,222/- (as detailed in above table) on which they are required to pay the Service Tax. Further, they failed to amend their registration for the taxable services on which service tax was either not paid or short paid. Also they have neither filed ST-3 returns for the services received/provided for the differential value nor followed service tax procedure. These omissions and commissions on the part of the noticee shows that they have withheld the information which was statutorily required to be declared by them and thus suppressed the material facts with intent to evade payment of service tax. Therefore, proviso to erstwhile Section 73 (1) of the Finance Act, 1994 is rightly invocable in this case for demanding and recovering the service tax not paid/short paid for the extended period along with interest at applicable rates under the provisions of the erstwhile Section 75 of the Finance Act, 1994.

**7.1** Further, it also appears that by their omissions and commissions, the noticee has rendered themselves liable for payment of late fees under the provisions of erstwhile Section 70 (1) read with erstwhile Rule 7 C of the Service Tax Rules, 1994 for failure to file ST-3 returns for differential value as mentioned above. They are also liable for penalty under erstwhile Section 77 (1) (a) of the Finance Act, 1994 for failure to amend service tax registration for the services received for differential value. For the contraventions of the provisions of erstwhile Section 68(1) & 68 (2) of the said Act read with erstwhile Section 66/Section 66B of the Act read with erstwhile Rule 2 (1) (d) (i) read with Notification No. 30/2012-Service Tax dtd. 20.06.2012, as amended and Rule 6 of the Rules, they are liable for penalty under erstwhile Section 78 of the Finance Act, 1994 for contravention of various provisions of Service Tax law by suppressing of

material facts with intent to evade payment of service tax.

The Central Government in the emergent situation like COVID-19 pandemic issued an ordinance which empowers the Government to extend the time limit. The Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020, 38 of 2020 issued on 29.09.2020 have extended the time limit for issue of show cause notice up to 31<sup>st</sup> December, 2020.

**8.** Further, it appears the difference in value of taxable values declared by the noticee in the ST-3 returns vis-à-vis ITR / TDS values for **FY 2014-15** resulting in short payment of Service Tax, these are reasonable grounds to allege that the noticee has also suppressed the correct values of taxable services for **FY 2014-15**. The noticee was also asked to furnish information in respect of the period **FY 2015-16, 2016-17 and 2017-18(upto June 2017)**.

**9.** Further appears that, the noticee has not furnished such information and records and therefore in absence of such information, this show cause cum demand notice, does not cover period from **2015-16, 2016-17 and 2017-18(upto June 2017)**. The department will consider issue of Show Cause cum demand notice for such period, whenever such information will be provided by the noticee or is available to the department from other sources.

**10.** This notice is issued without prejudice to further Show Cause Notice for the period **2015-16, 2016-17 and 2017-18(upto June 2017)** as and when financial records are submitted by the Noticee or the information is available to the department from an official source. This notice is issued without prejudice to any other action that may be taken against the said noticee under the Finance Act, 1994 / Central Excise law and / or any other law for the time being in force in India.

**11.** Further the period of five years as mandated under section 73 of the Finance Act,1994, was extended till 31<sup>st</sup> December - 2020 in terms of Section 6, Chapter V of the Taxation and Other Laws (Relaxation and amendment of Certain Provisions) Act, 2020 read with Notification CG-DL-E-30092020-222154 dated 30.09.2020 issued under F. No. 450/61/2020-Cus.IV(Part-1).

**12.** Now, therefore, M/s. Takecare India Pvt. Ltd., Value Industries Ltd

Campus, 15 K.M. Stone, Paithan Road, Chitegaon, Paithan Bidkingaon, Aurangabad Maharashtra are hereby called upon to show cause to the Joint Commissioner of Central Goods and Service Tax, Aurangabad, having his office at 1<sup>st</sup> Floor of the Office of the Commissioner of Central Goods & Service Tax, N-5, Town Centre, CIDCO, Aurangabad within 30 days from the date of receipt of this notice, as to why:-

a) Service Tax of **Rs. 17273795/-** (as detailed in the above Table 1 ) (as mentioned in **Annexure-A**) not paid/short paid on taxable services received by them, during the Financial year 2014-15 as detailed above, should not be demanded and recovered from them under the provisions of proviso to erstwhile Section 73 (1) of the Finance Act, 1994;

b) Service Tax of **Rs. 64,917/-** (as detailed in the above Table 2) (as mentioned in **Annexure-A**) not paid/short paid on taxable services provided by them, during the Financial year 2014-15 as detailed above, should not be demanded and recovered from them under the provisions of proviso to erstwhile Section 73 (1) of the Finance Act, 1994

c) Interest on (a) & (b) above at an appropriate rate should not be charged & recovered from them as specified under erstwhile Section 75 of the Finance Act, 1994;

d) Late fees under erstwhile Section 70 (1) of the Act read with erstwhile Rule 7 of the Rules should not be charged and recovered from them for failure to file correct return in Form ST-3 during the period.

e) Penalty under erstwhile Section 77 (1) (a) of the Act should not be imposed on them for failure to amend Service Tax registration.

f) Penalty on (a) & (b) above under erstwhile Section 78 of the Act should not be imposed on them for suppressing the material facts from the Department, with intention to evade payment of correct Service Tax for Financial year 2014-15.

**13.** The noticee is required to produce at the time of showing cause all the evidences upon which they intend to rely in support of their defence. They are further required to state as to whether they wish to be heard in person, before the case is adjudicated.



**14.** If no cause is shown against the action proposed to be taken, within 30 days of receipt of this notice, or the noticee does not appear before the adjudicating authority when the case is posted for hearing, the case will be decided ex-parte on the basis of evidences available on records, without any further reference to them.

**15.** The documents relied upon in this case value of service received as per AURANGABAD\_ST\_Mismatch\_With\_Similar\_Pan\_of\_ITR\_TDS No. 3 for the year 2014-15 & as per value of service received from ST-3 return for the period Apr-14 to Sept-14 and letter dated 13.10.2020 and 11.11.2020 as mentioned in **Annexure-B**.

**16.**The provisions of Section 174 (2) of the Central Goods & Services Tax Act, 2017 empowers the proper officer to exercise the powers vested under the provisions of erstwhile Chapter V of the Finance Act, 1994 read with Service Tax Rules, 1994.

**17.** This notice is issued without prejudice to any other action that may be taken against the said service provider/receiver under the Finance Act, 1994 and/or any other law for the time being in force.

Encl:- As above.

**(S.B Deshmukh)**  
**Joint Commissioner**  
**GST & Central Excise,**

**Aurangabad**

Copy to:-1) The Assistant Commissioner, CGST & C.Ex,  
Aurangabad Rural Division, Aurangabad

2) The Superintendent, Central Goods & Service Tax, Paithan  
Range.

3) Master Copy.