



भारत सरकार / Government of India

वित्तमंत्रालय, राजस्वविभाग/Ministry Of Finance, Department Of Revenue

OFFICE OF THE COMMISSIONER, CENTRAL GOODS & SERVICE TAX, GST BHAVAN, TOWN CENTRE, CIDCO, N-5, AURANGABAD-431003

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DIN 20201266VJ000000C2A6

SHOW CAUSE-CUM-DEMAND NOTICE

(Sr. No. 163 /ST/TPI/JC/NED/UR/20-21 dated 27.12.2020)

M/s DURGA TRADING CO, situated at TEXCOM PLOT NO. B 72/12, M.I.D.C. DHANEGAON, NANDED 431603 (hereinafter referred to as "the assessee"), holding Service Tax Registration No AAefd7074RSD001 is engaged in providing various taxable services covered under the Finance Act, 1994 (hereinafter referred to as "the Act").

2. Whereas Value of services as declared by the assessee in Income Tax Return (ITR)/Balance Sheet and TDS data (Amount paid to the assessee by various parties and Income Tax Deducted at Source by such payers as reflected in Form 26AS under Section 194C, 194H, 194I & 194J of Income Tax Act, 1961), obtained from the Income Tax Department for the FY 2014-15, 2015-16, 2016-17 and 2017-18 (upto June 2017) was found to be in excess of the value of services declared by the assessee in Form ST-3 for FY 2014-15, 2015-16, 2016-17 and 2017-18 (upto June 2017) and whereas it was observed that, the net amount paid to the assessee (including TDS deducted but excluding the service tax amount, if any) by various parties was in excess of the value of services provided, as declared by the assessee in the ST-3 returns for FY 2014-15, 2015-16, 2016-17 and 2017-18 (upto June 2017). This indicates suppression of the taxable value by the assessee in Form ST-3 and short-payment/non-payment/evasion of service tax. It appears that the differential Service Tax, as indicated in the table in para 7.1 below, is now liable to be paid by the assessee.

3. Further, during the investigation, the Superintendent, CGST & Central Excise, Nanded Urban Range, vide their office letter/ email F. No. R-Ned Urban/220/TPI/2018 dt. 08.10.2018 requested the assessee to submit relevant / relied upon documents for verification and for furnishing reconciliation in aforesaid cases.

4. Further, Vide letter/ Telephonic reminders the assessee had submitted the reconciliation data/ requisite information which was called for non payment of differential amount of service tax along with applicable interest and penalty for the period from 2014-15, 2015-16, 2016-17 & 2017-18. On reconciliation of data along with statutory records viz. Balance Sheet/ Profit and Loss Account for the period from 2014-15, 2015-16, 2016-17 & 2017-18 , it appears that they have short declared value of services of Rs. 9,98,42,098/- on which service tax to evade payment of Service tax. The non-payment of the service tax by the assessee on the differential value i.e. difference in value as per ITR / TDS/ Balance Sheet/ Profit and Loss Account data vis-à-vis taxable amount shown in ST-3 returns, even after being pointed out by the Department, leads to the conclusion that, in spite of legal provisions to furnish the correct information to the department, the assessee is not willing share such correct information with the department.