

Commissioner of Central Excise Vs. Adpros

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Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Delhi

Decided On : Nov-18-2004

Reported in : (2006)STR48

Judge : P Bajaj

Appellant : Commissioner of Central Excise

Respondent : Adpros

Judgement :

1. In this appeal, the Revenue has challenged the impugned Order-in-Appeal dated 24-1-2004 vide which the Commissioner (Appeals) has reduced the penalty from Rs. 27,900/- to Rs. 15,000/- on the respondents for late filing of service tax return for the quarter ending April and June, 2001.

2. I have heard the learned JDR and Chartered Accountant for the respondents and gone through the records. From the record, it is evident that there was a delay of 267 days on the part of the respondents in filing of the service tax return for the quarter ending April and June, 2001, they were required to deposit the service tax by 25-7-2001 whereas it was deposited on 15-4-2002. But the entire service tax has been paid by the respondents along with interest thereon. The adjudicating authority no doubt levied penalty equal to the service tax amount, but the Commissioner (Appeals) has reduced it to Rs. 15,000/- by observing that initially, there was some confusion with the assesseees regarding their tax liability. The view taken by him cannot be said to be devoid of legality. Many assesseees were initially

labouring under its belief that their services were not covered by the provisions of Service tax. The Government had even extended many concessions in relation to the filing service tax return and deposit of the amount payable by them under the Act. Therefore, keeping in view all the facts and circumstances, in my view, no illegality can be said to have been committed by the Commissioner (Appeals) in reducing the penalty amount on the respondents, who have already paid the service tax along with interest.

3. Consequently, the impugned order of the Commissioner (Appeals) is upheld and the appeal of the Revenue is dismissed.

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