CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL
New Delhi

PRINCIPAL BENCH – COURT NO. IV

Service Tax Appeal No. 50189 Of 2026

[Arising out of Order-in-Appeal No. 620(GS)ST/JPR/2024 dated 02.01.2025 passed by the Commissioner (Appeals) of Central Excise and CGST, Jaipur]

Edupro E-Solutions India Private Limited : **Appellant**
3rd Floor, 30, Sudarshanpura Industrial Area
22 Godown Jaipur-302006

Vs

Commissioner of CGST, Jaipur : **Respondent**
NCR Building, Statue Circule, C-Scheme
Jaipur, Rajasthan-302005

APPEARANCE:
Shri Wilson Joy, Advocate for the appellant.

Shri Rohit Issar, Authorised Representative of the Department

CORAM :
HON'BLE MS. HEMAMBIKA R. PRIYA, MEMBER (TECHNICAL)

FINAL ORDER No. 51430/2026

Date of Hearing:24.08.2026

Date of Decision:07.09.2026

HEMAMBIKA R. PRIYA

The present appeal has been filed by M/s Edupro E-Solutions India Private Limited[1] against the Order-in-Appeal No. 620(GS)ST/JPR/2024 dated 02.01.2025 wherein the Commissioner partly allowed the appeal filed by the appellant and upheld the demand on two issues.

2. The brief facts of the case are that the appellant was registered under service tax vide no. AACCE7125PSD003. On

---

1 **The appellant**

scrutiny of third party information received from income tax department, the department noticed that the appellant had earned differential income of Rs. 1,21,31,141/- during the Financial Year 2015-16. Not satisfied with the documents submitted by the appellant, the department issued a Show Cause Notice No. V(CGST-I)15/22/Dem/EESIPL/2021-22/1578 dated 15.04.2021 proposing demand of service tax of Rs.17,59,015/- under proviso to Section 73 along with interest and proposed penalties under Section 77(1)(c) and 78 of the Finance Act, 1994. The appellant neither submitted any reply to the show cause notice nor attended the personal hearing. The adjudicating authority confirmed the demand of service tax of Rs. 17,59,015/- under proviso to Section 73 along with interest under Section 75. Penalty of Rs.10,000/- was imposed under Section 77(1)(c) and Rs. 17,59,015/- under Section 78 of the Finance Act, 1994. Thereafter, the appellant filed an appeal before Commissioner (Appeals) who passed the impugned order upholding demand on two (2) issues. Aggrieved, the present appeal has been filed before the Tribunal.

3. Learned Counsel for the appellant submitted that M/s Globsyn Skill development Private Limited was an approved training partner of National Skill Development Corporation. The appellant had been engaged by Globsyn skills development Private Limited for rendering skill development courses under the Pradhan Mantri Kaushal Vikas Yojana Guidelines, 2016-20, which allowed training partners to render the courses through franchisee mode. The same was applicable for the year 2015-16. He further stated that the

appellant was operating in collaboration with Globsyn Skills Development Private Limited as was evident from the Certificate of Participation issued by the National Skill Development Agency to Shri Manoj Kumar Gupta, Director of the appellant as part of Globsyn Skills India Private Ltd, Jaipur. Further, learned counsel stated that there was no dispute that the certificates for the courses conducted by the appellant (were issued by NSDC). Therefore, the services were being provided by the appellant to NSDC were through Globsyn Skills Development Private Limited. Hence, they were covered under para 9A (4) of the said notification. In support, he relied on the decision in **M/s SRK Innovatives School of Information** versus **Principal Commissioner**[2] where in the Tribunal had held when NS DC schemes/programmes themselves allow both types of partners that is direct and indirect, and the exemption entry, which is beneficial entry and related to educational services should be allowed as long as there is nexus directly or indirectly between the activities of the tax and NSDC.

3.1 Learned counsel further stated that the Sahitya Sadawat Samiti is a society that established the Suresh Gyan Vihar University, Jaipur under an Act of Rajasthan Government. He contended that the appellant was rendering various distance learning and vocational training course under the curriculum of Suresh Gyan Vihar University, by way of which, the students

---

2 2025-SCC Online CESTAT 1531

obtained qualification as under the law. Learned counsel submitted that the income that was being sought to be taxed was received in respect to such courses being executed by the appellant for the students. He drew attention to the communication sent by the appellant and received from Suresh Gyan Vihar University in relation to Appellant's engagement with them. Consequently, he stated that the services provided was covered under clause (l)(II) of Section 66D of the Finance Act, 1994.

3.2 Learned counsel also contended that the extended period was invoked without jurisdiction. He submitted that no specific act of fraud, collusion, willful statement, separation, or contravention with an intent to Evade as required under section 73(1) of the Finance Act has been mentioned in the impugned order. He contended that the law has been settled by the Supreme Court and the Tribunal that mere non-payment or non-submission of the details in itself does not trigger the extended period, whereas, there has to be positive act or omission by the taxpayer with the intent to evade payment of tax. He further submitted that the appellant was engaged in the business of providing services related to education, and therefore was under the bona fide impression that its education related services were exempt. He relied on the following decisions in support of his contentions.

- **Continental Foundation Joint Venture** versus **Commissioner of Central Excise**[3]
- **Uniworth Textiles Limited** versus **Commissioner of Central Excise**[4]

---

3 2007 SCC Online SC 1066

- **Anand Nishikawa** versus **Commissioner of Central Excise**[5]
- **Collector of Central Excise** versus **H.M.M. Limited**[6]

4. Learned Authorized Representative for the Department submitted that Para 9A of Notification No. 25/2012-ST, inserted through Notification No. 13/2013-ST dated 10.09.2013, grants exemption from Service Tax only to skill development and vocational training services provided by the National Skill Development Corporation (NSDC), approved Sector Skill Councils, Assessment Agencies, and Training Partners under programmes implemented by the NSDC, including the National Skill Certification and Monetary Reward Scheme. In the present case, the appellant had rendered services to Globsyn Skill Development and not directly to the NSDC or under an eligible NSDC-implemented programme. Therefore, the appellant had failed to satisfy the conditions prescribed under the notification. Thus, the appellant was liable to pay Service Tax.

4.1 Learned authorized representative further submitted that the exemption available under Section 66D(I)(ii) of the Finance Act, 1994 was restricted to educational services provided as part of a curriculum leading to a qualification recognized by law. Although the appellant had conducted degree courses of Gyan Vihar University, it was neither a University nor an institution imparting education in the manner contemplated under the statutory provision. Accordingly, the appellant was not entitled to claim

---

4 2013 SCC Online SC 76
5 2005 (7) SCC 749
6 1995 SCC Online SC 82

exemption under the Negative List, making it liable to pay Service Tax. The taxable services rendered and the corresponding non-payment of Service Tax came to the Department's notice only upon receipt of third-party information. This amounted to suppression of material facts with an intention to evade payment of tax. The appellant had also contravened the provisions of Section 68 of the Finance Act, 1994 by failing to deposit the Service Tax within the prescribed time.

5. I have heard the learned counsel for the appellant, the learned Authorized Representative for the Department and have perused the case records.

6. Regarding income of Rs. 3,14,000/- received from M/s Globsyn Skill Development Private Limited, I note that the impugned order has noted that this income has been received for conducting PMKVY courses related to Skill Development courses promoted by Central Government through NSDC department. I find from this certificate that M/s Globsyn Skills Development Private Limited was a NSDC funded partner and was authorized to appoint associate partners to conduct and provide various skill development programs sponsored by NSDC under PMKVY. It is submitted that the appellant had conducted various PMKVY programs under the schemes and initiatives of National Skill Development Corporation and had earned Rs.3.14.000/-on account of the same. I reproduce the copy of the said certificate hereinafter:-

"National Skill Development Corporation"
Transforming the skill landscape

"Certificate of Partnership

This is to certify that GLOBSYN SKILLS DEVELOPMENT PRIVATE LIMITED is on Approved Training Partner of National Skill Development Corporation (NSDC) for the financial year 2015-16" Sd/- (Dilip Chenoy) MD and CEO date: 1" April, 2015 Place New Delhi.

CERTIFICATE ISSUED BY M/S GSDL SKILLS PRIVATE LIMITED

To whom so it may concern

This is certify that Edupro E-Solutions India Pvt. Ltd. was an Authorized partner/Learning center to run BFSI and other program of NSDC under Pradhan Mantri Kaushal Vikas Yojana through GSDL Skill Private Limited (formerly non as Globsyn Skills Development Private Limited) for the FY2015-16.

6.1 It is evident from the above certificate that the appellant was not the directly authorized partner of M/s NSDC under Pradhan Mantri Kaushal Vikas Yojana. As per the NSDC certificate M/s Globsyn Skills Development Pvt. Ltd was the Approved Training Partner of National Skill Development Corporation (NSDC) for the financial year 2015-16, and not the appellant.

6.2 I find that para 9A (iv) of Notification No. 25/2012, provides exemption to any services provided in relation to (a) the National Skill Development programme implemented by the National Skill Development Corporation; or (b) a vocational skill development course under the National Skill certification and Monetary Reward

Scheme; or (c) any other scheme implemented by the National Skill Development Corporation. The said para 9A of the exemption notification 25/2012 is reproduced below:-

> "9A. Any services provided by, -
> (i) the National Skill Development Corporation set up by the Government of India:
> (ii) a Sector Skill Council approved by the National Skill Development Corporation;
> (iii) an assessment agency approved by the Sector Skill Council or the National Skill Development Corporation:
> (iv) a training partner approved by the National Skill Development Corporation or the Sector Skill Council: in relation to (a) the National Skill Development programme implemented by the National Skill Development Corporation; or (b) a vocational skill development course under the National Skill certification and Monetary Reward Scheme: or (c) any other scheme implemented by the National Skill Development Corporation.] inserted vide Notification No. 13/2013-ST, dated 10.9.2013."

6.3 From the above it is evident that the appellant had been providing services to M/s Globsyn Skill Development Private Limited and not to National skill Development Corporation directly. Therefore, we hold that the appellant is not eligible for exemption from service tax by virtue of para 9A (iv)(c) of Notification No. 25/2012. The appellant is, therefore, liable to pay service tax Rs. 47,100/-. I draw support from the Supreme Court's ruling in **Commissioner of Customs** versus **Dilip Kumar and Company**[7], which has held that exemption notifications are to be interpreted

7 [AIR 2018 Supreme Court 3607]

strictly. Any ambiguity in an exemption notification is to be resolved against the assessee and in favour of the Revenue. The relevant para of the judgment is reproduced hereinafter:-

> ***"41.****After thoroughly examining the various precedents some of which were cited before us and after giving our anxious consideration, we would be more than justified to conclude and also compelled to hold that every taxing statute including, charging, computation and exemption clause (at the threshold stage) should be interpreted strictly. Further, in case of ambiguity in a charging provisions, the benefit must necessarily go in favour of subject/assessee, but the same is not true for an exemption notification wherein the benefit of ambiguity must be strictly interpreted in favour of the Revenue/State.*
>
> ***52.****To sum up, we answer the reference holding as under -*
>
> *(1) Exemption notification should be interpreted strictly; the burden of proving applicability would be on the assessee to show that his case comes within the parameters of the exemption clause or exemption notification.*
>
> *(2) When there is ambiguity in exemption notification which is subject to strict interpretation, the benefit of such ambiguity cannot be claimed by the subject/assessee and it must be interpreted in favour of the revenue.*
>
> *(3) The ratio in Sun Export case (supra) is not correct and all the decisions which took similar view as in Sun Export case (supra) stands overruled."*

In the instant case, since the appellant was not the authorized partner of NSDC, hence, the exemption is not available. The reliance on Tribunal's decision on **SRK Innovative** is misplaced as in that case, there was a tripartite agreement between NSDC/ Authorized Partner SRK, whereas there is no such agreement in the instance case.

7. The second issue relates to the income received Rs. 2,31,886/- from Sahitya Sadawart Samiti. The appellant submitted that this income of Rs. 2,31,886/- was on account of conducting various distance learning program which are recognized by the

Rajasthan Government and run by Gyan Vihar University. As per clause (1) (ii) of negative list under Section 66 D of the Finance Act, 1994, education as a part of curriculum for obtaining a qualification recognized by law for time being in force, is exempt from service tax. The appellant was conducting degree courses of Gyan Vihar University. I note that the impugned order has observed that the exemption from service tax is granted under clause (I) (ii) of negative list under Section 66 D of the Finance Act, 1994, education as a part of curriculum for obtaining a qualification recognized by law for time being in force, is exempt from service tax, if such course is run by the such University not for conducting degree courses by the appellant. Hence, the appellant is not eligible for exemption under clause (1)(ii) of negative list under Section 66 D of the Finance Act, 1994 for this degree course and the appellant is liable to pay service tax of Rs. 34,783/-. The relevant clause of the section is reproduced hereinafter:-

> *"Section 66D (l)*
>
> *services by way of –*
>
> *(i)pre-school education and education up to higher secondary school or equivalent;*
>
> *(ii)education as a part of a curriculum for obtaining a qualification recognised by any law for the time being in force;*
>
> *(iii)education as a part of an approved vocational education course; --------------------"*

8. I find from the plain reading of the said clause, that exemption is available to education for obtaining a qualification,

recognized by law. In the instant case, it is admitted fact that the appellant was providing services of education to Suresh Gyan Vihan University. I also find that the clause does not require the service to be provided by a University, as held in the impugned order. I agree with the learned counsel's submission that the Commissioner (Appeals) has read more into the aforesaid provision which are not present. Hence, I hold that the appellant is eligible for the exemption available under Section 66D (i) (ii).

9. The learned counsel has submitted that the extended period cannot be invoked as no specific act of fraud/wilful misstatement/suppression has been alleged in the show cause notice and hence extended period cannot be invoked. Learned Authorized Representative cannot be invoked. Learned Authorized Representative has submitted that the appellant did not respond to repeated letters and failed to furnish the relevant records. Hence, the extended period had been correctly invoked.

10. A perusal of the show cause notice clearly shows that the show cause notice dated 15.04.2021 had raised demand of Rs. 17,59,015/- for the year 2015-16. The impugned order has upheld the demand of Rs. 81,843/- only, after having taken note of the documents submitted by the appellant in respect of the other income. This clearly establishes that there was no wilful suppression by the appellant with an intent to evade. I draw support from the Supreme Court's judgments.

(i) **Uniworth Textile Limited** versus **Commissioner of Central Excise**[8]

(ii) **Anand Nishikawa** versus **Commissioner of Central Excise**[9]

11. In view of the above, I hold as follows;-

(i) The demand made in respect of services provided to M/s Globsyn Skill Development Private Limited is upheld for the normal period, if any.

(ii) The demand in respect of services provided to Sahitya Sadawat Samiti is set-aside.

(iii) The demand for the extended period is set-aside.

The impugned order stands modified accordingly and the appeal is allowed to the extent indicated above.

(Order pronounced on 07.09.2026)

(HEMAMBIKA R. PRIYA)
MEMBER (TECHNICAL)

G.Y.

---

8 2013 SCC Online SC 76
9 2005 (7) SCC 749