CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL
ALLAHABAD

REGIONAL BENCH - COURT NO.II

Service Tax Appeal No.70274 of 2026

(Arising out of Order-in-Appeal No.48-ST/APPL/LKO/2026 dated 13/02/2026 passed by Commissioner (Appeals) Central Excise & Service Tax, Lucknow)

M/s R.S. Construction (Prop. Smt. Zarina Khan)..Appellant
(10, MMIG, Block-B, Indrapuram, Agra-282001)

VERSUS

Commissioner of Central Excise &

CGST, Agra ....Respondent

(Lucknow)

APPEARANCE:

Smt Stuti Saggi, Advocate for the Appellant
Shri Surendra Ram, Authorised Representative for the Respondent

CORAM: HON'BLE MR. SANJIV SRIVASTAVA, MEMBER (TECHNICAL)

FINAL ORDER NO.70236/2026

DATE OF HEARING : 20 July, 2026
DATE OF PRONOUNCEMENT : 22 July, 2026

SANJIV SRIVASTAVA:

This appeal is directed against Order-in-Appeal No.48-ST/APPL/LKO/2026 dated 13/02/2026 passed by Commissioner (Appeals) Central Excise & Service Tax, Lucknow. By the impugned order following has been held:-

> *"5.5 In the light of above, I found it would proper to modify the impugned order passed the adjudicating authority for determining the issues as discussed above. Consequently, the amount of demand confirmed by the adjudicating authority is reduced to Rs.3,43,492/- from Rs. 3,72,213/- along with interest and equal penalty under Section 75 and 78 of the Act. Since equal penalty has been*

imposed upon the appellant as such there is no need to impose any other penalty in the case."

2.1 Appellant having PAN- ANHPK1807B was not registered with the department and was not filing any return as required for paying service tax.

2.2 On the basis of the information received for the Financial Year 2015-16 from Income Tax Department it transpires that appellant had received amounts towards provisions of services and have not paid any service tax in respect of the services provided.

2.3 Inquiries/investigations were started against the appellant and the jurisdictional authorities vide letter dated 18.06.2020, 10.08.2020 and e-mail send on 18.06.2020 and 22.06.2020 requested for the financial documents such as Form-26 AS, Balance Sheet, work order and ITR for the year 2015-16 from the appellant.

2.4 Appellant vide letter dated 03.09.2020 submitted some of the documents and informed as follows:-

> *"I am a contractor providing services Exemptions to PWD (UP Govt. department) which is evident from my 26AS of Income Tax department and as per Mega Revenue) 25/2012-Service Tax dated 17.03.2012 (Updated-20/06/2012), Ministry of Finance (Department of Government of India "Services provided to the Government, a local authority or a Governmental authority by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation or alteration of - a civil structure or any other original works meant predominantly for use other than for commerce, industry, or any business or profession etc" are exempt under Service Tax".*

2.5 Appellant did not provide copy of work order and other supporting documents. He was contacted telephonically and asked to submit remaining documents. However, the appellant did not turn up.

2.6 Accordingly, on the basis of available documents, service tax liability upon the appellant was computed as pr the table below:-

Amount in Rs					
Financial Year	Receipts towards Services			Service Tax (inclusive of Cess)	
	ITR	26 AS	Higher	@ %	payable
1	2	3	4	5	6
2015-16	9119412	8841382	9119412	14.5	1322315

2.7 As the appellant did not provide the documents as per the taxable value received from the service recipient nor was registered with the department for filing their ST-3 returns and disclosing the figures of taxable value by providing the required information, revenue authorities observed that appellant has suppressed the material facts with intent to evade payment of service tax. Therefore, the amount in table above was demandable from the appellant by invoking extended period of limitation as per proviso to Section 73(1) of the Finance Act, 1994.

2.8 Show cause notice dated 24.12.2020 was issued to the appellant asking them to show cause as to why:-

> *"i. Service tax (including cess) amounting to Rs.13,22,315/- (Rupees Thirteen Lakhs Twenty Two and recovered from them by way Only) not paid during the period 2015-16 should not be demanded of invoking the extended period under the proviso to section 73(1) of the Act read with Section 174 of the CGST Act, 2017;*
>
> *ii. Interest at the appropriate should rates for the relevant period till the payment of the Service Tax mentioned at Sr. No. (i) above, should not be demanded and recovered from them under the provisions of Section 75 of the Finance Act, 1994 read not with Section 174 of CGST Act, 2017;*
>
> *iii. Penalty should of not be imposed upon them for suppressing the facts from the department with intent to*

evade payment service tax under Section 78 of the Act read with Section 174 of the CGST Act, 2017.

iv. Penalty should not be imposed upon them under Section 77(1)(a) of the Finance Act, 1994 read with Section 174 of the Central Goods and Services Tax Act, 2017 for their failure to take registration as per provisions of Sectioin-69 of the Act.

V. Penalty should not be imposed upon them under Section 77(2) of the Finance Act, 1994 read with Section 174 of the Central Goods and Services Tax Act, 2017 for their failure to file required ST-3 returns for F. Y. 2015-16 as laid down under Section-70 of the Act."

2.9 The said show cause notice was adjudicated as per the Order-in-Original No.418/ST/AC/D-II/Agra/2022-23 dated 21.02.2023.

2.10 Aggrieved appellant have filed appeal before Commissioner (Appeals) who vide the Order-in-Appeal No.246-ST/APPL/LKO/2024 dated 04.04.2024 remanded the matter back to the jurisdictional Assistant Commissioner by observing as follows:-

"5.1:- I have carefully gone through the case records. I find that the present case involves examination of eligibility of the Appellant for the benefit of entry No. 12(A) as provided under Notification No. 25/2012-Service Tax dated 20th June, 2012.

5.2:- I note that in order to substantiate their claim relating to services provided to the Government, a local authority or a governmental authority by way of construction, erection, commissioning, renovation or alteration of a civil structure or any other original works meant predominantly for use other than for commerce, industry, or any other business or profession, the Appellant has produced before me photocopy of works orders, payment certificates, Form 26AS, balance sheet and

Income Tax Returns. I find that correct position of service tax liability can only be arrived at after thorough examination of documents submitted by the Appellant and their reconciliation which cannot be done at this stage.

5.3:- Therefore, in light of preceding paras, I am left with no other option but, to remand the case back to original adjudicating authority with directions to pass an order only after taking into account all the documents of the Appellant and their examination in light of appropriate statutory provisions. The Appellant is directed to produce copy of all documents on which they intend to rely before the Adjudicating Authority within 30 days from the receipt of the order."

2.11 In the remand proceedings, matter was again adjudicated vide Order-in-Original 16.01.2025 by holding as follows:-

"ORDER

(i) I confirm the demand of Service tax with all cessess amounting to Rs.3,72,213/- (Rupees Three Lakh Seventy Two Thousand Two Hundred and Thirteen only) upon the party under proviso to Section 73(1) of the Finance Act, 1994 read with Section 174 of CGST Act, 2017 and drop the demand of service tax of Rs.9,50,102/- which is over and above the above amount of demand of service tax, as raised by the impugned SCN, being not sustainable in this case.

(ii) I confirm the demand of interest at appropriate rates for the relevant period till the payment of confirmed demand of Service Tax mentioned at Sr. No.(i) above, under the provisions of Section 75 of the Finance Act, 1994 read with Section 174 of CGST Act, 2017.

(iii) I impose the penalty of Rs.3,72,213/- /-(Rupees Three Lakh Seventy Two Thousand Two Hundred and Thirteen only) upon the party under Section

78 of the Finance Act. 1994 read with Section 174 of CGST Act, 2017, for suppressing the facts and value of taxable services for contravention of the provisions of the Act and Rules with intent to evade payment of service tax. However, an option is being given to the Noticee under (1)(ii) of Section 78 of the Finance Act, 1994 that if the Service Tax of Rs.3,72,213/- along with applicable interest is deposited within thirty of communication of this order, the amount of penalty liable to be paid by the party shall be twenty five percent of such service tax so determined in the order, Provided that the benefit of reduced penalty under the second proviso shall be available only if the amount of such reduced penalty is also paid by the party within such period,

(iv) I impose the penalty of Rs.1,000/-(Rupees One Thousand Only) upon the party under Section 77(1)(a) of the Finance Act, 1994 read with Section 174 of CGST Act, 2017 for not obtaining Service Tax Registration.

(v) I impose the penalty of Rs.10.000/-(Rupees Ten Thousands Only) upon the party under Section 77(2) of the Finance Act, 1994 read with Section 174 of the CGST Act, 2017 for not filing their statutory ST-3 during the period April. 2015 to Sept. 2015 and Oct. 15 to March, 2016."

2.12 Aggrieved appellant have filed appeal before Commissioner (Appeals), which has been disposed as per the impugned order referred in para-1 above.

2.13 Aggrieved appellant have filed this appeal.

3.1 I have heard Smt Stuti Saggi learned Counsel appearing for the appellant and Shri Surendra Ram learned Authorised Representative appearing for the revenue.

3.2 Arguing for the appellant learned Counsel submits that-

- Impugned order denies the benefit of RCM in respect of Work Contract Services provided by them. The said order fails to take note of the decision of this Tribunal in the case of M/s G.N. Construction Vs CCE, Jalandhar 2020 (37) GSTL 205 (Tri.-Chan) wherein it has been categorically held that the benefit of the said notification would be available. Impugned order do not record any finding for finding so.
    - Demand is time barred as has been held in number of decisions:-
    - M/s Mega Trends Advertising Ltd. Vs CCE, Lucknow 2020 (38) GSTL 57 (Tri.-All.);
    - M/s ACE Creative Learning Pvt. Ltd. Vs CCE, Bengaluru 2021 (51) GSTL 393 (Tri.-Bang.);
    - M/s Shankar Advertising Agency Final Order No.71614/2019 dated 30.08.2019;
    - M/s Gaurabh Engineering Pvt. Ltd. Final Order No.70475/2025 dated 21 April, 2025 &
    - M/s Rajeev Maheshwari, Proprietor Final Order No.70174 of 2026 dated 18.05.2026.

3.3 Learned Authorised Representative reiterates the findings recorded in the orders of the lower authorities.

4.1 I have considered the impugned orders along with the submissions made in appeal and during the course of argument.

4.2 Impugned order records the findings as follows:-

"5.2 From the grounds of appeal filed by the appellant it has been emerged that the appellants' disagreement with the impugned order is on the following grounds;

(i) Demand is time barred as there was no suppression by the appellant.

(ii) The appellant has sold the grit and dust to the PWD Etah and received consideration of Rs.1,98,076/- for which they produced receipt before the adjudicating authority at

the time of Denovo adjudication and the same was rejected and Service Tax amounting to Rs. 28,721/- has been confirmed.

(iii) The benefit of the RCM Notification No. 30/2012-ST dated 20/06/2012, through which the appellant was liable to pay 50% of the confirmed amount of service tax was not extended to them by the adjudicating authority.

5.3 I have carefully gone through the submissions of the appellant & the grounds of appeal, order passed by Adjudicating authority, case records and find that in the present case, the Adjudicating authority has passed a well-reasoned order by applying his mind and after considering the directions issued vide the OIA dated 04.04.2024. Regarding services provided to the PWD ie. Government authority; the Adjudicating authority has ascertained the each and every activity performed by the appellant and dropped the portion of demand which was covered under the purview of Notfn. No. 25/2012-ST dated 20.06. 2012.

I am discussing the grounds of appeal one by one in the following manner;

(i) As alleged in the Demand SCN dated 28.12.2020, it was Income tax department who reported the figures filed in Income Tax return filed by the appellant for the year 2015-16 and the entire figures reported were considered as sales of services by the appellant and the impugned Demand SCN was issued. If these figures were not reported by the income tax the department could not have get it from any other source. It was the sole responsibility of the appellant to get themselves registered with the Service Tax department and should have filed proper returns in respect of services rendered by them. Therefore, the plea taken by the appellant in this regard is not sustainable.

(ii) The appellant has sold the grit and dust to the PWD Etah and received consideration of Rs.1,98,076/- for which

they have produced before the adjudicating authority at the time of Denovo adjudication but the same was rejected by the adjudicating authority on the grounds that they could not provide the work orders for the same is not justified and Service Tax amounting to Rs. 28,721/- has been wrongly confirmed against the said amount in the impugned order. Appellant has supplied Stone Ballast and Stone Dust to Executive Engineer PWD Etah for Rs.4,90,886/- and this figure is reflected in 26AS and payment shown by the PWD Etah is inclusive of VAT and the above amount of Rs.1,98,076/- is part and parcel of the same entry of 26AS therefore it is out of ambit of Service Tax. Therefore demand of Service Tax amounting to Rs. 28,721/- confirmed by the adjudicating authority is not sustainable.

(iii) of The benefit of the RCM Notification No. 30/2012-ST dated 20/06/2012, through which the appellant was liable to pay 50% of the confirmed amount service tax has correctly been denied by the adjudicating authority as the Services were provided to the Government by the appellant and there is no applicability of RCM if such services were provided to Government under the Notification No. 30/2012-ST dated 20/06/2012.

5.4 I find that order passed by Adjudicating authority in the present case is discussed and legal except the demand of Service Tax amounting to Rs. 28,721/- as above."

4.3 I find that appellant in their submission before the adjudicating authority has specifically submitted as follows:-

"It is also to submit that remaining amount of Rs.34,83,438/- [Rs.67.81.730.00(-)Rs.32.98,292.00], though related to the works contract orders issued on or after 01/03/2015, but since no payment of service tax is paid to the appellant by the Provincial Division PWD, Agra and there is no clause of service tax in the related works contract order, hence the Noticee is of the reasonable

belief that they were not liable to pay service tax on the said works for the consideration of Rs. 34.83,438/- and since the amount related these works are taken from their balance sheet. which is a public document, hence in view of the settled position of the law of various higher judicial authorities, demand of service tax, making extended period of time of limitation, is not sustainable against the Noticee, when all such transaction are reflected in their books of account and there is no malafide intention to evade the service tax on the part of the Noticee.

(ix). It is further Division, submitted that the Noticee received an amount of Rs. 4,90,886/- from the of PWD, Provincial Division Etah for supply of stone ballast. That three works order for supply of stone ballast bearing No. 2711/21A dated 24/08/2015 for Rs. 97,560/- and bearing No.3208/21A dated 24/08/2015 for Rs. 97600/- and bearing No.532/21-A -Eng.1 dated 04/09/15 for Rs. 97,650/- against which the consideration to the tune of Rs. 97,560/-, Rs.97,600/- and Rs.97,650/- as shown at Sub-Serial No. 3,4 & 5 of S.No. 4 of their Form 26AS for the relevant period, totaling to Rs. 2,92,810/- and remaining amount of Rs.98,636/- and Rs.99,440/- as shown as Sub-Serial No. 1 and 2 of S. No. 4 of their Form 26AS, is also for supply of stone ballast, but presently the work order for the same is not available and the same will be produce at the later point of time, however it is submitted that total consideration of Rs.4,90,886/- is received by the appellant from the PWD Provincial Division, Etah for supply of stone ballast, on which the VAT is liable to be paid, hence the same is exempted from the payment of service tax in terms of section 65B(44) of the Finance Act, 1994. Copy of above three works order are enclosed as annexure-10/1 to 10/3 of this appeal memo for ready-reference-please.

(x). It is further submitted that as ledger of sales account showing the amount to the tune of Rs.91,19,412/-

[enclosed as annexure 11 of their reply] which is fully matched with the amount as shown in their balance sheet/ITR, it may please be seen that the amount to the tune of Rs. 40,381/- is received for work done from Construction Division-1, TTZ, PWD, Agra for doing the misc work. And that amount to the tune of Rs.1,38,000/- is shown to be received from E.M. PWD [Electrical & Maintenance Division PWD], Agra. That for these works, the works orders are not presently available and will be produce at the time of personal hearing. however works for Rs. 1,38,000/- is maintenance or repair of loader, trolla etc. and the works for Rs.40,381/- is in the nature of civil repair or maintenance, which are liable to service tax, however in terms of Service Tax Determination of Value Rules, 2006, service tax is payable @ 70% of the taxable value of the same, on which RCM is also applicable in terms of Notification No. 30/2012-ST dated 20/06/2012 being the service provider is individual and PWD is Public Limited company as held by the Hon'ble CESTAT, Chandigarh in para 16 of their judgment in the case of M/s G.N. Construction V/s Commissioner of C.Ex.& S.T., Jalandhar-2020(37) G.S.T.L. 305(Tri. Chan.)"

4.4 Adjudicating authority in order in original dropped the demand claimed by the appellant to be towards the supply of exempted services. In respect of the remaining amount which as per the appellants own submissions is towards the supply of services which are not exempted has been confirmed along with the demand in respect of the receipts which appellant claimed to be towards the supply of stone ballast. Appellant had claimed the benefit of 50% of tax in terms of Notification No.30/2012-ST (which provided in respect of the work contract services the 50% of service tax was to be paid by service provider and 50% by the service recipient) the on the basis of decision of this Tribunal referred earlier. Adjudicating Authority denied the benefit so claimed in terms of the Notification No 30/2012-ST. First appellate authority dropped the demand made in respect of the supply of stone ballast but maintained the order of original authority in respect of denial of benefit under Notification No 30/2012-ST.

4.5 Now, I am concern only with the demand made in respect of the amount which appellant has admitted as leviable to service tax but has claimed the benefit of 50% on the basis of Notification No 30?2012-ST. I find that Chandigarh Bench has in the referred judgment has held as follows:-

> *"**14.**We further take a note of the fact that in the case of Bharat Bhushan Gupta & Company (supra) observed as under :-*
>
> *"The Board has been constituted in terms of the provisions of Section 3 of the Act, as was enacted by the State Legislature. It is a body corporate which consists of a Chairman, a Chief Administrator and such other members, as the State Government may, from time to time, appoint by a notification. The Chief Administrator shall be a person from amongst the officers of the rank of Head of the Department or Joint Secretary of the State Government. It is termed to be a local authority for the purposes of Land Acquisition Act, 1894. Section 20 of the Act provides that subject to control of the State Government the Board may incur expenditure on framing and execution of such housing schemes as may be considered necessary from time to time or as may be entrusted to it by the State Government. Every year, the Board is to prepare a budget in advance for the next year and place it before the State Government for its approval. After sanction is granted by the State Government, the same is published in the Official Gazette. The Board is authorised to borrow money for implementation of the projects, as approved with prior approval of the State Government. Section 72 of the Act provides that the State Government shall exercise superintendence and control over the Board and its officers. The aforesaid provisions of the Act clearly show*

that the Board is a Governmental Authority, as it is fully under the control of the State Government"

It was further observed by the Hon'ble High Court as under :-

In view of our aforesaid discussion, it can safely be opined "21. that for the kind of contract entered into between the petitioners and the Board, no Service Tax is leviable, hence, the action of the Board in deducting part of the Service Tax, though payable in the hands of the Board, if tax is leviable, from the bills of the petitioners is declared to be illegal.

Issue No. (ii) :

Another issue was raised regarding liability for payment of 22. Service Tax, if payable. Though in view of our aforesaid findings, the issue has lost significance, however, as the argument was raised, we will touch upon the same. Condition No. 3 in the additional conditions, as provided for in the contract entered into between the parties, reads as under :

Royalty, Sales Tax, Excise Duty, Octroi, Service Tax or any other "3. tax or levy, shall be paid by the contractor direct to the respective department in accordance with their rules and regulations enforce from time to time, without any liability to the Housing Board Haryana."

[Emphasis supplied]

The stand of the petitioners was that as 23. per the aforesaid contract, the petitioners could not shift their liability of any kind of tax on the Board. Where any liability, as per law, is on the Board, that cannot be shifted on the contractors by way of the aforesaid clause. As per the provisions of Finance Act, 1994, as amended up to date read with Notification No. 30/2012-S.T., dated 20-6-2012 on the works contracts the liability is 50% on the contractor, whereas 50% is on the contractee, i.e., service *provider and the service recipient. The stand of the petitioners was that for any alleged levy on the petitioners, namely, the contractors/service provider, the department never issued any notice seeking to levy the tax. Notice was issued to the Board. From the running bills of the petitioners, the Board had deducted the amount of tax, which is to be paid by the Board, in case the tax is leviable, which was totally uncalled for. A perusal of the aforesaid clause shows that the contractor is liable to pay various taxes, as mentioned in the clause, directly to the department in accordance with the Rules and the Regulations in force from time to time. The case of neither of the parties is that the liability, which may be put on the contractor/service provider, if tax is leviable, is being passed on to the Board, as the scheme of the Act provides for levy of tax 50 : 50 on service provider and the service recipient. Hence, the action of the Board, even if it is assumed that tax is leviable, to pass on their share of burden as per the provisions of the Act on the contractors is not envisaged in the clause.*

In view of our abovesaid discussion, the 25. questions, as framed above, are answered as under :

(i) On the contract for construction of BPL houses, as awarded by the Board to the petitioners, no Service Tax is leviable w.e.f. 1-7-2012; and

(ii) the Board is not entitled to pass on the burden of Service Tax payable on its part, if the tax is leviable, upon the contractors."

Therefore, we hold that for the period prior to 1-4-2015, the appellant is not liable to pay Service Tax at all on construction of EWS Flats, but thereafter, the appellant is liable to pay only 50% of the Service Tax on them in terms of Notification No. 30/2012-S.T., dated 20-6-2012 at Sr. No. 9.

15.*We further take a note of the fact that in the rest of the services, it is objected by the revenue that the said services have not been provided to the business entity registered at body corporate. We find that the construction of Multi-level car parking for Government Medical College and Hospital and contract was entered by PWD, B&R [Public Works Department (Building and Roads)], Amritsar; Repair and renovation work at Medical College, Amritsar to a contract with PWD (B & R), Amritsar; Meritorious School at Ferozpur to a contract with PWD (B & R), Ferozpur; Construction of foot-over bridge at Amritsar to a contract with PWD (B & R), Amritsar. The Sr. No. 9 in the Notification No. 30/2012-S.T., dated 20-6-2012 is available to the appellant if they provided services to a business entity registered at body corporate. The definition of "business entity' has been defined under Section 65B(17) of Finance Act, 1994 which reads as under :-*

Section 65B(17)

"business entity" means any person ordinarily carrying out any activity relating to industry, commerce or any other business or profession";

Further, the word "Body Corporate" was defined under Section 65(14) of Finance Act, 2014 which reads as under :-

Section 65(14)

"body corporate" has the meaning assigned to it in clause (7) of Section 2 of the Companies Act, 1956 (1 of 1956)";

The Finance Act, 1994 was restructured and Section 65 was omitted vide Ntfn. No. 20/2012 S.T., dated 5-6-2012 w.e.f. 1-7-2012. There is no definition in body corporate given in the Finance Act, 1994 w.e.f. 1-7-2012. The Companies Act, 1956 was replaced by Companies Act, 2013.

The [Section] 2(11) of Companies Act, 2013 define the word "body corporate" as under :-

Section 2(11)

"body corporate" or "corporation" includes a company incorporated outside India, but does not include —

(i) a co-operative society registered under any law relating to co-operative societies; and

(ii) any other body corporate (not being a company as defined in this Act), which the Central Government may, by notification, specify in this behalf;

This definition is wider definition and only limit is the two exclusions mentioned therein. None of the entity is to whom services were provided fall under these two exceptions/exclusions.

The Improvement Trust are "Body Corporate" as per Section 3 of 'The Punjab Town Improvement Act, 1922 which reads as under :-

"Section 3. - Creation and incorporation of trust. -

The duty of carrying out the provisions of this Act in any local area shall, subject to the conditions and limitations hereinafter contained, be vested in a board to be called "The (name of town) Improvement Trust" hereinafter referred to as "The Trust"; and every such board shall be a body corporate and have perpetual succession and common seal, and shall by the said name sue and be sued".

The Improvement Trust is in business of acquiring land, construction thereto and also body corporate as per Section 3 of Punjab Town Improvement Act, 1922.

The PWD (B&R) are constituted under The Punjab Roads and Bridges Development Board Act, 1998 and in terms of Section 3 of the said Act defined as under :

Section 3

The Board Constituted in terms of sub-section (2), shall be body corporate having perpetual succession and a common seal with powers, subject to the provisions of this Act to acquire, borrow and raise commercial loans and hold property and shall by the said name, sue and be sued.

The PWD (B & R) is into the business of construction of building and roads etc. and are also body corporate in terms of Section 3 of Punjab Roads and Bridges Development Board Act, 1998.

16.*Further, the CPWD is engaged in business/profession of design, construction and maintenance of Central Government non-residential building other than Railways, Airports; construction and maintenance of residential accommodation meant for central Government Employee providing consultancy services in planning, designing and construction of Civil Engineer products, as and when required by public undertaking and other autonomous bodies. CPWD like PWD are also body corporate.*

17.*Further, in terms of Section 3 of Punjab Small Industries Corporation Act, 1973, the corporation is a body Corporate defined as under :*

Section 3

(1) As soon as may be after the commencement of this Act, there shall be established a Corporation to be known as "The Punjab Small Industries Corporation."

(2) The Corporation shall be a body corporate, shall have the power to acquire and hold property, both movable and immovable, subject to the provisions of this Act and shall have perpetual succession and a common seal and shall by the said name sue and be sued.

The name of Punjab State Small Industries Corporation Ltd. was converted into Punjab Small Industries& Export Corporation Ltd. w.e.f. 21-10-1982 which is engaged in business/profession to acquire and hold movable and *immovable property. It also gave loan in cash or in kind or in form of building, developed plot of land in the small industry state or machinery and equipment on lease or on hire purchase basis to borrower for the purpose of small, cottage and other industries. It furnishes guarantee to the scheduled banks for the repayment of loans to borrower for development of industries, etc. Therefore, the same is also covered as business entity a body corporate. Therefore, we hold that the appellant has provided the services to a business entity registered at body corporate and are required to pay 50% Service Tax in terms of Sr. No. 9 of the Notification No. 30/2012-S.T., dated 20-6-2012.*

18...*…..*

19.*In view of this, we pass the following order :-*

(a) …………………………….

(b) ………………………………..

(c) For other services and flats constructed after 1-4-2015, the appellant is entitled for the benefit of Notification No. 30/2012-S.T., dated 20-6-2012 at Sr. No. 9 i.e. the appellant is liable to pay 50% of the Service Tax.

The appellant is directed to quantify the demand in terms of the above order and the same is to be deposited within 30 days of the receipt of this order. The appellant is liable to pay interest for the intervening period. The appellant is liable to be penalized as per the impugned order, the quantification is to be done accordingly."

4.6 I find that in the above decision while the benefit of Notification No.30/2012-ST has been extended in respect of the work contract services provided by the appellant to PWD, this decision has held that extended period of limitation can be invoked while making this demand. As appellant was having sufficient knowledge about the leviability of service tax in respect of these services but have not deposited the same nor have been informed the concern authorities about it I do am of the view that the demand made by invoking extended period of limitation cannot be faulted with in view of the decision of the Chandigarh Bench referred earlier. That being so, I do not find much merits in the submissions made by the appellant with regards to the limitation aspects. Relied up decisions are distinguishable.

4.7 Thus, I hold that the benefit of Notification No.30/2012-ST should be admissible to the appellant and after allowing the said benefit the demand needs to be worked out. The appellant is directed to quantify the demand in terms of above and the same is to be deposited, along with the interest under Section 75 and penalty under Section 78 of the Finance Act, 1994.

5.1 Appeal is partially allowed.

(Order pronounced in open court on-22 July, 2026)

(SANJIV SRIVASTAVA)
MEMBER (TECHNICAL)

akp