CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL
NEW DELHI

PRINCIPAL BENCH - COURT NO. 4

SERVICE TAX APPEAL NO. 52588 OF 2018

(Arising out of Order-in-Appeal No. 105(RK)ST/JPR/2017-18 dated 04.04.2018 passed by the Assistant Commissioner, ST Div-II, Jaipur)

Rajasthan Urban Drinking Water Severage & Infrastructure Corporation Limited ...... **Appellant**
Old working Women Hostel, Behind Nehru Palace,
Tonk Road, Jaipur

Versus

Commissioner of Central Excise & CGST- Jaipur ...... **Respondent**
Vidhyadhar Nagar, Jaipur, Rajasthan

WITH

ST/51593/2018;	**ST/52589/2018;**	**ST/52590/2018;**
ST/52591/2018;	**ST/52592/2018;**	**ST/52593/2018;**
ST52596/2018;	**ST/52597/2018 &**	**ST/51527/2019**

APPEARANCE:
Shri Bipin Garg, Shri Tushar Sharma and Ms. Surbhi Vyas, advocates for the appellant
Shri S.K. Meena, authorised representative for the department

CORUM:
HON'BLE MR. ASHOK JINDAL, MEMBER (JUDICIAL)
HON'BLE MR. P.V. SUBBA RAO, MEMBER (TECHNICAL)

DATE OF HEARING/Decision: July 15, 2026

FINAL ORDER NOS. 51249-51258/2026

MR. ASHOK JINDAL:

All the appeals are having a common issue, therefore, all are disposed of by a common order. The facts of the case are that the appellant was providing construction services during the period March 2015 to February 2016.

2. By way of Notification No. 06/2015 dated 01.03.2015, the appellant became liable to pay service tax on the said service with effect

from 01.04.2015. The appellant sub contracted their work to various sub-contractors and the sub-contractors executed the work and raised invoices against the appellant. As per the said notification, the sub-contractors were liable to pay 50% of the service tax on the said service and 50% of the tax is to be borne by the main contractor, i.e., the appellant before us. By way of Notification No. 09/2016-ST dated 01.03.2026, the notification no. 6/2015 dated 01.036.2015 was superceded and the amendment was made retrospectively, therefore, the whole of the service provided by the appellant during the period April, 2015 to February, 2016 became exempt. As the appellant paid 50% of the service tax under Reverse Charge Mechanism, the appellant filed various refund claims for refund of the said service tax as the service tax is not payable by them during the impugned period for providing output service which is exempted. The appellant has deducted the said 50% tax which was paid by them from running bill of the sub-contractors. The refund claims filed by the appellant were dismissed on the ground that the appellant has failed to pass the bar of unjust enrichment. Further, in two appeals, in appeal no. ST/52596/2018 and ST/51593/2018, the refund claims were rejected as the appellant has not executed the work and required documents were not filed by the appellant, respectively. Against those orders, the appellant is before us for claiming refund.

3. As it is stated by the appellant that whatever the amount of refund they will get, the same will be refunded to sub-contractors who have executed the works. We take note of the fact that during the pendency of these appeals, the sub-contractors also approached to this Tribunal being interveners. Their applications were allowed.

4. Today, when the matter has come up for hearing, after hearing arguments from all the parties, we find that it is fact on record that the appellant has recovered the amount of tax paid by the appellant from the sub-contractors.

5. In that circumstances, we hold that the authorities below has righlty rejected the refund claim filed by the appellant being failed to pass the bar of unjust enrichment.. therefore, the appeals filed by the appellant are dismissed.

6. We also take note of the fact that the sub-contractors who have borne the tax have become interveners before us. In that circumstances, we give the liberty to the sub-contractors to file fresh refund claims consequent to this order, if they wish to claim the refund of 50% of the service tax borned by them which ws paid by the appellant i.e. Rajasthan Urban Drinking Water Severage & Infrastructure Corporation Limited.

7. We also make it clear that the relevant date for filing of refund claim is the date of this order, that is, today 15.07.2026 as per explanation B(ec) to section 11(B) of the Central Excise Act, 1944.

8. In these terms, appeals are dispsed off.

(Order dictated and pronounced in open court)

(MR. ASHOK JINDAL)
MEMBER (JUDICIAL)

(MR. P.V. SUBBA RAO)
MEMBER (TECHNICAL)

Apoorva