

**CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL
HYDERABAD**

Division Bench – Court No. – I

Service Tax Appeal No. 26140 of 2013

(Arising out of Order-in-Original No.36/2012 (ST) Commr. dt.31.12.2012 passed by
Commissioner of Customs, Central Excise & Service Tax, Hyderabad-I)

UWT Projects Ltd

Flat No.9, HIG-2, Block-14, Bagh Lingampally,
Hyderabad, Telangana – 500 044

.....Appellant

VERSUS

**Commissioner of Central Tax
Secunderabad - GST**

11-5-423/1/A, Sitaram Prasad Tower,
Red Hills, Hyderabad – 500 004

.....Respondent

Appearance

Shri B. Venugopal, Advocate for the Appellant.

Shri B. Sangameshwar Rao, AR for the Respondent.

Coram:

HON'BLE MR. A.K. JYOTISHI, MEMBER (TECHNICAL)

HON'BLE MR. ANGAD PRASAD, MEMBER (JUDICIAL)

FINAL ORDER No. A/30537/2025

Date of Hearing: 03.12.2025

Date of Decision: 03.12.2025

[Order per: A.K. JYOTISHI]

M/s UWT Projects Ltd (hereinafter referred to as the appellant) are in appeal against OIO dt.31.12.2012, wherein, demand of Rs.1,92,27,753/- has been confirmed along with equal penalty.

2. The brief facts of the case are that the appellants are engaged in providing various services in relation to transmission or distribution of electricity through transmission lines, erection, commissioning or installation of various capacity electrical sub-stations, lines, transformers, etc. The department issued SCN demanding service tax under the category of Erection, Commissioning or Installation Services (ECIS) falling under section 65(39a) of the Finance Act, 1994 for the period during 2005-06 to 2009-10. The demand was confirmed on adjudication on the sole ground that the appellants were not entitled for benefit of notification 45/2010-ST dt.20.07.2010 issued under section 11C of the Central Excise Act, 1944 and Notification No.11/2010-ST dt.27.02.2010 under section 83 of the Finance Act, 1994. The appellants has also contested that their activity involves not

only service but also material portion and therefore, it would be more appropriately classifiable under Works Contract Service (WCS) and hence, on that ground also, demand cannot sustain as demand has been made under the category of ECIS.

3. Learned Advocate submits that the matter is no longer res integra in the sense that the Government has issued Notification No.45/2010 dt.20.07.2010 and Notification No.11/2010 dt.27.02.2010. These two notifications cover the entire period of dispute in the present appeal. Therefore, in terms of said notifications under section 11C of Central Excise Act, 1944 read with section 83 of the Finance Act, 1994, the department holding that the service tax is not payable on the said taxable services relating to transmission by the transmission or distribution company to service provider providing such services to such companies is, therefore, wrong as the services are provided by a person to another person relating to transmission and distribution of electricity and therefore, the said activity would be covered within the ambit of the Notification No.45/2010.

4. Learned AR reiterates the findings of the adjudicating authority.

5. Heard both sides and perused the records.

6. We are not in agreement with the observations made by the adjudicating authority that it is only intended for the company, who are directly engaged in transmission and distribution. In other words, only transmission companies and distribution companies are not required to pay service tax when they are providing any service. This is not the intent and the scope of the said notifications covers any services provided in relation to transmission and distribution of electricity. It is not in dispute that the activities being carried out by the appellant are directly relatable to either transmission or distribution of electricity. Therefore, the activities are squarely covered within the ambit of notification issued under section 11C of CEA, 1944 read with section 83 of FA, 1994, supra. In this regard, we find support from the decisions of the Coordinate Benches, as under, wherein similar view has been upheld.

a) Sri Venkateswara Electrical and Power Equipment Co Vs CCT, Guntur
[2023 (7) TMI 545 – CESTAT Hyderabad]

(3)

- b) Sealwel Corporation Vs CC, CE & ST, Hyderabad [2023 (10) TMI 317 – CESTAT Hyderabad]
- c) CCT Vs Sri Srinivasa Electrical Works [2023 (7) TMI 1298 – CESTAT Hyderabad]
- d) Sri Ganesh Enterprises Vs CCE, C & ST, Hyderabad [2014-TIOL-187-CESTAT Bang.]
- e) KEC International Ltd Vs CGST, Gurugram [2022-TIOL-773-CESTAT CHD]
- f) Bhumi Constructions Vs CCE & ST, Rajkot [2022-TIOL-1074-CESTAT AHM]

7. Therefore, in view of the above discussion and submissions as also the case laws cited, we do not find any merit in the impugned order and is accordingly set aside.

8. Appeal allowed with consequential relief, if any, as per law.

(Dictated and pronounced in the Open Court)

(A.K. JYOTISHI)
MEMBER (TECHNICAL)

(ANGAD PRASAD)
MEMBER (JUDICIAL)