

**CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL
REGIONAL BENCH AT HYDERABAD**

Division Bench – Court No. – I

Service Tax Appeal No. 30218 of 2020

(Arising out of Order-in-Appeal No. HYD-SVTAX-RRC-APP-047-19-20 (APP-I) dt.09.12.2019 passed by Commissioner of Customs & Central Tax (Appeals-I), Hyderabad)

Hexagon Capability

Centre India Pvt Ltd

Sy No.38, Cherlaguda Village, Divyasree
Trinity Campus, Hitech City, Hyderabad – 500 081

.....Appellant

VERSUS

Commissioner of Central Tax

Rangareddy - GST

Posnett Bhavan, Tilak Road,
Ramkoti, Hyderabad – 500 001

.....Respondent

Appearance

Shri K. Lakshman Kumar, CA for the Appellant.
Shri V.R. Pavan Kumar, AR for the Respondent.

**Coram: HON'BLE MR. P. ANJANI KUMAR, MEMBER (TECHNICAL)
HON'BLE MR. ANGAD PRASAD, MEMBER (JUDICIAL)**

FINAL ORDER No. A/30348/2026

Date of Hearing: 08.07.2026
Date of Decision: 08.07.2026

[Order per: P. ANJANI KUMAR]

The Appellants, Hexagon Capability Centre India Pvt Ltd are registered with the Service Tax under the category of 'Information Technology Software Services' (ITSS). The appellant has filed a refund claim on 22.11.2018 for refund of Education Cess, Secondary & Higher Education Cess and Krishi Kalyan Cess of Rs.22,11,874/-, lying unutilized as on 30.06.2017. A Show Cause Notice dt.01.01.2019 was issued proposing to reject the refund claim; The Assistant Commissioner of Central Tax & GST, vide OIO dt.04.04.2019 rejected the refund claim, which was upheld by Commissioner (Appeals), vide Impugned Order dt.09.12.2019. Hence, this appeal.

2. Shri K. Lakshman Kumar, CA for the appellant submits that the appellant is rightly eligible for refund under section 142(6) of the CGST Act, 2017 and relies on the following cases.

- a) USV Pvt Ltd Vs CGST Kolkapur [2025 (7) TMI 1072 – CESTAT Mumbai]
- b) Alliance Polysacks Pvt Ltd Vs CCGST & CE, Jaipur [2026 (3) TMI 1063 – CESTAT New Delhi]
- c) Bank of Baroda Vs Asst Commissioner, CGST & CE, Mumbai East [2024 (23) Centax 321 (Tri-Bom)]
- d) M/s Technical Associate Ltd Vs CCE & CGST, Lucknow [2024 (7) TMI 543 – CESTAT Allahabad]
- e) Toyota Kirloskar Motor Pvt Ltd Vs Pr. CCT, Pune GST-I [2025 (27) Centax 121 (Tri-Bom)]
- f) Sunrays Engineers Pvt Ltd Vs Commissioner [2015 (318) ELT 583 (SC)]
- g) CCE, Pune Vs Ispat Profiles India Ltd [2007 9220) ELT 218 (Tri-Mumbai]
- h) SS Agro Industries Vs CC, Air Cargo (Export), New Delhi [2014 (309) ELT 334 (Tri-Del)]
- i) Indo-Nippon Chemicals Co Ltd Vs UOI [2005 (185) ELT 19 (Guj)]
- j) Eastern India Cement Pvt Ltd Vs CCE, Ranchi [2004 (12) TMI 505 – CESTAT Kolkata]
- k) Megamet Steels Pvt Ltd Vs CC, Jamnagar (Prev) [2022 (9) TMI 754 – CESTAT Ahmedabad]
- l) Tata Sons Pvt Ltd Vs CCGST & CE, Mumbai South [2025 (7) TMI 1412 – CESTAT Mumbai]
- m) Lupin Ltd Vs CGST & CT, Aurangabad [2025 (26) Centax 192 (Tri-Bom)]
- n) Waveone Pvt Ltd Vs CCE, Delhi [2023 (11) TMI 1078 – CESTAT New Delhi]
- o) Jai Mateshwari Steels Pvt Ltd Vs CCGST, Dehradun [2022 (3) TMI 49 – CESTAT New Delhi]
- p) Doowoo Automotive Systems India Pvt Ltd Vs CGST & CE, Chennai [2022 (5) TMI 984 – CESTAT Chennai]
- q) Lifecell International Pvt Ltd Vs CGST & CE, Chennai [2022 (6) TMI 1134 – CESTAT Chennai]
- r) Punjab National Bank Vs CCT [2021 (52) GSTL 421 (Tri-Bang)]

- s) M/s Sanmar Matrix Metals Ltd Vs CGST & CE, Tiruchirapalli [2026 (4) TMI 606 – Madras High Court]
- t) M/s Steel Authority of India Ltd Vs UOI [2020 (2) TMI 1164 – Madras High Court]

3. Per contra, Shri V.R. Pavan Kumar, learned AR for the Revenue, submits that the issue is no longer res integra and has been decided in favour of the Revenue by the Larger Bench of the Tribunal in the case of Kei Industries Ltd Vs CST & CE, Alwar, Rajasthan [2025 (11) TMI 1641 – CESTAT New Delhi (LB)].

4. Heard both sides and perused the records.

5. We find that the Larger Bench in the case of Kei Industries Ltd Vs CST & CE, Alwar, Rajasthan (supra), held as under:

"54. To summarize our conclusions:

- *In view of the cited decisions of Cellular Operators and Banswara Syntex, we hold that there was no provision under CCR 2004 to either to merge the blocked cesses with Excise Duty / Service Tax or to claim the blocked amounts as refund under Section 11B, even prior to 1.7.2017.*
- *Under the earlier statutory provisions, the Rule 5 of CCR 2004 was specifically applicable to refund accruing on account of export of goods and services which has no applicability to result in any refund of the blocked cesses. Therefore, Slovak India case dealing specifically with Rule 5 has no application in the present case.*
- *The Slovak India High Court case has been revisited and overturned by the Three Judge Bench of Bombay High Court in Gauri Plasticizers case. Even the Delhi High Court in the case of Cellular Operators has gone into the applicability of the Slovak India, Eicher and Samtel cases and has held that they cannot be applied to the facts of the present case. Even on this ground Slovak India case cannot help the appellant to get the refund of cesses.*
- *We also fully subscribe to the view of the Madras High Court DB Sutherland case to the effect that effectively and Edu Cess and SHE Cess have become dead Cenvat Credit on 1.3.2015 and 1.6.2015, hence the question of refunding same would not arise.*
- *When the refund is not eligible ab initio in view of the above discussions, the question of granting them under the provisions of CGST Act 2017 cannot arise.*
- *We have gone through and discussed the Forms ER 1, TRAN 1 and the duties and taxes specified in the inclusive list under Section 140, read with Explanations and the two Board Circulars to come to a conclusion that ab intio there was no provision for transitioning of the Cesses in question.*

55. In view of the above discussions, we agree with the decision arrived at by the Tribunal in the case of NMDC and hold that no refund can be granted for the blocked Education Cess, SHE Cess and KKC under the

provisions of Section 142(3). We also hold that the refund claims, if filed after 1.3.2016 / 1.6.2016 would be time-barred."

6. We further find that this Bench in the case of Laurus Labs Ltd Vs CCT, Hyderabad-GST [2024 (10) TMI 53 – CESTAT Hyderabad] has held similarly.

7. In view of the above, we find that the appellant has not made out any case in their favour and thus, the appeal is liable to be rejected.

8. Accordingly, the appeal is dismissed.

(Operative Part of the Order was pronounced in the Open Court)

(P. ANJANI KUMAR)
MEMBER (TECHNICAL)

(ANGAD PRASAD)
MEMBER (JUDICIAL)