CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL
SOUTH ZONAL BENCH
CHENNAI

S.No.	Appeal No.	Appellant	Respondent
1.	ST/41005/2013	C.S. Natarajan	CST Chennai
Arising out of Order-in-Appeal No.40/2013 (M-ST) dt. 12.02.2013 passed by the Commissioner of Central Excise (Appeals), Chennai			
2.	ST/41061/2013	Ranjana Bagry	CST Chennai
Arising out of Order-in-Appeal No.41/2013 (M-ST) dt. 12.02.2013 passed by the Commissioner of Central Excise (Appeals), Chennai			
3.	ST/Misc/41038/2017 & ST/41931/2016	Aruna R. Krishnan	Principal Commissioner of CGST & CE, Chennai North Commissionerate
4.	ST/41932/2016	Aruna R. Krishnan	CST Chennai
Arising out of Order-in-Appeal No.312 & 313/2016 (STA-I) dt. 07.06.2016 passed by the Commissioner of Service Tax (Appeals-I), Chennai			
5.	ST/41510/2016	D. Sankar	CST Chennai
6.	E/41511/2016	D.Sankar	CST Chennai
Arising out of Order-in-Appeal No.54,55/2016 (STA-II) dt. 26.04.2016 passed by the Commissioner of Service Tax (Appeals-II), Chennai			

Appearance :

Ms. P. Syrija, Advocate
For the Appellant

Shri S. Govindarajan, AC (AR)
For the Respondent

CORAM :

Hon'ble Ms. Sulekha Beevi C.S. Member (Judicial)
Hon'ble Shri V. Padmanabhan, Member (Technical)

Date of hearing / decision : 16.03.2018

FINAL ORDER No. 40978-40983 / 2018

Per Bench

The MA filed by Revenue for change of cause title is allowed.

2. The appellants are engaged in running a Spoken English Language Coaching Center along with personality development in the name of “ZEAL”. The department was of the view that the said activity would fall under ‘Commercial Coaching or Training Service’ and the fees collected from the students / trainees are subject to levy of service tax. SCN was issued proposed to demand service tax along with interest and also for imposing penalties. After due process of law, the original authority confirmed the demand, interest and also imposed penalties. In appeals, the Commissioner (Appeals) upheld the same. Hence these appeals.

3. On behalf of the appellant, Ld. Counsel Ms. P. Syrija submitted the details of the period involved as well as the amounts in these appeals which are given in the table as furnished by the appellant as under :

S.No.	Appellant	Appeal No.	Period Involved	ST demanded (Rs.)
1.	C.S.Natarajan	ST/41005/2013	April 2004 to June 2009	10,74,868
2.	Ranjana Bagry	ST/41061/2013	April 2004 to June 2009	3,65,193
3.	Aruna R. Krishnan	ST/41931/2016	April 2004 to July 2009	22,80,008
4.	Aruna R. Krishnan	ST/41932/2016	Aug 2009 to March 2010	1,25,663
5.	D. Sankar	ST/41510/2016	April 2004 to June 2009	6,49,240
6.	D. Sankar	ST/41511/2013	July 2009 to Dec 2009	26,254

She submitted that the said course conducted by the appellant falls within the category of 'vocational training' and therefore is eligible for exemption as per Notification No.24/2004-ST. She relied upon the decisions in the case of *Mariya Computer Systems (P) Ltd. Vs CCE Bhopal* - 2017 (49) STR 539 (Tri-Del) and this Tribunal's Final Order No.40129/2018 dt. 16.01.2018 (Appeal No. ST/302/2010) in the case of *Col's Calibre Vs CCE&ST Coimbatore*.

4. Ld. A.R Shri S. Govindarajan reiterated the findings in the impugned order. He submitted that the appellant is conducting merely English speaking course and it does not qualify as 'vocational training course'. He relied upon the case of *Ulhas Vasant Bapat Vs CCE Pune* – 2015 (37) STR 1034 (Tri.-Mumbai) and submitted that the Tribunal in the said case had held that a English speaking course cannot be considered as vocational training course. It is also pointed out that after 2011, Notification No.DGE & T-19(4)/2011-CD-Pt dated 19.06.2013 issued by Government of India has given the list of vocational courses that would qualify as 'vocational training course' eligible for exemption; that the course conducted by the appellant

does not fall under the above list and therefore are not eligible for exemption.

5. Heard both sides.

6. On perusal of records, we find that the personality development course conducted by the appellant includes developing effective communication, ability to interact with people, English Language speaking skills, personal grooming and Dining Etiquettes, Interview and Group Discussion Training, Presentation Skills and Body language etc. These are intended to develop overall skills of the students in order to facilitate them to obtain employment. As per the definition of "Vocational Training Course" if it intends to help the candidates / trainee to obtain self-employment directly or under the employer would quality as 'vocational training'. The relevant part of the notification No.24/2004-ST dt. 10.09.2004 is reproduced as under :

> "In exercise of the powers conferred by sub-section (1) of section 93 of the Finance Act, 1994 (32 of 1994), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts the taxable services provided in relation to commercial training or coaching, by, -
>
> (a) a vocational training institute; or
>
> (b) a recreational training institute,

> to any person, from the whole of the service tax leviable thereon under section 66 of the said Act.
>
> *Explanation*.- for the purposes of this notification, -
>
> (i) 'vocational training institute' means a commercial training or coaching centre which provides vocational training or coaching that impart skills to enable the trainee to seek employment or undertake self-employment, directly after such training or coaching.
>
> ......"

7. The Tribunal in the case of *Mariya Computer Systems* as well as the final order cited supra has analyzed the issue and held that such course would fall under the category of 'vocational training' and would be eligible for exemption. In the case of *Ulhas Vasant Bapat* (supra) which has been relied upon by A.R, we find that the English speaking course conducted by the assessee therein was only for two weeks which, according to our opinion, has been taken into consideration for holding that such course does not fall within the category of "Vocational Training Course". Further, in the case of *Mariya Computer Systems,* the aforecited case law relied upon by Ld. A.R has been distinguished by the Tribunal. Therefore, following the decision in the case of *Mariya Computer Systems*, we hold that the appellant is eligible for exemption and the demand made against the

appellant cannot be sustained. Impugned order is set aside and the appeal is allowed with consequential relief, if any, as per law.

(dictated and pronounced in court)

(V. Padmanabhan)	**(Sulekha Beevi C.S)**
Member (Technical)	**Member (Judicial)**

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