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

ST/CO/21/2012 and ST/56/2012

(Arising out of Order-in-Appeal No.197/2011 (MST) dated 25.10.2011 passed by the Commissioner of Central Excise (Appeals), Chennai)

Commissioner of Service Tax, Chennai Appellant

Vs.

M/s. SSS Enterprises Respondent

Appearance

Shri K. Veerabhadra Reddy, JC (AR) for the Appellant
Shri S. Venkatachalam, Advocate for the Respondent

CORAM

Hon'ble Ms. Sulekha Beevi C.S., Member (Judicial)
Hon'ble Shri Madhu Mohan Damodhar, Member (Technical)

Date of Hearing / Decision: **02.05.2018**

Final Order No. **41430 / 2018**

Per Bench

The above appeal is field by the department against the order passed by Commissioner (Appeals) who set aside the demand, interest and penalty.

2. Brief facts are that the respondents were issued show cause notices proposing to demand service tax on the ground that the reimbursable expenses incurred for providing services was not included in the total taxable value for discharging service tax.

3. On behalf of the department, ld. AR Shri K. Veerabhadra Reddy reiterated the grounds of appeal.

4. The ld. counsel Shri S. Venkatachalam appearing for the respondents submitted that the issue whether reimbursable expenses are to be included in the total taxable value for discharging service tax is settled by the decision of the Hon'ble Supreme Court in the case of Union of India Vs. Intercontinental Consultants and Technocrats Pvt. Ltd. reported in 2018 (10) GSTL 401 (SC).

5. Heard both sides.

6. The demand is raised for the reason that the reimbursable expenses were not included in the total taxable value for discharging service tax. We find that the Commissioner (Appeals) has correctly considered the issue and set aside the demand. The decision rendered by the Hon'ble Supreme Court on the said issue covers the dispute before us. Following the same, we find no grounds to interfere with the order passed by the Commissioner (Appeals). The appeal filed by Revenue is dismissed.

7. The cross-objection filed by the respondent is disposed of accordingly.

(Operative portion of the order was
pronounced in open court)

(**Madhu Mohan Damodhar**)
Member (Technical)

(**Sulekha Beevi C.S.**)
Member (Judicial)

Rex