CUSTOMS EXCISE & SERVICE TAX APPELLATE TRIBUNAL,
West Block No.2, R.K.Puram, New Delhi

COURT-I

Date of hearing/decision: 01.03.2018

Appeal No. ST/55615/2014- [DB]
[Arising out of the Order-in-Original No. JAI-EXCUS-001-COM-24-14-15 Dated 08/08/2014 passed by the Commissioner of Central Excise and Service Tax-JAIPUR-I]

Vibrant Academy (India) Pvt. Ltd. … Appellant

Vs.

CCE & ST, Jaipur-I …Respondent

Appearance:
Present Shri Rachit Jain, Advocate for the appellant
Present Shri Amresh Jain, AR for the respondent

Coram: Hon'ble Justice Dr. Satish Chandra, President
Hon'ble Mr. B. Ravichandran, Member (Technical)

FINAL ORDER No. 51021/2018

Per B.Ravichandran

1. The only dispute in the present appeal is regarding the valuation of taxable service under the category of "Commercial Training Or Coaching Service". The appellants are providing such service and discharging service tax. The dispute is with reference to quantification of taxable value for such service. The appellants published various schemes to offer discounts/concession to certain meritorious or pre defined category of students coming for coaching in their institute. As per the scheme publicized certain discounts and concessions are given either based on the merit and qualification of the students or for repeat candidate. We note that the revenue entertained a view that the normal fee collected for students with no concession should be uniformly supplied for all students for computation of taxable value. In other words the discount and concession as published and extended by

appellant is non-manetary consideration to be added in the taxable value.

2. After hearing both sides and on perusal of record we note that similar dispute came before the Tribunal in the case of ***Resonance Eduventures Pvt. Ltd V/s CCE & ST, Jaipur-I*** where it was observed as under:-

> *5. We have heard both the sides and perused the appeal record. The central point of dispute is whether the main appellant are correct in discharging service tax only on the amount received from the candidates who participated in the coaching classes without taking the consideration uniformly for all the candidates. In other words, whether the concessional rate of fee collected from certain category of candidates can be considered as a bonafide transaction eligible for treatment as gross value under Section 67 for tax purpose or not. We have perused a sample prospectus announcing the scholarship programme. It is clear that said scholarship programme is to extend concession in the course fee to a particular set of candidates listed therein. The nature of candidates is either based on their proficiency in particular field based on their qualification or being an old student of the main appellants or brothers or sisters attending courses with the main appellant. It is apparent that this is a scheme to promote their business and it is notified to the public. In terms of Section 67, the service tax liability will arise on gross value. In the present case, the appellants are not contesting their liability to pay service tax on the gross value on the amount whatever they received from the candidates. We find no reason to consider the concessional portion of fee which is as per the pre-declared publicity material, as part of non-monetary consideration requiring addition to the monetary consideration to arrive at the gross value. We find no reason to invoke valuation rules in the present set of facts. There is no sustainable reason to reject the scheme published by the appellants for fee concession as long as it is a bonafide trade practice. We could not find any reason to hold that the scheme is other than a bonafide practice. As this is the only dispute in the present appeals, we hold that the appellants will succeed on this point.*

3. By the following the ratio laid down in the above cited case we set aside the impugned order and allow the appeal.

4. In the result appeal filed by the appellant is allowed.

[Order dictated and pronounced in the open court]

(Justice Dr. Satish Chandra)
President

(B. Ravichandran)
Member (Technical)

Rekha