IMPORTANT GST CASE LAW

JUDGEMENT

Foreign Education Services Provided to Parent Company Treated as Export, Not Intermediary; IGST Refund Allowed

Issued By:	Rajasthan High Court
In Case Of:	IDP Education India Pvt Ltd
Order No:	WP (Civil) No. 9933 of 2024
Order Date:	4th Sep 2025

FACTS & OBSERVATIONS

- The Petitioner, IDP Education India Pvt. Ltd., rendered student placement and enrolment services to its Australian parent, IDP Australia, under a principal-to-principal contract.
- IDP Australia maintained separate agreements with foreign universities for student admissions, with the Petitioner having no direct contractual nexus with students or universities.
- Revenue authorities denied IGST refund, classifying the services as "intermediary" under Section 2(13) of the IGST Act, alleging facilitation of third-party services.
- Aggrieved by the denial and misclassification, the Petitioner invoked writ jurisdiction under Article 226 before the Rajasthan High Court.

JUDGEMENT

- The Court held that intermediary under Section 2(13) requires facilitation between two or more persons; bilateral service provision does not meet this criterion.
- Since the Petitioner had a direct contractual relationship with IDP Australia and no privity with students or universities, the service was rendered on a principal-to-principal basis.
- The Court noted the CESTAT ruling of October 2021 and the CBIC Circular dated 20.09.2021, affirming consistency in intermediary interpretation across the service tax and GST regimes.
- The impugned refund denial orders were quashed, and authorities were directed to process IGST refunds with applicable interest within four weeks.

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