

	KERALA AUTHORITY FOR ADVANCE RULING GOODS AND SERVICES TAX DEPARTMENT TAX TOWER, THIRUVANANTHAPURAM	
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BEFORE THE AUTHORITY OF : Shri.Jomy Jacob, IRS &
: Shri.Mansur.M.I.

Legal Name of the applicant	LEARNFLUENCE EDUCATION PRIVATE LIMITED
GSTIN	32AAECL5263F1ZR
ARN No.	AD320323 000427R
Address	66/680 A, A1, A2, A3, A4, C P Ummer Road, Pullepadi, North Post Office, Kochi, Ernakulam, Kerala- 682035.
Advance Ruling sought for	1. Whether the education programme and training being offered by the applicant is exempted from GST as imparting of education since the applicant is giving lecture classes and notes including printed books published by Government-recognised institutions like ACCA, IMA USA, etc and also availed from online facilities of the said institutions like ACCA, IMA USA, etc which are approved by Govt of India? 2. Is there any tax liability under GST laws on the applicant for collecting and transferring examination fees and other fees of the recognised institutes or universities on behalf of students studying at the applicant institute? 3. Whether the notes / materials including printed books published by Government-recognized institutions like ACCA, IMA USA, etc and notes from online facilities of the said



	institutions like ACCA, IMA USA, etc which are approved by Govt of India provided to students is subject to GST? Whether there is any tax liability on selling of textbooks to its students? 4. Whether GST is applicable on foreign exchange fluctuation on ACCA and IMA USA Course registration fee, Material fee, Subscription fee and other exam or related fees (There is foreign exchange differences due to payment of fee in foreign currency) if yes then what is the tax rate and SAC Code? 5. Whether GST is applicable on Redemption of training fees received from other universities, if yes then what is the tax rate and SAC Code?
Date of Personal Hearing	20.06.2025
Authorized Representative	Smt. Silvy Rajan, Finance Manager

ADVANCE RULING No.KER/18/2026 Dated 21/08/2026

1. Learnfluence Education Pvt Ltd, C.P Ummer road, Pullepadi, North post office, Kochi, Ernakulam (herein after referred to as the applicant) is a private coaching institution, providing coaching of commerce-focused professional courses to the students, including courses offered by recognised institutions, including international professional bodies. Additionally, they provide university integrated courses in collaboration with Jain University.

2. At the outset it is clarified that a reference herein after to the provisions of the CGST Act, Rules and Notifications issued there under shall include a reference to the corresponding provisions of the KSGST Act, Rules and the Notifications issued thereunder.



3. The details of the issues on which advance ruling is sought are given above and are not being reproduced.

4. Facts of the issue and Applicant's contention:

4.1 The applicant submits that they provide commerce-focused professional coaching programmes for courses such as Chartered Accountancy (CA), Association of Chartered Certified Accountants (ACCA), Certified Management Accountant (CMA India), Certified Management Accountant (CMA USA), Company Secretary (CS), Certified Public Accountant (CPA USA) and Diploma in International Financial Reporting Standards (DiplIFRS – ACCA). The applicant also offers integrated programmes wherein coaching for professional qualifications is combined with online undergraduate and post-graduate degree programmes conducted in collaboration with University Grants Commission (UGC) recognised universities. The coaching programmes are offered through classroom as well as online modes of learning.

4.2 Applicability of GST on education programme and training services:

With regards to the applicability of GST on educational programmes and training services, the applicant submits that the coaching programmes comprise structured classroom and/or online coaching sessions delivered by qualified faculty covering the syllabus prescribed by the respective professional bodies. The coaching package is supplied for a consolidated course fee and includes, inter alia, digital learning resources through the applicant's Learning Management System (LMS), printed study materials, recorded lectures, revision materials, mock examinations, periodic assessments, mentorship and academic support.

4.2.1 The applicant submits that the professional coaching programmes are conducted for courses administered by internationally recognised professional bodies such as ACCA, IMA USA and AICPA. According to the applicant, these programmes prepare students for obtaining professional qualifications awarded by such bodies and contribute to skill development and professional education in the fields of finance and accountancy. The applicant contends that the coaching and training services provided by them in relation to



such professional courses are eligible for exemption from GST as vocational training or coaching leading to qualifications recognised by law in India and, accordingly, are not liable to GST.

4.3 GST liability on collection and transfer of examination fee and other fees from students to institutions and universities: The applicant submits that, in connection with the professional coaching programmes conducted by them, students are required to pay examination fees, registration fees, subscription fees and other related charges payable to the respective professional bodies and institutions, such as ACCA, IMA USA, AICPA and other affiliated organisations that conduct the examinations and award the professional qualifications. The applicant collects such amounts from the students and remits the same to the respective institutions on their behalf.

4.3.1 The applicant submits that the amounts so collected are transferred to the respective institutions without any markup or additional consideration being charged for such remittance and that no part of the examination fees or other charges is retained by them. According to the applicant, they merely facilitate the collection and onward remittance of these amounts to the concerned institutions.

4.3.2 The applicant further contends that the conduct of examinations and the award of qualifications are undertaken by the respective institutions and universities and that the underlying examination fees represent charges payable to such institutions. Relying on Serial No. 66 of Notification No. 12/2017-Central Tax (Rate), dated 28.06.2017, the applicant submits that the collection and remittance of such examination fees and related charges should not attract GST in their hands.

4.3.3 Accordingly, the applicant seeks a ruling on whether the collection and remittance of examination fees, registration fees, subscription fees and other related charges to the respective professional bodies and universities, without retaining any markup or charging any separate facilitation fee, would attract GST and, if so, the applicable rate of tax and classification.



4.4 Applicability of GST on supply of printed study materials and online learning resources: The applicant submits that the coaching programmes include the supply of printed study materials, digital learning resources, recorded lectures, question banks, revision materials and other academic content designed in accordance with the syllabus prescribed by the respective professional bodies. The printed study materials and online learning resources are supplied as an integral part of the coaching programme and are not available for independent purchase by persons who are not enrolled in the applicant's courses.

4.4.1 The applicant further submits that a single consolidated course fee is charged for the coaching programme, which includes classroom and/or online coaching, printed study materials, digital learning resources and other academic support services. No separate consideration is charged for the printed books or online study materials, nor are they supplied as optional or independent supplies.

4.4.2 According to the applicant, the printed books and other study materials supplied as part of the coaching programme constitute an integral component of the overall educational service. The applicant further contends that the supply of printed books is exempt from GST under Serial No. 119 of Notification No. 2/2017-Central Tax (Rate), dated 28.06.2017. It is also submitted that the coaching materials and learning resources provided in connection with courses leading to qualifications recognised by law in India form part of the exempt educational service and, accordingly, the printed study materials and online learning resources supplied as part of the coaching programme are not liable to GST.

4.5 Applicability of GST on foreign exchange fluctuation on examination fees and other charges: The applicant submits that they provide professional coaching for courses such as ACCA, CMA USA, CPA USA and other internationally recognised professional qualifications. In connection with such courses, examination fees, registration fees, subscription fees and other related charges payable to the respective foreign professional bodies are collected from



the students and remitted by the applicant to such institutions in foreign currency.

4.5.1 The applicant submits that while the course fees charged by them are fixed and collected in Indian Rupees (INR), foreign exchange exposure principally arises in respect of the examination fees, registration fees, subscription fees and other related charges collected from the students and remitted to the foreign professional bodies. Owing to fluctuations in the exchange rate between the date of collection of such amounts and the date of remittance, foreign exchange gains or losses may arise.

4.5.2 The applicant further submits that any such foreign exchange gain or loss is recognised in their books of account in accordance with the applicable accounting standards and is neither passed on to nor recovered from the students by way of any adjustment to the agreed course fee.

4.5.3 Accordingly, the applicant seeks a ruling on whether the foreign exchange gain or loss arising on account of the collection and remittance of examination fees, registration fees, subscription fees and other related charges to foreign professional bodies attracts GST and, if so, the applicable rate of tax and the appropriate Service Accounting Code (SAC).

4.6 Tax liability on redemption of training fees received from universities: The applicant submits that, in addition to providing professional coaching programmes, they offer integrated graduation and post-graduation programmes in collaboration with University Grants Commission (UGC) recognised universities. Further, it was submitted that, the applicant is engaged as a Training Partner for the approved programmes, under which they provide training, coaching, academic support and the necessary infrastructure for conducting such programmes, while the respective universities are responsible for admissions, regulatory compliances, conduct of examinations and award of degrees.

4.6.1 The applicant submits that the tuition fees for the university programmes are collected directly by the respective universities and that the



applicant does not collect any additional consideration from the students in respect of such programmes. In consideration of the training and allied services provided by the applicant, the universities pay the applicant a service fee, referred to as the "redemption of training fee", which is computed as a mutually agreed percentage of the tuition fees collected by the universities from active students. The applicant raises invoices on the universities for such amounts.

4.6.2 The applicant seeks a ruling on the taxability of the redemption of training fee received from the universities. According to the applicant, since the educational services provided by the universities are exempt from GST under Serial No. 66 of Notification No. 12/2017-Central Tax (Rate), dated 28.06.2017, the redemption of training fee received by them in connection with such programmes should also be exempt from GST. Alternatively, if the said amount is held to be taxable, the applicant seeks a determination of the applicable rate of tax and the appropriate Service Accounting Code (SAC).

5. Comments of the Jurisdictional Officer:

The application was forwarded to the jurisdictional officer as per provisions of Section 98(1) of the CGST Act. The Jurisdictional Officer reported that there are no pending or decided proceedings against the applicant under any provisions of CGST Act 2017.

6. Personal Hearing:

The applicant was granted opportunity for personal hearing on 10/09/2024 and a rehearing was conducted on 20/06/2025 due to the change of Central and State members of the authority of advance ruling. Smt. Silvy Rajan, Finance Manager, appeared and submitted the facts and circumstances of the case. The applicant filed detailed statement of facts on 15.10.2024, 11.07.2025 and submitted additional clarifications on 07.07.2026. The applicant initially sought advance ruling on eight questions; however, at the time of personal hearing, they submitted that ruling on the first three questions was no longer required and requested that the same be treated as withdrawn from the application. The applicant filed a detailed Statement of Facts, whereby certain questions originally raised in the application were withdrawn and modifications were made



to certain other questions. The applicant requested to issue the ruling on the basis of the submissions made by them along with the application as well as at the time of personal hearing.

7. Discussion and Conclusion:

7.1 The matter was examined in detail. Before proceeding to answer the questions raised in the application, it is necessary to decide the admissibility of the application for Advance ruling. Coming to the scope of advance ruling, as per clause (a) of Section 95 of the CGST Act, the term "advance ruling" means a decision provided by this Authority to the applicant on matters or on questions specified in sub-section (2) of Section 97 of the CGST Act in relation to the supply of goods or services or both being undertaken or proposed to be undertaken by the applicant. From the above, it is evident that an applicant can seek an advance ruling in relation to supply of goods or services or both undertaken or proposed to be undertaken by them.

Section 97 of the CGST Act specifies the subjects on which an application for advance ruling can be made. Section 97 of the CGST Act reads as follows:-

(1) An applicant desirous of obtaining an advance ruling under this Chapter may make an application in such form and manner and accompanied by such fee as may be prescribed, stating the question on which the advance ruling is sought.

(2) The question on which the advance ruling is sought under this Act shall be in respect of,—

- (a) classification of any goods or services or both;*
- (b) applicability of a notification issued under the provisions of this Act;*
- (c) determination of time and value of supply of goods or services or both;*
- (d) admissibility of input tax credit of tax paid or deemed to have been paid;*
- (e) determination of the liability to pay tax on any goods or services or both;*
- (f) whether applicant is required to be registered;*
- (g) whether any particular thing done by the applicant with respect to any goods or services or both amounts to or results in a supply of goods or services or both, within the meaning of that term.*



7.2 On a combined reading of the above provisions governing advance ruling under the CGST Act, it is evident that an applicant can make an application for advance ruling if the following conditions are satisfied; (1) the applicant is either registered under GST law or is desirous of obtaining registration; (2) the matter or question pertains to any issue specified in sub-section (2) of section 97 of the CGST Act where such a transaction is being undertaken or proposed to be undertaken by the applicant.

7.2.1 As regards the first question, namely, whether the education programme and training offered by the applicant is exempt from GST, the issue pertains to the applicability of an exemption notification under clause (b) and the determination of the liability to pay tax on the supply under clause (e) of sub-section (2) of Section 97 of the CGST Act, 2017. Accordingly, the question is admitted for advance ruling.

7.2.2 The second question, concerning the tax liability on the collection and remittance of examination fees and other fees on behalf of students, pertains to the determination of the value of supply under clause (c) and the determination of the liability to pay tax under clause (e) of Section 97(2). Accordingly, the question is admitted.

7.2.3 The third question, relating to the tax liability on supply of printed study materials and online learning resources to students, involves the classification of goods under clause (a), the applicability of an exemption notification under clause (b), and the determination of the liability to pay tax under clause (e) of Section 97(2) of the CGST Act, 2017. Accordingly, the question is admitted.

7.2.4 The fourth question, regarding the applicability of GST on foreign exchange fluctuations, relates to the determination of the value of supply under clause (c) and whether a particular activity amounts to a supply of goods or services or both under clause (g) of Section 97(2). Accordingly, the question is admitted.

7.2.5 The fifth question, relating to the applicability of GST on the redemption of training fees received from universities, involves the classification of services



under clause (a), the applicability of an exemption notification under clause (b), and the determination of the liability to pay tax under clause (e) of Section 97(2). Accordingly, the question is admitted.

7.3 The first issue for determination is whether the education programme and training services provided by the applicant are exempt from GST. The applicant has contended that the education and training programmes conducted by them in relation to professional courses such as ACCA, IMA (USA) and similar qualifications are exempt from GST.

7.3.1 In order to examine the claim of exemption, it is imperative to determine whether the applicant qualify as an "educational institution" within the meaning of clause (y) of paragraph 2 of Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017, as amended, so as to be eligible for exemption under Serial No. 66 of the said Notification. Serial number 66 of Notification No.12/2017-CT (Rate) dated: 28.06.2017, as amended, is reproduced below:

Sl. No.	Chapter, Section, Heading, Group or Service Code (Tariff)	Description of services	Rate (percent)	Condition
66	Heading 9992 or Heading 9963	Services provided- (a) by an educational institution to its students, faculty and staff; (aa) by an educational institution by way of conduct of entrance examination against consideration in the form of entrance fee; (b) to an educational institution, by way of,— (i) transportation of students, faculty and staff;	NIL	NIL



	(ii) catering, including any mid-day meals scheme sponsored by the Central Government, State Government or Union territory; (iii) security or cleaning or house-keeping services performed in such educational institution; (iv) services relating to admission to, or conduct of examination by, such institution; (v) supply of online educational journals or periodicals: Provided that nothing contained in sub-items (i), (ii) and (iii) of item (b) shall apply to an educational institution other than an institution providing services by way of pre-school education and education up to higher secondary school or equivalent. Provided further that nothing contained in sub-item (v) of item (b) shall apply to an institution providing services by way of— (i) pre-school education and education up to higher secondary school or equivalent; or (ii) education as a part of an approved vocational education course.	
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7.3.2 The term “educational institution” is defined under clause(y) of para 2 of Notification No.12/2017-CT(Rate) dated: 28.06.2017, as amended, as follows.

“educational institution” means an institution providing services by way of-

- (i) pre-school education and education up to higher secondary school or equivalent;*
- (ii) education as part of a curriculum for obtaining a qualification recognised by any law for the time being in force;*



(iii) education as a part of an approved vocational education course.

7.3.3 Further, "approved vocational education course" is defined under clause (h) of para 2 of Notification No. 12/2017-CT(Rate) dated 28.06.2017, as amended, as given below:

(h) approved vocational education course means, -

(i) a course run by an industrial training institute or an industrial training centre affiliated to the National Council for Vocational Education and Training or State Council for Vocational Training offering courses in designated trades notified under the Apprentices Act, 1961 (52 of 1961); or

(ii) a Modular Employable Skill Course, approved by the National Council for Vocational Education and Training, run by a person registered with the Directorate General of Training, Ministry of Skill Development and Entrepreneurship;

7.3.4 Admittedly, the applicant is neither engaged in providing pre-school education or education up to higher secondary school or equivalent, nor does it provide education as part of an approved vocational education course. Consequently, the applicant does not fall within the ambit of sub-clauses (i) and (iii) of clause (y) of paragraph 2 of Notification No. 12/2017-Central Tax (Rate).

7.3.5 Now, it is required to be examined whether the applicant falls under sub-clauses (ii) of clause (y) of paragraph 2 of Notification No. 12/2017-Central Tax (Rate) which contemplates an institution providing education directly as part of the curriculum leading to a qualification recognised by any law for the time being in force. The fact that the qualification ultimately obtained by the student is recognised by law would not by itself suffice if the applicant itself is not providing education of prescribed curriculum by themselves.

7.3.6 From the submissions made by the applicant and the documents placed on record, it is observed that the applicant undertakes the following activities-

- (a) coaching and training for professional courses conducted by various domestic and international professional bodies, including CA, CS, CMA India, ACCA, CMA (USA), CPA (USA), DipIFRS and similar professional qualifications.



- (b) integrated programme wherein coaching is provided in conjunction with undergraduate and post-graduate degree programmes conducted by University Grants Commission (UGC) recognised universities.

7.3.7 Under both the categories, the applicant provides coaching and training along with study materials, digital learning resources and academic support to prepare students for the respective courses conducted by University Grants Commission (UGC) recognised universities. However, they neither conducts such examinations nor awards the professional qualifications to the said students. Rather, in both the cases, the recognised qualification is awarded by the respective professional body or the collaborating university, as the case may be, and not by the applicant.

7.3.8 From the discussion above, it is clear that the applicant does not provide education in prescribed curriculum by themselves rather it provides coaching and other support services to the students for the courses conducted by professional bodies such as ACCA and IMA (USA). The fact that the professional qualifications for which coaching is imparted are recognised by law and the courses are conducted by professional bodies acknowledged by the Government of India is irrelevant unless the applicant themselves provide these courses and award the degree to the students. Accordingly, it is clear that the applicant does not come within the ambit of "educational institution" contained in paragraph 2(y) of the Notification and therefore do not fulfil the eligibility criteria for exemption under Serial No. 66 of the Notification No. 12/2017-Central Tax (Rate).

7.3.9 This view is supported by the decision of the Kerala Appellate Authority for Advance Ruling in *Logic Management Training Institutes Pvt. Ltd.*, wherein it was held that institutions conducting degree courses leading to qualifications recognised by law fall within clause (ii) of paragraph 2(y), whereas private coaching institutes imparting preparatory coaching for examinations conducted by other bodies do not become "educational institutions" merely on that account.



Accordingly, from the facts and circumstances discussed above, it is clear that the exemption available under Serial No. 66 of the said Notification is not applicable to the education programme and training services supplied by the applicant.

7.4 The second issue for determination is whether there is any liability under the Goods and Services Tax laws on the applicant in respect of the collection and remittance of examination fees and other fees payable to the recognized professional bodies or universities on behalf of the students.

The applicant has submitted that in addition to the consideration received towards coaching services, they also collect examination fees, registration fees, subscription fees and other related charges payable to the respective professional bodies and universities from the students and remit the same to the concerned institutions without charging any markup or additional consideration. According to them, they merely facilitate the collection and onward remittance of such amounts and, therefore, no GST is payable on such collections.

7.4.1 In order to examine the claim of the applicant it is imperative to discuss the relevant provisions of the CGST Act. Section 15 of the Central Goods and Services Tax Act, 2017, dealing with the value of taxable supply, inter alia, provides as follows:

Section 15(1): The value of a supply of goods or services or both shall be the transaction value, that is, the price actually paid or payable for the said supply of goods or services or both where the supplier and the recipient of the supply are not related and the price is the sole consideration for the supply.

Rule 33 of the Central Goods and Services Tax Rules, 2017 provides for exclusion of expenditure or costs incurred by a supplier as a pure agent of the recipient of supply from the value of supply and reads as follows:

Rule 33. Value of supply of services in case of pure agent.—

Notwithstanding anything contained in the provisions of this Chapter, the expenditure or costs incurred by a supplier as a pure agent of the recipient of



supply shall be excluded from the value of supply, if all the following conditions are satisfied, namely:—

(i) the supplier acts as a pure agent of the recipient of the supply, when he makes payment to the third party on authorisation by such recipient;

(ii) the payment made by the pure agent on behalf of the recipient of supply has been separately indicated in the invoice issued by the pure agent to the recipient of service; and

(iii) the supplies procured by the pure agent from the third party as a pure agent of the recipient of supply are in addition to the services supplied on his own account.

The Explanation to Rule 33 defines a "pure agent" as a person who—

(a) enters into a contractual agreement with the recipient of supply to act as his pure agent to incur expenditure or costs in the course of supply of goods or services or both;

(b) neither intends to hold nor holds any title to the goods or services or both so procured or supplied as pure agent of the recipient of supply;

(c) does not use for his own interest such goods or services so procured; and

(d) receives only the actual amount incurred to procure such goods or services in addition to the amount received for the supply he provides on his own account.

7.4.2 Section 15 of the Central Goods and Services Tax Act, 2017 says that generally transaction value, i.e., the total amount charged should be considered as the taxable value. Rule 33 carves out a limited exception whereby expenditure incurred by a supplier on behalf of the recipient in the capacity of pure agent can be excluded from the value of supply provided the conditions prescribed therein are satisfied.

7.4.3 In the present case, though the applicant has submitted that the examination fees, registration fees, etc. were collected from the students and remitted to the professional bodies & universities without any markup/additional consideration, they have not clarified if such payments were collected under authorisation from the students to act as their pure agent or if



they have indicated such amounts separately in the invoices issued to the students. In the absence of these material facts, it cannot be held that they acted as pure agents under Rule 33 of the CGST Rules, 2017 and therefore value of such fees collected should not be excluded from the taxable value of services.

7.5 The third issue for determination is whether there is any tax liability under the Goods and Services Tax laws on the supply of textbooks by the applicant to its students. In order to examine the claim of applicant it is necessary to appreciate the nature of services rendered by the applicant in light of the applicable legal provisions. From the submissions of the applicant indicate that they are primarily engaged in imparting coaching & training with supply of printed study materials, digital learning resources, recorded lectures, question banks, revision materials and other academic content as integral part for which no separate consideration was charged. Further, these study material/resources were not available to students not enrolled with the applicant.

7.5.1 Section 2(30) of the Central Goods and Services Tax Act, 2017 defines "composite supply" as follows:

"Composite supply" means a supply made by a taxable person to a recipient consisting of two or more taxable supplies of goods or services or both, or any combination thereof, which are naturally bundled and supplied in conjunction with each other in the ordinary course of business, one of which is a principal supply.

Section 8 of the Central Goods and Services Tax Act, 2017 provides as follows:

The tax liability on a composite or a mixed supply shall be determined in the following manner, namely:—

(a) a composite supply comprising two or more supplies, one of which is a principal supply, shall be treated as a supply of such principal supply;

(b) a mixed supply comprising two or more supplies shall be treated as a supply of that particular supply which attracts the highest rate of tax.



7.5.2 The facts pertaining to the applicant clearly suggest that the supply of study materials alongwith coaching and training were a composite supply with latter being the Principal Supply and should be considered as supply of coaching and training services in terms of Section 8 of the CGST Act.

It therefore, means that contention of the applicant that the supply of printed books was exempt from GST under Serial No. 119 of Notification No. 2/2017-Central Tax (Rate), dated 28.06.2017 cannot be accepted as the supplies cannot be artificially segregated into Supply of Training & Coaching services and supply of study materials & resources when it is case of composite supply.

7.5.3 This view is also supported by the decision of the Kerala Appellate Authority for Advance Ruling in Logic Management Training Institutes Pvt. Ltd., wherein it was held that the supply of study materials and other educational resources as part of a coaching programme does not alter the essential character of the transaction, the principal supply remaining commercial training and coaching services. The inclusion of printed books, notes or digital learning resources as part of the coaching package does not convert the transaction into an independent exempt supply of books or educational services.

7.6 The fourth issue for determination is whether the differential amount arising on account of foreign exchange fluctuations in respect of the course registration fee, examination fee, subscription fee and other fees payable to foreign professional bodies such as ACCA, IMA (USA) and similar institutions, and retained by the applicant, is liable to Goods and Services Tax, and if so, the applicable rate and Service Accounting Code (SAC).

7.6.1 Facts of the case, indicate that the differential amount arising on account of foreign exchange fluctuations and retained by the applicant are not a consideration for supply of any goods or services. Section 2 (102) of the CGST Act provides that "services" includes an activity relating to conversion of money as a service only if a separate consideration is charged for the same. Since, the movement in the foreign-exchange rate could result in gain as well as loss, it therefore, cannot represent a separate consideration so as to bring the activity of the applicant within the meaning of "services" under Section 2 (102) of the CGST Act. Thus, the occasional gain out of forex fluctuations even if retained by the



applicant would be outside the net of GST as there is no certain nexus between the consideration and the services rendered by the applicant.

7.7 The final issue for determination is whether GST is applicable on the "Redemption of training fees" received by the applicant from various universities, and if so, what the appropriate tax rate and Service Accounting Code (SAC) would be. In this regard, the applicant has submitted that they have been engaged as a "Training Partner" by the UGC recognized universities for the approved programmes for which they provide training, coaching, academic support and the necessary infrastructure in lieu of "redemption of training fee". They have further submitted that the tuition fees are collected directly by the respective universities from the students.

7.7.1 However, they have neither provided the copies of the agreement nor elaborated on the arrangement between them and the Universities in providing such services. In such circumstances, it would be presumed that the concerned University is providing educational services to the students in lieu of Tuition fee while the applicant is providing the necessary support services to the University in providing such services in lieu of "redemption of Training Fee". The applicant has claimed exemption for such fees collected from the University under Sl. No. 66 of the Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017 but have not specified the sub-category under which they are claiming such exemption.

7.7.2 As already discussed for Question No. 1, the applicant does not qualify as an "educational institution" under clause (y) of paragraph 2 of Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017 and consequently, is not eligible for the exemption available under Serial No. 66(a) of the said Notification. Therefore, let's now examine if they are covered under Serial No. 66(b) of the said Notification, the provisions of which are reproduced as under:

"(b) to an educational institution, by way of,—

- (i) transportation of students, faculty and staff;*
- (ii) catering, including any mid-day meals scheme sponsored by the Central Government, State Government or Union territory;*



- (iii) *security or cleaning or house-keeping services performed in such educational institution;*
- (iv) *services relating to admission to, or conduct of examination by, such institution;*
- (v) *supply of online educational journals or periodicals:"*

7.7.3 On considering the facts of the case, even if it is considered that the Universities for which the applicant are acting as training partners are "educational institutions" within the meaning of Sl.No.66 (b) as mentioned above, the activities of the applicant are not covered under any of the categories specified above. This would automatically mean that the applicant is not covered under the exemption claimed by them under Sl. No. 66 of the Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017 and therefore the support services in lieu of "redemption of training fee" provided to the Universities would be taxable under GST.

7.7.4 Since, the applicant has neither provided the copies of the agreement nor elaborated on the arrangement between them and the Universities in providing such services, it is difficult to determine with certainty the more specific six-digit SAC within Heading 9992 which cover higher education services as well as commercial and other education/training services and their support services.

8. Given the observations stated above, the following rulings are issued;

RULING

Question No. 1. Whether the education programme and training being offered by the applicant is exempted from GST as imparting of education since the applicant is giving lecture classes and notes including printed books published by Government-recognised institutions like ACCA, IMA USA, etc and also availed from online facilities of the said institutions like ACCA, IMA USA, etc which are approved by Govt of India?

RULING: The education programme and training services provided by the applicant do not qualify for exemption under Serial No. 66 of Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017, as amended, since the applicant



is not an "educational institution" within the meaning of clause (y) of paragraph 2 of the said Notification. Accordingly, the education programme and training services supplied by the applicant are liable to GST at the rate applicable to such services.

Question No. 2. Is there any tax liability under GST laws on the applicant for collecting and transferring examination fees and other fees of the recognised institutes or universities on behalf of students studying at the applicant institute?

RULING: The applicant has not established that the examination fees, registration fees and other related charges collected from the students and remitted to the respective professional bodies and universities are received by the applicant in the capacity of a pure agent within the meaning of Rule 33 of the Central Goods and Services Tax Rules, 2017. Accordingly, this Authority is unable to hold that such amounts are liable to be excluded from the value of taxable supply under Rule 33. The admissibility of such exclusion shall depend upon the fulfilment of all the conditions stipulated under the said Rule.

Question No.3. Whether the notes / materials including printed books published by Government-recognized institutions like ACCA, IMA USA, etc. and notes from online facilities of the said institutions like ACCA, IMA USA, etc. which are approved by Govt of India provided to students is subject to GST? Whether there is any tax liability on selling of textbooks to its students?

RULING: The Printed textbooks, printed study materials and digital learning resources are not an independent supply, but rather part of Commercial Training and Coaching Services, making it a composite supply with the latter being the Principal supply. Therefore, they do not qualify for exemption under Serial No. 119 of Notification No. 2/2017-Central Tax (Rate) dated 28.06.2017 rather being part of composite supply, it shall attract the GST rate of the Principal Supply, i.e., Commercial Training and Coaching Services.

Question No. 4. Whether GST is applicable on foreign exchange fluctuation on ACCA and IMA USA Course registration fee, Material fee, Subscription fee and



other exam or related fees (There is foreign exchange differences due to payment of fee in foreign currency) if yes then what is the tax rate and SAC Code?

RULING: The differential amount arising on account of foreign exchange fluctuations in respect of the course registration fee, examination fee, subscription fee and other fees payable to foreign professional bodies and similar institutions, to the extent retained by the applicant is not a consideration for any taxable supply made by the applicant and therefore the same is not required to be included in the taxable value of supply. Further, since there is no corresponding taxable supply for the said amount, the question of the applicable SAC does not arise.

Question No. 5. Whether GST is applicable on Redemption of training fees received from other universities, if yes then what is the tax rate and SAC Code?

RULING: Yes. Amounts received from universities as consideration for education/training activities carried out by the applicant constitute consideration for a taxable supply under Heading 9992 –Education Services and are liable to GST at 18%, in the absence of an applicable exemption in terms of Entry No. 30 of Notification No. 11/2017-Central Tax (Rate) dated 28.06.2017, as amended, and the corresponding notification issued under the Kerala State Goods and Services Tax Act, 2017. However, the precise six-digit SAC within Heading 9992 cannot be conclusively determined on the basis of the limited information available on record with respect to the nature of services rendered by the applicant.


Jomy Jacob, IRS

Additional Commissioner of Central Tax
Member



Mansur. M.I
Joint Commissioner of State Tax
Member



To,

M/s. Learnfluence Education Private Limited,
66/680 A, A1, A2, A3, A4, C P Ummer Road, Pullepadi, North Post
Office, KOCHI, Ernakulam, Kerala, 682035.

Copy submitted to:

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2. The Commissioner of State Goods and Services Tax Department, Tax Towers, Karamana, Thiruvananthapuram – 695002.
[E-mail ID: cst.sgst@kerala.gov.in].
3. The Commissioner of Central Tax and Central Excise, Kochi Commissionerate.
4. The Commissioner of Central Tax and Central Excise, Thiruvananthapuram Commissionerate, GST Bhavan, Statue, Thiruvananthapuram.
5. The Commissioner of Central Tax and Central Excise, Calicut Commissionerate.

Copy to:

1. The Additional Commissioner,TPS,HQ, Thiruvananthapuram.
2. The Deputy Commissioner, ITMD, Thiruvananthapuram.
3. The Assistant Commissioner/State Tax Officer, Tax payer services Circle, Ernakulam Central.
4. The Superintendent, Central Tax, Ernakulam Division, Ernakulam Range-3

