

**THE AUTHORITY FOR ADVANCE RULING
IN KARNATAKA
GOODS AND SERVICES TAX
VANIJYA THERIGE KARYALAYA, KALIDASA ROAD
GANDHINAGAR, BENGALURU - 560 009**

Advance Ruling No. KAR ADRG 28/2025

Date : 28-07-2025

Present:

1. Sri. Prathap Kumar S

Additional Commissioner of Commercial Taxes

... Member (State)

2. Sri. Kalyanam Rajesh Rama Rao

Additional Commissioner of Customs & Indirect Taxes

... Member (Central)

1.	Name and address of the Applicant	M/s. INTELLIPAAT SOFTWARE SOLUTIONS PVT. LTD., Sy. No 129, 6th Floor, Primeco Towers, Bannerghatta Main Road, Arekere Gate Junction, Bengaluru-560076
2.	GSTIN or User ID	29AACCI6735P1ZV
3.	Date of filing of Form GST ARA-01	08.10.2024
4.	Represented by	Sri Prashanth S Shivadass, Advocate & Authorised Representative
5.	Jurisdictional Authority - Centre	The Principal Commissioner of Central Tax, Bengaluru South Commissionerate, Bengaluru.
6.	Jurisdictional Authority - State	Asst. Commissioner, LGSTO-16, Bengaluru
7.	Whether the fees discharged and if yes, the amount and details thereof	Yes, discharged fee of Rs.5,000/ under CGST Act & Rs. 5,000/ under KGST Act through debit from Electronic Cash Ledger vide reference No. DC2909240171253, dated 19.09.2024

**ORDER UNDER SECTION 98(4) OF THE CGST ACT, 2017 &
UNDER SECTION 98(4) OF THE KGST ACT, 2017**

M/s. Intellipaata Software Solutions Private Limited (herein after referred to as 'Applicant'), Sy No 129, 6th Floor, Primeco Towers, Bannerghatta Main Road, Arekere Gate Junction, Bengaluru-560076, having GSTIN 29AACCI6735P1ZV, have filed an application for Advance Ruling under Section 97 of CGST Act, 2017, read with Rule 104 of the CGST Rules 2017 and Section 97 of KGST Act, 2017 read with Rule 104 of KGST Rules 2017, in form GST ARA-01 discharging the fee of Rs.5,000/- each under the CGST Act KGST Act.



2. The Applicant is a Private Limited Company engaged in online education offering training in various domains such as Big Data, Data Science, Artificial Intelligence, Business Intelligence, Cloud Computing etc., to enhance the skills of the working professionals. The applicant entered into an agreement dated 12-06-2024 with NSDC, for implementation of "Market-led Fee Based Services", notified by NSDC, as a Training Partner.

3. In view of the above, the applicant has sought advance ruling in respect of the following questions:

(i) *What is the applicable GST on the services provided by the applicant under the "Market led Fee-based Services Scheme"?*

(ii) *Whether the applicant is eligible for exemption under entry 69 of Notification No.12/2017-Central Tax (Rate), dated 28-6-2017?*

4. **Admissibility of the application:** The applicant claimed that the questions are about the "applicability of a notification issued under the provisions of this act" and "determination of the liability to pay tax on any goods or services or both". However, it is observed that the questions are relevant to "applicability of a notification issued under the provisions of this act" & rate of GST applicable to their services and hence the instant application is admissible under Section 97(2)(b) of the CGST Act 2017.

5. **Brief Facts of The Case:** The applicant has furnished the following facts relevant to the issue:

5.1 The Applicant stated that they are an online education company offering training in various domains such as Big Data, Data Science, Artificial Intelligence, Business Intelligence, Cloud Computing, and more; that they provide various forms of courses designed to cater to the needs of working professionals, offering flexible learning schedules, instructor-led training, and hands-on projects to enhance learning experiences which aims to enhance the skills of working professionals

5.2 The Applicant stated that they provide courses in participation with National Skill Development Corporation; that NSDC approves various entities to carry out the national skill development programs and such approved entities are given the status of 'Approved Training Partner'; that the training program shall be subject to the terms and conditions provided by NSDC.

5.3 The Applicant stated that one of the schemes introduced and implemented by NSDC is the 'market led Fee-based Services' (hereinafter referred to as 'scheme') which aims to establish a framework for aggregate and standardized training in high growth sectors. For implementing these trainings, NSDC has engaged various third parties as its training partners on a service-to-service basis and intends to provide joint certification with the partners to the candidates.

5.4 The Applicant stated that they submitted a detailed proposal to NSDC and the same was evaluated and accepted by NSDC and they were approved as a Training Partner. The Applicant stated that on 12.06.2024 an agreement was entered into



between NSDC and M/s Intellipaate Software Solutions Private Limited(Applicant) and the agreement outlines the partnership between NSDC and Intellipaate for the implementation of a Scheme for market-led Fee-based Services, notified by NSDC; that as per the said agreement, NSDC will charge the applicant a fee for the benefits conferred under the Scheme, as outlined in the Term Sheet under Schedule V and this fee, which is exclusive of applicable taxes, must be paid within the stipulated timeframe to the account designated by NSDC. Failure to make timely payment of the fee grants NSDC the right to terminate the Agreement and revoke the Applicant's status as a Training Partner.

6. Applicant's Interpretation of law:

6.1 The Applicant stated that they are an online education company specialized in offering comprehensive training across various domains; that they provide services in the nature of 'educational services' classifiable under Heading 9992. As per Entry 30 of Notification No.11/2017 – Central tax (Rate) dated 28.06.2017, the applicable rate of GST on Education services was 18% (9% of CGST and 9% of SGST). Extract of this entry is provided below for ease of reference:

Chapter, Section or Heading	Description of Service	CGST Rate (%)	SGST Rate (%)	IGST Rate (%)
9992	Education Services	9	9	18

6.2 The Applicant submitted that the Central Government has issued another Exemption Notification bearing Notification No. 12/2017 – Central Tax (Rate), dated 28.06.2017 (hereinafter referred to as 'Exemption Notification') declaring various services as exempted services thereby exempting the GST payable on those services. The relevant entry is provided below:

Sl. No	Chapter, section or Heading, Group or Service Code (Tariff)	Description of Service	Rate (per cent)	Condition
69	Heading 9992 or Heading 9983 or Heading 9991	Any service provided by, (a) The National Development Corporation set up by the Government of India; (b) A Sector Skill Council approved by the National Skill Development Corporation; (c) An assessment agency approved by the Sector Skill Council or the National Skill Development Corporation; (d) A training partner approved by the National Skill Development Corporation or the Sector Skill Council, in relation to (i) the National Skill Development Programme implemented by the National Skill Development Corporation; or (ii) a vocational skill development course under the National Skill Certification and Monetary Reward Scheme; or (iii) any other Scheme implemented by the National Skill Development Corporation.	NIL	NIL



6.3 As per Entry 69 of the Exemption Notification, the following conditions have to be satisfied by a training partner in order to claim exemption:

- Approval of NSDC to operate as a training partner.
- Such approval must pertain to a scheme implemented by NSDC.

6.4 The Applicant states that their services satisfy the conditions stipulated in Entry 69 of Notification No. 12/2017-Central Tax (Rate), dated: 28.06.2017 in the following manner-

- a) Firstly, the Applicant is an approved training partner of the NSDC, a status corroborated by the certificate.
- b) Secondly, the services provided by the Applicant are rendered in pursuance of a scheme implemented and approved by the NSDC, namely the "Market-led Fee-based Services" scheme.

6.5 The Applicant intends to rely upon the ruling of the Authority for Advance Ruling, Karnataka in the case of M/s Interviewbit Software Services Private Limited and the ruling of the Authority for Advance Ruling, Telangana in case of M/s Nxtwave Disruptive Technologies Private Limited.

6.6 The Applicant, in view of the above contends that the service being provided by them is an 'exempted service' in accordance with entry no. 69 of the exemption notification from the date of its agreement with NSDC and hence, the applicable rate of GST on the same would be NIL.

PERSONAL HEARING/PROCEEDINGS HELD ON 16.06.2025

7. Sri Prashanth S Shivadass, Advocate & duly authorized representatives of the applicant appeared for personal hearing proceedings and reiterated the facts narrated in their application.

FINDINGS & DISCUSSION

8. At the outset we would like to make it clear that the provisions of CGST Act, 2017 and the KGST Act, 2017 are in pari-materia and have the same provisions in like matter and differ from each other only on a few specific provisions. Therefore, unless a mention is particularly made to such dissimilar provisions, a reference to the CGST Act would also mean reference to the corresponding similar provisions in the KGST Act.

9. We have considered the submissions made by the applicant in their application for advance ruling. We have also considered the issues involved on which advance ruling is sought by the applicant and the relevant facts along with the arguments made by their authorized representative and also their submissions made during the time of hearing.

10. The Applicant submitted that they provide certification programs in IT/ITes sector such as Software Product Engineering, Supercharger CSE and AI and Future



Technologies; that they intend to provide the aforesaid training programs in partnership with National Skill Development Corporation (herein after referred as NSDC); that NSDC has approved the Applicant as its training partner under the 'Market led Fee-based Services' Scheme, implemented by NSDC.

11. The Applicant contended that the services being provided by them are exempted as per entry No. 69 Notification No. 12/2017 – Central Tax (Rate) dated 28th June 2017, since they are providing training as a training partner approved by the National Skill Development Corporation in relation to 'Market led Fee-based Services' Scheme, implemented by NSDC.

12. In this regard, we invite reference to the entry No. 69 Notification No. 12/2017 – Central Tax (Rate) dated 28.06.2017 as amended vide Notification No. 08/2024 – Central Tax (Rate) dated 08.10.2024, which is as under:

Sl. No	Chapter, Section, Heading, Group or Service Code (Tariff)	Description of Services	Rate (per cent.)	Condition
69	Heading 9983 or Heading 9991 or Heading 9992	<p>Any services provided by –</p> <p>(a) the National Skill Development Corporation set up by the Government of India;</p> <p>(b) the National Council for Vocational Education and Training;</p> <p>(c) an Awarding Body recognized by the National Council for Vocational Education and Training;</p> <p>(d) an Assessment Agency recognized by the National Council for Vocational Education and Training;</p> <p>(e) a Training Body accredited with an Awarding Body that is recognized by the National Council for Vocational Education and Training.</p> <p>(f) a training partner approved by the National Skill Development Corporation,</p> <p>in relation to-</p> <p>(i) the National Skill Development Programme or any other scheme implemented by the National Skill Development Corporation; or</p> <p>(ii) a vocational skill development course under the National Skill Certification and Monetary Reward Scheme; or</p> <p>(iii) any National Skill Qualification Framework aligned qualification or skill in respect of which the National Council for Vocational Education and Training has approved a qualification package.</p>	Nil	Nil

As per the above entry, the following conditions have to be satisfied by the Applicant to claim exemption on the services being provided by them:

a) They have to be a training partner approved by the National Skill Development Corporation.

b) Services provided should be in relation to the National Skill Development Programme or any other scheme implemented by the NSDC.

13. We proceed to examine whether the Applicant satisfies the conditions mentioned supra in para 12. The Applicant has stated that they are an approved training partner of National Skill Development Corporation and has submitted a copy of the certificate from NSDC certifying the same. Thus, the applicant has satisfied the first condition.

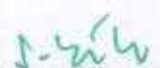
14. The Applicant has also stated that they have entered into an agreement with NSDC for executing the "Market led Fee-based Services" scheme which is introduced and implemented by the NSDC. Thus, the applicant has satisfied the second condition also. Since the Applicant has satisfied both the conditions mentioned supra in para 12, the services provided by the Applicant in the instant case are exempted.

15. In view of the foregoing, we pass the following

RULING

(i) *The applicable GST on the services provided by the applicant under the "Market led Fee-based Services Scheme" is Nil as explained supra.*

(ii) *The applicant is eligible for exemption under entry 69 of Notification No.12/2017-Central Tax (Rate), dated 28-6-2017 as amended.*


(Prathap Kumar S)
Member

Karnataka Advance Ruling Authority
Place : Bengaluru - 560 009

Date : 28.07.2025


To,

The Applicant

Copy to:

1. The Principal Chief Commissioner of Central Tax, Bangalore Zone, Karnataka.
2. The Commissioner of Commercial Taxes, Karnataka, Bengaluru.
3. The Principal Commissioner of Central Tax, Bengaluru South Commissionerate Bengaluru.
4. The Assistant Commissioner of Commercial Taxes, LGSTO-16, Bengaluru.
5. Office Folder.

Intellipaat Software Solutions


(Kalyanam Rajesh Rama Rao)
Member

MEMBER
Karnataka Advance Ruling Authority
Bengaluru - 560 009