

**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 26/2025

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. KALVI CAREER EDUCATION PVT. LTD., B C258, Prestige Palms, ECC Road, Whitefield, Bengaluru-560066
2.	GSTIN or User ID	29AAJCK0697D1ZA
3.	Date of filing of Form GST ARA-01	18.06.2024
4.	Represented by	Sri Rahul Pansari, C.A., & Authorised Representative
5.	Jurisdictional Authority – Centre	The Commissioner of Central Tax, Bengaluru East Commissionerate, Bengaluru (Range-BED7)
6.	Jurisdictional Authority – State	Asst. Commissioner, LGSTO-36, Bengaluru
7.	Whether the payment of fees discharged and if yes, the amount and CIN	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. DC2906240041144, dated 12.06.2024

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

M/s. Kalvi Career Education Private Limited (herein after referred to as 'Applicant'), B C258, Prestige Palms, ECC Road, Whitefield, Bengaluru-560066, having GSTIN 29AAJCK0697D1ZA, 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 making the students employable by bridging the gap between the academic education versus the industry requirements through training / certification programmes.

3. The applicant has sought advance ruling as to "*Whether the applicant is eligible for exemption under entry no. 69 of Notification No. 12/2017-Central Tax (Rate), dated 28.06.2017 on the services provided by the applicant to the students at Kalvium campus/ at Partner Universities' campus in relation to the "Market led Fee-based Services Scheme" implemented by National Skill Development Corporation ("NSDC")?*".

4. **Admissibility of the application:** The question is about the "applicability of a notification issued under the provisions of the CGST/KGST Act 2017" and hence 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 states that their mission is to address the problem of unemployment and poverty in the country by empowering disadvantaged youth with in-demand skills of the IT/ITeS sector and preparing them for successful careers. Kalvi makes the students employable by bridging the gap between academic education versus the industry requirements. Kalvi graduates experience significant financial upliftment, often earning a substantial stipend while pursuing the program. Notably, over 87% of graduates from previous cohorts secured employment even before their first year ended, and they go on to secure well-paying positions upon completion of their courses.

5.2 The Applicant states that they provide certification programs in IT/ITes sector such as Software Product Engineering, Supercharger CSE and AI and Future Technologies. For imparting the aforesaid trainings/ certification programs, Kalvi has developed its own innovative pedagogy, materials and curriculum that's in sync with the evolving tech industry.

5.3 The Applicant states that they intend to provide the aforesaid training programs in partnership with National Skill Development Corporation (hereinafter referred to as 'NSDC'), which is a Non-profit Company.

5.4 The Applicant states that NSDC was set up by the Ministry of Finance as a public-private partnership to help provide skilled workers to various industries. In order to achieve its objectives, NSDC implements National Skill Development programs from time to time and also proposes and implements various schemes. NSDC approves various entities to carry out the national skill development programs. Such approved entities are given the status of 'Approved Training Partner'. The training program shall be subjected to the terms and conditions provided by NSDC.

5.5 The Applicant states that NSDC has launched various schemes and initiatives for the purpose of promoting skill development such as Pradhan Mantri Kaushal Vikas Yojana (PMKVY), Seekho aur Kamao, NIPUN, SWADES etc. One such scheme implemented by NSDC is 'Market led Fee-based Services' (hereinafter referred to as 'Scheme'), notified on May 18, 2022 and having a validity of Ten (10) years, which aims



to establish a framework for aggregate and standardized training in high growth sectors by engaging 'for-profit' entities, 'not for-profit' entities, corporates, start-ups, trust, societies, foundations etc., as partners on service-to-service basis and provide joint certification with the Partner to the candidates, wherever such joint certification is desirable and feasible. Through this Scheme, NSDC aims to scale outcome oriented and successful fee-based training programs (such as those of Kalvi) by providing financial and / or technical assistance, and aggregate data of certified trainees on a single digital platform for creating a repository and reporting and monitoring upskilling / reskilling by its training partners.

5.6 The Applicant states that Kalvi had submitted a proposal with NSDC for registering itself as an approved training partner under the aforesaid scheme. NSDC, after duly assessing the viability of the Proposal and the training programs of Kalvi, has approved Kalvi's proposal on January 25, 2024 and has approved Kalvi as its training partner under the Scheme for 3 years, which can be further renewed in writing by NSDC and Kalvi, for execution of the education/ training programs.

5.7 The Applicant states that by way of the above-mentioned agreement, NSDC has approved the following training programs for execution by Kalvi in relation to the Market led Fee-based Services Scheme on January 25, 2024:

Sl. No	Course Title	Sector	Course Duration	Candidate Eligibility
1	Software Product Engineering - 1	IT/ITeS	10 months	12 th pass
2	Software Product Engineering - 2	IT/ITeS	12 months	12 th pass + SPE-1
3	Software Product Engineering - 3	IT/ITeS	12 months	12 th pass + SPE-1 +SPE-2

Thereafter on June 05, 2024, NSDC has approved the following additional training programs for execution by Kalvi in relation to the Market led Fee-based Services Scheme on the Skill India Portal of NSDC:

Sl. No	Course Title	Sector	Course Duration	Candidate Eligibility
1	Supercharger CSE - 1	IT/ITeS	10 months	12 th pass
2	Supercharger CSE - 2	IT/ITeS	12 months	12 th pass + Supercharger -1
3	Supercharger CSE - 3	IT/ITeS	12 months	12 th pass + Supercharger-1 + Supercharger -2
4	Supercharger CSE - 4	IT/ITeS	12 months	12 th pass + Supercharger-1 + Supercharger-2 + Supercharger -3
5	AI and Future Technologies - 1	IT/ITeS	10 months	12 th pass
6	AI and Future Technologies - 2	IT/ITeS	12 months	12 th pass + AI and Future Technologies -1
7	AI and Future Technologies - 3	IT/ITeS	12 months	12 th pass + AI and Future Technologies -1 + AI and Future Technologies -2
8	AI and Future Technologies - 4	IT/ITeS	12 months	12 th pass + AI and Future Technologies -1 + AI and Future Technologies-2 + AI and Future Technologies - 3



5.8 The Applicant states that they shall execute the aforesaid training programs as per the Scheme and other guidelines, as mandated by NSDC. Further, the details of candidates enrolled with Kalvi for the scheme, shall be uploaded on the Skill India Portal (hereinafter referred to as 'SIP') within 15 days on commencing a batch. As part of implementation of the scheme, NSDC will monitor the number of candidates whose information is uploaded on the SIP, and track whether the applicant is meeting the training targets (of enrolled and certified learners) identified in the Business plan of the term sheet. NSDC has the right to terminate the partnership with the applicant, upon a failure of the applicant to meet the aforesaid target.

5.9 The Applicant states that they propose to provide the aforesaid training programs to the students under the following arrangements:

a) At Kalvium campus - Kalvi to enter into agreement with the students making an application to Kalvi, to provide them certification courses in IT/ ITeS Sector, so as to make them industry ready by the time of their graduation and help them achieve high-paid software jobs in consideration of typically a fixed fee per semester. Upon completion of each program, Kalvi will provide a co-branded and barcoded certificate, provided by NSDC, to the students.

b) At Partner Universities' campus - Kalvi to enter into agreement with engineering & technology universities/ colleges whereby Kalvi will undertake to provide NSDC approved certification courses in IT/ITeS sector to the students of university at their campus. University will collect the entire program fee from the students for the degree programs inclusive of the fee for enrolment in the courses offered by Kalvi and thereafter, disburse the same to Kalvi. Further, upon completion of each program, Kalvi will provide a co-branded and barcoded certificate, provided by NSDC, to the students.

5.10 The Assistant Commissioner, Division-7, Bengaluru East Commissionerate, in response to this office letter dated 21.06.2024, offered comments inter alia stating as under:

The applicant, prima facie, is eligible on the basis of submissions/ documents enclosed with the application dated 11.06.2024. However, the eligibility to exemption depends on the following modes of transactions/method of provision of service.

(i) Transactions between M/s KALVI CAREER EDUCATION PRIVATE LIMITED and the students under skill development programs by NSDC.

(ii) Transactions between Partner Universities M/s KALVI CAREER EDUCATION PRIVATE LIMITED and the students under skill development programs by NSDC.

3. In the first scenario, where M/s KALVI CAREER EDUCATION PRIVATE LIMITED provides recognized services directly to the students and thereby the applicant satisfies the conditions of Entry No. 69 of Notification No.12/2017-



Central Tax (Rate) dated 28.06.2017 and thus the transactions in this case are exempted subjected to fulfilment of the conditions mentioned in the notification and verification of documents.

4. Whereas, in the second scenario, it may so happen that transactions are between Partner Universities of M/s KALVI CAREER EDUCATION PRIVATE LIMITED and the students and the partner Universities are collecting the fee for the skill development programs provided to the students. In this case, in order to be eligible for the purported exemption, the universities should be acting as "pure agents" or students should authorize universities to pay the fee to M/s KALVI CAREER EDUCATION PRIVATE LIMITED as per the Rule 33 of CGST Rules, 2017 on behalf of them so that students remain a recipient of services for the purpose of section 2(93) of CGST/KGST Act, 2017. If the University is collecting the consideration without satisfying the consideration of pure agent, then the transaction between the university and students won't be eligible for exemption.

5. As the applicant has not furnished any records/documents with regard to the service provider and service recipient and the method of payment of consideration towards provision of service, it would not be possible to decide whether M/s KALVI CAREER EDUCATION PRIVATE LIMITED is exempted under Entry 69 of Notification No.12/2017-Central Tax (Rate) dated 28.06.2017 for the services provided by Partner Universities of M/s KALVI CAREER EDUCATION PRIVATE LIMITED to the students under skill development programs by NSDC.

6. Applicant's Interpretation of law:

6.1 The Applicant states that in order to levy GST on any transaction, there should be a 'supply' of goods or services or both. The term supply has been defined under section 7 of the CGST Act; that it includes all forms of supply of goods or services or both made or agreed to be made for a consideration in the course or furtherance of business by a person; that in the instant case, the Applicant will be engaged in the provision of education programs to students at Kalvium campus / at Partner Universities' campus for a consideration and hence, the same falls under the purview of supply and accordingly shall be leviable to GST.

6.2 The Applicant states that, the Government has notified certain supply of services to be exempted from GST by virtue of section 11 of the CGST Act, by way of Notification No. 12/2017 - Central Tax (Rate) dated 28th June 2017; the Applicant is of the view that the services provided by them are exempted vide Entry 69 of the exemption notification. An extract of the said entry has been reproduced below:

Sl. No	Chapter, section or Heading, Group or Service Code (Tariff)	Description of Service	Rate (per cent)	Condition
(1)	(2)	(3)	(4)	(5)

(1)	(2)	(3)	(4)	(5)
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 The Applicant states that it is evident from the above exemption entry that the following two conditions needs to be satisfied to claim the exemption from the levy of GST:

Condition 1: Approval of NSDC to operate as a training partner;

Condition 2: Such approval must be in relation to a scheme implemented by NSDC

6.3.1 The Applicant states that in relation to Condition 1 regarding approval from NSDC to act as a training partner, the Applicant submits that they have entered into an agreement dated January 25, 2024 with NSDC wherein, NSDC has affiliated Kalvi as an approved training partner for the execution of the approved education/ training programs Accordingly, the first condition stands fulfilled.

6.3.2 The Applicant states that with regard to Condition 2 regarding whether the approval obtained by the applicant is in relation to a scheme implemented by NSDC, it is to be noted that, as mentioned above, the applicant has entered into an agreement with NSDC to act as a training partner and executing the approved certification programs subject to the terms and conditions mentioned in the agreement dated January 25, 2024. Relevant clauses of agreement provided by the applicant are reproduced below:

2.1 *"The Second Party (Applicant) hereby agrees to register under the Scheme for Non-Funded Affiliation providing various Fee-based Services as mentioned in the Proposal on the terms and conditions contained in the Scheme and the other Facility Agreements.*

2.2 *The Second Party, as approved Training Partner of NSDC, further agrees to execute the Project in accordance with the Scheme and such other guidelines as mandated by NSDC from time to time and undertakes to comply with the*



said Scheme and other guidelines notified by NSDC from time to time (including payment of partnership fee).

2.3 NSDC shall issue a Certificate of Partnership, on yearly basis subject to the terms of Scheme

The Applicant states that based on the above it is submitted that since the training programs that will be executed by the Applicant are in relation to the Market led Fee-based Services Scheme implemented by NSDC, Condition 2 also stands satisfied. Also, it is to be noted that the Applicant is engaged in providing education services which falls under HSN code 9992 – Education Services

6.4 The Applicant states that the exemption notification mentions availability of GST exemption inter alia on services provided by approved training partner of NSDC, which are in relation to any scheme implemented by the NSDC. Unlike entry no. 66 of the exemption notification, entry 69 does not specify class of recipients to whom services should be provided to avail the exemption. In the absence of any such restriction, as long as the services provided by the approved training partner are in relation to the scheme implemented by NSDC, GST exemption would be available.

6.5 The Applicant states that the term 'in relation to' signifies very wide connotation and therefore services provided by approved training partner under the scheme will qualify for exemption regardless of the recipient. Accordingly, the Applicant submits that GST exemption shall be available to the Applicant on the approved training programmes provided to students both at Kalviu campus and at Partner Universities' campus. It is reiterated that the services related to provision of certification programs provided by the Applicant, an approved training partner of NSDC, are in relation to the scheme for Market led Fee-based Services Scheme implemented by NSDC.

In this regard, since both the conditions for applicability of exemption have been fulfilled by the Applicant, the Applicant should be eligible for exemption from the levy of tax under entry No.69 of Notification No. 12/2017-Central Tax (Rate), dated 28.06.2017

6.6 The Applicant states that they rely upon, Authority for Advance Ruling, Karnataka's decision in the case of M/s Interviewbit Software Services Private Limited and Authority for Advance Ruling, Telangana in case of M/s Nxtwave Disruptive Technologies Private Limited.

6.7 The Applicant submits that, in view of the above discussion, the service 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 Rahul Pansari, Chartered Accountant & 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, as detailed at para 5.7, being an approved training partner of the National Skill Development Corporation (NSDC); that the said training programmes are under the 'Market led Fee-based Services' Scheme, implemented by NSDC; they are planning to provide the aforesaid training programs to the students at Kalvium campus as well as at Partner Universities' campus.

11. The Applicant contends that the services provided by them at *Kalvium campus*, are exempted in terms of entry No. 69 Notification No. 12/2017 – Central Tax (Rate) dated 28th June 2017 since they are providing training being an approved training partner of NSDC in relation to 'Market led Fee-based Services' Scheme, implemented by NSDC.

In this regard, We invite reference to the Entry No. 69 Notification No. 12/2017 – Central Tax (Rate) dated 28.06.2017 is 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	Any services provided by – (a) the National Skill Development Corporation set up by the Government of India; (b) the National Council for Vocational Education and Training; (c) an Awarding Body recognized by the National Council for Vocational Education and Training; (d) an Assessment Agency recognized by the National Council for Vocational Education and Training;	Nil	Nil



		<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, 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>		
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12. As per the above entry, the following conditions have to be satisfied by the Applicant to claim exemption on the services 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 the National Skill Development Programme or any other scheme implemented by the National Skill Development Corporation.

13. In view of the above, we proceed to examine whether the Applicant satisfies the conditions mentioned in para 12 supra. The Applicant contended that they are an approved training partner of National Skill Development Corporation and submitted a copy of the certificate of partnership issued by NSDC certifying the same. Thus, the applicant has fulfilled the first condition. The Applicant has also contended that they have entered into an agreement with NSDC for executing the "Market led Fee-based Services" scheme which are introduced and implemented by the NSDC. Thus, the applicant has fulfilled the second condition also.

14. The Applicant, further contends specifically with regard to the services provided by them at partner universities are exempted. The Assistant Commissioner, Division-7, Bengaluru East Commissionerate, while offering their comments, opined that the partner universities are neither acting as pure agents nor students authorized the partner universities to pay the fee to the applicant on behalf of them, in terms of Rule 33 of CGST Rules 2017. If the University is collecting the consideration without satisfying the condition of pure agent, then the transaction will be between the university and students and the applicant won't be eligible for exemption.

The applicant contends in this regard that they have entered into an agreement with the partner universities for provision of certain facilities so that they impart skills through the training conducted at the place of partner universities and the ultimate



beneficiaries are the students i.e. recipients of the service provided by the applicant. Further they also contend that the impugned service is eligible for exemption as long as the service is provided by the approved training partner of the NSDC, in relation to the National Skill Development Programme or any other scheme implemented by the National Skill Development Corporation.

They further contended that as per entry No. 69(f)(i) of Notification No. 12/2017 - Central Tax (Rate) dated 28.06.2017 GST is exempted on services provided by approved training partner of NSDC, which are in relation to any scheme implemented by the NSDC and it does not specify any other conditions to avail the exemption. In the absence of any such conditions, as long as the services provided by the approved training partner are in relation to the scheme implemented by NSDC, GST exemption would be available.

In the instant case, it is observed the applicant is an approved training partner of NSDC and the impugned service is in relation to the "Market led Fee-based Services" scheme, implemented by the NSDC. Further **consideration** in relation to supply of goods or services or both includes any amount made or to be made in respect of such supply of goods or services or both whether by the recipient or by any other person, in terms of Section 2(31) of the CGST Act 2017. In the instant case though the students are recipients of the service, the partner universities are collecting and paying the consideration to the applicant. Thus the applicant is entitled for the exemption under entry No.69 supra.

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

RULING

The applicant is eligible for exemption under entry no. 69 of Notification No. 12/2017-Central Tax (Rate), dated 28.06.2017, as amended, on the services provided by the applicant to the students at Kalvium campus/ at Partner Universities' campus in relation to the "Market led Fee-based Services Scheme" implemented by National Skill Development Corporation.

(Prathap Kumar S)

Member

Place: Bengaluru
Karnataka Advance Ruling Authority

Date : 28-07-2025 - 560 009

(Kalyanam Rajesh Rama Rao)

Member

Karnataka Advance Ruling Authority

Bengaluru - 560 009

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 Commissioner of Central Tax, Bengaluru East Commissionerate, Bengaluru.
4. The Assistant Commissioner of Commercial Taxes, LGSTO-36, Bengaluru.
5. Office Folder.