

**GOVERNMENT OF KARNATAKA**  
(Department of Commercial Taxes)

No. KSA/GST.CR-05/2019-20

Office of the Commissioner of  
Commercial Taxes  
Vanijya Therige Karyalaya,  
Gandhinagar,  
Bengaluru-560009, Dated: 23-06-2021

**COMMISSIONER OF COMMERCIAL TAXES CIRCULAR No. GST-04/2021**

**Sub- Clarification regarding GST on supply of various services by Central and State Board (such as National Board of Examination)–reg.**

Certain representations have been received seeking clarification in respect of taxability of various services supplied by Centre and State Boards such as National Board of Examination (NBE). These services include entrance examination ( on charging a fee) for admission to educational institution, input services for conducting such entrance examination for students, accreditation of educational institutions or professional so as to authorise them to provide their respective services. The issue was examined by GST Council in its 43<sup>rd</sup> meeting held on 28<sup>th</sup> May, 2021.

2. *Illustratively*, NBE provides services of conducting entrance examinations for admission to courses including Diplomat National Board (DNB) and Fellow of National Board (FNB), prescribes courses and curricula for PG medical studies, holds examinations and grant degrees, diplomas and other academic distinctions. It carries out all functions as are normally carried out by central or state educational boards and is thus a central educational board.

3. According to *explanation 3(iv)* of the Notification (12/2017) No FD 48 CSL 2017(Tax Rate), "Central and State Educational Boards" are treated as Educational Institution for the limited purpose of providing services by way of conduct of examination to the students. Therefore, NBE is an '*Educational Institution*' in so far as it provides services by way of conduct of examination, including any entrance examination, to the students.

3.1 Following services supplied by an educational institution are exempt from GST vide sl. No. 66 of the Notification (12/2017) No FD 48 CSL 2017(Tax Rate) dated: 29.06.2017,