



**BEFORE THE AUTHORITY FOR ADVANCE RULING - ANDHRA PRADESH**  
**Goods and Service Tax**

D. No. 5-56, Block-B, R.K. Spring Valley Apartments, Eedupugallu, Vijayawada-521151

Present:

1. Sri. D. Ramesh, Additional Commissioner of State Tax (Member)
2. Sri. M. Sreekanth, Joint Commissioner of Central Tax (Member)

**AAR No. 14 /AP/GST/2020 dated:05-05-2020**

1	Name and address of the applicant	M/s. Leprosy Mission Trust India, Platinum Vocational Training Center, Survey No. 183, Malicherla Panchayat Chelluru BO, Vizianagarm-535005, Andhra Pradesh.
2	GSTIN	37AAATT0691A1ZQ
3	Date of filing of Form GSTARA-01	21.01.2020
4	Date of Personal Hearing	05.02.2020
5	Represented by	Ajay Singh., F.C.A.
6	Jurisdictional Authority –State	Assistant Commissioner (ST), Vizianagaram West Circle, Vizianagaram Division.
7	Clause(s) of section 97(2) of CGST/SGST Act, 2017 under which the question(s) raised	(b) Applicability of a notification issued under the provisions of this Act.

**ORDER**

**(Under sub-section (4) of section 98 of Central Goods and Service Tax Act, 2017 and under sub-section (4) of Section 98 of Andhra Pradesh Goods and Services Tax Act, 2017)**

1. The present application has been filed under Section 97 of the Central Goods & Services Tax Act, 2017 and Andhra Pradesh Goods & Services Tax Act, 2017 (hereinafter referred to as CGST Act and APGST Act respectively) by Shri. Ajay Singh., F.C.A., authorised representative: M/s The Leprosy Mission Trust India, Platinum Vocation Training Centre, Survey No.183, Malicherla Panchayat, Chelluru BO, Vizianagaram District, Andhra Pradesh (hereinafter referred to as applicant), registered under the Goods & Services Tax.



2. The provisions of the CGST Act and APGST Act are identical, except for certain provisions. Therefore, unless a specific mention of the dissimilar provision is made, a reference to the CGST Act would also mean a reference to the same provision under the APGST Act. Further, henceforth, for the purposes of this Advance Ruling, a reference to such a similar provision under the CGST or AP GST Act would be mentioned as being under the GST Act.

### 3. Brief Facts of Case:

The Leprosy Mission was founded in 1874 as 'the Missions to Lepers' by an Irishman named Wellesly Cosby Bailey in Ambala, India. Subsequently, in 1973, the Leprosy Mission Trust India was registered as a society under the Societies Registration Act of 1860. It is the largest leprosy focussed non-governmental organisation in India with its headquarters at New Delhi. It has also diverse set of programmes i.e., Healthcare, Sustainable Livelihood, Community Empowerment, Advocacy, and research and Training.

The applicant, the Leprosy Mission Trust India, Vizianagaram (GSTN37AAATT0691A1ZQ) filed an application in form GST ARA-01, dt:22.01.2020, by paying the prescribed amount of fee for seeking Advance Ruling as per the GST Act 2017.

### 4. Questions Raised Before the Authority

The applicant raised the following questions and requested to pass ruling on the following issues.

Whether services provided under vocational training courses recognised by National Council for Vocational Training (NCVT) is exempted either under Entry No.64 of exemptions list of Goods and Services Tax Act, 2017 or under Educational Institution defined under Notification 12/Central Tax (Rate)?

On Verification of basic information of the applicant, it is observed that the applicant falls under State jurisdiction, i.e. Assistant Commissioner (ST), West Circle, Vizianagaram Division. Accordingly, the application has been forwarded to the jurisdictional officers and a copy marked to the Central tax authorities to offer their remarks as per Sec. 98(1) of CGST /APGST Act 2017.

In response, remarks are received from the jurisdictional officer concerned stating that there are no proceedings lying pending or passed relating to the applicant on the issue, for which the Advance Ruling sought by the applicant.

### 5. Applicant's Interpretation of law and facts:

5.1 The Society, the Leprosy Mission Trust India (TLMTI), is registered under Section 12 A of the Income Tax Act, 1961. Income of the society is exempt u/s 11 of the Income Tax Act, 1961.



**5.2** The TLMTI, established in the year 1973, is the largest Non-Governmental Organisation (NGO) in India working with and for people affected by leprosy. It works closely with the Government of India, State Government, world Health Organisation and other likeminded national and international organisations in the areas of Health, Education, Sustainable Livelihoods, Community Developments, Advocacy and Research. It has 14 Leprosy Referral Hospitals, 6 Vocational Training Institutes, a Media Centre undertaking media advocacy and communication, a state of the art Molecular Biology Research Laboratory, 5 Mercy homes/snehalayas for the care of elderly leprosy disabled people and a number of community based development projects spread over 9 States in India. The activities of the societies are charitable in nature and within the meaning of Section 2(15) of the Income Tax Act, 1961 undertaking Medical relief, Relief of Poor and Education.

**5.3** All the twenty two branches of the applicant organisation are registered under the Goods and Services Act, 2017

**5.4** The leprosy Mission Trust of India provide following Vocational Training Courses at Vizianagaram.

\* Vocational Training Courses recognised under National Council for Vocational Training (NCVT) such as Diesel Mechanic, COPA, Welder, Dress Making & Electrician.

\* Informal trades (Institutional & Community based) with the TLM Certification such as Basic computers & Basic Tailoring.

Traders		Affiliations/ recognitions	Under which Ministry of Central Government
Formal trades	Diesel Mechanic	NCVT/Central	MSD&E (Ministry of Skill Development and Entrepreneurship)
	COPA	NCVT/Central	MSD&E (Ministry of Skill Development and Entrepreneurship)
	Welder	NCVT/Central	MSD&E (Ministry of Skill Development and Entrepreneurship)
	Dress Making	NCVT/Central	MSD&E (Ministry of Skill Development and Entrepreneurship)
	Electrician	NCVT/Central	MSD&E (Ministry of Skill Development and Entrepreneurship)



Informal Trades(Institutional)	Basic welding	N.A.(TLM Certification)	N.A.
	Basic Eclectic	N.A.(TLM Certification)	N.A.
	Eco Bags & Rexene Bags	N.A.(TLM Certification)	N.A.
	Basic Mechanic & Driving	N.A.(TLM Certification)	N.A.
	Basic Computers	N.A.(TLM Certification)	N.A.
	Basic Tailoring	N.A.(TLM Certification)	N.A.
Informal trades(Community Based)	Basic welding	N.A.(TLM Certification)	N.A.
	Basic Electrician	N.A.(TLM Certification)	N.A.
	Eco Bags & Rexene Bags	N.A.(TLM Certification)	N.A.
	Basic Mechanic & Driving	N.A.(TLM Certification)	N.A.
	Basic Tailoring	N.A.(TLM Certification)	N.A.

According to Notification No 12/2017 of Central Tax Rate dated 28<sup>th</sup> June 2017 Section 2 (y) defines the **Educational Institutions** as 'an institution providing services by way of,- (i) pre-school education and education up to higher secondary school or equivalent; (ii) education as a part of a curriculum for obtaining a qualification recognized by any law for the time being in force; (iii) **education as a part of an approved vocational education course;**





According to Notification 12/2017 of Central Tax Rate dated 28<sup>th</sup> June 2017 Section 2 (h) defines **the approved vocational education course** as

*'(i) a course run by an industrial training institute or an industrial training centre affiliated to the National Council for Vocational 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 of Vocational Training, run by a person registered with the Directorate General of Training, Ministry of Skill Development and Entrepreneurship;'*

Further the applicant also quoted the Entry No.64 of above Notification No.12/2017 dated 28<sup>th</sup> June 2017 as the services provided by training providers (Project Implementation Agencies) under Deen Dayal Upadhyaya Grameen Kaushalya Yojana implemented by the Ministry of Rural development, Government of India by the way of offering skill or vocational training courses certified by the National Council for Vocational Training are exempt. The applicant society also provides courses approved by National Council for Vocational Training.

In view of the above, the applicant seeks advance ruling whether services provided under vocational training courses recognised by National Council for Vocational Training (NCVT) is exempted either under Entry No.64 of exemptions list of Goods and Services Tax Act, 2017 or under Educational Institution defined under Notification 12/Central Tax (Rate)?

## **6. Record of Personal Hearing:**

The authorised representative of the applicant, Sri Ajay Singh appeared in person for Personal Hearing held on 05.02.2020 and he reiterated the submissions already made in the application and requested to pass necessary orders.

## **7. Discussion and Findings**

The Advance Ruling Authority observed the facts of the case, and the documents on record, that the applicant is registered under Section 12 A of the Income Tax Act, 1961 and a Non-Governmental Organisation (NGO) in India working with and for people affected by leprosy. It works closely with the Government of India, State Government, World Health Organisation and other likeminded national and international organisations in the areas of Health, Education, Sustainable Livelihoods, Community Developments, Advocacy and Research. The activities of the societies are charitable in nature and within the meaning of section 2(15) of the Income Tax Act, 1961 undertaking Medical relief, Relief of Poor and Education. The vocational trainings provided by the applicant in respect of which their query raised is mentioned in their submissions in the form of a table which mentioned both Formal Trades and Informal Trades. Formal Trades viz., Diesel Mechanic, Computer Operator and Programming Assistance (COPA), Welder, Dress Making and Motor Mechanic are affiliated/recognised by the National Council for Vocational Training (NCVT), Ministry of HRD. These courses come under purview of the MSD&E (Ministry of Skill Development and Entrepreneurship). They also offer Informal Trade courses both Institutional and Community Based.



The applicant has raised the question Whether services provided under vocational training courses recognised by National Council for Vocational Training(NCVT) is exempted either under Entry No.64 of exemptions list of Goods and Services Tax Act, 2017 or under Educational Institution defined under Notification 12/Central Tax (Rate)?

GST Notification No.12/2017 Central Tax (Rate) dated 28<sup>th</sup> June 2017 at Entry NO.64 mentions 'Services provided by the Central Government, State Government, Union territory or local authority by way of assignment of right to use any natural resource where such right to use was assigned by the Central Government, State Government, Union territory or local authority before the 1st April, 2016:

*Provided that the exemption shall apply only to tax payable on one time charge payable, in full upfront or in instalments, for assignment of right to use such natural resource.'* Here the applicant is not a Central/State Government, Union Territory or local authority and therefore the Entry No.64 as quoted by the applicant is not applicable.

The applicant further raised whether their services are eligible for exemption under Entry No.66 of Notification No.12/2017 of Central Tax (Rate) dated 28<sup>th</sup> June 2017 and the extract of the Entry No.66 is as follows:

*'Services provided -*

*(a) **by an educational institution to its students, faculty and staff;***

*(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; upto higher secondary;*

*Provided that nothing contained in entry (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'*

In this connection, it is observed that the applicant falls under definition of education vide the Clause No. 2 (y) (iii) as 'education as a part of approved vocational education training' in GST Notification No.12/2017 of Central Tax Rate dated 28<sup>th</sup> June 2017.

The approved vocational education course is also defined in clause 2(h) of the above mentioned Notification No.12/2017 dated 28<sup>th</sup> June, 2017 and it is observed that the applicant was granted affiliation by the National Council for Vocational Training (NCVT) in respect of vocational skills pertaining to Formal Trades viz., Diesel Mechanic, Computer Operator and Programming Assistance (COPA), Welder, Dress Making and Motor Mechanic. These vocational course are attracting NIL rate of tax under GST Act, 2017 (Entry 66 of Notification NO.12/2017 CT Rate dated 28<sup>th</sup> June 2017)

Accordingly we pass the following order.



### **RULING**

**Query:** Whether services provided under vocational training courses recognised by National Council for Vocational Training (NCVT) is exempted either under Entry No.64 of exemptions list of Goods and Services Tax Act, 2017 or under Educational Institution defined under Notification No.12/Central Tax (Rate).

**Answer:** The services provided under vocational training courses recognised by National Council for Vocational Training (NCVT) are only exempted under Entry at serial No.66 (a) of Notification No.12/2017 Central Tax (Rate) dated 28<sup>th</sup> June 2017.

**Sd/- D.RAMESH  
(MEMBER)**

**Sd/- M. SREEKANTH  
(MEMBER)**

//t.c.f.bo//

  
**Assistant Commissioner (ST)**  
**Assistant Commissioner (State Tax)**  
**O/o, Chief Commissioner of State Tax,**  
**Andhra Pradesh, Vijayawada.**

TO

1. M/s. The Leprosy Mission Trust India, Platinum Vocational Training Center, Survey No.183, Malicherla Panchayat, Chelluru BO, Vizianagaram-535005, Andhra Pradesh. **(By Registered Post)**

**Copy to**

1. The Assistant Commissioner of State Tax, VizianagaramWest, VizianagaramDivision. **(By RegisteredPost)**

2. The Superintendent, Central Tax VizianagaramEast, CGST VizianagaramDivision. **(By Registered Post)**

**Copy submitted to**

1. The Chief Commissioner (State Tax), O/o Chief Commissioner of State Tax, Eedupugallu, Vijayawada, (A.P)



2. The Chief Commissioner (Central Tax), O/o Chief Commissioner of Central tax & Customs, Visakhapatnam Zone, GST Bhavan, Port area, Visakhapatnam-530035.  
**(By Registered Post)**

**Note:** Under Section 100 of the APGST Act 2017, an appeal against this ruling lies before the Appellate Authority for Advance Ruling constituted under Section 99 of APGST Act, 2017, with in a period of 30 days from the date of service of this order.

