

**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 21/2023
Dated:13.07.2023**

Present:

1. Dr. M.P. Ravi Prasad
Additional Commissioner of Commercial Taxes Member (State)
2. Sri Kiran Reddy T
Additional Commissioner of Customs & Indirect Taxes Member (Central)

1.	Name and address of the applicant	M/s. Interviewbit Software Services Private Limited, Unit No.906, Sakti Statesman, Green Glen Layout, Bellandur, Bengaluru-560103.
2.	GSTIN or User ID	29AAGCI1582C1ZN
3.	Date of filing of Form GST ARA-01	09.03.2023
4.	Represented by	Sri Shivadas, Advocate
5.	Jurisdictional Authority - Centre	The Commissioner of Central Tax, Bengaluru East GST Commissionerate, East Division-8, RANGE-BED8
6.	Jurisdictional Authority - State	ACCT, LGSTO-15, Bengaluru
7.	Whether the payment of fees discharged and if yes, the amount and CIN	Yes, discharged fee of Rs.5,000-00 under CGST Act and Rs.5,000-00 under SGST Act vide debit of Electronic Cash Ledger Reference No. DC2903230024597 Dated 07.03.2023

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

M/s. Interviewbit Software Services Private Limited, Unit No.906, Sakti Statesman, Green Glen Layout, Bellandur, Bengaluru-560103 (hereinafter referred to as 'The applicant'), having GSTIN 29AAGCI1582C1ZN have filed an application for Advance Ruling under Section 97 of CGST Act, 2017 read with Rule 104 of 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 and the KGST Act.

2. The applicant is a Private Limited Company registered under the provisions of Central Goods and Services Tax Act, 2017 as well as Karnataka Goods and Services Tax Act,

M/s. Interviewbit Software Services Private Limited

2017 (hereinafter referred to as the CGST Act and KGST/SGST Act respectively). The applicant is operating the platform 'Scaler', an outcome based online transformative upskilling platform which aims to enhance the skills of working tech professionals.

3. The applicant has sought advance ruling in respect of the following question:

- 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 28.06.2017?*

4. **Admissibility of the application:** The question is 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" and hence is admissible under Section 97(2) (a) and 97(2) (e) of the CGST Act 2017.

5. BRIEF FACTS OF THE CASE: The applicant furnishes some facts relevant to the issue:

5.1 The applicant states that they have been operating the platform 'Scaler' an outcome based online transformative upskilling platform which aims to enhance the skills of working tech professionals and bridge the gap between the Tech Industry and Tech education. They are intending to provide a course in participation with National Skill Development Corporation (hereinafter referred to as 'NSDC'), which is a Non-profit Company.

5.2 The applicant states that in order to achieve its objectives, NSDC implements National Skill Development programs from time to time and also proposes and implements schemes. NSDC approves various entities to carry out the national skill development program. 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.

5.3 The applicant states that one scheme implemented by NSDC is '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 this course NSDC has engaged various third party for profit and non-profit entities as its training partners on a service-to-service basis and intends to provide joint certification with the partners to the candidates. Through this Scheme NSDC aims to scale outcome oriented and successful fee-based training programs (such as those of scaler) 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.

5.4 The Applicant states that under the aforesaid scheme, they had submitted their proposal and the same was accepted by NSDC and that the Applicant is an Approved training partner.



5.5 As per the Special conditions, the details of candidates enrolled with the Applicant 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 targets.

6. Applicant's Interpretation of Law:

6.1 The applicant is of the view that the services provided by them are exempted vide Entry 69 of Notification No.12/2017-Central Tax (Rate), dated 28-06-2017 which is as under:

Sl. No.	Chapter, Section or Heading, Group or Service Code (Tariff)	Description of Service	Rate (percent)	Condition
69	Heading 9992 Or Heading 9983 or Heading 9991	Any services provided by,- (a) The National Skill 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



6.2 In view of the above Notification, services provided by an approved training partner of NSDC in relation to scheme implemented by NSDC shall be exempted from GST. The applicant is of the view that as the services provided by them in the present case is exempted from GST, the applicable rate of tax is NIL.

6.3 The applicant submits that as per Entry 69 of the Exemption Notification, the following conditions have to be satisfied by a training partner in order to claim exemption.

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

The above-mentioned two conditions have been satisfied by the applicant.

6.4 In addition to the same, the applicant relies on the decision in case of M/s Nxtwave Disruptive Technologies Private Limited. The applicant states that the mentioned case is relevant to the present case as the applicant in the present case is an approved training partner of NSDC as reflected in the agreement. Furthermore, the scheme discussed in the mentioned case is the exact same scheme for which the applicant has partnered with NSDC. Hence, in the present case the applicant is an approved training partner for a course implemented by NSDC. Hence, in light of the above-mentioned case, the applicant in the present case shall also be eligible for GST exemption under Notification 12/2017.

6.5 The Applicant submits that in view of the above, the services provided by them is an 'exempted service' and hence, the applicable rate of GST on the same would be NIL.

PERSONAL HEARING / PROCEEDINGS HELD ON 18.05.2023

7. Sri Shivadas, Advocate and Duly Authorised Representative appeared for personal hearing proceedings held on 18.05.2023 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 states that they have been operating the platform 'Scaler' an online transformative upskilling platform which aims to enhance the skills of working tech professionals; that NSDC has come up with a new scheme by name 'market led Fee-based Services' (hereinafter referred to as 'scheme') and the Applicant has entered into



an agreement with NSDC to execute the above scheme and hence they are now an 'Approved Training Partner' of NSDC.

11. The applicant is of the view that the services provided by them are exempted vide Entry 69 of Notification No.12/2017-Central Tax (Rate), dated 28.06.2017, and the same is reproduced below:

Sl. No.	Chapter, Section or Heading, Group or Service Code (Tariff)	Description of Service	Rate (percent)	Condition
69	Heading 9992 Or Heading 9983 or Heading 9991	Any services provided by,- (e) The National Skill Development Corporation set up by the Government of India; (f) a Sector Skill Council approved by the National Skill Development Corporation; (g) an assessment agency approved by the Sector Skill Council or the National Skill Development Corporation; (h) a training partner approved by the National Skill Development Corporation or the Sector Skill Council, in relation to- (iv) the National Skill Development Programme implemented by the National Skill Development Corporation; or (v) a vocational skill development course under the National Skill Certification and Monetary Reward Scheme; or (vi) any other Scheme implemented by the National Skill Development Corporation.	NIL	NIL

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



- i. They have to be a training partner approved by the National Skill Development Corporation.
- ii. Services provided should be in relation to any other Scheme implemented by the National Skill Development Corporation.

12. Now we examine one by one whether the Applicant satisfies the conditions mentioned supra in para 11. The Applicant has stated that he is 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.

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 11, the services provided by the Applicant in the instant case is exempted.

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

R U L I N G

- i. *The applicable GST on the services provided by the applicant under the "Market led Fee-based Services Scheme" is Nil.*
- ii. *The applicant is eligible for exemption under entry 69 of Notification No.12/2017-Central Tax (Rate), dated 28.06.2017.*


(Dr. M.P. Ravi Prasad)

Member
MEMBER

Karnataka Advance Ruling Authority
Place: Bengaluru
Bengaluru - 560 009


(Kiran Reddy T)
Member

MEMBER

Karnataka Advance Ruling Authority
Bengaluru - 560 009

Date: 13.07.2023

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 GST Commissionerate, Bengaluru.
4. The Assistant Commissioner of Commercial Taxes, LGSTO-15, Bengaluru.
5. Office Folder.

