

**KARNATAKA APPELLATE AUTHORITY FOR ADVANCE RULING  
6<sup>TH</sup> FLOOR, VANIJYA THERIGE KARYALAYA, KALIDASA ROAD,  
GANDHINAGAR, BANGALORE – 560009**

**(Constituted under section 99 of the Karnataka Goods and Services Tax Act, 2017 vide  
Government of Karnataka Order No FD 47 CSL 2017, Bangalore, Dated:25-04-2018)**

**BEFORE THE BENCH OF**

**SHRI. D.P.NAGENDRA KUMAR, MEMBER**

**SHRI. M.S.SRIKAR, MEMBER**

**ORDER NO.KAR/AAAR/ 07 /2020-21**

**DATE: 13-11-2020**

1	Name and address of the appellant	Principal Commissioner of Central Tax, Bangalore West Commissionerate, 1 <sup>st</sup> Floor, BMTC/TTMC Building, Banashankari, Bangalore
2	Name and address of the person who had sought advance ruling.	M/s NCS Pearson Inc, C-1/65, II Floor, Ashok Vihar Phase II, Delhi 110052
3	GSTIN or User ID of the person who had sought advance ruling.	GSTIN: 9918USA29031OSC
4	Advance Ruling Order against which appeal is filed	KAR/ADRG 37/2020 dated: 22 <sup>nd</sup> May 2020
5	Date of filing appeal	27-08-2020
6	Represented by	Smt. Priya Goel, Additional Commissioner, Bangalore West Commissionerate, Authorized representative
7	Jurisdictional Authority- State	-
8	Whether payment of fees for filing appeal is discharged. If yes, the amount and challan details	Not applicable

**PROCEEDINGS**

**(Under Section 101 of the CGST Act, 2017 and the KGST Act, 2017)**

1. At the outset we would like to make it clear that the provisions of CGST, Act 2017 and SGST, 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.





2. The present appeal has been filed under section 100 of the Central Goods and Service Tax Act 2017 and Karnataka Goods and Service Tax Act 2017 (herein after referred to as CGST Act, 2017 and SGST Act, 2017) by the Principal Commissioner of Central Tax, Bangalore West Commissionerate, (herein after referred to as Appellant/Appellant Department) against the advance Ruling No. KAR/ADRG 37/2020 dated 22<sup>nd</sup> May 2020.

**Brief Facts of the case:**

3. M/s NCS Pearson Inc, a Minnesota Corporation, having its registered office at 5601 Green Valley Drive, Bloomington, Minnesota – 55437, USA, (hereinafter referred to as ‘Respondent Company’) has a business division ‘Pearson VUE’ engaged in the provision of computer-based test (alternatively referred to as ‘exams’) administration solutions to its clients (test sponsors) like educational institutes, professional licensing organizations, etc. M/s NCS Person Inc is registered with Bangalore West Commissionerate as a supplier of OIDAR services and has been granted registration number 9918USA29031OSC.

4. The Respondent Company offers three types of test-administrative solutions on behalf of its clients to the test-takers in India. Test-takers are typically individual candidates across the world including candidates from India, who are not registered under GST. The three types of test are described below:

**Type 1 Test:**

Tests that are self-administered by the candidates (‘test-takers’) and are wholly digital in nature. The test contains only multiple-choice questions. The test-taker uses an Internet browser for the entire process ranging from creating a personal profile, selecting the desired test, remitting payment, taking the test, scoring and viewing results. The tests can be taken from any location as desired by the candidate. The scores are provided by the electronic software based on a computer-based algorithm in its entirety and the test-taker gets the result in electronic format immediately on completion of the test. In view of this, the entire test experience is electronic without any human intervention.

**Type 2 Test:**

These tests are similar to type 1 test regarding the creating personal profile, schedule an appointment for the test and remitting payment on the Pearson VUE website, however, with the major difference being that on the day of the test, the candidate is required to go to the test





centre, where an administrator will verify the identity of the candidate, validate test registration and appointment of the candidate. After that the test administrator will assign a computer to the candidate to take a test. During the test-taking process, the candidate is continuously monitored by the invigilator. Once the candidate has completed the test, the scores are provided by a computer-based algorithm on the electronic software and the test-taker gets the result immediately on completion of the test at the test centre itself. The test administrator is responsible for sharing the candidate's printed unofficial score report.

### **Type 3 Test:**

These tests contain a mixture of multiple-choice questions and analytical writing assessment section i.e. essay-based questions. For candidates from India, the test is taken at test centres in India at a computer workstation which is physically administered and supervised by an invigilator (proctor) as described in the type 2 test above. The candidates may create a profile, schedule the appointment and remit payment using a registration centre (call centre). The test is completed in parts viz. at the end of the exam, the test-taker is able to see the final score for multiple choice questions and an indicative score (which is not final) for essay-based questions marked by the computer-based algorithm. However, the essay-based questions are then sent to a human-evaluator in the USA for assessment and final scoring. In addition to this, the essay is scored by an automated essay scorer. In case the difference in score for a single essay question between the electronic computed based algorithms scoring vis-a-vis human scoring is more than 1 point, then the essay-based questions are again sent to an expert evaluator for assessment and scoring. Once the entire aforesaid scoring activity is completed, the test-taker is then e-mailed a URL to access their official score.

5. In India, the Respondent Company has entered into contractual arrangements with independent third-party service providers including a subsidiary company of the Respondent to act as Pearson VUE Authorized Test Centres (hereinafter referred to as Testing centres) to provide secure test centre services to the Respondent Company for delivery of the tests including verification of candidates identity, invigilation etc.

6. In view of the above, the respondent company filed an application for Advance Ruling under Section 97 of the CGST Act, 2017 in respect of the following questions:

- a) *Whether the service provided for type 2 test (the specified service) classifies as 'Online Information and Database Retrieval Services'?*





b) *If the type 2 test provided by the applicant does not qualify as 'Online Information and Database Retrieval Services', whether the applicant is liable to pay integrated tax on the supply of said services to non-taxable online recipients in India?*

c) *Whether the service provided for type 3 test (the specified service) classifies as 'Online Information and Database Retrieval Services'?*

d) *If the type 3 test provided by the applicant does not qualify as 'Online Information and Database Retrieval Services', whether the applicant is liable to pay integrated tax on the supply of said services to non-taxable online recipients in India?*

7. The respondent company submitted before the Authority for Advance Ruling that the delivery of the all the three types of test is mediated by information technology over an electronic network and the set-up of the online test is such that it is impossible to ensure supply in the absence of information technology; that in the case of Type 1 test the same can be categorized as OIDAR service; that Type 2 test should not qualify as OIDAR service; that type 3 test is an extension of type 2 test and similarly requires more than minimal human intervention in order to complete the provision of the service; that automatic marking is critical for a service to qualify as OIDAR service and hence, if the marking is done by a human evaluator then this will involve more than minimal human intervention and hence, Type 3 test will not qualify as OIDAR service. Regarding the taxability of the type 2 and type 3 tests, the Respondent Company submitted that in terms of section 13(2) of the IGST Act, the place of supply for type 2 and type 3 test would be the location of service recipient i.e. location of candidates which is in India. Accordingly, supply of type 2 and type 3 test from outside India to candidates in India would be treated as an import of services and inter-state supplies in terms of section 2(11) and 7(4) of IGST Act, respectively; that as per serial no. 1 of Notification 10/2017-Integrated Tax (Rate) dated 28 June 2017, any service supplied by any person who is located in a non-taxable territory to any person other than non-taxable online recipient is taxable under reverse charge mechanism in the hands of the service recipient who is a person other than non-taxable online recipient. Further, in terms of serial no. 10(a) of Notification No. 9/2017-Integrated Tax (Rate) dated 28 June 2017, an exemption is provided on services (other than OIDAR service) supplied by a provider of service located in a non-taxable territory to an individual in relation to any purpose other than commerce, industry or any other business or





profession. Accordingly, for the type 2 and the type 3 test, IGST would either be exempt in case of supply by the Respondent Company to non-taxable online recipient or taxable under reverse charge mechanism in case of supply to other than non-taxable online recipients.

8. The Authority for Advance ruling examined the case of the Respondent and vide ruling No. KAR/ADRG 37/2019 dated 22nd May 2020, arrived at the conclusion that the Type 2 test classifies as OIDAR service whereas the Type 3 test does not qualify as OIDAR services. As regards the tax to be paid on the activity under Type 3 test which is not an OIDAR service, the Authority held that what needs to be seen first is whether there is any liability and if there is a liability to pay tax on a particular transaction then whether the liability to pay tax on that transaction would shift from the usual supplier to the recipient as per Notification No. 10/2017-IGST (Rate) dated 28-06-2017. It was held that SI No. 10 of Notification No. 09/2017-IGST (R) dated 28.06.2017 exempts Services (not including OIDAR services) received from a provider of service located in a non- taxable territory by the Central Government, State Government, Union territory, a local authority, a governmental authority or an individual in relation to any purpose other than commerce, industry or any other business or profession. If the transaction itself is exempt, there is no liability on the recipient of service. Since Type 3 is not an OIDAR service, there will not be any liability on the supplier located outside India and hence the entire transaction is exempted both in the hands of the supplier and also the recipient by virtue of SI No. 10 of Notification No. 09/2017-IGST (R) dated 28.06.2017.

9. The jurisdictional CGST officer reviewed the impugned order passed by the Authority and being aggrieved by the ruling passed with regard to Type 3 test, filed an appeal before us on the following grounds:

9.1. Type 3 test is a mixture of Multiple-Choice Questions (MCQ) and essay-based questions; that MCQ's and its evaluation falls under OIDAR service as decided by the AAR. Further, the essay-based questions are also evaluated by the algorithm without any human intervention and the tentative marks are provided to the candidate immediately similar to Type-1 and Type-2 test. The only issue is that the evaluation done by the algorithm is validated through a human evaluator and only in case of difference of more than 1 point, a re-evaluation is done by a different human evaluator; that the above fact shows that that there is no human intervention in the basic evaluation done by the algorithm and it is only for the quality testing of the outcome that the human evaluation is brought into the picture.





9.2 The Appellant has contended that there is no direct human interaction of individualistic nature between the service provider and the service recipient and hence, the same should be considered as minimum human intervention. The Appellant submitted that “minimum human intervention” can be broadly classified under 2 categories as detailed below (as per European Commission VAT Committee Guidelines):

***Passive human intervention:***

It is a situation where direct human interaction of individualistic nature between the service provider and the service recipient cannot be established. In such cases it may be considered as minimum human intervention irrespective of the service involved.

***Active human intervention:***

It is a situation where direct human interaction of individualistic nature between the service provider and the service recipient can be established. In such cases it may be considered as minimum human intervention on case to case basis so as to ensure the mitigation of the misuse of the term “minimum human intervention”.

9.3. The Appellant has further contended that the human intervention in the Respondent’s case can be considered analogous to real time testing of a software, where the human intervention is required for optimum functioning of a software, supporting any search engine or any online database etc. Based on the above, the Appellant has argued that the human intervention is mostly for quality check of the algorithm and improving the accuracy of algorithm towards evaluation of papers and hence, the basic service in Type 3 test i.e. partly MCQ and essay-based questions, evaluation is done by system-based algorithm.

9.4. The Appellant has contended the Board’s Circular 2016, is to be interpreted as supporting their case, as the question paper marking happens without human intervention automatically. The Appellants have argued that the purpose of the circular is to make a distinction wherein the test evaluation done by a teacher on an answer sheet sent online by student should not be considered as OIDAR service as in such situation, active human intervention can be easily established. However, Type-3 test is not a simple answer submission through online to a teacher for evaluation i.e. there is no direct human interaction of individualistic nature between the service provider and the service recipient.





9.5. The Appellant has relied on the opinion of the VAT Committee of the European Commission with reference to the education services where an online course is not merely automated (i.e. text based) but involves lectures or seminars delivered by tutors and streamed in real-time, such that the internet is merely a means of transmission, these features are not sufficient to constitute more than minimal human intervention. The level of human intervention should be regarded as more than minimal only if the students have the option to ask questions to the tutor, even if the option is not exercised. The Appellant has argued that even though the lectures or seminars delivered by tutors and streamed in real time on internet require ample amount of man hours for preparing the study material and even the live streaming requires sufficient human resource, wherever there is no direct interaction with the service recipient and the service receiver, it is considered as minimal human intervention. Applying this analogy to the present case, the Appellant has submitted that in the Type-3 Test, human intervention is involved merely for ensuring accuracy of the algorithm and there is no direct submission of question paper from the test taker to the human evaluator and hence, the Type 3 test fulfils all essential requirements to be classified as an OIDAR service.

9.6. In view of the above, the Appellant prayed that the order of the lower Authority with regard to the Type-3 test not being an OIDAR service, be set aside.

**PERSONAL HEARING:**

10. The Appellant-Department and the Respondent Company were called for a virtual personal hearing on 6<sup>th</sup> October 2020 but the Respondent sought an adjournment. Accordingly, the virtual hearing was fixed on 20<sup>th</sup> October 2020.

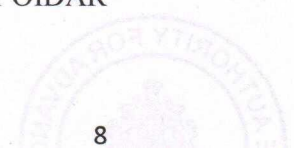
10.1. The hearing on 20<sup>th</sup> October 2020 was conducted on the Webex platform following the guidelines issued by the CBIC vide Instruction F.No 390/Misc/3/2019-JC dated 21<sup>st</sup> August 2020. The Appellant-Department was represented by the Additional Commissioner Ms Priya Goel and the Respondent Company was represented by their Advocate Shri. Harish Bindumadhavan. The Additional Commissioner representing the Appellant narrated the facts of the case and stated that the Department is aggrieved by the ruling given by the lower Authority with regard to the Type-3 test; that the Department is of the view that even the Type-3 test comes under OIDAR services. The Appellant explained that the Type-3 test is a mix of Multiple-Choice questions (MCQ) and Analytical writing assessment (essay-based question);





that the essay-based questions are also evaluated by an algorithm and it is only for the quality testing of the outcome that the human evaluation is brought into the picture. The Appellant submitted that the Type-3 test fulfils all the 4 essential qualities of OIDAR services viz: (a) The services are delivered over the internet; (b) The services are essentially automated; (c) The services involve minimal human intervention; and (d) The delivery of service is impossible in the absence of information technology. The Appellant drew attention to the Board's Circular issued in 2016 to state that in this case, the Type-3 test is not a case of an online submission of an answer sheet to a teacher for evaluation. In view of the above, the Appellant submitted that even in the case of Type-3 test, the same merits classification under OIDAR service and IGST is liable to be paid.

10.2. In his rebuttal, Shri. Harish Bindumadhavan, Advocate for the Respondent explained in detail the manner in which the Type-3 test is conducted. He submitted that in the Type-3 test, only an indicative score card is given immediately on completion of the test but the final score card is given after 20 days; that the final score card is given after the essays are evaluated both by the Automated Essay Scoring (AES) system as well as a human scorer; that once the scorers have completed scoring the essay, the final score is an average of the human score and the final score when the difference between the AES score and the human score is within 1 point; that in cases where the difference between the AES score and the human score is more than 1, the essay is routed to a human scorer for evaluation and the score given by the human scorer will be the final score. He emphasised that in the Type-3 test, the human score makes the difference in the final score and this is what makes the human intervention substantial. The Advocate also submitted that in the Type-3 test, the human evaluation of the essay is the critical part of the test; that without the human evaluation, the essay cannot be scored and the final score cannot be issued to the candidate. He submitted that the Appellant's contention that the human intervention is only to check the efficacy of the computer-based testing, is not factually correct; that the human evaluation is critical without which the final score cannot be issued. He reiterated the fact that in the Type-3 test, human evaluation is not for the purpose of quality checking or improvement of the algorithm, but it is in fact a parallel evaluation which is done along with the algorithm and plays a critical role in the evaluation process directly intervening where they can make a difference in the scores achieved by the test takers and hence, should be classified as more minimal human intervention; that since there is substantial human intervention in the Type-3 test, the same does not get covered under the purview of OIDAR





services as rightly held by the lower Authority. In view of the above submissions, the Respondent pleaded that the appeal filed by the Department may not be allowed.

**DISCUSSION & FINDINGS:**

11. We have gone through the records of the case. This is an appeal filed by the Department against the ruling given by the Authority for Advance Ruling in the case of M/s NCS Pearson Inc. We have considered the submissions made by the Appellant in their grounds of appeal and at the time of personal hearing. We have also heard the Respondent Company and gone through the written submissions filed by them.

12. The appeal is on the limited aspect of the classification of the Type-3 test administrative solution offered by the Respondent Company to its clients in India. The lower Authority had held that the Type-3 test does not qualify for classification as OIDAR service. The Department is aggrieved by this decision and has come before us in appeal. The Appellant-Department has contended that the Type-3 test has all the ingredients of an OIDAR service and the lower Authority has erred in not classifying the same as OIDAR service.

13. The definition of “Online information and database access or retrieval services” (OIDAR) as given in Section 2(17) of the IGST Act, 2017 is reproduced below:

*“Online information and database access or retrieval services” means services whose delivery is mediated by information technology over the internet or an electronic network and the nature of which renders their supply essentially automated and involving minimal human intervention and impossible to ensure in the absence of information technology and includes electronic services such as,-*

*(i) advertising on the internet;*

*(ii) providing cloud services;*

*(iii) provision of e-books, movie, music, software and other intangibles through telecommunication networks or internet;*

*(iv) providing data or information, retrievable or otherwise, to any person in electronic form through a computer network;*

*(v) online supplies of digital content (movies, television shows, music and the like);*

*(vi) digital data storage; and*

*(vii) online gaming.*





14. The definition of OIDAR has the following four essential ingredients all of which are required to be fulfilled for a service to qualify as OIDAR:

- a) The service is to be delivered over the internet or an electronic network
- b) The supply of the service is essentially automated
- c) The service involves minimal human intervention, and
- d) The delivery of the service is impossible in the absence of information technology.

15. Now let us examine the exact nature of the activity which takes place in a Type-3 test conducted by the Respondent. This candidate registers for the test online and remits the registration fees also online. The test is taken by the candidate at designated test centres in India where the candidate is assigned a computer workstation and the entire duration of the test is administered and supervised by a physical invigilator as well as an online proctor. The candidate accesses the test electronically via the internet at the test centre. The format of a Type-3 test involves a mixture of multiple-choice questions and analytical writing assessment questions i.e essay-based questions. On completion of the test, the Quantitative and Verbal elements of the test (multiple-choice questions) are scored based on a computer algorithm and the candidate is immediately given an indicative score report which provides the score only for the multiple-choice questions of the test. The score of the essay-based questions involving Integrated Reasoning and Analytical Writing elements, do not form part of the indicative score. The essay responses are sent by the Respondent to their scoring entity in the United States of America where the evaluation of the essays is done independently by a professional human scorer as well as a computer program known as an Automated Essay Scoring system (AES).

16. The essay scoring process by the scoring entity in the United States of America starts by evaluating if the information provided by the Respondent is complete or needs additional information before moving on to the next step. If the information provided is not sufficient, or an error occurs, a notification is sent back to the Respondent. Teams within the scoring entity and the Respondent work together to resolve any errors. If the essay information has all of the required information the next step is to evaluate if this is (i) a new essay record, (ii) a request to replace an existing record, or (iii) a request for a rescore of the essay. If the essay request is a new request or a request to replace an existing record, then the essay is routed to both a human scorer as well as to the AES for evaluation. This is the standard evaluation process for the Type-3 Test. Once the scorers (human as well as the AES) have completed scoring the essay,





then the final score is an average of the human score and the AES score if the scores are within one-point difference. For example, if the human scorer returns a score of 5 and the AES rates the essay a 4, then the final score will be a 4.5. If the difference between the human scorer and AES is more than one point, then the essay is always routed to an expert human scorer and the expert scorer's decision becomes the final score that is returned to the test taker.

17. In cases where the essay cannot be evaluated by the AES under the standard evaluation process, it is always routed to a second human scorer. Further, if the candidate believes that his/her essay score is not accurate, they have the option to request for their essay to be rescored using the Essay Rescore Request Form. When this option is exercised, then the essay goes directly to a human scorer to evaluate the essay response and provide a score. The re-score essays do not go through the AES system. Once the human scorer completes the review, a process confirms if the scores from the first round are in line with the re-score. If the scores are more than one-point difference from each round of scoring, then an expert human scorer will verify and provide a final score. The final score report which is the official score report incorporating the scores for both the multiple-choice and the essay-based questions will be provided to the candidate electronically within a period of three weeks from the test date.

18. We find from the information furnished by the Respondent that their activity is primarily to conduct computer-based tests for their clients. The type of computer-based test i.e whether the test is purely multiple-choice questions or a mix of multiple-choice and essay questions depends on the purpose of the test and what the test sponsor aims to measure in a test taker. We are concerned only with the Type-3 test which is a mix of multiple-choice questions and essay-based questions. It is the responsibility of the Respondent to provide the software to enable the candidates to take the online Type-3 test; appoint or establish test centres from where the candidates will take the online Type-3 test; provide for the candidate's test registration validation at the test centre; provide for online and offline proctoring during the test-taking process, provide software for scoring the tests and deliver the test results electronically to the candidate. From the above it is abundantly clear that the Type-3 test is conducted over the internet using a computer system. The process of the test registration, conduct of the test and communication of the result are automated and such a test will not be possible in the absence of information technology. Thus, three out of the four requirements of an OIDAR service are fulfilled. The bone of contention is with regard to the fourth ingredient which is that the service should have minimum human intervention. We find that the lower Authority has taken the view





that the scoring by the human scorer for the essay-based responses in the Type-3 test renders the element of human intervention more than minimal thereby disqualifying it as an OIDAR service. The Respondent has also taken the same line of defence before us.

19. There is no dispute on the fact that there is an element of human intervention involved in the process of scoring the essay responses in the Type-3 test. What needs to be decided is whether the extent of human intervention is 'minimum' or not. Since there are no guidelines in Indian laws regarding the concept of minimum human intervention in electronically provided services, we refer to the European Commission VAT Committee Working Paper No 896 wherein the notion of 'minimal human intervention' was discussed in the context of determining whether or not a service can be said to fall within the definition of electronically supplied services. The European VAT Committee had agreed that for the assessment of the notion of 'minimal human intervention', it is the involvement on the side of the supplier which is relevant and not that on the side of the customer. We have already detailed the entire process involved in conducting the Type-3 test and it is seen that scoring by a human scorer is just one of the processes involved in a computer-based test. One of the major benefits of a computer-based test is the facility of obtaining immediate grading. While grading of multiple-choice questions is done instantaneously using an algorithm, grading of essays involves the use of AES (Automated Essay Scoring) which is a specialized computer program to assign grades to essays. The Respondent has an entity in the United States which has developed an AES for reliable scoring of essay responses in a computer-based test. How does one know that the automatic scoring system works well enough to give scores consistent with consensus scores from human scorers? Any method of assessment must be judged on validity, fairness and reliability. An AES would be considered valid if it measures the trait that it purports to measure and it would be considered reliable if its outcome is repeatable. Before computers entered the picture, essays were typically given scores by two trained human raters. If the scores differed by more than one point, a more experienced third rater would settle the disagreement. In this system, reliability was measured by the degree of agreement among the human raters. The same principle applies to measuring a computer program's performance in scoring essays. An essay is given to a human scorer as well as to the AES program. If the AES score agrees with the score given by the human scorer, the AES program is considered reliable. A machine-human score correlation serves as a good indicator whether the AES is returning a stable consensus score of the essay. Therefore, the role of the human scorer is in effect a means to ensure the reliability of the AES program. We do not discredit the importance of a human





scorer in the process of assessment of essay responses. However, the focus here is on a computer-based test where the intent is to also assess the performance of the candidate using an automated system. The reliability of the AES is validated by the near agreement to the score given by the human scorer. For this reason, we hold that the involvement of the human element in the assessment of essay responses is well within the realm of 'minimum human intervention'. Further, even from the perspective of the candidate, the human involvement is minimum in the entire process of the Type-3 computer-based test starting from the manner of registering for the test, the actual test-process and the outcome of the test, as all stages are automated. No doubt at times the candidate seeks a revaluation or rescoring of their essay responses and such revaluation task is given to a human scorer. However, even in such cases there is no direct human interaction of individualistic nature between the evaluator and the candidate. The Respondent accepts the electronic request for a rescore of the essay and returns the result to the candidate electronically. The candidate who is the service receiver has received a fully digitally provided service. When the Type-3 computer-based test is viewed as a whole, the scoring done by the human scorer is to be regarded as being within the realm of minimum human intervention. As such the ingredient of 'minimum human intervention' required to classify the service as OIDAR is also satisfied. We therefore, disagree with the decision of the lower Authority that the Type-3 test is not an OIDAR service.

20. In view of the above, we pass the following order:

**ORDER**

We allow the appeal filed by the Principal Commissioner of Central Tax, Bangalore West Commissionerate and set aside the ruling given by the Authority for Advance Ruling in KAR ADRG 37/2020 dated 22<sup>nd</sup> May 2020 with regard to the classification of the Type-3 test.

We hold that service provided for the Type-3 test is classifiable as an OIDAR service.

The appeal filed by the Department is disposed off on the above terms.

  
(D.P.NAGENDRAKUMAR)  
Member

Karnataka Appellate Authority  
For Advance Ruling

Member  
Appellate Authority for Advance Ruling

  
(M.S. SRIKAR) 13.XI.2020  
Member

Karnataka Appellate Authority  
For Advance Ruling

Member  
Appellate Authority for Advance Ruling





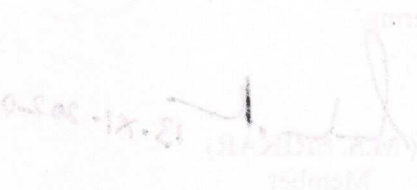
To,

- 1) The Principal Commissioner of Central Tax, Bangalore West Commissionerate, 1<sup>st</sup> Floor, BMT/TTMC Building, Banashankari, Bangalore
- 2) M/s NCS Pearson Inc, C-1/65, 2<sup>nd</sup> Floor, Ashok Vihar, Phase-II, Delhi 110052

Copy to

1. The Member (Central), Advance Ruling Authority, Karnataka.
2. The Member (State), Advance Ruling Authority, Karnataka
3. Office folder

ORDER

  
Member  
Karnataka Appellate Authority  
For Advance Ruling

  
Member  
Karnataka Appellate Authority  
For Advance Ruling

Appellate Authority for Advance Ruling

Appellate Authority for Advance Ruling

