

BEFORE THE HARYANA AUTHORITY FOR ADVANCE RULING,  
GOODS AND SERVICES TAX, PANCHKULA, HARYANA  
[Rachana Singh and Vidya Sagar, Members]

Advance Ruling No. HR/HAAR/2020-21/16

M/S SACHDEVA COLLEGES LIMITED ..... Appellant

DATE OF ORDER: 23.06.2021

TRAINING BY A COMPANY – EDUCATION – STUDENTS FULLY SPONSORED BY DIRECTORATE OF WELFARE OF SCHEDULE CASTE AND BACKWARD CLASSES DEPARTMENT, HARYANA – LIABILITY TO PAY GST? – WHETHER COMPANY LIABLE TO BE REGISTERED UNDER GST?

*The applicant is providing training for JEE (Non Med.) and NEET (Med.) to the selected candidates at the behest of Directorate of Welfare of Schedule Caste and Backward Class, Department of Haryana, Chandigarh, Class 12<sup>th</sup> Non-Medical and Medical aspirants. The applicant has placed reliance on the entry No. 72 of the notification No. 47 dated 30-06-2017.*

*This authority also agrees with the operative part of the above stated letter issued to the Director, Welfare of Schedule Caste and Backward Classes Department, Haryana. Therefore, the training imparted by M/s Sachdeva Colleges Ltd. to the students selected through Directorate of Haryana for JEE (Non-Med.) and NEET (Medical) are exempt under entry 72 of Notification No. 47 of the HGST Act subject to that the whole expenditure is borne by the Center / State Government.*

*Further, section 23 of the Act provides that any person engaged exclusively in the business of supplying goods and services or both that are not liable to tax or fully exempt from tax under this Act or under the Integrated Goods and Service Tax Act. So the applicant is not liable for registration till he supplies goods and services or both that are not liable to tax or fully exempt from tax under the GST Acts.*

Present for Appellant : Sh. A.K. Babbar, Advocate  
and Sh. Surender Kumar, Advocate

**ORDER**



HARYANA AUTHORITY FOR ADVANCE RULING,  
GOODS AND SERVICES TAX,  
HARYANA VANIJYA BHAWAN, PLOT NO 1-3, SECTOR 5,  
PANCHKULA-134151 (HARYANA)



ADVANCE RULING NO.HR/HAAR/2020-21/16, dated: 23-06-2021

Name & Address of the Applicant	: M/s Sachdeva Colleges Limited
GSTIN of the Applicant	: 061900001167ARP
Date of Application	: 31-03-2021
Clause(s) of Section 97(2) of CGST/HGST Act, 2017, under which the question(s) raised.	: Section 97(2) Clause (e) & (f)– (e) Determination of the liability to pay tax on any goods or services or both, (f) whether applicant is required to be registered under the Act,
Fee payment details	: CPIN: 19110600173712, dated 20-11-2019 (CGST) 5000/-, (IGST) 5000/-, CPIN: 19110600175583, dated 20-11-2019, (SGST) 5000/-
Date of Personal/ Virtual Hearing	: 31-03-2021, 04-06-2021, 22-06-2021
Present for the Applicant	: Sh. A.K. Babbar, Advocate and Sh. Surender Kumar, Advocate

Memo No.: 44

Dated: 23-06-21

**1. Brief facts of the case:**

M/s Sachdeva College Ltd. is a Limited Company incorporated under the Companies Act (hereinafter referred to as the "Applicant") having its Regd. Office at 29, South Patel Nagar, New Delhi-110008.

- (i) The applicant is providing training at its place of business at 29, South Patel Nagar, New Delhi-110008, in terms of Letter No. T-1/2017/25229 and T-1/2017/25236 dated 07.11.2017 to the selected candidates sponsored by Directorate of Welfare of Schedule Caste and Backward Classes Department, Haryana SCO, 42-44, Sector-17A, Chandigarh.
- (ii) The applicant is engaged in the field of providing "Education" which is not defined under the CGST Act, but as per Apex Court decision in Loka Shiksha Trust Vs. CIT, Education, it is a process of training and developing knowledge, skill and character of student by normal schooling.
- (iii) The applicant has submitted an agreement for providing above training which is duly attested by Notary dated 21 Nov., 2017. In terms of the agreement, training fee is to be received from the Directorate of Welfare of Schedule Caste and Backward Classes Department, Haryana SCO, 42-44, Sector-17A, Chandigarh.
- (iv) The applicant has further submitted that the transactions pertain to the Financial Year 2017-2018 and no Show Cause notice has been received till filing of present petition.
- (v) The present petition is filed by the applicant under Section 97(1) (e) and (1) (f) of the CGST Act.

**2. The questions framed in advance ruling application are:-**

- 2.1 To determine the liability to pay GST / IGST tax on training to students at behest of Directorate of Welfare of Scheduled Caste and Backward Classes Department, Haryana by applicant under a training programme for which total expenditure is borne by state Govt. of Haryana which implement three types of scheme i.e. State Scheme, Sharing basis, Centrally sponsored Scheme especially in view of Entry No. 72 of the Haryana Govt. Excise & Taxation Department Notification No. 47/ST-2 Dated 30.06.2017 and whether this Entry grants exemption of GST on the Training of Students by Petitioner?
- 2.2 Whether the Applicant is liable to be registered under the State of Haryana under HGST/CGST in view of facts and circumstances of present case?

**3. Applicant's view point and submissions on the issue on which Advance Ruling is sought:-**

The applicant has desired to have Advance Ruling in the proposed transactions on question of liabilities of petitioner i.e. Heading No. 9992, taxability of transactions and liability of Registration under Section 23 and Section 97 of the CGST Act. The applicant has placed reliance on entry No. 72 of the Haryana Government Excise and Taxation Department Notification No. 47/ST 2 dated 30.06.2017 duly referred by Addl. Excise and Taxation Commissioner (GST) for Excise and Taxation Commissioner, Haryana, Panchkula memo No. 2072/GST 2 Panchkula dated 21.06.2018.

The present Application for Advance Ruling is being filed Manually/Electronically in terms of decision as Applicant is an Un-registered in Haryana and for which reliance is placed in WPC. No. 7964/2017, as fall under Section 97(2) (c) as well as U/s 97(e) and 97(f) of GST Act.

The present application is strictly being filed in terms of Section 49 and Rule 104 of GST Rules, 2017 and in prescribed Form GST ARA-01 with a fee in CGST and HGST each Rs. 5,000/-. Total Fee paid is Rs.10,000/-.

**4. Additional written submissions made by the applicant:-**

Applicant pleads point wise as under:

- A. Applicant has been providing training for JEE (Non Med.) and NEET (Med.) to the selected candidates at behest of Directorate of Welfare of Schedule Caste and Backward Class, Department of Haryana, Chandigarh, Class 12<sup>th</sup> Non-Medical and Medical aspirants.

B. Their entire fee / grant i.e. expenditure on this training is borne by State of Haryana. Meaning of word "Coaching" used in letter includes in present context is training.

C. The whole expenditure is borne by State of Haryana. The period involved is 2017-18 and 2018-19. The grant/ fee charged was exclusive of CGST / SGST / IGST but as abundant caution applicant had paid IGST out of his own pocket.

D. The State of Haryana through Excise and Taxation Commissioner, Haryana Panchkula has stated that there is no GST payable on schemes related to training in terms of Entry No. 72 of Haryana Department vide Notification No. 47/52-2, dated 30.06.2017.

E. Following services have been exempted by Notification No. 47-ST-2 (HGST) Entry No. 72 of HGST; 09/2017 (IGST) Entry No. 75 of IGST & 12/2017 (CGST) Entry 69 of CGST:

**"47-ST-2 (HGST) Entry No. 72 of HGST;**

Services provided to the Central Government, State Government, Union territory administration under any training programme for which total expenditure is borne by the Central Government, State Government, Union Territory administration."

**09/2017 (IGST) Entry No. 75 of IGST:**

"Services provided to the Central Government, State Government, Union territory administration under any training programme for which total expenditure is borne by the Central Government, State Government, Union Territory administration."

**12/2017 (CGST) Entry 69 of CGST:**

"Services provided to the Central Government, State Government, Union territory administration under any training programme for which total expenditure is borne by the Central Government, State Government, Union Territory administration.

F. The applicant is a recognized training college since long and training students for similar activity. Definition of coaching from the Cambridge Advanced Learner's Dictionary & Thesaurus Cambridge University Press is as under: -

*"the job or activity of providing training for people or helping to prepare them for something"*

The Applicant thus train students selected by the State of Haryana for JEE (Non-Medical) and NEET (medical) as asked by State of Haryana through Directorate of Haryana details enclosed in Advance Ruling Application. Thus applicant is providing services to the State Government.

G. As the whole expenditure is borne by State and there is as such no commercial activity, no CGST/SGST/IGST is leviable according to applicant on above said training. Reliance is placed on Notifications stated in Point No. E above.

H. In view of the above, with regard to 2<sup>nd</sup> Question, it is submitted that the services provided by applicant will not make him liable for registration in the State of Haryana and as such Section 23 is relied upon and is being reproduced for convenience.

***"Section 23: Persons not liable for registration***

- (1) *The following persons shall not be liable to registration, namely:-*
- (a) *any person engaged exclusively in the business of supplying goods or services or both that are not liable to tax or wholly exempt from tax under this Act or under the Integrated Goods and Services Tax Act:*
  - (b) *an agriculturist, to the extent of supply of produce out of cultivation of land.*
- (2) *The Government may, on the recommendations of the Council, by notification, specify the category of persons who may be exempted from obtaining registration under this Act".*

As such, with regard to 1<sup>st</sup> Question, it is submitted accordingly that no CGST / SGST / IGST is payable and Applicant is not liable for registration by virtue of Section 23 and same be held by this Advance Ruling Authority.

**5. Discussion and findings of the Authority:-**

During the virtual hearing of the case, the applicant is heard in detail. The comments of the proper officer of the ward concerned to the applicant are not required in this case as the applicant is an unregistered person. Secondly, this issue has already been dealt with the department on the representation of the Directorate of Welfare of Schedule Caste and Backward Class, Department of Haryana, Chandigarh and replied by the department vide this office memo No. 2072/GST-2, dated 21-06-2018 which is reproduced below:-

*"It has been informed vide your above referred memo (No. 2018/5314, dated 15-03-2018) that the Department of Welfare of SC and BC, Haryana implements three types of scheme i.e. State Schemes, Sharing basis Centrally Sponsored Scheme and 100% Centrally Sponsored Schemes. Regarding the schemes in which scholarship or monetary relief or grant is given directly to the beneficiary either in the Aadhar Enabled account or in the bank account, no GST is to be paid.*

*In the schemes related to imparting of training, the entry No. 72 of the Haryana Government, Excise & Taxation Department, Notification No. 47/ST-2. Dated 30-06-2017 (which deals with exemption of GST on Services) may be perused as per which for "Services provided to the Central Government, State Government, Union Territory*

*Administration under any training programme for which total expenditure is borne by the Central Government, State Government, Union Territory Administration", the rate of tax is nil. Regarding other schemes in which there is either supply of goods or services, GST as applicable on supply of such goods or services or both shall be charged."*

The applicant is providing training for JEE (Non Med.) and NEET (Med.) to the selected candidates at the behest of Directorate of Welfare of Schedule Caste and Backward Class, Department of Haryana, Chandigarh, Class 12<sup>th</sup> Non-Medical and Medical aspirants. The applicant has placed reliance on the entry No. 72 of the notification No. 47 dated 30-06-2017.

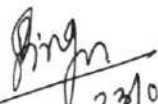
This authority also agrees with the operative part of the above stated letter issued to the Director, Welfare of Schedule Caste and Backward Classes Department, Haryana. Therefore, the training imparted by M/s Sachdeva Colleges Ltd. to the students selected through Directorate of Haryana for JEE (Non-Med.) and NEET (Medical) are exempt under entry 72 of Notification No. 47 of the HGST Act subject to that the whole expenditure is borne by the *Center/State Government*.

Further, section 23 of the Act provides that *any person engaged exclusively in the business of supplying goods and services or both that are not liable to tax or fully exempt from tax under this Act or under the Integrated Goods and Service Tax Act*. So the applicant is not liable for registration till he *supplies goods and services or both that are not liable to tax or fully exempt from tax under the GST Acts*.

The advance ruling application is decided accordingly.

To be communicated.

23-06-2021  
Panchkula.

  
(Rachana Singh)  
Member CGST

  
(Vidya Sagar)  
Member SGST

**Regd. AD/Speed Post**

M/s Sachdeva Colleges Limited,  
29, South Patel Nagar,  
New Delhi

**Copy to:**

1. The Joint Commissioner, Central Goods & Service Tax Commissionerate, Plot No. 5, Sector 25, Panchkula (Haryana).
2. The Deputy Excise and Taxation Commissioner (ST), Panchkula.
3. The Assistant Commissioner, Central Goods & Service Tax Division, 7th floor of 11th Block, CGO Complex, New Delhi PIN-110003.