

GOVERNMENT OF ASSAM
OFFICE OF THE COMMISSIONER OF TAXES, ASSAM :: KAR BHAWAN
DISPUR, GUWAHATI-6

CIRCULAR NO. 16/2018-GST

Dated Dispur the 20th August, 2018.

Sub : Taxability of services provided by Industrial Training Institutes (ITI)
- reg.

No. CT/GST-15/2017/169.— Representations have been received requesting to clarify the following:

- (a) Whether GST is payable on vocational training provided by private ITIs in designated trades and in other than designated trades.
 - (b) Whether GST is payable on the service, provided by a private Industrial Training Institute for conduct of examination against consideration in the form of entrance fee and also on the services relating to admission to or conduct of examination.
2. With regard to the first issue, [Para 1(a) above], it is clarified that Private ITIs qualify as an educational institution as defined under para 2(y) of notification No. 12/2017-(Rate) [FTX.56/2017/25 dated 29.06.2017] if the education provided by these ITIs is approved as vocational educational course. The approved vocational educational course has been defined in para 2(h) of notification *ibid* to mean a course run by an ITI or an Industrial Training Centre affiliated to NCVT (National Council for Vocational Training) or SCVT (State Council for Vocational Training) offering courses in designated trade notified under the Apprenticeship Act, 1961; or a Modular employable skill course, approved by NCVT, run by a person registered with DG Training in Ministry of Skill Development. Therefore, services provided by a private ITI in respect of designated trades notified under Apprenticeship Act, 1961 are exempt from GST under Sl. No. 66 of notification No. 12/2017-(Rate) [FTX.56/2017/25 dated 29.06.2017]. As corollary, services provided by a private ITI in respect of other than designated trades would be liable to pay GST and are not exempt.
3. With regard to the second issue, [Para 1(b) above], it is clarified that in case of designated trades, services provided by a private ITI by way of conduct of entrance examination against consideration in the form of entrance fee will also be exempt from GST [Entry (aa) under Sl. No. 66 of notification No. 12/2017-(Rate) [FTX.56/2017/25 dated 29.06.2017]. Further, in respect of such designated trades, services provided to an educational institution, by way of, services relating to admission to or conduct of examination by a private ITI will also be exempt [Entry (b(iv)) under Sl. No. 66 of notification No. 12/2017-(Rate) FTX.56/2017/25 dated 29.06.2017. It is further clarified that in case of other than designated trades in private ITIs, GST shall be payable on the service of conduct of examination against consideration in the form of entrance fee and also on the services relating to admission to or conduct of examination by such institutions, as these services are not covered by the exemption *ibid*.

4. As far as Government ITIs are concerned, services provided by a Government ITI to individual trainees / students, is exempt under Sl. No. 6 of notification No. 12/2017-(Rate) [FTX.56/2017/25 dated 29.06.2017] as these are in the nature of services provided by the Central or State Government to individuals. Such exemption in relation to services provided by Government ITI would cover both - vocational training and examinations conducted by these Government ITIs.

This Circular is clarificatory in nature and not meant for any interpretation of provisions of the Act and rules.

Difficulty, if any, in the implementation of the above instructions may please be brought to the notice of the Commissioner.


sd/-
(Anurag Goel, IAS.,)
Commissioner of State tax, Assam,
Dispur, Guwahati

Memo No. CT/GST-15/2017/169-A

Dated Dispur the 20th August, 2018

Copy for information to :

- 1) The Additional Chief Secretary to the Government of Assam, Finance Department, Dispur, Guwahati-6.
- 2) The Commissioner & Secretary to the Government of Assam, Finance (Taxation) Department, Dispur, Guwahati-6.
- 3) The Commissioner of Central GST, Guwahati / Dibrugarh Commissionerate.
- 4) The Special Commissioner of State tax / Additional Commissioner of State tax, Assam (All) / Joint Commissioner of State tax, Assam (All).
- 5) The Deputy Commissioner of State tax (All).
- 6) The Assistant Commissioner of State tax (All) / Superintendent of State tax (All) / Inspector of State tax (All) for information and necessary action.
- 7) The Information Technology Officer, Office of the Commissioner of State tax, Assam for uploading it on the website of the Commissionerate for information of all concerned.


Commissioner of State tax, Assam,
Dispur, Guwahati