



वस्तु एवं सेवा कर तथा केन्द्रीय उत्पाद शुल्क प्रधान आयुक्त कार्यालय, चेन्नै उत्तर आयुक्तालय  
OFFICE OF THE PRINCIPAL COMMISSIONER OF GST & CENTRAL EXCISE,  
CHENNAI - NORTH COMMISSIONERATE  
26/1, महात्मा गांधी मार्ग, चेन्नै-600034

26/1, MAHATMA GANDHI ROAD, CHENNAI- 600 034

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**TRADE NOTICE NO. 36/2018**

**Dated: 13/08/2018**

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

1. Attention of Trade is invited to Board's Circular No.55/29/2018-GST dated 10-08-2018, on Taxability of services provided by Industrial Training Institutes (ITI). Copy of the circular is communicated for information and necessary action.
2. Contents of this circular may be brought to notice of all concerned.

**(Issued in File C.No. IV/16/03/2018 – GST Pol. Vol - II)**

(RAJEEV KUMAR/राजीव कुमार)

ADDITIONAL COMMISSIONER/अपर आयुक्त

To

As per Mailing List.  
Trade and Department  
Superintendent, Computer Section - For uploading on the website  
All Divisions, Chennai North

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CIRCULAR No. 55/29/2018- GST

F. No. 354/159/2018-TRU  
Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Indirect Taxes and Customs  
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New Delhi, the 10<sup>th</sup> August, 2018

To  
The Principal Chief Commissioners / Chief Commissioners/  
Principal Commissioners/ Commissioner of Central Tax (All) /  
The Principal Director Generals/ Director Generals (All).

Madam/Sir,

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

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 ITI's qualify as an educational institution as defined under para 2(y) of notification No. 12/2017-CT (Rate) 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 Sr. No. 66 of notification No. 12/2017-CT (Rate). 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 Sr. No. 66 of notification No. 12/2017-CT (Rate) refers]. 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 Sr. No. 66 of notification No. 12/2017-CT(Rate) refers]. 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 SI. No. 6 of 12/2017-CT(R) dated 28.06.2017 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.

5. Difficulty if any, in the implementation of this circular may be brought to the notice of the Board.

Yours Sincerely,

-Sd-

(Parmod Kumar)

OSD (TRU I)

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