

**GOVERNMENT OF TAMIL NADU
COMMERCIAL TAXES DEPARTMENT
OFFICE OF THE COMMISSIONER OF COMMERCIAL TAXES
EZHILAGAM, CHENNAI-600 005
PRESENT: DR. T.V. SOMANATHAN, I.A.S.,
COMMISSIONER OF STATE TAX**

Circular No. 33(2018)/2019-TNGST
(RC No.151/2018/A1/Taxation)

Dated:05.04.2019

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| Sub: | Taxability of service provided by Industrial Training Institutes (ITI) – Reg |
| Ref: | Circular No. 55/29/2018-GST, dated 10.08.2018 issued by the CBEC, Department of Revenue, Ministry of Finance, Government of India, New Delhi. |

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.II(2)/CTR/532(d-15)/2017, dated 29.06.2017 if the education provided by these it is approved as vocational education 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. II(2)/CTR/532(d-15)/2017, 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 be exempt from GST [entry (aa) under Sr.No.66 of notification No. II(2)/CTR/532(d-15)/2017, dated 29.06.2017 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. II(2)/CTR/532(d-15)/2017, dated 29.06.2017 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 Sl.No.6 of notification No. II(2)/CTR/532(d-15)/2017, 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.

5. This pari materia circular is issued with reference to the circular issued by the Government of India on the recommendation of the GST Council in the reference cited.

Sd/-T.V.Somanathan
Commissioner of State Tax

To

All the Joint Commissioners (ST) Territorial and Enforcement in the State.

Copy to: (1) Principal Secretary to CT& Regn. Department.
(2) All Additional Commissioners of State Tax in the Commissionerate.
(3) Joint Commissioner (CS) for hosting in Departmental site.
(4) All Deputy Commissioners (ST) in the State.
(5) All Assistant Commissioners (ST) in the State.