NATION TAX MARKET	**KERALA AUTHORITY FOR ADVANCE RULING** **GOODS AND SERVICES TAX DEPARTMENT** **TAX TOWER, THIRUVANANTHAPURAM**	KERALA GST State Goods & Services Tax

BEFORE THE AUTHORITY OF: Shri. Jomy Jacob.IRS

: Shri. Mansur .M.I.

Legal Name of the applicant	State Co-Operative Union
GSTIN	322500000492AR3 (Temp)
ARN	AD320325046462F
Address	Samsthana Sahakarana Bhavan, Oottukuzhy, Thiruvananthapuram.
Advance Ruling sought for	Whether the applicant is liable for exemption under SI No. 66 of the Notification No. 12/2017-Central Tax, dated: 28.06.2017?
Date of Personal Hearing	19.05.2025
Authorized Representative	Shri.Arun P Krishna, Chartered Accountant.

ADVANCE RULING No. KER 32/2025, Dated: 09.10.2025

1. M/s. State Co-operative Union, Samsthana Sahakarana Bhavan, Oottukuzhy, Thiruvananthapuram (hereinafter referred to as "the applicant") is a statutory body established by the Government of Kerala as per the Kerala Co-operative Societies Act, 1969. The applicant is engaged in providing co-operative education and training to the employees, students, and members of co-operative societies.

2. At the outset it is clarified that a reference herein after to the provisions of the CGST Act, Rules and Notifications issued thereunder shall include a reference

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to the corresponding provisions of the KSGST Act, Rules and the Notifications issued thereunder.

3. The details of the questions on which advance ruling is sought are given above and are not being reproduced.

4. Contentions of the Applicant:

4.1. The applicant was constituted by the Government of Kerala as a statutory body under Section 89 of the Kerala Co-operative Societies Act, 1969. The applicant provides various activities for organizing and promoting the development of co-operative societies. The objectives of the applicant are provided under Section 91 of the said Act, which are listed as follows:

a) to organize, assist and generally develop co operative societies;

b) to carry on co operative propaganda;

c) to spread education on co operative principles and practices;

d) to participate in the development activities and decentralized planning of the local authorities;

e) to organize training programmes for the employees of the societies and for the members of the committee and to ensure their participation in such programmes;

4.2. The primary mission of the applicant is to provide co-operative education to eligible students and employees of the co-operative societies through its various training colleges and centres. The applicant submits that it is conducting JDC (Junior Diploma in Co-operation) and HDC & BM (Higher Diploma in Co-operation and Business Management) courses to impart co-operative education through established institutions across Kerala. The applicant currently operates 13 co-operative training colleges, 10 co-operative training centres, and 6 JDC Extension Centres. The Kerala Co-operative Societies Act and Rules mandate the eligible qualifications for employees in the co-operative societies to include HDC & BM / JDC, as conducted by the applicant.

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4.3. HDC & BM is a postgraduate course in Co-operation and allied subjects for a period of 12 months, comprising two semesters of six months each, provided through the training colleges. The minimum qualification required for admission to this course is graduation from any recognized university or an equivalent qualification as approved by the Government. Similarly, JDC is a diploma course in Co-operation and allied subjects for a period of 10 months, provided through training centres. The minimum qualification required for this course is SSLC. The seats or quota for admission to the courses are allocated to various communities such as the general category, SC/ST, OBC, PH, employees of co-operative societies, and department staff, according to the rules.

4.4. The courses HDC & BM and JDC are recognized by the Government of Kerala. These courses are also approved by the Kerala PSC and the Co-operative Service Examination Board. The State Government has approved these courses as basic qualifications for the appointment of Junior Clerks and other posts in primary co-operative societies and Kerala Bank. The Kerala PSC recognizes these diploma courses as eligible qualifications for applying to various posts in the Co-operative Department. The State Government has constituted a Central Board of Examination, under the Chairmanship of the Registrar of Co-operative Societies, for conducting HDC & BM and JDC examinations and issuing certificates. Preparation of question papers and the evaluation process are carried out under the supervision and guidance of the Central Board of Examination (CBE).

4.5. The applicant submits that the courses JDC, HDC & BM conducted by the applicant are recognized qualifications under the Kerala Co-operative Laws. Therefore, the applicant is an institution providing services by way of education as part of a curriculum for obtaining a qualification recognized by any law for the time being in force. Hence, the applicant claims that it falls under the category of an "Educational Institution" as defined in clause 2(y) of Notification No. 12/2017 - Central Tax (Rate), dated 28.06.2017.

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4.6. The applicant submits that it provides educational facilities in all districts of the State of Kerala. The employees of co-operative societies, as well as other students having the required qualifications, can apply for the courses, and the applicant selects eligible candidates based on merit. The classes are conducted by teachers employed under the organization, and no external faculties are hired for teaching purposes.

4.7. The applicant submits that clarification is sought on whether the services provided by them to students to procure qualifications required under the Kerala Co-operative Law are eligible for tax exemption under GST as per Serial No. 66 of Notification No. 12/2017 - Central Tax (Rate), dated 28.06.2017.

5. Comments of the Jurisdictional Officer:

The application was forwarded to the jurisdictional officer as per provisions of Section 98(1) of the CGST Act. The Jurisdictional Officer reported that there are no pending or decided proceedings against the applicant under any provisions of CGST/ KSGST Act 2017.

6. Personal Hearing:

The applicant was granted opportunity for personal hearing on 19.05.2025 through Virtual Mode. Shri.Arun P Krishna, Chartered Accountant represented for the applicant and submitted the facts and circumstances of the case. The applicant requested to issue the ruling on the basis of the submissions made by them along with the application as well as at the time of personal hearing.

7. Discussion and Conclusion:

7.1 We have carefully examined the statement of facts, additional submissions, and the oral submissions made during the virtual hearing. The issue to be decided is whether GST exemption is available as per Notification No. 12/2017 -

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Central Tax (Rate), dated 28.06.2017, for the services provided by the applicant in connection with the courses conducted for students and employees of co-operative societies to achieve eligible qualifications as prescribed under the Kerala Co-operative Law. Therefore, the question on which advance ruling is sought by the applicant falls within the purview of clause (b) of sub-section (2) of Section 97 of the CGST Act, 2017 – "applicability of a notification issued under the provisions of this Act" – and hence is admitted.

7.2. The issue is examined in detail. The applicant is an organization constituted by the Government of Kerala as a statutory body to organize various activities and improve the performance of co-operative societies in the State. One of the important objectives of the applicant is to provide educational services in selected courses such as JDC (Junior Diploma in Co-operation) and HDC & BM (Higher Diploma in Co-operation and Business Management) to employees of co-operative societies as well as to other eligible students. These courses are approved as recognized qualifications for various posts in co-operative societies under the Kerala Co-operative Societies Act, 1969 and the corresponding Rules.

7.3. The issue here is whether GST is exempted on the services provided by the applicant in relation to the educational courses offered to both the employees of co-operative societies and other eligible students in the light of entry at Serial No. 66 of Notification No. 12/2017 - Central Tax (Rate), dated 28.06.2017. The applicant submits that these courses are approved as recognized qualifications as per the Co-operative Law and, therefore, they are eligible to fall under the category of "Educational Institution" as defined in clause 2(y) of Notification No. 12/2017 - Central Tax (Rate), dated 28.06.2017. Further, it is submitted that the applicant conducts classes through training centres established across the State and the teaching is carried out by their own employees. Thus, the applicant is an educational institution providing educational services as part of a curriculum for obtaining a qualification recognized by a law for the time being in force.

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7.4. It is to be examined whether the applicant falls under the category of "educational institution" defined under clause (y) of paragraph 2 of Notification No. 12/2017 - CT (Rate), dated 28.06.2017, and thereby is eligible for tax exemption under entry at Serial No. 66 of the said Notification. The term "educational institution" is defined under clause (y) of paragraph 2 of Notification No. 12/2017 - CT (Rate), dated 28.06.2017 as follows:

"Educational Institution" means an institution providing services by way of-

(i) pre-school education and education up to higher secondary school or equivalent;

(ii) education as part of a curriculum for obtaining a qualification recognized by any law for the time being in force;

(iii) education as a part of an approved vocational education course.

7.5. The applicant was constituted under Section 89 of the Kerala Co-operative Societies Act, 1969 (21 of 1969). The functions of the applicant are prescribed in Section 91 of the Act, wherein sub-section (c) provides "to establish educational institutions and to spread education on co-operative principles and practices." Further, as per Rule 186 of the Kerala Co-operative Societies Rules, 1969, the courses JDC and HDC & BM provided by the State Co-operative Union of Kerala are approved as recognized qualifications for posts in co-operative societies, other than those requiring technical qualifications.

7.6. Furthermore, the applicant acts as an independent educational service provider with a centralized structure and presence across all districts in the State. The applicant independently handles all processes related to the conduct of the above courses, such as fixing applicant qualifications, selection procedures, syllabus preparation, teaching, evaluation, issuance of certificates, and supply of course materials. The applicant has an expert committee, which includes external faculty members, to decide the syllabus. This committee also has the authority to revise the syllabus and make necessary updates. In short, it is observed that the applicant has clearly defined objectives aligned with its mission and vision. It provides an organized structure for delivering courses and ensuring a

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comprehensive learning experience. The applicant periodically updates its syllabus to maintain quality and relevance. It employs qualified faculty and staff to effectively deliver services. Evaluation and other academic support services, including the provision of course materials, are also managed by the applicant.

7.7 These facts strongly indicate that the courses conducted by the applicant are not merely informal training but form part of a curriculum that leads to a credential explicitly sanctioned by statutory rules. In other words, students who complete HDC & BM or JDC through the applicant obtain qualifications that the law recognizes as on par with other required educational qualifications for specific employments under the Kerala Co-operative Societies Act and Rules. This squarely falls within the ambit of "education as part of a curriculum for obtaining a qualification recognized by any law for the time being in force" under clause (ii) of paragraph 2(y) of Notification No. 12/2017 – Central Tax (Rate), dated 28.06.2017.

7.7.1 Similar situations have consistently been held as satisfying the GST exemption criteria in other contexts. The Kerala Authority for Advance Ruling, in the case of *Uralungal Labour Contract Co-operative Society Ltd. (ULCCS) – Indian Institute of Infrastructure and Construction (IIIC)* (2021), held that the institute attained the status of an institution providing education as a part of a curriculum for obtaining a qualification recognized by law since its courses were approved by the Government of Kerala, and hence qualified as an "educational institution" under clause (ii) of paragraph 2(y) of the said Notification. Consequently, the courses conducted at IIIC were held exempt under Serial No: 66.

7.7.2 Further, CBIC Circular No. 55/29/2018-GST dated 09.08.2018 clarified that private Industrial Training Institutes (ITIs) qualify as educational institutions if the education they provide is an "approved vocational education course", specifically when the courses are in designated trades affiliated to the National or State Councils for Vocational Training (NCVT/SCVT) under the Apprentices Act. Likewise, CBIC Circular No. 117/36/2019-GST clarified that Maritime Training

Institutes conducting DG Shipping-approved courses leading to qualifications under the Merchant Shipping Act are also educational institutions under GST, and hence their courses are exempt under the same entry. These clarifications reinforce that the touchstone for determining eligibility is legal recognition of the curriculum or qualification by a competent statutory authority.

7.7.3 Judicial pronouncements have also upheld this principle. The Hon'ble Delhi High Court, in *Indian Institute of Aircraft Engineering v. Union of India* (2013), held that institutes imparting DGCA-approved aircraft maintenance engineering courses confer qualifications recognized by law and therefore cannot be treated as commercial coaching centers. Similarly, the Maharashtra Authority for Advance Ruling, in *National Flying Training Institute Pvt. Ltd.* (2024), held that flying training leading to DGCA-licensed pilot qualifications is "education as part of a curriculum for obtaining a qualification recognized by law," relying on the said Delhi High Court judgment.

7.7.4 Applying these principles, the applicant's case is even stronger. The diplomas in Co-operation and Business Management and Junior Diploma in Co-operation are statutorily mandated qualifications for employment in co-operative institutions under the Kerala Co-operative Societies Act and Rules. The applicant itself conducts the teaching, examinations, and issues certificates under the oversight of a government-constituted board. This is not ancillary coaching for an external examination but a comprehensive curriculum culminating in a law-recognized qualification. Hence, it is concluded that the applicant is providing educational services as part of a curriculum for obtaining a qualification recognized by an existing law. Therefore, the applicant falls under the category of an "educational institution" as defined under sub-clause (ii) of clause (y) of paragraph 2 of Notification No. 12/2017 - CT (Rate), dated 28.06.2017.

7.8. We now examine whether the applicant is eligible for GST exemption as per entry at Serial No. 66 of Notification No. 12/2017 - CT (Rate), dated 28.06.2017.

The relevant portion of the Notification, as amended from time to time, is reproduced below:

Sl. No	Chapter, Section, Heading, Group or Service Code(Tariff)	Description of services	Rate (percent)	Condition
66	Heading 9992 or Heading 9963	Services provided- a) by an educational institution to its students, faculty and staff; aa) by an educational institution by way of conduct of entrance examination against consideration in the form of entrance fee; b) to an educational institution, by way of,- i) transportation of students, faculty and staff; ii) catering, including any mid-day meals scheme sponsored by the Central Government, State Government or Union territory; iii) security or cleaning or housekeeping services performed in such educational institution; iv)services relating to admission to, or conduct of examination by, such institution; v) supply of online educational journals or periodicals; Provided that nothing contained in sub items (i), (ii) and (iii) of item (b) shall apply to an educational institution other than an institution providing services by way of pre-school education and education up to higher secondary school or	NIL	NIL

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		equivalent. Provided further that nothing contained in sub-item(v) of item(b) shall apply to an institution providing services by way of, - (i) pre-school education and education up to higher secondary school or equivalent; or (ii) Education as part of an approved vocational education course.		

7.9. In view of the above, it is concluded that the educational activities of the applicant are squarely covered under Entry 66(a) of Notification No. 12/2017–Central Tax (Rate), dated 28.06.2017, which exempts "services provided by an educational institution to its students, faculty, and staff." The applicant, having been recognized as an "educational institution" under clause (ii) of paragraph 2(y) of the said Notification, provides structured educational services through systematic instruction, defined curriculum, qualified faculty, and evaluation leading to the award of diplomas that are qualifications recognized by law. The services rendered by the applicant to students enrolled in the HDC & BM and JDC courses are, therefore, services provided by an educational institution to its students in the course of imparting education. The scope of Entry 66(a) specifically covers such supplies made by an educational institution to its own students in relation to academic instruction and allied educational processes forming part of the curriculum. The fees collected from the students for the said courses are consideration for such exempt services. Hence, the applicant's supply of educational services to students in connection with the HDC & BM and JDC courses is eligible for full exemption from GST under Entry 66(a) of Notification No. 12/2017–Central Tax (Rate), dated 28.06.2017.

8. Given the observations stated above, the following ruling is issued;

RULING

Question-1: Whether the applicant is liable for exemption under SI No. 66 of the Notification No. 12/2017- Central Tax, dated 28.06.2017?

Ruling : Yes, the applicant is eligible for GST exemption on the supply of services provided in connection with educational services, as per entry at Serial No. 66 of Notification No. 12/2017 - Central Tax, dated: 28.06.2017.

OFFICE OF THE COMMISSIONER STATE G.S.T.D KERALA THIRUVANANTHAPURAM

Jomy Jacob, IRS
Addl Commissioner of Central Tax
Member

Mansur.M.I.
Joint Commissioner of State Tax
Member

To,

State Co-operative Union,
Samsthana Sahakarana Bhavan,
Oottukuzhy, Thiruvananthapuram.

Copy submitted to:-

1. The Chief Commissioner of Central Tax and Central Excise, Thiruvananthapuram Zone, C.R.Building, I.S.Press Road, Cochin- 682018. [E-mail ID: cccochin@nic.in; ccu-cexcok@nic.in]
2. The Commissioner of State Goods and Services Tax Department, Tax Towers, Karamana, Thiruvananthapuram – 695002.
3. The Commissioner of Central Tax and Central Excise, GST Bhavan, Thiruvananthapuram Commissionerate.

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Copy to:

1. Additional Commissioner, TPS (HQ), Thiruvananthapuram
2. The Deputy Commissioner, ITMD, Thiruvananthapuram
3. The State Tax Officer, Tax Payer services Circle, Fort, Thiruvananthapuram.

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