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	GETON YOGA PRIVATE LIMITED
GSTIN	32AAICG3966A1ZW
ARN	AD3209240039163
Address	DOOR NO 66/4972-a 21, S-41 8TH FLOOR, ALAPATT HERITAGE BUILDING- MG Road, Kochi, Ernakulam- 682035.
Advance Ruling sought for	1. A Yoga institution has exemption from GST for its course fees. When the course is marketed by third party organization and when the registration occurs through the third party's online platform – whether the exemption from GST for the Yoga course fees component can be availed.
Date of Personal Hearing	16-04-2025
Authorized Representative	Sri. Rajeevnath Viswanathan and Sri. Sushil Kumar Menon, Company Founder & Director

ADVANCE RULING No.KER/11/2025 Dated 16.04.2025

1. The applicant operates an online platform (https://connect.getonyoga.com/courses) for marketing and promoting Yoga courses conducted by various Yoga institutions. Students register through the

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portal by paying a combined amount that includes the Yoga course fee fixed by the institution, the applicant's platform service charges, and applicable GST. Some of the Yoga institutions, such as Sivananda Yoga Vedanta Dhanwathari Ashram, Neyyar Dam, Trivandrum, have GST exemptions for their Yoga courses. The applicant seeks an advance ruling to clarify whether the GST exemption available to such institutions would continue to apply when registrations are made through the applicant's third-party portal, noting that GST will continue to be charged on the platform service charges separately.

2. In this Rulings, a reference hereinafter to the provisions of the CGST Act, Rules or the Notifications issued there under shall include a reference to the corresponding provisions of the KSGST Act, Rules or the Notifications issued there under.

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

4. The contentions of the applicant:

4.1 The applicant submits that certain Yoga institutions have obtained GST exemption for their Yoga training programs. Accordingly, students who register directly at the institution (for example, through spot registration at the Ashram) are not liable to pay GST on the course fees. A significant number of students attending these programs are from outside India, and in order to reach a wider audience, the institutions engage third-party online platforms like the applicant's for marketing and facilitating registrations. The applicant collects the course fee on behalf of the institution and charges an additional platform service fee to the students. GST is levied on the platform service fee separately. However, in the absence of specific exemption confirmation, the applicant is compelled to charge 18% GST (9% CGST + 9% SGST) on the entire course fee and platform service fee at the time of registration, which disadvantages prospective students and affects the institution's ability to attract enrolments. Therefore, the applicant seeks an advance ruling to clarify whether the GST exemption available to the institution for its Yoga courses extends to registrations made through the applicant's platform, with GST continuing to apply only to the platform service charges.

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 has not offered any comments and hence it is presumed that the jurisdictional officer has no specific comments to offer. It is also construed that there are no proceedings pending on the issue against the applicant.

6. Personal Hearing:

The applicant was granted an opportunity for a personal hearing on 16.04.2025. Shri.Rajeevnath Viswanathan and Sri. Sushil Kumar Menon, Company Founder & Director represented the applicant in personal hearing. In the hearing, they reiterated the averments in the written submission and explained their role in the activity.

7. Discussion and Findings:

7.1 Based on the details provided by the applicant, it is clear that the applicant is not directly conducting Yoga courses. The question raised by the applicant is whether the exemption from GST for the Yoga course fees component can be availed. The applicant is not asking about the taxability of their marketing component, but about the taxability of Yoga course fees collected by them on behalf of the exempted Yoga courses marketed by them.

7.2 The applicant operates a digital platform that facilitates registration for Yoga training programs conducted by various Yoga institutions, some of which are eligible for GST exemption under Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017, specifically Entry No. 80, read with CBIC Circular No. 66/40/2018-GST dated 26.09.2018. The applicant collects the course fee from students on behalf of the Yoga institution and separately charges a service/platform fee for its own facilitation services.

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7.3 It is relevant to note that the exemption under Entry No. 80 of Notification No. 12/2017-Central Tax (Rate) applies only to charitable entities registered under Section 12AA (now 12AB) of the Income Tax Act, 1961, and only when they provide services by way of training or coaching in recreational activities relating to arts, culture or sports (which includes Yoga). This position is categorically clarified in CBIC Circular No. 66/40/2018-GST, which states: "Services provided by entities registered under Section 12AA of the Income-tax Act, 1961 by way of advancement of religion, spirituality or yoga are exempt from GST." Accordingly, in order to claim exemption on the Yoga course fee, the institution providing the course must itself be a charitable entity registered under Section 12AA/12AB, and the exemption does not extend to intermediary or aggregator entities such as the applicant.

7.4 It is undisputed that the applicant, GETON YOGA PRIVATE LIMITED, is a private limited company, and not a registered charitable entity under Section 12AA/12AB. Therefore, the applicant cannot independently claim GST exemption on the course fees it collects, even if the end service (i.e., Yoga instruction) is delivered by an exempted charitable institution. Further, the applicant's service of online promotion, registration and fee collection falls under the SAC 998397 – Sponsorship and brand promotion services, which attracts GST at 18% in terms of Notification No. 11/2017-Central Tax (Rate), Sl. No. 21.

7.5 Support for this conclusion can be drawn from the Karnataka AAR decision in Medpiper Technologies Pvt. Ltd. [KAR ADRG 35/2023 dated 27.07.2023], where the applicant acted as an aggregator for diagnostic labs and wellness providers. In that case, the AAR held that since the diagnostic labs raised invoices on the applicant, and the applicant in turn raised invoices on the clients with a margin, it could not be treated as a pure agent. The entire consideration, including the third-party cost, was liable to GST. The present case bears strong resemblance, where the applicant does not merely facilitate payment but appears to operate as a principal in the transaction chain.

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7.6 The applicant's contention is that it merely collects the Yoga course fee on behalf of the institution and therefore should not be liable to pay GST on that portion of the transaction. To this extent, the applicant appears to invoke the concept of "pure agent" as contemplated under Rule 33 of the CGST Rules, 2017, which provides that expenditure or costs incurred by a supplier as a pure agent of the recipient shall be excluded from the value of supply, provided all of the following conditions are fulfilled:

- The supplier acts as a pure agent of the recipient of the supply, makes payment to the third party on authorization of such recipient, and is contractually bound to do so;
- The actual amount incurred as a pure agent is separately indicated in the invoice;
- The goods/services procured by the supplier as a pure agent are in addition to the services supplied by him on his own account;
- The supplier does not hold title to the goods/services procured, does not use them for personal benefit, and recovers only the actual cost, without markup.

7.7 The conditions prescribed under Rule 33 are strict and cumulative, and unless all are satisfied, the applicant cannot be treated as a pure agent and cannot exclude the Yoga course fee from its taxable value. The importance of strict adherence to Rule 33 was emphasized in the Service Tax-era decision of the Supreme Court in Intercontinental Consultants & Technocrats Pvt. Ltd. v. Union of India [(2018) 10 GSTL 401 (SC)], where the Court held that mere reimbursement is not sufficient to exclude an amount from the taxable value unless such reimbursement satisfies the legal criteria.

7.8 The applicant has claimed that it collects the Yoga course fee on behalf of the Yoga institutions and therefore should not be liable to pay GST on that portion of the transaction. Implicitly, this suggests reliance on the provisions of Rule 33 of the CGST Rules, 2017, which allow exclusion of certain expenses incurred by a supplier acting as a pure agent of the recipient of supply. However, in the present case, the applicant has not submitted any documentary evidence, contractual agreements, or transaction-specific details to demonstrate that it fulfils all the mandatory conditions prescribed under Rule 33. These include the existence of a contractual arrangement with the recipients authorizing the applicant to incur expenses on their behalf, separate indication of such amounts in the invoice, and strict pass-through of actual costs without markup or benefit. In the absence of such evidence, it is not possible for this Authority to conclude that the applicant is operating as a pure agent within the meaning of Rule 33. Accordingly, the benefit of exclusion from taxable value under Rule 33 cannot be extended to the Yoga course fee component in the current circumstances.

7.9 In light of the foregoing, this Authority finds that:

- The exemption available to Yoga institutions under Notification 12/2017-CT (Rate) does not extend to third-party digital platforms such as the applicant.
- The applicant cannot exclude the Yoga course fee from its taxable value under Rule 33 of the CGST Rules unless it conclusively demonstrates pure agent status.
- In the absence of sufficient documentary evidence and contractual framework to establish that the applicant is acting exclusively as a pure agent, the benefit of Rule 33 cannot be granted.
- It is, however, clarified that if, in any future arrangement, the applicant is able to fulfill all the conditions laid down under Rule 33 of the CGST Rules, 2017, and establish itself as a pure agent, then the Yoga course fee component may be excluded from the taxable value, and GST will apply only to the platform service fee.

In the light of the facts and legal position as stated above, the following ruling is issued:

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RULING

Question: A Yoga institution has exemption from GST for its course fees. When the course is marketed by third party organization and when the registration occurs through the third party's online platform – whether the exemption from GST for the Yoga course fees component can be availed.

Ruling: No- A third party organization which markets an exempted Yoga course is not exempted from GST for the Yoga course fees component. However, if the service offered by them is in the nature of pure agent within the scope of Rule 33 of the CGST Rules, 2017, they would be entitled for exemption from GST for the Yoga course fees component.

Jomy Jacob IRS
Addl. Commissioner of Central Tax
Member

Mansur M.I.
Joint Commissioner of State Tax
Member

COMMISSIONER STATE G.S.T.D KERALA
THIRUVANANTHAPURAM

To
M/s GETON YOGA PRIVATE LIMITED,
DOOR NO 66/4972-a 21, S-41
8th FLOOR,
ALAPATT HERITAGE BUILDING
MG Road, Kochi
Ernakulam,
Kerala- 682035.

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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, Thiruvananthapuram Commissionerate, GST Bhavan, Statue, Thiruvananthapuram. (E-mail id: commr-tvmhqrs@gov.in)

Copy to :

1. The Additional Commissioner, TPS, HQ, Thiruvananthapuram.
2. The Deputy Commissioner, ITMD, Thiruvananthapuram.
3. The Superintendent, Central Tax, Ernakulam Range-2, Ernakulam Division
4. The Assistant Commissioner/State Tax Officer, Tax payer services Circle, Ernakulam Centre.

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