MAHL  
ARASHT UND AE PELLATE AUTHORITY FOR ADVANCE RULINGS  
(Constiturs GOODS AND SERVICES TAX (GST)  
w’s 99 of the Maharashtra Goods and Services Tax Act, 2017)  
oO No. }  
rder No. MAH/AAAR/DS-RM/01/2023-24 Date: 12/05/2023  
  
Before the Bench of  
  
(1) Dr. D. K. Srinivas, Member (Central Tax)  
(2) Shri Rajeev Kumar Mital, Member (State Tax)  
  
S.No. PARTICULARS REMARKS |  
  
1 Name and address of the Appellant | M/s Beeup Skills Foundation (erstwhile  
M/s Beep Skills Foundation or M/s CLR  
  
Skills Training Foundation)  
  
Address: A-1, Minar Apartments, 1\*  
  
| Floor, Plot No. 83, Law College Road,  
CTS No. 124/1, Erandwana, Pune-  
  
po 411004.  
2 GSTIN“User id of the appellant’ | 27AAGCC6533K IZF; wef. 31.5.2018 \_|  
3 Clause(s) of sub-section (2) of | (c) determination of time and value of  
Section 97 under which question(s) supply of goods or services or both; |  
7 Date of Personal Hearing = 28" February 2023.  
  
4  
  
3 Present for the Appellant \_ Mr. Arun Jain, Advocate \_\_ i  
MAH/GST-AAAR/Beep-Skills/04/2022- |  
23 dated 25.05.2022 against Maharashtra |  
Advance Ruling No. GST-ARA- |  
122/2019-20/B-54 dated 27.04.2022  
  
officer’concerned Deputy Commissioner of State Tax |  
(PUNE\_LTU\_607), LTU-1 Div., Pune.  
  
6 Details of Appeal  
  
7 Jurisdictional  
officer  
  
8 Nature of Activity: Category & Service Provision  
Description. | SAC 998513- Contract Staffing Services  
  
(Proceedings under Section 101 of the Central Goods and Services Tax Act, 2017 and Section  
101 of the Maharashtra Goods and Services Tax Act, 2017)  
At the outset, we would like to make it clear that the provisions of both the Central GST Act,  
  
2017 and the Maharashtra GST Act, 2017 are same except for certain provisions. Therefore, unless a  
  
mention is specifically made to such dissimilar provisions, a reference to the Central GST Act, 201 7  
  
would also mean a reference to  
  
2. The present appeal has been filed  
referred to as ‘the CGST Act’) read with Section 100 of the Maharashtra GST Act,  
  
(hereinafter referred to as the ‘MGST Act’) by M/s Beep Skills Foundation, a Not-for-Profit  
company registered under Section 8 of the Companies Act. 2013, having its registered office at A-!.  
Minar Apartments, 1\* Floor, Plot No. 83. Law College Road, CTS No. 124/1, Erandwana, Pune-  
  
the same provisions under Maharashtra GST Act, 2017.  
  
under Section 100 of the Central GST Act, 2017 (hereinafter  
2017  
  
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x“  
the Appellant’) against the advance Ruling No. GST-AR@:  
  
411004 (hereinafter referred to as  
. The Appellant is registered under the CGST Act and MGST  
  
122/2019-20/B-54 dated 27.04.2022  
Act bearing GSTIN 27AAGCC6533K1ZF, effective from 01.04.2018, in the State of Maharashtra.  
  
3. Brief Facts of the case  
The Appellant was originally incorporated as M/s CLR Skills Training Foundation and filed  
  
3.1  
application for ruling under same name. This name was changed on 25.06.2021 to M/s Firstbridge  
  
Skill Foundation, which was again changed on 27.07.2021 to its present name viz. M/s Beep Skills  
  
Foundation, which further changed on 8.10.2021 to M/s Beeup Skills Foundation.  
  
3.2 With an objective to offer on the job practical training to enhance employability of a person  
  
either pursuing his or her Post Graduation’ graduation/diploma in any technical or non-technical  
  
stream or has discontinued studies after Class 10th to enhance his/her employability, the Ministry of  
Human Resource Development, Government of India, through All India Council for Technical  
Education (hereinafter referred to as the "AICTE") has launched a program known as National  
Employability Enhancement Mission ("NEEM").  
  
3.3 AICTE is a statutory body established under All India Council for Technical Education Act,  
1987 (52 of 1987) (hereinafter referred to as the "AICTE Act”) with a view to the proper planning  
and co-ordinated development of the technical education system throughout the country, the  
promotion of qualitative improvement of such education in relation to planned quantitative growth  
and the regulation and proper maintenance of norms and standards in the technical education system  
  
and for matters connected therewith.  
3.4 Further, in exercise of its powers conferred under sub-section (1) of Section 23 read with  
Section 10 of the AICTE Act, AICTE has formulated All India Council for Technical Education  
[National Employability Enhancement Mission (NEEM)] Regulations, 2017 [hereinafter referred to  
as the "AICTE (NEEM) Regulations" or “NEEM Regulation”].  
  
3.5. AICTE (NEEM) Regulations applies to Society/ Trust/ Company registered under Section 25  
of Companies Act, 1956/ Section 8 of Company Act, 2013 or Relevant Act as amended from time to  
time / Bodies of Central Government / Bodies of State Government / Government Institutes and  
Universities. who wish to obtain registration as Facilitator under NEEM.  
  
3.6 Interms of Regulation 3 of AICTE (NEEM) Regulations, a company registered under  
Section 8 of the Companies Act. 2013 and is in the business of training for more than five years either  
itself or through its parent company can apply for registration as a NEEM Facilitator under AICTE  
(NEEM) Regulations.  
  
3.7 The job of NEEM Facilitator is to engage with the candidates registered under AICTE  
(NEEM) Regulations as Trainees ("NEEM Trainees”) for seeking training under NEEM, formulate  
  
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om  
  
their "Training Program" and make suitable arrangements for facilitating their training in the  
companies/industries registered as Trainer ("NEEM Trainer") with the said NEEM facilitator. Upon  
  
successful completion of the training period, NEEM facilitator shall further issue a training skill  
  
assessment certificate to the NEEM Trainee.  
  
3.8 The Appellant, being eligible to register as NEEM Facilitator, applied for and granted  
  
registration as NEEM Facilitator by AICTE vide Letter bearing F. No.l- 317394711 1/  
NEEM/CLRSTF/2016 dated 15.03.2018.  
  
3.9 Before initiation of training under NEEM, a NEEM Trainee must first enrol himself with the  
Appellant by signing a contract letter in the format prescribed in Annexure-II to AICTE (NEEM)  
Regulations. The contract letter is neither an offer of employment nor a guarantee of employment. As  
per letter, if contract is terminated because of failure on the part of NEEM Trainee, Trainee shall  
refund to the NEEM Facilitator as cost of training such amount as determined by the NEEM  
Facilitator.  
  
3.10 The Appellant has further partnered with various companies/ industries who are desirous of  
registering themselves with the Appellant under AICTE (NEEM) Regulations as NEEM Trainer for  
deployment of NEEM Trainees and facilitation of their on-job training. Appellant submitted specimen  
copies of the Training Collaboration Agreement dated 07.03.2019 entered between the Appellant and  
LG Electronics India Private Limited (for brevity called as LG) and the Training Services Agreement  
dated 12.02.2019 between the Appellant and Interplex Electronics India Pvt. Ltd. (for brevity called  
as Interplex) Appellant has submitted that the specimen copies are similar to the agreements they  
have entered into with various companies /industries under AICTE (NEEM) Regulations as NEEM  
Trainer for deployment of NEEM Trainees and facilitation of their on-job training.  
  
The agreement between Trainer and Appellant, inter alia, provides for:  
  
3.11  
(i) NEEM Facilitator is engaged in the business of facilitating education, education related  
  
services including providing technical and non-technical training to Trainees.  
  
(ii) The Appellant shall execute an agreement with each NEEM Trainee prior to deploying  
  
them to Trainer for training.  
(iii) NEEM Trainees under no circumstances shall be deemed to be the employees of Trainer  
  
or of the Appellant.  
  
(iv) Trainer shall be solely responsible for providing adequate facilities in accordance with  
the AICTE (NEEM) Regulations or as may be deemed appropriate by the Appellant for the  
training.  
  
(v) Trainer. shall, in consideration of dedicated deployment of Trainees to the company  
(Trainer), pay a monthly stipend to the appellant to be used solely for the purpose of paying  
NEEM Trainees in accordance with NEEM Regulations, which shall be equal to or greater  
  
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than the minimum Wages for unskilled category and employment compensation insuran, ‘Se  
  
Premium on/before 7" day of month, Stipend is payable in single consolidated amount without  
  
any deduction of TDS or statutory deduction,  
  
(vi) Trainer shall further pay to the Appellant an administrative fee of Rs 300/- and we  
(Workmen Compensation) policy of Rs 20/- per trainee per month for assisting the company  
the administrative tasks for deployment of trainees to the company for training. The Facilitator  
Shall raise monthly invoice for stipend payable to the trainees and administrative fee and shall  
include therein such taxes as may be applicable. In addition to that, Trainer shall also pay a  
one-time sourcing fee of Rs. 1000/- to the Appellant for the NEEM Trainee sourced by the  
Appellant, All the payment shall be made to the appellant in the Bank A/c of the appellant.  
(vii) The appellant shall cover every Trainee under WC Policy at the time of joining the  
company,  
  
(viii) The Trainer shall Provide adequate facilities in accordance with the NEEM Regulations  
or as deemed appropriate by the Appellant for the training.  
  
(ix) The appellant shall ensure to issue Tax Invoice as per GST Rules. In the event of failure  
to discharge correct GST liability, the appellant will be liable to pay GST.  
  
(x) The Trainer shall ensure that the personnel providing the training are fully competent and  
qualified to provide the training, shall observe the health, welfare and safety standards during  
the training.  
  
(xi) The appellant shall pay stipend to the Trainees engaged by the company.  
  
Pay to the Appellant by the 2nd of every month, a consolidated amount as monthly stipend in  
consideration for the deployment of the trainees which is to be utilized by the Appellant solely  
for the purpose of paying the trainees.  
  
(xii) The company shall convene periodic meetings with the Appellant to discuss issues  
  
concerning areas for improving the training.  
(xiii) The company shall not initiate disciplinary proceedings against any trainee without  
  
intimation to the Appellant.  
(xiv) The Trainer shall notify the Appellant in writing if it is desirous of offering employment  
  
to any trainee during or after the completion of the training.  
  
The role of the Appellant can be summarized as under:  
(i) Partner with various trainers and employers/company/industry for providing on-the-job  
  
training to the NEEM trainees.  
(ii) Deploy the trainee in a suitable industry for the purpose of getting a comprehensive on-  
  
the-job training.  
  
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3.13  
  
(iii) Preparation of monthly attendance record of the NEEM Trainees and getting it certified  
from the NEEM Trainer.  
  
(iv) Pay a consolidated amount (without any statutory deductions) by way of remuneration /  
stipend to the NEEM trainee which shall be at par with the prescribed minimum wages for  
unskilled labour.  
  
(v) Providing uniform and safety shoes (as per the requirement of NEEM Trainer) to the  
NEEM Trainees.  
  
(vi) Take insurance policies towards workman compensation and personal accident specifying  
name of the NEEM Trainee and NEEM Trainer. Be liable to pay compensation to a NEEM  
trainee as per the Workman Compensation Act, 1923, if a personal injury is caused to the  
trainee by incident or accident arising out of and in the course of training as a NEEM Trai  
(vii) Be responsible for the conduct and discipline of the NEEM trainee during the period of  
  
deployment for training, as per the rules and regulations of the industry where the NEEM  
safety and health  
  
nee.  
  
trainee is placed for training. Ensure compliance with respect to welfare,  
  
aspects of the Trainee under the applicable laws.  
(viii) Monitor the daily and weekly working hours of the trainee including the entitlement to  
  
leaves.  
  
(ix) Submit periodical reports to AICTE regarding the trainee details and the completion of  
  
the training.  
(x) Ensure the NSQF compliant training will be given to NEEM Trainees.  
at the end of the training period.  
  
(xi) Issue a training completion certificate  
II trainees who complete the training and issue a  
  
(xii) Conduct a certificate examination for a  
Training Skill Assessment Certificate to the trainee who obtains a minimum qualification  
threshold in the examination.  
  
(xiii) Be responsible for complying with the NEEM Re  
  
as NEEM Facilitator is liable to be revoked/withdrawn.  
  
gulations failing which his registration  
  
(xiv) clause 4(e) of Interplex says that Trainees shall not deemed to be engaged by the  
  
company, but engaged by the appellant.  
Important clauses of the AICTE (NEEM) Regulations are:  
7.3 NEEM Facilitator can terminate the Ti vaining contract with the NEEM trainee on account of any  
  
unlawful behaviour on the part of the NEEM trainee or on account of repeated flouting of company /  
  
Industry policies or for continuous irregularity in attending to the scheduled training as notified for  
  
the NEEM trainee.  
7.4. NEEM trainee can term  
Facilitator fails to honour any of the  
  
to the NEEM Facilitator.  
  
inate the contract entered into with the NEEM Facilitator where the NEEM  
  
terms of the contract by giving a written notice 30 days in advance  
  
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3.14  
  
does not constitute an employment contract with NER;  
  
25 The selection of a NEEM trainee M  
is placed for training under the contrac,  
  
Industry where the NEEM trainee  
  
Facilitator or the company’  
ssary provisions and the applicable Acts, to ensure  
  
10.1 NEEM Facilitator shall comply with the nece:  
welfare, safety and health aspects of the trainees while they undergo training.  
12.0 NEEM FACILITATOR’S LIABILITY FOR COMPENSATION FOR INJURY  
12.1 If personal injury is caused to a NEEM trainee, by incident/accident arising out of and in the  
course of his training as a NEEM trainee, NEEM Facilitator shall be liable to pay compensation which  
provisions of the Workman  
  
shall be determined and paid, so far as may be, in accordance with the  
Compensation Act, 1923 as amended from time to time.  
  
15.0 REMUNERATION / STIPEND  
15.1 NEEM Facilitator shall pay all enrolled NEEM trainees a remuneration/stipend which shall be  
  
at par with the prescribed minimum wages for unskilled category.  
  
15.2 Remuneration/ Stipend shall be paid as a single consolidated amount and such payment will not  
attract any statutory deductions or payments applicable to regular employees i.e., PF/ESI etc., since  
the NEEM contract assures training and does not constitute employment.  
  
16.0 DESIGNATED SUPERVISING AUTHORITY /RECORDS  
  
16.1 The designated supervising authority shall be NEEM Facilitator or the company or the industry  
where the NEEM trainee will be placed. ,  
  
16.2 NEEM Facilitator shall file online monthly report in the format as prescribed by AICTE from  
  
time to time.  
16.3 NEEM Facilitator shall upload the NEEM trainee data on the AICTE web portal in the available  
  
formats thereon.  
16.4 NEEM Facilitator will comply with any additional norms/condition as notified by AICTE from  
  
time to time.  
  
17.0 PENALTY AND WITHDRAWAL OF REGISTRATION AND APPROVAL  
  
17.1 Ifa NEEM Facilitator contravenes any of the provisions of these Regulations, the AICTE may,  
  
after making such enquiry, as it may consider appropriate and after giving NEEM Facilitator an  
  
opportunity for being heard, revoke/withdraw the registration and approval granted to such NEEM  
Facilitator.  
  
17.2 If the Registration and Approval of NEEM is revoked or withdrawn, the concerned NEEM  
Facilitator will not be eligible to apply for fresh registration for a period of at least 2 years from the  
date of such revocation or withdrawal.”  
  
The Appellant specifically placed reliance on the Advance Ruling by the Authority of  
  
Advance Ruling, Maharashtra, in the case of Yashaswi Academy for Skills and Advance Ruling by  
  
the Authority of Advance Ruling, Karnataka, in the case of Cadmaxx Solution Education Trust which  
  
were on the identical facts.  
3.15  
  
Ruling beari .  
g bearing No. GST-ARA-122/2019-20/B-54 dated 27.04.2022 (‘impugned Advance Ruling”  
  
Pursuant to the icati a  
application, the Authority for Advance Ruling, Maharashtra, vide its Advance  
  
)e  
  
passed following order:  
  
Question: Whether the reimbursement amount received by the Applicant from Trainer  
towards "Stipend and other expenses incurred by the Applicant in accordance with AICTE  
(NEEM) Regulations to ensure wealth, safety and health of NEEM Trainees" ts in the capacity  
of pure agent and hence not includible in the value of taxable supply made by the Applicant  
10 Trainer for the purpose of payment of Goods and Service Tax ("GST")?  
  
Answer: Not answered in view of discussions made above.  
  
It was, inter alia, held and observed in the impugned advance ruling that:  
  
“5.3.1.2 We first of all observe that the agreement is not signed by LG and therefore the  
validity of the said agreement is in question and in doubt. Further, we also seen that, as per  
Clause 4 of the agreement mentioned above, the said agreement has expired on 29.02.2020  
and therefore not valid after the said date and even if the contents of the said agreement are  
taken into account, notwithstanding the invalidity of the same due to absence of signatures of  
relevant parties to it, it would appear that the supply under the said agreement had been  
completed even prior to the date of the subject application which has been made on 11,3.2020  
and in view of the provisions of Section 95 of the CGST Act, the application pertaining to this  
agreement would not be maintainable since the question raised by the applicant would not be  
in respect to a supply being undertaken or proposed to be undertaken by the applicant at the  
time of filing the subject application. Therefore, we do not take into consideration the  
specimen copy, of the Training Collaboration Agreement dated 7.3.2019 entered between the  
  
applicant and LG.”  
  
5.3.2 “... However, the Annexure 'B' to the said Agreement (Statement of Works) which  
mentions details with respect to Stipend, Other Charges, and CLR appear to be only for the  
period 2018-19 as per Sr. No. 1 under ‘Other Terms & Conditions’, while the agreement is  
for the period up to 13.02.2022. It therefore appears that, the impugned Statement of Work  
does not pertain to the entire period of the impugned Agreement dated 12.02.2019.  
  
5.3.2.4 Thus, there appears to be some contradictions between clause 4 of the Agreement,  
where the applicant is held responsible “for payment of stipend or other required  
contributions” and from a reading of the Statement of Work (Annexure B- Sr. Sr. No. 4 of the  
  
“Qther Terms and Conditions’), it appears that the ‘client' (not known whether it applies to  
  
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d?  
  
IEIPL) is required to reimburse the actual cost of uniform, safety shoes, etc, Provided ie e  
  
NEEM Trainees.  
9.4 Both the specimen contracts attached with the application do not provide a clear Picture  
  
of actual facts and therefore, question raised cannot be answered.  
3.17 Being aggrieved by the impugned Advance Ruling, the Appellant preferred this appeal under  
Section 100 of the CGST Act with the following prayer to set aside/modify the impugned Advance  
  
Ruling, to grant a personal hearing and pass an appropriate order.  
  
4. GROUNDS OF APPEAL  
  
4.1 It was submitted that the AAR has erred in refraining from providing advance ruling on the  
Premise that the specimen contracts furnished by the Appellant does not provide a clear picture of the  
actual facts in the respect of the matter. He further argued that the AAR did not consider the specimen  
contract with LG on the ground that the same is not signed by LG and also it has expired even before  
the date of filing of the application.  
  
4.2 Validity of the contract between the Appellant and LG: It was submitted that the validity  
of the contract was not the subject matter of dispute before the learned AAR. It is for the parties to  
determine whether the contract is valid or not. Since, the Appellant has provided services under said  
contract and also received payment from LG for providing the said services, it is submitted that the  
agreement was valid and genuine. Even the revenue has not raised any objection in relation to the  
contract between the Appellant and LG. The revenue has further accepted the GST paid by the  
Appellant in relation to services provided and invoices raised under the said contract.  
  
4.2.1 The appellant termed finding that the said contract has already expired even before the date  
of filing of the application as irrelevant. The Appellant stated that he had sought advance ruling in  
relation to a particular business and not in relation to a particular contract. He stressed that the  
business was ongoing and carried on by the Appellant on the date of making the advance ruling  
application.  
  
4.2.2 It was submitted that the AAR has erred in giving a very narrow meaning to Section 95 of the  
CGST Act. The meaning of phrase "in relation to the supply of goods or services or both being  
undertaken or proposed to be undertaken by the applicant is not to be read in the context of one of the  
contracts, but it has to read in the context of the business. An applicant may acquire new clients and  
lose earlier one while doing a particular business. What is relevant is the nature of business in relation  
to which advance ruling is sought should be either ongoing or proposed to be undertaken.  
  
43 The appellant stated that the finding of the AAR has further erred in holding that the clauses  
  
of the agreement between the Appellant and Interplex are contradictory.  
  
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4.3.1 To support his argument, he submitted that Annexure-B to the said agreement clearly specifies  
that the quote mentioned therein is for the year 2018-19 and stipend will be revised as per the  
minimum wages fixed by the Government trom Ist April of every year. Thus, the stipend amount  
was pegged with the minimum wages fixed by the Government every year.  
4.3.2 Appellant further submitted that there is nothing contradictory in the agreement with  
Interplex. The agreement is perfectly in alignment with the AICTE (NEEM) Regulations. The AAR  
has erred in not appreciating the true objective of AICTE (NEEM) Regulations which is to enhance  
employability of NEEM Trainer and at the same time avoid their exploitation.  
4.3.3. He pointed out that the Regulation 10 of the AICTE (NEEM) Regulations entrusts the  
responsibility of ensuring the welfare, safety and health of NEEM Trainees upon the NEEM  
Facilitator while they undergo training under the NEEM Trainer. Therefore, necessary compliance  
and insurance to ensure the welfare, safety and health of NEEM Trainees is initially done by the  
Appellant and subsequently, reimbursement is sought from the NEEM Trainer of the cost incurred.  
Thus, the cost of ensuring the welfare, safety and health of NEEM Trainees is actually borne by the  
NEEM Trainer though routed through the Appellant in compliance with the AICTE (NEEM)  
Regulations.  
4.3.4 He further pointed out that to ensure that the NEEM Trainees are adequately compensated  
and not exploited by the NEEM Trainer, stipend and other charges also are all routed through the  
Appellant as per the AICTE (NEEM) Regulations. The appellant submitted that the AAR has failed  
to understand the role of a NEEM Facilitator which is to act as a guardian of the NEEM Trainee.  
4.4 Without prejudice to above and in any event, even assuming without admitting that the clauses  
of the agreement were contradictory, the appellant submitted that the AAR was under an obligation  
to provide an advance ruling in relation to the questions posed by the Appellant. As per appellant, on  
the basis of the clauses of the agreement, even if contradictory, the Appellant would have been  
provided a clear answer on its liability to pay GST on the reimbursement amount received from  
NEEM Trainer towards "Stipend and other expenses incurred by the Appellant in accordance with  
AICTE (NEEM) Regulations to ensure wealth, safety and health of NEEM Trainees".  
4.5 Without prejudice to above and in any event, it was submitted that the AAR never put the  
Appellant to the notice that it is of the view that the documents furnished by the Appellant were  
incomplete and inconclusive and it cannot answer the question raised on the basis of the said  
documents, It was further submitted that the impugned advance ruling passed by the AAR is in  
violation of the principles of natural justice. He invited our attention to the second proviso to Section  
  
98(2) of the CGST Act which provides that no application shall be rejected unless an opportunity of  
  
hearing has been given to the applicant.  
  
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4.6 It was submitted that, since the questions regarding the validity / genuineness of the specimey  
contracts were never posed to the Appellant, it was incumbent upon the learned AAR to provide nt  
opportunity of hearing to the Appellant before deciding upon the application. In view of the above,  
he stressed that the impugned advance ruling passed by the AAR is liable to be quashed and set aside,  
4.7 Without prejudice to above and in any event, once the application is held as maintainable, the  
AAR is bound to admit or reject the application u/s 98(2) and answer the questions posed in the  
application u/s 98(4) of the CGST Act, 2017. He submitted that, if the learned AAR was unable to  
take any decision on the basis of the specimen contracts furnished by the Appellant, then it may have  
called for additional documents from the Appellant and thereafter, decided upon the application after  
giving an opportunity of hearing to the Appellant. Thereby, on this ground also, the impugned  
advance ruling is liable to be quashed and set aside.  
  
4.8 “Pure agent”: Without prejudice to above and in any event, he submitted that the  
reimbursement amount received by the Appellant from NEEM Trainer is in the capacity of pure agent  
on which GST is not applicable. According to him, a NEEM Trainer registered with the Appellant in  
accordance with NEEM (AICTE) Regulations is required to pay stipend to NEEM Trainees deployed  
to it for on-job training. This stipend is paid by NEEM Trainer through the Appellant.  
  
4.8.1 It was submitted that the Appellant is only acting as an intermediary in collecting the stipend  
amount from the NEEM Trainer and paying it to NEEM Trainee. He stated that the service to NEEM  
Trainer is provided by NEEM Trainees for which NEEM Trainer is liable to pay stipend. This stipend  
is paid through the Appellant and the Appellant is not allowed to make any deductions in that amount.  
He is submitted that the Appellant has only acted as a conduit for payment of stipend amount and the  
actual service to NEEM Trainer is provided by NEEM Trainees.  
  
4.8.2 The appellant submitted that the contract between the Appellant and NEEM Trainer further  
specifies that the Trainer shall reimburse to the Appellant the premium paid by the Appellant for the  
Workmen Compensation Policy and / or Group Health Insurance Policy taken to ensure wealth, safety  
and health of NEEM Trainees. It was added that the beneficiary of the policy taken by the Appellant  
are NEEM Trainees in line with the requirement of AICTE (NEEM) Regulations.  
  
4.8.3 It was claimed that the reimbursement amount received by the Appellant from NEEM Trainer  
towards "Stipend and other expenses incurred by the Appellant on NEEM Trainees in accordance  
with AICTE (NEEM) Regulations" is in the capacity of pure agent u/r 33 of the CGST Rules, which  
shall be excluded from the value of supply.  
  
4.8.4 The Appellant claimed that it satisfies all the criteria prescribed under Rule 33 of the CGST  
  
Rules to qualify as "pure agent" in as much as:  
q Pp g  
  
Daan INAS IN  
(i) The NEEM Trainer has engaged NEEM Trainces and authorized the Appellant to pay them  
the stipend and incur other expenses for their wealth, safety and health. The service to NEEM  
Trainer is provided by NEEM Trainees.  
(ii) The stipend amount and other expenses incurred by the Appellant on NEEM Trainees  
towards their wealth, safely and health are agreed in the agreement and also indicated  
separately in the invoice issued by the Appellant on the NEEM Trainer.  
(iii) The reimbursement of stipend amount and other expenses incurred by the Appellant to  
ensure wealth, safety and health of NEEM Trainees are on actual basis and is in addition to  
the administrative fee received by the Appellant for the supplies made by it.  
(iv) There is a contractual arrangement between the Appellant and NEEM Trainer under  
which the Appellant is paying stipend to NEEM Trainees and incurring other expenses to  
ensure their wealth, safety and health.  
(v) Except to the extent required to ensure compliance of AICTE (NEEM) Regulations, the  
Appellant has no control over NEEM Trainees, and they work entirely under the control and  
supervision of NEEM Trainer.  
4.8.5 Accordingly it is claimed that the Appellant is fulfilling all the criteria laid down for a pure  
agent and not liable to include the "Stipend amount and other expenses incurred by the Appellant in  
accordance with AICTE (NEEM) Regulations to ensure wealth, safety and health of NEEM Trainees"  
in the value of supply made to NEEM Trainee. Further, the Appellant does not dispute its liability to  
pay GST on administrative fee and sourcing fee.  
4.9.1 It was also argued that the AAR has erred in not following its own advance ruling in the case  
of Yashaswi Academy for Skills wherein the issue was identical to the Appellant's case. The question  
raised for advance ruling was whether the reimbursement by the Industry Partner to Yashaswi  
Academy for Skills in relation to the stipend paid to the NEEM trainees attract GST. To this, the  
learned AAR held that reimbursement by Industry Partner to Yashaswi Academy for Skills does not  
attract GST.  
4.9.2 Appellant submitted that even though advance ruling given in the case of one applicant is not  
binding in the case of another applicant, the judicial discipline demanded the learned AAR to be  
consistent in its approach especially when the facts are identical, and parties involved are governed  
by and working under the same scheme.  
4.9.3. The Appellant also claimed support of the AAR, Karnataka, in the case of Cadmaxx Solutions  
Education Trust [2020 (32) G.S.T.L. 49 (A.A.R.- GST - Kar.)] wherein, on identical facts, it was held  
thus:  
  
Page 11 of 20  
a  
  
4.9.4 The appellant alleged that the AAR has erred in not answering the question raised by th,  
Appellant in its application on technical reasons, The Appellant submitted that the ratio laid down FA  
both the above Advance Ruling is squarely applicable to the present case.  
  
4.9.5 Appellant also took support of the AAR in the case of Asiatic Clinical Research and further  
Supported by the decision of the Hon'ble Tribunal in the case of Rolex Logistics Pvt. Ltd. v/s.  
Commissioner of Service Tax, Bangalore [2009 (13) S.T.R. 147 (Tri.-Bang.)], wherein, the Hon'ble  
Tribunal has held that reimbursement of payments made on behalf of service recipient are not  
includible in the value of Service provided by the service provider.  
  
4.10 In view of the above, appellant submitted that, the reimbursement of "Stipend amount and  
other expenses incurred by the Appellant in accordance with AICTE (NEEM) Regulations to ensure  
wealth, safety and health of NEEM Trainees" from NEEM Trainer is in the capacity of a pure agent  
and hence, not required to include the same in the value of taxable supply made by the Appellant to  
  
NEEM Trainer for the Purpose of payment of GST.  
  
5. PERSONAL HEARING and ADDITIONAL SUBMISSION  
5.1 In terms of section 101 (1 of the CGST Act, 2017, the appellant was given personal hearing  
on 28.02.2023. Shri Arun Jain, Advocate, appeared for personal hearing on behalf of the Appellant.  
During the personal hearing he reiterated the grounds of appeal. He reiterated written submission  
made along with the application.  
5.2. In order to explain the appellant’s case with reference to definition and conditions of pure  
agent u/r 33 of the CGST Rules, 2017, the Ld Advocate made the following additional submission,  
which we find not more than the earlier one:  
5.2.1. The appellant submitted that in the contract letter issued to the NEEM Trainee, name of the  
NEEM Trainer i.e., the Company in which NEEM Trainee shall be placed for training. Therefore, as  
per appellant, NEEM Trainee is always aware of the NEEM Trainer under which he will be placed  
for training. He further explained that the NEEM Trainee is aware that he shall be governed by the  
rules and regulations as may be prescribed by the NEEM Trainer where he will be placed for training.  
5.2.2. He further invited our attention to the contract letter, as per that the training shall be in  
accordance with the NEEM regulations which prescribes that stipend shall be in accordance with the  
Minimum wages prescribed by the Government which is also what is mentioned in the contract letter.  
Thus, he argued that NEEM Trainee is always aware that the stipend will be equivalent to the  
Minimum wages prescribed by the Government.  
5.2.3. The appellant pointed out that as per the agreement entered between the NEEM Facilitator  
and NEEM Trainer, it is clearly mentioned that the liability to pay stipend to the NEEM Trainee is  
that of the NEEM Trainer. Appellant further observes that as per agreement, it is further agreed in the  
  
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agreement that the stipend payable to the NEEM Trainee would be equivalent to the Minimum wages  
prescribed by the Government.  
  
5.2.4. The appellant thus argued that there is absolute clarity between the NEEM Facilitator, NEEM  
Trainee and NEEM Trainer that the stipend amount would be equivalent to the Minimum wages  
prescribed by the Government. He therefore stressed that NEEM Facilitator would never be in  
position of adding any mark-up to the stipend payable to the NEEM Trainee as it is pegged with the  
Minimum wages prescribed by the Government and hence, the question of NEEM Facilitator adding  
any mark-up to the stipend amount does not arise.  
  
5.2.5. Appellant pointed out the decision of the Hon’ble Tribunal in the case of Kiran Gems Pvt.  
Ltd. v/s. Commissioner of Central Excise & S.T., Surat-I reported in 2019 (25) G.S.T.L. 62 (Tri. -  
Ahmd.) wherein the Hon’ble Tribunal has held that the actual electricity charges recovered as pure  
agent from tenant shall not form part of the value of service of renting of immovable property service.  
It is stated that above contention is also supported by the judgment of the Hon’ble Bombay High  
Court in the case of Commissioner of S.T.. Mumbai-VI v/s. Shri Krishna Chaitanya Enterprises  
reported in 2018 (14) G.S.T.L. 533 (Bom.) The issue before the Hon’ble High Court was whether  
service tax would be applicable on maintenance charges collected by builder for up-keep of the  
apartment or premises before formation of co-operative society.  
  
5.2.6. It was submitted that provisions pertaining to “pure agent” under GST are in pari materia  
  
with service tax and therefore, he contended that the above case law applies squarely to the present  
  
case.  
5.2.7. In view of the above, it was submitted that, as a NEEM Facilitator, the appellant is satisfying  
  
all the conditions of a “pure agent” and therefore, he is not liable to GST on the reimbursement of the  
  
stipend amount received from NEEM Trainer.  
  
6. DISCUSSION AND FINDINGS  
  
6.1 We have gone through the appeal memorandum encapsulating the facts of the case, written  
submissions and oral submissions during personal hearing. We have also gone through the case laws  
cited.  
  
6.2 It is seen from the AAR and grounds of appeal that AAR Authority has not given ruling on  
the questions asked, but raised some doubts on the validity of the contracts and contradictions in the  
agreements. We have gone through the agreement between M/s. CLR Skills Foundation (presently  
known as M/s. Beeup Skills Foundation) and Interplex. As per agreement with Interplex in clause No  
15 it is mentioned that said agreement shall continue up to 13.2.2022. Thus, it is evident that  
application was maintainable and answerable on merits. In regards to the agreement with LG,  
  
appellant contends that it is continued further, and AAR should have decided the question from  
  
Page 13 of 20  
business perspective and not as an individual supply. However, we are not in agreement with  
  
appellant's view because liability to pay GST arises on the consideration with reference to particular  
  
supply. However, to answer the question, agreement copy of Interplex is sufficient as it is sample /  
  
specimen copy and representative one. Hence, discussion hereunder is based on merits.  
  
6.3  
  
In the context of the Appellant’s role as a NEEM Facilitator and their agreement with the  
  
industry partner, let us examine the provisions of the Rule 33 of the CGST Rules, 2017 relating to  
  
definition and conditions of pure agent.  
  
6.4  
  
“Rule 33 of CGST Rules 2017: Value of supply of services in case of pure agent  
Notwithstanding anything contained in the provisions of this Chapter, the expenditure or costs  
incurred by a supplier as a pure agent of the recipient of supply shall be excluded from the  
value of supply, if all the Jollowing conditions are satisfied, namely, -  
  
() the supplier acts as a pure agent of the recipient of the supply, when he makes the payment  
to the third party on authorization by such recipient;  
  
(ii) the payment made by the pure agent on behalf of the recipient of supply has been  
Separately indicated in the invoice issued by the pure agent to the recipient of service; and  
(iii) the supplies procured by the pure agent from the third party as a pure agent of the  
recipient of supply are in addition to the services he supplies on his own account.  
Explanation.- For the Purposes of this rule, the expression “pure agent” means a person who-  
(a) enters into a contractual agreement with the recipient of supply to act as his pure agent to  
incur expenditure or costs in the course of supply of goods or services or both;  
  
(b) neither intends to hold nor holds any title to the goods or services or both so procured or  
supplied as pure agent of the recipient of supply;  
  
(c) does not use for his own interest such goods or services so procured: and  
  
(d) only the actual amount incurred to procure such goods or services in addition to the  
  
amount received for supply he provides on his own account.  
  
Illustration- Corporate services firm A is engaged to handle the legal work pertaining to the  
incorporation of Company B. Other than its service fees, A also recovers ‘from B, registration  
fee and approval fee for the name of the company paid to the Registrar of Companies. The  
fees charged by the Registrar of Companies for the registration and approval of the name are  
compulsorily levied on B. A is merely acting as a pure agent in the payment of those fees.  
  
On perusal of the said rule, it has been noticed that the rule has been divided in three parts.  
The first part contains conditions towards the amount incurred by a person in the capacity of  
Pure Agent on behalf of his recipient.  
  
The second part contains terms to understand the expression “Pure Agent”.  
  
Page 14 of 20  
done by the Pure Agent.  
  
6.5 To quali ivi  
qualify mere receiving Payment under the cover of reimbursement of "Stipend amount and  
  
other ex; i  
agent, all parameters Prescribed in condi . " NEEM Trainer as a payment received by a pure  
; onditions and meaning stated u/r 33 of the CGST Rules are  
  
required to be fulfilled. Therefore, the terms and conditions as stipulated under rule 33 are analyzed  
as under:  
6.5.1 Rule 33(i) — Authorisation — At the time of payment the person would have been authorized  
by his recipient to make such payment. If the payment is made first and authorization is received after  
making the payment, then such terms shall not be satisfied. Alternatively, the terms of the agreement  
do not stipulate authorization by the NEEM Trainer (recipient) for payments to NEEM Trainees  
(supplier). In fact, clauses of the agreement as well as the NEEM Regulations, don’t stipulate that  
payment of stipend is payable by NEEM Trainer to Neem Trainees, in clear and unequivocal terms.  
Further, appellants appeal petition also confirms that payment of stipend is payable by NEEM  
Facilitator to NEEM Trainee. However. its opposite is stated in additional submission received on  
15™ March 2023.  
  
6.5.2 Rule 33(ii) — Invoicing — The second condition is that no separate invoice be issued against  
the amount incurred on behalf of the recipient. The amount incurred shall be separately indicated in  
the regular invoice issued by the Pure Agent to the Recipient. It is observed from the copies of the  
tax invoices submitted that regular invoicing is made along with tax amount on the entire value. Thus,  
the condition prescribed under this clause is also not fulfilled by the NEEM Facilitator.  
  
6.5.3. Rule 33(iii) — Additional Supply — The third condition stipulates that nature of supply  
procured by the Pure Agent from the third party as a Pure Agent of the recipient are in addition to the  
services, he (Pure Agent) supplies on his own. In this case, appellant’s supply of providing trainees  
to the industry is only one supply and their sourcing, administrative work, insuring them is an  
incidental work and not as another supply. In other words, to comply with the condition of this clause,  
supply by the appellant in the capacity of pure agent should be additional supply. On the contrary, in  
this case, provision of NEEM Trainees is a dominant part of business and activities like NEEM  
Trainee sourcing, etc are allied and dependent works. Therefore, other than deployment of trainees  
as per the NEEM Regulations, no other service is supplied by the Appellant. Thus, on this count also,  
the appellant is not fulfilling the prescribed conditions in rule 33. In fact there won't be any service  
if the dominant service of provision of trainees is removed. Additional supply may not be necessary  
  
‘or fulfilling the main dominant supply. However, in the present case, the provision of NEEM  
  
Page 15 of 20  
its absence makes  
Trainees cannot be treated as additional supply because, as stated above, it: yo @  
  
remaining transaction unenforceable.  
meaning of “Pure Agent”  
  
6.6  
6.6.1 (a) Contractual Agreement ~ Both parties (Pure Agent and Recipient of the Pure Agent)  
shall have agreed to that the Pure Agent shall incur expenditure during supply of goods or services or  
  
both on behalf of the recipient. In this case,  
that payment will be made after invoice is made to the industry partner (Trainer) including details of  
agreement clauses and NEEM regulations  
  
Explanation to Rule 33 for  
  
there was an agreement between Facilitator and Trainer  
  
stipend, thereupon stipend will be paid to trainees. Thus,  
do not fulfill the first criteria to enable Facilitator as a pure agent. It could not be proved that the  
  
expenses were incurred by the Applicants in the capacity of the Pure Agent.  
  
6.6.2 (b) Title om goods or services — The Pure Agent never intends to hold nor holds any title to  
the goods or services, or both so procured or supplied as Pure Agent of the recipient of supply. In this  
case, the appellant is becoming the owner of services of provision of trainees. He is sourcing the  
NEEM Trainees, signing contracts with Trainees. In the event of any mishap, the appellant is liable  
for compensation to the Trainees. Thus, regulation and nature of services makes the Facilitator an  
owner of services.  
  
6.6.3 (c) No interest of the Pure Agent on such goods or services so procured — It must be born  
in mind that without interest of the Facilitator in sourcing Trainees and making them available to the  
industry, there won't be any supply of Trainees to the industry. Moreover, the appellant is licensed by  
AICTE as a Facilitator for the very purpose of training NEEM Trainees at the industry premises.  
6.6.4 (d) Amount to be Received — The Pure Agent shall receive actual amount incurred by him.  
No profit part shall be added to such recoverable amount from the recipient.  
  
6.7 In this case, despite giving enough opportunity, the appellant is neither able to establish that  
appellant was fulfilling conditions of “pure agent”. Appellant was not found to be duly authorized at  
the time of making payment of stipend on the behalf of the NEEM trainer/the recipient. There is only  
one supply of deployment of NEEM Trainees, whereas, administration of Trainees is ancillary work  
of deployment of NEEM Trainee, entire working is as per NEEM Regulation. The terms of the  
agreement make it clear that the expenditure of payment of stipend to the NEEM Trainees was on his  
own and not on the behalf of the NEEM Trainer. The appellant, as per NEEM Regulations, has the  
sole responsibility to engage NEEM Trainees and supply them to Trainer under separate agreements.  
6.8 Asper Annexure B, GST of Rs 2389/- is calculated @ 18% on the total billing amount of Rs  
13271/- per head per month. Breakup of 13271/- is - Stipend of Rs. 12271/- with other benefits of Rs  
280/- (WC Policy, uniform, safety shoes charges) and appellant’s management fees of Rs 720/-. This  
  
shows that GST is pre-decided to be collected, as per the agreement, on the gross value including on  
  
stipend.  
  
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‘ 6.9 A perusal of sa: invoi  
mple invoices attached (Tax Invoice No SADEL000083/1920 DT 25.11.2019  
  
for Nov 2019 rai  
a ee ntnitones, on LGEIPL for Rs 113024 + IGST of Rs 20344.32 and Tax Invoice No  
2 ?  
vestot ine DT 26.11.2019 for 21.10.2019-20.11.2019 raised on IEIPL for Rs 539907 +  
) shows that GST is separately collected on entire billed amount by the appellant  
from both Trainers.  
  
6.10 As per terms of para 3 and para 5.1 (xiii) of the agreement with LG, stipend will be paid by  
company / NEEM Trainer to the appellant and by the appellant to the NEEM Trainees, respectively.  
Whereas, as per para 8(a) of the agreement with Interplex, payment of stipend will be made by  
company / NEEM Trainer to the appellant and as per para 8(b), stipend will be paid by the appellant  
to the NEEM Trainees. Further, as per para 8 of the Interplex agreement, the Trainer shall pay to the  
  
appellant amount as per applicable SOW enclosed to the agreement, which is inclusive of 18% GST  
  
on the entire consideration (including stipend).  
6.11 Moreover, it is the Appellant who is obligated under the NEEM Regulations to pay the stipend  
to the trainees. Regulation 15 of the NEEM Regulations as well as the terms of the contract entered  
  
into with the NEEM Trainee stipulate that it is the Appellant who will pay the stipend to the trainee.  
  
6.12 In additional submissions made on 15th March 2023, however, appellant made following  
  
important but contrary submissions, devoid of any basis and not substantiated by any evidential  
  
document:  
The appellant pointed out that as per the agreement entered between the NEEM Facili  
  
liability to pay stipend to the NEEM Trainee is  
  
tator  
  
and NEEM Trainer, it is clearly mentioned that the  
  
that of the NEEM Trainer.  
He stressed that NEEM Facilitator would never be in position of adding any  
prescribed by the  
  
mark-up to the  
  
stipend payable to the NEEM Trainee as it is pegged with the Minimum wages  
  
Government.  
  
6.13 Agreement clauses regarding stipend does not show that  
authorized the Appellant (NEEM Facilitator) to make the payment of stipend to the trainees as its  
payment of stipend to the trainees as its liability.  
  
the Company (NEEM Trainer) has  
  
‘pure agent’ and neither does the Company own the  
  
The agreement merely states that the reimbursement of stipend received from the Company is a  
  
consideration paid for deployment of trainees, which is the service supplied by the Appellant. In order  
  
to satisfy the Ist condition of Rule 33, it is essential to prove that the Company (NEEM Trainer) is  
  
obligated to pay stipend to the trainees and that it has authorized the Appellant to make the payment  
to the trainees on behalf of the Company. We do not find any such authorization in the agreement. In  
fact, the obligations of the parties as mentioned in 5.1 (xiii) and 8 of the respective agreement clearly  
states that the company (NEEM Trainer) shall pay stipend to the appellant for the trainees engaged  
by Company which shall be at par with the prescribed minimum wages payable for unskilled category  
  
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under Shops & Establishment Act. ...” This makes it clear that it is the Appellant who is obligated to  
pay the stipend to the trainees, Since the trainee has registered with the Appellant/NEEM Facilitator,  
it is the responsibility of the Appellant to deploy the trainee in a suitable industry to undergo training  
at the industry for a specific period and pay the stipend during the training period. The discussion  
cited above makes it ample clear that it is the appellant, who is directly responsible to pay stipend to  
the NEEM Trainees and there is no authorisation by the NEEM Trainer to pat stipend on the behalf  
of the Trainer. We therefore, find that the Appellant fails to satisfy condition (i) of Rule 33.  
6.14 We also find that Appellant fails to satisfy the 3rd condition of Rule 33 i.e. ‘the supplies  
procured by the pure agent from the third party as a pure agent of the recipient of supply are in addition  
to the services he supplies on his own account.” We find from the agreement with the industry partner  
that, other than deployment of trainees as per the NEEM Regulations, no other service is supplied by  
the Appellant. All the charges billed by the Appellant on the Company are only in connection with  
the deployment of trainees for training under NEEM Regulations. Even the stipend paid to the  
Appellant, albeit for the sole purpose of disbursing to the trainees, is only a consideration paid to the  
Appellant for the deployment of the trainees. This is made clear by Para 3 of the Agreement (between  
appellant and LG) relating to Stipend which states thus: “In consideration of dedicated deployment  
of the Trainees to the Company in accordance with this Agreement, the Company shall pay a monthly  
stipend (“Stipend”) to CLR Skills, to be utilized by CLR Skills solely for the purpose of paying the  
Trainees in accordance with the NEEM Regulations, which shall be equal to or greater than the  
prescribed minimum wages for unskilled category under applicable law and employee compensation  
insurance premium on or before the 7" day of each calendar month. For the avoidance of doubt it is  
clarified that the Stipend payable shall be a single consolidated amount and shall not be subject to  
further withholding tax, namely Tax Deducted at Source or any other statutory deductions or  
payments, except for income tax if applicable.” ... “All payments under this agreement shall be made  
to CLR Skills in the Bank Account as detailed in Annexure A”. Similar payment clauses are also  
seen in agreement with Interplex. Therefore, we find that even on this count, the Appellant does not  
qualify as a pure agent.  
  
6.15 Further, we find that the activity of deploying trainees to the Company to undergo training is  
undertaken by the Appellant in his own interest as a NEEM Facilitator. While the NEEM Regulations  
make provisions for the NEEM Facilitator to partner with Companies/Industries to provide the  
training, it makes the Facilitator responsible for payment of stipend and for issue of the training  
completion certificate. The Regulations do not cast any responsibility on the Company or the Industry  
who is providing the practical training, It is the responsibility of the Facilitator to furnish data of the  
trainees to AICTE. We also find that being registered with AICTE as a NEEM Facilitator, it is  
obligatory on the part of the Appellant to deploy all the trainees registered with him to suitable  
  
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industries to undergo practical on-the-job training and to pay them the monthly stipend failing which  
the Appellant faces the risk of having his NEEM Facilitator registration revoked. No doubt the terms  
of the agreement with the Company specify that the stipend amount paid to the Appellant is to be  
he Appellant a pure agent  
  
of the Company since the NEEM Regulations does not require the Company/Industry to pay @ stipend  
finition of ‘pure agent’ as  
  
utilized only for the purpose of paying the trainees, but this does not make t  
  
to the trainees. Therefore, the Appellant does not satisfy clause (c) of the de  
  
given in the explanation to Rule 33.  
ty for Advance Ruling  
  
ted to the ruling given  
  
ions Education Trust.  
  
6.16 The Appellant had drawn our attention to the Maharashtra Authori  
  
given in the case of Yashswi Academy for Skiils. Attention has also been invi  
  
by the Karnataka Authority for Advance Ruling in the case of Cadmaxx Solut  
  
In these AARs, it has been held that the stipend amount required to be paid b.  
igh the applicant (a NEEM Facilitator) is not taxable  
acting as a pure agent. We have gone throug  
  
y the trainer to the  
in the hands of the  
  
trainee, which is paid throu  
h the said rulings  
  
applicant since the applicant is only  
ht of provisions  
  
and find that in these cases. the Authorities have not examined the case in the lig  
contained in rule 33 and the NEEM Regulations. 2017. Therefore, these rulings are of no assistance  
  
in the present case.  
  
6.17 The appellant also cited AAR i  
| in the case of Rolex Logist  
  
n the case of Asiatic Clinical Research and further supported  
  
by the decision of the Hon'ble Tribuna! ics Pvt. Ltd. v/s. Commissioner of  
[2009 (13) S.T.R. 147 (Tri.-Bang.)], wherein, the Hon'ble Tribunal has held  
n behalf of service recipient are not includible in the va.  
  
different from case under appeal.  
  
Service Tax. Bangalore  
lue of  
  
that reimbursement of payments made o  
r. The facts of cited cases are  
  
y assistance to the appellant.  
ssion made, cited the decision of the Hon’ble Tribunal in  
h Court in the case of Shri  
  
service provided by the service provide  
Hence, these case laws are also not of an  
  
6.18 The Appellant, in additional submi  
e of the Hon’ble Bombay Hig!  
  
the case of Kiran Gems Pvt. Ltd. and cas  
d in both cases are different from the facts pertaining  
  
Krishna Chaitanya Enterprises. Facts containe  
quarely not applicable in this case.  
  
to present case. Hence, ratio of these case laws is s  
dvance Ruling in similarly placed case with  
  
6.19 Moreover, Karnataka Appellate Authority for A  
identical facts in the case of Teamlease Education Foundatio  
consideration for supply of deployment of NEEM Trainees (Kar-AAA  
6.20 In view of extensive discussion surrounding the question posed to and answered by the  
ance Ruling, we find on merits that the appellant do not fulfil the conditions and  
t” prescribed under rule 33 of the CGST Rules, 2017. Hence, the  
  
n have taken view that stipend is taxable  
R order dated 6.7.2022).  
  
Authority of Adv  
clauses of meaning of “pure agen’  
  
appellant is not allowable to claim deduction of the reimbursement of amount of stipends and other  
  
expenses received from the NEEM Trainer from the value of supply.  
  
6.21 In view of discussion in foregoing paragraphs, we pass following order.  
  
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ORDER  
The order No. GST-ARA-122/2019-20/B-54 dated 27.04.2022 passed by the Maharashtra  
Authority for Advance Ruling is upheld with some modification. It is held that the reimbursement  
amount received by the Appellant from NEEM Trainer towards "Stipend and other expenses incurred  
by the Applicant in accordance with AICTE (NEEM) Regulations to ensure wealth, safety and health  
of NEEM Trainees" is not in the capacity of pure agent. In the result the appeal filed by the M/S  
Beeup Skills Foundation (erstwhile M/s Beep Skills Foundation or M/s CLR Skills Training  
Foundation) against impugned MAH-AAR order is rejected.  
  
(RAJEEV K AL) (Dr. D. K. SRINIVAS)  
MEMBER MEMBER  
Copy to:  
Appellant  
AAR, Maharashtra  
  
Pr. Chief Commissioner, C&CE, Mumbai Zone  
Commissioner of State Tax, Maharashtra State  
Deputy Commissioner of State Tax  
  
Web Manager, www.gstcouncil.gov.in / Wwww.mahagst.gov.in  
Office copy  
  
AaAavgayYr  
  
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