

THE MAHARASHTRA RAJYA SAHAKRI SANG MARYADIT

Authority for Advance Ruling — Maharashtra

NO.GST-ARA- 11/2018-19/B- 70

Dated **18.07.2018**

Q Questions Before the Authority

- The Maharashtra Rajya Sahakari Sangh Ltd. conducts education and training programmers through its 13 co-operative training centres and 33 district co-operative boards by charging fees to participants. Maharashtra Rajya Sahakari Sangh Ltd. is not profit making body and doing this activity as statutory requirement of Maharashtra Co-operative Societies Act,1960. Therefore, it is requested to exempt GST to Maharashtra Rajya Sahakari Sangh Ltd.

F Facts

The applicant is a state-level apex training institute registered under the Maharashtra Co-operative Societies Act, 1960. It provides education and training to members, officers, and employees of co-operative societies through 13 training centres and 33 district co-operative boards. It collects fees and annual subscription funds from participant societies to cover its expenses. The applicant claimed GST exemption on the grounds that it is a non-profit body performing a statutory duty mandated under state legislation.

H Ruling

GST exemption for co-operative education and training programs provided against fees

No exemption; liable to GST at applicable rates

Classified under Commercial Training and Coaching services (SAC 999293) taxable at 18% GST.

The Authority held that the educational and training services provided by the applicant to members of co-operative societies for a fee are **covered within the scope of supply**. The applicant is not directly funded by the Government nor does it qualify as an educational institution serving its own students or faculty under exemption notifications. Therefore, the activity is **liable to GST at applicable rates**.

R Reasoning

The Authority observed that the applicant collects fees and annual membership contributions from participant societies rather than receiving direct government funding or grants. Exemption under Notification No. 12/2017-Central Tax (Rate) (Sr. No. 66(a)) is applicable only to services provided by an educational institution to its own students, faculty, and staff, which is not the case here. Under Section 2(84), Section 2(17)(e), and Section 7(1) of the CGST Act, 2017, the provision of facilities or benefits to members by an association for consideration constitutes a supply in the course or furtherance of business. Consequently, the activity is taxable under Section 9(1) as Commercial Training and Coaching Services (SAC 999293) attracting 18% GST.

P Provisions Relied On

Section 2(17)(e) of the CGST Act, 2017

Section 2(31) of the CGST Act, 2017

Section 2(84) of the CGST Act, 2017

Section 7(1) of the CGST Act, 2017

Section 9(1) of the CGST Act, 2017

Notification No. 11/2017-Central Tax (Rate) dated 28.06.2017

Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017 (Sr. No. 66(a))

Notification No. 9/2017-Integrated Tax (Rate) dated 28.06.2017

Section 24A of the Maharashtra Co-operative Societies Act, 1960

Section 68 of the Maharashtra Co-operative Societies Act, 1960

! For the Practitioner

This ruling establishes that statutory apex bodies charging fees or annual contributions from member entities for training services **cannot claim GST exemption** merely by virtue of being non-profit or performing a statutory mandate. It clarifies that mandatory legislative obligations on member societies to contribute do not equate to direct government funding or grants for exemption purposes.

Source

Summary prepared from the published order, which is a scanned document. It is a reading aid and not the authority: where the two differ, the order governs. Verify every provision against the original before relying on it.

Original order: www.gstcouncil.gov.in -> [maha-gst-ara-11-b-70 dt.18.07.18 mrssl.pdf](#)

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