

**THE AUTHORITY FOR ADVANCE RULINGS
IN KARNATAKA
GOODS AND SERVICE TAX
VANIJYA THERIGE KARYALAYA, KALIDASA ROAD
GANDHINAGAR, BENGALURU – 560 009**

Advance Ruling No. KAR ADRG 07 / 2018

Dated : 23rd April, 2018

Present:

1. Sri. Harish Dharnia,
Joint Commissioner of Central Tax,
Bangalore West Commissionerate,
Bengaluru.
. . . . Member (Central Tax)
2. Dr.RaviPrasad.M.P.
Joint Commissioner of
Commercial Taxes (Vigilance)
Bengaluru
. . . . Member (State Tax)

1.	Name and address of the applicant	M/s MANIPAL ACADEMY FOR HIGHER EDUCATION , UNIVERSITY BUILDING, MADHAV NAGAR, MANIPAL, UDUPI, KARNATAKA – 576 104.
2.	GSTIN or User ID	29AAETM8695B1Z4
3.	Date of filing of Form GST ARA-01	04-12-2017
4.	Represented by	Sri Prashanth Bhat & Mrs. Nidhi Lukose, Chartered Accountants & Authorised Representatives
5.	Jurisdictional Authority – Centre	The Commissioner of Central Tax, Mangalore Commissionerate, 7 th Floor, Trade Centre, Bunts Hostel Road, Mangalore -575003
6.	Jurisdictional Authority – State	LGSTO-280, UDUPI
7.	Whether the payment of fees discharged and if yes, the amount and CIN	Yes, discharged Rs.10,000-00 CGST : Rs.5,000/- and SGST: Rs.5,000-00 CIN: SBIN17112900289774 (CGST) CIN: SBIN17112900289857 (SGST) both dated 23-11-2017

ORDER UNDER SUB-SECTION (4) OF SECTION 98 OF CENTRAL GOODS AND SERVICE TAX ACT, 2017 AND UNDER SUB-SECTION (4) OF SECTION 98 OF KARNATAKA GOODS AND SERVICES TAX ACT, 2017

M/s Manipal Academy for Higher Education, University Building, Madhav Nagar, Manipal, Udupi, Karnataka – 576 104. (herein after referred to as 'MAHE' / 'Applicant) having GSTIN number 29AAETM8695B1Z4, have filed an application, on 04.12.2017, for advance ruling under Section 97 of CGST Act, 2017, KGST Act, 2017 & IGST Act, 2017 read with rule 104 of CGST Rules 2017 & KGST Rules 2017, in form GST ARA-01. They also enclosed copies of challans for Rs.10,000/- bearing CIN number SBIN17112900289774 for Rs.5,000/- towards CGST and CIN No. SBIN17112900289857 for Rs.5,000/- towards SGST both dated 23.11.2017.

2. The Applicant is engaged in provision of educational and health care services to general public. The Applicant enters into agreement with the candidates of post graduate courses to take up employment in the constituent units of MAHE and other affiliated hospitals specified by them and also to continue such employment for a period of 3 years. Further, the agreement provides that in any of the following scenarios, the candidate will be required to pay pre-specified compensation to MAHE, that is linked to the course fee.

- Discontinuance of course for any reason.
- Candidate getting debarred from continuing with the course on disciplinary grounds.
- Candidate does not join employment with MAHE / affiliated hospitals.
- Candidate discontinues employment prior to expiry of 3 years from appointment.
- Employment of the candidate gets terminated on disciplinary grounds prior to expiry of 3 years of employment.

3. In view of the above, the Applicant has sought for Advance Ruling on the following questions:

- i. Whether the amount recovered from post graduate course candidates as compensation on certain contingencies, is liable to GST in the hands of Manipal Academy of Higher Education?

- ii. Whether the amount recovered from employees as notice pay recovery for not serving agreed notice period is liable for GST?
- iii. Whether fees forfeited from students on discontinuing the course, before the term, is liable to GST?

PERSONAL HEARING: / PROCEEDINGS HELD ON 09.02.2018.

4. The Applicant submitted Specific authorization, issued by Sri. Varadaraya Pai, Director Finance, authorizing Sri. Prashanth Bhat, Mrs. Nidhi Lukose, Chartered Accountants to represent the applicant / appear, in connection with the proceedings, before the authorities in respect of the instant application for Advance Ruling under CGST / SGST Act'2017.

5. The authorized representatives Sri. Prashanth Bhat and Mrs. Nidhi Lukose, Chartered Accountants, attended the personal hearing proceedings, held on 09.01.2018 and presented their submissions. The Applicant, vide their letter MAHE/TAX/GST-8/17-18 dated 19.02.2018, informed that they intend to withdraw the Advance Ruling Application and requested to permit them to withdraw the application.

FINDINGS & DISCUSSION:

6. We have considered the submissions made by the Applicant in their application for advance ruling as well as the submissions made by Sri. Prashanth Bhat and Mrs. Nidhi Lukose, Chartered Accountants during the personal hearing. We also considered the issue/transaction(s) involved on which advance ruling is sought by the applicant, relevant facts of the transaction(s) involved, the applicant's understanding of rate of tax in respect of the transaction(s).

7. The Applicant requested to permit them to withdraw the application filed for advance ruling vide their letter dated 19.02.2018.

8. In view of the foregoing, we pass the following

R U L I N G

The application filed by the Applicant for advance ruling is dismissed as withdrawn.

(Harish Dharnia)
Member

(Dr.RaviPrasad.M.P.)
Member

Place : Bengaluru,
Date : 23.04.2018

To,

The Applicant

Copy to :

The Principal Chief Commissioner of Central Tax, Bangalore Zone,
Karnataka.

The Commissioner of Central Tax, Mangalore Commissionerate, 7th Floor,
Trade Centre, Bunts Hostel Road, Mangalore -575003

The Commissioner of Commercial Taxes, Karnataka, Bangalore

The Asst. Commissioner, LGSTO-280, UDUPI.

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