

Form GST ARA -01
[See Rule -----]
Application Form for Advance Ruling

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Application Form for Advance Ruling

| | | | | |
|-----|---|--------------------|--|--|
| 1. | GSTIN Number, if any/ User-id | | 19AAGCG0859E1ZK | |
| 2. | Legal Name of Applicant | | Global Reach Education Services Pvt. Ltd. | |
| 3. | Trade Name of Applicant (Optional) | | Global Reach Education Services Private Limited | |
| 4. | Status of the Applicant [registered / un- registered] | | Registered | |
| 5. | Registered Address / Address provided while obtaining user id | | Unit - 7W The Millennium 235/2A A.J.C. Bose Road Kolkata - 700020 West Bengal India | |
| 6. | Correspondence address, if different from above | | -Same as above- | |
| 7. | Mobile No. [with STD/ISD Code] | | +91-9836359350 | |
| 8. | Telephone No. [with STD/ISD code] | | | |
| 9. | Email | | adminassist@globalreachonline.com | |
| 10. | Jurisdictional Authority | | Kolkata South CGST & CX Commissionerate Ballygunge Division Room No – 333 Range – IV GST Bhawan 180, Shantipally, Rajdanga Main Road Kolkata – 700107 West Bengal, India | |
| 11. | i. Name of authorized representative | | Optional | |
| | ii. Mobile No. | 9836359350 | iii. Email Address | aminassist@globalreachonline.com |
| 12. | Nature of activity(s) (proposed/ present) in respect of which advance ruling sought | | | |
| | A. Category | | | |
| | Factory / Manufacturing | Wholesale Business | Retail Business | |
| | Warehouse/Deport | Bonded Warehouse | ✓ Service Provision | |
| | Office/Sale Office | Leasing Business | Service Recipient | |
| | EOU/ STP/ EHTP | SEZ | Input Service Distributor (ISD) | |
| | Works Contract | | | |
| | B. Description (in brief) | Exhibit II | | |
| 13. | Issue/s on which advance ruling required (Tick whichever is applicable) :- | | | |

| | | |
|-----|--|---|
| | (i)classification of goods and/or services or both | ¢ |
| | (ii) applicability of a notification issued under the provisions of the Act | ¢ |
| | (iii) determination of time and value of supply of goods or services or both | ¢ |
| | (iv) admissibility of input tax credit of tax paid or deemed to have been paid | ¢ |
| | (v) determination of the liability to pay tax on any goods or services or both | ✓ |
| | (vi) whether applicant is required to be registered under the Act | ¢ |
| | (vii) whether any particular thing done by the applicant with respect to any goods and/or services or both amounts to or results in a supply of goods and/or services or both, within the meaning of that term | ¢ |
| 14. | Question(s) on which advance ruling is required | Exhibit-I |
| 15. | Statement of relevant facts having a bearing on the question(s) raised. | Exhibit-II |
| 16. | Statement containing the applicant's interpretation of law and/or facts, as the case may be, in respect of the aforesaid question(s) (i.e. applicant's view point and submissions on issues on which the advance ruling is sought). | Exhibit-III |
| 17. | I hereby declare that the question raised in the application is not (tick) - | |
| | a. Already pending in any proceedings in the applicant's case under any of the provisions of the Act - NA b. Already decided in any proceedings in the applicant's case under any of the provisions of the Act - NA | |
| 18. | Payment details | Challan Identification Number (CIN) – 18011900135389 Date-17/01/2018 |

VERIFICATION

I, Sanatanu Bag, son of Mr. Swapan Kumar Bag do hereby solemnly declare that to the best of my knowledge and belief what is stated above and in the annexure(s), including the documents are correct. I am making this application in my capacity as Group Finance & Accounts Supervisor and that I am competent to make this application and verify it.

Place : Kolkata

Date : 22nd January,

Signature

For Global Reach Education Services Pvt. Ltd.



Santanu Bag

**Santanu Bag
Authorised Signatory**

(Group Finance & Accounts Supervisor)

Exhibit 1

Question(s) on which advance ruling is required

Clarification on exigibility of transaction(s) involved on which advance ruling is required

The Applicant hereby seeks determination in respect of the following questions:

Whether services provided by Global Reach Education Services Private Limited to Universities abroad shall be treated as export of services in accordance with definition of export as per section 2 sub-section 6 of Integrated Goods and Services Tax Act, 2017.

For Global Reach Education Services Pvt. Ltd.

Santanu Bag
Santanu Bag
Authorised Signatory

Exhibit II

Statement of relevant facts having a bearing on the question(s) raised.

Background of operations

Global Reach Education Services Pvt. Ltd. is a private company incorporated under The Companies Act, 2013 engaged in business of providing counselling services to prospective students in India willing to pursue higher studies abroad.

The Applicant is registered under The Goods and Services Tax Act, 2017 vide registration no. 19AAGCG0859E1ZK.

Global Reach Education Services Pvt. Ltd. (hereinafter referred to as "GRES" or "Applicant") is primarily engaged in overseas education advisory wherein in promote the courses of such universities in the India among the prospective students. For carrying out this activity, GRES ties up with various universities all over the world. These universities engage entities like GRES to perform promotional and marketing activities for promoting university courses.

GRES enters into service agreements with such universities in order to render services as mentioned below:

- a). Undertaking promotional and marketing activities for promoting university courses;
- b). Making students aware of other costs associated with staying and studying abroad ;
- c). Providing universities with market intelligence about the latest education trend in the territory;
- d). Ensure that relevant fees are paid by the students directly to the university;

GRES aims to enlighten the prospective students in India with the opportunities abroad and the courses offered by the universities, so as to assist universities in enrolling suitable prospective students from India with such universities and help them in undertaking courses of their choice in order to ensure that students in India find the right kind of education thereby helping students in India to attain professional growth.

GRES receives the consideration for the services provided to such universities from the respective universities, as set out in the agreement, and no fees is charged from the students.

For Global Reach Education Services Pvt. Ltd.

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Exhibit III

Statement containing the applicant's interpretation of law and/or facts, as the case may be, in respect of the aforesaid question(s) (i.e. applicant's view point and submissions on issues on which the advance ruling is sought).

LEGAL PROVISIONS

The following are the legal provisions as per Goods and Services Tax Act, 2017

"Export of Services" as per sub-section 5 of Section 2 of Integrated Goods and Services Tax Act, 2017 ('IGST Act'), means the supply of any services when-

- i. the supplier of service is located in India;
- ii. the recipient of service is located outside India;
- iii. the place of supply of service is outside India;
- iv. the payment for such service has been received by the supplier of service in convertible foreign exchange; and
- v. the supplier of service and the recipient of service are not merely establishments of a distinct person in accordance with Explanation 1 in section 8;

Definition of "intermediary" as per sub-section 13 of Section 2 of IGST Act:

"intermediary" means a broker, an agent or any other person, by whatever name called, who arranges or facilitates the supply of goods or services or both, or securities, between two or more persons, but does not include a person who supplies such goods or services or both or securities on his own account;

"Composite supply" as per Section 2(30) of Central Goods and Services Tax Act, 2017 ('CGST Act') 'means supply made by a taxable person to a recipient consisting of two or more taxable supplies of goods or services or both, or any combination thereof, which are naturally bundled and supplied in conjunction with each other in the ordinary course of business, one of which is a principal supply.'

Brief Submissions

GRES i.e. applicant is engaged in providing the main service i.e. "Business Auxiliary Service" to foreign universities and on its own account. As it is clearly evident from the definition of 'intermediary' under Rule 2(f) of Place of Provision of intermediary Services do not include a person who provides the main service on its own account. It can be observed that business auxiliary services are proposed to be provided by GRES to foreign universities on principal to principal basis. In case, GRES was providing service to students, it would have received "consideration" from such students as well. Fact is that no remuneration / consideration is received by the GRES from students. GRES only receives consideration from foreign universities.

Also, there is no role of GRES in the activity of rendering education by foreign universities to students. The universities select the students on its own criteria and once the selection is made, students directly remit the course fee to the university electronically. GRES has no role in the same.

Considering the above and legal provisions w.r.t. export of service, we submit as follows-

- a) The supplier of service i.e. GRES is located in India.
- b) The recipient of services i.e. the universities abroad are located outside India.

For Global Reach Education Services Pvt. Ltd.

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- c) The place of supply of service, as per sub-section 2 of Section 13 of the IGST Act, 2017, where the location of supplier or the location of recipient of service is outside India, is the location of the recipient of services i.e. location of the Universities abroad.
- d) The consideration for the services provided by GRES is received from the universities abroad in convertible foreign exchange, and
- e) The supplier of service i.e. GRES and the recipient of service i.e. Universities abroad are not merely establishments of a distinct person.

Since all the conditions for a service to qualify as export as per the IGST Act are fulfilled, we are of the view that service provided by GRES to Universities abroad are clearly in the nature of export.

Another contention here is that whether the services rendered by GRES qualify to be an 'intermediary' service and accordingly, place of supply shall be determined as per sub-section 8 of section 13 of IGST Act i.e. location of provider of services, which is in India.

We would like to submit as follows with respect to this contention.

The following is the definition of "intermediary" as per sub-section 13 of Section 2 of IGST Act:

"intermediary" means a broker, an agent or any other person, by whatever name called, who arranges or facilitates the supply of goods or services or both, or securities, between two or more persons, but does not include a person who supplies such goods or services or both or securities on his own account;

As it is clear from the definition stated above, an intermediary is an agent who facilitates a supply between two or more persons, and does not include a person who supplies such services on his own account.

In the instant case, GRES acts as an independent organization and is not acting as an agent for the universities abroad. It does not facilitate provision of services by such universities to students. Its role is limited to promote the courses of the universities in India and thus, earns consideration out of it. It has been clarified in the agreements between GRES and Universities abroad that the relationship between GRES and the university **is not one of principal and agent**.

This contention is also clear from the Fee clause of the agreement, wherein it has been stated that consideration shall be payable to GRES from the university and no fee shall be charged from the students for any sort of services provided in relation to such university.

We would also like to discuss in brief various clauses of the agreements between GRES and foreign universities below –

- a) Principal supplies under the contract:

| S. No. | Terms of the agreements | Nature of service |
|--------|---|--|
| 1 | Promote courses of the universities abroad with integrity and accuracy. | The activities are primarily in the nature of promotion of foreign universities' courses in India. Hence, the services are purely advisory in nature and qualify as export of service. |
| 2 | Find suitable prospective students in India and inform them accurately about requirements of the courses. | GRES maintains database of students willing to take up education abroad and promote |

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| | | the courses of universities among such students. Such activities are nothing but promotional in nature and hence, qualify as export of service |
| 3 | Advise students to provide to the universities an address other than GRES's address, as required by DIBP. | GRES while promoting the universities and their courses also provides the students with all the necessary information as is made available by the universities abroad. The said activities do not result in any facilitation of services by universities to students. Hence, such services shall qualify as export. |
| 4 | Provide university with regular market intelligence about recruitment of prospective Students | GRES also provides the universities with information on Indian market as required from time to time. Such services being directly rendered to foreign universities qualifies as export. |
| 5 | Provide information that may impact on university's commercial dealings in specific markets in India. | GRES is also responsible for providing the universities with information on any changes in market or any such comparative study pertaining to India. Such reports are prepared by GRES as per requirements of the universities. These services can be clearly concluded to be export of services. |
| 6 | To undertake promotional and marketing activities connected to the university that are expressly authorized by the university. | GRS also conducts marketing activities to promote such universities and their courses in India on behalf of such universities in accordance with the agreements. Since services are directly provided by GRES to universities abroad, such services qualify as export of services. |
| 7 | Fully comply with the ESOS Act and National Code of the country in which university is located. | GRES complies with the relevant laws stated in the agreement with the foreign universities as per the terms of agreement. |
| 8 | Must give to the prospective students before completion of application for admission, current information provided by the university. | GRES while promoting the universities and their courses also provides the students with all the information as is made |

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| | | available by the universities abroad. The said activities do not result in any facilitation of services by universities to students. Hence, such services shall qualify as export. |
| 9 | Must tell prospective students that school age-dependents who accompany the students abroad are required to pay full fees if they enroll in either government or non-government schools. | As is stated above, such services are also provided as per the agreement with such universities and do not result in any facilitation of services by universities to students. Hence, such services shall qualify as export. |
| 10 | Provide reports or information requested by university. | GRES provides all necessary information requested by universities abroad through the databases maintained and market reports. Such services are provided on its own account to such universities and shall qualify as export. |

b). Incidental supply to the above activities under the contract

| S. No. | Terms of agreement | Nature of service |
|--------|---|---|
| 11 | Assist students by providing necessary information about courses and completing forms or applications and submitting these to universities. | <p>The said activity is purely advising students on course applications while promoting the courses of the universities and is an incidental activity to such principal supply.</p> <p>Interactions with prospective students is to advise on their course applications. Primarily, GRES provides all necessary information to the students and the universities and students are only responsible for the completion of recruitment process. The same is not in the nature of facilitation of supply of services from universities to students. Additionally, the same appears to be an incidental activity to the main service of promotion of courses in India. Hence, the activity qualify as a 'Composite supply'. Since, the main service is export, the said</p> |

| | | |
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| | | activity will also qualify as export of service. |
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b) Service mentioned under the contract. However, not rendered by GRES at all

| S. No. | Terms of agreement | Nature of service |
|--------|---|--|
| 12 | Recruit and assist in recruitment of suitable students. | GRES does not recruit students. Students are selected by the Universities itself basis the applications made by the students. GRES has no role in such activity and it does not perform this activity. |
| 13 | Collect and forward within ten days of receipt, all fees and charges to the university by prospective students and ensure that all fees and charges are made payable to the university. | The said activity is not performed by the Company any more as the payments are directly made electronically by the students on their own without any role of the Company. |
| 14 | Ensure that fees and charges are accompanied by relevant application and acceptance of offer documents. | The said activity is not performed by the Company any more as the payments are directly made by the students on their own without any role of the Company. These communications are made by the universities directly to the students as part of the admission offer letter. |
| 15 | Advise the students that the fees shall be refunded to the students in case the VISA application of the student is refused. | There is no role played by the Company to perform such activities as the communications are made directly by the Universities to the students as part of their admission offer letter. |
| 16 | Make available any offer document received from the University to the prospective students. | |

Hence, the services rendered by GRES to foreign universities qualify as export of services. The incidental activities rendered are naturally bundled with the main service of promotion of universities and their courses in India and hence, the service is 'composite supply' in nature.

Additionally, in case GST is levied on such services, the same will become a cost to the foreign universities and the burden of which will ultimately be passed on to the Indian students. Consequently, it will result in increase in the education course fees. It is pertinent to note that these students take loans for the course fees and such loans are provided at subsidized rates to promote education and growth of such students. Evidently, applicability of GST on professional fees charged by GRES members to foreign universities for providing counseling to prospective students and providing placement/recruitment services nullifies the very objective of subsidizing and making affordable the loans taken by students to pay for foreign university education. It is thus imperative that, access to such education should not be made more expensive by subjecting it to indirect taxes.

Levy of GST on university admission related services which are critical for education, in effect results in taxing education itself and is completely counter-productive and defeats the very objective of Government's education policy. The education policy by no means intends to make good quality higher education subject to tax and hence burden the Indian students, who in any case invariably seek loans to study overseas.

Conclusion

- As per Section 2 sub-section 5 of IGST Act, the services qualify as export as all the conditions for a service to qualify as export are present and in no stretch of imagination it can be concluded that such services do not qualify as export.
- GRES shall not be considered as an intermediary as the definition of intermediary do not include the provision of main supply. In the instant case, GRES is the provider of main service and render its service on its own account such universities in accordance as per the terms of agreements, as has been stated in our submissions above.
- Since GRES shall not be considered as an intermediary, the place of supply as per section 13 sub-section 1 shall be considered as location of the recipient of service i.e. the location of universities abroad which is outside India.
- In view of the above, a position can be taken that goods and service tax shall not be payable on services provided by GRES to universities abroad.

Further to above submissions, we most respectfully pray that:

- Allow us to reiterate all the submissions without prejudice to one another;
- Grant a personal hearing put forth our contentions and explain our submissions before passing any order in this regard;
- Allow us to amend, alter and add to the present reply;
- Allow us to produce additional documents and other material during the time of Personal Hearing; and
- In that behalf pass such other orders and directions as may be deemed proper and necessary.

For Global Reach Education Services Pvt. Ltd.


Santanu Bag
Authorised Signatory

| GOODS AND SERVICES TAX PAYMENT RECEIPT | | | | | | | |
|--|------------|---|----------|-------------------------|------|---------------|-------|
| CPIN: 18011900135389 | | Deposit Date : 17/01/2018 | | Deposit Time : 19:20:08 | | e-Scroll : NA | |
| Payment Particulars | | | | | | | |
| CIN: ICIC18011900135389 | | Name of Bank: ICICI BANK LIMITED | | BRN: 14693928 | | | |
| Details of Taxpayer | | | | | | | |
| GSTIN: 19AAGCG0859E1ZK | | E-mail Id: ADMINASSIST@GLOBALREACHONLINE. COM | | Mobile No.: 9836359350 | | | |
| Name: GLOBAL REACH EDUCATION SERVICES PRIVATE LIMITED | | Address : UNIT-7W,THE MILLENNIUM, 235/2, AJC BOSE ROAD,KOLKATA,West Bengal,Kolkata,700020 | | | | | |
| Details of Deposit (All Amount in Rs.) | | | | | | | |
| Government | Major Head | Minor Head | | | | | |
| | | Tax | Interest | Penalty | Fee | Others | Total |
| Government of India | CGST(0005) | 0 | 0 | 0 | 5000 | 0 | 5000 |
| | IGST(0008) | 0 | 0 | 0 | 0 | 0 | 0 |
| | CESS(0009) | 0 | 0 | 0 | 0 | 0 | 0 |
| | Sub-Total | 0 | 0 | 0 | 5000 | 0 | 5000 |
| West Bengal | SGST(0006) | 0 | 0 | 0 | 5000 | 0 | 5000 |
| Total Amount | | 10000 | | | | | |
| Total Amount (in words) | | Rupees Ten Thousand Only | | | | | |
| Mode of Payment: Internet Banking - ICICI BANK LIMITED | | | | | | | |
| Notes: 1. Status of the transaction can be tracked under 'Track Payment Status' at GST website 2. Payment status will be set as 'Paid' for this transaction. 3. This is a system generated receipt. | | | | | | | |

For Global Reach Education Services Pvt. Ltd.

Santanu Bag

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Global Reach Education Services Private Limited

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Date: 26/06/2017

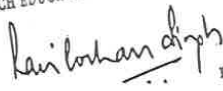
BOARD RESOLUTION

This is to confirm that it has been decided in our board meeting dated 26th June'2017 of GLOBAL REACH EDUCATION SERVICES PRIVATE LIMITED, that

From today onwards, Mr. Santanu Bag, who is currently working with us as "Group Finance & Accounts Supervisor" is authorised to represent Global Reach Education Services Private Limited for all its legal matters (Civil & Criminal).

The board of directors have passed it as approved in the board meeting today.

Signature

GLOBAL REACH EDUCATION SERVICES PRIVATE LIMITED

DIRECTOR


Ravi Lochan Singh
DIN: 07167655
Director 1
Date: 26/06/2017

Signature

GLOBAL REACH EDUCATION SERVICES PRIVATE LIMITED

DIRECTOR

Sitasaran Singh
DIN: 07169459
Director 2
Date: 26/06/2017

For Global Reach Education Services Pvt. Ltd.

Santanu Bag
Authorised Signatory

Registered Office: 7W, The Millennium, 235/2A AJC Bose Road, Kolkata, West Bengal 700020, India
CIN: U80901WB2015PTC207437

