



JUDGEMENT

AAR Rules Education Recruitment Services as Intermediary Due to Enrolment-Based Commission

Issued By:	Kerala Authority for Advance Ruling (AAR)
In Case Of:	Maryland Study Abroad Pvt. Ltd.

FACTS & OBSERVATIONS

- The applicant, an India-based education consultancy, was engaged by multiple overseas universities to **promote academic programs, counsel prospective students, and support them through the admission process.**
- Its **remuneration model was commission-based**, with the consultancy earning a fee only when a student successfully enrolled with the foreign university; **consideration was received in convertible foreign exchange.**
- To confirm the tax position, the **applicant sought an advance ruling on whether these activities constituted export of services**, given that the contractual recipient was situated outside India.
- It submitted that the services were performed on its own account, involved independent marketing and advisory functions, and therefore **should not be treated as intermediary services under the IGST Act.**

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- The AAR examined the linkage between the applicant's remuneration and student enrolments and noted that the **payment structure indicated facilitation of admissions rather than standalone advisory or marketing work.**
- The authority observed that the applicant's role - counselling students, coordinating documentation, and assisting in the admission process - **effectively enabled the supply of education services by the foreign universities to Indian students.**
- On evaluating the conduct of the arrangement, the AAR held that the **applicant was not supplying services on its own account but was arranging and assisting the main supply**, fitting the definition of "intermediary" under Sec 2(13) of the IGST Act.
- Applying Sec 13(8)(b), the AAR concluded that the **place of supply was the location of the supplier in India, and therefore the services did not qualify as export of services and attracted GST.**

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