

ODISHA AUTHORITY FOR ADVANCE RULING

GOODS AND SERVICE TAX (GST)

RAJASWAVIHAR, BHUBANESWAR-751007 (ODISHA)

PROCEEDINGS OF THE AUTHORITY FOR ADVANCE RULING

U/S.98 OF THE GOODS AND SERVICE TAX ACT, 2017

Members Present:

1. **Sri Harsh Vardhan, IRS, Additional Commissioner, Office of the Chief Commissioner, GST, Central Excise & Customs, Bhubaneswar.**
2. **Ms. Pratima Mohanty, OFS (SAG), Additional Commissioner, CT & GST Office of the Commissioner of CT &GST Odisha, Banijyakar Bhawan, Cantonment Road, Cuttack-753001- Odisha.**

Name and Address of the Applicant	M/s. UNITECH ENGINEERS (Prop: Mr. Naresh Arya). Unitech House, Udit Nagar, Rourkela, 769012.
GSTIN or User ID	21ABOPA8813E1Z2
Date of Filing of Form GST ARA-01/ Date of submission of required documents	30.01.2026
Present for the Applicant in the Personal hearing.	Shri Kartik Kurmy, Advocate, AR Shri Naresh Arya (Prop: M/s. Unitech Engineer)
Date of final Personal Hearing	22.04.2026



ORDER NO.01/ODISHA-AAR/2026-27, **Date: 29.04.2026**

Subject: M/s Unitech Engineer, (Prop: Mr. Naresh Arya) (herein after referred to as the 'Applicant') having principal place of business at Unitech House, Udit Nagar, Rourkela, 769012. bearing GSTIN: 21ABOPA8813E1Z2 has filed an application for Advance Ruling under Section 97 of the CGST Act, 2017 read with Rule 104 of the CGST Rules, 2017 and Section 97 of the OGST Act, 2017 read with Rule 104 of OGST Rules, 2017, in FORM GST ARA-01 discharging the fee of Rs. 5,000/- each under the CGST Act and the OGST Act.

1.0 The Applicant is proprietorship firm and has sought advance ruling in respect of the following question:

Q.1. Whether or not, on the facts and in the circumstances of the case, the supplies of Coursera User License made by the Petitioner to OSDA is classifiable under Heading 9992 (Education Service) ?

Q.2 Whether or not, on the facts and in the circumstances of the case, the Exemption under SLNo.72 of Notification No.12/2017-Central Tax (Rate) Dated 28-06-2017, as amended, is available to the Petitioner for supplies made by the Petitioner to OSDA ?

Q.3 Whether, on the facts and in the circumstances of the case, the supplies made by the Petitioner is more appropriately classifiable under Heading 9973 (Leasing or Rental Services) ?

Q.4 Alternatively, whether, on the facts and in the circumstances of the case, the supplies of User License to access online content of Coursera, proprietary digital platform made by the Petitioner is classifiable under Heading 9984 (Online Content Services) ?

1.1 At the outset, we would like to make it clear that the provisions of both the CGST Act and the OGST Act are the same except for certain provisions. Therefore, unless a mention is specifically made to such dissimilar provisions, a reference to the CGST Act would also mean a reference to the same provision under the OGST Act. The present application has

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been filed under Section 97(1) of the CGST Act, 2017 and OGST Act, 2017 seeking advance ruling on taxability of transactions undertaken by the applicant. The questions raised relate to determination of liability to pay tax on the arrangement and fall within the scope of Section 97(2) (e) of the CGST Act, 2017. The application is, therefore, admitted under Section 98 of the CGST Act, 2017.

2.0 The applicant furnishes some facts relevant to the stated activity :

2.1 The applicant, M/s Unitech Engineer, (Prop: Mr. Naresh Arya) (hereinafter referred to as the "Applicant"), is a proprietorship concern having its office and place of business at Unitech House, Uditnagar, Rourkela - 769012, District - Sundargarh, in the State of Odisha. The Applicant is registered under the Goods and Services Tax Law bearing GSTIN No.21ABOPA8813E1Z2, and is administratively assigned to Central GST Authorities.

2.2 The applicant is appointed as a Sub-Contractor by M/s Coursera Inc., USA, for the supply of Coursera User Licenses to the Odisha Skill Development Authority (OSDA), Government of Odisha.

2.3 That, the OSDA is an autonomous body formed under the Societies Registration Act, 1860, and operating under the Government of Odisha, Department of Skill Development & Technical Education. OSDA acts as an unified agency of the Government of Odisha to coordinate, implement and oversee all skill development programs aiming to create a global brand of "Skilled in Odisha" by empowering youth with market led skill development programs for better employment.

2.4 That, M/s Coursera Inc., is a Company incorporated in the United State of America (USA), and offers its educational content through their proprietary digital platform. M/s Coursera Inc., USA, is offering its educational content through its digital platform, and has global presence. M/s Coursera Inc., is one

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of the world's largest online education organization having 200+ university partners and 100+ industry partners. M/s Coursera Inc., USA, is offering courses and specialization from World's Top Universities and Instructors.

2.5 That, OSDA and M/s Coursera Inc., entered into a Memorandum of Understanding (MOU) dated 24-12-2023, where-under Coursera will supply User License to OSDA to enable Technical students to access digital content i.e. courses on digital skill and other skill available in the proprietary platform of Coursera.

2.6 That, under the Memorandum of Understanding dated 24- 12-2023, entered into between OSDA and M/s Coursera Inc., USA, the Petitioner, as a Sub-Contractor of M/s Coursera Inc., shall distribute/supply Coursera User Licenses to OSDA and undertake implementation of User License. The User License will enable technical students to access digital skills courses as well as other skill-based programs under the Nutana Unnata Abhilasha ("NUA") Odisha Scheme of the Government of Odisha.

2.7 The salient features of the MOU dated 24-12-2023 entered into between OSDA and Coursera Inc., are as under:-

(i) The MOU is entered into for supply of Coursera User Licenses (minimum 5000 user licenses) for a period of one year. The Coursera will provide super Admin rights to OSDA to access educational content in Coursera proprietary digital platform;

(ii) The said User Licenses supplied to OSDA by Coursera shall enable technical students across colleges and universities to access courses on digital and other skill-based programmes, thereby providing them an opportunity to learn from the world's best courses in emerging technologies such as Artificial Intelligence, Machine Learning, Industrial [OT, Data Analytics, Engineering, Digital

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Manufacturing, Robotics, 3D Printing, GIS, Cyber Security, AR/VR, Data Warehouse Development, Cloud Development, and i0S/Android Application Development, etc.;

(iii) The courses offered by Coursera on its platform, will be made the courses identified under the RFP No.OSDA/2023/OSDA-TRG-MISC-0002- 2023/03/DE, Dated 27-10-2023 to impart Digital Skill under Nutana Unnata Abhilasha (NUA) Odisha, Government of Odisha;

(iv) The said courses on the Coursera Digital Platform may be made a part of the academic programs or which may be added to such academic programs offered by the Universities in Odisha. This will enable the OSDA and SDTE to offer courses identified in the Coursera Digital Platform to the students for acquiring additional employable skills in emerging technologies;

(v) The Coursera platform will provide students with Co-branded certificate of Coursera and its partner organization. The platform has provisions to award Digital Skill badges to the learners;

(vi) The OSDA will procure Coursera License and services through the Petitioner (Unitech Engineers) as Distributor and Sub-Contractor of Coursera;

(vii) The OSDA will issue work order on the Petitioner (Unitech Engineers);

(viii) The Coursera will supply the User License to OSDA through the Petitioner;
(ix) The Petitioner will launch the licenses as per guidance of the Coursera;

(x) The Petitioner (Unitech Engineers) will raise invoices in INR on OSDA for realization of payments for supply of Coursera User License;

(xi) The payment will be made to the Petitioner with taxes within 60 days of invoice;

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(xii) OSDA will be responsible for the payment of all taxes including GST levied validly;

(xiii) The OSDA shall not copy, sub-license, rent, lease, resell or commercialize, transfer, transmits etc. the Coursera Platform;

(xiv) The word "User Services", "Content Services", "Courses" or "Specialisation" and "User License" are defined in the MOU as follows-

"User Services" means

- Customer Landing Page featuring the OSDA and selected courses

- User engagement report

- Enterprise-Level User Support

"Content Services" means access to Coursera's Course and/or specialization certificate services, including access to course assessment and grades, for certain massive online open content offerings to be mutually agreed upon in writing by Coursera and OSDA

"Courses" or "specialization" means courses and specialization from the world's top universities and instructors, for consumption via the proprietary platform developed by Coursera ("Platform")

"User License" means the right for a single use to access the content services for unlimited number of Enrollments

"Enrollment" means registration to participate in a single course and such Enrollment shall be deemed used once a User registers for a course. If a course or specialization becomes unavailable prior to the end of the Terms due to Coursera

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and its agreement with its content partner, Coursera may replace such course or specialization. The courses and specialization offered in the Coursera for campus catalog are determined by such factors as availability, pricing, and/or other restriction. As of the date hereof, Stanford and University of Pennsylvania are not available to OSDA through Coursera for campus.

That, Coursera Inc., USA and the Petitioner (Unitech Engineers) entered into an Agreement dated 26-12-2023 (with Managed Service Provider (MSP) Addendum thereto) whereunder the Petitioner is appointed as Managed Service Provider (MSP) and a Sub-Contractor (also termed as "Partner", "Intermediary", "Channel Partner").

2.8 That, the salient feature of the said Agreement dated 26-12-2023 between Coursera and the Petitioner are as follows-

(i) Coursera will provide User Licenses to OSDA through Petitioner (MSP)/(Clause 7);

(ii) Petitioner (MSP) will launch User Licenses under guidance of Coursera (Clause 7);

(iii) From the license start date, the Coursera will grant OSDA and its users a non-exclusive, nontransferable, revocable right to access and use the User Services and content services;

(iv) The Petitioner (MSP) will only distribute Coursera products;

(v) Coursera will invoice the Petitioner (MSP) in USD;

(vi) The Petitioner (MSP) shall be solely responsible for invoicing End Customer (OSDA) and for obtaining payment;

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(vii) Petitioner (MSP) will be responsible for payment of all taxes including Goods and Services Tax;

(viii) The pricing between Coursera and Petitioner (MSP) is fixed as per which the Petitioner (MSP) shall add a markup (profit margin) on the Annual Unit Price of Coursera products which shall be the selling price by Petitioner (MSP) of Coursera's product to OSDA;

(ix) The Petitioner (MSP) shall lead the sale with OSDA and Coursera render support as needed;

(x) Coursera will enter into Agreement with OSDA directly where Petitioner (MSP) will act as subcontractor

2.9 That, the intention of the parties (Coursera and the Petitioner) under the Agreement dated 26-12-2023 is that the Petitioner would act as distributor of Coursera products where Coursera will raise its invoice on the Petitioner and the Petitioner will raise invoice on OSDA after adding a markup (profit margin) on the price charged by Coursera to the Petitioner. The contract between Coursera and the Petitioner is on principal to principal basis going by the intentions of the parties to the contract irrespective of the terminologies used ie. "sub-contractor", "partner", "intermediary", "channel partner". The Petitioner is not an "intermediary" within the meaning of Section 2(13) of the IGST Act, 2017, but a distributor/reseller of Coursera's product, and supplies the User License on its own account after purchasing from Coursera where the Coursera supplies the User License to the Petitioner, Coursera raises its invoice/bill on the Petitioner and the Petitioner pays the Coursera's Bill irrespective of whether it is realized from OSDA or not. The Petitioner upon supply of Coursera products to OSDA issues its own tax invoice on OSDA and the Petitioner receives payment from OSDA directly. The Petitioner acts as a principal of its own right, and the relationship between the parties and the transactions in the instant case in substance are on principal to principal basis and the Petitioner is not an "intermediary" of Coursera.

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2.10 That, in accordance with the said MOU dated 24-12-2023, the OSDA issued Work Orders vide 4765 dated 29.12.2023 & 4233 dated 13.08.2024 for supply of Coursera User License with 18% GST. Further, the Petitioner raised Tax Invoice No.UE/RK/25-26/093 Dated 14-04-2025 on OSDA as agreed upon classifying the said supply under description of service "Other Education and Training Services, nowhere else -classified" (SAC 999294, charging GST@18% (CGST 9% + SGST 9%). Thereafter, the Petitioner issued another Tax Invoice No.UE/RK/25-26/559 dated 21-07-2025 for supply of 10,000 Coursera User License to OSDA, classifying the same under description of service "Licensing Services for the right to use computer software and databases" under SAC 997331 charging GST @ 18% (CGST 9% + SGST 9%). During the period 01-05-2024 to 10-09-2025, the Petitioner raised total 17 Tax Invoices for supply of Coursera User License charging GST @18% including Tax Invoice No.UE/RK/25-26/093 Dated 14-04-2025 and Tax Invoice No.UE/RK/25-26/559 Dated 21-07-2025 as above, OSDA has reimbursed GST @18% against first 3 Tax Invoices and then stopped reimbursing GST which is only of the reason for present advance ruling being sought.

2.11 The Directorate of Skill Development-cum Employment, Odisha Skill Development Authority (OSDA), initially reimbursed the GST @18% against 3 Tax Invoices but later stopped reimbursing the GST charged on Petitioner's Bill considering that the NUA Odisha Scheme is 100% funded by the Government of Odisha and the supply of User License is exempt from GST under Serial No. 72 (Heading 9992) of GST Exemption Notification No. 12/2017-Central Tax (Rate) dated 28-06-2017,

3.0 <u>Submission of jurisdictional tax authority on Advance Ruling Application:</u>

The Jurisdictional Tax Authority vide letter dated 03.12.2025 has made following submissions:

On Admissibility 1. The issue for determination pertains to the classification of the service supplied by the Petitioner and whether such supply qualifies for exemption under Sl. No. 72 of Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017.

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2. No proceeding on the same issue is pending or have been decided in the case of the applicant under the provisions of the GST Acts. In terms of Section 98 (2) of the CGST Act, an application for advance ruling shall not be admitted only where question raised is already pending or has been decided in any proceeding under the Act. Since no such proceeding exist in the present matter, the bar under Section 98 (2) is not attracted. Accordingly, the application appears admissible for consideration.

B. On Merits: Reply to Question raised by the Applicant; Q.1. Whether or not, on the facts and in the circumstances of the case the supplies of Coursera User License made by the petitioner to OSDA (Odisha Skill Development Authority) is classifiable under Heading 9992 (Education Service)

1.1 Submission:- The supply is NOT classifiable under Heading 9992 (Education Services).

The Jurisdictional Authority concurs with the Applicant's own submission that the supply of Coursera User License is not classifiable under Heading 9992 (Education Services). This conclusion is supported by the following factual and legal considerations:

1.2 The core obligation of the Applicant is limited to the supply of a 'User License' that grants OSDA access to the digital content hosted on Coursera's proprietary platform. The Applicant does not impart, provide, or deliver any education, training, coaching, or instruction to the students or to OSDA. The supply is of a right of access - not of a teaching or training service.

1.3 Under the MOU dated 24.12.2023, Coursera provides rights to OSDA to access its platform. The platform hosts courses and specializations from worldclass universities and instructors. However, neither the Applicant nor Coursera is obligated under the MOU to deliver any Education and Training to the technical students. The courses are made available; the act of teaching is performed by third-party universities and instructors on Coursera's platform, not by the Applicant.

1.4 The CBIC Explanatory Notes to the Scheme of Classification of Services (dated 01-10-2019) describe SAC 999293 (Commercial Training and Coaching Services) as training or coaching 'provided by any institute or establishment' for imparting skill, and SAC

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999294 as including computer training services and education services not definable by level. In both cases, the active provision of training/instruction is the core element. The Applicant provides no such active service.

1.5 The specific description principle under the Explanatory Notes mandates that where a service is capable of differential treatment, the most specific description shall be preferred over a more general one. The supply of a 'User License' to access digital content is a far more specific description than the general umbrella of 'Education Services' under Heading 9992.

1.6 OSDA's position (vide letter dated 02-05-2025 bearing No. OSDA-EX15/2024/2129/DE) that the supply is exempt under Sl. No. 72 of Notification No. 12/2017-CT (Rate) under Heading 9992 is therefore not legally sustainable on this ground alone, since the supply itself is not classifiable under Heading 9992 in the first place.

Reply to Q.1: The supply of Coursera User License by the Applicant to OSDA does NOT constitute 'Education Services' under Heading 9992. Neither the Applicant nor Coursera provides education or training to students. The supply is of a User License (right of access). Classification under Heading 9992 is not appropriate.

Q.2. Whether or not, on the facts and in the circumstarces of the case, the Exemption under Sl.No.72 of Notification No. 12/2017-Central Tax (Rate) Dated 28-06-2017, as amended, is available to the Petitioner for supplies made by the Petitioner to OSDA.

Submission:- Exemption under Sl. No. 72 of Notification No. 12/2017-CT (Rate) is NOT available.

For the exemption under Sl. No. 72 to apply, ALL of the following conditions must be cumulatively satisfied: The supply must be classifiable under Heading 9992 (Education Services);

AND The services must be provided directly to the Central Government or a State Government or Union Territory Administration (not to their agencies, authorities, or autonomous bodies);

AND The supply must be under a 'training programme';

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AND

75% the Central/State or more of the Government/UT total expenditure of that training programme must be borne by Administration.

2.3 Ground 1 – Classification under Heading 9992 is absent: As submitted in Reply to Question No. I above, the supply of User License is not classifiable under Heading 9992. Since classification under Heading 9992 is itself the pre-condition for this exemption, the exemption is not available on this ground alone.

2.4 Ground 2 – OSDA is not the 'State Government: The exemption under S1. No. 72 applies to services provided directly to the Central Government, State Government, or Union Territory Administration. OSDA is an autonomous body registered under the Societies Registration Act, 1860. It is not the State Government of Odisha. It cannot be equated with the State Government for the purpose of an exemption notification, which must be construed strictly.

2.5 Ground 3 – OSDA does not qualify as 'Government for this exemption: Explanations 4(ix) and 4(x) of Notification No. 11/2017-CT (Rate) define 'Governmental Authority' and 'Government Entity' respectively. Critically, the exemption under Sl. No. 72 of Notification No. 12/2017-CT (Rate) does not extend its benefit to supplies made to 'Government Entities' or 'Governmental Authorities' - it is strictly limited to supplies made to the Central Government / State Government / UT Administration. The exemption has not expanded to Government Entities/Authorities. OSDA, being a society under the Societies Registration Act, falls outside even the limited category of 'State Government' specified in Sl. No. 72.

2.6 Ground 4 - No 'Training Programme' in the strict sense: The NUA Odisha Scheme involves making Coursera User Licenses available to technical students. The supply by the Applicant is of a User License, not the conduct of a training programme per se. The Act of training is performed by third parties (universities and instructors) on Coursera's platform. The exemption contemplates services rendered 'under' a training programme, implying active participation in delivering the training.

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2.7 The Jurisdictional Authority therefore agrees with the Applicant's own position that the exemption under Sl. No. 72 is not available, and respectfully differs from the stand taken by OSDA in its letter dated 02-05-2025.

Reply to Q.2: The exemption under Sl. No. 72 of Notification No. 12/2017-CT (Rate) is NOT available to the Applicant because: (a) The supply is not classifiable under Heading 9992;

(b) OSDA is not the 'State Government' - it is an autonomous society and cannot be equated with the State Government;

(c) The supply is of a User License, not an active training/education service; (d) Exemption notifications must be construed strictly and cannot be extended beyond their literal scope.

Q.3 Whether, on the facts and in the circumstances of the case the supplies made by the Petitioner is more appropriately classiflable under Heading 9973 (Leasing or Rental Services).

Submission:- The supply may be classifiable under Heading 9973, specifically under SAC 997339.

3.1 The Jurisdictional Authority broadly agrees with the Applicant's alternative submission that the supply of Coursera User License is more appropriately classifiable under Heading 9973 (Leasing or Rental Services), specifically under SAC 997339 – 'Licensing services for the right to use other intellectual property products and other resources, nowhere else classified'. The following analysis supports this:

3.2 Nature of the Supply: The supply in question is of a 'User License' defined in the MOU as 'the right for a single use to access the content services for unlimited number of enrollments'. This is a grant of a non-exclusive, non-transferable, revocable right to access the digital content of Coursera's proprietary platform. The essential character of the transaction is the licensing of a right of access - which falls squarely within Heading 9973 (Leasing or rental services with or without operator, including licensing services for intellectual property and similar products).

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3.3 The Scheme of Classification under Notification No. 11/2017-CT (Rate) provides under Heading 9973: Group 99733 - Licensing services for the right to use intellectual property and similar products 997331 – Licensing services for the right to use computer software and databases 997339 - Licensing services for the right to use other intellectual property products and other resources, nowhere else classified

3.4 The CBIC Explanatory Notes for Group 99733 clarify: "This group includes permitting, granting or otherwise authorizing the use of intellectual property products and similar products...Note: This covers rights to exploit those products, such as licensing to third parties; reproducing and publishing software, books, etc.' This description aptly covers the grant of a User License to access Coursera's platform, which is an intellectual property-based digital platform.

3.5 The question arises whether SAC 997331 (Licensing services for computer software and databases) or SAC 997339 (Licensing for other intellectual property) is more appropriate. The Coursera platform is not 'computer software' in the conventional sense - it is a proprietary digital educational content platform hosting courses from universities and instructors. The User License grants access to curated course content (not to the software itself for reproduction, distribution, or integration). Accordingly, SAC 997339 ('Licensing services for the right to use other intellectual property products and other resources, nowhere else classified') is the more appropriate classification.

3.6 Transaction Structure: The transaction is on a principal-to-principal basis. Coursera invoices the Applicant; the Applicant raises its own tax invoice on OSDA in INR with a markup. The Applicant pays Coursera irrespective of OSDA's payment. This is a classic distributor/reseller arrangement where the Applicant acquires and resells a User License on its own account - classifiable as a licensing service under Heading 9973.

3.7 Rate of Tax: The applicable GST rate under SAC 997339 is 18% (9% CGST + 9% SGST), which is the rate the Applicant has been charging on its Tax Invoices. This is consistent with the correct classification. is

3.8 It is noted that the Applicant in Tax Invoice No. UE/RK/25-26/559 dated 21- 07-2025 classified the supply under SAC 997331 ('Licensing Services for the right to use

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computer software and databases') also at 18% GST. While the rate identical, the Jurisdictional Authority is of the view that SAC 997339 is a better fit given the nature of Coursera's platform (educational content hosting platform as opposed to computer software proper). Both, however, attract the same rate of 18% GST.

Reply to Q.3: YES, the supply of Coursera User License by the Applicant is more appropriately classifiable under Heading 9973, specifically under SAC 997339 - 'Licensing Services for the right to use other intellectual property products and other resources, nowhere else classified' - attracting GST @ 18% (CGST 9% + SGST 9%). The Applicant correctly charged GST @18% on all its Tax Invoices.

Q.4. Alternatively, whether, on the facts and in the circumstances of the case, the supplies of User License to access online content of Coursera proprietary digital platform made by the Petitioner is classifiable Heading 9984 (Online under Content Services).

Submission:- Classification under Heading 9984 is possible but less specific than Heading 9973.

4.1. Heading 9984 covers 'Telecommunications, Broadcasting and Information Supply Services', and Group 99843 thereunder deals with 'On-line Content Services' including SAC 998439 ('Other on-line contents, nowhere else classified'). The Explanatory Notes describe SAC 998439 as including 'software that is intended to be executed on-line, except game software' and content delivered by subscription, membership fee, pay-per-play or pay-per-view.

4.2 However, the Jurisdictional Authority is of the considered view that Heading 9973 (SAC 997339) is a more specific and appropriate classification for the following reason: The predominant element of the transaction is the 'grant of a User License' - a right to access Coursera's intellectual property-based platform. The specific classification of a licensing service (Heading 9973) is more precise than the residual 'online content' classification (SAC 998439 under Heading 9984). As per the Explanatory Notes: 'where a service is capable of differential treatment, the most specific description shall be preferred over a more general description.'

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4.3. The alternative classification under heading 9984/SAC 998439 would, however, result in the same GST rate of 18% (CGST 9% + SGST 9%). Therefore, from a tax liability perspective, the outcome is identical under both classifications.

Reply to Q.4: The supply could alternatively be classified under Heading 9984 (SAC 998439 – Other Online Content Services). However, Heading 9973 (SAC 997339) is the more specific and preferred classification. Both classifications attract GST @ 18% with no exemption available. The alternate classification under Heading 9984 does not change the tax liability.

4.0 Personal Hearing:

During personal Hearing, Sri Kartik Kurmy, Advocate, Authorized Representative of the applicant & Sri Naresh Arya, (proprietor M/s. Unitech Engineer) appeared before the Advance Ruling Authority on 22.04.2026 wherein they have reiterated the facts made in their written submission.

5.0 Discussion& findings:

5.1 We have gone through the advance ruling application, question on which advance ruling has been sought and the Applicant's interpretation of law and/or facts, as the case may be, in respect of the question asked. We observe that, the issue before us is squarely covered under Section 97(2) of the CGST Act, 2017 and therefore we admit the application for consideration.

5.2 On going through advance ruling application, it is observed that, the applicant primarily acting as sub-contractor of M/s. Coursera (based on the contract made between M/s. Coursera & OSDA) and rendering supply of user license to Odisha Skill Development Authority, to access digital content in proprietary digital platform of M/s. Coursera Inc., USA.

5.3 The OSDA and M/s. Coursera Inc., USA have entered into a Memorandum of Understanding dated 24.12.2023 where under the M/s. Coursera shall provide user

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license to OSDA for enabling technical student to digital content i.e. courses on digital skills and other skills available in the proprietary platform on Coursera Inc., USA. The applicant in the subject case has been appointed by M/s. Coursera Inc., USA for providing the aforementioned digital content to OSDA.

5.4 The user license supplied by Coursera to OSDA through applicant shall enable technical students across colleges and universities to access courses on digital and other skill-based programmes, thereby providing them an opportunity to learn from the world's best courses in emerging technologies such as Artificial Intelligence, Machine Learning, Industrial [OT, Data Analytics, Engineering, Digital Manufacturing, Robotics, 3D Printing, GIS, Cyber Security, AR/VR, Data Warehouse Development, Cloud Development, and i0S/Android Application Development, etc.

5.5 The OSDA will procure user license from Coursera through the applicant and as such the applicant acts as a distributor or sub-contractor for M/s. Coursera Inc., USA. The work order shall be issued by OSDA to the applicant and the applicant shall raise invoices to OSDA in INR for realization of payment for supply of Coursera user license.

5.6 The applicant has raised invoices to OSDA classifying the service as "other educational and training services, nowhere else classified" (SAC 999294) in some invoices and classifying "licensing service for right to use computer software and data bases" under SAC code 997331 charging GST 18% (CGST @9% & SGST @9%) in both the cases. However, the recipient of the supply (OSDA), upon denying to reimburse GST part against the bills raised by the applicant, the present advance ruling has been sought.

5.7 Based on the facts placed before us, the core issues that have to be determined are:

"Whether the supply made by the applicant to Coursera would fall under any of the following three supplies as per scheme of classification of Services.

a. Under Heading 9992 (Education Service).

b. Under Heading 9973 (Leasing or Rental Services)

c. Under Heading 9984 (Online Content Services)

Before discussing the submission and interpretation of Applicant with regards to the question asked in the application, let us examine the business model of the applicant and it's

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role in between OSDA and Coursera. Odisha Skill Development Agency has signed memodorandum of understanding with M/s. Coursera Inc. USA, a **proprietary digital platform for supply of Cousera user license that will enable technical students to access courses on digital skills as other skills under NUA Odisha scheme.**

5.8 **We have gone through the MOU dated 24.12.2023 signed by OSDA &** M/s. Coursera Inc. wherein it the following observations are found:

- User license to access the services in the digital platform of coursera shall be supplied by the sub-contractor from Coursera.
- Coursera appoints Unitech Engineer (the applicant in the present case) as a distributor and sub-contractor for providing the services under this MOU.
- The Work order shall be raised against sub-contractor by OSDA for the ease of invoicing in INR and the payment will be made to the subcontractor by OSDA.
- The Coursera will register in the portal www.nua.skillodisha.gov.in and get it approved by the department. Once they have registered, they will have to schedule a program which has to be also approved by the department.
- The license rights set out in the MOU do not include the right to, and OSDA or Institutes registered with OSDA will not copy, sublicense, rent , lease barter, swap, resell, or commercialize the platform, courses, or specialization, in whole or in part.

5.9 We have also also gone through the Agreement dated 26.12.2023 made between the applicant and M/s. Coursera wherein it has been observed that;

- Coursera grants to Coursera channel partner (herein M/s. Unitech Engineer) a-non exclusive, non-transferable, Non-sublicensable, revocable rights during the terms of this Agreement.
- The products of the Coursera are licensed not sold. The products are subjected to copyrights, trademarks, trade secret and other intellectual Property Rights. Coursera channel platform shall not use any Coursera intellectual property or confidential information shared to create a competitive product or service.

From the above Agreements, it appears that, the applicant in the case in hand, acts as intermediaries/sub-contractor between OSDA and Coursera for supply of **user-based licenses**

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enabling designated users to access online courses. Now the issue before us to classify the nature of service in the above transaction between OSDA and the applicant.

5.10 As far as classifying the said transaction as Educational Service (Question No. 01 of in the Application) is concerned, we find that, heading 9992 applies where:

The supplier is engaged in **imparting education or training.**

However, in the present case, the core obligation of the Applicant is limited to supply of a "User license" that grant OSDA access to the digital content hosted on Coursera's proprietary platform. The applicant does not conduct training and no faculty, curriculum control, or instructional responsibility lies with the applicant. The role of the applicant is limited to **facilitating access to third-party educational content.** Further, under the MOU dated 24.12.2023, Coursera provides rights to OSDA to access its platform and the platform hosts courses and specializations from world class universities and instructors. However, neither the Applicant nor Coursera is obligated under the MOU to deliver any Education and Training to the technical students. The courses are made available; the act of teaching is performed by third-party universities and instructors on Coursera's platform, not by the Applicant. Therefore, the supply cannot be classified as education service.

5.11 With regards to classifying the supply in question under heading SAC 9973 (Leasing and Rental Service), we find that, the OSDA in the subject case procures Coursera License and services through the applicant and the applicant will launch the licenses as per the guidance of the Coursera. In a nutshell, it is apparent that, the applicant while acting as sub-contractor for Coursera, supply user license to OSDA for accessing digital content in the Coursera proprietary platform as per the agreed terms and condition between Coursera & OSDA. Hence the core of the dispute rests on whether the "User License" constitutes a lease of an asset or a license to use intellectual property are discussed below:

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Absence of Transfer of Right to Use: In a "Lease" (typically under Heading 9973), there is usually a transfer of the right to use an asset for a specified period. However, the MOU clarifies that the license is only a "right for a single use to access content services".

Distinction from Leasing: Because OSDA is strictly prohibited from sub-leasing or transferring the access to third parties for commercial gain, the transaction lacks the fundamental characteristics of a "Lease of Goods" or "Equipment Rental".

5.12 With regards to classifying the subject transaction under Heading 9984 (online content services) as contended by the applicant (Question No. iv), this authority find it prudent to classify more specifically and more appropriately under Heading 9973 as the predominant element of the transaction is the 'grant of a User License' - a right to access Coursera's intellectual property-based platform. The specific classification of a licensing service (Heading 9973) is more precise than the residual 'online content' classification (SAC under Heading 9984). As per the Explanatory Notes: ***where a service is capable of differential treatment for any purpose based on its description, the most specific description shall be preferred over a more general description.'***

In view of the above findings, we have arrived in a considered conclusion that, the supply of Coursera User Licenses by the applicant to OSDA is more appropriately classifiable under **Heading 9973**, specifically under **SAC 997331** ("Licensing services for the right to use computer software and databases"), as it involves the transfer of a non-exclusive right to access a proprietary digital platform.

6.0 In view of the above, we pass the following order:

RULING

Q.1. Whether or not, on the facts and in the circumstances of the case, the supplies of Coursera User License made by the Petitioner to OSDA is classifiable under Heading 9992 (Education Service)?

Ans: Negative.

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Q.2 Whether or not, on the facts and in the circumstances of the case, the Exemption under SLNo.72 of Notification No.12/2017-Central Tax (Rate) Dated 28-06-2017, as amended, is available to the Petitioner for supplies made by the Petitioner to OSDA ?

Ans: Not applicable.

Q.3 Whether, on the facts and in the circumstances of the case, the supplies made by the Petitioner is more appropriately classifiable under Heading 9973 (Leasing or Rental Services)?

Ans: The supply of Coursera User Licenses by the applicant to OSDA is more appropriately classifiable under **Heading 9973**, specifically under **SAC 997331** ("Licensing services for the right to use computer software and databases")

Q.4 Alternatively, whether, on the facts and in the circumstances of the case, the supplies of User License to access online content of Coursera, proprietary digital platform made by the Petitioner is classifiable under Heading 9984 (Online Content Services) ?

Ans: Refer answer to Question No.03 above.

(Harsh Vardhan)
Member, CGST

Odisha Authority For Advance Ruling For GST

(Pratima Mohanty)
Member, SGST

C. No. V (30)08/ ARA/ODISHA/BBSR/2025-26/08 / 6251 A Dated: 30 .04.2026

To
M/s. Unitech Engineers, (Prop: Mr. Naresh Arya),

Unitech House, Rourkela-769012.

Copy forwarded to:

1. The Pr. Commissioner/Commissioner, CGST & Central Excise, Rourkela Commissionerate, Rourkela.
2. The Commissioner, CT & GST Odisha, Banijyakar Bhawan, Old Secretariat Compound, Cuttack-753001, Odisha.
3. Office copy.