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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ **W.P.(C) 14532/2025 & CM APPL. 59655/2025**

COUNCIL FOR THE INDIAN SCHOOL CERTIFICATE EXAMINATIONS (CISCE) THROUGH ITS CHIEF EXECUTIVE AND SECRETARY DR JOSEPH EMMAUEL .....Petitioner

Through: Mr. M.P. Rastogi, Mr. Kaushik, Mr. Ram Naresh, Mr. Shivam Malik and Mr. Shobhit Jaiswal, Advs.

versus

UNION OF INDIA, MINISTRY OF FINANCE, THROUGH ITS SECRETARY. .....Respondent

Through: Mr. Arun Khatri, Adv., CBIC.

CORAM:
JUSTICE PRATHIBA M. SINGH
JUSTICE SHAIL JAIN

ORDER

% 06.10.2025

1. This hearing has been done through hybrid mode.

2. The present petition has been filed by the Petitioner- Council for the Indian School Certificate Examinations *(hereinafter, 'CISCE')* under Article 226 and 227 of the Constitution of India, *inter alia*, assailing the *vires* of ***Circular No. 234/28/2024-GST***, dated 11th October 2024 issued by Tax Research Unit-II of Ministry of Finance, Department of Revenue *(hereinafter, 'impugned circular dated 11th October, 2024')* and ***Circular No.151/07/2021-GST***, dated 17th June 2021 issued by Ministry of Finance, Department of Revenue *(hereinafter, 'impugned circular dated 17th June, 2021').*

3. The Petitioner gives affiliation to what is colloquially known as ICSE schools. Since its inception, the Petitioner has been dedicated to educational objectives, including imparting of education through its affiliated schools and

conducting school examinations.

4. The case of the Petitioner is that, the services provided by it are exempted from payment of Goods and Services Tax *(hereinafter, 'GST')* under tariff heading 9992 of the ***Mega Exemption Notification No. 12/2017*** dated 28th June, 2017 issued by Ministry of Finance, Department of Revenue *(hereinafter 'Mega Exemption Notification')*

5. The relevant tariff heading of the Mega exemption notification reads as under:

Sl. No.	*Chapter, Section, Heading, Group or Service Code (Tariff)*	*Description of Services*	*Rate (per cent.)*	*Condition*
66	*Heading 9992*	*Services provided –* *(a) by an educational institution to its students, faculty and staff;* *(b) to an educational institution, by way of,-* *(i) transportation of students, faculty and staff;* *(ii) catering, including any mid-day meals scheme sponsored by the Central Government, State Government or Union territory;* *(iii) security or cleaning or housekeeping services performed in such educational institution;* ***<u>(iv) services relating to admission to, or conduct of examination by, such institution; upto higher secondary:</u>*** *Provided that nothing contained in entry (b) shall apply to an educational institution other than an institution providing services by way of pre-school education and education up to higher*	*Nil*	*Nil*

		secondary school or equivalent.		

6. *Vide* the impugned Circulars dated 17th June, 2021 and 11th October, 2024 the exemption given to such affiliation bodies has now been taken away by holding that the same is taxable.

7. Mr. M.P. Rastogi, ld. Counsel for the Petitioner, relies upon the following two decisions:

- ***Goa University vs. Joint Commissioner of CGST and Ors.* (2025:BHC-GOA:721-DB)**
- ***Bengaluru North University vs. Joint Commissioner of CGST and Ors.* (2025:KHC:16686)**

8. The Court has perused the aforesaid decisions. It is seen that in the decision of ***Goa University vs. Joint Commissioner of CGST and Ors. (Supra),*** the Bombay High Court has specifically considered the Mega Exemption Notification and has held that the impugned Circular dated 17th June, 2021 and impugned Circular dated 11th October, 2024 are contrary to the plain language of the aforesaid Notification. The relevant portion of the said judgment reads as under:

> *"49. The Impugned Show Cause Notice relies on the clarifications issued by the Respondent No.2 vide Circular dated 17/06/2021. The Circular while clarifying the exemptions available to the National Board of Examination, in paragraph 4(iii) of the circular states that GST at the rate of 18% applies to other services provided by such Boards, namely of providing accreditation to an institution. Based on the recommendations of the 54th GST Council meeting, the Respondent No. 2, vide paragraph 2 of the Circular dated 11/10/2024, clarified that affiliation services provided by universities to their constituent colleges are not covered within the ambit of exemptions provided to educational*

institutions.

50. We are of the opinion that so far as the University is concerned, these clarifications are contrary to the statutory provisions of Sections 7 and 9 of the GST Legislations in as much as the said Circular assumes that the said activity of affiliation service provided by the University to their constituent colleges would qualify as supply.

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52. Thus, the said clarifications restrict the scope of exemption notification and makes the fee collected by the board from the educational institution for the purpose of accreditation to such board, liable for GST. Learned Senior Advocate submitted that relying on the said circular, the Respondent has demanded GST on affiliation and other fees collected by the Petitioner University.

53. By the Circular dated 11.10.2024, the respondent clarified that (a)the activity of affiliation is to monitor and ensure whether the institution possesses the required infrastructure and is thereby eligible for the privileges to conduct the course/program of study for the degree/title extended by the University to the students enrolled in such institutions; (b)the affiliation services provided by the universities to colleges are not by way of services related to the admission of students to such colleges or the conduct of examinations by such colleges and consequently, the said services are not covered within the exemption.

54. ***In our view the impugned Circular dated 11.10.2024 in its application to the Petitioner University is contrary to the plain language of the notification which exempts services by educational institution to its students, faculty and staff and also services provided to educational institution. The Impugned clarifications issued by the Respondent No. 2, does not notice the existence of the exemption under clause (a) of entry 66 of the exemption notification no. 12/2017 in so far as it relates to demanding GST on affiliation fees. The***

university is also an educational institution and students of the university, include students studying through affiliated colleges. Thus, the activities of the university, in so far as it relates to levying of affiliation fees is exempt from GST. The Circular dated 11.10.2024 in its application to the Goa University where it is clarified that the affiliation services by universities to colleges are not by way of services related to the admission of students to such colleges or the conduct of examinations by such colleges, is erroneous."

9. In terms of the above, the Bombay High Court, after observing that the Mega Exemption Notification would be liable to be recognised, has granted relief to the Goa University by quashing the Show Cause Notice, which was proposing to demand GST on educational activities of Goa University.

10. Additionally, it is also seen in the decision of ***Bengaluru North University vs. Joint Commissioner of CGST and Ors. (Supra),*** that the Karnataka High Court has dealt with the impugned Circular dated 17th June, 2021 and impugned Circular dated 11th October, 2024, and held as under:

> "*17.1* ***Therefore, I am of the opinion that the impugned Circulars are contrary to the legal provisions and the express wordings of the exemption notification.***
>
> *and*
>
> ***Issue No.(vi)*** *is accordingly answered in favour of the petitioners-Universities.*
>
> *Re:Issue No. (vii) : Whether the affiliation fees, PG registration fees, admissions fees, convocation fees, and other sums collected by the petitioners-Universities from the College/students would be exigible to payment of GST ?*
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> *Issue No. (viii): Whether the impugned Show Cause Notices and Orders warrant interference by this Court in the present petitions?*"

11. The Karnataka High Court has also quashed the Show Cause Notices by which GST on affiliation fees collected by Petitioner University has been demanded. By the aforesaid decision, impugned Circular dated 17th June, 2021 and Circular dated 11th October, 2024 were held invalid. The same is recorded as under:

> *"(vii) The impugned Circulars dated 17.06.2021 and 11.10.2024 insofar as they relate to affiliation fees and other fees collected by Universities are held to be invalid."*

12. At this stage, the Court has been informed that the ***Special Leave Petition (Civil) 59470/2024*** titled ***Principal Additional Director General and Ors. v. M/S Rajiv Gandhi University of Health Sciences***, which arose out of the batch of petitions before the Karnataka High Court in ***Bengaluru North University vs. Joint Commissioner of CGST and Ors. (Supra)***, has been dismissed.

13. The Court has perused the order dated 24th January, 2025, in ***Special Leave Petition (Civil) 59470/2024*** where the Supreme Court has dismissed the SLP, and has recorded as under:

> *"2. Having heard the learned Additional Solicitor General appearing for the petitioners and having gone through the materials on record, we see no reason to interfere with the impugned order passed by the High Court.*
> *3**. The Special Leave Petition is, accordingly, dismissed.***
> *4. Pending applications, if any, shall also stand disposed of."*

14. Issue Notice.

15. Under these circumstances, *prima-facie*, this Court is of the opinion that the impugned Circular dated 11th October, 2024 and impugned Circular dated 17th June, 2021 cannot be used against the Petitioner, for raising any demands.

16. Let Mr. Arun Khatri, ld. Counsel for the Respondent, seek instructions in the matter, by the next date of hearing.

17. List on 18th December, 2025.

PRATHIBA M. SINGH, J.

SHAIL JAIN, J.

OCTOBER 6, 2025/kp/sm