

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

**Advance Ruling No. KAR ADRG 26/ 2019**

**Dated: 23-04-2020**

Present:

1. Dr.M.P.Ravi Prasad  
Addl. Commissioner of Commercial Taxes . . . . Member (State Tax)
2. Sri.Mashhood Ur Rehman Farooqui,  
Joint Commissioner of Central Tax, . . . . Member (Central Tax)

1.	Name and address of the applicant	M/s IDEAL INDUSTRIAL SYNERGY SOLUTIONS PRIVATE LIMITED Buddha Jyothi Layout, Chikkabidarakallu, Bengaluru 560073
2.	GSTIN or User ID	29AAECI1202K1ZR
3.	Date of filing of Form GST ARA-01	30.10.2019
4.	Represented by	Sri Shanthiny Mathan, Accounts Executive and DAR
5.	Jurisdictional Authority - Centre	RANGE-BNWD3
6.	Jurisdictional Authority - State	LGSTO-65A Bengaluru
7.	Whether the payment of fees discharged and if yes, the amount and CIN	Yes, discharged fee of 1. Rs.5,000-00 under CGST Act vide CIN SBIN19122900050630 dated 06.12.2019 2. Rs.5,000-00 under KGST Act vide CIN SBIN19052900329345 dated 25.05.2019

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

1. M/s Ideal Industrial Synergy Solutions Private Limited (hereinafter called the 'Applicant'), having GSTIN number 29AAECI1202K1ZR, has filed an application for Advance Ruling under Section 97 of the CGST Act, 2017 and Section 97 of the





KGST Act, 2017, in FORM GST ARA-01 discharging the fee of Rs.5,000-00 each under the CGST Act and the KGST Act.

2. The Applicant is a private limited company and is registered under the Goods and Services Act, 2017. The applicant has sought advance ruling in respect of the following question:

a) Whether selling of religious books attracts GST?

a. If taxable, what would be the rate of GST and HSN Code?

b. If exempted, the category of exempted goods and HSN Code?

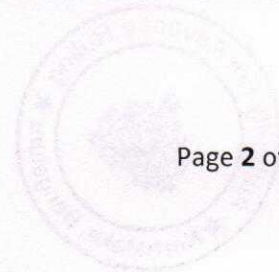
3. The applicant furnishes some facts relevant to the stated activity:

a. The applicant states that he is in the business of carrying out manufacturing, designing, printing all types of confectionaries, brochures, stickers, aseptic bags, Tin containers, leaflets, posters, calendars, catalogues, danglers, profiles. He is also involved in the manufacturing, designing, printing of all types of labels, hang-tags and pocket flashers, textile accessories like leather patches, Jeans button, Riyet, Eyelet, Snap fasteners, Buckle, Sew on Buttons, metal, snap buttons, plastic hangers, seal tages, key-chains, patches and puppets.

b. The applicant states that he is involved in the printing and selling of religious books for various Islamic educational institutions across India and is desirous to know the applicability of tax on the transactions.

3. Sri Shantiny Mathan, Accounts Executive of the above concern appeared made the following submissions:

a. That they are involved in the printing and supply of goods where the content is provided by the religious heads and they are printing the books and selling the same to the Madararas. The books are not sold





to the content providers but are sold to the religious schools as per the orders received from such schools.

- b. The billing is also done to the Madarasas and the books are also supplied to the Madarasas. The Madarasas are not involved in the supply of content and this is received from the religious heads.

#### **4. FINDINGS & DISCUSSION:**

4.1 The submissions of the applicant is verified and found that the supply is made by the applicant to the Madarasas for a consideration and the contract is for the supply of books for consideration. This being in the course of business would amount to a supply of books as per sub-section (1) of section 7 of the Central Goods and Services Tax Act, 2017. There is no direct link between the recipient of books and the supplier of the content and the final product is supplied to the recipient of books and the content provider has no role to play in the selection of the recipient or the sale. Hence it is sale simpliciter of books.

4.2. Regarding the HSN Code and the rate of tax applicable on such supply of books, it is seen that the printed books are covered under the HSN Code 4901 10 10 and are covered under entry no. 119 of Notification No.2/2017- Central Tax (Rate) dated 28.06.2017 and hence are exempt from tax under the CGST Act, 2017. Further they are covered under entry no.119 of Notification (02/2017) No. FD 48 CSL 2017 dated 29.06.2017 and hence exempted from the Karnataka Goods and Services Tax Act, 2017. The inter-State supply of printed books are exempt under the IGST Act, 2017 as they are covered under entry no.119 of Notification No.2/2017 -Integrated Tax (Rate) dated 28.06.2017.

5. In view of the foregoing, we rule as follows


#### **RULING**

1. The supply of books by the applicant to the religious schools are supply of printed books which is covered under HSN Code 4901 and is



exempt from tax as they are covered under following entries

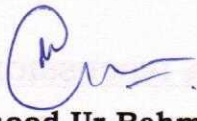
- a. Under the CGST Act, entry no. 119 of Notification No.2/2017-  
Central Tax (Rate) dated 28.06.2017
- b. Under the Karnataka Goods and Services Tax Act, entry no.119  
of Notification (02/2017) No. FD 48 CSL 2017 dated 29.06.2017
- c. Under the IGST Act, entry no.119 of Notification No.2/2017 -  
Integrated Tax (Rate) dated 28.06.2017

  
(Dr.M.P.Ravi Prasad)

Member

Karnataka Advance Ruling Authority  
Bengaluru - 560 009

Place : Bengaluru,  
Date : 23-04-2020

  
(Mashhood Ur Rehman Farooqui)

Member

Karnataka Advance Ruling Authority  
Bengaluru - 560 009



To,

The Applicant

Copy to :

1. The Principal Chief Commissioner of Central Tax, Bangalore Zone,  
Karnataka.
2. The Commissioner of Commercial Taxes, Karnataka, Bengaluru.
3. The. Commissioner of Central Tax, North West GST Commissionerate,  
Bengaluru.
4. The Asst. Commissioner, LGSTO-65A, Bengaluru.
5. Office Folder.

