

**THE AUTHORITY ON ADVANCE RULINGS IN KARNATAKA  
GOODS AND SERVICES TAX  
VANIJYA THERIGE KARYALAYA, KALIDASA ROAD  
GANDHINAGAR, BENGALURU - 560 009**

**Advance Ruling No. KAR ADRG 45/ 2019**

**Dated: 17<sup>th</sup> September, 2019**

Present:

1. Sri. Harish Dharnia,  
Additional Commissioner of Central Tax, Member (Central Tax)
2. Dr. Ravi Prasad. M.P.  
Joint Commissioner of Commercial Taxes Member (State Tax)

1.	Name and address of the applicant	M/S. THE BANGALORE PRINTING AND PUBLISHING CO. LIMITED , No.88 Mysore Road, Chamarajapet, Bangalore-560018.
2.	GSTIN or User ID	29AAACT7191G1Z1
3.	Date of filing of Form GST ARA-01	27.10.2018
4.	Represented by	Sri Gautham Shenoy, Advocate & DAR
5.	Jurisdictional Authority - Centre	The Pr. Commissioner of Central Tax, Bengaluru-West, Banashankari, Bengaluru.
6.	Jurisdictional Authority - State	LGSTO-100 Bengaluru
7.	Whether the payment of fees discharged and if yes, the amount and CIN	Yes, discharged fee of Rs.5,000-00 under CGST Act vide CIN SBIN18102900436402 dated 26.10.2018 and Rs 5,000-00 under KGST Act vide CIN SBIN180829 00023178 dated 06.08.2018

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

1. M/s The Bangalore Printing and Publishing Co. Limited (hereinafter called "applicant") bearing GSTIN number 29AAACT7191G1Z1 has filed an application for Advance Ruling under Section 97 of the CGST Act, 2017 read with Rule 104 of CGST Rules 2017 and Section 97 of the KGST Act, 2017 read with Rule 104 of KGST Rules 2017, in FORM GST ARA-01 by discharging the fee of Rs.5,000/- each under the CGST Act and the KGST Act.





2. The applicant is a Private Limited Company registered under the Goods and Services Act, 2017 and is engaged in printing. The applicant has sought an advance ruling in respect of the following question:

*“Whether the activity of printing of Question Paperbooks is to be covered under HSN 4901 under the description “Printed books, including Braille books” in Serial Number 119 of Notification No.2/2017 Central Tax (Rate) or under the sub-clause (vi) of clause (b) in serial Number 66 with SAC 9992 of Notification No.12/2017”.*

3. The applicant has stated the following facts relating to the activity for which advance ruling is sought:

3.1 The applicant is engaged in the activity of printing of books, journals, question papers calendars etc.,

3.2 The applicant has received an order from a State Government Institutions for printing of Question paper book for State Level Higher Second Examinations. Each Question Booklet will contain 40 to 60 pages for the purpose of reading by the students.

3.3 The respective State Government Institutions would provide the applicant, the content, by soft copy/manuscripts or by email or otherwise, to be composed and printed. The applicant is required to maintain secrecy and print the content provided therein. Once printed the question booklets would be supplied by the applicant to the designated place of the State Government Institutions.

4. The applicant contends that it is not clear to them whether the activity of printing of Question Paper Books is to be covered under HSN 4901 under the Description Printed books, including Braille books in Serial Number 119 of Notification No.2/2017 Central Tax (Rate) or under the sub-clause (vi) of clause (b) in serial Number 66 with SAC 9992 of Notification No.12/2017.

**PERSONAL HEARING: / PROCEEDINGS HELD ON 28.11.2018**

5. Sri. Gautham Shenoy, Advocate and duly authorised representative of the applicant, appeared for personal hearing proceedings before this authority and reiterated the facts.

**6. FINDINGS & DISCUSSION:**

6.1 We have considered the submissions made by the applicant in their application for advance ruling as well as the additional submissions made by Sri. Gautham Shenoy, Advocate, during the personal hearing. We also considered the issues involved on which advance ruling is sought by the applicant and relevant facts.

6.2 At the outset, we would like to state that the provisions of both the CGST Act and the KGST 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 provisions under the KGST Act.

6.3 On examination of the nature of the printing activity carried out by the applicant, it is observed that only the content for printing is supplied by the customer whereas printing inputs including paper belong to the applicant.

6.4 In this regard CBIC has issued Circular no.11/11/2017- GST dated 20.10.2017, where in it is clarified as under:

*"It is clarified that supply of books, pamphlets, brochures, envelopes, annual reports, leaflets, cartons, boxes etc. printed with logo, design, name, address or other contents supplied by the recipient of such printed goods, are composite supplies and the question, whether such supplies constitute supply of goods or services would be determined on the basis of what constitutes the principal supply.*

*In the case of printing of books, pamphlets, brochures, annual reports, and the like, where only content is supplied by the publisher or the person who owns the usage rights to the intangible inputs while the physical inputs including paper used for printing belong to the printer, supply of printing [of the content supplied by the recipient of supply] is the principal supply and therefore such supplies would constitute supply of service falling under heading 9989 of the scheme of classification of services.*

*In case of supply of printed envelopes, letter cards, printed boxes, tissues, napkins, wall paper etc. falling under Chapter 48 or 49, printed with design, logo etc. supplied by the recipient of goods but made using physical inputs including paper belonging to the printer, predominant supply is that of goods and the supply of printing of the content [supplied by the recipient of supply] is ancillary to the principal supply of goods and therefore such supplies would constitute supply of goods falling under respective headings of Chapter 48 or 49 of the Customs Tariff."*

6.5 The first issue raised by the applicant is whether the supply is classifiable under HSN 4901. In other words the applicant desires to know whether the supply amounts to supply of goods, which are classifiable under HSN 4901. In the instant case applicant is engaged in printing the content supplied by the recipient using their own physical inputs like paper, ink etc. Since there is involvement of rights in the question paper booklets printed and they cannot be supplied to anyone else and the confidentiality clauses of the contract are all involved, the same is to be treated as Composite supply with the supply of services being the principal supply. Therefore the supply made by the applicant shall qualify to be treated as a composite supply where the principal supply is the supply of service. Therefore their supply would not constitute a supply of goods. Such supplies would constitute supply of service falling under heading 9989 of the scheme of classification of services.

6.6 The second issue raised by the applicant is whether their supply is covered





under the SAC 9992 which is related to Education Services and hence covered under the Entry No. 66 of the Notification No.12/2017 – Central Tax (Rate) dated 28.06.2017. The relevant entry reads as under:

66	Heading 9992	Services provided – (a) ..... (b) to an educational institution, by way of, - (i) .... (ii) .... (iii) .... (iv) services relating to admission to, or conduct of examination by, such institution; upto higher secondary. 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 secondary school or equivalent	NIL	NIL
----	-----------------	--	-----	-----

Educational institution is defined in para 2(y) of the Notification as follows:

- (y) “educational institution” means an institution providing services by way of,-  
 (i) pre-school education and education up to higher secondary school or equivalent;  
 (ii) education as a part of a curriculum for obtaining a qualification recognised by any law for the time being in force;  
 (iii) education as a part of an approved vocational education course;

6.8 Notification No. 12/2017- Central Tax (Rate) dated 28.06.2017 was amended with effect from 27<sup>th</sup> July 2018, by Notification No.14/2018 – Central Tax (Rate) dated 26<sup>th</sup> July 2018, by inserting clause (iv) in the Explanation, in paragraph 3 and the same reads as under:

*“(iv) For removal of doubts, it is clarified that the Central and State Educational Boards shall be treated as Educational Institution for the limited purpose of providing services by way of conduct of examination to the students.”*

6.9 The applicant states that they provide services to Secondary Boards and Institutions. The State educational Boards are also covered under the definition of educational institutes for the limited purpose of providing services by way of conduct of examination. Sr. No. 66 of Notn. No.12/2017 – Central Tax (Rate) dated 28.06.2017 uses the term ‘services relating to’. The expression ‘relating to’ has been interpreted by the Hon’ble Supreme Court in Doypack Systems (P) Ltd



v. Union of India-1988(36) ELT 201(SC) as follows:

48. The expression "in relation to" (so also "pertaining to"), is a very broad expression which pre-supposes another subject matter. These are words of comprehensiveness which might both have a direct significance as well as an indirect significance depending on the context, see *State Wakf Board v. Abdul Aziz* (A.I.R. 1968 Madras 79, 81 paragraphs 8 and 10), following and approving *Nitai Charan Bagchi v. Suresh Chandra Paul* (66 C.W.N. 767), *Shyam Lal v. M. Shayamlal* (A.I.R. 1933 All. 649) and 76 *Corpus Juris Secundum* 621. Assuming that the investments in shares and in lands do not form part of the undertakings but are different subject matters, even then these would be brought within the purview of the vesting by reason of the above expressions. In this connection reference may be made to 76 *Corpus Juris Secundum* at pages 620 and 621 where it is stated that the term "relate" is also defined as meaning to bring into association or connection with. It has been clearly mentioned that "relating to" has been held to be equivalent to or synonymous with as to "concerning with" and "pertaining to". The expression "pertaining to" is an expression of expansion and not of contraction.

6.10 It infers from the above that there may be several services relating to the conduct of examination like invigilation, distribution of question papers, collection of answer sheets, assessment of answer sheets, printing of question papers etc. Therefore the ambit of the services relating to conduct of examination includes services of printing of question papers also. Therefore the services supplied by the applicant are covered under the scope of Sl. 66 of Notification No.12/2017 – Central Tax (Rate) dated 28.06.2017. The Heading in column 2 reads as 9992 whereas in para 6.5 it has been held that such supplies would constitute supply of service falling under heading 9989 of the scheme of classification of services. In this regard we find that there is an explanation in Para 3 (ii) to Notification No.12/2017 – Central Tax (Rate) dated 28.06.2017 as follows:

(ii) Chapter, Section, Heading, Group, or Service Code mentioned in Column (2) of the Table are only indicative.

This shows that the heading 9992 given in Sl. No. 66 is only indicative and it does not impact the inclusion of the supply by the applicant from the entry at Sl. No. 66.

7. In view of the foregoing we Rule as under


#### **RULING**

1. The activity of printing of question papers by the applicant with the content supplied by educational institutions constitutes a supply of services under Heading 9989 of the scheme of classification of services.





2. The supply of services as above to educational institutes, as defined from time to time, would be covered under Sl. No. 66 of Notification No.12/2017 – Central Tax (Rate) dated 28.06.2017 and corresponding Notification issued under KGST Act, 2017

  
17/09/2019

**(Harish Dharnia)**  
**Member**



**(Dr. Ravi Prasad M.P.)**  
**Member**



Place: Bengaluru,  
Date: 17.09.2019

To,

The Applicant

Copy to:

The Principal Chief Commissioner of Central Tax, Bangalore Zone, Karnataka.

The Commissioner of Commercial Taxes, Karnataka, Bengaluru.

The Pr. Commissioner of Central Tax, Bangalore-West, Banshankari BMTC Building, Bengaluru.

The Asst. Commissioner, LGSTO-100, Bengaluru.

Office Folder.