

**GIB/KN/PATTABI/17.09.2019/AAR-289****Advance Ruling Category : Rate & HSN****State : Karnataka****Order No.:** GIB/KN/PATTABI/17.09.2019/AAR-289**Name of Entry :**  
Pattabi Enterprises**Date :** 17-09-2019**Breif Issue :****Issue And Facts Of The Case:**

1. Whether 'Access Card' printed and supplied by the applicant i.e. Pattabi Enterprises based on the contents provided by their customers is rightly classifiable under HSN code 4901 10 20 under the description brochures, leaflets and similar printed matter whether or not in single sheet.
2. Whether 'Access Card' printed and supplied by the applicant i.e., Pattabi Enterprises based on the contents provided by their customers is rightly classifiable under HSN code 4901 10 20 under the description brochures, leaflets and similar printed matter whether or not in single sheet and attracts GST rate of 5% in case of IGST and 2.5% CGST and 2.5% SGST in case of Intra State supplies. Vide Notification No. 1/2017-CT (Rate) Sl.No. 201 & 1/2017-IT (Rate) Sl.No.201 dated. 28.06.2017 and SGST/UTGST Notifications.

The applicant is engaged in printing the content supplied by the recipient using their own physical inputs including paper, ink etc. Since there is involvement of rights to stay in the temple precincts attached to the card and other involvement of privileges and can only be issued by the recipient of supply of 'Access Cards', the same is to be treated as Composite supply with the supply of services being the principal supply – Therefore such supplies would constitute supply of service falling under heading 9989 of the scheme of classification of services.

Section 8(1)(a) of the Central GST Act clearly mandates that in case of a composite supply comprising of two or more supplies, where one of these supplies is the principal supply, such composite supply shall be treated as a supply of such principal supply. The supply made by the applicant thus amount to a supply of service and not supply of goods, as envisaged by the applicant.

**Decision of Advance Ruling Authority :****Decision:**

The supply of the applicant is covered under the Serial No. 27 of Notification No. 11/2017 – Central Tax (Rate) dated 28.06.2017 and is liable to tax at 9% under the CGST Act. Similarly the supply is liable to tax at 9% under the KGST Act. Interstate supply of such supplies would be liable to tax at 18% under the IGST Act.