

GIB/WB/INFOBASE SERVICES/24.12.2019/AAR-296

Advance Ruling Category : Classification

State : West Bengal

Order No.: GIB/WB/INFOBASE SERVICES/24.12.2019/AAR-296

Name of Entry :

Infobase Services Private Limited

Date : 24-12-2019

Breif Issue :

Facts & Issue Of The Case :

The Tollygunge Club Ltd, has engaged the Applicant for supplying the service of printing the 'Directory of Members 2020'. The Applicant also enters into an agreement with the Club for marketing of advertisement space for the Directory. The Applicant will have to finance the project cost of printing the Directory from the proceeds from sale of space for advertisements.

The Applicant seeks a ruling on whether its procurement of advertisements for the Directory is classifiable as selling of space for advertisement in print media and whether Sl. No. 21(I) of Notification No. 11/2017 - CT (Rate) dated 28/06/2017 (corresponding State Notification No. 1135-FT dated 28/06/2017), as amended from time to time (hereinafter collectively called the Rate Notification), is applicable thereto.

As per the findings it has been examined that applicant is making a bundled supply to the Club of printing service and intermediary service for selling space for advertisement on behalf of the Club and charging a single price for the bundle as the project cost for printing. The two services are not naturally bundled or supplied in conjunction with each other in the ordinary course of business. It is, therefore, not a composite supply. In accordance with the section 2 (74) of the GST Act Supply by a taxable person of a bundle of services at a single price, if it does not constitute a composite supply, is a mixed supply.

Decision of Advance Ruling Authority :

Decision :

- The Applicant is making a mixed supply to the Tollygunge Club of printing service (SAC 993912) and intermediary service for selling space for advertisement on behalf of the club (SAC 998362).
- It shall be treated as supply of the above intermediary service taxable @ 18% under Sl No. 21 (ii) of Notification No. 11/2017 - CT (Rate) dated 28/06/2017 (corresponding State Notification No. 1135-FT dated 28/06/2017), as amended from time to time.

