

5% GST on Learning Kitbox Book in Separate Sheets for Imparting Education to Children: The AAR, Madhya Pradesh

Fact of the Case

The applicant, Riseom Solutions Private Limited manufactures (print) a learning kit box which they call "Class Monitor Home Learning Kit". The so-called learning kit is manufactured, marketed and sold by the applicant only and it is not on the basis of any specific order of anyone. Such learning kits are not customizable for any person. Children's picture book in which pictures from principal interest for imparting education and learning to children in their early age group, divided in various age categories of 1-2.5 years, 2.5-3.5 years, 3.5 to 4.5 years, 4.5-5.5 years & 6 to 8 years.

The applicant has sought the advance ruling in respect of GST rate on

- "Class Monitor Home Learning Kit", will it be covered under HSN code 4903" Children's picture, drawing or colouring books" the GST rate under which is NIL IGST/CGST/SGST.

Decision of the Case

The Coram ruled that the Authority hereby is of opinion that the kit called by the Applicant as "Class Monitor Home Learning Kit" manufactured (printed) marketed and sold is classified under HSN 49011020 and the GST rate is 5% (CGST 2.5% & SGST 2.5%) and as per IGST rate of 5% entry 201 of schedule I of notification number 01/2017 CGST (rate)and corresponding SGST notification as amended from time to time.

"On combined reading of extract of tariff and HSN 49001, the kit box/ book, which is in the form of separate sheets which are designed for binding (though not bound to maintain the use) could be covered. Further, such separate sheets (being integral part of kit -box book} have printed pictures but such sheets also bear text and in one shape, so it appears to be covered under HSN 49011020 (attracting CGST & SGST rate of 2.5%, 2.5% and IGST rate of 5%) and not under HSN 4903 attracting NIL CGST/SGST/IGST," the AAR noted.

The Madhya Pradesh Authority of Advance Ruling (AAR) ruled that 5% GST on Learning kit box books in separate sheets for imparting education to children.