

No GST on Printing of Pre-examination material for Educational Boards or Universities: The AAR, Telengana

Fact of the Case

The applicant, M/s. Hitech Print Systems Limited is engaged in the business of printing high-security products and offering total solutions to customers in educational fields. The main product offered by the applicant are Bank Cheque Books, OMR Answer sheets, Certificates, Bank Memos, etc.,

The applicant is desirous of obtaining clarification regarding the supply of OMR Answer Sheets, Certificates, scanning services provided in connection with the conduct of examination by the educational institutions.

The applicant has sought the advance ruling on the issue

- Whether printing of pre-examination material items like Question Papers, OMR Sheets [Optical Mark Reading], Answer Booklets with/without OMR, Practical Answer Booklets, Hall Tickets and other examination material specific to various educational boards/Universities amounts to the provision of service and the same is exempt from GST levy.
- Yet another issue raised was in respect of classification and applicable GST rate for the supply of cheque books printed in the name of specific Bank name and customer name as per the specification given by the Banks.

Decision of the Case

The Advance Ruling Authority of Telangana in the case of M/s. KL Hitech Secure Print Limited their order No.10/2018, A.R.Com/13/2018, dated: 26-07-2018 have held that supply of service to education institution is eligible for exemption under Entry No.66 of Notification No.12 of 2017 – Central Tax (Rate) dt: 28-06-2017.

The Coram held that printing of pre-examination material items like Question Papers, OMR Sheets [Optical Mark Reading], Answer Booklets with/without OMR, Practical Answer Booklets, Hall Tickets and other examination material specific to various educational boards/Universities amounts to the provision of service and the same is exempt from GST levy.

“Where the banker supplies the content and the applicant uses their own physical input, i.e., paper, then the case is covered under Heading 9989 (ii) of Notification No.11/2017-Central Tax (Rate), dated June 28, 2017, as amended and is taxable at 9% CGST & SGST Act each; and where the applicant uses physical input, i.e., paper supplied by their client then the same will fall under Heading 9988 (ii)(a) and is taxable at 6% under CGST & SGST each,” the AAR added.

The Telangana Authority of Advance Ruling (AAR) held that no GST on printing of pre-examination material for educational boards or Universities.