



**TELANGANA STATE AUTHORITY FOR ADVANCE RULING**  
**CT Complex, M.J Road, Nampally, Hyderabad-500001.**  
**(Constituted under Section 96(1) of TGST Act, 2017)**

**Present:**

**Sri B. Raghu Kiran, IRS, Additional Commissioner (Central Tax)**

**Sri S.V. Kasi Visweswara Rao, Additional Commissioner (State Tax)**

**A.R.Com/43/2018**

**Date:06.12.2021**

**TSAAR Order No.28/2021**

**[ORDER UNDER SECTION 98(4) OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 AND UNDER SECTION 98(4) OF THE TEALANGANA GOODS AND SERVICES TAX ACT, 2017.]**

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1. M/s. Time Education Kolkata Private Limited, 95B, 2<sup>nd</sup> Floor, Siddamshetty Complex, Park Lane, Secunderabad – 500 003, Telangana State (Un-Registered) has filed an application in **FORM GST ARA-01** under Section 97(1) of TGST Act, 2017 read with Rule 104 of CGST/TGST Rules.
2. At the outset, it is made clear that the provisions of both the CGST Act and the TGST Act are the same except for certain provisions. Therefore, unless a mention is specifically made to any dissimilar provisions, a reference to the CGST Act would also mean a reference to the same provision under the TGST Act. Further, for the purposes of this Advance Ruling, the expression 'GST Act' would be a common reference to both CGST Act and TGST Act.
3. It is observed that the queries raised by the applicant fall within the ambit of Section 97 of the GST ACT. The Applicant enclosed copies of challans as proof of payment of Rs. 5,000/- for SGST and Rs. 5,000/- for CGST towards the fee for Advance Ruling. The Applicant has declared that the questions raised in the application have neither been decided by nor are pending before any authority under any provisions of the GST Act.
4. **Brief facts of the case:**  
M/s Time Education Kolkata Private Limited is in the business of purchase and supply of advertisement space to the prospective customers. In the course of supply of advertisement space they are also supplying artwork to adorn the space. They are desirous of ascertaining whether supply of artwork along with the space amounts to supply of advertisement space or other service. Hence this application
5. **Questions raised:**
  1. Whether the services supplied by the applicant can be termed as the supply of space for advertisement in print media?
  2. If yes, GST@5% can be charged on the invoices raised to the customers?
  3. Any consequential questions that may arise during the hearing.

6. **Personal Hearing:**

The Authorised representatives of the unit namely Sri. Venkataprasad, accountant attended the personal hearing held on 07-10-2020. However, orders were not passed due to the retirement of State Member. Government of Telangana vide G.O. Rt. No. 216, Rev(CT-II) Dept, Dt.16.06.2021 have nominated Sri S.V. Kasi Visweswara Rao, Additional Commissioner (ST) as member to The Authority for Advance Ruling and hence the case was re-posted a fresh on 05.10.2021. Heard the case. The authorized representatives reiterated their averments in the application and did not raise any new questions during the personal hearing.

7. **Discussion & Findings:**

The applicant has sought clarification on sale of space for advertisement when it is supplied along with the artwork, where no consideration is charged for the artwork in certain cases. The understanding of the applicant is that the activity of artwork by the applicant forms part of composite supply of advertisement space and artwork and therefore the total supply should attract tax @5%.

It is seen by the AAR that the Notification No. 11/2017 has classified the services under head 9983 i.e., other professional, technical and business services with respect to advertisement services as follows:

S.No	Chapter, Section or Heading	Description of Service	Rate (Percent)	Condition
21	<b>Heading 9983</b> (Other professional, technical and business services)	(i) Selling of space for advertisement in print media.	2.5	
		[(ia) Other professional, technical and business services relating to exploration, mining or drilling of petroleum crude or natural gas or both	6	
		(ii) Other professional, technical and business services other than [(i) and (ia) above] [and serial number 38 below]	9	

As seen from the above, selling of space for advertisement in print media (SAC 998362) is taxable at the rate of 2.5% under CGST & SGST respectively. As against this the service for ‘Sale of other advertising space or time’ is enumerated as 998366 in the SAC given in the annexure to the notification. This is not specifically mentioned in the serial no. 21 of the above notification. Clearly this service will fall under item (ii) of serial no. 21 i.e., other professional, technical & business services taxable at the rate of 9% under CGST & SGST respectively.

The Notification makes a clear distinction between sale of mere advertisement space and ‘Other advertisement space’, which is having a separate SAC code i.e., 998366. The applicant is supplying (2) different services and each is attracting different tariffs under this notification. Therefore the question of deducing a composite supply from the combination of drafting a design and incorporating a space does not arise. Hence where only space for advertisement and print media is supplied (SAC 998362) the rate of tax applicable is 2.5% under CGST & SGST respectively and where they are supplying ornate space it shall be

treated as other advertisement space falling under item (ii) of serial no. 21 and accordingly will attract tax @9% under CGST & SGST respectively.

**8. In view of the observations stated above, the following ruling is issued :**

**Advance Ruling**

1. Whether the services supplied by the applicant can be termed as the supply of space for advertisement in print media?	The services supplied by the applicant fall under 'Other advertisement space', which is having a separate SAC code i.e., 998366.
2. If yes, GST@5% can be charged on the invoices raised to the customers?	GST is leviable @18% as discussed above.

 (S. V. KASI VISWESWARA RAO) Addl. Commissioner (State Tax)	 (B. RAGHU KIRAN) Addl. Commissioner (Central Tax)
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**[Under Section 100(1) of the CGST/TGST Act, 2017, any person aggrieved by this order can prefer an appeal before the Telangana State Appellate Authority for Advance Ruling, Hyderabad, within 30 days from the date of receipt of this Order]**

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M/s. Time Education Kolkata  
Private Limited, 95B, 2<sup>nd</sup> Floor,  
Siddamshetty Complex, Park Lane,  
Secunderabad – 500 003, Telangana State

Copy submitted to :

1. The Commissioner (State Tax) for information.
2. The Commissioner (Central Tax) GST Bhavan, L.B Stadium Road, Basheerbagh, Hyderabad-500 004,

Copy to,  
All the Joint Commissioners (State Tax), in the State.

//t.c.f.b.o//

Superintendent (Grade-I)