

M/s. ACER INDIA PRIVATE LIMITED

Appellate Authority for Advance Ruling — Tamil Nadu

Order-in-Appeal No. AAAR/07/2025 (AR)

Dated 08.12.2025

Q Questions Before the Authority

- What is the appropriate classification of various models of ACER Interactive Flat Panels for the purpose of GST?
- What is the applicable rate of GST?

F Facts

The appellant is engaged in the business of manufacturing and selling various IT products, including 'Interactive Flat Panel Displays' (IFPD). The appellant sought an advance ruling on the classification and GST rate for these IFPDs, contending they should be classified as Automatic Data Processing (ADP) machines. The original Authority for Advance Ruling (AAR) classified the products under HSN 85285900 with a GST rate of 28%.

H Ruling

Classification of IFPDs	HSN 85285900	The authority determined the principal function is display and interaction, not data processing.
Applicable GST rate	28%	Confirmed as per the classification under HSN 85285900.

The Appellate Authority for Advance Ruling upheld the original AAR order, dismissing the appeal filed by the appellant. It concluded that the IFPDs are primarily designed for display and interaction, and their ADP features are auxiliary rather than their principal function. Consequently, the classification under HSN 85285900 was confirmed.

R Reasoning

The authority relied on Note 6(A) and Note 8 of Chapter 84, which dictate that for machines with multiple purposes, classification is determined by the **principal function**. It reasoned that while the IFPDs incorporate ADP features, these are auxiliary to their primary use for display, touch interaction, and presentation. The authority also referenced CBIC Notification No. 23/2025-Customs and Circular No. 12/2025-Customs to support the classification of IFPDs under **HSN 85285900** rather than as ADP machines under 8471.

P Provisions Relied On

Section 97 of the CGST/TNGST Act, 2017	Section 100(1) of the CGST/TNGST Act, 2017
Note 6(A) of Chapter 84	Note 6(E) of Chapter 84

Note 8 of Chapter 84

Notification No. 23/2025-Customs

Circular No. 12/2025-Customs



For the Practitioner

This ruling clarifies that IFPDs are to be classified as **monitors under HSN 85285900** rather than as ADP machines, regardless of their embedded computing capabilities. It serves as a precedent for tax practitioners dealing with multi-functional display devices, emphasizing that the **principal function** test overrides the presence of secondary computing features. It does not apply to devices where data processing is the sole or primary purpose.

Source

Summary prepared from the published order, which is a scanned document. It is a reading aid and not the authority: where the two differ, the order governs. Verify every provision against the original before relying on it.

Original order: www.gstcouncil.gov.in -> [1-acer india pvt. ltd. aaar order.pdf](#)

Prepared 13-10-2026.

About Patron Accounting LLP

Patron Accounting LLP is a CA and CS-led accounting and compliance firm working with businesses across India since 2019 — bookkeeping, GST, income tax, payroll, company and LLP compliance, audit and the certificates banks and regulators ask for.

Pune (HQ)

RTC Silver, B4-708, Sai Satyam Park, Wagholi, Pune, Maharashtra 412207

Delhi

3rd Floor, B-6/154-155, Sector 5, Rohini, Delhi 110085

Ahmedabad

Phoenix Tower, 1107, near Commerce Six Road, Drive In Road, Navrangp...

Mumbai

104, Rajshila Building, 597 J.S.S. Road, Marine Lines, Mumbai 400002

Gurugram

Pioneer Urban Square, B109, Golf Course Ext Road, Sector 62, Gurugram...

Talk to us: **+91 94594 56700** | sales@patronaccounting.com | patronaccounting.com