



**Recent Changes in GST Law  
based on  
Recommendations of 47<sup>th</sup> GST Council Meeting**

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Organized by:  
WIRC of ICAI

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## Recent Changes in GST Law

- Recommendations as per 47<sup>th</sup> GST Council Meeting
  - Relating to Law and procedures
  - Relating to Changes in Rates of tax
  
- Recent Circulars and Notifications issued
  - Notifn. Nos. 9/2022 to 14/2022 – CT - dtd. 05-07-2022
  - Notifn. Nos. 15/2022 to 16/2022 – CT - dtd. 13-07-2022
  - The CT notifications are effective from date of issue of notification , except specified
  - Notifn. Nos. 3/2022 to 11/2022 – CT-R - dtd. 13-07-2022
  - The CT-Rate Notifications are effective from 18-07-2022
  - Circular Nos. 170 to 176 dtd.06-07-2022
  - FAQ dtd. 17-07-2022

## Revocation of Suspension of Registration – Rule 21A - Notifn. No.14/2022 dtd. 05-07-2022

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- Proviso added in sub-rule 4 of Rule 21A to provide for automatic revocation of suspension of registration in cases where suspension was done by the system for non furnishing returns for 3 consecutive tax periods by a composition taxpayer [ section 29(b)] or non furnishing returns for a continuous period of 6 months by a registered person other than composition taxpayer [ section 29(c)].
- **Automatic revocation of suspension** once all the pending returns are filed by the taxpayer (Notifn. No. 14/2022-CT).



## Declaration to be furnished on Invoices in certain cases – Notifn. No.14/2022 dtd. 05-07-2022

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- **Declaration** to be furnished **u/r 46(s)** on the invoice issued by a registered person where he is **not required to issue 'e-invoice'** u/r 48(4) even though his aggregate turnover exceeds the notified limit:
- *"I/We hereby declare that though our aggregate turnover in any preceding financial year from 2017-18 onwards is more than the aggregate turnover notified under sub-rule (4) of rule 48, we are not required to prepare an invoice in terms of the provisions of the said sub-rule."*
- Specified businesses not required to issue e-invoice :
- SEZ unit, Insurer, Banking Company, Financial Institution, NBFC ,GTA service, Passenger transport service, Admission to multiplex for films

## Amendments relating to Electronic Credit Ledger (ECrL), Electronic Cash Ledger(ECL) and Interest

- Sub-Rule 4B inserted in **Rule 86** vide Notifn. No. 14/2022-CT
  - New form GST PMT 03A introduced to re-credit the amount in Electronic Credit Ledger where the registered person deposits the erroneous refund sanctioned to him on account of accumulated ITC or zero rated supplies
- **Section 110(c) and 111 of Finance Act, 2022 notified vide Notifn. No.9/2022-CT dtd. 05-07-2022 :**
  - Balance in electronic cash ledger of registered person shall be transferable to electronic cash ledger of distinct person [Amendment in Section 49(10) of CGST Act
  - Sub Rule 14 inserted in Rule 87 prescribes the above process.
  - Interest will be payable on the wrongly availed ITC only when the same is utilized [retrospective amendment from 01/07/2017 in Section 50(3) of CGST Act]
  - Rule 88B inserted retrospectively wef 01-07-22

## Amendments as per Clause 111 of Finance Act, 2022 retrospectively w.e.f 01-07-2022

Existing Provision	Amended Provision
<p>Section 50 (3) - A taxable person who makes an <b>undue or excess claim of input tax credit</b> under sub-section (10) of section 42 or <b>undue or excess reduction in output tax liability</b> under sub-section (10) of section 43, shall pay interest on such undue or excess claim or on such undue or excess reduction, as the case may be, at such rate not exceeding twenty-four per cent., as may be notified by the Government on the recommendations of the Council.</p>	<p><i>Section 50 (3) - Where the input tax credit has been <b>wrongly availed and utilised</b>, the registered person shall pay interest on such input tax credit wrongly availed and utilised, at such rate not exceeding twenty-four per cent. as may be notified by the Government, on the recommendations of the Council, and the interest shall be calculated, in such manner as may be prescribed.</i></p>

## Rule 88B - Manner of calculating interest on delayed payment of tax - Notif. No. 14/2022-CT dtd. 05-07-2022

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- Inserted retrospectively w.e.f. 01-07-2017
- Where the supplies made during a tax period are declared by the registered person in the return for the said period and the said return is furnished after the due date in accordance with provisions of section 39,
- except where such return is furnished after commencement of any proceedings u/s 73 or 74 in respect of the said period,
- the interest on tax payable in respect of such supplies shall be calculated on the portion of tax which is paid by debiting the ECrL, for the period of delay in filing the said return beyond the due date.
- In all other cases, where interest is payable in accordance with section 50(1), the interest shall be calculated on the amount of tax which remains unpaid, for the period starting from the date on which such tax was due to be paid till the date such tax is paid.

## ...Rule 88B -Manner of calculating interest on delayed payment of tax - Notif.No.14/2022-CT dtd. 05-07-22

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- —For the purposes of this sub-rule, —
- Input tax credit wrongly availed shall be construed to have been utilised, when the balance in the ECrL falls below the amount of ITC wrongly availed,
- and the extent of such utilisation of ITC shall be the amount by which the balance in the ECrL falls below the amount of input tax credit wrongly availed
- the date of utilisation of such input tax credit shall be taken to be,
  - (a) the date, on which the return is due to be furnished under section 39 or the actual date of filing of the said return, whichever is earlier, if the balance in the ECrL falls below the amount of ITC wrongly availed, on account of payment of tax through the said return; or
  - (b) the date of debit in the ECrL when the bal. in the ECrL falls below the amount of ITC wrongly availed, in all other cases.



## Amendment in formula prescribed in Rule 89(5) for calculation of Refund in case of Inverted Duty Structure

- [ Notifn. No. 14/2022-CT dtd 05-07-2022]
  - Revised Formula to take into account utilization of ITC of inputs and input services for payment of output tax in same ratio in which ITC has been availed on inputs and input services during the tax period.
- Maximum Refund Amount =
- $\{(\text{Turnover of inverted rated supply of goods and services}) \times \text{Net ITC}(\text{inputs only}) \div \text{Adjusted Total Turnover}\}$
- $(- ) \{[\text{tax payable on such inverted rated supply of goods and services} \times \underline{(\text{Net ITC} \div \text{ITC availed on inputs and input services})}]\}$
- *UOI v. VKC Footsteps India (P) Ltd [ 2 SCC 603 ( SC) 2022]*
- *Tvl Transtonnelstroy Afcons Joint Venture v. UOI –[ 2020 SCC 2520- (Madras)]*

## Value of goods exported out of India prescribed for refund of unutilised ITC u/s 54(3)

- Section 54(3) of CGST Act read with Rule 89(4) of CGST Rules lays down provision and procedures for claiming refund of unutilized ITC in case of export of goods or services without payment of tax or under Letter of Undertaking.
- ◆ Notification No. 14/2022 – CT dated 05.07.2022 inserts explanation under Rule 89(4) of CGST Rules to prescribe value of goods exported as **lower** of the following:
  - • Free on Board ('FOB') value declared in shipping bill or bill of export furnished under Customs law; or
  - • Value declared in tax invoice or bill of supply.
- Cir.No..137/11/2018 dtd. 15-03-2018 – In case of exports on payment of tax - During the processing of the refund claim, the value of the goods declared in the GST invoice and the value in the corresponding shipping bill / bill of export should be examined and the lower of the two values should be sanctioned as refund.

## Amendments in Rule 96 retrospectively w.e.f. 01-07-2017 - Refund claims in case of Exports on payment of tax :

- Proviso added to Rule 96(1)(b) where the applicant has furnished a valid return in FORM GSTR-3B:
- Provided that if there is any mismatch between the data furnished by the exporter of goods in Shipping Bill and those furnished in statement of outward supplies in FORM GSTR-1, such application for refund of integrated tax paid on the goods exported out of India shall be deemed to have been filed on such date when such mismatch in respect of the said shipping bill is rectified by the exporter.
- Clause (c) added in Rule 96(4) for withholding of refund :
- The Commissioner in the Board or an officer authorised by the Board, on the basis of data analysis and risk parameters, is of the opinion that verification of credentials of the exporter, including the availment of ITC by the exporter, is considered essential before grant of refund, in order to safeguard the interest of revenue.

## Amendments in Rule 96 retrospectively w.e.f. 01-07-2017 - Refund claims in case of Exports on payment of tax :

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- Sub-Rules 5, 6, 7 omitted and Sub-Rules 5A, 5B, 5C inserted in Rule 96 retrospectively w.e.f. 01-07-2017 vide Notifn. No. 14/2022-CT dtd 05-07-2022
- Where refund is withheld in accordance with the provisions of sub-rule (4):
  - Transmission of IGST refund claims to GST officers from Customs Dept., in case of risky exporter refunds or violation of Customs Act.
  - Date of System generated Form GST RFD-01 by the Customs Officer to be considered as the date of application of refund as per provisions of Rule 89.

## CT–Notifn.No.14/2022- Other Changes in Rules

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- UPI & IMPS provided as an additional mode for payment of Goods and Services Tax to taxpayers under Rule 87(3) of CGST Rules
- Explanation to be inserted in Rule 89(1) of CGST Rules to clarify that the “specified officer” shall mean “authorized officer” as defined under SEZ Rules, 2006.
- Amendment in CGST Rules to provide for refund of unutilized ITC on account of Export of Electricity. [ Rule 89(2)(ba)]
- Supplies from Duty Free Shops (DFS) at international terminal to outgoing international passengers to be treated as exports by DFS and consequential refund benefit to be available to them on such supplies. [ Rule 95A omitted retrospectively w.e.f. 01-07-2019] – ( Flemingo Travel Retail- WP-1511 of 2019-Bom HC )

## ...CT–Notifn.No.14/2022- Other Changes in Rules

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- Clause (d) inserted in **Explanation 1 after Rule 43** to provide that there is no requirement of reversal of input tax credit for exempted supply of **Duty Credit Scrips** by the exporters vide Notifn. No. 14/2022-CT
- Comprehensive changes in FORM GSTR-3B, GSTR-9 , GSTR-9C
- **New Table 3.1.1 inserted in GSTR-3B for reporting supplies notified u/s 9(5)**
- Instructions : —(4) An ECO shall not include in 3.1(a) above, the supplies on which the ECO is required to pay tax under section 9 (5) of the CGST Act and shall report such supplies in 3.1.1(i) above
- (5) A registered person making supplies through an ECO shall not include in 3.1(a) above, the supplies on which the ECO is required to pay tax under section 9(5) of the CGST Act and shall report such supplies in 3.1.1(ii) above

## New Table 3.1.1 inserted in GSTR-3B for reporting supplies notified u/s 9(5)

3.1.1. Details of supplies notified under sub-section (5) of section 9 of the Central Goods and Services Tax Act, 2017 and corresponding provisions in Integrated Goods and Services Tax/Union Territory Goods and Services Tax/State Goods and Services Tax Acts.

Description	Total Taxable Value	Integrated Tax	Central Tax	State/UT Tax	Cess
(1)	(2)	(3)	(4)	(5)	(6)
(i) Taxable supplies on which electronic commerce operator pays tax under Sub-section (5) of Section 9 [To be furnished by the electronic commerce operator]					
(ii) Taxable supplies made by the registered person through electronic commerce operator, on which electronic commerce operator is required to pay tax under Sub-section (5) of Section 9 [To be furnished by the registered person making supplies through electronic commerce operator].					

## CT Notifn. Nos. 10, 11 and 12 dtd. 05-07-2022

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- Exemption from filing annual return in **FORM GSTR-9/9A** for FY 2021-22 to taxpayers having AATO up to Rs. 2 crores. vide Notifn. No. 10/2022-CT
- Extension for filing of GST **CMP-08** by Composition Dealers for Q1 of FY 22-23:
  - Due date for filing GST CMP-08 for 1<sup>st</sup> quarter of FY 22-23 has been extended to 31<sup>st</sup> July 2022 vide Notifn. No. 11/2022-CT
- Waiver of Late fee for delay in filing **GSTR 4** by Composition Dealers for FY 21-22 vide Notifn. No. 12/2022-CT
  - Waiver of late fee u/s 47 extended up to 28<sup>th</sup> July 2022



## Extension of Time Limits- Notif. 13/2022-CT dtd. 05-07-2022 w.e.f. 01-03-2020

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- Time period from 01/03/2020 to 28/02/2022 to be excluded from calculation of the limitation period
  - For filing refund claim by an applicant u/s 54 and 55 of CGST Act
  - For issuance of order (by proper officer) in respect of erroneous refunds u/s 73(9) of CGST Act ( time limit u/s 73(10) for issuing order u/s 73(9) was 3 years from date of erroneous refund)
- Time limit u/s 73(10) for issuance of order u/s 73(9) of CGST Act for recovery of tax not paid or short paid or of input tax credit wrongly availed or utilized, in respect of a tax period for the financial year 2017-18, to be extended till 30/09/2023 (Earlier it was 3 years from the due of furnishing Annual Return)
- Extension of Limitation Period by Supreme Court Miscellaneous Application No.21/2022 dtd. 10-01-2022.

## Fly Ash Aggregates - Notifn. Nos. 15 and 16 /2022-CT

- GST Registration threshold for supply of goods is 40 lacs as per Notifn. No. 10/2019 subject to certain exceptions :
- - Compulsory registration u/s 24
- - Persons engaged in supplying specified goods
- - Persons engaged in making intra-state supplies in specific states
- - Persons opting for Voluntary Registration u/s 25(3)
- Thus the threshold remains at 20 lacs for such persons.
- The exception list of specified goods was amended by Notifn. 3/2022 to include 'Fly ash bricks or fly ash aggregate with 90 per cent. or more fly ash content; Fly ash blocks' – HSN – 6815.
- Notifn. 15/2022 has amended the said entry w.r.e.f 01-04-2022 as 'Fly ash bricks; Fly ash aggregates; Fly ash blocks'
- Thus the 90% fly ash content criteria has been omitted.
- Similar changes are made in the exception list of composition taxpayers( Notifn.16/2022 r.w. NN 14/2019, 04/2022)

## Other Recommendations of 47<sup>th</sup> GST Council Meeting

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- The Council has decided to constitute a Group of Ministers(GoM) to address various concerns raised by the States in relation to constitution of GST Appellate Tribunal and make recommendations for appropriate amendments in CGST Act.
- The GoM on IT Reforms, inter alia, recommended that the GSTN should put in place the AI/ML based mechanism to verify the antecedents of the registration applicants and an improved risk-based monitoring of their behavior post registration so that non-compliant tax payers could be identified in their infancy and appropriate action be taken so as to minimize risk to the exchequer.

## ... Other Recommendations of 47<sup>th</sup> GST Council Meeting

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- **In-principal approval for relaxation in the provisions for suppliers making supplies through E-Commerce Operators(ECO)**
  - Waiver of requirement of Mandatory registration u/s 24(ix) of CGST Act for persons supplying goods through ECO if:
    - Aggregate turnover (all India basis) does not exceed threshold turnover as specified u/s 22(1) of CGST Act and notifications there under
    - Person does not make any inter state supply
  - Composition dealers would be allowed to make intra state supply through ECO subject to certain conditions
- Details of the scheme to be worked out by Law Committee of Council and tentatively would come into effect from 01/01/2023.

## **Issuance of circulars to remove ambiguities and legal disputes & provide clarifications on the following matters:**

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- Refund under inverted duty structure where concessional rate is charged
- Applicability of demand and penalty provisions on transactions involving fake invoices
- Mandatory furnishing of correct information of inter state supplies, amount of blocked ITC and reversals in GSTR 3B
- Refund claimed by the recipients of supplies regarded as deemed export
- Interpretation of section 17(5) of the CGST Act
- Perquisites provided by employer to the employees as per contractual agreement
- Utilization of the amounts available in the electronic credit ledger and the electronic cash ledger for payment of tax and other liabilities

## Reporting of Details in GSTR-3B and GSTR-1. – Circular No 170/02/2022 dt. 06/07/2022

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- The board has clarified various issues related to **reporting of details in GSTR 3B and GSTR 1** as follows:
- Furnishing of information regarding Inter-State supplies made to unregistered persons, composition taxable persons and UIN holders in Table 3.2 of GSTR 3B is mandatory even though the same is furnished in Table 3.1 of Form GSTR 3B.
- The reporting of such inter-state supplies should be done place of supply-wise.
- It is desirable that correct reporting of information is done by the registered person in **FORM GSTR-3B** and **FORM GSTR-1** so as to ensure correct accountal and accurate settlement of funds between the Central and State Governments
- The Suppliers should update their customer database properly with correct State name and ensure that correct PoS is declared in the tax invoice and in Table 3.2 of FORM GSTR-3B, so that tax reaches the Consumption State as per the principles of Destination-based taxation system

**3.2 Of the supplies shown in 3.1 (a) above, details of inter-State supplies made to unregistered persons, composition taxable persons and UIN holders**

	<b>Place of Supply (State/UT)</b>	<b>Total Taxable value</b>	<b>Amount of Integrated Tax</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
Supplies made to Unregistered Persons			
Supplies made to Composition Taxable Persons			
Supplies made to UIN holders			

## ...Reporting of Details in GSTR-3B – Cir. No 170/02/2022 dt. 06/07/2022 & Notifn.14/2022

Furnishing of information regarding ITC availed, reversal thereof and ineligible ITC in Table 4 of GSTR-3B for reporting correct Net ITC:

- Total ITC (eligible as well as ineligible) is being auto-populated from statement in FORM GSTR-2B in different fields of **Table 4A** of Form GSTR-3B
- Registered person will report reversal of ITC, which are absolute in nature and are not reclaimable and for reporting ineligible ITC under section 17(5) of the CGST Act in **Table 4 (B) (1)**.
- Registered person will report reversal of ITC, which are not permanent in nature and can be reclaimed in future subject to fulfilment of specific conditions **in Table 4 (B) (2)**. Such ITC may be reclaimed in **Table 4(A)(5)** on fulfilment of necessary conditions
- Further, all such reclaimed ITC shall also be shown in Table 4(D)(1). **Table 4 (B) (2)** may also be used by registered person for reversal of any ITC availed in Table 4(A) in previous tax periods because of some inadvertent mistake.



4. Eligible ITC - Old reporting	4. Eligible ITC - New Reporting
<b>(A) ITC Available (whether in full or part)</b>	<b>(A) ITC Available (whether in full or part)</b>
(1) Import of goods	(1) Import of goods
(2) Import of services	(2) Import of services
(3) Inward supplies liable to reverse charge (other than 1 & 2 above)	(3) Inward supplies liable to reverse charge (other than 1 & 2 above)
(4) Inward supplies from ISD	(4) Inward supplies from ISD
(5) All other ITC	(5) All other ITC
<b>(B) ITC Reversed</b>	<b>(B) ITC Reversed</b>
(1) As per Rule 42 & 43 of CGST/SGST rules	(1) As per rules 38, 42 and 43 of CGST Rules and sub-section (5) of section 17
(2) Others	(2) Others
<b>(C) Net ITC Available (A) - (B)</b>	<b>(C) Net ITC Available (A) - (B)</b>
<b>(D) Ineligible ITC</b>	<b>(D) Other details</b>
(1) As per section 17(5)	(1) ITC reclaimed which was reversed under Table 4(B)(2) in earlier tax periodll;
(2) Others	(2) Ineligible ITC under section 16(4) and ITC restricted due to PoS provisions

## ...Reporting of Details in GSTR-3B and GSTR-1. – Circular No 170/02/2022 dt. 06/07/2022

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- Therefore, the net ITC Available will be calculated in **Table 4 (C)** which is as per the formula  $(4A - [4B (1) + 4B (2)])$  and same will be credited to the ECL of the registered person.
- As the details of ineligible ITC under section 17(5) are being provided in Table 4(B), no further details of such ineligible ITC will be required to be provided in Table 4(D)(1).
- ITC not available, on account of limitation of time period as delineated section 16(4) of the CGST Act or where the recipient of an intra-State supply is located in a different State / UT than that of place of supply, may be reported by the registered person in **Table 4D (2)**. Such details are available in Table 4 of FORM GSTR-2B.
- It has been clarified that the reversal of ITC of ineligible credit under section 17(5) or any other provisions of the CGST Act and rules thereunder is required to be made under Table 4(B) and not under Table 4(D) of FORM GSTR-3B.

## Advisory issued by GSTN on mentioning of HSN codes in GSTR-1

- Vide Notifn.No.78/2020-CT-dtd.15-10-2020, it is mandatory for the taxpayers to report HSN code in Table-12 of GSTR-1 based on Aggregate Annual Turnover (AATO) in the preceding Financial Year. The GSTR-1 was allowing lesser digits and manual entry.
- GSTN has issued Advisory about updation of GSTR-1 on the portal to ensure the following:

● If AATO is less than 5 cr	● If AATO is more than 5 cr
<p>Minimum 4 digits HSN code to be mentioned as per Notifn. (Portal is allowing 2 Digits)</p> <p>Manual user entry is allowed for entering HSN or description and warning or alert message shall be shown in case of manual HSN.</p> <p>However, taxpayers will be able to file GSTR-1 after manual entry.</p>	<p>Minimum 6 digits HSN code to be mentioned</p> <p>Manual user entry is allowed for entering HSN or description and warning or alert message shall be shown in case of manual HSN.</p> <p>However, taxpayers will be able to file GSTR-1 after manual entry.</p> <p>Taxpayers would be expected to correct HSN where there is an error and a warning message shown</p>

## Demand and Penalty provisions in respect of transactions involving fake invoices – Cir.No.171/03/2022 dt. 06/07/22

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- **Issue 1:** In case where a registered person “A” has issued tax invoice to another registered person “B” **without any underlying supply of goods or services or both**, whether such transaction will be covered as “supply” under section 7 of CGST Act and whether any demand and recovery can be made from ‘A’ in respect of the said transaction. Also, whether any penal action can be taken against registered person ‘A’ in such cases.
- **Clarification :** Since there is only been an issuance of tax invoice by ‘A’ to ‘B’ without the underlying supply of goods or services or both, therefore, such an activity does not satisfy the criteria of “supply”, as defined under section 7 of the CGST Act. As there is no supply by ‘A’ to ‘B’ in respect of such tax invoice in terms of the provisions of section 7 of CGST Act, ...

## ...Circular No 171/03/2022 dt. 06/07/2022

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- **Clarification 1 (continued):** ...No tax liability arises against 'A' for the said transaction, and accordingly, no demand and recovery is required to be made against 'A' under the provisions of section 73 or section 74 of CGST Act in respect of the same.
  - Besides, no penal action under the provisions of section 73 or section 74 is required to be taken against 'A' in respect of the said transaction.
  - 'A' shall, however, be liable for penal action under section 122 (1)(ii) of the CGST Act for issuing tax invoices without actual supply of goods or services or both.

## ...Circular No 171/03/2022 dt. 06/07/2022

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- **Issue 2:** A registered person “A” has issued tax invoice to another registered person “B” without any underlying supply of goods or services or both. ‘B’ avails input tax credit on the basis of the said tax invoice. **“B” further issues invoice along with underlying supply of goods or services or both to his buyers and utilizes ITC availed** on the basis of the above mentioned invoices issued by ‘A’, for payment of his tax liability in respect of his said outward supplies. Whether ‘B’ will be liable for the demand and recovery of the said ITC, along with penal action, under the provisions of section 73 or section 74 or any other provisions of the CGST Act.
- **Clarification:** Since the registered person ‘B’ has availed and utilized fraudulent ITC on the basis of the said tax invoice, without receiving the goods or services or both, in contravention of the provisions of section 16(2)(b) of CGST Act,...

## ...Circular No 171/03/2022 dt. 06/07/2022

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- **Clarification 2 (continued):** ....B shall be liable for the demand and recovery of the said ITC, along with penal action, under the provisions of section 74 of the CGST Act, along with applicable interest under provisions of section 50 of the said Act.
  - Further, as per provisions of section 75(13) of CGST Act, if penal action for fraudulent availment or utilization of ITC is taken against 'B' under section 74 of CGST Act, no penalty for the same act, i.e. for the said fraudulent availment or utilization of ITC, can be imposed on 'B' under any other provisions of CGST Act, including under section 122.

## ...Circular No 171/03/2022 dt. 06/07/2022

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- **Issue 3:** A registered person 'A' has issued tax invoice to another registered person 'B' without any underlying supply of goods or services or both. 'B' avails input tax credit on the basis of the said tax invoice and further passes on the said input tax credit to another registered person 'C' by **issuing invoices without underlying supply of goods or services or both**. Whether 'B' will be liable for the demand and recovery and penal action, under the provisions of section 73 or section 74 or any other provisions of the CGST Act.
- **Clarification:** In this case, the input tax credit availed by 'B' in his electronic credit ledger on the basis of tax invoice issued by 'A', without actual receipt of goods or services or both, has been utilized by 'B' for passing on of input tax credit by issuing tax invoice to 'C' without any underlying supply of goods or services or both...



## ...Circular No 171/03/2022 dt. 06/07/2022

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- **Clarification 3 (continued):** ...As there was no supply of goods or services or both by 'B' to 'C' in respect of the said transaction, no tax was required to be paid by 'B' in respect of the same. The input tax credit availed by 'B' in his electronic credit ledger on the basis of tax invoice issued by 'A', without actual receipt of goods or services or both, is ineligible in terms of section 16 (2)(b) of the CGST Act. In this case, there was no supply of goods or services or both by 'B' to 'C' in respect of the said transaction and also no tax was required to be paid in respect of the said transaction. Therefore, in these specific cases, no demand and recovery of either input tax credit wrongly/ fraudulently availed by 'B' in such case or tax liability in respect of the said outward transaction by 'B' to 'C' is required to be made from 'B' under the provisions of section 73 or section 74 of CGST Act.

## ...Circular No 171/03/2022 dt. 06/07/2022

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- **Clarification 3 (continued):** However, in such cases, 'B' shall be liable for penal action both under section 122(1)(ii) and section 122(1)(vii) of the CGST Act, for issuing invoices without any actual supply of goods and/or services as also for taking/ utilizing input tax credit without actual receipt of goods and/or services.

## Clarification on various issues under GST– Cir.No.172/04/2022 dt. 06/07/22

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- **Refund claimed by the recipients of supplies regarded as deemed export:**
  - **Q 1 :** Whether the ITC availed by the recipient of deemed export supply for claiming refund of tax paid on supplies regarded as deemed exports would be subjected to provisions of Section 17 of the CGST Act, 2017.
  - **C:** Vide Circular No. 147/03/2021-GST dated 12.03.2021, the taxes paid on Deemed Export Supplies by the recipients were made available as ITC to such recipients for enabling them to claim refunds on the portal. Since, the said ITC of tax paid on deemed export supplies, allowed to the recipients for claiming refund of such tax paid, is not ITC in terms of the provisions of Chapter V of the CGST Act, therefore, the ITC so availed would not be subjected to provisions of Section 17 of the CGST Act.

## ...Circular No 172/04/2022 dt. 06/07/2022

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- **Refund claimed by the recipients of supplies regarded as deemed export:**
  - **Q 2:** Whether the ITC availed by the recipient of deemed export supply for claiming refund of tax paid on supplies regarded as deemed exports is to be included in the “Net ITC” for computation of refund of unutilised ITC under rule 89(4) & rule 89 (5) of the CGST Rules, 2017.
  - **C:** As enumerated above, such ITC availed by the recipient of deemed export supply for claiming refund of tax paid on supplies regarded as deemed exports is not to be included in the “Net ITC” for computation of refund of unutilised ITC on account of zero-rated supplies under rule 89(4) or on account of inverted rated structure under rule 89(5) of the CGST Rules, 2017.

## ...Circular No 172/04/2022 dt. 06/07/2022

- **Clarification on various issues of sec.17(5) of the CGST Act:**
  - **Q 3:** Whether the proviso at the end of section 17(5)(b) of the CGST Act is applicable to the entire clause (b) or the said proviso is applicable only to sub-clause (iii) of clause (b)?
  - **C:** It is clarified that the proviso after sub-clause (iii) of clause (b) of sub-section (5) of section 17 of the CGST Act is applicable to the whole of clause (b) of sub-section (5) of section 17 of the CGST Act.
  - *Proviso to section 17(5)(b): “Provided that the input tax credit in respect of such goods or services or both shall be available, where it is obligatory for an employer to provide the same to its employees under any law for the time being in force.”*
  - *TATA Motors Lts. – AAR – Guj.* Section 17(5)(b)(i) sub-clause ending with a colon and followed by a proviso which ends with a semi colon is to be read as independent sub-clause, independent of sub clause Section 17(5)(b)(iii) and its proviso of subclause ii. Thereby, the proviso to section 17(5)(b)(iii) is not connected to the sub-clause of Section 17(5)(b)(i) and cannot be read into it.

## ...Circular No 172/04/2022 dt. 06/07/2022

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- **Clarification on various issues of section 17(5) of the CGST Act:**
  - **Q 4:** Whether the provisions of Section 17(5)(b)(i) of the CGST Act bar availment of ITC on input services by way of “leasing of motor vehicles, vessels or aircraft” or ITC on input services by way of any type of leasing is barred under the said provisions?
  - **C:** It is clarified that “leasing” referred in Section 17(5)(b)(i) refers to leasing of motor vehicles, vessels and aircrafts only and not to leasing of any other items. Accordingly, availment of ITC is not barred under sub-clause (i) of clause (b) of sub-section (5) of section 17 of the CGST Act in case of leasing, other than leasing of motor vehicles, vessels and aircrafts.

## ...Circular No 172/04/2022 dt. 06/07/2022

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- **Perquisites provided by employer to the employees as per contractual agreement:**
  - **Q 5:** Whether various perquisites provided by the employer to its employees in terms of contractual agreement entered into between the employer and the employee are liable for GST?
  - **C:** Any perquisites provided by the employer to its employees in terms of contractual agreement entered into between the employer and the employee are in lieu of the services provided by employee to the employer in relation to his employment. It follows therefrom that perquisites provided by the employer to the employee in terms of contractual agreement entered into between the employer and the employee, will not be subjected to GST when the same are provided in terms of the contract between the employer and employee.

## ...Circular No 172/04/2022 dt. 06/07/2022

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- **Utilisation of the amounts available in the electronic credit ledger and the electronic cash ledger for payment of tax and other liabilities:**
  - **Q 6** : Whether the amount available in the electronic credit ledger can be used for making payment of any tax under the GST Laws?
  - **C:** It is clarified that any payment towards output tax, whether self-assessed in the return or payable as a consequence of any proceeding instituted under the provisions of GST Laws, can be made by utilization of the amount available in the electronic credit ledger of a registered person.

Jyoti Constructions – Orissa HC – WP - 23508, 23511, 3513, 23514 and 23521 of 2021 decided on October 7, 2021 – Predeposit for filing appeal to be paid through Electronic Cash Ledger only.



## ...Circular No 172/04/2022 dt. 06/07/2022

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- **Utilisation of the amounts available in the electronic credit ledger and the electronic cash ledger for payment of tax and other liabilities:**
  - **Q 7:** Whether the amount available in the electronic credit ledger can be used for making payment of any liability other than tax under the GST Laws?
  - **C:** As per Section 49(4), the electronic credit ledger can be used for making payment of output tax only under the CGST Act or the IGST Act. It cannot be used for making payment of any interest, penalty, fees or any other amount payable under the said acts. Similarly, electronic credit ledger cannot be used for payment of erroneous refund sanctioned to the taxpayer, where such refund was sanctioned in cash.

## ...Circular No 172/04/2022 dt. 06/07/2022

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- **Utilisation of the amounts available in the electronic credit ledger and the electronic cash ledger for payment of tax and other liabilities:**
  - **Q 8:** Whether the amount available in the **electronic cash ledger** can be used for making payment of any liability under the GST Laws?
  - **C:** As per section 49(3) of the CGST Act, the amount available **in** the electronic cash ledger may be used for making any payment towards tax, interest, penalty, fees or any other amount payable under the provisions of the GST Laws.

## Inverted Duty Structure - Circular No 173/05/2022 dt. 06/07/2022

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- As per the clarifications of Circular No. 135/05/2020-GST dated 31/03/2020, refund on account of inverted duty structure was not admissible in cases where the input and output supply were same.
- Further to the above clarification, the Board now clarifies that the **refund of accumulated ITC on account of inverted structure** as per 1<sup>st</sup> proviso to Section 54(3)(ii) of the CGST Act, 2017 would be allowed in cases where accumulation of ITC is on account of rate of tax on outward supply being less than the rate of tax on inputs (same goods) at the same point of time, as per some concessional notification issued by the Government providing for lower rate of tax for some specified supplies subject to fulfilment of other conditions.
- Accordingly, necessary changes have been made to Circular No. 135/05/2020-GST.

## Re-Credit in Electronic Credit Ledger - Circular No 174/06/2022 dt. 06/07/2022

- For the following Categories of refunds, re-credit can be done using FORM GST PMT-03 A as per Rule 86(4B):
  - Refund of IGST obtained in contravention of rule 96(10).
  - Refund of unutilised ITC on account of export of goods/services without payment of tax.
  - Refund of unutilised ITC on account of zero-rated supply of goods/services to SEZ developer/Unit without payment of tax.
  - Refund of unutilised ITC due to inverted tax structure.
- The circular also elaborates the procedure for re-credit of the erroneous refund in the electronic credit ledger on deposit of such erroneous refund along with interest and penalty.
- Till the time an automated functionality for handling such cases is developed on the portal, the taxpayer shall make a written request, in format enclosed as **Annexure-A**, to jurisdictional proper officer to re-credit the amount equivalent to the amount of refund thus paid back through **FORM GST DRC-03**, to electronic credit ledger

## **Export of Electricity–Cir.No.175/07/2022 dt. 06/07/2022**

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- Post insertion of Clause (ba) to Rule 89(2) and statement 3B in Form GST RFD 01, the Board has issued procedural clarifications regarding filing and processing of refund of unutilised ITC on account of export of electricity. Further, the relevant date for filing of the return application has also been clarified in the said circular.

## **Duty Free Shops – Cir. No 176/08/2022 dt. 06/07/2022**

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- Circular No 106/25/2019 clarified about the newly inserted Rule No 95A with regards to the eligibility and procedural requirements of Duty Free Shops to claim refund of taxes paid on inward supply of indigenous goods by retail outlets at departure area of the international airport beyond immigration counters when supplied to outgoing international tourist against foreign exchange.
- The said Rule 95A has been omitted vide Notification No 14/2022 dated 5<sup>th</sup> July 2022. Hence, the circular clarifying the above rule has also been withdrawn.



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# Recommendations on Changes in Rates of Taxes

## Rate Rationalization to remove inverted duty structure

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- Inverted duty structure refers to a situation where the rate of tax on inputs purchased (i.e. GST rate paid on inputs received) is more than the rate of tax on outward supplies (i.e. GST rate payable on sales).
- For e.g. - ABC Ltd purchases input material for manufacturing a product X at 18% GST and paid GST of Rs 10,000 to the supplier and sells the product X at 5% GST and collects GST of Rs. 3,500 from the buyer.
- Thus, ABC Ltd is paying more GST on inputs than the output which is manufactured. This is considered as Inverted Duty Structure and is eligible for refund u/s 54 of the CGST Act.



## Rate Rationalization to remove inverted duty structure

- Following changes in rates shall come in to force from 18<sup>th</sup> July, 2022

Sr No	Description	From	To
1	Printing, writing or drawing ink	12%	18%
2	Knives with cutting blades, Paper knives, Pencil sharpeners and blades therefor, Spoons, forks, ladles, skimmers, cake-servers etc	12%	18%
3	Power driven pumps primarily designed for handling water such as centrifugal pumps, deep tube-well turbine pumps, submersible pumps; Bicycle pumps	12%	18%
4	Machines for cleaning, sorting or grading, seed, grain pulses; Machinery used in milling industry or for the working of cereals etc; Pawan Chakki that is Air Based Atta Chakki; Wet grinder;	5%	18%

## Rate Rationalization to remove inverted duty structure

Sr No	Description	From	To
5	Machines for cleaning, sorting or grading eggs, fruit or other agricultural produce and its parts, Milking machines and dairy machinery	12%	18%
6	LED Lamps, lights and fixture, their metal printed circuits board;	12%	18%
7	Drawing and marking out instruments	12%	18%
8	Solar Water Heater and system;	12%	18%
9	Prepared/finished leather/chamois leather / composition leathers;	5%	12%
10	Refund on accumulated ITC not allowed for the following goods Edible Oils Coal		
10A	Services supplied by foreman to chit fund	12%	18%

## Rate Rationalization to remove inverted duty structure

Sr No	Description	From	To
11	Job work in relation to processing of hides, skins and leather	5%	12%
12	Job work in relation to manufacture of leather goods and footwear	5%	12%
13	Job work in relation to manufacture of clay bricks	5%	12%
14	<b>Works contract</b> for roads, bridges, railways, metro, effluent treatment plant, crematorium etc.	12%	18%
15	Works contract supplied to central and state governments, local authorities for historical monuments, canals, dams, pipelines, plants for water supply, educational institutions, hospitals etc. & sub- contractor thereof	12%	18%
16	Works contract supplied to central and state governments, union territories & local authorities involving predominantly earthwork and sub-contracts thereof	5%	12%

## Other GST Rate Changes

Sr No	Description	From	To
1	Ostomy Appliances (medical equipment)	12%	5%
2	Orthopedic appliance- Splints and other fracture appliances; artificial parts of the body; other appliances which are worn or carried, or implanted in the body, to compensate for a defect or disability; intraocular lens	12%	5%
3	Tetra Pak (Aseptic Packaging Paper)	12%	18%
4	Tar (whether from coal, coal gasification plants, producer Gas plants and Coke Oven Plants.	5/18%	18%
5	IGST on import of Diethylcarbamazine (DEC) tablets supplied free of cost for National Filariasis Elimination Programme	5%	Nil
6	Cut and Polished diamonds	0.25%	1.5%





## Withdrawal of Exemptions

- The council has recommended to revise the scope of exemption on the specified food items, grains, etc when not branded or when right of the brand has been forgone.
- After the revision, **prepackaged and pre-labelled retail pack items** in terms of Legal Metrology Act including pre-packed, pre-labelled curd, lassi and butter-milk shall not be exempted from GST.
- For the following, Exemption from GST is being withdrawn:

Sr No	Description	From	To
1	Cheques, loose or in book form	Nil	18%
2	Maps and hydrographic or similar charts of all kinds, including atlases, wall maps, topographical plans and globes, printed	Nil	12%
3	Parts of goods of heading 8801 (ex of goods under 8801 are gliders, non-powered aircraft, etc)	Nil	18%

## Withdrawal of Exemptions

- For the following goods the concessional rate of GST are being rationalized

Sr No	Description	From	To
1	Petroleum/ Coal bed methane	5%	12%
2	Scientific and technical instruments supplied to public funded research institutes	5%	Applicable Rate
3	E-waste	5%	18%



## Withdrawal of Exemptions - Services

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- Exemption in relation to the following services are being rationalized:
- Transport of passengers by air to and from NE states & Bagdogra in economy class is exempted
- Exemption on the following services are being withdrawn fully;
  - Transportation by rail or vessel of railway equipment
  - Storage or warehousing of commodities ( commodities on which GST is levied)
  - Fumigation in warehouse of agricultural produce
  - Services by RBI, IRDA, SEBI, FSSAI
  - Services provided by GSTN
  - **Renting of residential dwelling to business entities (i.e. registered persons)**
  - Services of preservation of stem cells provided by cord blood banks



## Withdrawal of Exemptions

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- Exemption on the following services are being withdrawn fully;
  - Services provided by CETPs (Common Effluent Treatment Plant), common bio-medical waste treatment facilities shall be taxed at 12%(with ITC)
  - **Hotel accommodation priced up to Rs. 1000/- per day shall be taxed at 12%**
  - **Room rent (excluding ICU) exceeding Rs. 5000/- per day per patient shall be taxed at 5% (without ITC)**
  - Services of training or coaching in recreational activities relating to arts, culture or sports except when provided by an individual



## Clarifications on GST Rate on Goods

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- **Electric vehicles ( with or without battery )** are eligible for concessional GST Rate of 5%
- All fly ash bricks attract the concessional rate (condition of 90% fly ash content is being omitted)
- Stones covered in S. No. 123 of Schedule I attract concessional GST Rate of 5% (Ex Napa Stones)
- All forms of mangoes including mango pulp and excluding raw and fresh mangoes shall attract GST @ 12%
- Sewage treated water is exempted from GST
- Nicotine Polarilex Gum attracts GST @ 18%

## Clarification on GST Rate on Services

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- **GST @ 5% without ITC on supply of ice-cream by ice-cream parlor during the period 01/07/2017 to 05/10/2021 shall be regularized to avoid unnecessary litigation.**
- Application fee charged by universities for entrance or issuance of eligibility/migration certificate shall be exempt from GST.
- Ginned or baled fibre is covered under 24B of Notification no 12/2017-Central Tax(Rate) dt. 28/06/2017 in the category of raw vegetable fibres and exemption under the same is being rationalized.
- Services associated with transit cargo both to and from Nepal and Bhutan are covered under exemption. [9B of Notification No 12/2017-CT(R)]

## Clarifications to be issued on GST Rate on Services

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- Activity of selling of space for advertisement in souvenirs published in the form of books is eligible for concessional GST at 5%.
- Renting of vehicle with operator for transportation of goods (Heading 9966) attracts GST @ 18%. However, where cost of fuel is included in consideration the rate prescribed shall be 12%.
- Allowing choice of location of a plot is part of supply of long term lease of plot of land. Therefore, location charge or preferential location charges (PLC) are part of consideration charged for long term lease of land and shall get the same treatment under GST.
- Services provided by the guest anchors to TV channels in lieu of honorarium attract GST.

## Clarifications on GST Rate on Services

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- Additional fee collected from vehicles not having **Fastag** is essentially payment of toll for allowing access to roads shall be given the same tax treatment as given to toll charges.
- Services of Assisted Reproductive Technology(ART) / In vitro Fertilization (IVF) are covered under healthcare services and are exempt from GST.
- Sale of land after leveling, laying down of drainage lines etc. is sale of land and does not attract GST.
- Renting of motor vehicles for transport of passengers to a body corporate for a period (time) is taxable in the hands of body corporate under RCM.

## Clarifications to be issued on GST Rate on Services

- SI No. 17(d) of notification No. 12/2017-CT(R) - exempts transport of passengers by public transport other than predominantly for tourism purpose, in a vessel between places located in India
- For the above entry, 'public transport' means that such transport should be open to public for point to point transport [e.g. such transport in Andaman and Nicobar islands].



## Other Miscellaneous Changes

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- All taxable service of Department of Posts would be subject to forward charge.
- **Goods transport agency (GTA) is being given option to pay GST at 5% or 12% under forward charge; option to be exercised at the beginning of Financial Year. RCM option to continue.**
- Service provided by Indian Tour operator to a foreign resident for a tour partially in India and partially outside India is to be subject to tax proportionate to the tour conducted in India for such foreign tourist subject to conditions that this concession does not exceed half of tour duration.



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# CHANGES IN RATES OF GOODS AND SERVICES



## Change in GST Rate of Services:

Sr No	Description of Services	Old Rate	New Rate
A	Entries (iii), (iv), (v), (va), (vi) and (ix) against Serial number 3 of of Notfn 11/2017 CTR under 'Construction Services' along with corresponding rates and conditions are omitted and would be charged at 18% from 12% under residual entry (xii). These mainly include works contract services which are as follow—		
1	<p>Composite supply of works contract as defined in clause (119) of section 2 of the CGST Act 2017 supplied to Central Government, State Government, Union territory or a local authority by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of</p> <p>(a) a historical monument, archaeological site or remains of national importance, archaeological excavation, or antiquity specified under the Ancient Monuments and Archaeological Sites and Remains Act, 1958 (24 of 1958);</p> <p>(b) canal, dam or other irrigation works</p> <p>(c) pipeline, conduit or plant for (i) water supply, (ii) water treatment, or (iii) sewerage treatment or disposal</p> <p>(Including Sub-contractor providing services to main contractor in respect of above)</p>	12%	18%

## Change in GST Rate of Services:

Sr No	Description of Services	Old Rate	New Rate
2	Composite supply of works contract as defined in clause (119) of section 2 of the CGST Act 2017 supplied by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of,— (a) a road, bridge, tunnel, or terminal for road transportation for use by general public	12%	18%

## Change in GST Rate of Services:

Sr No	Description of Services	Old Rate	New Rate
2	(b) a civil structure or any other original works pertaining <ul style="list-style-type: none"> <li>i) scheme under Jawaharlal Nehru National Urban Renewal Mission or Rajiv Awas Yojana;</li> <li>ii) In-situ redevelopment of existing slums using land as a resource, under the Housing for All (Urban) Mission/ Pradhan Mantri Awas Yojana (Urban);]</li> <li>iii) Beneficiary led individual house construction/enhancement" under the Housing for All (Urban) Mission/Pradhan Mantri Awas Yojana</li> <li>iv) "Economically Weaker Section (EWS) houses" constructed under the Affordable Housing in partnership by State or Union territory or local authority or urban development authority under the Housing for All (Urban) Mission/ Pradhan Mantri Awas Yojana (Urban);</li> <li>v) "houses constructed or acquired under the Credit Linked Subsidy Scheme for Economically Weaker Section (EWS)/Lower Income Group (LIG)/Middle Income Group-1 (MIG-1)/Middle Income Group-2 (MIG-2)" under the Housing for All (Urban) Mission/Pradhan Mantri Awas</li> </ul>	12%	18%

## Change in GST Rate of Services:

Sr No	Description of Services	Old Rate	New Rate
2	<p>(c) pollution control or effluent treatment plant, except located as a part of a factory; or</p> <p>(d) a structure meant for funeral, burial or cremation of deceased</p> <p>(e) a building owned by an entity registered under section 12AA of the Income Tax Act, 1961 carrying out activities of centralized cooking or distribution for mid-day meals schemes sponsored by Government</p>	12%	18%

## Change in GST Rate of Services:

Sr No	Description of Services	Old Rate	New Rate
3	<p>Composite supply of works contract as defined in clause (119) of section 2 of the CGST Act 2017 supplied by way of construction, erection, commissioning, installation, of original works pertaining to,—</p> <p>(a) Railways, monorail and metro;</p> <p>(b) a single residential unit otherwise than as a part of a residential complex</p> <p>(c) low-cost houses up to a carpet area of 60 square metres per house in a housing project approved by competent authority empowered under the 'Scheme of Affordable Housing in Partnership' framed by the Ministry of Housing and Urban Poverty Alleviation, Government of India;</p> <p>(d) low cost houses up to a carpet area of 60 square metres per house in a housing project approved by the competent authority under— "Affordable Housing in Partnership" component of the Housing for All (Urban) Mission/Pradhan Mantri Awas Yojana &amp; any housing scheme of a State Government</p>	12%	18%

## Change in GST Rate of Services:

Sr No	Description of Services	Old Rate	New Rate
3	<p>Composite supply of works contract as defined in clause (119) of section 2 of the CGST Act 2017 supplied by way of construction, erection, commissioning, installation, of original works pertaining to,—</p> <p>e) low-cost houses up to a carpet area of 60 square metres per house in an affordable housing project which has been given infrastructure status vide notification of Government of India, in Ministry of Finance, Department of Economic Affairs vide F. No. 13/6/2009-INF, dated the 30th March, 2017;</p> <p>f) post-harvest storage infrastructure for agricultural produce including a cold storage for such purposes;</p> <p>g) mechanised food grain handling system, machinery or equipment for units processing agricultural produce as food stuff excluding alcoholic beverages.]</p>	12%	18%

## Change in GST Rate of Services:

Sr No	Description of Services	Old Rate	New Rate
4	Composite supply of works contract as defined in clause (119) of section 2 of the CGST Act 2017 supplied by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of <b>affordable residential apartments</b> in a project which commences on or after 1 st April, 2019, or in an ongoing project in respect of which the promoter has not exercised option to pay central tax on construction of apartments at the old rates.	12%	18%

## Change in GST Rate of Services:

Sr No	Description of Services	Old Rate	New Rate
5	<p>Composite supply of works contract as defined in clause (119) of section 2 of the CGST, 2017 provided to the Central Government, State Government, Union Territory, a local authority, by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of</p> <p>(a) a civil structure or any other original works meant predominantly for use other than for commerce, industry, or any other business or profession;;</p> <p>(b) a structure meant predominantly for use as (i) an educational, (ii) a clinical, or (iii) an art or cultural establishment; or</p> <p>(c) a residential complex predominantly meant for self-use or the use of their employees or other persons specified in paragraph 3 of the Schedule III of the CGST Act 2017</p> <p>(Including Sub-contractor providing services to main contractor in respect of above)</p>	12%	18%



## Change in GST Rate of Services:

Sr No	Description of Services	Old Rate	New Rate
B	Entries (vii), (x) against Serial number 3 of Notfn 11/2017 CTR under 'Construction Services' would be charged at 12% from 5% These mainly include works contract services which are as follow—		
1	Composite supply of works contract as defined in clause (119) of section 2 of the CGST Act, 2017, involving predominantly earth work (that is, constituting more than 75 per cent of the value of the works contract) provided to the Central Government, State Government, Union territory or a local authority	5%	12%
2	Composite supply of works contract as defined in clause (119) of section 2 of the CGST Act, 2017 provided by a sub-contractor to the main contractor providing services specified in item (vii) above to the Central Government, State Government, Union territory or a local authority]	5%	12%

## Change in GST Rate of Services:

Sr No	Description of Services	Old Rate	New Rate
C	Transport of passengers, with or without accompanied belongings, by ropeways.  (New entry (via) against serial number 8, inserted in Notfn 11/2017 CTR.)	18%	5% (without ITC)
D	Transport of goods by ropeways.  (New entry (via) against serial number 9 inserted in Notfn 11/2017 CTR)	18%	5% (without ITC)
E	Renting of goods carriage where fuel is included in the consideration charged from service recipient  (New entry (ia) inserted against serial number 10 in notfn 11/2017 CTR.)	18%	12%
G	Services supplied by foreman to chit fund in relation to chit.  (entry (i) against serial number 15 of notfn 11/2017 CTR omitted)	12%	18%

## Change in GST Rate of Services:

Sr No	Description of Services	Old Rate	New Rate
H	<p>Services by way of job work in relation to</p> <p>a) processing of hides, skins and leather falling under Chapter 41 in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975</p> <p>a) manufacture of leather goods or foot wear falling under Chapter 42 or 64 in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) respectively</p> <p>a) manufacture of clay bricks falling under tariff item 6901 00 10 in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975);]</p> <p>(Sub-item (e),(ea), &amp; (h) of item (i) of entry at Serial number 26 of notfn . 11/2017 CTR omitted)</p>	5%	12%

## Change in GST Rate of Services:

Sr No	Description of Services	Old Rate	New Rate
I	<p>Services provided by a clinical establishment by way of providing room [other than Intensive Care Unit (ICU)/Critical Care Unit (CCU)/Intensive Cardiac Care Unit (ICCU)/Neo natal Intensive Care Unit (NICU)] having room charges exceeding Rs. 5000 per day per per day to a person receiving health care services.</p> <p>(New entry 31A has been inserted in Notfn No. 11/2017 CTR)</p>		5% (without ITC)

## Withdrawal of exemption in respect of following services and corresponding

Sr No	Description of Services	New Rate
1	<p>Supply of 'hotel accommodation' having value of supply of a unit of accommodation <del>above one thousand rupees</del> but less than or equal to Rs, 7500 per unit per day or equivalent</p> <p>(Entry (i) against serial number 7 of Notfn No. 11/2017 CTR )</p>	12%
2	<p>Services by way of treatment or disposal of biomedical waste or processes incidental thereto by a common bio-medical waste treatment facilities to a clinical establishment.</p> <p>(entry (ia) inserted against serial number 32 in notfn no 11/2017 CTR)</p>	12%

## Withdrawal of exemption in respect of following services and corresponding

Sr N o	Description of Services	New Rate
3	<p>Services by renting of residential dwelling to registered person is liable to tax under Reverse charge mechanism i.e. tax is payable by the tenant or lessee.</p> <p>(Entry at Serial number 12 of Notfn . 12/2017-CTR &amp; entry 5AA inserted in Notfn 13/2017 CTR)</p>	18%
4	<p>Transport of passengers, with or without accompanied belongings, by air in (other than economy class,) embarking from or terminating in an airport located in the state of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, or Tripura or at Bagdogra located in West Bengal;”;</p> <p>Exemption continue on transport of passengers by air in economy class to and from NE states &amp; Bagdogra.</p> <p>(New entry (a) against serial number 15, in Notfn no 12/2017 CTR)</p>	12%

## Withdrawal of exemption in respect of following services and corresponding

Sr N o	Description of Services	New Rate
5	<p>Services by way of transportation by rail or a vessel from one place in India to another of the following goods of railway equipment and material</p> <p>(entry no (d) against serial number 20 of Notfn no 12/2017 CTR omitted)</p>	5%
6	<p>Services provided by a goods transport agency, by way of transport in a goods carriage of goods, where consideration charged for the transportation of goods on a consignment transported in a single carriage does not exceed Rs, 1500 .</p> <p>(entry no (b) against serial number 21 of Notfn no 12/2017 CTR omitted)</p>	5% or 12%

## Withdrawal of exemption in respect of following services and corresponding

Sr N o	Description of Services	New Rate
7	<p>Services provided by a goods transport agency, by way of transport in a goods carriage of goods, where consideration charged for transportation of all such goods for a single consignee does not exceed Rs, 750</p> <p>(entry no (c) against serial number 21 of Notfn no 12/2017 CTR omitted)</p>	5% or 12%
8	<p>Services by way of storage or warehousing of , spices, copra, sugarcane, jaggery, raw vegetable fibres such as cotton, flax, jute etc., indigo, unmanufactured tobacco, betel leaves, tendu leaves, coffee and tea.</p> <p>Exemption continue on Services by way of storage or warehousing of cereals, pulses, fruits and vegetables</p> <p>(New entry 24B substituted in Nnotfn 12/2017 CTR)</p>	18%



## Withdrawal of exemption in respect of following services and corresponding

Sr N o	Description of Services	New Rate
9	<p>Services by the Reserve Bank of India.</p> <p>(serial number 26 of notfn 12/2017 CTR omitted)</p>	18%
10	<p>Services provided by the Insurance Regulatory and Development Authority of India to insurers under the Insurance Regulatory and Development Authority of India Act, 1999 (41 of 1999).</p> <p>(serial number 32 of notfn 12/2017 CTR omitted)</p>	18%
11	<p>Services provided by the Securities and Exchange Board of India set up under the Securities and Exchange Board of India Act, 1992 (15 of 1992) by way of protecting the interests of investors in securities and to promote the development of, and to regulate, the securities market.</p> <p>(serial number 33 of notfn 12/2017 CTR omitted)</p>	18%

## Withdrawal of exemption in respect of following services and corresponding

Sr No	Description of Services	New Rate
12	<p>Services by way of licensing, registration and analysis or testing of food samples supplied by the Food Safety and Standards Authority of India (FSSAI) to Food Business Operators</p> <p>(serial number 47A of notfn 12/2017 CTR omitted)</p>	18%
13	<p>Services provided by the Goods and Services Tax Network to the Central Government or State Governments or Union territories for implementation of Goods and Services Tax.</p> <p>(serial number 51 of notfn 12/2017 CTR omitted)</p>	18%

## Withdrawal of exemption in respect of following services and corresponding

Sr N o	Description of Services	New Rate
14	Services by way of fumigation in a warehouse of agricultural produce. (serial number 53A of notfn 12/2017 CTR omitted)	18%
15	Services by way of slaughtering of animals (serial number 56 of notfn 12/2017 CTR omitted)	18%
16	Services provided by the cord blood banks by way of preservation of stem cells or any other service in relation to such preservation. (serial number 73 of notfn no 12/2017 CTR omitted)	18%
17	Services provided by operators of the common bio-medical waste treatment facility to a clinical establishment by way of treatment or disposal of bio-medical waste or the processes incidental thereto. (serial number 75 of notfn 12/2017 CTR omitted)	18%

## Withdrawal of exemption in respect of following services and corresponding

Sr No	Description of Services	New Rate
18	<p>Services by way of training or coaching in recreational activities relating to recreational activities relating to arts or culture by other than an individual</p> <p>Exemption continue in respect of Services by way of training or coaching in recreational activities relating (a) recreational activities relating to arts or culture, by an individual, or (b) sports by charitable entities registered under Section 12AA or 12AB of the Income Tax Act.”;</p> <p>(serial number 80 of notfn 12/2017 CTR substituted)</p>	18%

## Changes in respect of Goods Transport Agency ('GTA') Services:

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The existing rate structure of GTA already gives an option to the GTA

- a) to supply its services @ 5% without ITC or
- b) 12% with ITC.

However, GTA opting to pay tax @ 12% with ITC cannot not change the option once exercised.

Further, the services of GTA who opts to pay tax @ 5% without ITC are liable to tax under reverse charge in specified recipient

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The New rate structure of GTA already gives an option to the GTA

Against serial number 9, in notfn 11/2017 CTR, following entry substituted.

## Changes in respect of Goods Transport Agency ('GTA') Services:

“(iii) Services of Goods Transport Agency (GTA) in relation to transportation of goods (including used house hold goods for personal use) supplied by a GTA where,-

Description of Service	Rate (per cent)	Condition
a) GTA does not exercise the option to itself pay GST on the services supplied by it;	5% (2.5% CGST+2.5% SGST)	The credit of input tax charged on goods and services used in supplying the service has not been taken. [Please refer to Explanation no. (iv)]

## Changes in respect of Goods Transport Agency ('GTA') Services:

“(iii) Services of Goods Transport Agency (GTA) in relation to transportation of goods (including used house hold goods for personal use) supplied by a GTA where,-

Description of Service	Rate (per cent)	Condition
(b) GTA exercises the option to itself pay GST on services supplied by it.	5% (2.5% CGST+2.5% SGST)  Or  12% (6% CGST+6% SGST)	(1) In respect of supplies on which GTA pays tax at the rate of 2.5%, GTA shall not take credit of input tax charged on goods and services used in supplying the service. [Please refer to Explanation no. (iv)]

## Changes in respect of Goods Transport Agency ('GTA') Services:

Description of Service	Rate (per cent)	Condition
(b) GTA exercises the option to itself pay GST on services supplied by it.	5% (2.5% CGST+2.5% SGST)  Or  12% (6% CGST+6% SGST)	(2) The option by GTA to itself pay GST on the services supplied by it during a Financial Year shall be exercised by making a declaration in Annexure V on or before the 15th March of the preceding Financial Year:



## Changes in respect of Goods Transport Agency ('GTA') Services:

Description of Service	Rate (per cent)	Condition
(b) GTA exercises the option to itself pay GST on services supplied by it.	5% (2.5% CGST+2.5% SGST)	Provided that the option for the Financial Year 2022-2023 shall be exercised on or before the 16th August, 2022:
	Or  12% (6% CGST+6% SGST)	Provided further that invoice for supply of the service charging Central tax at the rates as applicable to clause (b) may be issued during the period from the 18th July,2022 to 16th August, 2022 before exercising the

## Changes in respect of Goods Transport Agency ('GTA') Services:

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- ❑ After the amendment of above entry GTA service providers are given following option to pay GST under forward charge mechanism:
  - ❑ • Pay tax at 5% without availing ITC of goods or services used in providing GTA services; or
  - ❑ • Pay tax at 12% and avail ITC of goods or services used in providing GTA services
- ❑ The supplier should exercise the option in advance on a yearly basis or before 15th March of the preceding year. E.g. For FY 2023-24, the supplier must exercise the option latest by 15th March 2023.
- ❑ Declaration to pay tax under FCM shall be given in Annexure IV,
- ❑ One time facility is provided to exercise the option for FY 2022-23 latest by 16th August 2022.

## Exemptions rationalized or granting of further exemptions:

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- Services by the Department of Posts by way of post card, inland letter, book post and ordinary post (envelopes weighing less than 10 grams)

(entry 24B of notfn 12/2017 shall be inserted)

- Tour operator service, which is performed partly in India and partly outside India, supplied by a tour operator to a foreign tourist, to the extent of the value of the tour operator service which is performed outside India:

- Value of tour operated outside India shall be lower of following:

- No. of days tour performed outside India / Total tour duration] \* Total consideration; or

- 50% of total consideration charged

(entry 52A of notfn 12/2017 shall be inserted)

## Changes in GST Rate of Goods

Sr. No.	Chapter, Heading, Subheading or Tariff item	Description of Goods	Old Rate	Revised Rate
1	0403	Curd, Lassi, Butter milk, pre-packaged and labelled	NIL	5%
2	1701 or 1702	Jaggery of all types including Cane Jaggery (gur), Palmyra Jaggery, pre-packaged and labelled; Khandsari Sugar, pre-packaged and labelled	NIL	5%

## Changes in GST Rate of Goods

Sr. No.	Chapter, Heading, Subheading or Tariff item	Description of Goods	Old Rate	Revised Rate
3	1904	Puffed rice, commonly known as Muri, flattened or beaten rice, commonly known as Chira, parched rice, commonly known as khoi, parched paddy or rice coated with sugar or gur, commonly known as Murki, pre-packaged and labelled”;	NIL	5%
4	2706	Tar distilled from coal, from lignite or from peat	5%	18%

## Changes in GST Rate of Goods

Sr. No.	Chapter, Heading, Subheading or Tariff item	Description of Goods	Old Rate	Revised Rate
5	3006	Ostomy appliances including pouch or flange, stoma adhesive paste, barrier cream, irrigator kit, sleeves, belt, micro-pore tapes”;	12%	5%
6	4107	Leather further prepared after tanning or crusting, including parchment-dressed leather, of bovine (including buffalo) or equine animals, without hair on, whether or not split, other than leather of heading 4114	5%	12%

## Changes in GST Rate of Goods

Sr. No.	Chapter, Heading, Subheading or Tariff item	Description of Goods	Old Rate	Revised Rate
7	4112	Leather further prepared after tanning or crusting, including parchment-dressed leather, of sheep or lamb, without wool on, whether or not split, other than leather of heading 4114	5%	12%
8	4113	Leather further prepared after tanning or crusting, including parchment-dressed leather, of other animals, without wool or hair on, whether or not split, other than leather of heading 4114	5%	12%

## Changes in GST Rate of Goods

Sr. No.	Chapter, Heading, Subheading or Tariff item	Description of Goods	Old Rate	Revised Rate
9	4114	Chamois (including combination chamois) leather; patent leather and patent laminated leather; metallised leather	5%	12%
10	4115	Composition leather with a basis of leather or leather fibre, in slabs, sheets or strip, whether or not in rolls; parings and other waste of leather or of composition leather, not suitable for the manufacture of leather articles; leather dust, powder and flour]	5%	12%



## Changes in GST Rate of Goods

Sr. No.	Chapter, Heading, Subheading or Tariff item	Description of Goods	Old Rate	Revised Rate
11	84	Pawan Chakki that is Air Based Atta Chakki	5%	18%
12	8419 12	Solar water heater and system	5%	12%
13	8437	Machines for cleaning, sorting or grading, seed, grain or dried leguminous vegetables; machinery used in milling industry or for the working of cereals or dried leguminous vegetables other than farm type machinery and parts thereof	5%	18%

## Changes in GST Rate of Goods

Sr. No.	Chapter, Heading, Subheading or Tariff item	Description of Goods	Old Rate	Revised Rate
14	84 or 85	E-waste Explanation: For the purpose of this entry, e-waste means electrical and electronic equipment listed in Schedule I of the E-Waste (Management) Rules, 2016 (published in the Gazette of India vide G.S.R. 338(E) dated the 23rd March, 2016), whole or in part if discarded as waste by the consumer or bulk consumer]]	5%	18%
15	8509	Wet grinder consisting of stone as grinder	5%	18%

## Changes in GST Rate of Goods

Sr. No.	Chapter, Heading, Subheading or Tariff item	Description of Goods	Old Rate	Revised Rate
16	9021	Orthopaedic appliances, such as crutches, surgical belts, and trusses; Splints and other fracture appliances; artificial parts of the body; other appliances which are worn or carried, or implanted in the body, to compensate for a defect or disability; intraocular lens [other than hearing aids]”	12%	5%
17	0804	Mangoes (other than mangoes sliced, dried	NIL	12%

## Changes in GST Rate of Goods

Sr. No.	Chapter, Heading, Subheading or Tariff item	Description of Goods	Old Rate	Revised Rate
18	3215	All goods, including printing ink, writing or drawing ink and other inks, whether or not concentrated or solid, fountain pen ink, ball pen ink	12%	18%
19	4811	Aseptic packaging paper	12%	18%
20	4905	Maps and hydrographic or similar charts of all kinds, including atlases, wall maps, topographical plans and globes, printed	NIL	12%
21	6815	Fly ash bricks; Fly ash aggregates; Fly ash blocks	NIL	12%

## Changes in GST Rate of Goods

Sr. No.	Chapter, Heading, Subheading or Tariff item	Description of Goods	Old Rate	Revised Rate
22	8211	Knives with cutting blades, serrated or not (including pruning knives), other than knives of heading 8208, and blades therefor	12%	18%
23	8214	Paper knives, Pencil sharpeners and blades therefor	12%	18%
24	8215	Spoons, forks, ladles, skimmers, cake-servers, fish-knives, butter-knives, sugar tongs and similar kitchen or tableware	12%	18%

## Changes in GST Rate of Goods

Sr. No.	Chapter, Heading, Subheading or Tariff item	Description of Goods	Old Rate	Revised Rate
25	8413	Power driven pumps primarily designed for handling water, namely, centrifugal pumps (horizontal and vertical), deep tube-well turbine pumps, submersible pumps, axial flow and mixed flow vertical pumps	12%	18%
26	8414 20 10	Bicycle pumps	12%	18%
27	8414 90 12	Parts of air or vacuum pumps and compressors of bicycle pumps	12%	18%

## Changes in GST Rate of Goods

Sr. No.	Chapter, Heading, Subheading or Tariff item	Description of Goods	Old Rate	Revised Rate
28	8433	Machines for cleaning, sorting or grading eggs, fruit or other agricultural produce, other than machinery of heading 8437; parts thereof [8433 90 00]	12%	18%
29	8434	Milking machines and dairy machinery	12%	18%
30	8539	LED lamps	12%	18%

## Changes in GST Rate of Goods

Sr. No.	Chapter, Heading, Subheading or Tariff item	Description of Goods	Old Rate	Revised Rate
31	9017 20	Drawing and marking out instruments; Mathematical calculating instruments; pantographs; Other drawing or marking out instruments	12 %	18%
32	9021	[Splints and other fracture appliances; artificial parts of the body; other appliances which are worn or carried, or implanted in the body, to compensate for a defect or disability; intraocular lens [other than orthopaedic appliances, such as crutches, surgical belts, and trusses, hearing aids]	12 %	5%



## Changes in GST Rate of Goods

Sr. No.	Chapter, Heading, Subheading or Tariff item	Description of Goods	Old Rate	Revised Rate
33	9405	LED lights or fixtures including LED lamps	12%	18%
34	9405	LED (light emitting diode) driver and MCPCB (Metal Core Printed Circuit Board)	12%	18%
35	4907	Cheques, loose or in book form	NIL	18%
36	8807	Parts of goods of heading 8801  *8801 is related to "Balloons and dirigibles, gliders and other non-powered aircraft"	NIL	18%

## Changes in GST Rate of Goods

Sr. No.	Chapter, Heading, Subheading or Tariff item	Description of Goods	Old Rate	Revised Rate
37	7102	Rough diamonds or simply sawn diamonds, industrial or non-industrial	0.25%	0.25%
		Goods other than mentioned-above	0.25%	1.50%

## Changes in GST Rate of Goods

Sr. No.	Chapter, Heading, Subheading or Tariff item	Description of Goods	Old Rate	Revised Rate
38	7104	Synthetic or reconstructed precious or semiprecious stones [other than diamonds], whether or not worked or graded but not strung, mounted or set; ungraded synthetic or reconstructed precious or semiprecious stones [other than diamonds], temporarily strung for convenience of transport; synthetic or reconstructed diamonds, unworked or simply sawn or roughly shaped	0.25%	0.25%
		Goods other than mentioned-above	0.25%	1.50%

## Applicability of GST 'Pre-Packaged and Labelled' Goods has been introduced in place of Branded Goods

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- Prior to 18<sup>th</sup> of July, 2022, GST applied on specified goods when they were put up in a unit container and were bearing a registered brand name or were bearing brand name in respect of which an actionable claim or enforceable right in a court of law is available.
- With effect from the 18<sup>th</sup> July 2022, this provision undergoes a change and GST has been made applicable on supply of such **"Pre-Packaged and Labelled"** commodities attracting the provisions of **Legal Metrology Act and Rules thereon**.
- For example, items like pulses, cereals like rice, wheat, and flour (aata), etc., earlier attracted GST at the rate of 5% when branded and packed in unit container (as mentioned above).

## Applicability of GST 'Pre-Packaged and Labelled' Goods has been introduced in place of Branded Goods

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- With effect from 18.7.2022, these items would attract GST when **“Pre-Packaged and Labelled”**.
- Additionally, certain other items such as Curd, Lassi, puffed rice etc. are made taxable (earlier these were exempt) when **“Pre-Packaged and Labelled”** would attract GST at the rate of 5% with effect from the 18<sup>th</sup> July, 2022.

## Applicability of GST 'Pre-Packaged and Labelled' Goods has been introduced in place of Branded Goods

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- For the purposes of GST, the expression '**Pre-Packaged and Labelled**' means a 'pre-packaged commodity' as defined in clause (l) of section 2 of the Legal Metrology Act, 2009, where the package in which **the commodity is prepacked, or a label securely affixed thereto is required to bear the declarations under the provisions of the Legal Metrology Act and the rules made thereunder.**

## Applicability of GST 'Pre-Packaged and Labelled' Goods has been introduced in place of Branded Goods

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- Clause (l) of section 2 of the Legal Metrology Act reads as below:
- *(l) “pre-packaged commodity” means a commodity which without the purchaser being present is placed in a package of whatever nature, whether sealed or not, so that the product contained therein has a predetermined quantity.*

Thus, supply of such specified commodity having the following two attributes would attract GST:

- (i) **It is pre-packaged;** and

## Applicability of GST 'Pre-Packaged and Labelled' Goods has been introduced in place of Branded Goods

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(ii) It is required to bear the declarations under the provisions of the Legal Metrology Act, 2009 (1 of 2010) and the rules made thereunder.

- However, if such specified commodities are supplied in **a package that do not require declaration(s)/compliance(s)** under the Legal Metrology Act, 2009 (1 of 2010), and the rules made thereunder, the **same would not be treated as pre-packaged and labelled for the purposes of GST levy**



## Applicability of GST 'Pre-Packaged and Labelled' Goods has been introduced in place of Branded Goods

- In the context of food items (such as pulses, cereals like rice, wheat, flour etc), the supply of specified pre-packaged food articles would fall within the purview of the definition of 'pre-packaged commodity' under the Legal Metrology Act, 2009, and the rules made thereunder, if such pre-packaged and labelled packages contained a **quantity upto 25 kilogram [or 25 litre]** in terms of rule 3(a) of Legal Metrology (Packaged Commodities) Rules, 2011, subject to other exclusions provided in the Act and the Rules made thereunder.
- For such commodities (food items- pulses, cereals, flour, etc.), rule 3 (a) of Chapter-II of Legal Metrology (Packaged Commodities) Rules, 2011, prescribes that package of commodities containing quantity of **more than 25 kg or 25 litre do not require a declaration** to be made under rule 6 thereof.

## Applicability of GST 'Pre-Packaged and Labelled' Goods has been introduced in place of Branded Goods

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- Hence, **GST shall not be applicable** in case of such commodities which are pre-packaged but package quantity contains **more than 25kg or 25 litres**.
- Accordingly, **GST would apply on** such specified goods where the prepackaged commodity is supplied in packages containing quantity **of less than or equal to 25 kilogram**.

## Applicability of GST 'Pre-Packaged and Labelled' Goods has been introduced in place of Branded Goods

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- Now the question would arise whether **GST shall be applicable on package that contains multiple retail packages.** For example, a package containing 10 retail packs of flour of 10 Kg each?
- The above issues have been clarified by CBIC stating that if several packages intended for retail sale to ultimate consumer, say **10 packages of 10 Kg each, are sold in a larger pack, then GST would apply to such supply.** Such package may be sold by a manufacturer through distributor. These individual packs of 10 Kg each are meant for eventual sale to retail consumer.

## **Applicability of GST 'Pre-Packaged and Labelled' Goods has been introduced in place of Branded Goods**

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- However, a package of say rice containing 50 Kg (in one individual package) would not be considered a pre-packaged and labelled commodity for the purposes of GST levy, even if rule 24 of Legal Metrology (Packaged Commodities) Rules, 2011, mandates certain declarations to be made on such wholesale package.

## **Concessional Rate of 5% has been increased to 12% for supplies of goods to specified petroleum**

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- Concessional Rate of 5% has been increased to 12% for supplies of goods to specified petroleum & other explorations & productions under various schemes.
- Notification No. 3/2017-Central Tax (Rate), dated the 28th June, 2017 was for the levy of Concessional GST Rate of 5% on supplies of goods to specified petroleum & other explorations & productions under various schemes.
- Concessional GST rate of 5% has been increased to 12% vide Notification No. 8/2022-Central Tax (Rate) dated 13th July, 2022.

## No Refund of Unutilised Input Tax Credit

- No Refund of Unutilised Input Tax Credit shall be allowed in case of Inverted Duty Structure – Few more Goods added to such Categories in Notification No. 5/2017-Central Tax (Rate) dated 28th June, 2017 vide Notification No. 9/2022-Central Tax (Rate) as mentioned below:

Sr . No.	Tariff item, heading, sub-heading ,or Chapter	Description of Goods
1	1507	Soya-bean oil and its fractions, whether or not refined, but not chemically modified
2	1508	Ground-nut oil and its fractions, whether or not refined, but not chemically modified
3	1509	Olive oil and its fractions, whether or not refined, but not chemically modified

## No Refund of Unutilised Input Tax Credit

Sr . No.	Tariff item, heading, sub-heading ,or Chapter	Description of Goods
4	1510	Other oils and their fractions, obtained solely from olives, whether or not refined, but not chemically modified, including blends of these oils or fractions with oils or fractions of heading 1509
5	1511	Palm oil and its fractions, whether or not refined, but not chemically modified
6	1512	Sunflower-seed, safflower or cotton-seed oil and fractions thereof, whether or not refined, but not chemically modified
7	1513	Coconut (copra), palm kernel or babassu oil and fractions thereof, whether or not refined, but not chemically modified

## No Refund of Unutilised Input Tax Credit

Sr . No.	Tariff item, heading, sub-heading ,or Chapter	Description of Goods
8	1514	Rape, colza or mustard oil and fractions thereof, whether or not refined, but not chemically modified
9	1515	Other fixed vegetable or microbial fats and oils (including jojoba oil) and their fractions, whether or not refined, but not chemically modified
10	1516	Vegetable fats and oils and their fractions, partly or wholly hydrogenated, interesterified, re-esterified or elaidinised, whether or not refined, but not further prepared



## No Refund of Unutilised Input Tax Credit

Sr . No.	Tariff item, heading, sub- heading ,or Chapter	Description of Goods
11	1517	Edible mixtures or preparations of vegetable fats or vegetable oils or of fractions of different vegetable fats or vegetable oils of this Chapter, other than edible fats or oils or their fractions of heading 1516
12	1518	Vegetable fats and oils and their fractions, boiled, oxidised, dehydrated, sulphurised, blown, polymerised by heat in vacuum or in inert gas or otherwise chemically modified, excluding those of heading 1516
13	2701	Coal; briquettes, ovoids and similar solid fuels manufactured from coal

## No Refund of Unutilised Input Tax Credit

Sr . No.	Tariff item, heading, sub-heading ,or Chapter	Description of Goods
14	2702	Lignite, whether or not agglomerated, excluding jet
15	2703	Peat (including peat litter), whether or not agglomerated]

## Concessional Rate Notification withdrawn

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- Concessional GST Rate Notification No. 45/2017-Central Tax (Rate) dated 14th November 2017 has been withdrawn with effect from 18th July 2022.
- The said notification provided 5% GST rate for supplies of Scientific and technical instruments, apparatus, equipment to various Research Institutes, Universities, Department of Laboratories of Government & Cancer institute. The same amendment has been made vide Notification No. 11/2022-Central Tax (Rate) dated 13th July 2022.

## Concessional Rate Notification withdrawn

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- Concessional GST Rate Notification NO. 45/2017-CENTRAL TAX (RATE) dated 14<sup>th</sup> November 2017 has been rescinded wef 18th July, 2022 through Notification No. 11/2022-Central Tax (Rate) dated 13th July 2022.

## Questions ???



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**THANK YOU !!**

