



**MLEGALS | Attorneys & Advisors | A Full Service Law Firm**

## ***i*ntelligence Series**

**Vol-12**

**CHANGE IN GST RATES**

***September, 2017***

On 21<sup>st</sup> and 22<sup>nd</sup> of September, the Government on the recommendation of the GST Council has further reduced the rate of applicable GST on certain goods as below.

## Nil Rate or Exempted goods

1. Notification No 29/2017 – CT (Rate) and Notification No 29/2017 – Integrated Tax (Rate) now exempts the supply of **Corduroy fabrics**.
2. Notification No 28/2017 – CT (Rate) and Notification No 28/2017 – Integrated Tax (Rate): **Intra or Inter-state supply of the following goods is exempt:**
  - Cotton seed oil cake
  - Khadi fabric, sold through Khadi and Village Industries Commission (KVIC) and KVIC certified institutions/outlets
  - Idols made of clay
  - Charkha for hand spinning of yarns
3. List of Indigenous handmade musical instruments is provided in the notification under Annexure 2 which includes 134 instruments.
4. **Change in Description of Goods such as:**

Chena or Paneer, Natural honey, Dried leguminous vegetables, wheat and meslin, Rye, Barley, Oats, Maize, Rice, Grain sorghum, Buckwheat, millet and canary seed, Jawar, Bajra, Ragi, Wheat and meslin flour, cereal Flours, cereal goats, meal and pellets, Flour, of Potatoes, Flour, of the dried leguminous vegetables of heading 0713 (pulses) of sago or of roots or tubers of heading 0714 or of the products of Chapter 8 i.e. of tamarind, of singoda, mango flour etc., Tender coconut water, All goods and organic manure

### **Other than those put up in unit containers and:-**

- bearing a registered brand name; or
- bearing a brand name on which an actionable claim or enforceable right in a court of law is available [other than those where any actionable claim or enforceable right in respect of such brand name has been foregone voluntarily, subject to the conditions as in the ANNEXURE I]”, shall be substituted;

**Annexure 1 states that:**

For foregoing an actionable claim or enforceable right on a brand name,-

- (a) the person undertaking packing of such goods in unit containers which bears a brand name shall file an affidavit to that effect with the jurisdictional commissioner of Central tax that he is voluntarily foregoing his actionable claim or enforceable right on such brand name as defined in Explanation (ii)(a); and
- (b) the person undertaking packing of such goods in unit containers which bears a brand name shall, on each such unit containers, clearly print in indelible ink, both in English and the local language, that in respect of the brand name as defined in Explanation (ii) (a) printed on the unit containers he has foregone his actionable claim or enforceable right voluntarily.

**Explanation:**

**“Brand name”** means brand name or trade name, that is to say, a name or a mark, such as symbol, monogram, label, signature or invented word or writing which is used in relation to such specified goods for the purpose of indicating, or so as to indicate a connection in the course of trade between such specified goods and some person using such name or mark with or without any indication of the identity of that person.

**“Registered brand name”** means,-

- (A) A brand registered as on the 15th May 2017 under the Trade Marks Act, 1999 irrespective of whether or not the brand is subsequently deregistered;
- (B) A brand registered as on the 15th May 2017 under the Copyright Act, 1957 (14 of 1957);
- (C) A brand registered as on the 15th May 2017 under any law for the time being in force in any other country.”

**CGST @ 2.5% or IGST @ 5%**

**5. Notification No. 27/2017 – Central Tax (Rate) revised the tax rates as follows:**

- Walnuts, whether or not shelled: **CGST Rate 2.5% (earlier 6%)**
- Tamarind, dried: **CGST Rate 2.5% (earlier 6%)**
- Roasted Gram: **CGST Rate 2.5% (earlier 6%)**

- Lobhan, dhoop batti, dhoop, sambhrani: Rate of CGST 2.5%
- Grass, leaf or reed or fibre products, including mats, pouches, wallets: Rate of CGST 2.5%
- Duty Credit Scrips: **Rate of CGST 2.5% (earlier 6%)**
- Corduroy fabrics and Saree fall: **CGST Rate 2.5% (earlier 6%)**
- Cotton quilts of sale value not exceeding Rs. 1000/piece: CGST rate 2.5%
- Worked corals other than articles of coral: CGST Rate 2.5%
- Broomsticks [other than brooms consisting of twigs or other vegetable materials bound together, with or without handles]”: CGST Rate 2.5%
- Rosaries, prayer beads or Hawan samagri: CGST rate 2.5%
- Texturised vegetable proteins (soya bari), Bari made of pulses including mungodi and batters, including idli / dosa batter: **CGST Rate 2.5% (earlier 9%)**

**6. Change in Description of Goods such as:**

Chena or Paneer, Natural honey, Dried leguminous vegetables, All goods i.e. cereals, wheat and meslin, Rye, Barley, Oats, Maize, Rice, Grain sorghum, Buckwheat, millet and canary seed, Jawar, Bajra, Ragi, Wheat and meslin flour, cereal Flours, cereal goats, meal and pellets including suji and dalia, Flour, of Potatoes, Flour, of the dried leguminous vegetables of heading 0713 (pulses) of sago or of roots or tubers of heading 0714 or of the products of Chapter 8

**Other than those put up in unit containers and:-**

- **bearing a registered brand name; or**
- **bearing a brand name on which an actionable claim or enforceable right in a court of law is available** [other than those where any actionable claim or enforceable right in respect of such brand name has been foregone voluntarily, subject to the conditions as in the ANNEXURE I]”, shall be substituted;

**Annexure 1 states that:**

**For foregoing an actionable claim or enforceable right on a brand name,-**

- (c) **the person undertaking packing of such goods** in unit containers which bears a brand name shall file an affidavit to that effect with the jurisdictional commissioner of Central tax that he is voluntarily foregoing his actionable claim or enforceable right on such brand name as defined in Explanation (ii)(a); and
- (d) **the person undertaking packing of such goods** in unit containers which bear a brand name shall, on each such unit containers, clearly print in indelible ink, both in English

and the local language, that in respect of the brand name as defined in Explanation (ii) (a) printed on the unit containers he has foregone his actionable claim or enforceable right voluntarily.

**Explanation:**

**“Brand name”** means brand name or trade name, that is to say, a name or a mark, such as symbol, monogram, label, signature or invented word or writing which is used in relation to such specified goods for the purpose of indicating, or so as to indicate a connection in the course of trade between such specified goods and some person using such name or mark with or without any indication of the identity of that person.

**“Registered brand name”** means,-

- (A) A brand registered as on the 15<sup>th</sup> May 2017 under the Trade Marks Act, 1999 irrespective of whether or not the brand is subsequently deregistered;
- (B) A brand registered as on the 15<sup>th</sup> May 2017 under the Copyright Act, 1957 (14 of 1957);
- (C) A brand registered as on the 15<sup>th</sup> May 2017 under any law for the time being in force in any other country.”

**CGST @ 6% or IGST @ 12%**

- Rubber bands: **CGST Rate 6% (earlier 14%)**
- Idols of wood, stone [including marble] and metals [other than those made of precious metals]: **CGST Rate 6%**
- Tableware and Kitchenware of wood: **CGST Rate 6% (earlier 9%)**
- Textile caps: **CGST Rate 6% (earlier 9%)**
- Sand lime bricks or Stone inlay work: **CGST Rate 6%**
- Statues, statuettes, pedestals; high or low reliefs, crosses, figures of animals, bowls, vases, cups, cachou boxes, writing sets, ashtrays, paper weights, artificial fruit and foliage, etc.; other ornamental goods essentially of stone: **CGST Rate 6% (earlier 14%)**
- Pots, jars and similar articles of a kind used for the conveyance and packing of goods of ceramic: **CGST Rate 6% (earlier 14%)**
- Tableware, kitchenware, other household articles and toilet articles, of porcelain or china: **CGST Rate 6% (earlier 9%)**

## Other Amendments

- Tableware, kitchenware, other household articles and toilet articles, other than of porcelain or china: **CGST Rate 6% (earlier 9%)**
- Statues and other ornamental articles: **CGST Rate 6%**
- Bells, gongs and the like, non-electric, of base metal; statuettes and other ornaments, of base metal; photograph, picture or similar frames, of base metal; mirrors of base metal; metal bidriware: **CGST Rate 6% (earlier 9%)**
- Nozzles for drip irrigation equipment or nozzles for Sprinklers: **CGST Rate 6%**
- Cotton quilts of sale value exceeding Rs. 1000 per piece: **CGST Rate 6%**
- Worked ivory, bone, tortoise shell, horn, antlers, mother of pearl, and other animal carving material and articles of these materials, articles of coral (including articles obtained by molding): **CGST Rate 6%**

## CGST @ 9% or IGST @ 18%

- Medical grade sterile disposable gloves, Plastic raincoats: **CGST Rate 9%**
- Rice rubber rolls for paddy de-husking machine: **CGST Rate 9%**
- Kites, Paper mache articles: **CGST Rate 9%**
- Computer monitors not exceeding 20 inches: **CGST Rate 9%**
- Coir mattresses, cotton pillows and mattresses: **CGST Rate 9%**
- Kitchen gas lighters: **CGST Rate 9% (earlier 14%)**

## CGST @ 14% or IGST @ 28%

- Medical grade sterile disposable gloves, plastic raincoats: **CGST Rate 14%**.

### 7. Notification No. 26/2017 - CT (Rate) and Notification No. 26/2017 - Integrated Tax (Rate)

Government exempts intra and inter-state supply of **heavy water and nuclear fuels** falling in Chapter 28 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) by the Department of Atomic Energy to the Nuclear Power Corporation of India Ltd.

**8. Notification No. 25/2017 - CT (Rate) and Notification No. 25/2017 - Integrated Tax (Rate)**

Government **exempts** intra and inter-state supply of Services **by way of right to admission to the events organized under FIFA U-17 World Cup 2017.**

“This is in line with upcoming FIFA U-17 world cup in India.

**9. Notification No 24/2017 - CT (Rate) and Notification No 24/2017 - Integrated Tax (Rate)**

Services provided to the Central Government, State Government, Union Territory, a local authority or a governmental authority by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of –

- (a) A civil structure or any other original works meant predominantly for use other than for commerce, industry, or any other business or profession;
- (b) A structure meant predominantly for use as (i) an educational, (ii) a clinical, or (iii) an art or cultural establishment; or
- (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 Central Goods and Services Tax Act, 2017.

**Rate of CGST: 6% or Rate of IGST: 12%**

**10. Notification No. 30/2017 - Integrated Tax (Rate)**

Inter-state supply of skimmed milk powder or concentrated milk is **exempt** from tax when supplied to a distinct person for use in production of milk [for distribution through dairy cooperatives] and not for further supply.

## Contact AMLEGALS

### **AMLEGALS - Attorneys & Advisors**

206, Advait, Besides Sandesh,

Vastrapur, Ahmedabad - 380 015,

Gujarat, INDIA.

Website: [www.amlegals.com](http://www.amlegals.com)

E-mail: [info@amlegals.com](mailto:info@amlegals.com) and [anand@amlegals.com](mailto:anand@amlegals.com)

Tele: +91 - 79 - 4003 3359, +91 - 79 - 4800 5359

### **AMLEGALS Associates & Affiliates**

**Ahmedabad** | Bangalore | Chandigarh | Chennai | Delhi | Gandhinagar | Hyderabad |  
Kolkata | Mumbai | Pune | Surat | Vadodara | Vapi |

### **International Associates:**

Germany | Singapore | Hong Kong | UAE | UK | USA |

### **GCC-**



- UAE, Saudi Arabia, Kuwait, Qatar, Oman & Bahrain.

**Copyright vests with AMLEGALS.**