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AN ODYSSEY THROUGH GST RATE CHANGES

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- **For the sake of easy understanding only the Central Tax (Rate) Notifications are referred to, but the rate of GST is indicated as the total rate of CGST and SGST or IGST.**
- **All the changes being discussed here are with effect from 01.10.2021.**
- **For the sake of brevity, the Notifications are referred to by merely their numbers, without the suffix Central Tax (Rate)**

Notification 6/2021 Dt. 30.09.2021 amends Notification 11/2017 Dt. 28.06.2017 (prescribing rate of GST for services).

Clause (iv) of S.No. 3 of Notification 11/2017 provides 12% rate for various works contract services, one of which being "a building owned by an entity registered under Section 12AA of the Income Tax Act". Now the said rate of GST is extended for entities registered under Section 12AB1 of the Income Tax Act also.

S.No. 17 of Notification 11/2017 prescribed the following rates of GST for the services specified therein.

(i) Temporary or permanent transfer or permitting the use or enjoyment of Intellectual Property (IP) right in respect of goods other than Information Technology software - 12%.

(ii) Temporary or permanent transfer or permitting the use or enjoyment of Intellectual Property (IP) right in respect of Information Technology software - 18%.

The issue of rate of GST on permanent transfer of IPR was discussed in the 23rd GST Council meeting. As IPR has been held to be goods in several judgements under the legacy regime, there was a possibility that permanent transfer of IPR in respect of goods may be treated as supply of goods and in the absence of any specific rate of GST being prescribed for such supply, as per the residual entry, S.No. 453 of Schedule III of Notification 1/2017 it may attract 18% GST.

Hence, vide Notification 41/2017 Dt. 14.11.2017, S.No. 243 has been added in Schedule II of Notification 1/2017, prescribing 12% GST for "Permanent transfer of Intellectual Property (IP) right in respect of goods other than Information Technology software". But, such permanent transfer has not been removed from the entry under Notification 11/2017. So whether such permanent transfer is considered either as supply of goods or as supply of services, the GST rate would only be 12% (except in case of IT software).

Now, clause (i) of S.No. 17 of Notification 11/2017 prescribing 12% rate has been omitted and clause (ii) has been substituted whereby any "temporary or permanent transfer or permitting the use or enjoyment of Intellectual Property (IP) right" would attract 18%.

But, S.No. 243 of Schedule II of Notification 1/2017 still prescribes 12% GST for "Permanent transfer of Intellectual Property (IP) right in respect of goods other than Information Technology software".

This will now lead to a situation whereby whether "permanent transfer of IPR in respect of goods other than IT software " could be treated as supply of goods and attract 12% GST or be treated as supply of services and attract 18% GST.

As per Clause (f) of S.No. 26 of Notification 11/2017, "Services by way of job work in relation to all food and food products falling under Chapters 1 to 22 of the Customs Tariff" attract 5% GST. Alcoholic liquor for human consumption falls under Chapter 22 and the same is also considered as "food" under various enactments (endorsed by many!). So many job workers engaged in the manufacture of alcoholic liquor for human consumption for the brand owners were discharging 5% GST on their consideration. The DGGSTI was investigating the issue and its teetotalter officers were of the view that it is not "good" to treat alcoholic liquor as "food" and hence the rate of GST would be 18%. The issue was also discussed in several GST Council meetings, off course over a cup of tea. The investigations by the DGGSTI was challenged by the Confederation of Indian Alcoholic Beverage Companies before the Hon'ble Delhi Court, which has also requested the GST Council to decide the issue at the earliest.

The issue has again been discussed in the last GST Council meeting and accordingly, a new clause (ica) has been added under S.No. 26 of Notification 11/2017, providing for 18% GST for "Services by way of job work in relation to manufacture of alcoholic liquor for human consumption". The GST Council has not ventured to disappoint the tipplers by clarifying alcoholic liquor is not "food" thereby starting a fresh round of litigation, but has chosen to make a prospective amendment only in the rate of tax.

12% GST prescribed under clause (i) of S.No. 27 of Notification 11/2017 for

Printing of all goods falling under Chapter 48 or 49 [including newspapers, books (including Braille books), journals and periodicals], which attract 12% or 5% or NIL GST, where only the content is supplied the publisher and the physical inputs including ink paper used for printing belong to the printer.

This entry has been omitted and as a consequence, all printing services will henceforth attract 18% GST.

Clause (iii) and (iiia) of S.No. 34 of Notification 11/2017 prescribed 18% GST for the following activities, viz.,

(iii) Services by way of admission to amusement parks including theme parks, water parks, joy rides, merry-go rounds, go carting and ballet

(iiia) Services by way of admission to entertainment events or access to amusement facilities including casinos, race club, any sporting event such as Indian Premier League and the like.

These entries have been amended as below.

(iii) Services by way of admission to; (a) theme parks, water parks and any other place having joy rides, merry-go rounds, go carting, or (b) ballet, - other than any place covered by (iiia) below - 18%.

(iiia) Services by way of admission to (a) casinos or race clubs or any place having casinos or race clubs or (b) sporting events like Indian Premier League - 28%.

Renewable energy devices.

As per S.No. 234 of Schedule I of Notification 1/2017, the following goods attract 5% GST.

Following renewable energy devices & parts for their manufacture

- (a) Bio-gas plant*
- (b) Solar power based devices*
- (c) Solar power generating system*
- (d) Wind mills, Wind Operated Electricity Generator (WOEG)*
- (e) Waste to energy plants/devices*
- (f) Solar lantern/solar lamp*
- (g) Ocean waves/tidal waves energy devices/plants*

As supply of these goods are always undertaken along with erection, commissioning and installation of such plants, being a composite supply of works contracts, it would attract 18% GST as a service.

Hence, the following Explanation was added in S.No. 234 of Schedule I of Notification 1/2017,

Explanation : If the goods specified in this entry are supplied, by a supplier, along with supplies of other goods and services, one of which being a taxable service specified in the entry at S. No. 38 of the Table mentioned in the notification No. 11/2017-Central Tax (Rate), dated 28th June, 2017 [G.S.R. 690(E)], the value of supply of goods for the purposes of this entry shall be deemed as seventy per cent. of the gross consideration charged for all such supplies, and the remaining thirty per cent. of the gross consideration charged shall be deemed as value of the said taxable service."

Simultaneously, S.No. 38 was inserted in Notification 11/2017, vide Notification 27/2018 Dt. 31.12.2018, which read as below with a rate of tax of 18%.

Service by way of construction or engineering or installation or other technical services, provided in relation of setting up of following, –

- (a) Bio-gas plant*
- (b) Solar power based devices*

- (c) Solar power generating system*
- (d) Wind mills, Wind Operated Electricity Generator (WOEG)*
- (e) Waste to energy plants/devices*
- (f) Ocean waves/tidal waves energy devices/plants*

As supply of these goods are always undertaken along with erection, commissioning and installation of such plants, being a composite supply of works contracts, it would attract 18% GST as a service.

Hence, the following Explanation was added in S.No. 234 of Schedule I of Notification 1/2017,

Explanation : If the goods specified in this entry are supplied, by a supplier, along with supplies of other goods and services, one of which being a taxable service specified in the entry at S. No. 38 of the Table mentioned in the notification No. 11/2017-Central Tax (Rate), dated 28th June, 2017 [G.S.R. 690(E)], the value of supply of goods for the purposes of this entry shall be deemed as seventy per cent. of the gross consideration charged for all such supplies, and the remaining thirty per cent. of the gross consideration charged shall be deemed as value of the said taxable service."

Simultaneously, S.No. 38 was inserted in Notification 11/2017, vide Notification 27/2018 Dt. 31.12.2018, which read as below with a rate of tax of 18%.

Service by way of construction or engineering or installation or other technical services, provided in relation of setting up of following, –

- (a) Bio-gas plant*
- (b) Solar power based devices*
- (c) Solar power generating system*
- (d) Wind mills, Wind Operated Electricity Generator (WOEG)*
- (e) Waste to energy plants/devices*
- (f) Ocean waves/tidal waves energy devices/plants*

Explanation :- This entry shall be read in conjunction with serial number 234 of Schedule I of the Notification No. 1/2017-Central Tax (Rate), published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) dated 28th June, 2017 vide GSR number 673(E) dated 28th June, 2017.

So, in case of such composite supply of these goods along with erection, commissioning and installation thereof, 70% of the value would attract 5% GST and 30% of the value would attract 18% GST.

Now, S.No. 234 of Schedule I of Notification 1/2017 prescribing 5% GST for such goods (on 70% of the total value) has been omitted vide Notification 8/2021 Dt. 30.09.2021 and the same goods have been added under S.No. 201 A of Schedule II of Notification 1/2017. As a result, 70% of the value would now attract 12% GST as supply of goods and the balance 30% value would attract 18% GST as supply of service.

Notification 7/2021 Dt. 30.09.2021 amends Notification 11/2017 Dt. 28.06.2017 (providing exemptions from payment of GST for services), with effect from 01.10.2021.

Extension of certain exemptions to entities registered under Section 12 AB of the Income Tax Act:

The following exemptions which are hitherto available only for entities registered under Section 12 AA of the Income Tax Act have been extended to entities registered under Section 12 AB of the Income Tax Act also.

Sl. No. 1 of Notification 12/2017

Services by an entity registered under Section 12AA of the Income Tax Act, 1961 by way of charitable activities.

Sl. No. 9D of Notification 12/2017.

Services by an old age home run by Central Government, State Government or by an entity registered under section 12AA of the Income-tax Act, 1961 (43 of 1961) to its residents (aged 60 years or more) against consideration upto twenty-five thousand rupees per month per member, provided that the consideration charged is inclusive of charges for boarding, lodging and maintenance.

Sl. No. 13(b) of Notification 12/2017.

Services by way of renting of precincts of a religious place meant for general public, owned or managed by an entity registered as a charitable or religious

trust under section 12AA of the Income-tax Act, 1961 (hereinafter referred to as the Income-tax Act) or a trust or an institution registered under sub-clause (v) of clause (23C) of section 10 of the Income-tax Act or a body or an authority covered under clause (23BBA) of section 10 of the said Income-tax Act.

Sl. No. 74A of Notification 12/2017.

Services provided by rehabilitation professionals recognised under the Rehabilitation Council of India Act, 1992 (34 of 1992) by way of rehabilitation, therapy or counselling and such other activity as covered by the said Act at medical establishments, educational institutions, rehabilitation centers established by Central Government, State Government or Union territory or an entity registered under section 12AA of the Income-tax Act, 1961 (43 of 1961).

Sl. No. 80 of Notification 12/2017.

Services by way of training or coaching in recreational activities relating to- (a) arts or culture, or (b) sports by charitable entities registered under section 12AA of the Income-tax Act.

Amendment in existing exemptions.

Sl. No. 9 AA of Notification 12/2017 provides for the below exemption.

Services provided by and to Fédération Internationale de Football Association (FIFA) and its subsidiaries directly or indirectly related to any of the events under FIFA U-17 Women's World Cup 2020 to be hosted in India.

Now, the words "whenever rescheduled" have been added at the end.

Sl. No. 72 of Notification 12/2017 provides for the below exemption.

Services provided to the Central Government, State Government, Union territory administration under any training programme for which total expenditure is borne by the Central Government, State Government, Union territory administration.

The above exemption would be available only if the total expenditure is borne by the Central Government, State Government or Union Territory administration. Now, this condition is relaxed that even if 75% or more of the expenditure is borne by the Government, the exemption would be entitled.

New exemptions:

The following new exemption has been introduced vide S.No. 9 AB.

Services provided by and to Asian Football Confederation (AFC) and its subsidiaries directly or indirectly related to any of the events under AFC Women's Asia Cup 2022 to be hosted in India", subject to the condition "Provided that Director (Sports), Ministry of Youth Affairs and Sports certifies that the services are directly or indirectly related to any of the events under AFC Women's Asia Cup 2022.

The words "whenever rescheduled" could have been added at the end!

The following exemption has been introduced vide S.No. 61 A of Notification 12/2017.

Services by way of granting National Permit to a goods carriage to operate through-out India/ contiguous States.

The following exemption has been introduced, vide S.No. 82B of Notification 12/2017.

Services by way of right to admission to the events organised under AFC Women's Asia Cup 2022.

Omission of exemptions:

The following exemption under S.No. 43 of Notification 12/2017 has been omitted.

Services of leasing of assets (rolling stock assets including wagons, coaches, locos) by the Indian Railways Finance Corporation to Indian Railways.

Notification 8/2021 Dt. 30.09.2021 amends Notification 1/2017 Dt. 28.06.2017 (prescribing rate of GST for goods).

Changes in Schedule I, prescribing 5% Rate.

As per S.No. 86 of Notification 2/2017, "Seeds, fruit and bores of a kind used for sowing" falling under chapter 1209 are exempted from GST. Vide Notification 9/2021 Dt. 30.09.2021, the said entry 86 has been substituted as below.

86. 1209 - Seeds, fruit and spores, of a kind used for sowing

Explanation: This entry does not cover seeds meant for any use other than sowing.

Further, S.No. 72 A has been introduced under Schedule I of Notification 1/2017, prescribing 5% rate for Tamarind seeds falling under Chapter 1209, meant for any use other than sowing.

Sl. Nos. 138 to 148 prescribed 5% GST for various ores.

| | | |
|------|----------------------------------|---|
| 138. | 26 [other than 2619, 2620, 2621] | All ores and concentrates [other than slag, dross (other than granulated slag), scalings and other waste from the manufacture of iron or steel; slag, ash and residues (other than from the manufacture of iron or steel) containing metals, arsenic or their compounds; other slag and ash, including seaweed ash (kelp); ash and residues from the incineration of municipal waste] |
| 139. | 2601 | Iron ores and concentrates, including roasted iron pyrites |
| 140. | 2602 | Manganese ores and concentrates, including ferruginous manganese ores and concentrates with a manganese content of 20% or more, calculated on the dry weight. |
| 141. | 2603 | Copper ores and concentrates. |
| 142. | 2604 | Nickel ores and concentrates. |

| | | |
|------|------|----------------------------------|
| 143. | 2605 | Cobalt ores and concentrates. |
| 144. | 2606 | Aluminium ores and concentrates. |
| 145. | 2607 | Lead ores and concentrates. |
| 146. | 2608 | Zinc ores and concentrates. |
| 147. | 2609 | Tin ores and concentrates. |
| 148. | 2610 | Chromium ores and concentrates |

All the above entries have been omitted.

Simultaneously, the following S.Nos. are added under schedule III attracting 18% GST.

| | | |
|------|------|---|
| 26C. | 2601 | Iron ores and concentrates, including roasted iron pyrites |
| 26D. | 2602 | Manganese ores and concentrates, including ferruginous manganese ores and concentrates with a manganese content of 20% or more, calculated on the dry weight. |
| 26E. | 2603 | Copper ores and concentrates. |
| 26F. | 2604 | Nickel ores and concentrates. |
| 26G. | 2605 | Cobalt ores and concentrates. |
| 26H. | 2606 | Aluminium ores and concentrates. |
| 26I. | 2607 | Lead ores and concentrates. |
| 26J. | 2608 | Zinc ores and concentrates |

| | | |
|------|------|---------------------------------|
| 26K. | 2609 | Tin ores and concentrates. |
| 26L | 2610 | Chromium ores and concentrates. |

As per S.No. 80 A of Schedule II of Notification 1/2017, Bio Diesel falling under chapter heading 3826 attracts 12% GST. Now, S.No. 186A has been introduced under Schedule I, attracting 5% GST, for the below goods.

Bio-diesel supplied to Oil Marketing Companies for blending with High Speed Diesel. Chapter 3826.

Simultaneously, S.No. 80 A of Schedule II of Notification 1/2017, prescribing 12% GST for Bio Diesel, an exclusion has been provided for as "Bio-diesel (other than bio-diesel supplied to Oil Marketing Companies for blending with High Speed Diesel)"

S.No. 187A of Schedule I, prescribing 5% rate for waste, parings or scrap of plastics, falling under Chapter 3915 has been omitted. Simultaneously the same goods have been added under S.No. 101A under Schedule III prescribing 18% GST.

As per S.No. 180 of Schedule I of Notification 1/2017, various drugs and medicines mentioned in List 1 of the Notification would attract 5% GST. In the said List 1, "Pembrolizumab (Keytruda)" has been added. This drug is used to treat a type of skin cancer.

As per S.No. 257 of Schedule I of Notification 1/2017, various disabled friendly goods covered under List 3 of the Notification attract 5% GST. In the said List 3, "Retro fitment kits for vehicles used by disabled" has now been added.

Changes in Schedule II, prescribing 12% Rate.

S.No. 122 of Schedule II of Notification 1/2017 has been omitted. The said entry prescribed 12% GST for "Cartons, boxes and cases of corrugated paper or paper board, falling under Chapter 4819". Simultaneously the same goods have been placed under S.No. 153A of Schedule III of the Notification, attracting 18% GST. The newly introduced S.No. 153A under Schedule III now reads as,

Cartons, boxes, cases, bags and other packing containers, of paper, paperboard, cellulose wadding or webs of cellulose fibres; box files, letter trays, and similar articles, of paper or paperboard of a kind used in offices, shops or the like.

Vide S.Nos. 127 to 132, the following goods falling under Chapter 49 attracted 12% GST.

| | | |
|------|-------------------|---|
| 127. | 490 6 00 00 | Plans and drawings for architectural, engineering, industrial, commercial, topographical or similar purposes, being originals drawn by hand; hand-written texts; photographic reproductions on sensitised paper and carbon copies of the foregoing |
| 128. | 490 7 | Unused postage, revenue or similar stamps of current or new issue in the country in which they have, or will have, a recognised face value; stamp-impressed paper; banknotes; cheque forms; stock, share or bond certificates and similar documents of title (other than duty credit scrips) |
| 129 | 490 8 | Transfers (decalcomanias) |
| 130 | 490 9 | Printed or illustrated postcards; printed cards bearing personal greetings, messages or announcements, whether or not illustrated, with or without envelopes or trimmings |
| 131. | 491 0 | Calendars of any kind, printed, including calendar blocks |
| 132. | 4911 | Other printed matter, including printed pictures and photographs; such as Trade advertising material, Commercial catalogues and the like, printed Posters, Commercial catalogues, Printed inlay cards, Pictures, designs and photographs, Plan and drawings for architectural engineering, industrial, commercial, topographical or similar purposes reproduced with the aid of computer or any other devices |

These entries have been removed as the goods are to be taxed at 18% by introducing Sl. Nos. 157A to 157 F under Schedule III of the Notification, which are reproduced below

| | | |
|------------|------------------|---|
| "157A . | 4906 00 00 | Plans and drawings for architectural, engineering, industrial, commercial, topographical or similar purposes, being originals drawn by hand; hand-written texts; photographic reproductions on sensitised paper and carbon copies of the foregoing. |
| 157B. | 4907 | Unused postage, revenue or similar stamps of current or new issue in the country in which they have, or will have, a recognised face value; stamp-impressed paper; banknotes; cheque forms; stock, share or bond certificates and similar documents of title (other than Duty Credit Scrips). |
| 157C. | 4908 | Transfers (decalcomanias) |
| 157D. | 4909 | Printed or illustrated postcards; printed cards bearing personal greetings, messages or announcements, whether or not illustrated, with or without envelopes or trimmings |
| 157E. | 4910 | Calendars of any kind, printed, including calendar blocks |
| 157F. | 4911 | Other printed matter, including printed pictures and photographs; such as Trade advertising material, Commercial catalogues and the like, printed Posters, Commercial catalogues, Printed inlay |
| | | cards, Pictures, designs and photographs, Plan and drawings for architectural engineering, industrial, commercial, topographical or similar purposes reproduced with the aid of computer or any other devices."; |

S.No. 201 A has been introduced in schedule II, attracting 12% GST covering the following goods. 70% of the value of such goods shall now attract 12% GST as supply of goods and the remaining 30% of the value shall attract 18% GST as works contract.

| | | |
|------|--------------------|---|
| 201A | 84, 85 or 94 | <p>Following renewable energy devices and parts for their manufacture:-</p> <ul style="list-style-type: none"> (a) Bio-gas plant; (b) Solar power based devices; (c) Solar power generator; (d) Wind mills, Wind Operated Electricity Generator (WOEG); (e) Waste to energy plants / devices; (f) Solar lantern/solar lamp; (g) Ocean waves/tidal waves energy devices/plants; (h) Photo voltaic cells, whether or not assembled in modules or made up into panels. <p>Explanation:- If the goods specified in this entry are supplied, by a supplier, along with supplies of other goods and services, one of which being a taxable service specified in the entry at S. No. 38 of the Table mentioned in the Notification No. 11/2017-Central Tax (Rate), dated 28th June, 2017 [G.S.R. 690(E)], the value of supply of goods for the purposes of this entry shall be deemed as seventy per cent. of the gross consideration charged for all such supplies, and the remaining thirty per cent. of the gross consideration charged shall be deemed as value of the said taxable service.</p> |
|------|--------------------|---|

S.No. 205 A to 205 H of Schedule II of Notification 1/2017 prescribed 12% GST for the below goods.

| | | |
|------|------|--|
| 205A | 8601 | Rail locomotives powered from an external source of electricity or by electric accumulators |
| 205B | 8602 | Other rail locomotives; locomotive tenders; such as Diesel-electric locomotives, Steam locomotives and tenders thereof |
| 205C | 8603 | Self-propelled railway or tramway coaches, vans and trucks, other than those of heading 8604 |
| 205D | 8604 | Railway or tramway maintenance or service vehicles, whether or not self-propelled (for example, workshops, cranes, ballast tampers, track liners, testing coaches and track inspection vehicles) |

| | | |
|------|------|--|
| 205E | 8605 | Railway or tramway passenger coaches, not self-propelled; luggage vans, post office coaches and other special purpose railway or tramway coaches, not self-propelled (excluding those of heading 8604) |
| 205F | 8606 | Railway or tramway goods vans and wagons, not self-propelled |
| 205G | 8607 | Parts of railway or tramway locomotives or rolling-stock; such as Bogies, bissel-bogies, axles and wheels, and parts thereof |
| 205H | 8608 | Railway or tramway track fixtures and fittings; mechanical (including electro-mechanical) signalling, safety or traffic control equipment for railways, tramways, roads, inland waterways, parking facilities, port installations or airfields; parts of the foregoing"; |

This entry has now been omitted. Simultaneously the same goods have been placed under Schedule III attracting 18%, under S.Nos. 398A to 398H

| | | |
|-----------|------|---|
| "398 A | 8601 | Rail locomotives powered from an external source of electricity or by electric accumulators. |
| 398B | 8602 | Other rail locomotives; locomotive tenders; such as Diesel-electric locomotives, Steam locomotives and tenders thereof |
| 398C | 8603 | Self-propelled railway or tramway coaches, vans and trucks, other than those of heading 8604 |
| 398D | 8604 | Railway or tramway maintenance or service vehicles, whether or not self-propelled (for example, workshops, cranes, ballast tampers, track liners, testing coaches and track inspection vehicles) |
| 398E | 8605 | Railway or tramway passenger coaches, not self-propelled; luggage vans, post office coaches and other special purpose railway or tramway coaches, not self-propelled (excluding those of heading 8604). |

| | | |
|------|------|---|
| 398F | 8606 | Railway or tramway goods vans and wagons, not self-propelled. |
| 398G | 8607 | Parts of railway or tramway locomotives or rolling-stock; such as Bogies, bissel-bogies, axles and wheels, and parts thereof. |
| 398H | 8608 | Railway or tramway track fixtures and fittings; mechanical (including electro-mechanical) signalling, safety or traffic control equipment for railways, tramways, roads, inland waterways, parking facilities, port installations or airfields; parts of the foregoing."; |

As per S.No. 232 of Schedule II of Notification 1/2017, "Pens (other than fountain pens, stylograph pens) falling under Chapter 9608", attracted 12% GST. This entry has been omitted and consequential amendment has been made in S.No. 447 of Schedule III attracting 18%. Earlier S.No. 447 read as, "Fountain pens, stylograph pens" which is now substituted as "Ball point pens; felt tipped and other porous-tipped pens and markers; fountain pens; stylograph pens and other pens; duplicating stylos; pen holders, pencil holders and similar holders; parts (including caps and clips) of the foregoing articles, other than those of heading 9609" which will attract 18%.

Changes in Schedule IV, prescribing 18% Rate.

S.No. 12A has been introduced in Schedule IV of Notification 1/2017, attracting 28%, which reads as,

| | | |
|-----|------|---|
| 12B | 2202 | Carbonated Beverages of Fruit Drink or Carbonated Beverages with Fruit Juice. |
|-----|------|---|

Notification 4/2017 Dt. 28.06.2017 lists out various goods, where the tax payable has to be paid under reverse charge mechanism. In the said notification, the following goods are also added, vide Notification 10/2021 Dt. 30.09.2021 and such goods also shall attract reverse charge mechanism.

| | | | | |
|-------------|--|--|-------------------------|--------------------------|
| 3 A . | 33012400, 33012510, 33012520, 33012530, 33012540 | Following essential oils other than those of citrus fruit namely: – (a) Of peppermint (Menthapiperita); (b) Of other mints : Spearmint oil (exmenthaspicata), Water mint-oil (exmentha aquatic), Horsemint oil (exmenthasylvestries), Bergament oil (ex-mentha citrate). | Any Unregistered Person | Any Registered Person."; |
|-------------|--|--|-------------------------|--------------------------|

Notification 39/2017 Central Tax (Rate) Dt. 18.10.2017 provides for 5% GST for the following.

| Sl. No. | Tariff item, sub heading, heading or Chapter | Description of Goods | Condition |
|---------|--|--|---|
| (1) | (2) | (3) | (4) |
| 1. | 19 or 21 | Food preparations put up in unit containers and intended for free distribution to economically weaker sections of the society under a programme duly approved by the Central Government or any State Government. | When the supplier of such food preparations produces a certificate from an officer not below the rank of the Deputy Secretary to the Government of India or the Deputy Secretary to the State Government or the Deputy Secretary in the Union Territory concerned to the effect that such food preparations have been distributed free to the economically weaker sections of the society under a programme duly approved by the Central Government or the State Government concerned, within a period of five months from the date of supply of such goods or within such further period as the jurisdictional commissioner of the Central tax or jurisdictional commissioner of the State tax, or jurisdictional officer of the Union Territory Tax as the case may be, may allow in this regard. |

Now, vide Notification 11/2021 Central Tax (Rate) Dt. 30.09.2021, the description of the goods under column (3) above has been substituted as below.

(a) Food preparations put up in unit containers and intended for free distribution to economically weaker sections of the society under a programme duly approved by the Central Government or any State Government;

(b) Fortified Rice Kernel (Premix) supply for ICDS or similar scheme duly approved by the Central Government or any State Government.

Further in column (4) for the word "food preparation" wherever it appears, the word "food" has been substituted.

For various Covid related medicines either full exemption or 5% GST has been prescribed vide Notification 5/2021 Central Tax (Rate) Dt. 14.06.2021 which has expired on 30.09.2021. Vide Notification 12/2021 Central Tax (Rate) Dt.30.09.2021, for the following medicines, 5% GST rate has been prescribed for the period upto 31.12.2021. The complete exemption has also been extended for the medicines mentioned at Sl. Nos. 1 and 2.

| Sl. No. | Chapter, Heading, Sub-heading or Tariff item | Description of Goods | Rate |
|---------|--|--------------------------|------|
| (1) | (2) | (3) | (4) |
| 1. | 30 | Tocilizumab | Nil |
| 2 | 30 | Amphotericin B | Nil |
| 3 | 30 | Remdesivir | 2.5% |
| 4 | 30 | Heparin (anti-coagulant) | 2.5% |
| 5 | 30 | Itolizumab | 2.5% |
| 6 | 30 | Posaconazole | 2.5% |

| | | | |
|----|----|---------------------------|------|
| 7 | 30 | Infliximab | Nil |
| 8 | 30 | Bamlanivimab & Etesevimab | Nil |
| 9 | 30 | Casirivimab & Imdevimab | 2.5% |
| 10 | 30 | 2-Deoxy-D-Glucose | 2.5% |
| 11 | 30 | Favipiravir | 2.5% |

1. Section 12AB was introduced in the Income-tax Act, vide Finance Act, 2020 prescribing a new registration procedure for charitable organisations

