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L&S Update

an e-update to clients from
Lakshmikumaran & Sridharan

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**Reduction in rate of GST
for various goods, and
amendment relating to
branded items**

Reduction in rate of GST for various goods, and amendment relating to branded food items

- Notification Nos. 27 and 28/2017-Central Tax (Rate), 27 and 28/2017-Integrated Tax (Rate) and 27 and 28/2017-Union Territory Tax (Rate) have been issued on 22-9-2017 to amend Notification Nos. 1 and 2/2017 (Rate) for CGST, IGST and UTGST laws, respectively.
- GST rate in respect of various goods has been revised by the said notifications.
- Such downward revision was earlier approved by the GST Council in its 21st meeting held on 9th of this month.
- Amendments have also been made to revise the condition relating to absence of registered brand name, for the purpose of exemption.

Exemption / Amendment to exemption notification:

- Following goods have been **exempted** from GST
 - ☐ Cotton seed oil cake
 - ☐ Khadi fabric, sold through KVIC and KVIC certified institutions/outlets
 - ☐ Idols made of clay
 - ☐ Brooms or brushes, consisting of twigs or other vegetable materials
- Indigenous handmade musical instruments are exempted as per S. No. 143 of Notification No. 2/2017-Central Tax (Rate). Now, 134 such musical instruments have been specified for coverage under this exemption.

Revision in GST rate

- 2.5% CGST or 5% IGST rate has been prescribed for:
 - ☐ Walnuts, Dried tamarind, Roasted gram
 - ☐ Lobhan, dhoop batti, dhoop, sambhrani
 - ☐ Grass, leaf or reed or fibre products, including mats, pouches, wallets
 - ☐ Paper mache articles
 - ☐ Duty Credit Scrips
 - ☐ Corduroy fabrics, Saree fall
 - ☐ Cotton quilts of sale value not exceeding Rs. 1000 per piece
 - ☐ Worked corals other than articles of coral
 - ☐ Rosaries, prayer beads or Hawan samagri

Revision in GST rate (*contd.*):

- 6% CGST or 12% IGST has been prescribed for:
 - ☐ Batters, including idli / dosa batter
 - ☐ Rubber bands
 - ☐ Idols of wood, stone and metals (excluding precious metals)
 - ☐ Tableware and Kitchenware of wood
 - ☐ Textile caps
 - ☐ Stone inlay work
 - ☐ Statues, statuettes, pedestals; other ornamental goods essentially of stone
 - ☐ Tableware, kitchenware, other household articles and toilet articles (Headings 6911, 6912)
 - ☐ Cotton quilts of sale value exceeding Rs. 1000 per piece

Revision in GST rate (*contd.*):

- 9% CGST or 18% IGST has been prescribed for:
 - ☐ Custard powder
 - ☐ Medical grade sterile disposable gloves
 - ☐ Plastic raincoats
 - ☐ Rice rubber rolls for paddy de-husking machine
 - ☐ Computer monitors not exceeding 20 inches
 - ☐ Kitchen gas lighters
- 0.125% CGST or 0.25% IGST has been prescribed for:
 - ☐ Unsorted diamonds (Earlier they were liable to 1.5% CGST or 3% IGST)

Brand Name on certain food items and animal or vegetable fertilisers

- Phrase 'brand name' along with 'registered brand name' has also been defined now.
- Registered brand name will mean a brand registered as on 15-5-2017 under Trade Marks Act, 1999 or Copyright Act, 1957 or under any law in force in any other country. De-registration of the brand after the above date will not be relevant.
- Person availing exemption from GST will have to file affidavit before jurisdictional Commissioner and print with indelible ink on the unit container, that he is voluntarily foregoing his actionable claim or enforceable right on such brand name.

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