



## GST ALERT V

- I. The GST Council has finally announced lists of items which are either NIL rated or 5% or 12% or 18% or 28%. These two (2) lists are in respect of goods & services. We have emailed you said list of goods and services (subject to changes) as well as list of services under Reverse Charge Mechanism.
- II. Similarly GST Council has also announced "GST Compensation Cess Rates" for different Goods. This list is attached. The items specified in this list will be subject to additional GST Cess at the rates specified therein, over & above normal GST. The goods specified in this list are called demerit goods.
- III. Operation of GST:  
Intrastate Supply of Goods & Services:

A Supply within the state will be subject to Central GST (CGST) as well as State GST (SGST). CGST is levied by Central Government and SGST by State Government. The rate specified in schedule will be split equally between SGST & CGST. So if rate is 18%, CGST will be 9% & SGST 9%.

Interstate Supply of Goods & Services:

A supply to another state will be subject to Integrated GST (IGST). Rate of IGST will be aggregate of CGST and SGST; in above example, it will be 18%.

- IV. Reverse Charge

As referred in Para I, the list of services under Reverse Charge Mechanism is list of services which are subject to GST under Reverse Charge Mechanism (RCM). In case of services under RCM, recipient of services (and not provider of service) is liable to pay GST on services received. Such GST paid is eligible for input tax credit.

Goods & Services imported into the country will also be subject to RCM (and eligible for input tax credit).

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Date: 23<sup>rd</sup> May, 2017

**GST Compensation Cess Rates for different supplies**  
**[As per discussions in the GST Council Meeting held on 18<sup>th</sup> May, 2017]**

The fitment of rates of goods were discussed today during the 14<sup>th</sup> GST Council meeting held at Srinagar, Jammu & Kashmir. The Council has broadly approved the rates of GST Compensation Cess to be levied on certain goods. The information is being uploaded immediately after the GST Council's decision and it will be subject to further vetting during which the list may undergo some changes.

S. No.	Description of supply	Tariff item, heading, sub-heading, Chapter, of goods or service, as the case may be	Rate for GST Compensation Cess
(1)	(2)	(3)	(4)
1.	Pan Masala	2106 90 20	60%
<b>Aerated waters, containing added sugar or other sweetening matter or flavoured</b>		2202 10	
2.	Aerated waters	2202 10 10	12%
3.	Lemonade	2202 10 20	12%
4.	Others	2202 10 90	12%
<b>Tobacco and Tobacco Products</b>		24	
5.	Unmanufactured tobacco (without lime tube) – bearing a brand name	2401	71%
6.	Unmanufactured tobacco (with lime tube) – bearing a brand name	2401	65%
7.	Tobacco refuse, bearing a brand name	2401 30 00	61%
8.	Chewing tobacco (without lime tube)	2403 99 10	160%
9.	Chewing tobacco (with lime tube)	2403 99 10	142%
10.	Filter khaini	2403 99 10	160%
11.	Jarda scented tobacco	2403 99 30	160%
12.	Pan masala containing tobacco 'Gutkha'	2403 99 90	204%
<b>Cigarettes</b>			
13.	<b>Non- filter</b>		
14.	Not exceeding 65 mm	2402 20 10	5% + Rs.1591 per thousand
15.	Exceeding 65 mm but not 70 mm	2402 20 20	5% + Rs.2876 per thousand
16.	<b>Filter</b>		
17.	Not exceeding 65 mm	2402 20 30	5% + Rs.1591 per thousand
18.	Exceeding 65 mm but not 70 mm	2402 20 40	5% + Rs.2126 per thousand

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(1)	(2)	(3)	(4)
19.	Exceeding 70 mm but not 75 mm	2402 20 50	5% + Rs.2876 per thousand
20.	Others	2402 20 90	5% + Rs.4170 per thousand
<b>Other tobacco products</b>			
21.	Cigar and cheroots	2402 10 10	21% or Rs. 4170 per thousand, whichever is higher
22.	Cigarillos	2402 10 20	21% or Rs. 4170 per thousand, whichever is higher
23.	Cigarettes of tobacco substitutes	2402 90 10	Rs.4006 per thousand
24.	Cigarillos of tobacco substitutes	2402 90 20	12.5% or Rs. 4,006 per thousand whichever is higher
25.	Other	2402 90 90	12.5% or Rs. 4,006 per thousand whichever is higher
26.	'Hookah' or 'gudaku' tobacco bearing a brand name	2403 11 00	72%
27.	Tobacco used for smoking 'hookah' or 'chilam' commonly known as 'hookah' tobacco or 'gudaku'	2403 11 00	17%
28.	Other smoking tobacco not bearing a brand name.	2403 11 90	11%
29.	Smoking mixtures for pipes and cigarettes	2403 19 10	290%
30.	Other smoking tobacco bearing a brand name	2403 19 90	49%
31.	Other smoking tobacco not bearing a brand name	2403 19 90	57%
32.	“Homogenised” or “reconstituted” tobacco, bearing a brand name	2403 91 00	72%
33.	Preparations containing chewing tobacco	2403 99 20	72%
34.	Snuff	2403 99 40	72%
35.	Preparations containing snuff	2403 99 50	72%
36.	Tobacco extracts and essence bearing a brand name	2403 99 60	72%

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(1)	(2)	(3)	(4)
37.	Tobacco extracts and essence not bearing a brand name	2403 99 60	65%
38.	Cut tobacco	2403 99 70	20%
39.	All goods, other than pan masala containing tobacco 'gutkha', bearing a brand name	2403 99 90	96%
40.	All goods, other than pan masala containing tobacco 'gutkha', not bearing a brand name	2403 99 90	89%
<b>Others</b>			
41.	Coal; briquettes, ovoids and similar solid fuels manufactured from coal.	2701	Rs.400 per tonne
42.	Lignite, whether or not agglomerated, excluding jet	2702	Rs.400 per tonne
43.	Peat (including peat litter), whether or not agglomerated	2703	Rs.400 per tonne
<b>Motor Vehicles</b>			
44.	Motor vehicles (10<persons <13)	8702	15%
45.	Small Cars (length < 4 m ; Petrol<1200 cc )	8703	1%
46.	Small Cars (length < 4 m ; Diesel < 1500 cc)	8703	3%
47.	Mid Segment Cars (engine < 1500 cc)	8703	15%
48.	Large Cars (engine > 1500 cc)	8703	15%
49.	Sports Utility Vehicles (length > 4m ; engine > 1500 cc; ground clearance > 170 mm)	8703	15%
50.	Mid Segment Hybrid Cars (engine < 1500 cc)	8703	15%
51.	Hybrid motor vehicles > 1500 cc	8703	15%
52.	Hydrogen vehicles based on fuel cell tech > 4m	8703	15%
53.	Motorcycles (engine > 350 cc)	8711	3%
54.	Aircrafts for personal use.	8802	3%
55.	Yacht and other vessels for pleasure or sports	8903	3%

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