

Punit Prajapati
& Co.

SECTOR WISE GST CHANGES W.E.F. 01 OCT 21

NOTIFICATIONS 06 TO 12- CT
(RATES) DATED 30/09/21
TO IMPLEMENT DECISIONS OF
45TH GST COUNCIL MEETING

CA Nisarg Jhadakia

CA Prashant Patel

CA Raksha Prajapati

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CA Prakash Prajapati

CA Viral Patel

PHARMA & HEALTHCARE SECTOR

- 11 Specific drugs related to Covid to be taxed at lower rates. (2 medicines @ nil rates, 11 medicines @ 5%) [refer New Notification No. 12/2021-CTR]
- Reduction in rate is for limited period till 31/12/21.
- All other other drugs recommended by Ministry of Health and Family Welfare (MoHFW) and Dept. of Pharma (DoP) for Covid treatment will be again taxable at their normal rates (Generally 12%) instead of reduced rate of 5%.
- All other goods related to treatment of Covid-19 which were enjoying reduced rates like Oxygen, Oxygen Concentrator, Ventilators, Covid Testing Kits, Pulse Oximeters, Hand Sanitizer, Temperature check equipment, Ambulance, furnaces for crematorium etc. will be subject their normal rate of 12%/18%/28% against exiting rate of 5% [12% for ambulance]
- Products manufactured before change in rates and also covered under MRP, will face issue of changes of MRP.
- If invoice is issued and payment is also received before 01/10/21, old rate will apply.



RENEWABLE ENERGY SECTOR

- Rates for goods increased from 5% to 12% for solar power generator, wind mill, waste to energy plants & Bio-gas plant.
- Effective rates for supply and installation (composite contracts) will be **13.8%** against existing rate of **8.9%**.
- GST on specified Renewable Energy Projects can be paid in terms of the 70:30 ratio for goods and services, respectively, during the period from 1.7.2017 to 31.12.2018, in the same manner as has been prescribed for the period on or after 1st January 2019.

TRANSPORTATION SECTOR

- New Specific Service Accounting Code "996541" prescribed for Multimodal Transport of goods from a place in India to another place in India".
- Exemption on export cargo freight (Air and Sea) extended till 30/9/22.

FOOD AND BEVERAGES SECTOR

- Services by way of job work in relation to manufacture of alcoholic liquor for human consumption to be taxed @ 18% .
- Carbonated Beverages of Fruit Drink or Carbonated Beverages with Fruit Juice will be taxed @ 40% [28% GST +12% Cess] .
- Mentha Oil (of peppermint and other mints) purchased from unregistered person will be subject to RCM.

OTHER SECTORS RATE INCREASED 12% TO 18%.

- Temporary or permanent transfer or permitting the use or enjoyment of **Intellectual Property (IP)** right.
- **Printing** Service of all goods falling under Chapter 48 or 49 which attract CGST @ 6 per cent. or 2.5per cent. or Nil, where only content is supplied by the publisher and the physical inputs including paper used for printing belong to the printer.