



The Institute of Chartered Accountants of India
GST & Indirect Taxes Committee

GOODS & SERVICES TAX UPDATE-190

1. Amendment in the option to be exercised by the GTAs to pay GST under forward charge

Notification No. 11/2017-CT(R) dt. 28.06.2017 and Notification No. 13/2017-CT(R) dt. 28.06.2017 have been amended as under:

- Goods Transport Agencies (GTAs) shall not be required to file Annexure V of *Notification No. 11/2017-CT(R) dt. 28.06.2017* for opting to pay GST under forward charge every year. Such option can be exercised by GTAs during the period from 1st January to 31st March of the preceding financial year as against the earlier due date of 15th March of the preceding financial year. Amendments have been made in Annexure V to this effect.
- If a GTA has exercised the option to pay tax under forward charge for a particular financial year, it shall be deemed that the option has been exercised for the next and future financial years also unless the GTA files a declaration in Annexure VI that it wants to revert to the reverse charge mechanism during 1st January to 31st March of the preceding financial year. Annexure VI titled as “*Form for exercising option by a Goods Transport Agency intending to revert under reverse charge mechanism to be filed before the commencement of any financial year to be submitted before the jurisdictional GST Authority*” has been inserted in *Notification No. 11/2017-CT(R) dt. 28.06.2017* for this purpose.
- Consequential changes have been made in Annexure III to *Notification No. 13/2017-CT(R) dt. 28.06.2017*.

The above amendments have become effective from 27.7.2023.

[Notification No. 08/2023- CT\(R\) dt. 26.07.2023](#)

[Notification No. 06/2023-CT\(R\) dt. 26.07.2023](#)

2. Amendment in exemption Notification No. 12/2017-CT(R) dt. 28.06.2023

Hitherto, satellite launch services were exempted only when the same were provided by ISRO, Antrix Corporation limited and New Space India Limited (NSIL). With effect from 27th July, 2023, the said exemption has now been extended to all entities providing satellite launch services.

[Notification No. 07/2023- CT\(R\) dt. 26.07.2023](#)

3. Amendments in Notification No. 11/2017-CT (R) dt. 28.06.2017

- Hitherto, services by way of fumigation in a warehouse of agricultural produce were meant to be support services to agriculture, forestry, fishing, animal husbandry which were liable to nil rate of tax. With effect from 27th July, 2023, the said service is no more treated as support services to agriculture, forestry, fishing, animal husbandry.
- In construction services, (S. No. 3) in column (3), in item (ie), following explanation has been inserted, namely:-

“Explanation. –This item refers to sub-items of the item (iv), (v) and (vi), against serial number 3 of the Table as they existed in the notification prior to their omission vide notification No. 03/2022-Central Tax (Rate) dated the 13th July, 2022.”

[Notification No. 06/2023-CT\(R\) dt. 26.07.2023](#)

4. Rate changes with respect to goods

With effect from 27.7.2023, GST rate on following goods has been reduced to 5% (CGST + SGST):

- Un-fried or un-cooked snack pellets, by whatever name called, manufactured through process of extrusion (from 18%)
- Fish soluble paste (from 18%)

- Linz-Donawitz (LD) Slag (from 18%)
- Imitation zari thread or yarn known by any name in trade parlance (from 12%)

[Notification No. 09/2023-CT\(R\) dt. 26.07.2023](#)

5. Amendment in Notification No. 26/2018- CT(R) dt. 31.12.2018 to give effect to the implementation of Foreign Trade Policy, 2023

Notification No. 26/2018- CT(R) dt. 31.12.2018 which seeks to exempt central tax on supply of gold, silver and platinum by nominated agencies to registered persons, has been amended to substitute the reference of Foreign Trade Policy, 2015-2020 with the recently implemented Foreign Trade Policy, 2023 and make other necessary consequential amendments.

[Notification No.10/2023-CT\(R\) dt.26.07.2023](#)

6. Applicability of *ad-valorem* rate as against retail sale price for the levy of Compensation Cess on certain products

The earlier *ad-valorem* rate as was applicable on 31st March, 2023 has been notified where it is not legally required to declare retail sale price for the levy of Compensation Cess on pan masala and certain tobacco products.

It has been clarified that the words “declared retail sale price”, with respect to the above goods, shall mean the retail sale price of such goods which are required to be declared in compliance with the provisions of the Legal Metrology Act, 2009 or the rules made there under or under any other law for the time being in force.

[Notification No. 3/2023-Compensation Cess \(Rate\) dt. 26.07.2023](#)

7. Amendment in entry 52B relating to motor vehicles of compensation cess notification *Notification No. 1 /2017 – Compensation Cess (Rate) dt. 28.06.2017*

Entry no. 52B of *Notification No. 1 /2017 – Compensation Cess (Rate) dt. 28.06.2017* has been substituted to include all utility vehicles, by whatever name called including Sports Utility Vehicles (SUV), Multi Utility Vehicles (MUV), Multi-purpose vehicles (MPV) or Cross-Over Utility Vehicles

(XUV) which satisfy the following parameters:

- Length: exceeding 4000 mm
- Engine Capacity: exceeding 1500cc
- Ground clearance: 170mm and above

Here, ground clearance shall mean ground clearance in unladen condition.

[Notification No. 3/2023-Compensation Cess \(Rate\) dt. 26.07.2023](#)

***Vice - Chairman
GST & Indirect Taxes Committee***

***Chairman
GST & Indirect Taxes Committee***

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