



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

**GOODS & SERVICES TAX UPDATE-207**

**Amendments in Rate Notifications**

**1. Amendment in Notification No. 11/2017-CT(R) dt. 28.06.2017 - Rates for supply of services**

- a) Another condition has been introduced for taking input tax credit on input services in the same line of business in case of Passenger Transport Services and Rental services of transport vehicles with operators, restricting it to 2.5%, where the supplier of input service in the same line of business charges central tax at a rate higher than 2.5%.
- b) In case of services provided by a race club, the word 'totalisator or a license to' a bookmaker has been replaced with 'licensing a' bookmaker.
- c) The entry related to 'Gambling' has been omitted. Consequently, entries related to 'Gambling and betting services including similar online services' and 'Lottery services' in the scheme of classification of services has also been omitted.

**[Notification No. 12/2023-CT\(R\) dt. 19.10.2023](#)**

**2. Amendment in Notification No. 12/2017-CT(R) dt. 28.06.2017 – Services exempt from levy of GST**

Services provided to a Governmental Authority by way of water supply, public health, sanitation and conservancy, solid waste management and slum improvement and upgradation have been exempted from levy of GST.

**[Notification No. 13/2023-CT\(R\) dt. 19.10.2023](#)**

**3. Amendment in Notification No. 12/2017-CT(R) dt. 28.06.2017 – Services exempt from levy of GST and Notification No. 13/2017-CT(R) dt. 28.06.2017 – Services leviable to reverse charge under GST**

Supply of all goods and services by Indian Railways shall be taxed under Forward Charge Mechanism to enable them to avail ITC.

**[Notification No. 13/2023-CT\(R\) dt. 19.10.2023, \[Notification No. 14/2023-CT\\(R\\) dt.\]\(#\)](#)**

[19.10.2023](#)

**4. Amendment in Notification No. 15/2017-CT(R) dt. 28.06.2017 - No refund of unutilised input tax credit u/s 54(3) in case of supply of certain service**

As per *Notification No. 15/2017-CT(R) dt. 28.06.2017*, no refund of unutilised input tax credit shall be allowed under sub-section (3) of section 54 in case of supply of services specified in sub-item (b) of item 5 of Schedule II. Now the said notification has been amended and the words '*specified in sub-item (b) of item 5 of Schedule II*' has been substituted with the words '*of construction of a complex, building or a part thereof, intended for sale to a buyer, wholly or partly, where the amount charged from the recipient of service includes the value of land or undivided share of land, as the case may be, except where the entire consideration has been received after issuance of completion certificate, where required, by the competent authority or after its first occupation, whichever is earlier*'.

[Notification No.15/2023-CT\(R\) dt. 19.10.2023](#)

**5. Amendment in Notification No. 17/2017-CT(R) dt. 28.06.2023 – Services on which tax shall be paid by E-Commerce Operator (ECO)**

*Notification No. 17/2017-CT(R) dt. 28.06.2023* has been amended to provide that GST in case of services by way of transportation of passengers provided through Omnibus shall be paid by the ECO except where the supplier supplying such service through the ECO is a Company.

Further, 'Company' shall have the same meaning as assigned to it in section 2(20) of the Companies Act, 2013.

[Notification No. 16/2023-CT\(R\) dt. 19.10.2023](#)

**6. Amendment in Notification No. 1/2017- CT (R) dt. 28.06.2017 - CGST rate schedule for goods**

- a) GST rate on molasses has been reduced from 14% to 2.5%.
- b) Spirits for industrial use has been made taxable at the rate of 9%.

[Notification No. 17/2023-CT \(R\) dt. 19.10.2023](#)

**7. Amendment in Notification No. 2/2017- CT (R) dt. 28.06.2017 - Power to grant exemption from tax and Notification No. 1/2017- CT (R) dt. 28.06.2017 - CGST rate schedule for goods.**

Taxability of "Food preparation of millet flour in powder form, containing at least 70% millets by weight" has been amended as follows:

- a) other than pre-packaged and labelled form - 0% ([Notification No. 18/2023-CT \(R\) dt.](#)

[19.10.2023](#)

b) pre-packaged and labelled form – 2.5% ([Notification No. 17/2023-CT \(R\) dt. 19.10.2023](#))

**8. Amendment in Notification No. 4/2017-CT(R) dt. 28.06.2017 - Reverse charge on certain specified supplies of goods**

As per the amended *Notification No. 4/2017-CT(R) dt. 28.06.2017*, tax shall be paid under forward charge when used vehicles, seized and confiscated goods, old and used goods, waste and scrap is supplied by Ministry of Railways (Indian Railways) to a registered person.

[Notification No. 19/2023-CT \(R\) dt. 19.10.2023](#)

**9. Amendment in Notification No. 5/2017- CT(R) dt. 28.06.2017 - Supplies of goods in respect of which no refund of unutilised input tax credit shall be allowed where rate of tax on input is higher than rate of tax on output supplies of such goods**

A new entry has been inserted in *Notification No. 5/2017- CT(R) dt. 28.06.2017* to provide that no refund of unutilised input tax credit under inverted duty structure shall be allowed in case of supply of imitation zari thread or yarn made out of Metallised polyester film /plastic film. An explanation has also been inserted providing that this shall apply for refund of input tax credit only on polyester film /plastic film.

[Notification No. 20/2023-CT \(R\) dt. 19.10.2023](#)

**All the above Notifications have come into effect from 20<sup>th</sup> October, 2023.**

**Similar notifications have been issued under IGST Act as well as UTGST Acts.**

*Vice - Chairman  
GST & Indirect Taxes Committee*

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*The GST Update is an endeavour of the GST & Indirect Taxes Committee of ICAI to apprise the readers with the amendments made in the GST law vide significant notifications, circulars etc. The Committee welcomes your feedback on the Update at [gst@icai.in](mailto:gst@icai.in). Please visit the website of the Committee <https://idtc.icai.org/index.php> for previous GST Updates and other knowledge resources on GST like articles, publications, legal updates, newsletter etc. as also for the information on upcoming events on GST organised by the Committee.*

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