



The Institute of Chartered Accountants of India

GST & Indirect Taxes Committee

GOODS & SERVICES TAX UPDATE-242

1. Changes in GST rates for goods – Amendments in *Notification No. 1/2017-CT(R) dated 28.06.2017*

(a) The following items shall attract GST rate of 5% (CGST + SGST):

- Trastuzumab Deruxtecan
- Osimertinib
- Durvalumab

(b) Rate for extruded or expanded products, savoury or salted (other than un-fried or un-cooked snack pellets, by whatever name called, manufactured through process of extrusion) has been reduced from 18% to 12% (CGST + SGST). Un-fried or un-cooked snack pellets, by whatever name called, manufactured through the process of extrusion attracts 5% (CGST + SGST) rate.

(c) Rate of seats of a kind used for motor vehicles has been increased from 18% to 28% (CGST + SGST). This uniform rate of 28% will be applicable prospectively for seats of motor cars in order to bring parity with seats of motorcycles which already attract a GST rate of 28%.

Parallel amendments have been made in *Notification Nos. 1/2017 UTT (R) dated 28.06.2017 & 1/2017 IT (R) dated 28.06.2017*.

All the above amendments shall be effective from 10th October, 2024.

[*Notification No. 05/2024 CT\(R\) dt. 08.10.2024*](#), [*Notification No. 05/2024 UTT\(R\) dt. 08.10.2024*](#) & [*Notification No. 05/2024 IT\(R\) dt. 08.10.2024*](#)

2. Amendment in reverse charge for goods - *Notification No. 4/2017-CT(R) dated 28.06.2017*

With effect from 10th October, 2024, tax on supply of metal scrap by unregistered person to registered person shall be payable under reverse charge.

Parallel amendment has been made in *Notification Nos. 4/2017 UTT (R) dated 28.06.2017 & 4/2017 IT (R) dated 28.06.2017*.

[*Notification No. 06/2024-CT\(R\) dt. 08.10.2024*](#), [*Notification No. 06/2024-UTT\(R\) dt.*](#)

[08.10.2024 & Notification No. 06/2024-IT\(R\) dt. 08.10.2024](#)

3. Changes in GST rates for services- Notification No. 11/2017-CT(R) dt. 28.06.2017

With effect from 10th October, 2024, rate of GST on transport of passengers, with or without accompanied baggage, by air, in a helicopter on seat share basis has been reduced from 18% to 5% (CGST + SGST) provided input tax credit on goods used in supplying the service has not been taken.

Parallel amendment has been made in *Notification Nos. 11/2017 UTT (R) dated 28.06.2017 & 8/2017 IT (R) dated 28.06.2017*.

[Notification No. 07/2024-CT\(R\) dt. 08.10.2024](#), [Notification No. 07/2024-UTT\(R\) dt. 08.10.2024](#) & [Notification No. 07/2024-IT\(R\) dt. 08.10.2024](#)

4. Amendments in exemptions for services - Notification No. 12/2017-CT(R) dt. 28.06.2017

(1) Following services have been exempted with effect from 10th October, 2024:

- (a) Supply of services by way of providing metering equipment on rent, testing for meters/ transformers/capacitors application fees for providing electricity connection, releasing electricity connection, shifting of meters/service lines, issuing duplicate bills etc which are incidental, ancillary to the supply of transmission and distribution of electricity by transmission and distribution utilities to their consumers.
- (b) Supply of research and development services against consideration received in the form of grants supplied by –
 - A Government Entity, or
 - A research association, university, college or other institution, notified under clauses (ii) or (iii) of section 35(1) of Income Tax Act, 1961 provided that the same are so notified at the time of supply of such service.
- (c) Services of affiliation provided by a Central or State Educational board or Council or any other similar body, by whatever name called, to a school established, owned or controlled by a Central Government, State Government, Union Territory, local authority, governmental authority or Government entity.

(2) With effect from 10th October, 2024, entry no. 69 has been substituted as under:

Any services provided by –

- (a) the National Skill Development Corporation set up by the Government of India;
- (b) the National Council for Vocational Education and Training;

(c) an Awarding Body recognized by the National Council for Vocational Education and Training;

(d) an Assessment Agency recognized by the National Council for Vocational Education and Training;

(e) a Training Body accredited with an Awarding Body that is recognized by the National Council for Vocational Education and Training,

in relation to-

(i) the National Skill Development Programme or any other scheme implemented by the National Skill Development Corporation; or

(ii) a vocational skill development course under the National Skill Certification and Monetary Reward Scheme; or

(iii) any National Skill Qualification Framework aligned qualification or skill in respect of which the National Council for Vocational Education and Training has approved a qualification package.

(3) With effect from 10th October, 2024, in entry no. 71, 'National Council for Vocational Training' has been substituted with 'National Council for Vocational Education and Training'.

(4) With effect from 10th October, 2024, the definition of "approved vocational education course" has been amended to substitute 'National Council for Vocational Training' with 'National Council for Vocational Education and Training'.

Parallel amendments have been made in *Notification No. 12/2017 UTT (R) dated 28.06.2017*.

[*Notification No. 08/2024-CT\(R\) dt. 08.10.2024, Notification No. 08/2024-UTT\(R\) dt. 08.10.2024 & Notification No. 08/2024-IT\(R\) dt. 08.10.2024*](#)

5. Amendment in IGST exemptions for services - *Notification No. 09/2017-IT(R) dt. 28.06.2017*

With effect from 10th October, 2024, import of services by an establishment of a foreign company in India, which is an airline company, from a related person or from any of its other establishments outside India, when made without consideration has been exempted from GST subject to the following conditions:

(a) GST at applicable rates is paid by the establishment of the foreign airline company in India on transport of goods and passengers as may be applicable.

(b) Ministry of Civil Aviation certifies that the establishment of the foreign company in

India is that of an airline company which has been designated by the foreign government under the applicable bilateral air services agreement with India.

- (c) Ministry of Civil Aviation certifies that on a reciprocal basis, designated Indian airlines are not subject to levy of similar taxes by whatever name called for the same services appearing under the entry, by the Government of the country designating the foreign airline company.

Here, foreign company shall have the same meaning as assigned to it in section 2(42) of the Companies Act, 2013.

Additionally, amendments parallel to the ones made in *Notification No. 12/2017 CT (R)* as detailed in point 4 above, have also been made in *Notification No. 9/2017 IT (R) dated 28.06.2017*.

[Notification No. 08/2024-IT\(R\) dt. 08.10.2024](#)

6. Amendment in reverse charge for services - *Notification No. 13/2017-CT(R) dt. 28.06.2017*

With effect from 10th October 2024, any property rented out by an unregistered person to registered person for commercial use will fall under the reverse charge mechanism, obligating the registered person to pay the applicable GST.

Parallel amendment has been made in *Notification Nos. 13/2017 UTT (R) dated 28.06.2017 & 10/2017 IT (R) dated 28.06.2017*.

[Notification No. 09/2024-CT\(R\) dt. 08.10.2024](#), [Notification No. 09/2024-UTT\(R\) dt. 08.10.2024](#) & [Notification No. 09/2024-IT\(R\) dt. 08.10.2024](#)

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

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

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