

Govt. recently issued certain notifications following GST Council's meeting on 21 July 2018 in respect of the following: -

Refund of unutilized credit because of inverted duty structure in respect of certain specified woven fabrics of silk, cotton, wool w.e.f. August 2018 while balance of unutilized ITC lying as on July 31, 2018 would lapse.

Exemption in respect of sanitary napkins, coir pith compost and rakhi (other than that of precious or semi-precious material of Chapter 71).

Exemption to service of old age homes run by Government or an entity registered u/s 12AA of Income-tax Act to its residents aged above 60 years, work of installation and commissioning undertaken by DISCOMS/electricity distribution companies, service of warehousing of minor forest produce, and administrative fees collected by National Pension System Trust is extended.

GST on import of services by Foreign Diplomatic Missions/ UN & other International Organizations & services supplied by an establishment of a person in India to its establishment outside India treated as establishments of distinct persons provided place of supply is outside taxable territory of India is exempted.

Notified rate of 5% in respect of e-books, ethyl alcohol supplied to Oil Marketing Companies for blending with petrol, mats, handmade carpets, hand embroidered articles, while handbags, jewellery box, carved wood products, handmade imitation jewellery, hand paintings drawings and pastels, bamboo flooring and brass kerosene pressure stove taxable at 12%.

Notified rate of 12% with full ITC under forward charge for composite supply of multimodal transportation and 18% on paints and varnishes, lithium Ion batteries, vaccum cleaners, bamboo flooring, brass kerosene pressure stove, washing machine, & refrigerator.

Entry prescribing reduced GST rate on composite supply of works contract for Govt. or local authorities, prescribing that 'business' shall not include any activity or transaction undertaken by Central or State Government or local authority as public authorities is rationalized.

GST is payable under 'reverse charge' by buying banks/ NBFCs in respect of services provided by individual Direct Selling Agents (DSAs) other than corporate or partnership firm.

Rate of tax on accommodation service shall be based on transaction value instead of declared tariff.

Rationalized entry levying 5% GST on composite supply of food and drinks in restaurant, mess, canteen, eating joints to various institutions on contractual basis by providing that scope of outdoor catering shall be restricted to supplies which are event based and occasional in nature.