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GOVERNMENT OF INDIA

MINISTRY OF FINANCE : DEPARTMENT OF REVENUE

OFFICE OF THE PRINCIPAL CHIEF COMMISSIONER OF GST & CENTRAL EXCISE

TAMILNADU & PUDUCHERRY

No.26/1, MAHATHMA GANDHI ROAD, CHENNAI - 600 034

C.No. IV/16/268/2017- Pr.CCO (GST-3)

Date: 03-10-2017

**GST TRADE NOTICE NO.027/2017**

Sub: **GST - Central Tax (Rate) Notifications** No.27/2017-CT(Rate) to No.29/2017-CT(Rate) all dated 22.09.2017 regarding reduction in rates / exemption on specified supplies & non-entitlement of Input Tax Credit and corresponding amendments in **Integrated Tax (Rate) and Union Territory Tax (Rate) Notifications - Integrated Tax (Rate) Notification** No.30/2017-IT(Rate) dated 22.09.2017 regarding IGST exemption on inter-state supplies on Skimmed Milk Powder or concentrated milk - **Customs Circular** No.38/2017 dated 22.09.2017 regarding changes in Drawback Rules & All India Rates - Communication thereof - Reg.

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The Central Board of Excise & Customs [CBEC] has issued the following Rate Notifications, wherein, amendments to the base Tax Rate Notifications pertaining to CGST, IGST and UTGST have been made. The gist of the amendments is detailed hereunder:

Sl.No.	Notification No. & date	Amendments / changes
1	No.27/2017-CT (Rate) dated 22.09.2017 - Amendment to Notification No.1/2017-CT dated 28.06.2017	<p><b>[i] Certain entries have been amended to reduce the CGST rates on certain specified goods.</b> The indicative list of the goods on which CGST rates have been reduced is furnished hereunder:</p> <p><b>Reduced from 6% to 2.5% :</b> Walnuts, Tamarind dried, Lobhan, dhoop batti, dhoop, sambhrani, Duty Credit Scrips, Corduroy fabrics, saree fall, Roasted Gram, Cotton quilts of value less than Rs.1000/- per piece.</p> <p><b>Reduced from 9 to 6% :</b> Batters including Idly/Dosa batter, Tableware, Kitchenware of wood, porcelain &amp; china, etc., Bells, gongs and the like, non-electric/ photograph/ picture or similar frames/ mirrors, of base metal, nozzles for drip irrigation equipment or for sprinklers, textile caps, Cotton quilts of value exceeding Rs.1000/- per piece.</p> <p><b>Reduced from 9 to 2.5% :</b> Paper mache articles.</p> <p><b>Reduced from 14% to 9% :</b> Custard powder, Medical grade gloves, plastic raincoats, rice rubber rolls for paddy de-husking machine, Kitchen Gas Lighters, Computer monitors not exceeding 20 inches.</p>



Sl.No.	Notification No. & date	Amendments / changes
1 Contd..	No.27/2017-CT (Rate) dated 22.09.2017 - Amendment to Notification No.1/2017-CT dated 28.06.2017	<p><b>Reduced from 14% to 6% :</b></p> <p>Rubber Bands, statues, bowls, vases, other ornamental goods essentially of stone, ceramic pots, jars, etc, worked ivory, bone, tortoise-shell, horn, antlers, coral, mother of pearl, etc, Statues and other ornamental articles.</p> <p><b>Reduced from 1.5% to 0.125% :</b></p> <p>Diamonds, industrial and unsorted diamonds</p> <p><i>The list furnished above is only indicative to highlight a few changes. For exact details, the relevant entries may please be referred.</i></p> <p><b>[ii] Registered Brand name:</b> The scope of the term "brand name" in respect of goods specified therein, which are put up in unit container and bearing a registered brand name has been explained to exclude those where any actionable claim or any enforceable right in respect of such brand name has been voluntarily foregone.</p> <p>Further, conditions have been specified therein as under:</p> <p>[a] An affidavit to the effect to be filed with the jurisdictional Commissioner of Central Tax by the person undertaking the packing of such goods in unit containers that he is voluntarily foregoing his actionable claim or enforceable right on such brand name as defined and</p> <p>[b] such person shall clearly print in indelible ink, both in English and the local language on each such unit containers that in respect of the brand name printed on the unit containers he has foregone his actionable claim or enforceable right voluntarily.</p> <p>An annexure has been appended to the Notification to this effect.</p>
2	No.28/2017-CT (Rate) dated 22.09.2017 - Amendment to Notification No.2/2017-CT dated 28.06.2017	<p><b>[i] Exemption from CGST has been provided to following goods:</b> Cotton Seed Oil Cake, Khadi fabric, sold through Khadi and Village Industries Commission(KVIC) and KVIC certified institutions/outlets, Idols made of clay, Charkha for hand spinning of yarns, including amber charkha, Brooms or brushes consisting of twigs or other vegetable materials, bound together, with or without handles.</p> <p><b>[ii] Withdrawal of exemption to goods:</b> Exemption provided to goods specified in Entry No.102 and falling under Chapter Heading 2304, 2305 and 2306 has been withdrawn.</p> <p><b>[iii] Indigenous handmade musical instruments: The scope of exemption</b> has been specified to instruments as listed in Annexure II.</p> <p><b>[iv] Registered Brand name:</b> As in [ii] of Sl.No.1 above</p>
3	No.29/2017-CT (Rate) dated 22.09.2017 - Amendment to Notification No.5/2017-CT dated 28.06.2017	<p><b>No refund of unutilised ITC for specified goods:</b></p> <p>It is amended that no refund of unutilized Input Tax Credit shall be allowed in respect of <b>Corduroy fabrics</b> where credit is accumulated on account of rate of tax on inputs being higher than the rate of tax as specified on the output supplies.</p>
4	No.27/2017-IT (Rate) dated 22.09.2017	Corresponding amendment to IGST Rates as in Sl.No.1 above
5	No.28/2017-IT (Rate) dated 22.09.2017	Corresponding amendment to IGST Rates as in Sl.No.2 above
6	No.29/2017-IT (Rate) dated 22.09.2017	Corresponding amendment to IGST Rates as in Sl.No.3 above

Sl.No.	Notification No. & date	Amendments / changes
7	No.30/2017-IT (Rate) dated 22.09.2017	<b>IGST is exempted in respect of inter-state supplies of Skimmed milk powder or concentrated milk.</b> <b>Condition:</b> When supplied to a distinct person as per Sec 25(4) of CGST Act for use in production of milk (for distribution through dairy co-operatives) and not for further supply of skimmed milk powder or concentrated milk as such.
8	No.27/2017-UT (Rate) dated 22.09.2017	Corresponding amendment to UTGST Rates as in Sl.No.1 above
9	No.28/2017-UT (Rate) dated 22.09.2017	Corresponding amendment to UTGST Rates as in Sl.No.2 above
10	No.29/2017-UT (Rate) dated 22.09.2017	Corresponding amendment to UTGST Rates as in Sl.No.3 above
11	Customs Circular No.38/2017 - Customs dated 22.09.2017	<b>Changes in Drawback Rules and All India Rates in Customs</b> The important changes in the Drawback Rules and All India Rates schedule, consequent to notification of Customs & Central Excise Duties Drawback Rules, 2017 and Revision of All India Rates, both effective from 01.10.2017, have been highlighted.

2. This Trade Notice is being issued so as to sensitize the trade and field formations about the about the contents of the aforesaid references and for complete details, the respective references may please be referred in the CBEC's website [www.cbec.gov.in](http://www.cbec.gov.in).

3. All the Commissioners are requested to bring the contents of the Trade Notice to the notice of all the officers working under their charge and the assesseees falling under their respective jurisdiction.

4. The Trade & Industry Associations/Chambers of Commerce are requested to bring the contents of the Trade Notice to the notice of all their members.



**[C.P. RAO]**  
**PRINCIPAL CHIEF COMMISSIONER**

To

- i. The Principal Commissioner / Commissioner of GST and Central Excise,  
Chennai North / Chennai South / Chennai Outer / Coimbatore / Salem / Tiruchirappalli /  
Madurai / Puducherry / Chennai Audit I / Chennai Audit II / Coimbatore Audit /  
Chennai Appeals I / Chennai Appeals II / Coimbatore Appeals Commissionerates
- ii. The Commissioner of Commercial Taxes, State CT Head Office, Ezhilagam,  
No.3, Kamarajar Salai, Chepauk, Chennai-600005 [ **By e-mail** ]
- iii. Zonal RAC Members [ **By e-mail** ]

Copy to

The Superintendent, Computer Section, Chennai North Commissionerate  
[ For uploading in website ]