

Supply & Classification



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Supply

- Scope and key Issues**

Legal framework:

- GST to apply on

- supply of all goods and services
- in the taxable territory other than
- exempt and zero rated supply
- but including composite and mixed supply of goods and/or services



Key Concepts

Meaning and Scope of Supply

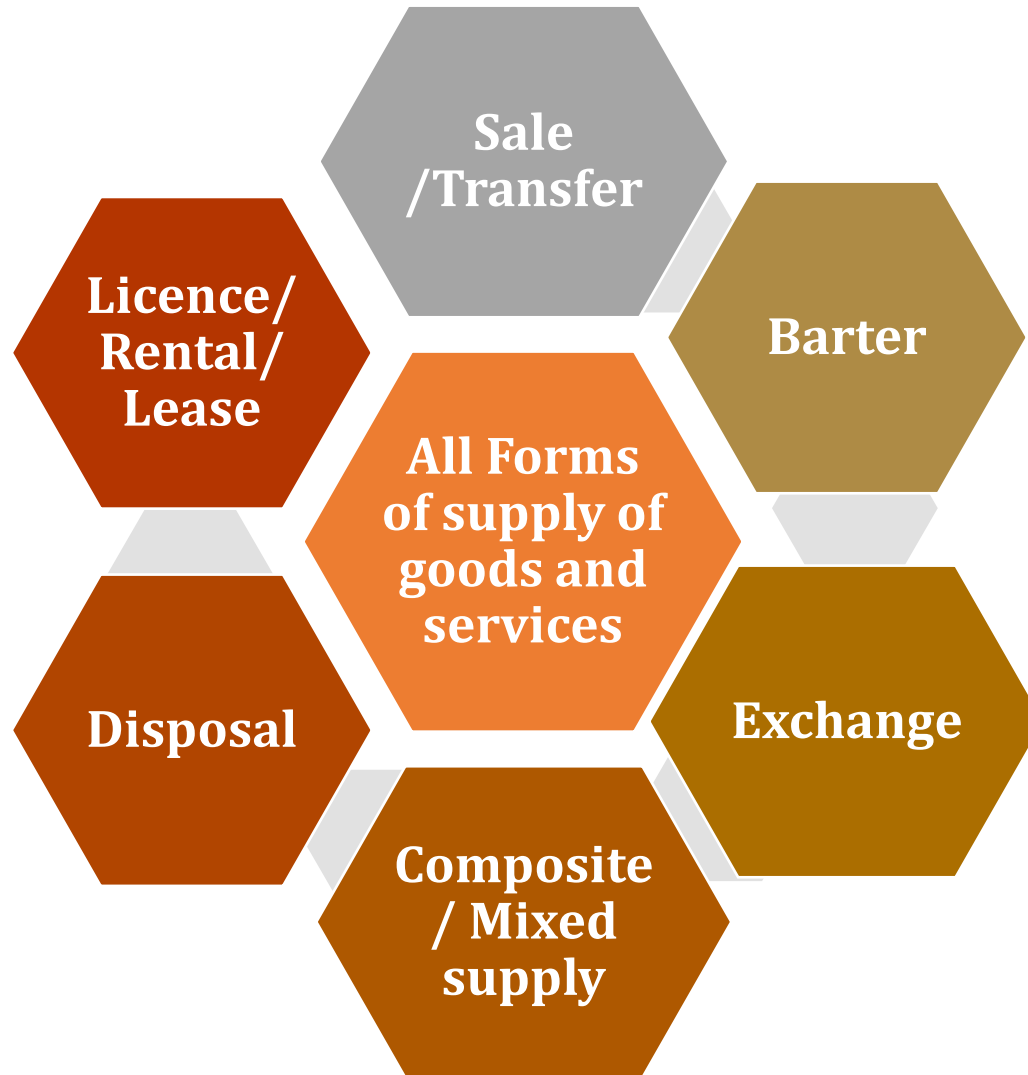
Mechanics to determine supply of goods and supply of services

Meaning and scope of composite and mixed supply of goods and/or services

Meaning and scope of exempt and zero rate supply

Concept of Consideration and Taxable territory

Concept of Supply:



Key Issue

- Replacement of old parts for refurbished parts – whether qualify as barter transaction [Refer Kirlosar Copeland Ltd – Bombay HC (Fav.) & Sriram Refrigeration Tamilnadu HC (Against)]

Supply – Sec 7

* **Section 7. Scope of supply.-**

(1) For the purposes of this Act, the expression - "supply" includes-

(a) all forms of supply of goods or services or both such as sale, transfer, barter, exchange, licence, rental, lease or disposal made or agreed to be made for a consideration by a person in the course or furtherance of business;

¹[(aa) the activities or transactions, by a person, other than an individual, to its members or constituents or vice-versa, for cash, deferred payment or other valuable consideration.

Explanation .-For the purposes of this clause, it is hereby clarified that, notwithstanding anything contained in any other law for the time being in force or any judgment, decree or order of any Court, tribunal or authority, the person and its members or constituents shall be deemed to be two separate persons and the supply of activities or transactions inter se shall be deemed to take place from one such person to another;]

Supply – Sec 7

* Section 7. Scope of supply.-

(b) import of services for a consideration whether or not in the course or furtherance of business; ²[and]

(c) the activities specified in Schedule I, made or agreed to be made without a consideration; ³[****]

(d) ⁴[****].

⁵[(1A) where certain activities or transactions constitute a supply in accordance with the provisions of sub-section (1), they shall be treated either as supply of goods or supply of services as referred to in Schedule II.]

Supply – Sec 7

* Section 7. Scope of supply.-

(2) Notwithstanding anything contained in sub-section (1),-

(a) activities or transactions specified in [Schedule III](#); or

(b) such activities or transactions undertaken by the Central Government, a State Government or any local authority in which they are engaged as public authorities, as may be notified by the Government on the recommendations of the Council,

shall be treated **neither as a supply of goods nor a supply of services.**

(3) Subject to the provisions of ⁶[sub-sections (1), (1A) and (2)], the Government may, on the recommendations of the Council, specify, by notification, the transactions that are to be treated as -

(a) a supply of goods and not as a supply of services; or

(b) a supply of services and not as a supply of goods.

Schedule I

ACTIVITIES TO BE TREATED AS SUPPLY EVEN IF MADE WITHOUT CONSIDERATION

- (1) Permanent transfer or disposal of business assets where input tax credit has been availed on such assets.
- (2) Supply of goods or services or both between related persons or between distinct persons as specified in [section 25](#), when made in the course or furtherance of business:
Provided that gifts not exceeding fifty thousand rupees in value in a financial year by an employer to an employee shall not be treated as supply of goods or services or both.
- (3) Supply of goods-
 - (a) by a principal to his agent where the agent undertakes to supply such goods on behalf of the principal; or
 - (b) by an agent to his principal where the agent undertakes to receive such goods on behalf of the principal.
- (4) Import of services by a ¹[person] from a related person or from any of his other establishments outside India, in the course or furtherance of business.

Schedule II

ACTIVITIES ¹ [OR TRANSACTIONS] TO BE TREATED AS SUPPLY OF GOODS OR SUPPLY OF SERVICES

1. Transfer

(a) any transfer of the title in goods is a supply of goods;

(b) any transfer of right in goods or of undivided share in goods without the transfer of title thereof, is a supply of services;

(c) any transfer of title in goods under an agreement which stipulates that property in goods shall pass at a future date upon payment of full consideration as agreed, **is a supply of goods.**

2. Land and Building

(a) any lease, tenancy, easement, licence to occupy land is a **supply of services;**

(b) any lease or letting out of the building including a commercial, industrial or residential complex for business or commerce, either wholly or partly, is a **supply of services.**

(3) Treatment or process

Any treatment or process which is applied to another person's goods is a **supply of services.**

Schedule II

ACTIVITIES ¹ [OR TRANSACTIONS] TO BE TREATED AS SUPPLY OF GOODS OR SUPPLY OF SERVICES

(4) Transfer of business assets

(a) where goods forming part of the assets of a business are transferred or disposed of by or under the directions of the person carrying on the business so as no longer to form part of those assets, ² [****] such transfer or disposal is a supply of goods by the person;

(b) where, by or under the direction of a person carrying on a business, goods held or used for the purposes of the business are put to any private use or are used, or made available to any person for use, for any purpose other than a purpose of the business, ² [****] the usage or making available of such goods is a supply of services;

(c) where any person ceases to be a taxable person, any goods forming part of the assets of any business carried on by him shall be deemed to be supplied by him in the course or furtherance of his business immediately before he ceases to be a taxable person, unless-

(i) the business is transferred as a going concern to another person; or

(ii) the business is carried on by a personal representative who is deemed to be a taxable person.

Schedule II

ACTIVITIES ¹ [OR TRANSACTIONS] TO BE TREATED AS SUPPLY OF GOODS OR SUPPLY OF SERVICES

5. Supply of services

The following shall be treated as supply of services, namely:-

(a) renting of immovable property;

(b) construction of a complex, building, civil structure or a part thereof, including a complex or building intended for sale to a buyer, wholly or partly, 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.

6. Composite supply

The following composite supplies shall be treated as a supply of services, namely:-

(a) works contract as defined in clause (119) of [section 2](#); and

(b) supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink (other than alcoholic liquor for human consumption), where such supply or service is for cash, deferred payment or other valuable consideration.

Schedule III

ACTIVITIES OR TRANSACTIONS WHICH SHALL BE TREATED NEITHER AS A SUPPLY OF GOODS NOR A SUPPLY OF SERVICES

1. Services by an employee to the employer in the course of or in relation to his employment.
2. Services by any court or Tribunal established under any law for the time being in force.
3. (a) the functions performed by the Members of Parliament, Members of State Legislature, Members of Panchayats, Members of Municipalities and Members of other local authorities;
(b) the duties performed by any person who holds any post in pursuance of the provisions of the Constitution in that capacity; or
(c) the duties performed by any person as a Chairperson or a Member or a Director in a body established by the Central Government or a State Government or local authority and who is not deemed as an employee before the commencement of this clause.

Schedule III

ACTIVITIES OR TRANSACTIONS WHICH SHALL BE TREATED NEITHER AS A SUPPLY OF GOODS NOR A SUPPLY OF SERVICES

4. Services of funeral, burial, crematorium or mortuary including transportation of the deceased.
5. Sale of land and, subject to clause (b) of paragraph 5 of [Schedule II](#), sale of building.
6. Actionable claims, other than lottery, betting and gambling.
7. ¹[Supply of goods from a place in the non-taxable territory to another place in the non-taxable territory without such goods entering into India.
8. (a) Supply of warehoused goods to any person before clearance for home consumption;
(b) Supply of goods by the consignee to any other person, by endorsement of documents of title to the goods, after the goods have been dispatched from the port of origin located outside India but before clearance for home consumption.]

Composite Supply, Mixed Supply, Exempt Supply and Continuous Supply

Tax liability on composite and mixed supplies– Section 8 of CGST Act

Section 8 – Tax Liability on Composite or Mixed Supply	
A supply consisting of 2 or more supplies	Treated as Supply of
Composite supply of 2 or more supplies and one of which is a principal supply	Principal Supply
Mixed supply of 2 or more supplies	That particular supply which attracts highest rate of tax

Tax liability on composite and mixed supplies– Section 8 of CGST Act

Composite Supply [Sec 2(30)]:

means a supply made by a taxable person to a recipient consisting of **two or more taxable supplies** of goods or services or both, or any combination thereof, which are ***naturally bundled and supplied in conjunction*** with each other in the ordinary course of business, one of which is a principal supply.

Illustration: Where goods are packed and transported with insurance, the supply of goods, packing materials, transport and insurance is a composite supply and supply of goods is a principal supply

Principal Supply [Sec 2(90)]:

means the supply of goods or services which constitutes the ***predominant element of a composite supply*** and to which any other supply forming part of that composite supply is ancillary

A Hotel provides a 4-D / 3-N package with the facility of breakfast. This is natural bundling of services in the ordinary course of business and thus is a composite supply. The service of hotel accommodation gives the bundle the essential character and therefore the rate of tax applicable on providing hotel accommodation would be applicable on the entire supply.

Tax liability on composite and mixed supplies– Section 8 of CGST Act

Composite Supply:

If the ancillary supply were offered on a stand-alone basis, the same would not be accepted by the recipient. Even separate prices were assigned to each of the supplies involved, the one that is ancillary would not become predominant. The end use test could be important for determination of composite supply.

Eg: Supply of equipment and installation / commissioning of the same. In this case principal / predominant supply is supply of equipment and the ancillary supply is its installation. Here the customer has just the amount of understanding about the equipment to contract for its supply and measures its satisfactory performance based on commissioning tests.

Tax liability on composite and mixed supplies– Section 8 of CGST Act

Mixed Supply [Sec 2(74)]:

means **two or more individual supplies** of goods or services, or any combination thereof, made in conjunction with each other by a taxable person for a single price where such supply does not constitute a composite supply.

Illustration : A supply of a package consisting of canned foods, sweets, chocolates, cakes, dry fruits, aerated drinks and fruit juices when supplied for a single price is a mixed supply. Each of these items can be supplied separately and is not dependent on any other. It shall not be a mixed supply if these items are supplied separately

- The way the supplies are naturally bundled must be examined. Merely by conjointly , supplying two or more goods or services does not constitute composite supply.

Eg: Supply of laptop and carry case - In this case the customer did not purchase the laptop to get the carry case. In fact, a carry case with the same brand as the laptop is normally not available for independent purchase. Here the predominant supply is laptop and ancillary supply is carry case. In case of carry bag is capable of being used to carry several brands of laptops this would be case of mixed supply (Sec 2(74)).

Test for ascertaining composite supply or and mixed supply:

Description	Composite Supply	Mixed Supply
Naturally bundled	Yes	No
Each supply available for supply individually	No	Yes/No
One is predominant supply for recipient	Yes	Yes/No
Other supply(ies) are ancillary or they are received because of predominant supply	Yes	No
Each supply priced separately	Yes/No	No
Supplied together	Yes	Yes
All supplies can be goods	Yes	Yes
All supplies can be services	Yes	Yes
A combination of one / more goods and one / more services	Yes	Yes

While, the above tests could be guiding principles in determining as to whether a supply is composite or mixed supply the end user test could be adopted as one of the criteria; Every supply will have to be independently analysed.

Continuous Supply of Goods – Sec 2(32)

“continuous supply of goods” means a supply of goods which is provided, or agreed to be provided, continuously or on recurrent basis, under a contract, whether or not by means of a wire, cable, pipeline or other conduit, and for which the supplier invoices the recipient on a regular or periodic basis and includes supply of such goods as the Government may, subject to such conditions, as it may, by notification, specify;

□ *Examples* of continuous supply of goods are:

- Open purchase orders with an understanding of fortnightly billing;
- Supply of gases through pipeline with a weekly billing schedule;
- Supply of say, 5 litre water cans on an as and when required basis with a frequency of monthly billing under a contract.

Continuous Supply of Services – Sec 2(33)

“continuous supply of services” means a supply of services which is provided, or agreed to be provided, continuously or on recurrent basis, under a contract, for a ***period exceeding three months*** with periodic payment obligations and includes supply of such services as the Government may, subject to such conditions, as it may, by notification, specify;

❑ Examples of continuous supply of services:

- Annual maintenance contracts;
- Licensing of software or brand names;
- Renting of immovable property; and
- Software as a service (SAAS) with monthly billing based on usage.

Recap on Supply:

- Supply comprises:
 - Included supplies
 - Implied supplies (Sch. I)
 - Excluded supplies (Sch. III)
- Chargeability to tax:
 - Forward charge on supplier
 - Reverse charge
 - Lateral charge (e-commerce)
- Supply characterization:
 - Composite supply or
 - Mixed supply

- Cases to consider:
 - *Purpose* of supply – business or not
 - Same *forms of supply* apply to services
 - Supply by casual taxable person
 - ISD or inter-branch service transfer
 - Intra-State stock transfer
 - Free samples and warranty are supplies *for consideration*
 - Material supplied for job-work
 - Sch II not exhaustive but specific
 - No supply, no tax but ***no credit too***

What if? Incorrect Tax type is paid

Type of sale	Applicable tax	Actually Paid	Rectification	Interest/ Penalty
Intra-state	CGST & SGST	IGST	Pay CGST & SGST Refund IGST	No
Inter-state	IGST	CGST & SGST	Pay IGST Refund CGST & SGST	No

In terms of **Section 19(1) of IGST Act and Section 77(2) of CGST Act**, where a registered person who has paid IGST on a supply considered by him to be an inter-State supply, but which is subsequently held to be an intra-State supply or vice versa, would be granted refund of the amount of integrated tax so paid in such manner and subject to such conditions as may be prescribed

Judicial Update – High Court

Axis Bank Limited Vs Union of India (Andhra Pradesh High Court)

The Petitioner Bank paid IGST (Inter-state supply) from the State of Andhra Pradesh due to a mapping system error. It, subsequently, paid CGST and Telangana State GST. It paid tax twice. The refund claim was rejected by the department for erroneously paid IGST. The claim was rejected on the ground of the time bar (beyond 2 years from the date of payment of IGST) in terms of section 54 of the CGST Act. The part claim was rejected on the grounds that Petitioner did not provide supporting documents. There is no GST tribunal, hence, the Petitioner approached the High Court.

The High court set aside the rejection and remanded the matter back to the original authority. The High court referred to a circular dated 25.09.2021 issued clarifying that insertion of rule (1A) to Rule 89 provides a time limit of 2 years. The said two-year time limit would apply from the date of introduction of the said rule and not from the date of payment of GST. The High overruled objection of the Revenue against remand of the matter.

Judicial Update – Advance Ruling

AAR has no Jurisdiction to decide on Place of Supply

The Applicant requests this Authority to decide as to whether the aforesaid services proposed to be rendered qualify as Export of Services” under Section 2(6) of the Integrated Goods & Services Tax Act, 2017 or not.

Before we decide the question raised in this application it is essential that it be first determined whether or not the activities undertaken by the applicant pertains to matters or questions specified in Section 97(2).

As per the Section 97(2) of CGST Act, the questions on which advance ruling is sought under this Act, shall be in respect of, matters or issues mentioned in Section 97 (2) (a) to (g) only. We find that, “place of supply of services” does not find mention in the said Section 97 mentioned above.

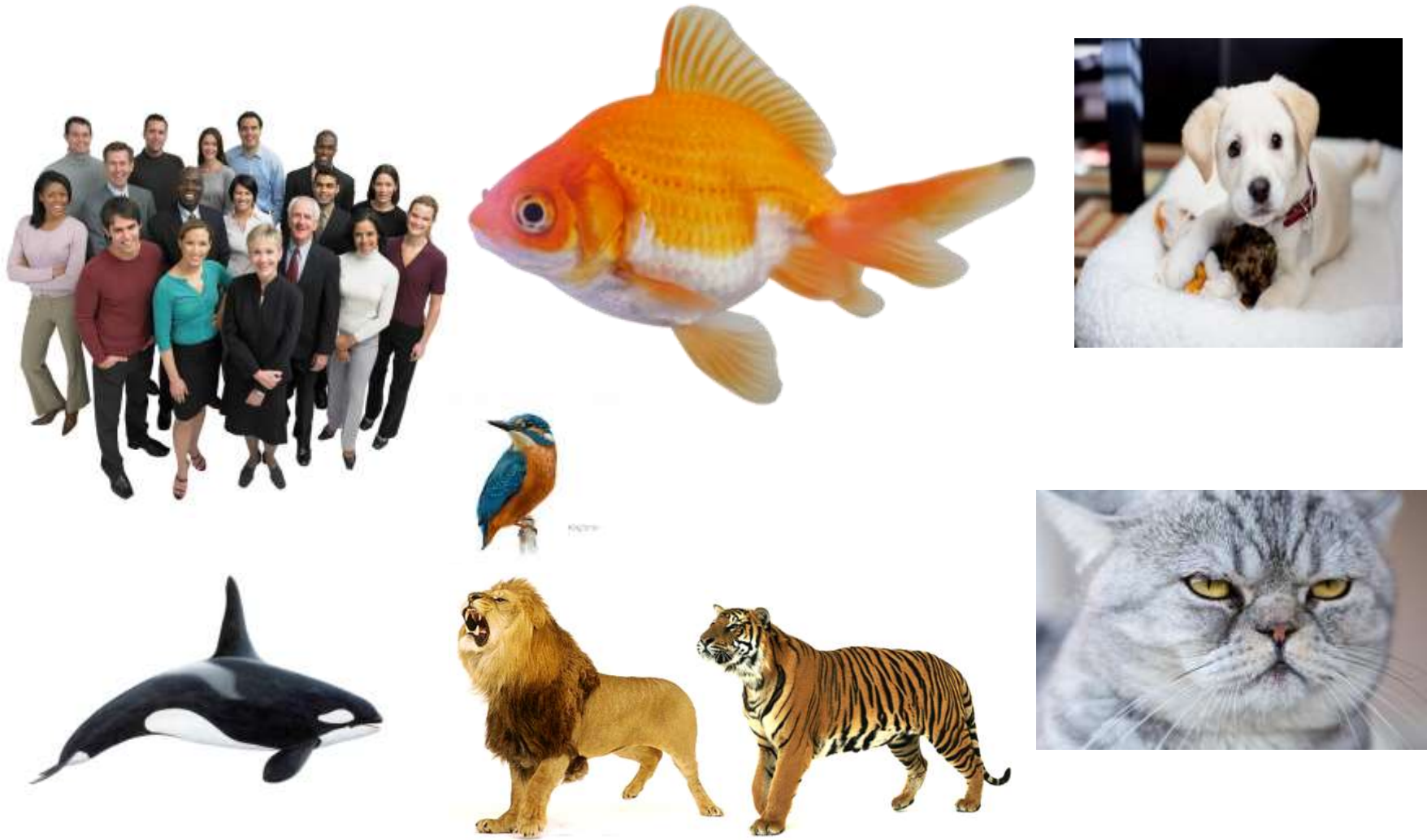
Relying on the abovementioned decisions **M/s Micro Instrument (Mrs.Vishakha Prashant Bhawe), vide appeal order no. MAH/AAAR/SS-RJ/26/2018-19 dated 22.03.2019, M/s Sabre Travel Network India Pvt. Ltd., vide appeal Order No. MAH/AAAR/SS-RJ/30/2018-19 dated 10.04.2019,** of the Appellate Authority for Advance Ruling (AAAR) and in view of the provisions of Section 97 of the CGST Act, 2017, we find that this authority is not allowed to answer the subject question.

Classification

Classification?????



Classification?????



Some Questions on classification

Goods or services taxable – in all situations?

Can there be two rate % for same HSN or SAC?

Will classification change taxability?

Can goods be classified as services? Impact on taxability?

Basics of Classification



Deemed treatment as goods or services

Treated as supply of goods

- Transfer of title in goods
- Transfer of business assets























Treated as supply of Services

- Right to use goods without transfer of title
- Treatment or process applied to another's persons goods
- Renting of immovable property
- Any lease, tenancy, etc in Land & Building
- Temporary transfer or right to use of IPR

Composite supply treated as supply of services

- Works Contract
- Sale of food or article or drinks for human consumption




Tariff Notifications

Central Tax (Rate) Notifications			
Notification No. & Date of Issue	English	हिन्दी	Subject
18/2017-Central Tax (Rate) ,dt. 30-06-2017	View  (136 KB)	देखें  (37 KB)	Seek to reduce the rate of Central Tax, Union Territory Tax, on fertilisers from 6% to 2.5% and Integrated Tax rate on fertilisers from 12% to 5%
17/2017-Central Tax (Rate) ,dt. 28-06-2017	View  (136 KB)	देखें  (585 KB)	To notify the categories of services the tax on intra-State supplies of which shall be paid by the electronic commerce operator
16/2017-Central Tax (Rate) ,dt. 28-06-2017	View  (344 KB)	देखें  (385 KB)	To notify specialised agencies entitled to claim a refund of taxes paid on the notified supplies of goods or services or both received by them under CGST Act
15/2017-Central Tax (Rate) ,dt. 28-06-2017	View  (142 KB)	देखें  (431 KB)	To notify the supplies not eligible for refund of unutilized ITC under CGST Act
14/2017-Central Tax (Rate) ,dt. 28-06-2017	View  (248 KB)	देखें  (318 KB)	To notify the supplies which shall be treated neither as a supply of goods nor a supply of service under the CGST Act
13/2017-Central Tax (Rate) ,dt. 28-06-2017	View  (274 KB)	देखें  (722 KB)	To notify the categories of services on which tax will be payable under reverse charge mechanism under CGST Act
12/2017-Central Tax (Rate) ,dt. 28-06-2017	View  (440 KB)	देखें  (990 KB)	To notify the exemptions on supply of services under CGST Act
11/2017-Central Tax (Rate) ,dt. 28-06-2017	View  (399 KB)	देखें  (1.11 MB)	To notify the rates for supply of services under CGST Act
	Annexure  (252 KB)	Annexure  (252 KB)	
10/2017-Central Tax (Rate),dt. 28-06-2017	View  (143 KB)	देखें  (503 KB)	CGST exemption for dealers operating under Margin Scheme notified under section 11 (1)
09/2017-Central Tax (Rate),dt. 28-06-2017	View  (143 KB)	देखें  (500 KB)	Exempting supplies to a TDS deductor by a supplier, who is not registered, under section 11 (1)

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Basics of Classification

4. *Explanation.*- For the purposes of this notification,-

(i) Goods includes capital goods.

(ii) Reference to “Chapter”, “Section” or “Heading”, wherever they occur, unless the context otherwise requires, shall mean respectively as “Chapter, “Section” and “Heading” in the annexed scheme of classification of services (Annexure).

(iii) The rules for the interpretation of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), the Section and Chapter Notes and the General Explanatory Notes of the First Schedule shall, so far as may be, apply to the interpretation of heading 9988.

(iv) Wherever a rate has been prescribed in this notification subject to the condition that

Confusion... Confusion and more confusion.....!!!!!!!

Chapter	Description	HSN Code	Rate (%)
Milk Products (16)	Condensed milk	04029920	12
	Curd; Lassi; Butter milk (excluding pre-packaged and labelled)	0403	NIL
	Curd; Lassi; Butter milk (pre-packaged and labelled)	0403	5%
	Milk and cream, concentrated or containing added sugar or other sweetening matter, including skimmed milk powder, milk food for babies [other than condensed milk]	0402	5
	Fresh milk and pasteurised milk, including separated milk, milk and cream, not concentrated nor containing added sugar or other sweetening matter, excluding Ultra High Temperature (UHT) milk	0401	NIL
	Ultra High Temperature (UHT) milk	0401	5
Water - Mineral & Aerated	Beverages containing milk	2202903 0	12

Test your Knowledge!

Question 1 –

Which all of the following is treated as deemed supply of services?

- (a) Temporary transfer of right to use IPR
- (b) Sale of food or drinks for human consumption
- (c) Transfer of Business Assets
- (d) Works Contract

Answer – option (a), (b) and (d)

HSN and SAC in GST

HSN in GST

- **What is HSN Code?**
- The Harmonized Commodity Description and Coding System generally refers to “Harmonized System of Nomenclature” or simply “HSN”. It is a multipurpose international product nomenclature developed by the World Customs Organization (WCO). It first came into effect in 1988.

HSN in GST

- **How does HSN code work?**
- It has about 5,000 commodity groups, each identified by a six-digit code, arranged in a legal and logical structure. It is supported by well-defined rules to achieve uniform classification.
- **Why is HSN important?**
- The main purpose of HSN is to classify goods from all over the World in a systematic and logical manner. This brings in a uniform classification of goods and facilitates international trade.

HSN in GST

- **Understanding the HSN Code**
- The HSN structure contains 21 sections, with 99 Chapters, about 1,244 headings, and 5,224 subheadings.
- Each Section is divided into Chapters. Each Chapter is divided into Headings. Each Heading is divided into Sub Headings.
- Section and Chapter titles describe broad categories of goods, while headings and subheadings describe products in detail.

HSN in GST

- Understanding the HSN Code
- For example:
- **Handkerchiefs made of Textile matters 62.13.90**
- First two digits (62) represent the **chapter number** for Articles of apparel and clothing accessories, not knitted or crocheted.
- Next two digits (13) represent the **heading number** for handkerchiefs.
- Finally, last two digits (90) is the **product code** for handkerchiefs made of other textile materials.
- *India has 2 more digits for a deeper classification.*
- If the handkerchiefs are made from a **man-made fibre**, then the HSN code is 62.13.90.10.
- If the handkerchiefs are made from **silk or waste from silk.**, then the HSN code is 62.13.90.90.

SAC in GST

- **Services Accounting Code (SAC) in GST**
- Like goods, services are also classified uniformly for recognition, measurement and taxation. Codes for services are called Services Accounting Code or SAC.
- **For example:**
- Legal documentation and certification services concerning patents, copyrights and other intellectual property rights-- **998213**
- The first two digits are same for all services i.e. 99
- The next two digits (82) represent the major nature of service, in this case, legal services
- The last two digits (13) represent detailed nature of service, i.e., legal documentation for patents etc.

Disclosing HSN in GST

Disclosing HSN in returns

12. HSN-wise summary of outward supplies

Sr. No.	HSN	Description (Optional if HSN is provided)	UQC	Total Quantity	Total value	Total Taxable Value	Amount			
							Integrated Tax	Central Tax	State/UT Tax	Cess
1	2	3	4	5	6	7	8	9	10	11

8 digit HSN code mandatory for all imports and exports

Importance of HSN in GST

- The purpose of HSN codes is to make GST systematic and globally accepted.
- Minimises issues of classification
- HSN codes will remove the need to upload the detailed description of the goods. This will save time and make filing easier since GST returns are automated.
- A dealer or a service provider must provide HSN/SAC wise summary of sales in his GSTR-1 if his turnover falls in above slabs.

HSN Classification List -

Section	HSN Code List
Section 1	Live Animals, Animal Products
Section 2	Vegetable Products
Section 3	Animal or Vegetable Fats and Oils and their cleavage products, prepared edible fats, Animal or Vegetable waxes
Section 4	Prepared Foodstuffs, Beverages, Spirits and Vinegar, Tobacco and Manufactured Tobacco Substitutes
Section 5	Mineral Products
Section 6	Product of the chemicals or allied Industries
Section 7	Plastics and articles thereof, Rubber and articles thereof
Section 8	Raw hides and skins, Leather, Fur, skins and articles thereof, saddlery and harness, travel goods, handbags and similar containers, articles of animal gut (other than silk-worm gut)

HSN Classification List -

Section	HSN Code List for
Section 9	Wood and articles of wood, Wood charcoal, Cork and articles of cork, Manufacturers of straw, of Esparto or of other Plaiting Materials, Basketwork and Wickerwork
Section 10	Pulp of wood or of other Fibrous Cellulosic Material, Recovered (Waste and scrap) paper or paperboard, paper and paperboard and articles thereof
Section 11	Textile and textile articles
Section 12	Footwear, Headgear, Umbrellas, Sun Umbrellas, Walking-sticks, seat-sticks, whips, riding-crops and parts thereof, Prepared feathers and articles made therewith, Artificial flowers, Articles of human hair
Section 13	Articles of stone, plaster, cement, asbestos, mica, or similar materials, ceramic products, glass and glassware
Section 14	Natural or cultured pearls, Precious or semi-precious stones, precious metals, Metal clad with precious metal, and articles thereof, Imitation Jewellery, Coins

HSN Classification List -

Section	HSN Code List
Section 15	Base Metals and articles of Base Metal
Section 16	Machinery and mechanical appliances, electrical equipment, parts thereof, sound recorders and reproducers, television image and sound recorders and reproducers, and Parts and Accessories of such article
Section 17	Vehicles, Aircraft, Vessels and Associated Transport Equipment
Section 18	Optical, Photographic, Cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus, clocks and watches, musical instruments, parts and accessories thereof
Section 19	Arms and ammunition, parts and accessories thereof
Section 20	Miscellaneous Manufactured Articles
Section 21	Works of art, Collectors' Pieces and antiques

Exempted goods – Some examples

S. No	List
1	Milk
2	Bread
3	Butter milk
4	Children's' picture, drawing or colouring books
5	Coconuts
6	Curd
7	Earthen pot and clay lamps
8	Eggs
9	Fire wood
10	Fish
11	Judicial, Non-judicial stamp papers, Court fee stamps
12	Live trees and plants

SAC Classification List -

Heading & Group	Service Code (Tariff)	Service Description
Section 5 : Construction Services		
Heading No.9954		Construction Services
Group 99541		Construction Services of Buildings
	995411	Construction services of single dwelling or multi dwelling or multi-storied residential buildings
	995412	Construction services of other residential buildings such as old age homes, homeless shelters, hostels etc
	995413	Construction services of industrial buildings such as buildings used for production activities (used for assembly line activities), workshops, storage buildings and other similar industrial buildings
	995414	Construction services of commercial buildings such as office buildings, exhibition & marriage halls, malls, hotels, restaurants, airports, rail or road terminals, parking garages, petrol and service stations, theatres and other similar buildings.
	995415	Construction services of other non-residential buildings such as educational institutions, hospitals, clinics including veterinary clinics, religious establishments, courts, prisons, museums and other similar buildings
	995416	Construction Services of other buildings n.e.c
	995419	Services involving Repair, alterations, additions, replacements, renovation, maintenance or remodelling of the buildings covered above.

Test your Knowledge!

Question 2 –

There are some goods and services exempted from GST.
Which of the following is not exempted from GST?

- (a) Eggs
- (b) Fire Wood
- (c) Unpacked Rice
- (d) India-gate Basmati Rice

Answer – option (d) India-gate Basmati Rice

Questions Please!



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Professional Qualifications:

Rohit is a **Chartered Accountant (CA)**, **Company Secretary (CS)**, **Cost Accountant (CMA)** and **Gold Medallist Law (LLB) Graduate**. He has also passed **Diploma in Information Systems Audit** (ICAI) and **Associate of Insurance Institute of India** (AIII)

CA Rohit Kumar Singh is founder of **TaxMarvel Consulting Services LLP**, a niche consulting firm which provides GST, Corporate Laws, Income Tax and outsourcing services to Corporates and MSME.

He was head of **GST Business (GST Suvidha Provider) of Karvy Data Management Services Limited (KDMSL)**. KDMSL was ranked as one of the Top 5 GSPs in India. He was credited to have set up the GST Compliance and advisory services for several niche Corporates and Public Sector Undertakings (PSU's).

Earlier, Rohit was Manager at **PriceWaterHouse Coopers Private Limited (PwC)**, Hyderabad, and has headed Commercial Functions (Indirect Taxes, Insurance and Internal Audit) function of Transmission and Distribution Division of **Gammon India Limited**.

Rohit is regular presenter and speaker at various national seminars for GST/Indirect Taxes. He is an empanelled **faculty for GST at ICAI and ICMAI**. He has taken more than 75 national seminars on GST and regularly conducts online GST Sessions for professionals and Senior Management. He represents clients for Advance Rulings and Departmental appeals.

He is a regular blogger and contributes to articles on GST and Indirect taxes in various online forums such as caclubindia.com, taxguru and other online platforms.

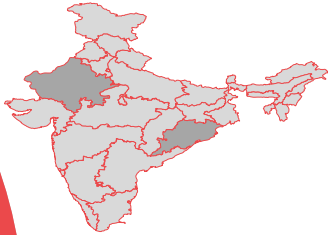
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About us

Who we are, what we do and contact us!



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- ❖ Our Mission is to make available GST solution with utmost care and client satisfaction
- ❖ We adopt client first approach
- ❖ TaxMarvel is a Consulting firm focussed on providing GST services to small and medium enterprises. We make GST easy for businesses by bringing in technology and subject matter expertise.
- ❖ TaxMarvel is founded by Chartered Accountants, Company Secretaries and Management Graduates who have extensive industry expertise.
- ❖ The founders have experience in Big4 consulting firm at a managerial level and has also headed a leading GST Suvidha Provider (GSP).

Thank you

Thanks for your Patience and Time

