

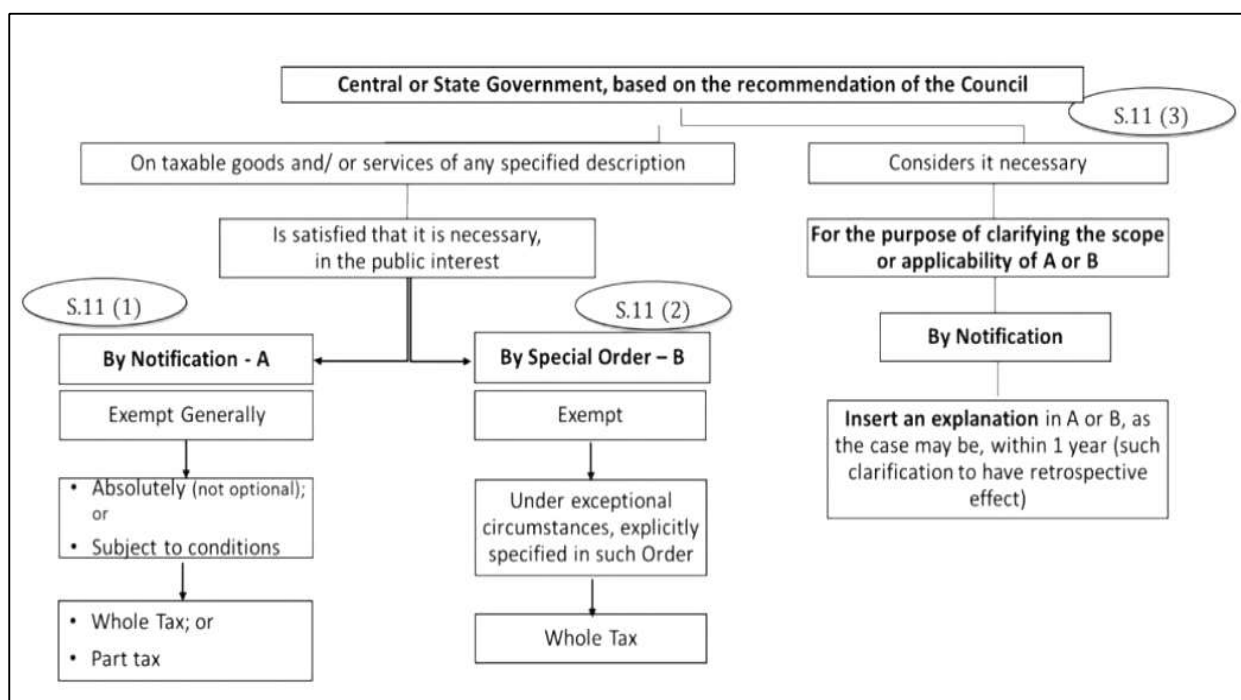
Exemption from GST [Sec. 11 of CGST Act]

What are exempt supplies under GST?

Exempt supplies comprise the following three types of supplies:

1. Supplies taxable at 'NIL' rate of tax (0% tax);
2. Supplies that are wholly or partially exempted from CGST or IGST, by way of a notification amending Section 11 of CGST Act or Section 6 of IGST Act;
3. Non-taxable supplies as defined under Section 2(78) – supplies which are not taxable under the Act (For Example Alcoholic liquor for human consumption)

Note: Tax need not be paid on these supplies. Input tax credit related to exempt supplies will not be available for setoff.



Types of Exemptions:

- i. **Absolute Exemption:** Exemption without any conditions. Ex: Transmission or distribution of electricity by an electricity transmission or distribution utility, Services by Reserve Bank of India.
- ii. **Conditional Exemption:** Exemption subject to certain conditions. Ex: Services by a hotel, inn, guest house, club or campsite, by whatever name called, for residential or lodging purposes, having declared tariff of a unit of accommodation less than Rs.1000/- per day”.
- iii. **Conditional or Partial Exemption:** Intra-State supplies of goods and/or services received from an unregistered person by a registered person is exempted from payment of tax under reverse charge provided the aggregate value of such supplies received by a registered person from all or any of the suppliers does not exceed Rs.5000/- in a day.

Treatment of ITC if supply is exempt

In case of exempt supplies, amount of credit as attributable to exempt supplies shall be reversed.

How to determine the credit attributable to exempt supplies in the above case?

Credit attributable to exempt supplies = (A/T) x C

Where,

A = Aggregate value of exempt supplies (all supplies other than taxable and zero-rated supplies)

T = Total turnover of the person in the tax period

C= Common Credit

Common Credit =

Total Input Tax in a Period

Less: Tax attributable exclusively for non-business purpose

Less: Tax attributable exclusively for exempt supplies

Less: Ineligible credits as per Section 17(5) Works contract, Rent a cab etc.

Less: Tax attributable exclusively for taxable supplies (including zero-rated supplies)

Difference between Nil Rated, Exempt, Zero Rated and Non-GST supplies

Zero Rated	NIL Rated	Exempt	Non-GST
Exports and Supplies made to SEZ	Supplies having 0% rate of GST Eg. Salt, grains, jaggery	Supplies are taxable but do not attract GST and for which ITC cannot be claimed. Eg. Fresh milk, fresh fruits, curd, bread, etc.	Supplies that do not come under the purview of GST law. Eg. Alcohol for human consumption, Petrol etc.

List of Exempted Goods under GST

S. No.	Classification	Description of Goods
1	0101	Live asses, mules and hinnies
2	0102	live bovine animals
3	0103	Live swine
4	0104	Live sheep and goats

5	0105	Live poultry, that is to say, fowls of the species Gallus domesticus, ducks, geese, turkeys and guinea fowls.
6	0106	Other live animal such as Mammals, Birds, Insects
7	0201	Meat of bovine animals, fresh and chilled.
8	0202	Meat of bovine animals frozen [other than frozen and put up in unit container]
9	0203	Meat of swine, fresh, chilled or frozen [other than frozen and put up in unit container]
10	0204	Meat of sheep or goats, fresh, chilled or frozen [other than frozen and put up in unit container]
11	0205	Meat of horses, asses, mules or hinnies, fresh, chilled or frozen (other than frozen and put up in unit container)
12	0206	Edible offal of bovine animals, swine, sheep, goats, horses, asses, mules or hinnies, fresh, chilled or frozen [other than frozen and put up in unit container]
13	0207	Meat and edible offal, of the poultry of heading 0105, fresh, chilled or frozen [other than frozen and put up in unit container]
14	0208	Other meat and edible meat offal, fresh, chilled or frozen [other than frozen and put up in unit container]
15	0209	Pig fat, free of lean meat, and poultry fat, not rendered or otherwise extracted, fresh, chilled or frozen [other than frozen and put up in unit container]
16	0209	Pig fat, free of lean meat, and poultry fat, not rendered or otherwise extracted, salted, in brine, dried or smoked [other than put up in unit containers]
17	0210	Meat and edible meat offal, salted, in brine, dried or smoked; edible flours and meals of meat or meat offal [other than put up in unit containers].
18	3	Fish seeds, prawn / shrimp seeds whether or not processed, cured or in frozen state [other than goods falling under Chapter 3 and attracting 5%]
19	0301	Live fish.
20	0302	Fish, fresh or chilled, excluding fish fillets and other fish meat of heading 0304
21	0304	Fish fillets and other fish meat (whether or not minced), fresh or chilled.

22	0306	Crustaceans, whether in shell or not, live, fresh or chilled; crustaceans, in shell, cooked by steaming or by boiling in water live, fresh or chilled.
23	0307	Molluscs, whether in shell or not, live, fresh, chilled; aquatic invertebrates other than crustaceans and molluscs, live, fresh or chilled.
24	0308	Aquatic invertebrates other than crustaceans and molluscs, live, fresh or chilled.
25	0401	Fresh milk and pasteurized milk, including separated milk, milk and cream, not concentrated nor containing added sugar or other sweetening matter, excluding Ultra High Temperature (UHT) milk
26	0403	Curd; Lassi; Butter milk
27	0406	Chena or paneer, other than put up in unit containers and bearing a registered brand name;
28	0407	Birds' eggs, in shell, fresh, preserved or cooked
29	0409	Natural honey, other than put up in unit container and bearing a registered brand name
30	0501	Human hair, unworked, whether or not washed or scoured; waste of human hair
31	0506	All goods i.e. Bones and horn-cores, unworked, defatted, simply prepared (but not cut to shape), treated with acid or gelatinised; powder and waste of these products
32	0507 90	All goods i.e. Hoof meal; horn meal; hooves, claws, nails and beaks; antlers; etc.
33	0511	Semen including frozen semen
34	6	Live trees and other plants; bulbs, roots and the like; cut flowers and ornamental foliage
35	0701	Potatoes, fresh or chilled.
36	0702	Tomatoes, fresh or chilled.
37	0703	Onions, shallots, garlic, leeks and other alliaceous vegetables, fresh or chilled.
38	0704	Cabbages, cauliflowers, kohlrabi, kale and similar edible brassicas, fresh or chilled.
39	0705	Lettuce (<i>Lactuca sativa</i>) and chicory (<i>Cichorium spp.</i>), fresh or chilled.

40	0706	Carrots, turnips, salad beetroot, salsify, celeriac, radishes and similar edible roots, fresh or chilled.
41	0707	Cucumbers and gherkins, fresh or chilled.
42	0708	Leguminous vegetables, shelled or unshelled, fresh or chilled.
43	0709	Other vegetables, fresh or chilled.
44	0712	Dried vegetables, whole, cut, sliced, broken or in powder, but not further prepared.
45	0713	Dried leguminous vegetables, shelled, whether or not skinned or split [other than put up in unit container and bearing a registered brand name)
46	0714	Manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with high starch or inulin content, fresh or chilled; sago pith.
47	0801	Coconuts, fresh or dried, whether or not shelled or peeled
48	0801	Brazil nuts, fresh, whether or not shelled or peeled
49	0802	Other nuts, fresh such as Almonds, Hazelnuts or filberts (<i>Corylus</i> spp.), walnuts Chestnuts (<i>Castanea</i> spp.), Pistachios, Macadamia nuts, Kola nuts (<i>Cola</i> spp.), Areca nuts, fresh, whether or not shelled or peeled
50	0803	Bananas, including plantains, fresh or dried
51	0804	Dates, figs, pineapples, avocados, guavas, mangoes and mangosteens, fresh.
52	0805	Citrus fruit, such as Oranges, Mandarins (including tangerines and satsumas); clementines, wilkings and similar citrus hybrids, Grapefruit, including pomelos, Lemons (<i>Citrus limon</i> , <i>Citrus limonum</i>) and limes (<i>Citrus aurantifolia</i> , <i>Citrus latifolia</i>), fresh.
53	0806	Grapes, fresh
54	0807	Melons (including watermelons) and papaws (papayas), fresh.
55	0808	Apples, pears and quinces, fresh.
56	0809	Apricots, cherries, peaches (including nectarines), plums and sloes, fresh.
57	0810	Other fruit such as strawberries, raspberries, blackberries, mulberries and loganberries, black, white or red currants and gooseberries, cranberries, bilberries and other fruits of the genus <i>vaccinium</i> , Kiwi fruit, Durians, Persimmons, Pomegranates, Tamarind, Sapota (chico),

		Custard apple (ata), Bore, Lichi, fresh.
58	0814	Peel of citrus fruit or melons (including watermelons), fresh.
59	9	All goods of seed quality
60	0901	Coffee beans, not roasted
61	0902	Unprocessed green leaves of tea
62	0909	Seeds of anise, badian, fennel, coriander, cumin or caraway; juniper berries [of seed quality]
63	0910 11 10	Fresh ginger, other than in processed form
64	0910 30 10	Fresh turmeric, other than in processed form
65	1001	Wheat and meslin [other than those put up in unit container and bearing a registered brand name]
66	1002	Rye (other than those put up in unit container and bearing a registered brand name)
67	1003	Barley [other than those put up in unit container and bearing a registered brand name]
68	1004	Oats (other than those put up in unit container and bearing a registered brand name)
69	1005	Maize (corn) [other than those put up in unit container and bearing a registered brand name]
70	1006	Rice (other than those put up in unit container and bearing a registered brand name)
71	1007	Grain sorghum [other than those put up in unit container and bearing a registered brand name]
72	1008	Buckwheat, millet and canary seed; other cereals such as Jawar, Bajra, Ragi) (other than those put up in unit container and bearing a registered brand name]
73	1101	Wheat or meslin flour [other than those put up in unit container and bearing a registered brand name).
74	1102	Cereal flours other than of wheat or meslin, [maize (corn) flour, Rye flour, etc.] [other than those put up in unit container and bearing a registered brand name)
75	1103	Cereal groats, meal and pellets [other than those put up in unit container and bearing a registered brand name]
76	1104	Cereal grains hulled

77	1105	Flour, of potatoes [other than those put up in unit container and bearing a registered brand name)
78	1106	Flour, of the dried leguminous vegetables of heading 0713 (pulses) [other than guar meal 1106 10 10 and guar gum refined split 1106 10 90], of sago or of roots or tubers of heading 0714 or of the products of Chapter 8 i.e. of tamarind, of singoda, mango flour, etc. [other than those put up in unit container and bearing a registered brand name]
79	12	All goods of seed quality
80	1201	Soya beans, whether or not broken, of seed quality.
81	1202	Ground-nuts, not roasted or otherwise cooked, whether or not shelled or broken, of seed quality.
82	1204	Linseed, whether or not broken, of seed quality.
83	1205	Rape or colza seeds, whether or not broken, of seed quality.
84	1206	Sunflower seeds, whether or not broken, of seed quality.
85	1207	Other oil seeds and oleaginous fruits (i.e. Palm nuts and kernels, cotton seeds, Castor oil seeds, Sesamum seeds, Mustard seeds, Safflower (<i>Carthamus tinctorius</i>) seeds, Melon seeds, Poppy seeds, Ajams, Mango kernel, Niger seed, Kokam) whether or not broken, of seed quality.
86	1209	Seeds, fruit and spores, of a kind used for sowing.
87	1210	Hop cones, fresh.
88	1211	Plants and parts of plants (including seeds and fruits), of a kind used primarily in perfumery, in pharmacy or for insecticidal, fungicidal or similar purpose, fresh or chilled.
89	1212	Locust beans, seaweeds and other algae, sugar beet and sugar cane, fresh or chilled.
90	1213	Cereal straw and husks, unprepared, whether or not chopped, ground, pressed or in the form of pellets
91	1214	Swedes, man golds, fodder roots, hay, lucerne (alfalfa), clover, sainfoin, forage kale, lupines, vetches and similar forage products, whether or not in the form of pellets.
92	1301	Lac and Shellac 93. 1404 90 40 Betel leaves
93	1404 90 40	Betel leaves
94	1701 or 1702	Jaggery of all types including Cane Jaggery (gur) and Palmyra Jaggery

95	1904	Puffed rice, commonly known as Muri, flattened or beaten rice, commonly known as Chira, parched rice, commonly known as khoi, parched paddy or rice coated with sugar, or gur, commonly known as Murki
96	1905	Pappad, by whatever name it is known, except when served for consumption
97	1905	Bread (branded or otherwise), except when served for consumption and pizza bread
98	2106	Prasadam supplied by religious places like temples, mosques, churches, gurudwaras, dargahs, etc.
99	2201	Water [Other than aerated, mineral, purified, distilled, medicinal, ionic, battery, de-mineralized and water sold in sealed Container
100	2201	Non- alcoholic Toddy, Neera including date and palm neera.
101	2202 90 90	Tender coconut water other than put up in unit container and bearing a registered brand name
102	2302,2304, 2305, 2306, 2308,2309	Aquatic feed including shrimp feed and prawn feed, poultry feed & cattle feed, including grass, hay & straw, supplement & husk of pulses, concentrates additives, wheat bran & de-oiled cake
103	2501	Salt, all types
104	2716 00 00	Electrical energy
105	2835	Di calcium phosphate (OCP) of animal feed grade conforming to IS specification No.5470 :2002
106	3002	Human Blood and its components
107	3006	All types of contraceptives
108	3101	All goods and organic manure (other than put up in unit containers and bearing a registered brand name)
109	3304	Kajal [other than kajal pencil sticks), Kumkum, Bindi, Sindur, Alta
110	3825	Municipal waste, sewage sludge, clinical waste
111	3926	Plastic bangles
112	4014	Condoms and contraceptives
113	4401	Firewood or fuel wood
114	4402	Wood charcoal (including shell or nut charcoal), whether or not agglomerated

115	4802 /4907	Judicial, Non-judicial stamp papers, Court fee stamps when sold by the Government Treasuries or Vendors authorized by the Government
116	4817/4907	Postal items, like envelope, Post card etc., sold by Government
117	48/4907	Rupee notes when sold to the Reserve Bank of India
118	4907	Cheques, lose or in book form
119	4901	Printed books, including Braille books
120	4902	Newspapers, journals and periodicals, whether or not illustrated or containing advertising material
121	4903	Children's picture, drawing or coloring books
122	4905	Maps and hydro graphic or similar charts of all kinds, including atlases, wall maps, topographic plans and globes, printed
123	5001	Silkworm laying, cocoon
124	5002	Raw silk
125	5003	Silk waste
126	5101	Wool, not carded or combed
127	5102	Fine or coarse animal hair, not carded or combed
128	5103	Waste of wool or of fine or coarse animal hair
129	52	Gandhi Topi
130	52	Khadi yarn
131	5303	Jute fibers, raw or processed but not spun
132	5305	Coconut, coir fiber
133	63	Indian National Flag
134	6703	Human hair, dressed, thinned, bleached or otherwise worked
135	6912 0040	Earthen pot and clay lamps
136	7018	Glass bangles (except those made from precious metals)
137	8201	Agricultural implements manually operated or animal driven i.e. Hand tools, such as spades, shovels, mattocks, picks, hoes, forks and rakes; axes, bill hooks and similar hewing tools; secateurs and pruners of any kind; scythes, sickles, hay knives, hedge shears, timber wedges and other tools of a kind used in agriculture, horticulture or forestry.

138	8445	Amber charkha
139	8446	Hand loom [weaving machinery]
140	8802 6000	Spacecraft (including satellites) and suborbital and spacecraft launch vehicles
141	8803	Parts of goods of heading 8801
142	9021	Hearing aids
143	92	Indigenous handmade musical instruments
144	9603	Muddhas made of sarkanda and phool bahari jhadoo
145	9609	Slate pencils and chalk sticks
146	9610 00 00	Slates
147	9803	Passenger baggage
148	Any Chapter	<p>Puja samagri namely:</p> <p>(i) Rudraksha, rudraksha mala, tulsi kanthi mala, panchgavya (mixture of cow dung, desi ghee, milk and curd);</p> <p>(ii) Sacred thread (commonly known as yagnopavit);</p> <p>(iii) Wooden khadau;</p> <p>(iv) Panchamrit;</p> <p>(v) Vibhuti sold by religious institutions;</p> <p>(vi) Unbranded honey;</p> <p>(vii) Wick for diya;</p> <p>(viii) Roll;</p> <p>(ix) Kalava (Raksha sutra);</p> <p>(x) Chandan tika.</p>
149		Supply of lottery by any person other than State Government, Union Territory or Local authority subject to the condition that the supply of such lottery has suffered appropriate central tax, State tax, Union territory tax or integrated tax, as the case may be, when supplied by State Government, Union Territory or local authority, as the the case may be, to the lottery distributor or selling agent reappointed by the State Government, Union Territory or local authority, as the case maybe.

List of Exempted Services under GST

1. Services by Government or a local authority excluding the following services -
 - (i) services by the Department of Posts by way of speed post, express parcel post, life insurance, and agency services provided to a person other than Government;
 - (ii) services in relation to an aircraft or a vessel, inside or outside the precincts of a port or an airport;
 - (iii) transport of goods or passengers; or
 - (iv) any service, other than services covered under clauses (i) to (iii) above, provided to business entities.

2. Services by the Reserve Bank of India

3. Services by a foreign diplomatic mission located in India

4. Services relating to cultivation of plants and rearing of all life forms of animals, except the rearing of horses, for food, fiber, fuel, raw material or other similar products or agricultural produce by way of—
 - (i) agricultural operations directly related to production of any agricultural produce including cultivation, harvesting, threshing, plant protection or testing or
 - (ii) supply of farm labour;
 - (iii) processes carried out at an agricultural farm including tending, pruning, cutting, harvesting, drying, cleaning, trimming, sun drying, fumigating, curing, sorting, grading, cooling or bulk packaging and such like operations which do not alter the essential characteristics of agricultural produce but make it only marketable for the primary market;
 - (iv) renting or leasing of agro machinery or vacant land with or without a structure incidental to its use;
 - (v) loading, unloading, packing, storage or warehousing of agricultural produce;
 - (vi) agricultural extension services;
 - (vii) services by any Agricultural Produce Marketing Committee or Board or services provided by a commission agent for sale or purchase of agricultural produce.

5. Service by way of access to a road or a bridge on payment of toll charges

6. Transmission or distribution of electricity by an electricity transmission or distribution utility

7. Services by way of renting of residential dwelling for use as residence

8. Services by way of—
 - (i) extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount (other than interest involved in credit card services);
 - (ii) inter se sale or purchase of foreign currency amongst banks or authorised dealers of foreign exchange or amongst banks and such dealers;

9. Services by way of transportation of goods
 - (i) by road except the services of—
 - (A) a goods transportation agency; or
 - (B) a courier agency;

(ii) by inland waterways;

10. Services provided to the United Nations or a specified international organization.

Exemption may be notified by way of issuing notification under section 55 of CGST/SGST Act.

11. Services provided by operators of the Common Bio-medical Waste Treatment Facility to a clinical establishment by way of treatment or disposal of bio-medical waste or the processes incidental thereto;

12. Services by a veterinary clinic in relation to health care of animals or birds;

13. Services by an entity registered under section 12AA of the Income tax Act, 1961 (43 of 1961) by way of charitable activities; [Charitable activities may be defined as presently in notification No 25/2012-ST.

14. Services by a specified organisation in respect of a religious pilgrimage facilitated by the Ministry of External Affairs of the Government of India, under bilateral arrangement;

15. Services provided by-

(a) an arbitral tribunal to –

(i) any person other than a business entity; or

(ii) a business entity with a turnover up to rupees twenty lakh (ten lakh rupees in a special category state) in the preceding financial year;

(b) a partnership firm of advocates or an individual as an advocate other than a senior advocate, by way of legal services to-

(i) an advocate or partnership firm of advocates providing legal services;

(ii) any person other than a business entity; or

(iii) a business entity with a turnover up to rupees twenty lakh (ten lakh rupees in a special category state) in the preceding financial year; or

(c) a senior advocate by way of legal services to-

(i) any person other than a business entity; or

(ii) a business entity up to rupees twenty lakh (ten lakh rupees in a special category state) in the preceding financial year;

16. Services provided,-

(a) by an educational institution to its students, faculty and staff;

(b) to an educational institution, by way of,-

(i) transportation of students, faculty and staff;

(ii) catering, including any mid-day meals scheme sponsored by the Government;

(iii) security or cleaning or house-keeping services performed in such educational institution;

(iv) services relating to admission to, or conduct of examination by, such institution; upto higher secondary.

Provided that nothing contained in clause (b) of this entry shall apply to an educational institution other than an institution providing services by way of pre-school education and education up to higher secondary school or equivalent

17. Services provided by the Indian Institutes of Management, as per the guidelines of the Central Government, to their students, by way of the following educational programmes, except Executive Development Programme, –

- (a) two year full time residential Post Graduate Programmes in Management for the Post Graduate Diploma in Management, to which admissions are made on the basis of Common Admission Test (CAT), conducted by Indian Institute of Management;
- (b) fellow programme in Management;
- (c) five year integrated programme in Management.

18. Services provided to a recognized sports body by-

- (a) an individual as a player, referee, umpire, coach or team manager for participation in a sporting event organized by a recognized sports body;
- (b) another recognised sports body;

19. Services by an artist by way of a performance in folk or classical art forms of (i) music, or (ii) dance, or (iii) theatre, if the consideration charged for such performance is not more than one lakh fifty thousand rupees:

Provided that the exemption shall not apply to service provided by such artist as a brand ambassador;

20. Services by way of collecting or providing news by an independent journalist, Press Trust of India or United News of India;

21. Services by way of giving on hire –

- (a) to a state transport undertaking, a motor vehicle meant to carry more than twelve passengers; or
- (b) to a goods transport agency, a means of transportation of goods;

22. Transport of passengers, with or without accompanied belongings, by –

- (a) air, embarking from or terminating in an airport located in the state of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, or Tripura or at Bagdogra located in West Bengal;
- (b) non-air conditioned contract carriage other than radio taxi, for transportation of passengers, excluding tourism, conducted tour, charter or hire; or
- (c) stage carriage other than air-conditioned stage carriage

23. Services of life insurance business provided by way of annuity under the National Pension System regulated by Pension Fund Regulatory and Development Authority of India (PFRDA) under the Pension Fund Regulatory And Development Authority Act, 2013 (23 of 2013)

24. Services of life insurance business provided or agreed to be provided by the Army, Naval and Air Force Group Insurance Funds to members of the Army, Navy and Air Force, respectively, under the Group Insurance Schemes of the Central Government

25. Services provided by an incubatee up to a total turnover of fifty lakh rupees in a financial year subject to the following conditions, namely:-

- (a) the total turnover had not exceeded fifty lakh rupees during the preceding financial year; and
- (b) a period of three years has not been elapsed from the date of entering into an agreement as an incubatee;

26. Service by an unincorporated body or a non-profit entity registered under any law for the time being in force, to its own members by way of reimbursement of charges or share of contribution –

- (a) as a trade union;
- (b) for the provision of carrying out any activity which is exempt from the levy of GST; or
- (c) up to an amount of five thousand rupees per month per member for sourcing of goods or services from a third person for the common use of its members in a housing society or a residential complex;

27. Services by an organiser to any person in respect of a business exhibition held outside India;

28. Services by way of slaughtering of animals;

29. Services received from a provider of service located in a non-taxable territory by –

- (a) Government, a local authority, a governmental authority or an individual in relation to any purpose other than commerce, industry or any other business or profession;
- (b) an entity registered under section 12AA of the Income tax Act, 1961 (43 of 1961) for the purposes of providing charitable activities; or
- (c) a person located in a non-taxable territory;

Provided that the exemption shall not apply to –

- (i) online information and database access or retrieval services received by persons specified in clause (a) or clause (b); or
- (ii) services by way of transportation of goods by a vessel from a place outside India up to the customs station of clearance in India received by persons specified in clause (c);

30. Services of public libraries by way of lending of books, publications or any other knowledge-enhancing content or material;

31. Services by Employees' State Insurance Corporation to persons governed under the Employees' Insurance Act, 1948 (34 of 1948);

32. Services by way of transfer of a going concern, as a whole or an independent part thereof;

33. Services by way of public conveniences such as provision of facilities of bathroom, washrooms, lavatories, urinal or toilets;

34. Services by government, local authority or governmental authority by way of any activity in relation to any function entrusted to a municipality under Article 243 W of the Constitution.

35. Services received by the Reserve Bank of India, from outside India in relation to management of foreign exchange reserves;

36. Services provided by a tour operator to a foreign tourist in relation to a tour conducted wholly outside India.

37. Services by way of pre-conditioning, pre-cooling, ripening, waxing, retail packing, labelling of fruits and vegetables which do not change or alter the essential characteristics of the said fruits or vegetables;

38. Services by way of admission to a museum, national park, wildlife sanctuary, tiger reserve or zoo;

39. Services provided by Government or a local authority to a business entity with a turnover up to rupees twenty lakh (ten lakh rupees in a special category state) in the preceding financial year.

Explanation.- For the purposes of this entry, it is hereby clarified that the provisions of this entry shall not be applicable to (a) services at S. No. 1 (i), (ii) and (iii); and (b) services by way of renting of immovable property;

40. Services provided by Employees Provident Fund Organisation (EPFO) to persons governed under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 (19 of 1952);

41. Services provided by Insurance Regulatory and Development Authority of India (IRDA) to insurers under the Insurance Regulatory and Development Authority of India Act, 1999 (41 of 1999);

42. Services provided by Securities and Exchange Board of India (SEBI) set up under the Securities and Exchange Board of India Act, 1992 (15 of 1992) by way of protecting the interests of investors in securities and to promote the development of, and to regulate, the securities market;

43. Services provided by National Centre for Cold Chain Development under Ministry of Agriculture, Cooperation and Farmer's Welfare by way of cold chain knowledge dissemination;

44. Services by way of transportation of goods by an aircraft from a place outside India up to the customs station of clearance in India.

45. Services provided by Government or a local authority to another Government or local authority:

Provided that nothing contained in this entry shall apply to services at S. No. 1 (i), (ii) and (iii) above

46. Services provided by Government or a local authority by way of issuance of passport, visa, driving license, birth certificate or death certificate.
47. Services provided by Government or a local authority by way of tolerating non-performance of a contract for which consideration in the form of fines or liquidated damages is payable to the Government or the local authority under such contract;
48. Services provided by Government or a local authority by way of- (a) registration required under any law for the time being in force; (b) testing, calibration, safety check or certification relating to protection or safety of workers, consumers or public at large, including fire license, required under any law for the time being in force;
49. Services provided by Government or a local authority by way of assignment of right to use natural resources to an individual farmer for cultivation of plants and rearing of all life forms of animals, except the rearing of horses, for food, fiber, fuel, raw material or other similar products;
50. Services by Government, a local authority or a governmental authority by way of any activity in relation to any function entrusted to a Panchayat under article 243G of the Constitution:
this shall be continued by way of notification under section 7(2)(b) of CGST/SGST Acts.
51. Services provided by Government or a local authority by way of assignment of right to use any natural resource where such right to use was assigned by the Government or the local authority before the 1st April, 2016:

Provided that the exemption shall apply only to service tax payable on one time charge payable, in full upfront or in installments, for assignment of right to use such natural resource;

52. Services provided by Government or a local authority by way of allowing a business entity to operate as a telecom service provider or use radio frequency spectrum during the period prior to 1st April, 2016, on payment of license fee or spectrum user charges, as the case may be;
53. Services provided by Government by way of deputing officers after office hours or on holidays for inspection or container stuffing or such other duties in relation to import export cargo on payment of Merchant Overtime charges (MOT).
54. Services by an acquiring bank, to any person in relation to settlement of an amount upto two thousand rupees in a single transaction transacted through credit card, debit card, charge card or other payment card service.

Explanation. — For the purposes of this entry, “acquiring bank” means any banking company, financial institution including non-banking financial company or any other person, who makes the payment to any person who accepts such card

55. Services of leasing of assets (rolling stock assets including wagons, coaches, locos) by Indian Railways Finance Corporation to Indian Railways

56. Services provided by any person for official use of a foreign diplomatic mission or consular post in India or for personal use or for the use of the family members of diplomatic agents or career consular officers posed therein. This exemption is available on reciprocal basis based on a certificate issued by MEA (Protocol Division): this shall be continued by way of notification under section 55 of CGST/SGST Acts.

57. Taxable services, provided or to be provided, by a Technology Business Incubator (TBI) or a Science and Technology Entrepreneurship Park (STEP) recognized by the National Science and Technology Entrepreneurship Development Board (NSTEDB) of the Department of Science and Technology, Government of India or bio-incubators recognized by the Biotechnology Industry Research Assistance Council, under Department of Biotechnology, Government of India;

58. Taxable service provided by State Government Industrial Development Corporations/ Undertakings to industrial units by way of granting long term (thirty years, or more) lease of industrial plots from so much of tax leviable thereon, as is leviable on the one time upfront amount (called as premium, salami, cost, price, development charges or by any other name) payable for such lease.

59. Services provided to the government by way of transport of passengers with or without accompanied belongings, by air, embarking from or terminating at a regional connectivity scheme airport, against consideration in the form of viability gap funding (VGF).

Provided that nothing contained in this entry shall apply on or after the expiry of a period of 1 year from the date of commencement of operations of the regional connectivity scheme airport as notified by the Ministry of Civil Aviation

60. Services provided by cord blood banks by way of preservation of stem cells or any other service in relation to such preservation;

61. Services by way of training or coaching in recreational activities relating to,-

- (i) arts or culture. or
- (ii) sports by charitable entities registered under section 12AA of Income tax Act, 1961;

62. Any services provided by, _

- (i) the National Skill Development Corporation set up by the Government of India;
- (ii) a Sector Skill Council approved by the National Skill Development Corporation;
- (iii) an assessment agency approved by the Sector Skill Council or the National Skill Development Corporation;
- (iv) a training partner approved by the National Skill Development Corporation or the Sector Skill Council in relation to
 - (a) the National Skill Development Programme implemented by the National Skill Development Corporation; or
 - (b) a vocational skill development course under the National Skill Certification and Monetary Reward Scheme; or

(c) any other Scheme implemented by the National Skill Development Corporation.

63. Services of assessing bodies empanelled centrally by Directorate General of Training, Ministry of Skill Development and Entrepreneurship by way of assessments under Skill Development Initiative (SDI) Scheme

64. Services provided by training providers (Project implementation agencies) under Deen Dayal Upadhyaya Grameen Kaushalya Yojana under the Ministry of Rural Development by way of offering skill or vocational training courses certified by National Council For Vocational Training.

65. Services by way of sponsorship of sporting events organized,-

- (a) by a national sports federation, or its affiliated federations, where the participating teams or individuals represent any district, State, zone or Country;
- (b) by Association of Indian Universities, Inter-University Sports Board, School Games Federation of India, All India Sports Council for the Deaf, Paralympic Committee of India or Special Olympics Bharat;
- (c) by Central Civil Services Cultural and Sports Board;
- (d) as part of national games, by Indian Olympic Association; or
- (e) under Panchayat Yuva Kreedaa Aur Khel Abhiyaan (PYKKA) Scheme;

66. Services provided by way of pure labour contracts of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of a civil structure or any other original works pertaining to the Beneficiary-led individual house construction / enhancement under the Housing for All (Urban) Mission/Pradhan Mantri Awas Yojana (PMAY);

67. Services by way of pure labour contracts of construction, erection, commissioning, or installation of original works pertaining to a single residential unit otherwise than as a part of a residential complex;

68. Services of general insurance business provided under following schemes –

- (a) Hut Insurance Scheme;
- (b) Cattle Insurance under Swarnajayanti Gram Swarozgar Yojna (earlier known as Integrated Rural Development Programme);
- (c) Scheme for Insurance of Tribals;
- (d) Janata Personal Accident Policy and Gramin Accident Policy;
- (e) Group Personal Accident Policy for Self-Employed Women;
- (f) Agricultural Pump set and Failed Well Insurance;
- (g) Premia collected on export credit insurance;
- (h) Weather Based Crop Insurance Scheme or the Modified National Agricultural Insurance Scheme, approved by the Government of India and implemented by the Ministry of Agriculture;
- (i) Jan Arogya Bima Policy;
- (j) National Agricultural Insurance Scheme (Rashtriya Krishi Bima Yojana);
- (k) Pilot Scheme on Seed Crop Insurance;
- (l) Central Sector Scheme on Cattle Insurance;
- (m) Universal Health Insurance Scheme;
- (n) Rashtriya Swasthya Bima Yojana; or
- (o) Coconut Palm Insurance Scheme;

- (p) Pradhan Mantri Suraksha BimaYojna;
- (q) Niramaya Health Insurance Scheme implemented by Trust constituted under the provisions of the National Trust for the Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act, 1999 (44 of 1999); or
- (r) Any other insurance scheme of the State Government as may be notified by Government of India on the recommendation of GSTC.

69. Services of life insurance business provided under following schemes –

- (a) Janashree Bima Yojana (JBY); or
- (b) Aam Aadmi Bima Yojana (AABY);
- (c) Life micro-insurance product as approved by the Insurance Regulatory and Development Authority, having maximum amount of cover of fifty thousand rupees;
- (d) Varishtha Pension BimaYojana;
- (e) Pradhan Mantri Jeevan Jyoti BimaYojana;
- (f) Pradhan Mantri Jan DhanYogana;
- (g) Pradhan Mantri Vaya Vandana Yojana; and
- (h) Any other insurance scheme of the State Government as may be notified by Government of India on the recommendation of GSTC.

70. Services by way of collection of contribution under Atal Pension Yojana (APY).

71. Services by way of collection of contribution under any pension scheme of the State Governments.

72. Service of transportation of passengers, with or without accompanied belongings, by —

(i) railways in a class other than —

- (A) first class; or
- (B) an air-conditioned coach;

(ii) metro, monorail or tramway;

(iii) inland waterways;

(iv) public transport, other than predominantly for tourism purpose, in a vessel between places located in India; and

(v) metered cabs or auto rickshaws (including E-rickshaws);

73. Services by a person by way of-

- (a) conduct of any religious ceremony;
- (b) renting of precincts of a religious place meant for general public, owned or managed by an entity registered as a charitable or religious trust under section 12AA of the Income-tax Act, 1961 (hereinafter referred to as the Income-tax Act), or a trust or an institution registered under sub clause (v) of clause (23C) of section 10 of the Income-tax Act or a body or an authority covered under clause (23BBA) of section 10 of the Income-tax Act:

Provided that nothing contained in (b) of this exemption shall apply to,-

- (i) renting of rooms where charges are Rs 1000/- or more per day;

- (ii) renting of premises, community halls, kalyanmandapam or open area, etc where charges are Rs 10,000/- or more per day;
- (iii) renting of shops or other spaces for business or commerce where charges are Rs 10,000/- or more per month.

74. Services by a hotel, inn, guest house, club or campsite, by whatever name called, for residential or lodging purposes, having declared tariff of a unit of accommodation less than one thousand rupees per day or equivalent;

75. Services by way of transportation by rail or a vessel from one place in India to another of the following goods –

- (a) relief materials meant for victims of natural or man-made disasters, calamities, accidents or mishap;
- (b) defence or military equipments;
- (c) newspaper or magazines registered with the Registrar of Newspapers;
- (d) railway equipments or materials;
- (e) agricultural produce;
- (f) milk, salt and food grain including flours, pulses and rice; and
- (g) organic manure

76. Services provided by a goods transport agency, by way of transport in a goods carriage of-

- (a) agricultural produce;
- (b) goods, where gross amount charged for the transportation of goods on a consignment transported in a single carriage does not exceed one thousand five hundred rupees;
- (c) goods, where gross amount charged for transportation of all such goods for a single consignee does not exceed rupees seven hundred fifty;
- (d) milk, salt and food grain including flour, pulses and rice;
- (e) organic manure;
- (f) newspaper or magazines registered with the Registrar of Newspapers;
- (g) relief materials meant for victims of natural or man-made disasters, calamities, accidents or mishap; or
- (h) defence or military equipment's;

77. Services by the following persons in respective capacities –

- (a) business facilitator or a business correspondent to a banking company with respect to accounts in its rural area branch;
- (b) any person as an intermediary to a business facilitator or a business correspondent with respect to services mentioned in clause (g); or
- (c) business facilitator or a business correspondent to an insurance company in a rural area;

78. Carrying out an intermediate production process as job work in relation to cultivation of plants and rearing of all life forms of animals, except the rearing of horses, for food, fibre, fuel, raw material or other similar products or agricultural produce;

79. Services by way of loading, unloading, packing, storage or warehousing of rice;

80. Services by way of right to admission to, –

- (i) circus, dance, or theatrical performance including drama or ballet;

(ii) award function, concert, pageant, musical performance or any sporting event other than a recognized sporting event;
 (iii) recognised sporting event;
 where the consideration for admission is not more than Rs 250 per person in (i), (ii) and (iii) above.

81. Services provided by Government or a local authority where the gross amount charged for such services does not exceed Rs.5000/.
 Provided that nothing contained in this entry shall apply to services S. No. 1 (i), (ii) and (iii) above:

Provided further that in case where continuous supply of service, as defined in sub-section (33) of section 2 of the CGST Act, 2017, is provided by the Government or a local authority, the exemption shall apply only where the gross amount charged for such service does not exceed Rs. 5000/- in a financial year; [This may be continued by way of an omnibus threshold exemption from payment of GST under section 9 (4) of CGST/SGST Act in respect of supplies upto Rs 10,000/-].

82. (i) Health care services by a clinical establishment, an authorised medical practitioner or para-medics;

(ii) Services provided by way of transportation of a patient in an ambulance, other than those specified in S. No. 82 (i) above;

83. Services provided by the Goods and Services Tax Network (GSTN) to the Central Government or State Governments/Union Territories for implementation of Goods and Services Tax (GST)

84. Pure services (excluding works contract service or other composite supplies involving supply of any goods) provided to Government, a local authority or a Governmental authority by way of any activity in relation to any function entrusted to a Panchayat under Article 243G of the Constitution or to any function entrusted to a Municipality under Article 243W of the Constitution

85. Services provided to the Government under any insurance scheme for which total premium is paid by Government.

86. Services provided to the Government under any training programme for which total expenditure is borne by the Government.

Source: www.gstcouncil.gov.in
www.cbic.gov.in
www.cleartax.in
www.taxguru.in

Prepared by Mr. Krishnan R, SIES College of Arts, Science and Commerce, Sion (W) on 19th December, 2019.

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