

Major Recommendations of the 56th Meeting of the GST Council:

[Part B]

Synopsis of the Recommendations relating to GST Rates

A. Goods [Only major commodities are listed hereunder].:-

Sl. No.	Description	Recommendations	
1.	Food Sector	From	To
	UHT Milk, Chena or Paneer (<i>pre-packaged and labelled</i>), Pizza Bread, Khakhra, Plain Chapathi or Roti	5%	NIL
	Paratha, Parotta and other Indian breads by any name called	18%	NIL
	Condensed Milk, Butter, Ghee, Cheese, Pasta, Noodles, Jams, Sauces, Namkeens (<i>pre-packaged and labelled</i>), Drinking Water (<i>packed in 20 Litre bottles</i>)	12%	5%
	Margarine, Cocoa Powder, Chocolates, Pastry, Cakes, Biscuits, Ice Cream, Mineral Water	18%	5%
	Other Non-alcoholic Beverages	18%	40%
	Pan Masala, Aerated Water, Caffeinated or Carbonated Beverages	28%	40%
2.	Tobacco Sector	From	To
	Bidi Wrapper Leaves (Tendu), Indian Katha	18%	5%
	Bidi	28%	18%
	Cigarettes, Unmanufactured Tobacco, Other Manufactured Tobacco and Manufactured Tobacco Substitutes, “Homogenised” or “Reconstituted” Tobacco, Tobacco Extracts and Essences	28%	40%
<i>Note: In case of outward supply of Pan Masala, Gutkha, Cigarettes, Unmanufactured Tobacco, Chewing Tobacco GST is to be levied on Retail Sale Price (RSP)</i>			
3.	Agriculture & Fertilizer Sector	From	To
	Fixed Speed Diesel Engines of power not exceeding 15HP, Tractors (<i>except road tractors for semi-trailers of engine capacity more than 1800 cc</i>), Drip Irrigation System and Sprinklers, Agricultural, Horticultural or Forestry Machinery (<i>for soil preparation or cultivation</i>), Harvesting or Threshing Machinery, Different Bio-pesticides and Micro-nutrients	12%	5%
	Tractor Tyres and Parts, Sulphuric Acid, Nitric Acid, Ammonia	18%	5%
4.	Coal & Renewable Energy Sector	From	To
	Coal	5%	18%
	Solar Cookers, Solar Water Heater and System, Solar Power-based Devices, Solar Power Generator	12%	5%
5.	Textile & Apparel Sector	From	To
	Manmade Yarn	12%	5%
	Manmade Fibre	18%	5%
	Apparels & Other Made Up Textile Articles of Sale Value up to Rs.2,500/- <i>[Apparels & Other Made Up Textile Articles of Sale Value up to Rs.1,000/- presently attracts tax @ 5%]</i>	5% / 12%	5%

Sl. No.	Description	Recommendations	
	Textile & Apparel Sector	From	To
	Apparels & Other Made Up Textile Articles of Sale Value exceeding Rs.2,500/- <i>[Apparels & Other Made Up Textile Articles of Sale Value exceeding Rs.1,000/- presently attracts tax @12%]</i>	12%	18%
6.	Health Sector	From	To
	3 Lifesaving Drugs and Medicines <i>(used for treatment of cancer, rare diseases and other severe chronic diseases)</i>	5%	NIL
	33 Lifesaving Drugs and Medicines <i>(used for treatment of cancer, rare diseases and other severe chronic diseases)</i>	12%	NIL
	All Other Drugs and Medicines, Medical Grade Oxygen, All Diagnostic Kits and Reagents, Glucometer & Test Strips, Corrective Spectacles	12%	5%
	Thermometers, Various Medical Apparatus and Devices <i>(used for medical, surgical, dental or veterinary usage or for physical or chemical analysis)</i>	18%	5%
<i>Note: For recommendations related to Health Insurance refer Sl. No. B.1</i>			
7.	Construction Sector	From	To
	Marble and Travertine Blocks, Granite Blocks, Sand Lime Bricks or Stone Inlay Work	12%	5%
	Cement	28%	18%
8.	Common Man Items, Handicrafts & Consumer Electronics Sector	From	To
	Tooth Powder, Candles, Feeding Bottles, Umbrellas, Utensils, Bicycles, Comb	12%	5%
	Talcum Powder, Face Powder, Hair Oil, Shampoo, Shaving Cream, Shaving Lotion, Aftershave Lotion, Soap, Toothpaste, Toothbrush	18%	5%
	Air-conditioning Machines, Dishwashing Machines, Television Sets, Monitors, Projectors	28%	18%
9.	Transport Sector	From	To
	Petrol, LPG, CNG cars <i>[not exceeding 1200cc and 4000mm]</i> Diesel cars <i>[not exceeding 1500cc and 4000mm]</i> Ambulance, Three-Wheeled Vehicles Motor Vehicles for Transport of Goods <i>(other than refrigerated motor vehicles)</i> Motor Vehicles for Transport of Ten or more Persons, including the Driver <i>(other than buses for used in public transport, which exclusively run on bio-fuels)</i> Motorcycles <i>[of engine capacity up to 350cc]</i>	28%	18%
	Motor Vehicles <i>[exceeding 1200cc (1500cc in case of Diesel or semi-Diesel) and 4000mm]</i> Motorcycles <i>[of engine capacity exceeding 350cc]</i>	28%	40%
	<i>Note: For recommendations related to Transportation Services refer Sl. No. B.2</i>		
	Education, Sports & Toys Sector	From	To
	Erasers	5%	NIL

Sl. No.	Description	Recommendations	
	Education, Sports & Toys Sector	From	To
	Pencil, Crayon, Pencil Sharpener, Globe, Exercise Book, Graph Book, Laboratory Note Book, Map, Chart	12%	NIL
	Mathematical Boxes, Geometry Boxes, Colour Boxes	12%	5%
	Toys (<i>other than electronic toys</i>), Playing Cards, Chess board, Carom Boards Sports Goods & Gloves	12%	5%
11.	Leather & Footwear Sector	From	To
	Finished Leather	12%	5%
	Footwear of Sale Value up to Rs.2,500/- [Footwear of Sale Value up to Rs.1,000/- presently attracts tax @ 12%]	12% / 18%	5%
	Footwear of Sale Value exceeding Rs.2,500/- [Footwear of Sale Value exceeding Rs.1,000/- presently attracts tax @ 18%]	18%	18%
12.	Paper Sector	From	To
	Uncoated Paper and Paperboard (<i>used for exercise book, notebook</i>)	12%	NIL
	Mechanical Wood Pulp, Chemical Wood Pulp / Sulphite (<i>other than dissolving grades</i>), Cartons / Boxes and Cases of Corrugated / Non-corrugated Paper or Paper Board	12%	5%
	Chemical Wood Pulp (<i>dissolving grades</i>), Greaseproof or Glassine Papers	12%	18%
13.	Wood & Defence Sector	From	To
	Cement Bonded Particle Board, Jute Particle Board, Railway or Tramway Sleepers (<i>cross-ties</i>) of Wood, Bamboo Wood Building Joinery	12%	5%
	Two-way Radio (Walkie Talkie) (<i>used by defence, police and paramilitary forces etc.</i>), Tanks and Other Armoured Fighting Vehicles	12%	5%
14.	Handicrafts Sector	From	To
	Statues and Other Ornamental Articles, Original Engravings / Prints / Lithographs, Handcrafted Candles, Stone Art Ware / Inlay Work, Iron / Glass Art Ware, Furniture of Bamboo / Rattan / Cane, Handmade Paper and Paper Board	12%	5%

B. Services [Only major services are listed hereunder]:-

Sl. No.	Description / Proposal	Recommendations	
1.	Insurance Sector	From	To
	All Individual Life Insurance Policies (whether Term Life, ULIP or Endowment Policies) and Reinsurance thereof	18% with ITC	NIL
	All Individual Health Insurance Policies (including family floater policies and policies for senior citizens) and Reinsurance thereof	18% with ITC	NIL
2.	Transportation Sector	From	To
	Supply of Air Transport of Passengers in other than Economy Class	12% with ITC	18% with ITC
	Supply of Passenger Transport by Motor Vehicle (where fuel cost is included in consideration)	5% with ITC of input services (in the same line of business)	5% with ITC of input services (in the same line of business)
		12% with ITC	18% with ITC
	Supply of Transport of Goods by GTA	5% without ITC (Reverse Charge / Forward Charge)	5% without ITC (Reverse Charge / Forward Charge)
		12% with ITC	18% with ITC
	Renting of Motor Vehicle designed to carry Passengers (where fuel cost is included in consideration)	5% with ITC of input services (in the same line of business)	5% with ITC of input services (in the same line of business)
		12% with ITC	18% with ITC
	Renting of Goods Carriage (where fuel cost is included in consideration)	12% with ITC	5% with ITC of input services (in the same line of business)
			18% with ITC
	Supply of Transport of Goods in Containers by Rail by any Person other than Indian Railways	12% with ITC	5% without ITC
			18% with ITC
	Supply of Transportation of Natural Gas, Petroleum Crude, Motor Spirit, HSD or ATF through Pipeline	5% without ITC	5% without ITC
		12% with ITC	18% with ITC

Sl. No.	Description / Proposal	Recommendations	
	Transportation Sector	From	To
	Supply of Multimodal Transport of Goods within India	12% with ITC	5%, where no leg of transport is through air, with restricted ITC (5% of inputs services of goods transportation)
			18% with ITC
3.	Job Work Sector	From	To
	In relation to Umbrella / Bricks (taxable @5%) / Pharmaceutical Products / Hides / Skins / Leather, Printing of all Goods falling under Chapter 48 or 49 [like Paper / Paperboard / Newspapers / Books] (taxable @5%)	12% with ITC	5% with ITC
	Residual Job Work	12% with ITC	18% with ITC
4.	Construction Sector	From	To
	Composite Supply of WC w.r.t Offshore Oil and Gas Exploration and Production	12% with ITC	18% with ITC
	Composite Supply of WC involving more than 75% of Earth Work provided to Government and Sub-contract thereof	12% with ITC	18% with ITC
5.	Local Delivery Services through Electronic Commerce Operator (ECO) (in cases where the person supplying such services through ECO is not liable for registration)	<i>To be notified under Section 9(5) of the CGST Act and taxable @18%</i>	
6.	Miscellaneous Service	From	To
	Third-Party Insurance of “Goods Carriage”, Admission to Cinema Halls (price of ticket less than or equal to Rs.100/-)	12% with ITC	5% with ITC
	“ Hotel Accommodation ” Services (having value of a unit less than or equal to Rs.7,500/- per unit per day or equivalent)	12% with ITC	5% without ITC
	Beauty and Physical Well-being Services	18% with ITC	5% without ITC
	Other Professional / Technical / Business and Support Services w.r.t. Exploration, Mining or Drilling of Petroleum Crude and / or Natural Gas	12% with ITC	18% with ITC
	Admission to Casinos / Sporting Events (like IPL), Specified Actionable Claims (betting, casinos, gambling, horse racing, lottery, online money gaming) defined as Goods	28% with ITC	40% with ITC

Sl. No.	Description / Proposal	Recommendations
7.	To insert explanations in the definition of ‘ specified premises ’ w.r.t. taxability of restaurant services	<p><i>Insertion of explanatory clauses to Notification No. 05/2025-CT(R) in the definition of ‘specified premises’ to clarify that:-</i></p> <p><i>(i) a stand-alone restaurant cannot declare itself as a ‘specified premises’ and</i></p> <p><i>(ii) a person applying for registration shall include a person applying for amendment of registration to declare an additional place of business</i></p>

Note: This document is prepared on the basis of Agenda Notes of the 56th GST Council Meeting along with Press Release (by Press Information Bureau) and not to be construed as a legal explanation or interpretation of the Acts and the Rules. Please refer to the original Notifications when issued.