

ILLUSTRATION: AJAYA MOHANTY



Just to convey a sense of the anomalies to rectify, consider two: In *Table 1*, look at the boondoggle for buyers of personal yachts and jets. In *Table 2*, look at the *paratha-pizza-pappadam-popcorn* puzzles!

Slab	Total rate (GST + cess)	Products
0%	0% + 0%	Exempt goods
0.01%	0.1% + 0%	Imitation jewellery (exports)
0.25%	0.25% + 0%	Precious stones
1%	1% without ITC	Housing < ₹45 lakh
1.5%	1.5% + 0%	Affordable housing
3%	3% + 0%	Precious metals/jewellery
5%	5% + 0%	Goods of mass consumption and basic necessities
5%	5% + ₹400/tonne	Coal & solid fuels
5%	5% (no ITC)	Hotels > ₹7,500, standalone restaurants, housing > ₹45 lakh
7.5%	7.5% + 0%	Non-affordable housing
12%	12% + 0%	Processed foods, tractors
18%	18% (no ITC)	Parathas
18%	18% + 0%	Capital goods, industrial machinery, common goods
28%	28% + 0%	Cement, tyres, vehicles
28%	28% + 1%	Small petrol/CNG cars
28%	28% + 3%	Small diesel cars, bikes > 350cc, yachts, private aircraft
28%	28% + 12%	Aerated/caffeinated drinks
28%	28% + 15%	Larger vehicles, hybrids
28%	28% + 17%	Small cars
28%	28% + 20%	Large cars
28%	28% + 22%	SUVs
28%	28% + ₹0.08/unit	Unbranded smoking tobacco
28%	28% + ₹0.12/unit	Unbranded hookah tobacco
28%	28% + ₹0.14/unit	Cut tobacco
28%	28% + ₹0.28/unit	Branded smoking tobacco
28%	28% + ₹0.32/unit	Pan masala
28%	28% + ₹0.36/unit	Unmanufactured tobacco
28%	28% + ₹0.43/unit	Other tobacco products
28%	28% + ₹0.56/unit	Khaini, scented tobacco
28%	28% + ₹0.61/unit	Guthka
28%	28% + ₹0.69/unit	Smoking mixtures
28%	28% + 5% + ₹2,076/1,000	Cigarettes ≤ 65 mm
28%	28% + 5% + ₹2,747/1,000	Cigarettes 65–70 mm
28%	28% + 5% + ₹3,668/1,000	Cigarettes 70–75 mm
28%	28% + ₹4,006/1,000	Cigarettes (substitutes)
28%	28% + 21% or ₹4,170/1,000	Cigars/cheroots
28%	28% + 36% or ₹4,170/1,000	Other cigarettes
28%	28% + 12.5% or ₹4,006/1,000	Cigarillos/substitutes
28%	28% + cess (vehicle)	Vehicle parts/bodies
28%	28% + cess (imports)	Imported personal articles
Composition 1% (turnover)		Manufacturers/traders (< ₹1.5 crore)
Composition 5% (turnover)		Restaurants (no alcohol) (< ₹1.5 crore)
Composition 6% (turnover)		Other service providers (< ₹50 lakh)

Product description	Total rate	Economic impact
1. DUTY INVERSION		
Apparel	Inputs at 12%/18% vs finished fabrics/clothing at 5%/12%	An inverted duty structure means firms may pay more tax on parts than on the product itself. Their money gets stuck in refunds, margins and liquidity shrink, and discourage value addition
Footwear	Inputs at 18% vs final footwear at 5% (<₹1,000)	
Tractor	Components at 18% vs final good at 12%	
Fertiliser	Inputs at 12-18% vs fertiliser at 5%	
Pharmaceuticals	APIs/ intermediates at 18% vs final drugs at 5% or 12%	
Vegetable oil	Inputs at 12-18% vs edible oil at 5%	
2. ARBITRARY CLASSIFICATION		
Basic foods (unbranded/ branded)	0% / 5%	Opens the door to mis-labelling, mis-classification and evasion, distorts business and consumer choices, and saps confidence in the tax system
Po popcorn (loose/packaged/ caramel)	5% / 12% / 18%	
Indian flat breads (roti, chapati/ paratha)	5% / 18%	
Pizza ingredients (base, toppings, cheese)	5% / 18% / 12%	
Khakhra/ pappadam	5% / 0%	
Smoking tobacco (unbranded/ branded)	36%/ 56%	
Hookah tobacco (unbranded/ branded)	40% / 64%	
Pan masala (without tobacco/ with tobacco)	60%/ 89%	
Motor vehicles (EVs/ small cars/ SUVs)	5%-50%	
Precious metals & jewellery	0.25%-3%	
Diamonds & semi-precious stones	0.25%-1.5%	
Sugar confectionery (traditional/ non-traditional)	5% / 18%	Tax cuts push firms to game prices and invoices, distorting markets, draining revenue, and undermining efficiency. Fixed nominal values also leads to erosion of tax base.
Imitation jewellery (export/ job work)	0.1%-1.5%	
3. VALUE-BASED RATES		
Apparel (< ₹1,000 / > ₹1,000)	5% / 12%	Tax cuts push firms to game prices and invoices, distorting markets, draining revenue, and undermining efficiency. Fixed nominal values also leads to erosion of tax base. The door to harassment
Cotton quilts (< ₹1,000 / > ₹1,000)	5% / 12%	
Footwear (< ₹1,000 / > ₹1,000)	12% / 18%	
Handmade shawl (< ₹1,000 / > ₹1,000)	5% / 12%	
Television sets (< 32 inches/ > 32 inches)	18% / 28%	
Housing (< ₹45 lakh / > ₹45 lakh)	1% / 5%	
Hotel accommodation (< ₹7,500 / > ₹7,500)	12% / 18%	
Restaurants within hotels (< ₹7,500 / > ₹7,500)	5% / 18%	
Cinema tickets (< ₹100 / > ₹100)	12% / 18%	
4. END-USE BASED OR INPUT-BASED CLASSIFICATION		
Chemical fertiliser (agro/ non-agro)	5% / 18%	End-use or input-based GST rates make implementation harder, open the door to evasion and misclassification, and lead to compliance disputes
Ethanol (fuel/ blending / other uses)	5% / 18%	
IP rights (IT software / other goods)	18%/ 12%	
Toys (non-electronic / electronic)	12%/ 18%	
Furniture (bamboo-cane / wood-metal-plastic)	12% / 18%	
Man-made fibres	12%-18%	
Leather sports gloves / leather apparel	12% / 18%	

Note: This list is non-exhaustive

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Date: 02.09.2025  
Place: Kolkata

Company has appointed Mr. Kamal A Lalani (Membership No. A37774), Practicing Secretary, Vadodara, Gujarat as the Scrutinizer to scrutinize the e-votin

In case of any queries relating to e-voting or VC/OAVM participation, Members may refer FAQs/user manual on [www.evoting.nsdl.com](http://www.evoting.nsdl.com), or contact Mr. Amit Vishal, Deputy V

of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from