

Press Release

Joint Clarification from the Department of Revenue and the Department of Consumer Affairs, Government of India regarding the circular WM-10(31)/2017 Dated 04.07.2017

"It is clarified to all concerned that in the circular WM-10(31)/2017 Dated 04.07.2017, on the subject "Impact of GST on the unsold stock of pre-packaged commodities" the phrase *"the increased amount of tax due to GST, if any"* means *"the effective increase in the tax liability calculated after taking into consideration extra availability of input tax credit under GST (including deemed credit available to the traders under CGST)"*

Thus, the declaration of new MRP on unsold stock manufactured/packed/ imported prior to 1st July 2017 should not be done mechanically but after factoring in and taking into consideration extra availability of input tax credit under GST (including deemed credit available to traders under proviso to subsection (3) of section 140 of the CGST Act,2017).