

[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART II, SECTION 3, SUB-SECTION (i)]

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)

Notification No. 7/2017-Service Tax

New Delhi, the 2nd February, 2017

G.S.R....(E).-In exercise of the powers conferred by sub-section (1) of section 93 of the Finance Act, 1994 (32 of 1994), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No.25/2012-Service Tax, dated the 20th June, 2012, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R. 467 (E), dated the 20th June, 2012, namely:-

1. In the said notification, in the opening paragraph,-

(i) in entry 9B, in item (a), the word “residential” shall be omitted;

(ii) after entry 23, the following entry shall be inserted, namely:-

“23A. 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 one year from the date of commencement of operations of the Regional Connectivity Scheme Airport as notified by the Ministry of Civil Aviation.”;

(iii) after entry 26C, the following entry shall be inserted, namely:-

“26D. 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;”;

(iv) for entry 30, the following entry shall be substituted with effect from the date on which the Finance Bill, 2017 receives assent of the President, namely:-

“30. Services by way of carrying out,-

(i) any process amounting to manufacture or production of goods excluding alcoholic liquor for human consumption; or

(ii) any intermediate production process as job work not amounting to manufacture or production in relation to –

- (a) agriculture, printing or textile processing;
- (b) cut and polished diamonds and gemstones; or plain and studded jewellery of gold and other precious metals, falling under Chapter 71 of the Central Excise Tariff Act, 1985 (5 of 1986);
- (c) any goods excluding alcoholic liquors for human consumption, on which appropriate duty is payable by the principal manufacturer; or
- (d) processes of electroplating, zinc plating, anodizing, heat treatment, powder coating, painting including spray painting or auto black, during the course of manufacture of parts of cycles or sewing machines upto an aggregate value of taxable service of the specified processes of one hundred and fifty lakh rupees in a financial year subject to the condition that such aggregate value had not exceeded one hundred and fifty lakh rupees during the preceding financial year;”.

2. In paragraph 2, after clause (y), the following clause shall be inserted with effect from the date on which the Finance Bill, 2017 receives assent of the President, namely: -

“(ya) “process amounting to manufacture or production of goods” means a process on which duties of excise are leviable under section 3 of the Central Excise Act, 1944 (1 of 1944), or the Medicinal and Toilet Preparation (Excise Duties) Act, 1955(16 of 1955) or any process amounting to manufacture of opium, Indian hemp and other narcotic drugs and narcotics on which duties of excise are leviable under any State Act for the time being in force;”.

3. Save as otherwise provided in this notification, this notification shall come into force on the 2nd of February, 2017.

[F. No. 334/7/2017-TRU]

(Mohit Tewari)
Under Secretary to the Government of India

Note:-The principal notification was published in the Gazette of India, Extraordinary, *vide* notification No. 25/2012 - Service Tax, dated the 20th June, 2012, *vide* number G.S.R. 467 (E),

dated the 20th June, 2012 and last amended *vide* notification number 5/2017 - Service Tax, dated the 30th January, 2017, *vide* number G.S.R. 72 (E), dated the 30th January, 2017.