**Taxes Applicable under GST Regime for Petroleum Operation**

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| --- | --- | --- | --- |
| **Incidence / Nature of taxes** | **Tax Rate** | **Relevant Notification** | **Remarks** |
| **Import of Goods by Company** | | | |
| Case I: Goods are covered under list 33 of the custom notification  BCD/ SWS on Goods  +  IGST on Goods | Exempt  +  12%  0r rate applicable as per HSN,  Whichever is lower | a. As per custom notification no. 50/2017- customs dated 30 Jun 2017 (sl. no. 404, condition 48, list 33) and 02/2022 - customs dated 01.02.2022 and 40/2022-customs dated 13.07.2022  b. Considering provisions as on date | 1. IGST will be paid by Company on import of such goods.  2. Exemption Certificate to be issued by Company.  3. Contractor will assist for necessary documentation as per provisions of Contract. |
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| Case II: Goods are not covered under list 33 of the custom notification  BCD on Goods  +  SWS  IGST on Goods | As per applicable HSN  +  10% of BCD  +  As per applicable HSN | In case the goods are not covered under revised list 33 of custom notification (as stated above), the goods shall be subject to full customs duty. | BCD shall be paid by the company using scrips. |
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**Note (GST Regime):**

1. In case of direct import of Goods by Company, customs clearance in India and payment of applicable customs duty/IGST to tax authorities will be responsibility of the Company. **Overseas Contractor shall only charge basic price on its invoice.**
2. In case II above, Company to ensure evaluating FTA benefits, if any.

**Annexure 1: GST Notifications prescribing rates for supply of goods for petroleum operations.**

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| --- | --- | --- | --- | --- |
| **Nature of transaction** | **Applicable GST** | **Rate of tax** | **Notification Reference** | **File Ref.** |
| Import into India | IGST | 12% | As per custom notification no. 50/2017- customs dated 30 Jun 2017 (sl. no. 404, condition 48, list 33) and 02/2022 - customs dated 01.02.2022 and 40/2022-customs dated 13.07.2022 (Please refer to Item No. 404). |  |

**Withholding Tax (WHT)**

| **Particulars** | **APPLICABILITY** |
| --- | --- |
| Permanent Establishment in India | Where the bidder has a Permanent Establishment in India, WHT will be as per the withholding certificate issued by the tax authorities. Documents required will be as under:   * WHT Order from Tax Authorities in India * PAN |
| NO Permanent Establishment in India | Following 2 scenarios are possible:   1. **Bidder is from Tax treaty jurisdiction**   Where bidder is from a tax treaty jurisdiction (list of countries with which India has concluded DTAAs enclosed as **Annexure A**), WHT rate will be nil where the Bidder does not have any PE in India. Benefit of nil rate is subject to the availability of following mandatory documents:  - No PE Declaration  - Tax Residency certificate  - **Online Form 10F** (process of filing the form is enclosed **Annexure B**)  - PAN   1. **Bidder is from non-tax treaty jurisdiction**   Where bidder is not from a tax treaty jurisdiction (example Argentina, Bermuda, Bahrain), supply transaction is taxable in India under domestic laws. Accordingly, WHT rate will be as per the withholding certificate issued by the tax authorities. Mandatory documents required will be as under:  - PAN  - Lower withholding certificate issued by the tax authorities |
| The TDS/Withholding tax so deducted will be in Bidder’s account only. |

**Annexure A and B**

**List of countries with which India has concluded DTAAs**

|  |  |  |
| --- | --- | --- |
| Albania | Israel | Qatar |
| Armenia | Italy | Romania |
| Australia | Japan | Russian Federation |
| Austria | Jordan | Saudi Arabia |
| Bangladesh | Kazakhstan | Serbia |
| Belarus | Kenya | Singapore |
| Belgium | Korea | Slovak Republic |
| Bhutan | Kuwait | Slovenia |
| Botswana | Kyrgyzstan | South Africa |
| Brazil | Latvia | Spain |
| Bulgaria | Libya | Sri Lanka |
| Canada | Lithuania | Sudan |
| China, People's Republic of | Luxembourg | Sweden |
| Colombia | Macedonia | Switzerland |
| Croatia | Malaysia | Syria |
| Cyprus | Malta | Tajikistan |
| Czech Republic | Mauritius | Tanzania |
| Denmark | Mexico | Thailand |
| Egypt | Mongolia | Trinidad and Tobago |
| Estonia | Montenegro | Turkey |
| Ethiopia | Morocco | Turkmenistan |
| Fiji | Mozambique | Uganda |
| Finland | Myanmar | Ukraine |
| France | Namibia | United Arab Emirates |
| Georgia | Nepal | United Kingdom |
| Germany | Netherlands | United States |
| Greece | New Zealand | Uruguay |
| Hong Kong | Norway | Uzbekistan |
| Hungary | Oman | Vietnam |
| Iceland | Philippines | Zambia |
| Indonesia | Poland |  |
| Ireland | Portugal |  |



