

Bill No. 140 of 2025

THE MANIPUR GOODS AND SERVICES TAX
(SECOND AMENDMENT) BILL, 2025

A

BILL

further to amend the Manipur Goods and Services Tax Act, 2017.

BE it enacted by Parliament in the Seventy-sixth Year of the Republic of India
as follows:—

1. (1) This Act may be called the Manipur Goods and Services Tax (Second
Amendment) Act, 2025.

Short title and
commencement.

5 (2) Save as otherwise provided in this Act, sections 2 to 5, 7 to 13 and 15 shall
come into force on such date as the State Government may, by notification in the
Official Gazette, appoint.

Amendment of
section 2.

2. In the Manipur Goods and Services Tax Act, 2017 (hereinafter referred to as the principal Act), in section 2,—

Manipur Act 3
of 2017.

(a) in clause (61), after the word and figure “section 9”, the words, brackets and figures “of this Act or under sub-section (3) or sub-section (4) of section 5 of the Integrated Goods and Services Tax Act, 2017” shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2025; 5 13 of 2017.

(b) in clause (69),—

(i) in sub-clause (c), for the words “management of a municipal or local fund;”, the words “management of a local fund or municipal fund.” shall be substituted; 10

(ii) after sub-clause (c), the following *Explanation* shall be inserted, namely:—

Explanation.—For the purposes of this sub-clause,—

(a) “local fund” means any fund under the control or management of an authority of a local self-government established for discharging civic functions in relation to a Panchayat area and vested by law with the powers to levy, collect and appropriate any tax, duty, toll, cess or fee, by whatever name called; 15 20

(b) “municipal fund” means any fund under the control or management of an authority of a local self-government established for discharging civic functions in relation to a Metropolitan area or Municipal area and vested by law with the powers to levy, collect and appropriate any tax, duty, toll, cess or fee, by whatever name called; 25

(c) after clause (116), the following clause shall be inserted, namely:—

“(116A) “unique identification marking” means the unique identification marking referred to in clause (b) of sub-section (2) of section 148A and includes a digital stamp, digital mark or any other similar marking, which is unique, secure and non-removable;”. 30

Amendment of
section 12.

3. In section 12 of the principal Act,—

(a) sub-section (4) shall be omitted;

(b) in sub-section (5), for the words, brackets and figures “, sub-section (3) or sub-section (4),” the words, brackets and figure “or sub-section (3)” shall be substituted. 35

Amendment of
section 13.

4. In section 13 of the principal Act,—

(a) sub-section (4) shall be omitted;

(b) in sub-section (5), for the words, brackets and figures “, sub-section (3) or sub-section (4),” the words, brackets and figure “or sub-section (3)” shall be substituted. 40

Amendment of
section 17.

5. In section 17 of the principal Act, in sub-section (5), in clause (d),—

(a) for the words “plant or machinery”, the words “plant and machinery” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of July, 2017; 45

(b) the *Explanation* shall be numbered as *Explanation 1* thereof, and after *Explanation 1* as so numbered, the following *Explanation* shall be inserted, namely:—

‘*Explanation 2.*—For the purposes of clause (d), it is hereby clarified that notwithstanding anything to the contrary contained in any judgment, decree or order of any court, tribunal, or other authority, any reference to “plant or machinery” shall be construed and shall always be deemed to have been construed as a reference to “plant and machinery”.’.

6. In section 20 of the principal Act, with effect from the 1st day of April, 2025,—

Amendment of section 20.

(a) in sub-section (1), after the word and figure “section 9”, the words, brackets and figures “of this Act or under sub-section (3) or sub-section (4) of section 5 of the Integrated Goods and Services Tax Act, 2017” shall be inserted and shall be deemed to have been inserted;

(b) in sub-section (2), after the word and figure “section 9”, the words, brackets and figures “of this Act or under sub-section (3) or sub-section (4) of section 5 of the Integrated Goods and Services Tax Act, 2017,” shall be inserted and shall be deemed to have been inserted.

7. In section 34 of the principal Act, in sub-section (2), for the proviso, the following proviso shall be substituted, namely:—

Amendment of section 34.

“Provided that no reduction in output tax liability of the supplier shall be permitted, if the—

(i) input tax credit as is attributable to such a credit note, if availed, has not been reversed by the recipient, where such recipient is a registered person; or

(ii) incidence of tax on such supply has been passed on to any other person, in other cases.”.

8. In section 38 of the principal Act,—

Amendment of section 38.

(a) in sub-section (1), for the words “an auto-generated statement”, the words “a statement” shall be substituted;

(b) in sub-section (2),—

(i) for the words “auto-generated statement under”, the words “statement referred in” shall be substituted;

(ii) in clause (a), the word “and” shall be omitted;

(iii) in clause (b), after the words “by the recipient,”, the word “including” shall be inserted;

(iv) after clause (b), the following clause shall be inserted, namely:—

“(c) such other details, as may be prescribed.”.

9. In section 39 of the principal Act, in sub-section (1), for the words “and within such time”, the words “within such time, and subject to such conditions and restrictions” shall be substituted.

Amendment of section 39.

10. In section 107 of the principal Act, in sub-section (6), for the proviso, the following proviso shall be substituted, namely:—

Amendment of section 107.

“Provided that in case of any order demanding penalty without involving demand of any tax, no appeal shall be filed against such order unless a sum equal to ten per cent. of the said penalty has been paid by the appellant.”.

Amendment of
section 112.

11. In section 112 of the principal Act, in sub-section (8), the following proviso shall be inserted, namely:—

“Provided that in case of any order demanding penalty without involving demand of any tax, no appeal shall be filed against such order unless a sum equal to ten per cent. of the said penalty, in addition to the amount payable under the proviso to sub-section (6) of section 107 has been paid by the appellant.”.

Insertion of new
section 122B.

12. After section 122A of the principal Act, the following section shall be inserted, namely:—

Penalty for
failure to comply
with track and
trace
mechanism.

“122B. Notwithstanding anything contained in this Act, where any person referred to in clause (b) of sub-section (1) of section 148A acts in contravention of the provisions of the said section, he shall, in addition to any penalty under Chapter XV or the provisions of this Chapter, be liable to pay a penalty equal to an amount of one lakh rupees or ten per cent. of the tax payable on such goods, whichever is higher.”.

Insertion of new
section 148A.

13. After section 148 of the principal Act, the following section shall be inserted, namely:—

Track and trace
mechanism for
certain goods.

“148A. (1) The Government may, on the recommendations of the Council, by notification, specify—

(a) the goods;

(b) persons or class of persons who are in possession or deal with such goods,

to which the provisions of this section shall apply.

(2) The Government may, in respect of the goods referred to in clause (a) of sub-section (1),—

(a) provide a system for enabling affixation of unique identification marking and for electronic storage and access of information contained therein, through such persons, as may be prescribed; and

(b) prescribe the unique identification marking for such goods, including the information to be recorded therein.

(3) The persons referred to in sub-section (1) shall—

(a) affix on the said goods or packages thereof, a unique identification marking, containing such information and in such manner;

(b) furnish such information and details within such time and maintain such records or documents, in such form and manner;

(c) furnish details of the machinery installed in the place of business of manufacture of such goods, including the identification, capacity, duration of operation and such other details or information, within such time and in such form and manner;

(d) pay such amount in relation to the system referred to in sub-section (2),

as may be prescribed.”.

Amendment of
Schedule III.

14. In Schedule III to the principal Act, with effect from the 1st day of July, 2017,—

(i) in paragraph 8, after clause (a), the following clause shall be inserted and shall be deemed to have been inserted, namely:—

“(aa) supply of goods warehoused in a Special Economic Zone or in a Free Trade Warehousing Zone to any person before clearance for exports or to the Domestic Tariff Area;”;

5 (ii) in *Explanation 2*, after the words “For the purposes of”, the words, brackets and letter “clause (a) of” shall be inserted and shall be deemed to have been inserted;

(iii) after *Explanation 2*, the following *Explanation* shall be inserted and shall be deemed to have been inserted, namely:—

10 ‘*Explanation 3.*—For the purposes of clause (aa), the expressions “Special Economic Zone”, “Free Trade Warehousing Zone” and “Domestic Tariff Area” shall have the same meanings as respectively assigned to them in section 2 of the Special Economic Zones Act, 2005.’.

28 of 2005.

15 **15.** No refund shall be made of all such tax which has been collected, but which would not have been so collected, had section 14 been in force at all material times.

No refund of tax collected.

Ord. 2 of 2025. **16.** (1) The Manipur Goods and Services Tax (Second Amendment) Ordinance, 2025 is hereby repealed.

Repeal and savings.

20 (2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under the corresponding provisions of this Act.

STATEMENT OF OBJECTS AND REASONS

The Manipur Goods and Services Tax Act, 2017 was enacted pursuant to enactment of the Central Goods and Services Tax Act, 2017 to make provision for levy and collection of tax on intra-State supply of goods or services or both by the State of Manipur and for matters connected therewith or incidental thereto.

2. The provisions of the Central Goods and Services Tax Act, 2017 were amended through sections 121 to 134 of the Finance Act, 2025 and similar amendments were required to be carried out in the Manipur Goods and Services Tax Act, 2017 at the earliest, as per the decision of the 56th GST Council, to avoid repugnancy with the said Central Act.

3. Since the proclamation issued by the President under article 356 of the Constitution is in force in the State of Manipur since the 13th February, 2025 and as Parliament was not in session and circumstances existed which rendered it necessary to take immediate action to have continuance of the Manipur Goods and Services Tax Act, 2017 in line with the Central Goods and Services Tax Act, 2017, the President promulgated the Manipur Goods and Services Tax (Second Amendment) Ordinance, 2025 on the 7th October, 2025.

4. The Manipur Goods and Services Tax (Second Amendment) Ordinance, 2025 is to be replaced by an Act of Parliament and for the said purpose, it is proposed to introduce the Manipur Goods and Services Tax (Second Amendment) Bill, 2025 in Parliament.

5. The Bill seeks to achieve the above objectives.

NEW DELHI;

NIRMALA SITHARAMAN.

The 27th November, 2025.

FINANCIAL MEMORANDUM

The Bill seeks to amend the Manipur Goods and Services Tax Act, 2017. The Bill, if enacted, will not involve any expenditure, either recurring or non-recurring nature from the Consolidated Fund of the State of Manipur.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 8 of the Bill seeks to amend sub-section (2) of section 38 of the Manipur Goods and Services Tax Act to empower the Government to provide by rules other details to be made available in the statement.

2. Clause 13 of the Bill seeks to insert a new section 148A in the Manipur Goods and Services Tax Act, relating to track and trace mechanism for certain goods. Sub-section (2) of the said section 148A seeks to empower the Government to provide by rules a system for enabling affixation of unique identification marking and for electronic storage and access of information and the person through whom such system may be provided. It further seeks to empower the Government to provide by rules the unique identification marking for goods including the information to be recorded therein.

3. Sub-section (3) of the said section 148A seeks to empower the Government to provide by rules, the information to be contained in, and the manner of affixing on the goods and packages a unique identification marking under clause (a), the form and manner and the time for furnishing information and details and maintaining records or documents under clause (b), the time within which and the form and manner in which other details shall be furnished under clause (c) and the amount to be paid under clause (d) of the said sub-section.

4. The matters in respect of which rules or regulations may be made or notifications or order may be issued in accordance with the provisions of the Bill are matters of procedure and detail and it is not practicable to provide for them in the Bill itself. The delegation of legislative power is, therefore, of a normal character.

ANNEXURE

EXTRACTS FROM THE MANIPUR GOODS AND SERVICES TAX ACT, 2017

(Manipur Act No. 3 of 2017)

* * * * *

2. In this Act, unless the context otherwise requires,—

Definitions.

* * * * *

(61) “Input Service Distributor” means an office of the supplier of goods or services or both which receives tax invoices towards the receipt of input services, including invoices in respect of services liable to tax under sub-section (3) or sub-section (4) of section 9, for or on behalf of distinct persons referred to in section 25, and liable to distribute the input tax credit in respect of such invoices in the manner provided in section 20;

* * * * *

(69) “local authority” means—

* * * * *

(c) a Municipal Committee, a Zilla Parishad, a District Board, and any other authority legally entitled to, or entrusted by the Central Government or any State Government with the control or management of a municipal or local fund;

* * * * *

CHAPTER IV

TIME AND VALUE OF SUPPLY

12. (1) * * * * *

Time of supply of goods.

(4) In case of supply of vouchers by a supplier, the time of supply shall be—

(a) the date of issue of voucher, if the supply is identifiable at that point; or

(b) the date of redemption of voucher, in all other cases.

(5) Where it is not possible to determine the time of supply under the provisions of sub-section (2), sub-section (3) or sub-section (4), the time of supply shall—

(a) in a case where a periodical return has to be filed, be the date on which such return is to be filed, or

(b) in any other case, be the date on which the tax is paid.

* * * * *

13. (1) * * * * *

Time of supply of services.

(4) In case of supply of vouchers, by a supplier, the time of supply shall be—

(a) the date of issue of voucher, if the supply is identifiable at that point; or

(b) the date of redemption of voucher, in all other cases.

(5) Where it is not possible to determine the time of supply of services in the manner specified in sub-section (2), sub-section (3) or sub-section (4), the time of supply shall—

(a) in a case where a periodical return has to be filed, be the date on which such return is to be filed; or

(b) in any other case, be the date on which the tax is paid.

* * * * *

Apportionment
of credit
and blocked
credits.

17. (1) * * * *

(5) Notwithstanding anything contained in sub-section (1) of section 16 and sub-section (1) of section 18, input tax credit shall not be available in respect of the following, namely:—

* * *

(d) goods or services or both received by a taxable person for construction of an immovable property (other than plant or machinery) on his own account including when such goods or services or both are used in the course or furtherance of business.

Explanation:—For the purposes of clauses (c) and (d), the expression “construction” includes re-construction, renovation, additions or alterations or repairs, to the extent of capitalization, to the said immovable property;

* * *

Manner of
distribution of
credit by Input
Service
Distributor.

20. (1) Any office of the supplier of goods or services or both which receives tax invoices towards the receipt of input services, including invoices in respect of services liable to tax under sub-section (3) or sub-section (4) of section 9, for or on behalf of distinct persons referred to in section 25, shall be required to be registered as Input Service Distributor under clause (viii) of section 24 and shall distribute the input tax credit in respect of such invoices.

(2) The Input Service Distributor shall distribute the credit of State tax or integrated tax charged on invoices received by him, including the credit of State or integrated tax in respect of services subject to levy of tax under sub-section (3) or sub-section (4) of section 9 paid by a distinct person registered in the same State as the said Input Service Distributor, in such manner, within such time and subject to such restrictions and conditions as may be prescribed.

* * *

Credit and debit
notes.

34. (1) * * * *

(2) Any registered person who issues a credit note in relation to a supply of goods or services or both shall declare the details of such credit note in the return for the month during which such credit note has been issued but not later than September following the end of the financial year in which such supply was made, or the date of filing of the relevant annual return, whichever is earlier, and the tax liability shall be adjusted in such manner as may be prescribed:

Provided that no reduction in output tax liability of the supplier shall be permitted, if the incidence of tax and interest on such supply has been passed on to any other person.

* * *

Communication
of details of
inward supplies
and input tax
credit.

38. (1) The details of outward supplies furnished by the registered persons under sub-section (1) of section 37 and of such other supplies as may be prescribed, and an auto-generated statement containing the details of input tax credit shall be made available electronically to the recipients of such supplies in such form and manner, within such time, and subject to such conditions and restrictions as may be prescribed.

(2) The auto-generated statement under sub-section (1) shall consist of—

(a) details of inward supplies in respect of which credit of input tax may be available to the recipient; and

(b) details of supplies in respect of which such credit cannot be availed, whether wholly or partly, by the recipient, on account of the details of the said supplies being furnished under sub-section (1) of section 37,—

* * * * *

39. (1) Every registered person, other than an Input Service Distributor or a non-resident taxable person or a person paying tax under the provisions of section 10 or section 51 or section 52 shall, for every calendar month or part thereof, furnish, in such form, manner and within such time as may be prescribed, a return, electronically, of inward and outward supplies of goods or services or both, input tax credit availed, tax payable, tax paid and other particulars as may be prescribed:

Furnishing of Returns.

Provided that the Government may, on the recommendations of the Council, notify certain classes of registered persons who shall furnish a return for every quarter or part thereof, subject to such conditions and safeguards as may be specified therein.

* * * * *

CHAPTER-XVIII

APPEALS AND REVISION

107. (1) * * * * *

Appeals to Appellate Authority.

(6) No appeal shall be filed under sub-section (1), unless the appellant has paid—

(a) in full, such part of the amount of tax, interest, fine, fee and penalty arising from the impugned order, is admitted by him; and

(b) a sum equal to ten per cent. of the remaining amount of tax in dispute arising from the said order, subject to a maximum of twenty-five crore rupees, in relation to which the appeal has been filed:

Provided that no appeal shall be filed against an order under sub-section (3) of section 129, unless a sum equal to twenty-five per cent. of the penalty has been paid by the appellant.

* * * * *

112. (1) * * * * *

Appeals to Appellate Tribunal.

(8) No appeal shall be filed under sub-section (1), unless the appellant has paid—

(a) in full, such part of the amount of tax, interest, fine, fee and penalty arising from the impugned order, as is admitted by him, and

(b) a sum equal to twenty per cent. of the remaining amount of tax in dispute, in addition to the amount paid under sub-section (6) of section 107, arising from the said order, subject to a maximum of fifty crore rupees, in relation to which the appeal has been filed.

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SCHEDULE III

[See section 7]

ACTIVITIES OR TRANSACTIONS WHICH SHALL BE TREATED
NEITHER AS A SUPPLY OF GOODS NOR A SUPPLY OF SERVICES

* * * * *

8. (a) Supply of warehoused goods to any person before clearance for home
consumption;

* * * * *

Explanation 1.—For the purposes of paragraph 2, the term “court” includes
District Court, High Court and Supreme Court.*Explanation 2.*—For the purposes of paragraph 8, the expression “warehoused
goods” shall have the same meaning as assigned to it in the Customs Act, 1962.

52 of 1962.

LOK SABHA

A
BILL

further to amend the Manipur Goods and Services Tax Act, 2017.

(Smt. Nirmala Sitharaman, Minister of Finance and Corporate Affairs)