



Newsletter

August, 2023 - Volume 72



HAPPY
Independence
DAY

75



THE INSTITUTE OF
Company Secretaries of India
भारतीय कम्पनी सचिव संस्थान
IN PURSUIT OF PROFESSIONAL EXCELLENCE
Statutory body under an Act of Parliament
(Under the jurisdiction of Ministry of Corporate Affairs)



C O N T E N T S

GST Day PAN India Celebrations	2
GST Collection Updates	3
Trends in GST Collection and E-way Bills Generated	4
Recommendations of 50 th GST Council Meeting	5
Notifications and Circulars	12
GST Portal Updates	22
GST in News	24
Compliance Calendar	26
GST Quiz	28



Disclaimer: Although due care has been taken in preparation of this Newsletter, the Institute shall not be responsible for any loss or damage, resulting from any action taken on the basis of the contents of this Newsletter. Anyone wishing to act on the basis of the material contained herein should do so after cross checking with the original source.

GST DAY PAN INDIA CELEBRATIONS



ICSI-EIRC



ICSI-WIRC



Faridabad



Bhubaneswar



Jaipur



Pune



Dhanbad



Thane

GST COLLECTION UPDATES

₹1,65,105 crore gross GST revenue collected for July 2023; records 11% Year-on-Year growth

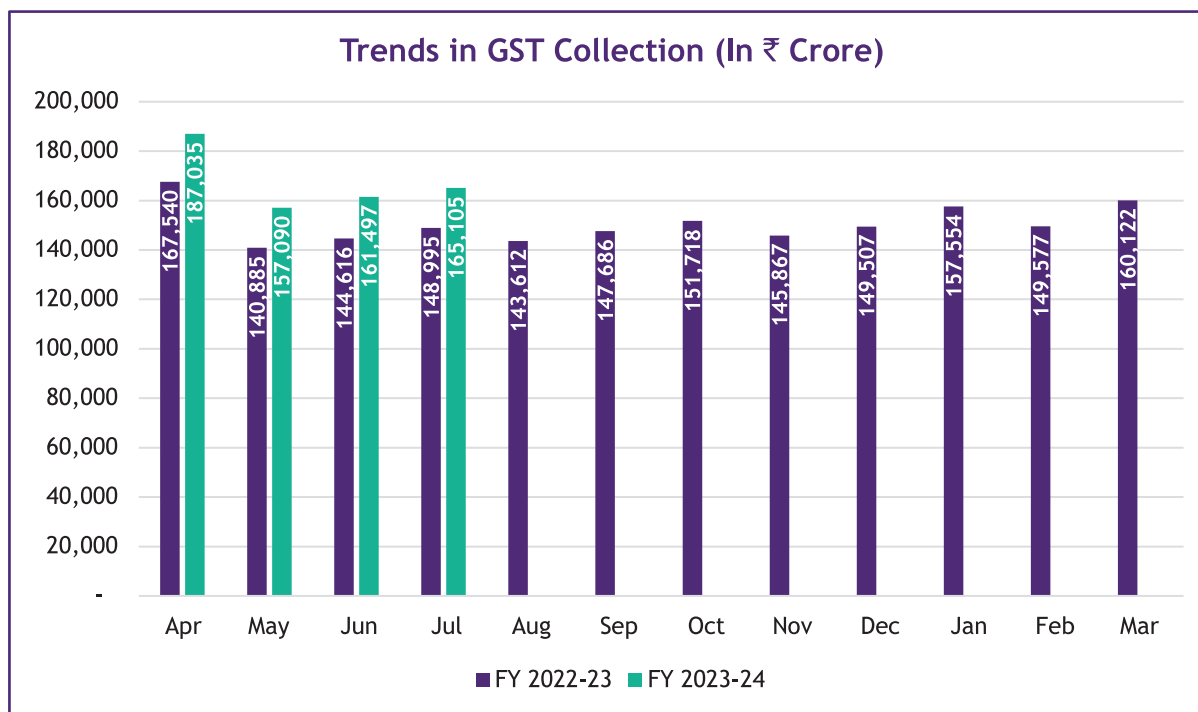
Gross GST collection crosses ₹1.6 lakh crore mark for 5th time since inception of GST

Revenues from domestic transactions (including import of services) are 15% higher Year-on-Year

The gross GST revenue collected in the month of July, 2023 is ₹1,65,105 crore of which CGST is ₹29,773 crore, SGST is ₹37,623 crore, IGST is ₹85,930 crore (including ₹41,239 crore collected on import of goods) and cess is ₹11,779 crore (including ₹840 crore collected on import of goods).

The government has settled ₹39,785 crore to CGST and ₹33,188 crore to SGST from IGST. The total revenue of Centre and the States in the month of July 2023 after regular settlement is ₹69,558 crore for CGST and ₹70,811 crore for the SGST.

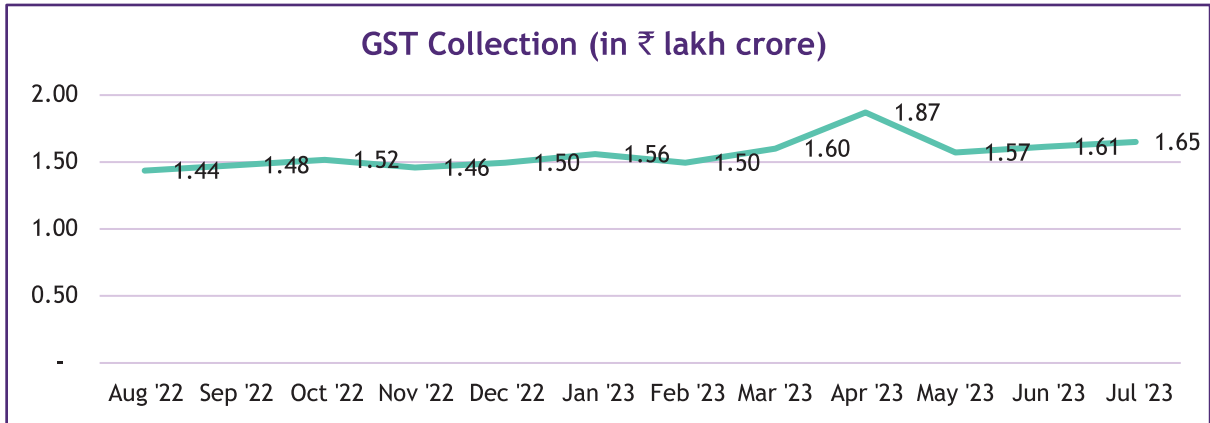
The chart below shows trends in monthly gross GST revenues during the current financial year.



Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=1944590>

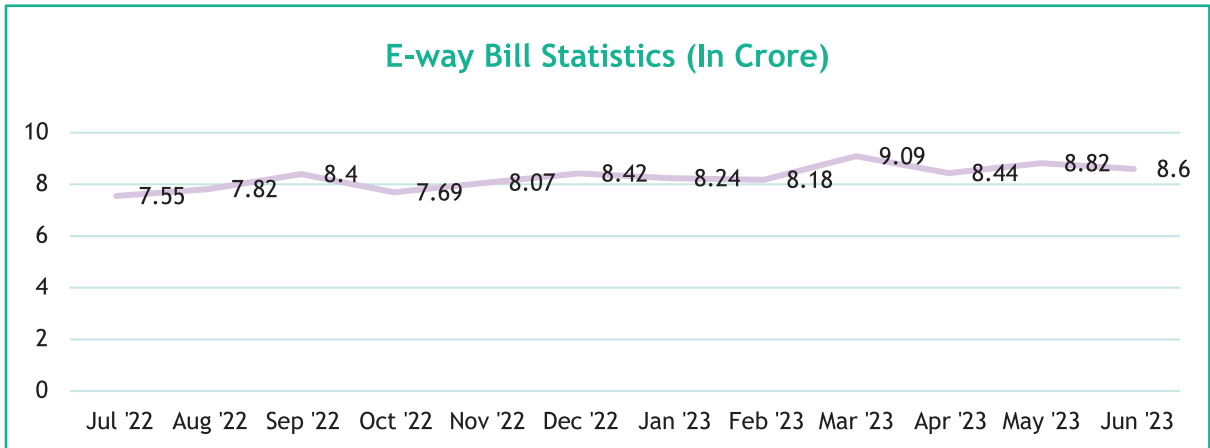
TRENDS IN GST COLLECTION AND E-WAY BILLS GENERATED

The chart below shows trends in monthly gross GST revenues during the last one year.



Source: Compiled from Press Releases issued by PIB

The chart below shows E-way bills generated corresponding to the monthly GST collection.



Source: <https://gstn.org.in/>

Note: The revenue collections in the current month pertains to the transactions conducted in the previous month. For example: Revenue collections for the month of Aug '22 (as per PIB release) reflects the transactions conducted in Jul '22. Therefore, in the above charts e-way bills generated in Jul '22 is shown corresponding to the GST Revenue collection for Aug '22 and so on.

RECOMMENDATIONS OF 50TH GST COUNCIL MEETING

The 50th meeting of the GST Council was held on July 11, 2023, under the chairpersonship of the Union Finance & Corporate Affairs Minister Smt. Nirmala Sitharaman.

To mark the milestone of 50th meeting of the GST Council, the Chairperson released a short video film titled ‘GST Council- 50 steps towards a journey’ in the august presence of the Members of the Council. The film depicts the journey of the GST Council and has been made in Hindi, English and 11 regional languages.

Besides, to mark this occasion, the first set of a Special Cover and customised ‘My Stamp’ were also presented to Chairperson and Members of the Council by the Chief Post Master General, Delhi.

In the 50th Meeting of the GST Council, *inter-alia* the following recommendations relating to changes in GST tax rates, measures for facilitation of trade and measures for streamlining compliances in GST were made:

Changes in GST Tax Rates:

I. Recommendations relating to GST rates on Goods

A. Changes in GST rates of goods

1. It has been decided to reduce the rate on uncooked/unfried snack pellets, by whatever name called, to 5% and to regularise payment of GST on uncooked /unfried snack pellets during the past period on “as is basis”.

B. Other changes relating to goods

1. It has been decided to exempt IGST on Dinutuximab (Quarziba) medicine when imported for personal use.
2. It has been decided to exempt IGST on medicines and Food for Special Medical Purposes (FSMP) used in the treatment of rare diseases enlisted under the National Policy for Rare Diseases, 2021 when imported for personal use subject to existing conditions. Similarly, IGST exemption is also being extended to FSMP when imported by Centres of Excellence for Rare Diseases or any person or institution on recommendation of any of the listed Centres of Excellence.
3. It has been decided to clarify that supply of raw cotton, including kala cotton, by agriculturists to cooperatives is taxable under reverse charge mechanism and to regularise issues relating for the past period on “as is basis”.
4. It has been decided to reduce GST on imitation zari thread or yarn known by any name in trade parlance from 12% to 5% and to regularize payment of GST related to this matter during the past period on “as is basis”.

5. It has been decided to amend the entry 52B in compensation cess notification to include all utility vehicles by whatever name called provided they meet the parameters of Length exceeding 4000 mm, Engine capacity exceeding 1500 cc and having Ground Clearance of 170 mm & above and to clarify by way of explanation that 'Ground clearance' means Ground Clearance in un-laden condition.
6. It has been decided to reduce GST rate on LD slag from 18% to 5% to encourage better utilisation of this product and for protection of environment.
7. It has been decided to regularise the matters relating to trauma, spine and arthroplasty implants for the period prior to 18.07.2022 on "as is basis" in view of genuine interpretational issues.
8. It has been decided to reduce the GST rate on fish soluble paste from 18% to 5% and to regularise payment of GST on fish soluble paste during the past period on "as is basis".
9. It has been decided to regularise the matters relating to dessicated coconut for the period 1.7.2017 to 27.7.2017 on "as is basis" in view of genuine interpretational issues.
10. It has been decided that on pan masala, tobacco products etc, where it is not legally required to declare the retail sale price, the earlier ad valorem rate as was applicable on 31st March 2023 may be notified in order for levy of Compensation Cess.
11. It has been decided to include RBL Bank and ICBC bank in the list of specified banks for which IGST exemption is available on imports of gold, silver or platinum and update the list of banks /entities eligible for such IGST exemption as per Annexure 4B (HBP) of Foreign Trade Policy 2023.
12. Consequential changes in notifications may be carried out in view of new Foreign Trade Policy 2023.
13. It has been decided to regularise the issues relating to GST on plates and cups made of areca leaves prior to 01.10.2019.
14. It has been decided to regularise the issues relating to GST on biomass briquettes for the period 01.7.2017 to 12.10.2017.

II. Recommendations relating to GST rates on Services

A. Changes in GST rates of services

1. It has been decided that GST exemption on satellite launch services supplied by ISRO, Antrix Corporation Limited and New Space India Limited (NSIL) may be extended to such services supplied by organisations in private sector also to encourage start-ups.

B. Other changes relating to Services

Services

1. As a trade friendly measure, it has been decided that GTAs will not be required to file declaration for paying GST under forward charge every year. If they have exercised this option for a particular financial year, they shall be deemed to have exercised it for the next and future financial years unless they file a declaration that they want to revert to reverse charge mechanism (RCM).

2. It has also been decided that the last date of exercising the option by GTAs to pay GST under forward charge shall be 31st March of preceding Financial Year instead of 15th March. 1st January of preceding Financial Year shall be the start date for exercise of option.
3. It has been decided to clarify that services supplied by a director of a company to the company in his private or personal capacity such as supplying services by way of renting of immovable property to the company or body corporate are not taxable under RCM. Only those services supplied by a director of company or body corporate, which are supplied by him as or in the capacity of director of that company or body corporate shall be taxable under RCM in the hands of the company or body corporate under notification No. 13/2017-CTR (Sl. No. 6) dated 28.06.2017.
4. It has been decided to clarify that supply of food and beverages in cinema halls is taxable as restaurant service as long as (a) they are supplied by way of or as part of a service and (b) supplied independently of the cinema exhibition service. Where the sale of cinema ticket and supply of food and beverages are clubbed together, and such bundled supply satisfies the test of composite supply, the entire supply will attract GST at the rate applicable to service of exhibition of cinema, the principal supply.

III. Second Report of Group of Ministers (GoM) on Casinos, Race Courses and Online Gaming

A Group of Ministers (GoM) was constituted to look into the issues related to taxation on casinos, horse racing and online gaming. The GoM submitted its first report in June, 2022 and it was placed before the GST Council in its 47th GST Council meeting wherein, it was decided that the GoM may relook into all the issues once again. The GoM submitted its report and it was placed before the 50th GST Council meeting. The GoM, in its second report has recommended that since no consensus could be reached on whether the activities of online gaming, horse racing and casinos should be taxed at 28% on the full-face value of bets placed or on the GGR, **the GST Council may decide**. The GST Council has deliberated on the issues and has recommended the following:

- o Suitable amendments to be made to law to include online gaming and horse racing in schedule III as taxable actionable claims.
- o All three namely Casino, Horse Racing and Online gaming to be taxed at the uniform rate of 28%.
- o Tax will be applicable on the face value of the chips purchased in the case of casinos, on the full value of the bets placed with bookmaker/totalisator in the case of Horse Racing and on the full value of the bets placed in case of the Online Gaming.

Measures for facilitation of trade:

1. **Goods and Services Tax Appellate Tribunal (Appointment and Conditions of Service of President and Members) Rules, 2023:** The Council has recommended the Rules governing appointment and conditions of President and Members of the proposed GST Appellate Tribunal for enabling smooth constitution and functioning of GST Appellate Tribunal. The Council also recommended that provisions of Finance Act, 2023 pertaining to GST Appellate Tribunal may be notified by the Centre with effect from 01.08.2023, so that the same can be brought into operation at the earliest. Further the Council has recommended the Chief Secretary of Maharashtra to be nominated as one of the members of the Search cum selection committee

as per Section 110(4)(b)(iii) of CGST Act 2017. Regarding the number of State Benches, it was decided to start them in a phase wise manner.

2. **Annual Returns for FY 2022-23:** The Council has recommended that the relaxations provided in FY 2021-22 in respect of various tables of **FORM GSTR-9** and **FORM GSTR-9C** be continued for **FY 2022-23**. Further, for easing compliance burden on smaller taxpayers, exemption from filing of annual return (in **FORM GSTR-9/9A**) for taxpayers having aggregate annual turnover **upto two crore rupees**, to be continued for **FY 2022-23** also.
3. The Council has recommended to **clarify through a circular that Input Services Distributor (ISD) mechanism is not mandatory** for distribution of input tax credit of **common input services procured from third parties** to the distinct persons as per the present provisions of GST law, and also to clarify issues regarding taxability of **internally generated services** provided by one distinct person to another distinct person. The Council has also recommended that **amendment may be made in GST law to make ISD mechanism mandatory prospectively** for distribution of input tax credit of such common input services procured from third parties.
4. **Circular to be issued to provide clarity on various issues** pertaining to the GST liability as well as the liability to reverse input tax credit in **cases involving warranty replacement of parts and repair services during warranty period** without any consideration from the customers, clarifying *inter alia* that no GST is chargeable by the manufacturer on such replacement of parts and/ or repair service and also, no reversal of input tax credit is required to be made by the manufacturer.
5. **Circular to be issued to clarify various refund related issues:**
 - a. Consequent to amendment in rule 36(4) of CGST Rules 2017 with effect from 01.01.2022, refund of accumulated input tax credit (ITC) under Section 54(3) of CGST Act, 2017 for a tax period to be restricted to ITC on inward supplies reflected in **FORM GSTR-2B of the said tax period or any previous tax period**.
 - b. Consequent to Explanation having been inserted in rule 89(4) of CGST Rules *vide* Notification No. 14/2022- CT dated 05.07.2022, the **value of export goods**, to be included while calculating “**adjusted total turnover**” in the formula under rule 89(4), will be determined as per the said explanation.
 - c. Clarification regarding **admissibility of refund** in cases where export of goods, or the realization of payment for export of services, as the case may be, is made after the time limit provided under rule 96A of CGST Rules, 2017.
6. Circular to be issued to provide clarification regarding **TCS liability under Sec 52** of the CGST Act, 2017 in cases where **multiple E-commerce Operators (ECOs)** are involved in a single transaction of supply of goods or services or both.
7. To ease compliance burden of the taxpayers, **clause (f) of rule 46** of CGST Rules, 2017 to be amended to provide for requirement of only **name of the State of the recipient**, and not the name and full address of the recipient, on the tax invoice in cases of supply of taxable services by or through an ECO or by a supplier of OIDAR services to an unregistered recipient.
8. **Issuance of the following circulars in order to remove ambiguity and legal disputes on various issues, thus benefiting taxpayers at large:**

- a. Clarifying that the registered person, whose turnover exceeds the prescribed threshold for generation of e-invoicing, are required to issue **e-invoices** under rule 48(4) of CGST Rules for the **supplies made to Government Departments** or establishments / Government agencies / local authorities / PSUs, etc., registered solely for the purpose of TDS.
 - b. Clarification regarding the **manner of calculation of interest amount** liable to be paid under section 50(3) of CGST Act, 2017 in respect of wrongly availed and utilized IGST credit, clarifying *inter alia* that in cases of wrong availment of IGST credit, **the balance of input tax credit (ITC) in electronic credit ledger, under the heads of IGST, CGST and SGST taken together, has to be taken in consideration while calculating such interest liability as per rule 88B of CGST Rules, 2017.**
 - c. Clarifying that **mere holding of securities of a subsidiary company by a holding company** cannot be treated as a supply of services and therefore, cannot be taxed under GST.
9. As per the recommendations of the Council in its 48th meeting, Circular No. 183/15/2022-GST dated 27th December, 2022 was issued to provide for the procedure for verification of input tax credit in cases involving difference in Input Tax Credit availed in **FORM GSTR-3B vis a vis** that available as per **FORM GSTR-2A** during **FY 2017-18 and 2018-19**. To provide further relief to the taxpayers, the Council recommended for further issuance of a circular to provide for similar procedure for verification of input tax credit in cases involving difference in Input Tax Credit availed in **FORM GSTR-3B vis a vis** that available as per **FORM GSTR-2A** during the period **01.04.2019 to 31.12.2021**.
 10. **Special procedure** to be provided under section 148 of CGST Act, 2017 to enable manual filing of appeal against the orders passed by proper officers in respect of TRAN-1/ TRAN-2 claims of the registered persons, filed in pursuance of the directions of Hon'ble Supreme Court in the case of Union of India v/s Filco Trade Centre Pvt. Ltd.
 11. **Rule 108(1) and rule 109(1)** of CGST Rules, 2017 to be amended to provide for manual filing of appeal under certain specified circumstances.
 12. Council recommended to **extend the amnesty schemes** notified *vide* notifications dated 31.03.2023 regarding non-filers of **FORM GSTR-4, FORM GSTR-9 & FORM GSTR-10** returns, **revocation of cancellation of registration and deemed withdrawal of assessment orders** issued under Section 62 of CGST Act, 2017, till **31.08.2023**.
 13. In view of the prevailing law and order situation in the State of Manipur, the Council recommended to extend the due dates for filing of **FORM GSTR-1, FORM GSTR-3B and FORM GSTR-7** for the months of April, May and June, 2023 for the registered persons of State of Manipur till **31.07.2023**.

Measures for streamlining compliances in GST:

1. In accordance with the recommendations of **Group of Ministers (GoM) on implementation of E-way bill requirement for movement of Gold/ Precious stones** under chapter 71, the Council has recommended to insert **rule 138F** in CGST Rules, 2017, as well as in SGST Rules, 2017 of the States, who want to mandate the requirement of generation of e-way bills for intra-State movement of gold and precious stones under Chapter 71 within their States.

2. In accordance with the recommendations of the **Group of Ministers (GoM) on Capacity based taxation and Special Composition Scheme** approved by the Council in 49th meeting, the Council has made the following recommendations:
 - i. **issuance of notification under section 148** of CGST Act, 2017 **prescribing a special procedure** to be followed by the manufacturers of tobacco, pan masala & other similar items *inter alia* for registration of machines and for filing of special monthly returns;
 - ii. **insertion of section 122A** in CGST Act, 2017 providing for **special penalty** for non-registration of machines by such manufacturers;
 - iii. provisions of section 123 of Finance Act, 2021, amending section 16 of IGST Act, to be notified with effect from **01.10.2023** and notification to be issued under section 16(4) of IGST Act, 2017 to provide for restriction of IGST refund route in respect of exports of tobacco, pan masala & other similar items as well as mentha oil.
3. **Amendment in CGST Rules, 2017 regarding registration:** The Council has recommended the following amendments in CGST Rules, 2017 **to strengthen the registration process and to effectively deal with the menace of fake and fraudulent registrations in GST:**
 - a. **Amendment in rule 10A** to provide that the details of bank account, in name and PAN of the registered person, to be required to be furnished within 30 days of grant of registration or before filing of statement of outwards supply under section 37 of CGST Act in **FORM GSTR-1/ IFF**, whichever is earlier.
 - b. **Amendment in rule 21A(2A)** to provide for system-based suspension of the registration in respect of such registered persons who do not furnish the details of valid bank account under rule 10A within the time period prescribed under the said rule.
 - c. **Insertion of 3rd proviso in rule 21A(4)** to provide for automatic revocation of such system-based suspension upon compliance with provisions of rule 10A.
 - d. **Amendment in rule 59(6)** to provide that where a registered person has not furnished details of a valid bank account under rule 10A, the said registered person may not be allowed to furnish the details of outward supplies in FORM GSTR-1 or using IFF.
 - e. **Amendment in rule 9 and rule 25** to do away with the requirement that the physical verification of business premises is to be conducted in the presence of the applicant and also to provide for physical verification in high-risk cases even where Aadhaar has been authenticated.
4. Pilot to be conducted in U.T. of Puducherry for **risk-based biometric-based Aadhaar authentication** of registration applicants. The State of Andhra Pradesh also expressed its intent to join this pilot after the system's readiness is tested in the state of Gujarat and U.T. of Puducherry.
5. **Procedure for Recovery of Tax and Interest in terms of Rule 88C(3):** On the recommendations of the GST Council in its 48th meeting held on 17.12.2022, rule 88C was inserted in the CGST Rules, 2017 with effect from 26.12.2022 for system based intimation to the registered person in cases where the output tax liability in terms of **FORM GSTR-1** of a registered person for any particular month exceeds the output tax liability disclosed by the said person in the return in **FORM GSTR-3B** for the said month by a specified threshold. The Council has now recommended

insertion of **Rule 142B** in the CGST Rules, 2017 and insertion of a **FORM GST DRC-01D** to provide for manner of recovery of the tax and interest in respect of the amount intimated under rule 88C which has not been paid and for which no satisfactory explanation has been furnished by the registered person.

6. **Mechanism to deal with differences in ITC between FORM GSTR-2B and FORM GSTR-3B:** The Council has recommended a mechanism for system-based intimation to the taxpayers in respect of the excess availment of ITC in **FORM GSTR-3B** *vis a vis* that made available in **FORM GSTR-2B** above a certain threshold, along with the procedure of auto-compliance on the part of the taxpayers, to explain the reasons for the said difference or take remedial action in respect of such difference. For this purpose, **rule 88D** and **FORM DRC-01C** to be inserted in CGST Rules, 2017, along with an amendment in **rule 59(6)** of CGST Rules, 2017. **This will help in reducing ITC mismatches and misuse of ITC facility in GST.**
7. To improve discipline in filing of annual returns, **FORM GSTR-3A** to be amended to provide for issuance of notice to the registered taxpayers for their failure to furnish Annual Return in **FORM GSTR-9** or **FORM GSTR-9A** by due date.
8. **Rule 64** and **FORM GSTR-5A** of CGST Rules, 2017 to be amended to require OIDAR service providers to provide the details of supplies made to registered persons in India in his return in **FORM GSTR-5A**. This will help in tracking due payment of tax on reverse charge basis by such registered persons in India in respect of supplies received from OIDAR service providers.
9. Explanation 3 to be inserted after **rule 43** of CGST Rules, 2017 to prescribe that the value of supply of goods from Duty Free Shops at arrival terminal in international airports to the incoming passengers to be included in the value of exempt supplies for the purpose of reversal of input tax credit.
10. Sub-rule (3A) to be inserted in **rule 162** of CGST Rules, 2017 to prescribe the compounding amount for various offences under section 132 of CGST Act, 2017.
11. The Council has recommended **insertion of rule 163** in CGST Rules, 2017 to provide for manner and conditions of consent-based sharing of information of registered persons available on the common portal with other systems. The Council has also recommended issuance of a **notification under section 158A** of CGST Act, 2017 for notifying “**Account Aggregators**” as the systems with which information is to be shared by the common portal.
12. The Council has recommended **insertion of a clause (ca) in sub-section (1) of section 10 of the IGST Act, 2017** to clarify the place of supply in respect of supply of goods to unregistered persons.
13. The GST Council has recommended to form a **State level coordination Committee** comprising of GST officers from both State and Central GST administrations for knowledge sharing on GST matters and coordinated efforts towards administrative and preventive measures.
14. The 2nd interim report of the **Group of Ministers (GoM) on IT System Reforms** was also discussed by the Council. The GoM has recommended various measures to curb frauds in GST through System based measures for strengthening registration process in GST, more use of third-party data for risk management and controlling flow of fake Input Tax Credit down the supply chain.

Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=1938812>

NOTIFICATIONS AND CIRCULARS

NOTIFICATIONS

CENTRAL TAX NOTIFICATIONS

Number	Date	Subject
18/2023	17 th July, 2023	Seeks to extend the due date for furnishing FORM GSTR-1 for the month of April, May and June, 2023 for registered persons whose principal place of business is in the State of Manipur from 30 th June 2023 to 31 st July 2023. https://taxinformation.cbic.gov.in/view-pdf/1009772/ENG/Notifications
19/2023	17 th July, 2023	Seeks to extend the due date for furnishing FORM GSTR-3B for the month of April, May and June, 2023 for registered persons whose principal place of business is in the State of Manipur from 30 th June 2023 to 31 st July 2023. https://taxinformation.cbic.gov.in/view-pdf/1009773/ENG/Notifications
20/2023	17 th July, 2023	Seeks to extend the due date for furnishing the return in FORM GSTR-3B for the quarter ending June, 2023 for the registered persons whose principal place of business is in the State of Manipur to 31 st July 2023. https://taxinformation.cbic.gov.in/view-pdf/1009774/ENG/Notifications
21/2023	17 th July, 2023	Seeks to extend the due date for furnishing FORM GSTR-7 for the month of April, May and June, 2023 for registered persons whose principal place of business is in the State of Manipur from 30 th June, 2023 to 31 st July, 2023. https://taxinformation.cbic.gov.in/view-pdf/1009775/ENG/Notifications
22/2023	17 th July, 2023	Seeks to extend amnesty scheme for GSTR-4 non-filers from 30 th June 2023 to 31 st August 2023. https://taxinformation.cbic.gov.in/view-pdf/1009776/ENG/Notifications
23/2023	17 th July, 2023	Seeks to extend time limit for application for revocation of cancellation of registration from 30 th June 2023 to 31 st August 2023. https://taxinformation.cbic.gov.in/view-pdf/1009777/ENG/Notifications
24/2023	17 th July, 2023	Seeks to extend amnesty scheme for deemed withdrawal of assessment orders issued under Section 62 from 30 th June 2023 to 31 st August 2023. https://taxinformation.cbic.gov.in/view-pdf/1009778/ENG/Notifications

Number	Date	Subject
25/2023	17 th July, 2023	Seeks to extend amnesty scheme for GSTR-9 non-filers from 30 th June 2023 to 31 st August 2023. https://taxinformation.cbic.gov.in/view-pdf/1009779/ENG/Notifications
26/2023	17 th July, 2023	Seeks to extend amnesty scheme for GSTR-10 non-filers from 30 th June 2023 to 31 st August 2023. https://taxinformation.cbic.gov.in/view-pdf/1009780/ENG/Notifications
27/2023	31 st July, 2023	Seeks to notify the provisions of section 123 of the Finance Act, 2021 (13 of 2021). https://taxinformation.cbic.gov.in/view-pdf/1009805/ENG/Notifications
28/2023	31 st July, 2023	Seeks to notify the provisions of sections 137 to 162 of the Finance Act, 2023 (8 of 2023). https://taxinformation.cbic.gov.in/view-pdf/1009806/ENG/Notifications
29/2023	31 st July, 2023	Seeks to notify special procedure to be followed by a registered person pursuant to the directions of the Hon'ble Supreme Court in the case of Union of India v/s Filco Trade Centre Pvt. Ltd., SLP(C) No.32709-32710/2018. https://taxinformation.cbic.gov.in/view-pdf/1009807/ENG/Notifications
30/2023	31 st July, 2023	Seeks to notify special procedure to be followed by a registered person engaged in manufacturing of certain goods. https://taxinformation.cbic.gov.in/view-pdf/1009808/ENG/Notifications
31/2023	31 st July, 2023	Seeks to amend Notification No. 27/2022 dated 26.12.2022. https://taxinformation.cbic.gov.in/view-pdf/1009809/ENG/Notifications
32/2023	31 st July, 2023	Seeks to exempt the registered person whose aggregate turnover in the financial year 2022-23 is up to two crore rupees, from filing annual return for the said financial year. https://taxinformation.cbic.gov.in/view-pdf/1009810/ENG/Notifications
33/2023	31 st July, 2023	Seeks to notify "Account Aggregator" as the systems with which information may be shared by the common portal under section 158A of the CGST Act, 2017. https://taxinformation.cbic.gov.in/view-pdf/1009811/ENG/Notifications
34/2023	31 st July, 2023	Seeks to waive the requirement of mandatory registration under section 24(ix) of CGST Act for person supplying goods through ECOs, subject to certain conditions. https://taxinformation.cbic.gov.in/view-pdf/1009812/ENG/Notifications

Number	Date	Subject
35/2023	31 st July, 2023	Seeks to appoint common adjudicating authority in respect of show cause notices issued to M/s BSH Household Appliances Manufacturing Pvt. Ltd. https://taxinformation.cbic.gov.in/view-pdf/1009813/ENG/Notifications

CENTRAL TAX (RATE) NOTIFICATIONS

Number	Date	Subject
06/2023	26 th July, 2023	Seeks to amend notification No. 11/2017- Central Tax (Rate) so as to notify change in GST with regards to services as recommended by GST Council in its 50 th meeting held on 11 th July, 2023. https://taxinformation.cbic.gov.in/view-pdf/1009783/ENG/Notifications
07/2023	26 th July, 2023	Seeks to amend notification No. 12/2017- Central Tax (Rate) so as to notify change in GST with regards to services as recommended by GST Council in its 50 th meeting held on 11 th July, 2023. https://taxinformation.cbic.gov.in/view-pdf/1009784/ENG/Notifications
08/2023	26 th July, 2023	Seeks to amend notification No. 13/2017- Central Tax (Rate) so as to notify change in GST with regards to services as recommended by GST Council in its 50 th meeting held on 11 th July, 2023. https://taxinformation.cbic.gov.in/view-pdf/1009785/ENG/Notifications
09/2023	26 th July, 2023	Seeks to amend notification No. 01/2017- Central Tax (Rate) to implement the decisions of 50 th GST Council Meeting. https://taxinformation.cbic.gov.in/view-pdf/1009786/ENG/Notifications
10/2023	26 th July, 2023	Seeks to amend notification No. 26/2018- Central Tax (Rate) to implement the decisions of 50 th GST Council Meeting. https://taxinformation.cbic.gov.in/view-pdf/1009787/ENG/Notifications

INTEGRATED TAX NOTIFICATIONS

Number	Date	Subject
01/2023	31 st July, 2023	Seeks to notify all goods or services which may be exported on payment of integrated tax and on which the supplier of such goods or services may claim the refund of tax so paid. https://taxinformation.cbic.gov.in/view-pdf/1009814/ENG/Notifications

INTEGRATED TAX (RATE) NOTIFICATIONS

Number	Date	Subject
06/2023	26 th July, 2023	Seeks to amend notification No. 08/2017- Integrated Tax (Rate) so as to notify change in GST with regards to services as recommended by GST Council in its 50 th meeting held on 11 th July, 2023. https://taxinformation.cbic.gov.in/view-pdf/1009788/ENG/Notifications
07/2023	26 th July, 2023	Seeks to amend notification No. 09/2017- Integrated Tax (Rate) so as to notify change in GST with regards to services as recommended by GST Council in its 50 th meeting held on 11 th July, 2023. https://taxinformation.cbic.gov.in/view-pdf/1009789/ENG/Notifications
08/2023	26 th July, 2023	Seeks to amend notification No. 10/2017- Integrated Tax (Rate) so as to notify change in GST with regards to services as recommended by GST Council in its 50 th meeting held on 11 th July, 2023. https://taxinformation.cbic.gov.in/view-pdf/1009790/ENG/Notifications
09/2023	26 th July, 2023	Seeks to amend No. 01/2017- Integrated Tax (Rate) to implement the decisions of 50 th GST Council Meeting. https://taxinformation.cbic.gov.in/view-pdf/1009791/ENG/Notifications
10/2023	26 th July, 2023	Seeks to amend No. 27/2018- Integrated Tax (Rate) to implement the decisions of 50 th GST Council Meeting. https://taxinformation.cbic.gov.in/view-pdf/1009792/ENG/Notifications

CIRCULARS

CIRCULAR NO 192/04/2023-GST DATED 17TH JULY, 2023

Clarification on charging of interest under section 50(3) of the CGST Act, 2017, in cases of wrong availment of IGST credit and reversal thereof.

As per section 50(3) of CGST Act, 2017, if the registered person has wrongly availed and utilised the Input Tax Credit (ITC), then he shall be liable to pay interest at the rate not exceeding 24% on the amount of ITC wrongly availed and utilised.

As per explanation provided in sub-rule (3) of rule 88B of CGST Rules, ITC shall be construed to have been utilised, when the balance in the electronic credit ledger falls below the amount of ITC wrongly availed. Further, the extent of such utilisation of ITC shall be such amount by which the balance in electronic credit ledger falls below the amount of ITC wrongly availed.

Issue

In the cases of wrong availment of IGST credit by a registered person and reversal thereof, for the calculation of interest under rule 88B of CGST Rules, whether the balance of ITC available in electronic credit ledger under the head of IGST only needs to be considered or total ITC available in electronic credit ledger, under the heads of IGST, CGST, SGST and Compensation Cess taken together, has to be considered.

Clarification

The total ITC available in electronic credit ledger, under the heads of IGST, CGST and SGST taken together shall be considered -

- for calculation of interest under rule 88B,
- for determining as to whether the balance in the electronic credit ledger has fallen below the amount of wrongly availed ITC of IGST, and
- for determining to what extent, balance in electronic credit ledger has fallen below the said amount of wrongly availed credit.

As credit of compensation cess cannot be utilized for payment of any tax under CGST or SGST or IGST heads and/or reversals of credit under the said heads. Accordingly, credit of compensation cess available in electronic credit ledger cannot be taken into account while considering the balance of electronic credit ledger for the purpose of calculation of interest under sub-rule (3) of rule 88B of CGST Rules in respect of wrongly availed and utilized IGST, CGST or SGST credit.

For more details, please refer <https://taxinformation.cbic.gov.in/view-pdf/1003166/ENG/Circulars>

CIRCULAR NO. 193/05/2023-GST DATED 17TH JULY, 2023

Clarification to deal with difference in Input Tax Credit (ITC) availed in FORM GSTR-3B as compared to that detailed in FORM GSTR-2A for the period 01.04.2019 to 31.12.2021.

Restrictions regarding availment of ITC by the registered persons up to certain specified limit beyond the ITC available as per FORM GSTR-2A were provided under rule 36(4) of CGST Rules, 2017 w.e.f. 9th October 2019.

The said rule allowed availment of ITC by a registered person in respect of invoices or debit notes, the details of which have not been furnished by the suppliers in FORM GSTR-1 or using the invoice furnishing facility (IFF), to the extent not exceeding 20% of the eligible credit available in respect of invoices or debit notes the details of which have been furnished by the suppliers in FORM GSTR-1 or using the IFF. The said limit was brought down to 10% w.e.f. 01.01.2020 and further reduced to 5% w.e.f. 01.01.2021.

Vide Circular No. 183/15/2022-GST dated 27th December, 2022, clarification was issued for dealing with the difference in ITC availed in FORM GSTR-3B as compared to that detailed in FORM GSTR-2A for FY 2017-18 and 2018-19, subject to certain terms and conditions.

Period	Applicability of guidelines provided by Circular No. 183/15/2022-GST dated 27 th December, 2022
01.04.2019 to 08.10.2019	Since rule 36(4) came into effect from 09.10.2019 only, hence, the guidelines provided by Circular shall be applicable as a whole.
09.10.2019 to 31.12.2019	The guidelines provided by Circular shall be applicable for verification of the condition of section 16(2)(c) related to payment of tax charged to the Government subject to the fulfilment of condition as specified in rule 36(4) as applicable during that period.
01.01.2020 to 31.12.2020	
01.01.2021 to 31.12.2021	

For more details, please refer <https://taxinformation.cbic.gov.in/view-pdf/1003167/ENG/Circulars>

CIRCULAR NO 194/06/2023-GST DATED 17TH JULY, 2023

Clarification on TCS liability under Sec 52 of the CGST Act, 2017 in case of multiple E-commerce Operators (ECOs) in one transaction.

Where multiple ECOs are involved in a single transaction of supply of goods or services or both through ECO platform, the compliances under section 52 including collection of TCS will be done as follows:

Where the supplier-side ECO himself is not the supplier in the said supply

In such a situation, the compliances under section 52 of the CGST Act, 2017 including collection of TCS is to be done by the supplier-side ECO who releases payment to the supplier for a particular supply made by the supplier through him.

In this case, the buyer-side ECO will neither be required to collect TCS nor will be required to make other compliances in accordance with section 52 of CGST Act with respect to that supply.

Example: Buyer-side ECO collects payment from the buyer, deducts its fees/commissions and remits the balance to Seller-side ECO. Here, the Seller-side ECO will release the payment to the supplier after deduction of his fees/commissions and therefore will also be required to collect TCS, as applicable and pay the same to the Government in accordance with section 52 of CGST Act and also make other compliances under section 52 of CGST Act.

Where the supplier-side ECO is himself the supplier of the said supply

In such a situation, TCS is to be collected by the Buyer-side ECO while making payment to the supplier for the particular supply being made through it.

Example: Buyer-side ECO collects payment from the buyer, deducts its fees and remits the balance to the supplier (who is itself an ECO as per the definition in Sec 2(45) of the CGST Act). In this scenario, the Buyer-side ECO will also be required to collect TCS, as applicable, pay the same to the Government in accordance with section 52 of CGST Act and also make other compliances under section 52 of CGST Act.

For more details, please refer <https://taxinformation.cbic.gov.in/view-pdf/1003168/ENG/Circulars>

CIRCULAR NO 195/07/2023-GST DATED 17TH JULY, 2023

Clarification on availability of ITC in respect of warranty replacement of parts and repair services during warranty period.

Case 1: The original equipment manufacturer offers warranty for the goods supplied by him to the customer and provides replacement of parts and/ or repair services to the customer during the warranty

The value of original supply of goods (provided along with warranty) by the manufacturer to the customer includes the likely cost of replacement of parts and / or repair services to be incurred during the warranty period, on which tax would have already been paid at the time of original supply of goods.

Therefore, in cases where no separate consideration is charged by the manufacturer at the time of such replacement/repair services, no GST is to be levied on such replacement of parts and/ or repair service during warranty period. However, GST is levied in case additional consideration is charged for the same.

Case 2: The distributor provides replacement of parts and/ or repair services to the customer as part of warranty on behalf of the manufacturer without charging any consideration from the customer

Where no consideration is charged by the distributor from the customer, no GST is payable by the distributor on the said replacement/repair services provided during warranty period. In case additional consideration is charged, GST shall be payable.

Case 3: The distributor provides repair service, in addition to replacement of parts or otherwise, to the customer without any consideration, as part of warranty, on behalf of the manufacturer but charges the manufacturer for such repair services

In such scenario, there is a supply of service by the distributor and the manufacturer is the recipient of such supply of repair services in accordance with the provisions of sub-clause (a) of clause (93) to section 2 of the CGST Act, 2017.

Hence, GST would be payable on such provision of service by the distributor to the manufacturer and the manufacturer would be entitled to avail the ITC of the same, subject to other conditions of CGST Act.

Case 4: Extended warranty services provided by manufacturers/distributors to the customers which can be availed at the time of original supply or before the expiry of standard warranty period

If the customer enters into an agreement for extended warranty at the time of original supply, then it would be considered as composite supply (principal supply being supply of goods). GST would be payable on the consideration for such extended warranty along with the principal supply at the rate applicable on the principal supply.

If the customer enters into an agreement for extended warranty at any time after the original supply, then it would be considered as separate contract. GST would be payable by the service provider whether it be manufacturer or distributor or any third party depending on the nature of the contract.

For more details, please refer <https://taxinformation.cbic.gov.in/view-pdf/1003169/ENG/Circulars>

CIRCULAR NO 196/08/2023-GST DATED 17TH JULY, 2023

Clarification on taxability of shares held in a subsidiary company by the holding company.

Securities are considered neither goods nor services in terms of definition of goods under clause (52) of section 2 of CGST Act and the definition of services under clause (102) of the said section. Further, securities include 'shares' as per definition of securities under clause (h) of section 2 of Securities Contracts (Regulation) Act, 1956.

This implies that the securities held by the holding company in the subsidiary company are neither goods nor services. Further, purchase or sale of shares or securities, in itself is neither a supply of goods nor a supply of services. For a transaction/activity to be treated as supply of services, there must be a supply as defined under section 7 of CGST Act. It cannot be said that a service is being provided by the holding company to the subsidiary company, solely on the basis that there is a SAC entry '997171' in the scheme of classification of services mentioning; "the services provided by holding companies, i.e. holding securities of (or other equity interests in) companies and enterprises for the purpose of owning a controlling interest", unless there is a supply of services by the holding company to the subsidiary company in accordance with section 7 of CGST Act.

Therefore, the activity of holding of shares of subsidiary company by the holding company per se cannot be treated as a supply of services by a holding company to the said subsidiary company and cannot be taxed under GST.

For more details, please refer <https://taxinformation.cbic.gov.in/view-pdf/1003170/ENG/Circulars>

CIRCULAR NO 197/09/2023-GST DATED 17TH JULY, 2023

Clarification on refund related issues.

It was decided *vide* Circular No.135/05/2020-GST dated the 31st March, 2020 that the refund of accumulated ITC shall be restricted to the ITC as per those invoices, the details of which are uploaded by the supplier in FORM GSTR-1 and are reflected in the FORM GSTR-2A of the applicant. Now, it has been decided that since the availment of ITC has been linked to GSTR-2B w.e.f. 01.01.2022 by amending rule 36(4), availability of refund of the accumulated ITC under section 54(3) of CGST Act for a tax period shall be restricted to ITC as per those invoices, the details of which are reflected in FORM GSTR-2B of the applicant for the said tax period or for any of the previous tax periods and on which the ITC is available to the applicant.

It has been further clarified that as the amendment in section 16(2)(aa) and rule 36(4) has been brought from 01.01.2022, the restriction regarding the admissibility of refund on the basis of GSTR-2B for the said tax period or for any of the previous tax period shall be applicable for refunds claim for the tax period from January 2022 onwards. Where the refund claims relating to the tax period from January, 2022 onwards has been disposed by the proper officer before the issuance of the circular, in accordance with the extant guidelines in force, the same shall not be reopened because of this clarification.

For more details, please refer <https://taxinformation.cbic.gov.in/view-pdf/1003171/ENG/Circulars>

CIRCULAR NO 198/10/2023-GST DATED 17TH JULY, 2023

Clarification on issue pertaining to e-invoice.

Issue

Whether e-invoicing is applicable for supplies made by a registered person, whose turnover exceeds the prescribed threshold for generation of e-invoicing, to Government Departments or establishments/ Government agencies/ local authorities/ PSUs which are registered solely for the purpose of deduction of tax at source as per provisions of section 51 of the CGST Act?

Clarification

Government Departments or establishments/ Government agencies/ local authorities/ PSUs, registered solely for the purpose of deduction of tax at source as per provisions of section 51 of the CGST Act, are to be treated as registered persons under the GST law as per provisions of clause (94) of section 2 of CGST Act.

Accordingly, the registered person, whose turnover exceeds the prescribed threshold for generation of e-invoicing, is required to issue e-invoices for the supplies made to such Government Departments or establishments/ Government agencies/ local authorities/ PSUs, etc under rule 48(4) of CGST Rules.

For more details, please refer <https://taxinformation.cbic.gov.in/view-pdf/1003172/ENG/Circulars>

CIRCULAR NO 199/11/2023-GST DATED 17TH JULY, 2023

Clarification regarding taxability of services provided by an office of an organisation in one State to the office of that organisation in another State, both being distinct persons.

Issue

Whether HO can avail the ITC in respect of common input services procured from a third party but attributable to both HO and BOs or exclusively to one or more BOs, issue tax invoices under section 31 to the said BOs for the said input services and the BOs can then avail the ITC for the same or whether is it mandatory for the HO to follow the Input Service Distributor (ISD) mechanism for distribution of such ITC?

Clarification

Input services procured from the third party for the entire organization by HO but attributable to both HO and BOs or exclusively to one or more BOs

HO has an option to distribute ITC in respect of such common input services by following ISD mechanism or it can issue tax invoice under section 31 of CGST Act to the concerned BOs and the BOs can then avail ITC on such common ITC subject to the provisions of section 16 and 17 of CGST Act.

However, the distribution of ITC in respect a common input services procured from a third party can be made by the HO to a BO through ISD mechanism only if -

- it gets itself registered mandatorily as an ISD in accordance with section 24(viii) of the CGST Act, and
- the said input services are attributable to the said BO or have actually been provided to the said BO

In respect of internally generated services provided by the HO to BOs, whether the cost of all components including salary cost of HO employees involved in providing the said services has to be included in the computation of value of services provided by HO to BOs when full input tax credit is available to the BOs

In such cases, the value declared in the invoice by HO shall be deemed to be the open market value of such services, in terms of second proviso to rule 28 of CGST Rules, irrespective of the fact whether cost of any particular component of such services, like employee cost etc., has been included or not in the value of the services in the invoice.

If HO has not issued a tax invoice to the BO in respect of any particular services being rendered by HO to the said BO, the value of such services may be deemed to be declared as Nil by HO to BO, and may be deemed as open market value in terms of second proviso to rule 28 of CGST Rules.

In respect of internally generated services provided by the HO to BO, where HO is issuing tax invoice to the BOs and full ITC is not available to the concerned BO

In such cases, the cost of salary of employees of the HO, involved in providing services to BOs is not mandatorily required to be included while computing the taxable value of supply of services.

For more details, please refer <https://taxinformation.cbic.gov.in/view-pdf/1003173/ENG/Circulars>



GST PORTAL UPDATES

GEOCODING FUNCTIONALITY NOW LIVE FOR ALL STATES AND UNION TERRITORIES

The functionality for geocoding the principal place of business address is now live for all States and Union territories. This feature, which converts an address or description of a location into geographic coordinates, has been introduced to ensure the accuracy of address details in GSTN records and streamline the address location and verification process.

GSTN has successfully geocoded more than 1.8 crore addresses of principal places of business. Furthermore, all new addresses post-March 2022 are geocoded at the time of registration itself, ensuring the accuracy and standardization of address data from the outset.

How taxpayers can access and use this functionality:

Accessing the Functionality: Taxpayers can find this functionality under the Services/Registration tab in the FO portal.

Using the Functionality: The system-generated geocoded address will be displayed, and taxpayers can either accept it or update it as per their requirements. In cases where the system-generated geocoded address is unavailable, a blank will be displayed, and taxpayers can directly update the geocoded address.

Viewing the Geocoded Address: The geocoded address details will be saved separately under the “Place of Business” tab on the portal. They can be viewed under My profile>>Place of Business tab under the heading “Principal Geocoded” after logging into the portal. Please note that this will not change your existing addresses.

One-time Activity: The geocoding link will not be visible on the portal once the geocoding details are submitted by taxpayers. This is a one-time activity, and once submitted, revision in the address is not allowed. The functionality will not be visible to the taxpayers who have already geocoded their address through new registration or core amendment. Please note that the address appearing on the registration certificate can be changed only through the core amendment process. This geocoding functionality would not impact the previously saved address record.

Availability: This functionality is available for normal, composition, SEZ units, SEZ developers, ISD and casual taxpayers who are active, cancelled and suspended.

Source: <https://www.gst.gov.in/newsandupdates/read/594>

E-INVOICE EXEMPTION DECELERATION FUNCTIONALITY NOW AVAILABLE

The e-Invoice Exemption Declaration functionality is now live on the e-Invoice portal. This functionality is specifically designed for taxpayers who are by default enabled for e-invoicing but are exempted from implementing it under the CGST Rules.

Salient features of this functionality are:

The e-Invoice Exemption Declaration functionality is voluntary and can be accessed at the e-Invoice portal (www.einvoice.gst.gov.in).

This functionality is applicable to taxpayers who are exempted from e-Invoicing as per the provisions of the CGST Rules.

It is important to note that any declaration made using this functionality will not change the e-Invoice enablement status of the taxpayer.

The responsibility to take decision *vis-a-vis* exemption with reference to various Notifications issued by the Government and report on the portal is of the person.

The facility to report exemption declaration is purely for business facilitation purposes.

Source: <https://www.gst.gov.in/newsandupdates/read/596>



GST IN NEWS

Geotagging may become must for GST registrations

The Central Board of Indirect Taxes and Customs (CBIC) is looking to further strengthen the process of Goods and Services Tax registration by using geotagging for verification. The Board is also planning to use biometric authentication for the existing registration, which it found suspicious or risky, its Chairman Shri Vivek Johri said.

“In the past it was found that an office place was created just for verification and it was not there subsequently. To prevent this, the geotagging location of the office of an entity will be made mandatory,” he said.

The Board has already initiated a pilot in some States to geotag the address for the exact location. Geotagging functionality is being rolled out in phases, and as of now, is only available to taxpayers registered in Delhi and Haryana.

He added that once the pilot is complete, the report may be submitted to the GST Council to make it mandatory post the Council’s approval.

“We are now going in for biometric authentication so that we can be absolutely certain that this is the person whose Aadhaar card has been used,” Shri Johri said.

The move comes after an ongoing two-month drive against fake GST registration in which the authorities detected rampant misuse of PAN and Aadhaar for fake GST registration.

Source: <https://economictimes.indiatimes.com/news/economy/policy/geotagging-may-become-must-for-gst-registrations/articleshow/101438613.cms>

50th GST Council meeting: FM Smt. Nirmala Sitharaman releases special cover, customised myStamp

Union Finance Minister Smt. Nirmala Sitharaman released a special cover and customised myStamp on the occasion of the 50th GST Council meeting. Chief Post Master General, Delhi Circle presented the special cover and the customised myStamp to Smt. Sitharaman.

According to the text on the customised myStamp, GST **“replaced multiple indirect taxes levied by the Centre and the States with a single tax”**. It further said the introduction of GST reduced the cascading effects of taxation and improved the ease of doing business in India.

The myStamp also stated that GST ushered in uniformity in tax rates across India, simplification of tax compliance procedures, and increased transparency. Finance Minister Smt. Sitharaman also released a short film titled **“GST Council- 50 Steps Towards A Journey”** on the occasion.

Source: <https://www.businesstoday.in/latest/economy/story/50th-gst-council-meeting-fm-nirmala-sitharaman-releases-special-cover-customised-mystamp-check-pics-here-389182-2023-07-11>

Govt. may seek cut in ghee, butter GST

The Government may propose reducing GST on ghee and butter to 5% from the current 12%.

The plan comes as retail milk prices have risen by 10.1% in a year and 21.9% over the past three years due to higher feed and fodder costs for cattle.

“If you put ghee under the luxury product category, under a 12% GST slab, it pinches pockets of consumers as well as farmers. India is meeting 70% of its edible oil consumption by importing palm oil, which is placed under a 5% GST slab,” said Indian Dairy Association President Shri Rupinder Singh Sodhi. *“A 12% GST translates to ₹70 per kg, and to make a kg of ghee, it requires 12-14 litres of milk. Where farmers could get ₹5-6 more on milk price, they end up spending more because of the 12% GST on ghee. The government is basically taxing not only consumers but also farmers.”*

“The GST on ghee and butter should be equal to cooking oil, which is 5%, so that farmers get the right price for their agricultural produce,” Shri Sodhi said.

Lowering GST on ghee would not only benefit farmers but also help arrest the upward trend in inflation. A reduction in ghee prices would also help curb adulteration and allow farmers to reduce retail prices for milk.

“We are focusing more on ghee because white butter is prepared in winter and stored, and during summer, skimmed milk powder and white butter are recombined and milk is produced. This milk is sold in the market,” Sodhi said. While milk is exempt from GST, milk powder attracts a 5% rate.

Source: <https://www.livemint.com/economy/govt-may-seek-cut-in-ghee-butter-gst-11689274913933.html>

GST hike on SUVs unlikely to put the brakes on auto sales

The GST hike on SUVs may have a negligible effect on overall sales. Industry observers say demand for MPVs makes up for less than 12% of auto sales and that could be the reason for the effect being very limited on the auto sector.

The GST Council in its 50th meeting decided to revise the tax structure for various industries. This included redefining the Sports Utility Vehicle (SUV) segment and levying an additional 2% cess, which now takes up the total cess to 22% from the existing 20%. The levy is in addition to the 28% GST rate for vehicles sold in India.

The GST Council has included all Utility Vehicles— SUV, MUV, MPV, and so on. It defines all vehicles that measure more than 4000mm in length, have an engine displacement of more than 1.5 litres, and with a ground clearance of 170mm or more will attract a 22% compensation cess over and above 28% GST. This move once implemented will make the select SUVs, one of the highest taxed products in the country at 50% (22% cess + 28% GST).

Source: <https://www.financialexpress.com/business/express-mobility-gst-hike-on-suvs-unlikely-to-put-a-brake-on-auto-sales-3167352/>

18% GST applicable on Battery Charging for Electric Vehicles, says Karnataka AAR

Charging batteries used in electric vehicles will attract 18% GST, according to the Karnataka Authority for Advance Ruling (AAR).

The question before the AAR was whether charging of battery is a supply of goods or a supply of services. The supply of goods would attract no GST, while the supply of services would attract 18% GST.

The ruling may seem to be negative for those setting up battery-charging units if the instant case is considered as precedent in the court of law but experts said some companies may find it positive since ITC is available. If nil GST were imposed, ITC would not have been given for taxes paid on inputs for setting up the station and supply of electricity, according to the report.

Source: <https://www.news18.com/business/18-gst-applicable-on-battery-charging-for-electric-vehicles-says-karnataka-aar-8382643.html>

COMPLIANCE CALENDAR

Forms	Period	Due Date	Remarks
GSTR-1	Jul, 2023	Aug 11, 2023	Turnover exceeding ₹5 Crore or opted to file monthly return
GSTR-1	Jul-Sept, 2023	Oct 13, 2023	Opted for quarterly filing as per QRMP scheme
IFF (Optional)	Jul, 2023	Aug 13, 2023	IFF is a facility where quarterly GSTR-1 filers can choose to upload their B2B invoices every month, currently under the QRMP Scheme
GSTR-3B [§]	Jul, 2023	Aug 20, 2023	Turnover exceeding ₹5 Crore or opted to file monthly return
GSTR-3B [#]	Jul-Sept, 2023	Oct 22/ 24, 2023	Opted for quarterly filing as per QRMP scheme
CMP-08	Jul-Sept, 2023	Oct 18, 2023	Quarterly statement-cum-challan to make tax payment by taxpayers registered under the composition scheme
GSTR-5	Jul, 2023	Aug 13, 2023	Monthly return for Non-resident taxable persons
GSTR-5A	Jul, 2023	Aug 20, 2023	Monthly return for Non-resident OIDAR services providers
GSTR-6	Jul, 2023	Aug 13, 2023	Monthly return for Input Service Distributors
GSTR-7	Jul, 2023	Aug 10, 2023	Monthly return for authorities liable to deduct tax at source (TDS)
GSTR-8	Jul, 2023	Aug 10, 2023	Monthly return for e-Commerce Operators liable to collect tax at source (TCS)
GSTR-9*	FY 2022-23	Dec 31, 2023	Annual return for normal taxpayers
GSTR-9C**	FY 2022-23	Dec 31, 2023	Annual reconciliation statement
RFD-10	-	-	Eighteen months after end of the quarter for which refund is to be claimed

[§]GSTR-3B

20th of next month for taxpayers with an aggregate turnover in the previous financial year more than ₹5 crore or otherwise eligible but still opting out of the QRMP scheme.

#GSTR-3B

For the taxpayers with aggregate turnover equal to or below ₹5 crore, eligible and remaining opted into the QRMP scheme, 22nd of month next to the quarter for taxpayers in category X States/UTs and 24th of month next to the quarter for taxpayers in category Y States/UTs

- **Category X:** Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana and Andhra Pradesh, the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands and Lakshadweep.
- **Category Y:** Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand and Odisha, the Union Territories of Jammu and Kashmir, Ladakh, Chandigarh and Delhi.

*GSTR-9

GSTR-9 is the annual return to be filed by every GST registered taxpayer irrespective of their turnover.

Taxpayers having annual aggregate turnover up to ₹2 Crores are exempted from filing GSTR-9 for FY 2022-23 vide Notification No.32/2023-Central Tax dated 31st July, 2023.

**GSTR-9C

GSTR-9C is the reconciliation statement to be submitted by those GST registered taxpayers whose annual aggregate turnover during the financial year is more than ₹5 crore.

Source: <https://www.gst.gov.in/>



GST QUIZ

1. As per section 50(3) of CGST Act, 2017, if the registered person has wrongly availed and utilised the Input Tax Credit (ITC), then he shall be liable to pay interest at the rate not exceeding _____ on the amount of ITC wrongly availed and utilised.

- a) 12%
- b) 18%
- c) 24%
- d) 28%

2. The registered persons having annual aggregate turnover up to ₹ _____ crore are exempted from filing annual return for the FY 2022-23.

- a) 1
- b) 2
- c) 3
- d) 4

3. Input Tax Credit of Compensation Cess can be utilized for payment of tax under which of the following heads?

- a) CGST
- b) SGST
- c) IGST
- d) None of the above

4. Where registered person is intimated the difference in outward supplies declared as per FORM GSTR-1 and FORM GSTR-3B in Part A of FORM DRC-01B, the registered person has the option to _____

- a) pay the differential tax liability along with interest through FORM GST DRC-03
- b) explain the difference in tax payable, on common portal
- c) choose a combination of both (a) and (b) i.e., pay the accepted difference and provide explanation relating to the remaining amount
- d) all the above options are available

Answers: 1(c), 2(b), 3(d), 4(d)

Motto

सत्यं वद। धर्मं चर।
इष्टकारे तेह त्वाके. ब्रह्मैव हेतु तेह त्वा.

Vision

"To be a global leader in promoting
good corporate governance"

Mission

"To develop high calibre professionals
facilitating good corporate governance"



**THE INSTITUTE OF
Company Secretaries of India**

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

(Under the jurisdiction of Ministry of Corporate Affairs)

ICSI House, 22, Institutional Area, Lodi Road, New Delhi 110 003

tel 011-4534 1000 email info@icsi.edu website www.icsi.edu

Connect with ICSI

www.icsi.edu



Online Helpdesk : <http://support.icsi.edu>