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C O N T E N T S

GST Collection Updates	1
Trends in GST Collection and E-way Bills Generated	2
Notifications	3
Special All-India Drive against Fake Registrations	5
SOP for Scrutiny of Returns from FY 2019-20 Onwards	7
GST Portal Updates	11
GST in News	13
Compliance Calendar	17
GST Quiz	19



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GST COLLECTION UPDATES

₹1,57,090 crore gross GST revenue collected for May 2023

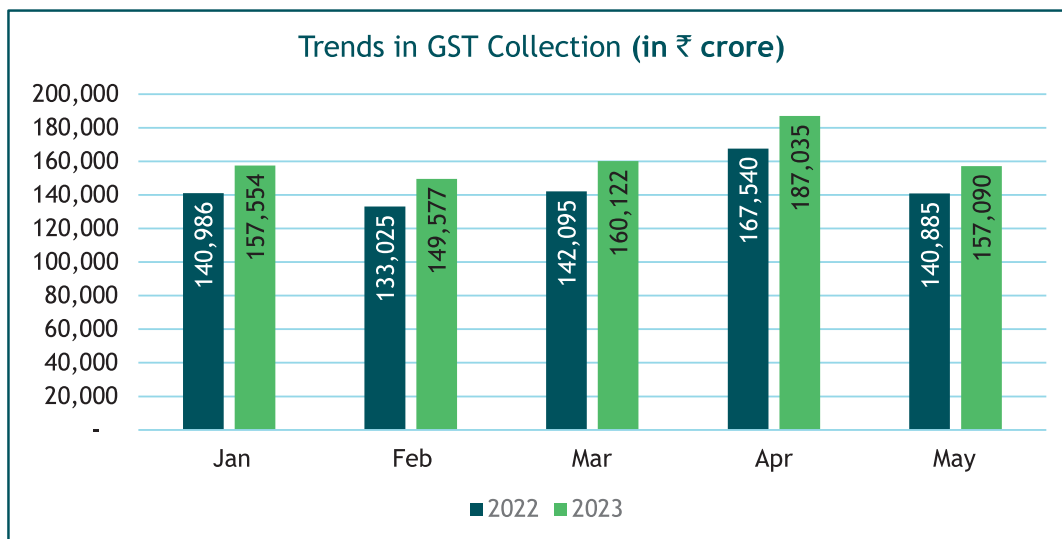
Monthly GST revenues more than ₹1.4 lakh crore for 14 months in a row, with ₹1.5 lakh crore crossed for the 5th time since inception of GST.

The gross Good & Services Tax (GST) revenue collected in the month of May, 2023 is **₹1,57,090 crore** of which CGST is **₹28,411 crore**, SGST is **₹35,828 crore**, IGST is **₹81,363 crore** (including ₹41,772 crore collected on import of goods) and cess is **₹11,489 crore** (including ₹1,057 crore collected on import of goods).

The Government has settled ₹35,369 crore to CGST and ₹29,769 crore to SGST from IGST. The total revenue of Centre and the States in the month of May 2023 after regular settlement is ₹63,780 crore for CGST and ₹65,597 crore for the SGST.

The revenues for the month of May 2023 are 12% higher than the GST revenues in the same month last year. During the month, revenue from import of goods is 12% higher and the revenues from domestic transactions (including import of services) are 11% higher than the revenues from these sources during the same month last year.

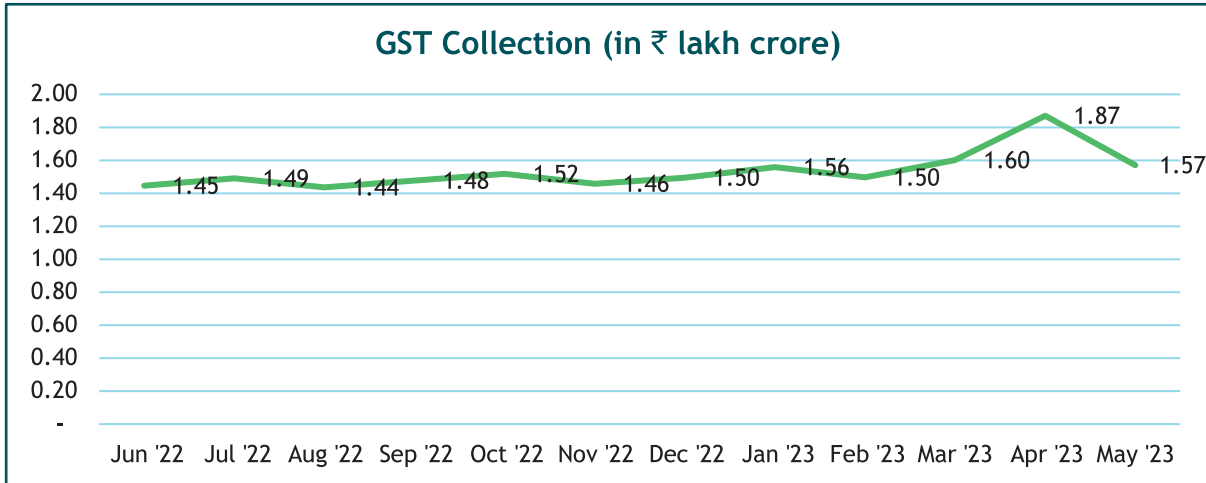
The chart below shows trends in monthly gross GST revenues during the current year.



Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=1929031>

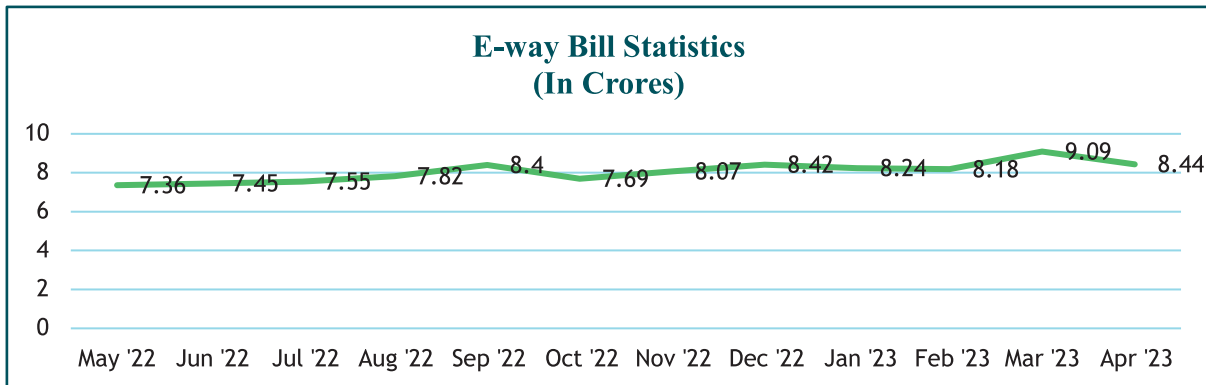
TRENDS IN GST COLLECTION AND E-WAY BILLS GENERATED

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 Jun '22 (as per PIB release) reflects the transactions conducted in May '22. Therefore, in the above charts e-way bills generated in May '22 is shown corresponding to the GST Revenue collection for June '22 and so on.

NOTIFICATIONS

NOTIFICATION NO. 05/2023-CENTRAL TAX (RATE) DATED 9TH MAY, 2023

The last date for exercise of option by Goods Transport Agency (GTA) to pay GST under forward charge for the FY 2023-24 was extended till May 31, 2023.

As per Notification No. 11/2017-Central Tax (Rate) dated 28th June, 2017, GTA means any person who provides service in relation to transport of goods by road and issues consignment note, by whatever name called. This means, while others might also hire out vehicles for goods transportation, only those issuing a consignment note are considered as a GTA. Thus, a consignment note is an essential condition to be considered as a GTA.

A consignment note is a document issued by a GTA against the receipt of goods for the purpose of transporting the goods by road in a goods carriage. Issue of consignment note means that the lien on the goods has been transferred to the transporter and he is responsible for the safe delivery of the goods to the consignee.

GTA has an option to pay GST under forward charge (5% without ITC or 12% with ITC) or reverse charge (5% without ITC). GTA has to exercise the option to pay GST under forward charge for a financial year by making a declaration in Annexure V by 15th March of the preceding financial year [Notification No. 11/2017-Central Tax (Rate) dated June 28, 2017 amended vide Notification No. 3/2022-Central Tax (Rate) dated July 13, 2022].

GTA which commences new business or crosses threshold for registration during any Financial Year, may exercise the option to itself pay GST on the services supplied by it during that Financial Year by making a declaration in Annexure V before the expiry of forty-five days from the date of applying for GST registration or one month from the date of obtaining registration whichever is later.

Note: Similar notification has also been issued under Union Territory Tax (Rate) and Integrated Tax (Rate).

Source : Explore - <https://www.cbic.gov.in/>

NOTIFICATION NO. 10/2023 -CENTRAL TAX DATED 10TH MAY, 2023

The threshold limit of aggregate turnover for the applicability of e-invoicing provisions has been reduced from ₹10 crores to ₹5 crores with effect from August 1, 2023.

Therefore, registered persons having an aggregate turnover of more than ₹5 crores in any preceding financial year from 2017-18 onwards will be liable to generate e-invoice with effect from August 1, 2023

(initially this aggregate turnover limit was ₹500 crores applicable from October 01, 2020 which was then reduced to ₹100 crores from January 01, 2021, ₹50 crores from April 01, 2021, ₹20 crores from April 01, 2022 and ₹10 crores from October 1, 2022).

E-invoice is required for invoices, credit notes, and debit notes issued by a registered person, other than

- SEZ units,
- Insurer/ banking company/ financial institution, including a NBFC,
- Goods Transport Agency (GTA),
- Suppliers of passenger transportation service,
- Suppliers of services by way of admission to exhibition of cinematograph films in multiplex screens,
- Government department, and
- Local authority.

Source : Explore - <https://www.cbic.gov.in/>

NOTIFICATION NO. 11/2023 -CENTRAL TAX DATED 24TH MAY, 2023

This notification seeks to extend the due date for furnishing **FORM GSTR-1** for April, 2023 for registered persons whose principal place of business is in the State of Manipur from May 11, 2023 to May 31, 2023.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1009740/ENG/Notifications>

NOTIFICATION NO. 12/2023 -CENTRAL TAX DATED 24TH MAY, 2023

This notification seeks to extend the due date for furnishing **FORM GSTR-3B** for April, 2023 for registered persons whose principal place of business is in the State of Manipur from May 11/ 24, 2023 to May 31, 2023.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1009741/ENG/Notifications>

NOTIFICATION NO. 13/2023 -CENTRAL TAX DATED 24TH MAY, 2023

This notification seeks to extend the due date for furnishing **FORM GSTR-7** for April, 2023 for registered persons whose principal place of business is in the State of Manipur from May 10, 2023 to May 31, 2023.

Source : Explore - <https://www.cbic.gov.in/>

SPECIAL ALL-INDIA DRIVE AGAINST FAKE REGISTRATIONS

The CBIC *vide* Instruction No. 01/2023-GST dated May 4, 2023 has issued the guidelines for Special All-India Drive against fake registrations.

In the National Co-ordination Meeting held on 24th April 2023, it was agreed that a nation-wide effort in the form of a Special Drive should be launched on All-India basis to detect suspicious/ fake registrations and to conduct requisite verification for timely remedial action to prevent any further revenue loss to the Government. It was decided that common guidelines may be issued to ensure uniformity in the action by the field formations and for effective coordination and monitoring of the action taken during this Special Drive.

Accordingly, the following guidelines are issued for such concerted action on fake dealers/ fake billers in a mission mode:

- (i) **Period of Special Drive:** A Special All-India Drive may be launched by all Central and State Tax administrations during the period 16th May 2023 to 15th July 2023 to detect suspicious / fake GSTINs and to conduct requisite verification and further remedial action to weed out these fake billers from the GST eco-system and to safeguard Government revenue.
- (ii) **Identification of fraudulent GSTINs:** Based on detailed data analytics and risk parameters, GSTN will identify such fraudulent GSTINs for State and Central Tax authorities. GSTN will share the details of such identified suspicious GSTINs, jurisdiction wise, with the concerned State/ Central Tax administration (through DGARM in case of Central Tax authorities) for initiating verification drive and conducting necessary action subsequently.

Besides, field formations may also supplement this list by data analysis at their own end using various available analytical tools like BIFA, ADVAIT, NIC Prime, E-Way analytics, etc., as well as through human intelligence, Aadhar database, other local learnings and the experience gained through the past detections and modus operandi alerts. GSTN may separately provide a note to the field formations, regarding the tools available in BIFA which may be useful during this drive.

- (iii) **Information Sharing Mechanism:** Successful implementation of the Special Drive would require close coordination amongst the State Tax administrations, and between State and Central tax administrations. For this purpose, a nodal officer shall be appointed immediately by each of the Zonal CGST Zone and State to ensure seamless flow of data and for coordination with GSTN/ DGARM and other Tax administrations.

The Nodal officer of the State/ CGST Zone will ensure that the data received from GSTN/ DGARM/ other tax administrations is made available to the concerned jurisdictional formation within two days positively. The Nodal officer shall also ensure that any cooperation required by other jurisdictions under his control is promptly provided.

- (iv) **Action to be taken by field formations:** On receipt of data from GSTN/DGARM through the Nodal Officer, a time bound exercise of verification of the suspicious GSTINs shall be undertaken by the concerned jurisdictional tax officer(s). If, after detailed verification, it is found that the taxpayer is non-existent and fictitious, then the tax officer may immediately initiate action for suspension and cancellation of the registration of the said taxpayer in accordance with the provisions of section 29 of CGST Act, read with the rules thereof.

Further, the matter may also be examined for blocking of input tax credit in Electronic Credit Ledger as per the provisions of Rule 86A of CGST Rules without any delay. Additionally, the details of the recipients to whom the input tax credit has been passed by such non-existing taxpayer may be identified through the details furnished in FORM GSTR-1 by the said taxpayer. Where the recipient GSTIN pertains to the jurisdiction of the said tax authority itself, suitable action may be initiated for demand and recovery of the input tax credit wrongly availed by such recipient on the basis of invoice issued by the said non-existing supplier, without underlying supply of goods or services or both. In cases, where the recipient GSTIN pertains to a different tax jurisdiction, the details of the case along with the relevant documents/ evidences, may be sent to the concerned tax authority, as early as possible, through the Nodal Officer.

Action may also be taken to identify the masterminds/ beneficiaries behind such fake GSTIN for further action, where ever required, and also for recovery of Government dues and/ or provisional attachment of property/ bank accounts, etc. as per provisions of section 83 of CGST Act. Further, during the investigation/ verification, if any linked suspicious GSTIN is detected, similar action may be taken/ initiated in respect of the same.

- (v) **Feedback and Reporting Mechanism:** An action taken report will be provided by each of the State as well as CGST Zones to GST Council Secretariat on weekly basis on the first working day after completion of the week. If any novel modus operandi is detected during the verification/ investigation, the same may also be indicated in the said action taken report. On conclusion of the drive, GSTIN-wise feedback on the result of verification of the shared suspicious GSTINs, will be provided by the field formations to GSTN/ DGARM.
- (vi) **National Coordination Committee:** A National Coordination Committee headed by Member [GST], CBIC and including Principal Chief Commissioners/ Chief Commissioners Delhi and Bhopal CGST Zones and Chief Commissioners/ Commissioners of State Tax of Gujarat, West Bengal and Telangana shall monitor the progress of this special drive. National Coordination Committee will meet periodically for this purpose. GST Council Secretariat will act as the secretariat of this National Coordination Committee. The Committee will also be assisted by GSTN and Principal Commissioner, GST Policy Wing, CBIC.

GST Council Secretariat will compile the reports received from various formations and make it available to the National Coordination Committee immediately. The unique modus operandi found during this special drive will be compiled by GST Council Secretariat and presented before National Coordination Committee, which will be subsequently shared with Central and State Tax administrations across the country.

For detailed guidelines please refer <https://taxinformation.cbic.gov.in/view-pdf/1000474/ENG/Instructions>

STANDARD OPERATING PROCEDURE (SOP) FOR SCRUTINY OF RETURNS FROM FY 2019-20 ONWARDS

Instruction No. 02/2022-GST dated 22nd March, 2022 was issued to provide an SOP for scrutiny of returns under section 61 of CGST Act, 2017 read with rule 99 of CGST Rules, 2017 for FY 2017-18 and 2018-19. It was mentioned in the said instruction that the said SOP was issued as an interim measure till the time a Scrutiny Module for online scrutiny of returns is made available on the ACES-GST application.

DG Systems has developed functionality “Scrutiny of Returns”, containing the online workflow for scrutiny of return in the CBIC ACES-GST application. Advisory No. 22/2023>Returns dated 16.05.2023 has also been issued by DG Systems in this regard, along with a User Manual providing for the detailed workflow of the said functionality. The GSTINs selected for scrutiny for the Financial Year 2019-20 have also been made available on the scrutiny dashboard of the proper officers on ACES-GST application.

The functionality provides for the detailed workflow for communication of discrepancies noticed in relation to the details furnished in the returns by the proper officer in **FORM GST ASMT-10** to the registered person, receipt of reply from the registered person in **FORM GST ASMT-11**, issuance of order in **FORM GST ASMT-12** or taking further action for issuance of show cause notice under Section 73 or 74 of CGST Act, 2017 or for referring the matter for Audit or investigation, as the case may be.

In view of this, the SOP for scrutiny of returns provided in the Instruction No. 02/2022-GST dated 22nd March, 2022 stands modified to the following extent in respect of scrutiny of returns from financial year 2019-20 onwards.

Selection of returns for scrutiny and communication of the same to the field formations:

Directorate General of Analytics and Risk Management (DGARM) will select the GSTINs registered with the Central Tax authorities, whose returns are to be scrutinized for a financial year, based on identified risk parameters. The details of GSTINs selected for scrutiny for a financial year will be made available by DGARM through DG Systems on the scrutiny dashboard of the concerned proper officer of Central Tax on ACES-GST application.

The details of the risk parameters, in respect of which risk has been identified for a particular GSTIN, and the amount of tax/ discrepancy involved in respect of the concerned risk parameters (i.e. likely revenue implication), will also be shown on the scrutiny dashboard of the proper officer for their convenience.

Scrutiny Schedule:

The proper officer, with the approval of the divisional Assistant/ Deputy Commissioner, shall finalize a scrutiny schedule in the format specified in Annexure A of Instruction 02/2022-GST dated 22nd March 2022. Such scrutiny schedule will specify month-wise schedule for scrutiny in respect of all the GSTINs selected for scrutiny.

The proper officer shall conduct scrutiny of returns pertaining to minimum of 4 GSTINs per month. Scrutiny of returns of one GSTIN shall mean scrutiny of all returns pertaining to a financial year for which the said GSTIN has been selected for scrutiny.

Process of scrutiny by the proper officer

- The Proper Officer shall scrutinize the returns and related particulars furnished by the registered person to verify the correctness of returns with the help of various returns and statements furnished by the registered person and data/details made available through various sources like DGARM, ADVAIT, GSTN, E-Way Bill Portal, etc.
- At this stage, the proper officer is expected to rely upon the information available with him on records. As far as possible, scrutiny of returns should have minimal interface between the proper officer and the registered person and, there should normally not be any need for seeking documents/ records from the taxpayers before issuance of **FORM GST ASMT-10**.
- The proper officer shall issue a notice to the registered person in **FORM GST ASMT-10** through the scrutiny functionality on ACES-GST application informing him of the discrepancies noticed and seeking his explanation thereto. The notice in **FORM ASMT-10** issued through scrutiny functionality on ACES-GST application shall be communicated by the system to the concerned registered person through common portal. While issuing such notice, the proper officer may, as far as possible, quantify the amount of tax, interest and any other amount payable in relation to such discrepancies after considering payment, if any, already made by the registered person through **FORM DRC-03**. The proper officer shall mention the parameter-wise details of the discrepancies noticed and shall also upload the worksheets and annexures, if any.
- For each GSTIN identified for scrutiny, the proper officer is required to scrutinize all the returns pertaining to the corresponding Financial Year under consideration and a single compiled notice in **FORM GST ASMT-10** may be issued to the registered person for that financial year.
- The registered person may accept the discrepancy communicated to him in **FORM GST ASMT-10** and pay the tax, interest and any other amount arising from such discrepancy and inform the same or may furnish an explanation for the discrepancy in **FORM GST ASMT-11** through the common portal, to the proper officer within the time period prescribed under rule 99 of CGST Rules.
- If the explanation furnished by the registered person or the information submitted in respect of acceptance of discrepancy and payment of dues is found to be acceptable by the proper officer, he shall conclude the proceedings by informing the registered person in **FORM GST ASMT-12**.

- In case no satisfactory explanation is furnished by the registered person in **FORM GST ASMT-11** within a period of 30 days of being informed by the proper officer or such further period as may be permitted by him or where the registered person, after accepting the discrepancies, fails to pay the tax, interest and any other amount arising from such discrepancies, the proper officer, may proceed to determine the tax and other dues under section 73 or section 74 of CGST Act. For proceeding under section 73 or section 74, monetary limits as specified in Circular No. 31/05/2018-GST dated 9th February 2018 shall be adhered to.
- However, if the proper officer is of the opinion that the matter needs to be pursued further through audit or investigation to determine the correct liability of the said registered person, then he may take the approval of the jurisdictional Principal Commissioner / Commissioner through the divisional Assistant / Deputy Commissioner, through e-file or other suitable mode, for referring the matter to the Audit Commissionerate or anti-evasion wing of the Commissionerate, as the case may be.

Timelines for scrutiny of returns:

Scrutiny of returns is to be conducted in a time bound manner, so that the cases may be taken to their logical conclusion and that too expeditiously. In this regard, the following timelines may be observed by all concerned:

S. No.	Process/Event	Timeline/ Frequency
1.	Communication of GSTINs selected for scrutiny by DGARM on ACES GST Application for a financial year	From time to time
2.	Finalization of scrutiny schedule with the approval of the concerned Assistant/ Deputy Commissioner	Within 7 working days of receipt of the details of the concerned GSTINs on ACES-GST application
3.	Issuance of notice by the proper officer for intimating discrepancies in FORM GST ASMT-10 , where required	Within a month, as mentioned in scrutiny schedule for scrutiny for the said GSTIN
4.	Reply by the registered person in FORM GST ASMT-11	Within a period of 30 days of being informed by the proper officer in FORM GST ASMT-10 or such further period as may be permitted by the proper officer
5.	Issuance of order in FORM GST ASMT-12 for acceptance of reply furnished by the registered person, where applicable	Within 30 days from receipt of reply from the registered person in FORM GST ASMT-11

6.	Initiation of appropriate action for determination of the tax and other dues under section 73 or section 74, in cases where no reply is furnished by the registered person	Within a period of 15 days after completion of the period of 30 days of issuance of notice in FORM GST ASMT-10 or such further period as permitted by the proper officer
7.	Initiation of appropriate action for determination of the tax and other dues under section 73 or section 74, in cases where reply is furnished by the registered person, but the same is not found acceptable by the proper officer	Within 30 days from receipt of reply from the registered person in FORM GST ASMT-11
8.	Reference, if any, to the Audit Commissionerate or the anti-evasion wing of the Commissionerate for action, under section 65 or section 66 or section 67, as the case may be	Within 30 days from receipt of reply from the registered person in FORM GST ASMT-11 or within a period of 45 days of issuance of FORM GST ASMT-10 , in case no explanation is furnished by the registered person

Note: Scrutiny functionality has been provided on ACES-GST application only from the Financial Year 2019-20 onwards, the procedure specified in Instruction No. 02/2022 dated March 22, 2022 shall continue to be followed for the scrutiny of returns for the FY 2017-18 and 2018-19.

The detailed instruction can be accessed at the following link:

<https://taxinformation.cbic.gov.in/view-pdf/1000478/ENG/Instructions>



GST PORTAL UPDATES

Advisory for Timely Filing of GST Returns

It has been observed that some taxpayers faced difficulty in filing GSTR-3B of March 2023 period on 20th April 2023. On analysing the reasons, it was noted that large number of tax payers attempted to file GSTR-3B returns in the afternoon of the last day (20.05 lakhs GSTR-3B returns were filed on that day). This resulted in a waiting queue on GST system causing inconvenience to some of the taxpayers.

Around 45% of the returns filed on 20th April, 2023 were either NIL returns (no tax liability and no ITC availment) or were such returns where no tax was paid in cash. These returns could easily have been filed earlier. Further, it is suggested that taxpayers may use SMS filing option to file NIL returns as it would be quicker and a more convenient way to file NIL returns and will also help to reduce queue on the GST system. Taxpayers are therefore advised to file their Form GSTR-3B well in advance to avoid last day rush.

It has also been observed that some taxpayers are uploading large number of invoices (viz upto 27 lakhs) of the past period in single GSTR-1 on the due date of filing. Taxpayers are advised to inculcate a month-wise return filing discipline for all the B2B invoices for the month and avoid reporting invoices of the past period in one go, as such behaviour can adversely impact the queue (waiting time) on the GST system.

It can thus be seen that with better planning of return filing, the difficulty faced by the taxpayers due to last minute rush can be avoided and it would be of help to fellow taxpayers as well. It may also be noted that GSTN has considerably upgraded its infrastructure over a period of time.

Source: <https://www.gst.gov.in/newsandupdates/read/581>

Advisory on due date extension of GST Returns for the state of Manipur

Vide Notifications No. 11/2023 - Central Tax, 12/2023 - Central Tax and 13/2023 - Central Tax, all dated 24th May 2023, the Government has extended the due date of filing GSTR-1, GSTR-3B & GSTR-7 of April 2023 tax period till 31st May 2023 for all the taxpayers having principal place of business in the state of Manipur.

The said changes have been implemented on the GST Portal from 27th May 2023 onwards.

The late fee paid by the taxpayers who have filed their returns before 27th May 2023, shall be credited

into their ledgers. The interest amounts, shown in the next return, if any, may be corrected by the taxpayers themselves, as it is an editable field.

Source: <https://www.gst.gov.in/newsandupdates/read/586>

Advisory on Filing of Declaration in Annexure V by Goods Transport Agency (GTA) opting to pay tax under forward charge mechanism

The GTAs, who commence business or cross registration threshold on or after 1st April, 2023, and wish to opt for payment of tax under forward charge mechanism are required to file their declaration in Annexure V for the FY 2023-24 physically before the concerned jurisdictional authority.

The declaration may be filed within the specified time limits, as prescribed in the Notification. No. 05/2023-Central Tax (Rate), dated May 9, 2023.

Source: <https://www.gst.gov.in/newsandupdates/read/587>



GST IN NEWS

Bringing electricity under GST is likely to take 5-10 years

The proposal to include electricity under GST is likely to take another 5-10 years as States are not yet convinced, and it is still being considered by the GST Council, Shri Sushil Kumar Modi, a member of the Rajya Sabha and former Deputy Chief Minister of Bihar, said in an interview. Besides, bringing petroleum products under GST will not be viable, he added.

Source: <https://www.livemint.com/economy/bringing-electricity-under-gst-is-likely-to-take-5-10-yrs-11685469274235.html>

E-way bill generation rises in May to 8.82-cr, could result in better GST collection in June

E-way bill generation has improved in May to 8.82 crore from 8.44 crore in April indicating more movement of goods.

The first indication about higher movement of goods was reflected in PMI (Purchasing Managers' Index) manufacturing which surged to a 31-month high of 58.7 in May.

Some experts feel that this higher generation appears to be testament to stricter anti-evasion measures adopted by the GST mobile squad officials across the country.

Source: <https://www.thehindubusinessline.com/economy/e-way-bill-generation-rises-in-may-to-882-cr-could-result-in-better-gst-collection-in-june/article66927893.ece>

50th GST Council meet likely to be held in June-end: Here's what is likely on the agenda

The 50th GST Council meeting will consider constituting the GST Appellate Tribunal (GSTAT), which will deal with tax disputes and lessen the burden on the highest judiciary.

The constitution of GSTAT has been pending since the launch of the indirect tax regime which will complete its sixth year this July.

In March, the Parliament passed the Finance Bill 2023, which included amendments pertaining to the formation of GSTAT.

According to the legislation, GSTAT will have a “Principal Bench” in New Delhi, with the President, a judicial member, a technical member (Centre), and a technical member (State). It will also have State benches, in accordance with the population of the States concerned. States with a population of less than 20 million can have one bench, while those with 20-50 million can have two.

The national appellate bench will look into disputes between the tax department and assessors over the “place of supply”. However, it will not take up any appeal with regard to divergent rulings by State Appellate Tribunals.

On matters related to indirect taxation on online gaming, GST Council may discuss the report submitted by the Group of Ministers on online gaming. At present, online gaming platforms pay 18% GST on platform fees and not on the full value, including prize money.

However, Finance Ministry sources say the Centre is not planning any major rationalisation of GST rates or tax slabs until the 2024 Lok Sabha elections.

Source: <https://www.businesstoday.in/latest/economy/story/50th-gst-council-meet-to-be-held-on-june-end-heres-what-is-likely-on-the-agenda-384477-2023-06-06>

GST drive: Micro & small biz fear unfair licence cancellation amid physical visits

Micro and small businesses fear unfair suspension or cancellation of GST registration amidst growing physical visits by GST officials.

While GST officials are visiting premises physically to verify addresses and to detect fraudulent activities, the industry body for small businesses feels that the licence raj may return.

The special drive, which is part of the two-month nationwide drive launched by Central and State GST departments, started on May 16 and is expected to continue till July 15. This drive is to detect fake GST registrations, fake billers and so on.

Shri Vinod Kumar, President, India SME Forum (ISF) and President of Forum for Internet Retailers, Sellers, and Traders (FIRST) said, ***“Over 700 businesses have contacted us in the last three-four days, fearing suspension and cancellation of GST registration over issues like use of co-working space or shared warehousing.”***

Such a physical drive, he pointed out, makes the six-year effort to make the taxation process faceless redundant.

The body is holding consultations with State and Central GST officials. This is to bring forth the concern of small and micro businesses due to such drive.

Source: <https://www.cnbctv18.com/finance/gst-drive-micro--small-biz-fear-unfair-licence-cancellation-amid-physical-visits-16797761.htm>

GSTN to go live on Account Aggregator ecosystem before July 1

GSTN which is the technology interface between government and taxpayers, is due to be integrated with the country's ambitious financial data sharing network Account Aggregator before July 1, according to top officials overseeing the process.

This can significantly reduce friction in credit disbursement as it will enable small businesses to authorise lenders to access their tax records along with other financial information on a single platform.

The tax network GSTN has close to 1.4 crore registered taxpayers.

Finance Ministry officials said that banks and lenders can use GST returns as a financial statement to assess the financial health of small businesses.

“This will help in seamless sharing of account information of taxpayers and will help them in saving paperwork by allowing lenders to easily pull-out data from GST returns along with their savings, pension account and other aggregators,” they added.

Additionally, it will also help them *“use the data to arrive at the correct tax assessment and will improve scrutiny,”* officials noted.

Source: <https://economictimes.indiatimes.com/tech/technology/gstn-to-go-live-on-account-aggregator-ecosystem-before-july-1/articleshow/100335521.cms>

Flat buyers will face 18% GST on open car parks' sale

The West Bengal bench of the Appellate Authority of Advance Rulings (AAAR) has upheld an earlier ruling and said that sale or right to use a car park is not naturally bundled with construction services. Thus, it will not be treated as a composite supply and will attract GST at the higher rate of 18%.

From April 1, 2019, GST is levied at 5% on non-affordable housing projects without ITC. For ongoing projects (as in this case), the builder has the option to pay GST at the old rate of 12% with ITC, which means taxes paid on inputs can be set off. Had the AAAR treated the transaction relating to the car park as a composite supply, the GST levy that would have been applicable would be that of primary supply of construction, which is lower.

Real estate developer submitted that the car parking space is only given to flat buyers and stamp duty is paid on the entire consideration. However, the AAAR bench observed that prospective flat buyers may or may not opt for a car parking space when booking their flat. Thus, the argument that the facility of the right to use open parking space is naturally bundled with construction services and is a composite supply fails.

Source: <https://timesofindia.indiatimes.com/city/mumbai/flat-buyers-will-face-18-gst-on-open-car-parks-sale/articleshow/100368786.cms>

Reduce GST rates on two-wheelers from 28% to 18%, FADA appeals to GST council

The Federation of Automobile Dealers Associations (FADA) has urged the GST council to reduce GST rate on two-wheelers. The automobile body is demanding the GST rates to be reduced from the current 28% to 18% immediately.

FADA believes that a reduction in the GST rate will address several critical issues facing the industry, including rural distress, the transition from BS-4 to BS-6 emission norms and the sharp increase in two-wheeler prices.

“Lowering the GST rate will enhance the competitiveness of two-wheelers compared to other transportation modes, thereby increasing sales and revenue for the industry,” it says.

“Moreover, the reduction in GST on two-wheelers will also positively influence the environment, as they are more fuel-efficient and emit fewer pollutants compared to other transportation modes,” the automobile body added.

Source: <https://www.livemint.com/auto-news/reduce-gst-rates-on-two-wheelers-from-28-to-18-fada-appeals-to-gst-council-11684407898031.html>



COMPLIANCE CALENDAR

<i>Forms</i>	<i>Period</i>	<i>Due Date</i>	<i>Remarks</i>
GSTR-1	May, 2023	June 11, 2023	Turnover exceeding ₹5 Crore or opted to file monthly return
GSTR-1	Apr-Jun, 2023	July 13, 2023	Opted for quarterly filing as per QRMP scheme
IFF (Optional)	May, 2023	June 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 [§]	May, 2023	June 20, 2023	Turnover exceeding ₹5 Crore or opted to file monthly return
GSTR-3B [#]	Apr-Jun, 2023	July 22/ 24, 2023	Opted for quarterly filing as per QRMP scheme.
CMP-08	Apr-Jun, 2023	Jul 18, 2023	Quarterly statement-cum-challan to make tax payment by taxpayers registered under the composition scheme
GSTR-5	May, 2023	Jun 13, 2023	Monthly return for Non-resident taxable persons
GSTR-5A	May, 2023	June 20, 2023	Monthly return for Non-resident OIDAR services providers
GSTR-6	May, 2023	June 13, 2023	Monthly return for Input Service Distributors
GSTR-7	May, 2023	June 10, 2023	Monthly return for authorities liable to deduct tax at source (TDS)

GSTR-8	May, 2023	June 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 aggregate turnover up to ₹2 Crores were exempted from filing GSTR-9 for FY 2021-22 vide Notification No.10/2022-Central Tax dated 5th July, 2022. However, no such notification has been issued yet for the FY 2022-23.

^{}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. Provisions of Tax Collected at Source (TCS) are covered under of the CGST Act, 2017.

- a) Section 50
- b) Section 51
- c) Section 52
- d) Section 53

2. What is the threshold limit for applying the provisions of TCS?

- a) ₹1,00,000
- b) ₹1,50,000
- c) ₹2,50,000
- d) No such limit prescribed

3. TCS is required to be collected at the rate of of the net value of taxable supplies made through electronic commerce operator (ECO) by other suppliers.

- a) 1% (0.5% CGST + 0.5% SGST)
- b) 2% (1% CGST + 1% SGST)
- c) 4% (2% CGST + 2% SGST)
- d) 5% (2.5% CGST + 2.5% SGST)

4. What is net value of taxable supplies?

- a) Aggregate value of all the supplies of goods and/or services made during any month by all registered taxable persons through the ECO
- b) Aggregate value of taxable supplies of goods and/or services made during any month by all registered taxable persons through the ECO reduced by value of taxable supplies returned to the suppliers during the said month
- c) Aggregate value of taxable supplies of goods and/or services, other than services notified u/s 9(5) made during any month by all registered persons through the ECO reduced by the aggregate value of taxable supplies returned to the suppliers during the said month.
- d) Aggregate value of all the supplies of goods and/or services, other than services notified u/s 9(5) made during any month by a registered taxable person

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

Motto

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