

Monthly • Volume XXXVIX • Page 1-59 • No.07 • July, 2020

ICSI-NIRC

NEWSLETTER

Insight



GOODS AND SERVICES TAX

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Motto

सत्यं वद। धर्मं चर।
इष्टकारं कुरु। तृप्तये। शोचते। ह्यु कुरु। श्रुतं।

Vision

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

Mission

"To develop high calibre professionals
facilitating good corporate governance"

Published by :

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NIRC-ICSI NEWSLETTER

- ◆ NIRC-ICSI Newsletter is generally published every month.
- ◆ Articles on subjects of interest to Company Secretaries are welcome.
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"Success doesn't just find you. You have to go out and get it."

Dear Honoured Colleagues,

With the monsoon emerging around, our hearts seem to be chasing this beautiful season that brings joys of rains highlighting the greenery of nature and never failing to give us vibes of hopes and pleasures. I truly hope and wish these heavenly rains herald the arrival of 'amrit' to blanket us in this troubled phase and wash away all the worries associated with it.

And to play the cooperative role, it is the responsibility of us, humans, to be as much precautionary and hopeful as we can while simultaneously playing our other important roles of life. Just a matter of few days and we shall come out brighter and bolder!

With the idea of being responsible, I am always reminded of expressing my deep gratitude for the Team NIRC's generous support in serving their stakeholders and building stronger relations with them despite the challenges.

The continuous provisioning of Online Oral Tuition Classes has been independently and definitely building its own nub in the hearts of our students. The genuine and constant attempt of our Team in running Online Campus Placement Programs is yet another approach to encourage growth of our profession and open gates of opportunities for the young members and fresher Company Secretaries.

Other considerable and prominent initiatives like Seminars, Career Advancement Programs, Master Classes, etc. taken up successfully by the NIRC, Chapter Chairpersons, Managing Committee Members of Chapters and Officials of Northern Region Chapters for the welfare of our stakeholders acclaim the enduring and healthy bonds that shall be fruitful for our entire CS fraternity.

This July, 2020 Newsletter of the NIRC of ICSI is going to unfold in front of you as the Birthday Month of "**GOOD AND SERVICES TAX (GST)**" which has been certainly one of the path breaking tax reforms in India that surprisingly stimulated India's economic growth and gave it an important role to play in the world economy in the years to come.

With the idea of simplification of indirect taxes, easing the administrative complications and turning India into world's biggest unified market, the GST was significantly introduced on 1 July, 2017, encouraging me to call it a 'Game Changer'.

GST being a component in the curriculum of Company Secretary Course, I believe, the Company Secretaries by virtue of their academic knowledge and practical training are well equipped to play a pivotal role in this field.

Being one of the revolutionary changes, GST has not only eased the taxation compliances of business community but has also become a centre of attraction amongst the youth of our country inspiring them to take it up as an important ingredient in their careers. A Company Secretary being an expert in interpretation of law can easily facilitate strategic advisory, policy making and decision making

services to the general business community and help them in evaluating of performances and mitigating risks due to non-compliances of GST Laws.

Inspired by his utmost ability to assist the business entities in all the necessary legal compliances, a CS can serve the corporates as an Internal Controller under Taxation Department.

I think GST has also expanded the scope of one of the core areas of CS Profession which is Drafting, with inclusion of internal and external reporting requirements that can indulge a Company Secretary in record keeping, maintenance and rectification as well as personally representing before GST authorities on behalf of clients and filing and contesting the appeals on the legal and factual issues before commissioners and Appellate Tribunals.

I see, the GST Regime has added to the basket of Company Secretaries additional value that any client would admire to perceive along with other innumerable services that a CS has to offer.

These opportunities bestowed upon us, the Company Secretaries, by the GST Regime are labelled as the extensions in the scope of CS that we cannot unquestionably hold ourselves back from.

I would also like to share with all of you that we have tied up with the renowned hospitals across India to provide online consultation and medical facilities at concessional rates to our Members and Students. I feel really satisfied while announcing that so far, we have tied up with 30 hospitals, the details of which can be accessed via website of NIRC. We are also in a process of tying up with other renowned hospitals across India and I believe, this is going to play a major role and would be a matter of great relief to the beneficiaries of this empanelment in these times of utmost difficulties. I truly hope for its successful implementation with the consistent efforts of our team towards this act of humanity that prioritises the welfare of our Members and Students at large.

I would end up here quoting one of the famous quotes, "**The harder you work for something, the greater you'll feel when you achieve it.**"

Making way into further pages of this Newsletter journey, hope you enjoy reading as much as we enjoyed creating it for you!

I look forward to receiving your valuable suggestions and feedback.

Do not hesitate to interact with me at chairman.nirc@icsi.edu

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4 DAYS ONLINE MASTER CLASS ON OPPORTUNITIES FOR PROFESSIONALS IN MSME, STARTUPS, BANKING, RERA AND ARBITRATION

DAY 1: 24.06.2020



CS Ashish Garg, President, ICSI, Mr. Vikas Gupta IAS, Director General, Micro, Small and Medium Enterprises at Government of Haryana and Mr. Rajive Chawla, Chairman, Integrated Association of Micro, Small and Medium Enterprises of India (I am SME of India) addressing the Participants.



Screen View: CS Ashish Garg, CS Suresh Pandey, Chairman, NIRC-ICSI, CS Vimal Gupta, Vice-Chairman, NIRC-ICSI, Mr. Rajive Chawla, CA Sanjeev Gupta, Co-Founder & Managing Director NEXGEN Financial Solutions Pvt. Ltd. and Mr. Vikas Gupta.

DAY 2: 25.06.2020



Mr. Praloy Majumder, Founder and CEO of Disseminare Consulting addressing the Participants. Screen View: Mr. Praloy Majumder, CS Suresh Pandey and CS Vishal Soni, Chairperson, Jalandhar Chapter of NIRC-ICSI.



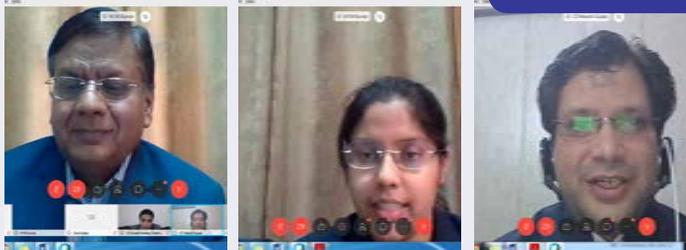
DAY 3: 26.06.2020



CS S. Prabhakar, Practicing Company Secretary & Insolvency Professional addressing the Participants. Screen View: CS S. Prabhakar, CS Ajay Chauhan, Chairperson, Shimla Chapter of NIRC-ICSI, CS G S Sarin, Immediate Past Chairman, NIRC-ICSI and CS Suresh Pandey.



DAY 4: 27.06.2020



Hon'ble Mr. Justice (Retired) M M Kumar, Founder President, NCLT & Former Chief Justice, Jammu and Kashmir, Ms. Eshna Kumar, Advocate and CS Manish Gupta, Council Member addressing the Participants.



e-Launch of June, 2020 issue of ICSI-NIRC Newsletter by Hon'ble Mr. Justice (Retired) M M Kumar. Screen View: CS Arti Goyal, Chairperson, Ajmer Chapter of NIRC-ICSI, CS Manish Gupta, Hon'ble Mr. Justice (Retired) M M Kumar, Ms. Eshna Kumar, CS Sonia Bajjal, Regional Director, NIRC-ICSI.

4 DAYS ONLINE MASTER CLASS ON GOODS AND SERVICES TAX (GST)

DAY 1: 1.07.2020



CS Bimal Jain, Indirect Tax Expert addressing the Participants. Screen View: CS Bimal Jain, CS Suresh Pandey, CS Manoj Kumar Yadav, Chairperson, Kanpur Chapter of NIRC-ICSI and CS Surya Kant Gupta, Regional Council Member, NIRC-ICSI.

DAY 2: 2.07.2020



CA Rohit Vaswani, Practicing Chartered Accountant addressing the Participants. Screen View: CA Rohit Vaswani, CS Susshil Daga, Secretary, NIRC-ICSI, CS Mohd. Waseem Khan, Chairperson, Bareilly Chapter of NIRC-ICSI and CS Suresh Pandey.

DAY 3: 3.07.2020



CA Shashank Gupta, Practicing Chartered Accountant addressing the Participants. Screen View: CA Shashank Gupta, CS G S Sarin, CS Suresh Pandey and CS Palak Arora, Chairperson, Jammu Chapter of NIRC-ICSI.

DAY 4: 4.07.2020



CS (Dr.) Shyam Agrawal, Member, Appellate Authority & Past President, ICSI, Special Guest Addressing the participants. CS Sanjay Malhotra, Practicing Company Secretary addressing the Participants. Screen View: CS Dharendra Sharma, Chairperson, Jodhpur Chapter of NIRC-ICSI, CS Sanjay Malhotra, CS (Dr.) Shyam Agrawal, CS Sonia Baijal, CS Suresh Pandey and CS Himanshu Harbola, Regional Council Member, NIRC-ICSI.

4 DAYS ONLINE MASTER CLASS ON NON-BANKING FINANCIAL COMPANIES (NBFCs)

DAY 1: 22.07.2020



CS B Renganathan, Executive VP - Investment Banking & Group Company Secretary, Edelweiss Financial Services Limited addressing the Participants. Screen View: CS B Renganathan, CS Susshil Daga, CS Suresh Pandey and CS Hardeep Singh Nijher, Chairperson, Ludhiana Chapter of NIRC-ICSI.

DAY 2: 23.07.2020



CS Vinod Kothari, Director, Vinod Kothari Consultants P. Ltd. and CS Anita Baid, Assistant Vice President, Vinod Kothari Consultants P. Ltd. addressing the Participants. Screen View: CS Suresh Pandey, CS G S Sarin, CS Anita Baid and CS Vinod Kothari.

DAY 3: 24.07.2020



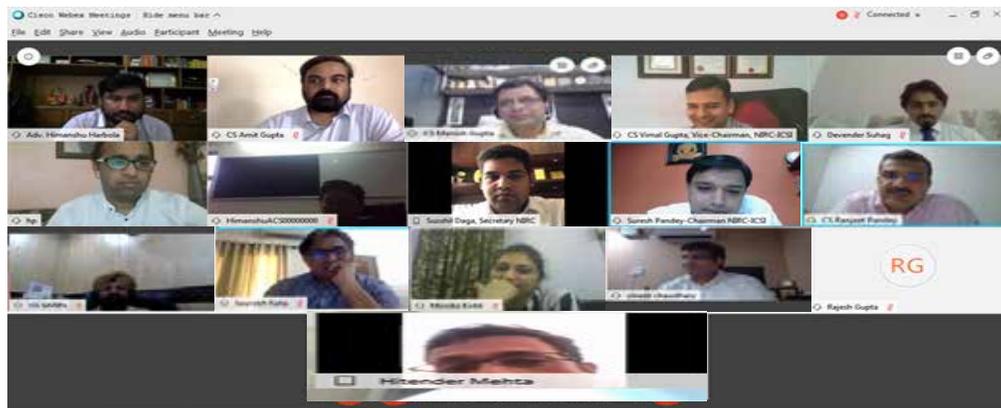
CS Atul Tandon, Company Secretary & Compliance Officer, Reliance Capital Ltd. addressing the Participants. Screen View: CS Atul Tandon, CS Devender Suhag, Treasurer, NIRC-ICSI, CS Suresh Pandey and CS Rohini Chohan, Chairperson, Amritsar Chapter of NIRC-ICSI.

DAY 4: 25.07.2020



CS Ashish Garg and CS Sharad Tyagi, Partner, Fair & Just Legal Solutions LLP addressing the Participants. Screen View: CS Ashish Garg, CS Suresh Pandey, CS Himanshu Harbola, CS Namita Ujwal, Chairperson, Varanasi Chapter of NIRC-ICSI and CS Sharad Tyagi.

GLIMPSES OF MEETING OF REGIONAL COUNCIL HELD ON 9TH JULY, 2020 THROUGH VIDEO CONFERENCE



WEBINARS OF NORTHERN REGION



Screen View of Webinar by Gorakhpur Chapter: CS Suresh Pandey, Shri Ravi Kishan Shukla, Hon'ble Member of Parliament, Loksabha, CS Ragini Gupta, Chairperson, Gorakhpur Chapter of NIRC-ICSI, CS Santosh Pandey, Practicing Company Secretary and CS Samreen Zaman, Vice Chairperson, Gorakhpur Chapter of NIRC-ICSI.

Screen View of Webinar by Prayagraj Chapter: CS Suresh Pandey, Adv. Shri. Amar Khera(Speaker), CS R.P. Agarwal (Speaker) & CS Lavkush Yadav



Screen View of Webinar by Prayagraj Chapter : CS Suresh Pandey, Shri. Dharmendra Kumar Singh, IRS Central GST & Central Excise(Guest of Honour), CS Lavkush Yadav,Chairperson, Prayagraj Chapter of NIRC-ICSI and Shri Satya Brat Updhyay, Asst. Comm. GST(Special Invitee)

Screen View of Webinar by Bhilwara Chapter: CS Rohit Nigam, Member, Bhilwara Chapter of NIRC-ICSI, CS Sanjay Somani, Key note Speaker, Immediate Past Chairman, Bhilwara Chapter of NIRC-ICSI, CS Rahul Kumar Verma, Chairperson, Bhilwara Chapter of NIRC-ICSI, CS Pushpendra Singh, Member, Bhilwara Chapter of NIRC-ICSI and CS Suresh Pandey



Screen View of Webinar by Ludhiana Chapter: CS Suresh Pandey, CS Hardeep Singh Nijher, Chairperson, Ludhiana Chapter of NIRC-ICSI, CS Divesh Goyal, Faculty, CS Bhupesh Gupta, Regional Council Member, NIRC-ICSI and CS Shivali Gupta, Secretary Ludhiana Chapter of NIRC-ICSI.

Screen View of Webinar by Bareilly Chapter: CS Mohd Waseem Khan, Chairperson, Bareilly Chapter of NIRC-ICSI, CS Suresh Pandey, CS Nidhi Agarwal, Immediate Past Chairperson, Bareilly Chapter of NIRC-ICSI, CS Ankit Agarwal, Past Chairperson, Bareilly Chapter of NIRC-ICSI, CS Amit Gupta, Regional Council Member, NIRC-ICSI & Guest Faculty.

Recent Initiatives taken by NIRC

Dear Friends,

I am pleased to enlist the recent initiatives for your kind information and ready reference:-

ONLINE CONSULTATION AND MEDICAL FACILITIES AT CONCESSIONAL RATES FOR MEMBERS OF NIRC-ICSI

The present Pandemic situation creates an atmosphere where none of us is comfortable going to Hospital for Health related issues. Keeping the same in mind, NIRC tie up with Fortis Hospital for Online Consultation. The facility is not limited to the members of Northern Region but for the entire CS fraternity spread all across the country in all 26 Hospitals of Fortis Group. Further, NIRC also arranged the Medical facilities at concessional rates for its members in renowned hospitals. The details are placed below:

Sr. no.	Hospital	Discount Allowed		Applicability
		Out Patient Department (OPD)	In Patient Department (IPD)	
1	Fortis Hospital	20%	10%	Offer is available for 26 hospitals of Fortis Group across India <u>Video/ Tele consultations:</u> For video/ tele consultations and e-prescriptions, Members can register a request for Video consult at https://www.fortishealthcare.com/lp/video-consult/?utm Please use coupon code FORTISMA20 to avail discounts on MyFortis App or on fortis Portal for all OPD Consultations.
2	Medeor Hospital	25%	15%	Offer is available for all three units of Medeor Hospital situated at Qutab Institutional Area, New Delhi, Dwarka, New Delhi, IMT Manesar, Gurgaon Haryana
3	Venkateshwar Hospital	20%	15%	Offer is available for Venkateshwar Hospital, Dwarka, New Delhi

4 DAYS ONLINE MASTER CLASS ON OPPORTUNITIES FOR PROFESSIONALS IN MSME, STARTUPS, BANKING, RERA AND ARBITRATION (9TH EDITION, YEAR 2020)

4 Days Online Master Class on Opportunities for Professionals in MSME, Startups, Banking, RERA and Arbitration was organized by ICSI-NIRC from 24th June, 2020 to 27th June, 2020.

On the occasion of International MSME Day on 27th June, 2020, the June issue of ICSI-NIRC Newsletter on the theme Opportunities for Professionals in MSME, Startups and Environmental Laws was released by Honble Mr. Justice (Retired) M M Kumar, Founder President, NCLT & Former Chief Justice, Jammu and Kashmir.

Mr. Vikas Gupta IAS, Director General, Micro, Small and Medium Enterprises at Government of Haryana was Special Guest on 24th June, 2020. Mr. Rajive Chawla, Chairman, Integrated Association of Micro, Small and Medium Enterprises of India (I am SME of India), CA Sanjeev Gupta, Co-Founder & Managing Director, NEXGEN Financial Solutions Pvt. Ltd. Mr. Praloy Majumder, Founder and CEO of Disseminare Consulting, CS S. Prabhakar, Practicing Company Secretary & Insolvency Professional, Hon'ble Mr. Justice (Retired) M M Kumar, Founder President, NCLT & Former Chief Justice, Jammu and Kashmir and Ms. Eshna Kumar, Advocate were the Guest Speakers at Master Class. CS Manish Gupta, Central Council Member also addressed the participants on 27 June 2020 as a special guest and shared the capacity building initiatives taken by the Institute under Arbitration Law.

4 DAYS ONLINE MASTER CLASS ON GOODS AND SERVICES TAX (GST) (10TH EDITION, YEAR 2020)

To commemorate the GST Day on 1st July, 2020 a 4 Days Online Master Class on Goods and Services Tax (GST) was organized by ICSI-NIRC from 1st July, 2020 to 4th July, 2020. CS (Dr.) Shyam Agrawal, Member, Appellate Authority & Past President, ICSI was the Special Guest on 4th July, 2020. CS Bimal Jain, Indirect Tax Expert, CA Rohit Vaswani, Practicing Chartered Accountant, CA Shashank Gupta, Practicing Chartered Accountant and CS Sanjay Malhotra, Practicing Company Secretary were the Guest Speakers at Master Class. The Master Class was attended by around 300 members.

4 DAYS ONLINE MASTER CLASS ON NON-BANKING FINANCIAL COMPANIES (NBFCs) (11TH EDITION, YEAR 2020)

4 Days Online Master Class on Non-Banking Financial Companies (NBFCs) was organized by ICSI-NIRC from 22nd July, 2020 to 25th July, 2020. CS B Ranganathan, Executive VP - Investment Banking & Group Company Secretary, Edelweiss Financial Services Limited, CS Vinod Kothari, Director, Vinod Kothari Consultants P. Ltd., CS Anita Baid, Assistant Vice President, Vinod Kothari Consultants P. Ltd., CS Atul Tandon, Company Secretary & Compliance Officer, Reliance Capital Ltd. and CS Sharad Tyagi, Partner, Fair & Just Legal Solutions LLP were the Guest Speakers at Master Class. The Master Class was attended by around 300 members.

MEETING OF REGIONAL COUNCIL OF NIRC-ICSI

The 247th meeting of the Regional Council of NIRC-ICSI held on 9th July, 2020 at 2.00 pm through online mode using video conferencing. The Regional Council discussed on Balance Sheet, Annual Report, administrative and issues relating to Professional Development of members.

STUDENT MONTH

ICSI-NIRC celebrated the month of July, 2020 as the Student Month. Various online activities were organized for students including Life Skills/ Career Awareness Week/ Samadhan Divas etc. by the Chapters of NIRC. A good number of students participated in all the activities.

SESSION ON LIFE SKILLS FOR STUDENTS

The NIRC-ICSI organised an online session on "Life Skills" on 22nd July, 2020 for the ICSI students across Northern India. Shri Suneel Keswani (Renowned Motivational Speaker & Corporate Trainer) was speaker for the session. He focused on various life skills required for students to become successful professional in future. He also motivated students to perform well in examinations. The session was attended by large no. of students.

ONLINE MOCK TEST SERIES FOR STUDENTS

The NIRC-ICSI has announced online Mock Test series for the ICSI students across Northern India to make them exam ready while sitting at their homes during current pandemic situation. The students can avail the benefit of Mock Test series and prepare well for upcoming CS Examinations. The NIRC-ICSI is the first Regional Council to start online Mock Test series for students during current pandemic situation.

Friends, let me assure you that your feedback and participation is always welcome and is truly valued, as it is only your feedback that will help us to improve further and emerge as ICSI brand. I look forward for your valuable suggestions and feedback. Feel free to interact with me at chairman.nirc@icsi.edu

Looking forward for your invaluable support.

I am just a phone call away!

Yours own,
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Chairman-NIRC of ICSI
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STAY POSITIVE AND BE NEGATIVE: HOW I DEFEATED CORONAVIRUS



CS KRITI AGARWAL, ACS
agarwal.kriti.27@gmail.com

I was tested for COVID-19 in the month of May. A day before my sample was collected for testing, one of my family member was tested positive. Therefore, I got my test done voluntarily and was mentally prepared that I too would be positive for the same. Rather, rest of the family members took the test on voluntary basis, only. Next day, before the reports came out, I developed the symptoms like difficulty in breathing, loss of sense of taste and smell and mild fever.

When the reports came, our whole family was tested positive. Well, to most of you this would sound scary. It scared us too, but instead of getting panicked, we, in fact mentally prepared ourselves for it before the actual reports came and created a plan to deal with the worst situation. I believe during such situations, preparedness and calmness matter the most. We sat and discussed how to deal with it in the family. We made a WhatsApp group and shared with each other the SOPs and other guidelines as issued by Government or WHO.

Honestly, we never considered home isolation as an option. We were looking for bed in private hospitals. Thanks to Dr. Vineet Jain (Hamdard Institute of Medical Sciences and Research) and his recommendation, we opted for home isolation. We were quite fortunate enough to have him all through this time for our guidance and consultation. He did not scare us and helped us maintaining our sanity during this time period. If not for him, we would have been unable to stay calm and recover.

Here are few tips on how to deal with Corona Virus and managing home isolation:

1. Do not shy away from getting yourself tested, if you develop symptoms or come in contact with a Covid positive person. I see many people who refrain from getting the test done due to social stigma attached to it. My only advice is - do not make it a taboo and get your test done. It will have two benefits:
 - a. You will be out of the dilemma if you are actually infected. If tested positive, you can get timely treatment.
 - b. You will be more cautious and shall isolate yourself. This will further avoid transmission of disease via you.
2. After our reports, we informed the people who were in our contact for the past few days, so that they too may isolate themselves to stop the transmission, in case they too are infected.
3. If you are positive, please do not consider yourself getting admitted to the hospital. I can assure you that you can recover at home, too. If you need oxygen or ventilator, then only hospital is needed. I repeat "YOU CAN AND YOU WILL RECOVER UNDER HOME ISOLATION UNTIL YOU NEED A VENTILATOR".
4. If possible, accommodate everybody in separate rooms. If you do not have enough rooms for everyone, then twin sharing can be done provided you segregate the area for both the patients. Either have separate beds or one person can sleep on floor and one on bed. No article should be shared between the two patients.
5. Separate washroom is a must. In case of sharing, the person who uses the washroom shall disinfect it before letting the other person use it. And the time gap shall be at least 30 minute.
6. We gave every member separate water bottles, towels, disinfectant spray, packet of gloves, surgical masks etc. Each of us used to

7. Use disposable cutlery. Discard the used cutlery in a dustbin or garbage bag and spray disinfectant on it.
8. Eat all healthy and cooked food. Basically, avoid eating the food that is not cooked or boiled.
9. Drink minimum 3 liters of water. Try to drink lukewarm water as much as possible. This will keep you hydrated and will regulate your body temperature.
10. Eat or drink items that boost your immunity. Have lemons, amla and foods rich in Vitamin C. Drink *kadha*, turmeric milk etc. *If you do not want to drink kadha, put all the ingredients (ginger, daal-cheeni, clove etc.) in tea and drink it.*
11. Dip your clothes, towels etc. in water and dilute disinfectant like Dettol in it, for around an hour. Wash all your clothes, towels, bed-sheets etc. daily in hot water. Place your blankets in sunlight for a couple of hours daily as these cannot be washed on daily basis.
12. Clean and disinfect your room thrice a day. Pour disinfectant/sanitizer on a cloth and wipe all the door knobs, remote of TV/ AC, switches, mobile phones etc. Basically, you need to disinfect everything you touch. Try to avoid touching the things and keep unnecessary stuff in almirahs. This would save time in disinfecting everything.
13. Wear gloves while you are touching something so as to avoid spreading virus. Pro tip: DO NOT INVEST IN SURGICAL GLOVES. You may have to dispose like 20 pairs of gloves per person daily. Go for "transparent gloves" which street vendors use, as these are cheaper.
14. Check your temperature, BP every 4-5 hours. If you are diabetic, check your sugar on daily basis. If you have cold or breathing issue or weakness, keep a check on your oxygen level. You can easily get oximeter at any pharmacy. Oxygen level should not fall below 95. If your oxygen level drops below 95, consult a doctor.
15. Wear mask while sharing the space with other person. Buy disposable masks and change those in every 3-4 hours.
16. Please do not forget to register yourself as PLASMA DONOR. Please do not hesitate to donate and save a life. I too have donated mine and there is no complication in it. It's absolutely safe for the recovered patient and it will put a critical patient out of danger.

Most important of all, DO NOT PANIC. There is no need to worry about it. More you panic, lesser you will be able to take decisions, wisely.

Some days you may feel fine while other days you may have fever as high as 104. You will feel sick, really sick. But do not panic. You may have negative thoughts. Read good books, watch Netflix. Do whatever you would do to ease your mind. Consider it as a vacation and take time to rest. Every disease has its cycle. Virus itself does not have a life of more than 2-3 weeks. You just have to follow the precautions and break the chain of virus. It will take some time but you will get well. Here we are

walking perfectly fine. Thus, no need to worry! Just follow the aforesaid and think positive. THIS PHASE TOO SHALL PASS.

*The views expressed are personal views of the author and it should not be taken as views of the NIRC-ICSI.

NUCLEUS OF THE PROFESSION OF COMPANY SECRETARIES



CS PP AGARWAL, FCS
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1. INTRODUCTION

A society needs a holy man for developing and ensuring righteous principles for proper growth and sustenance of all in the society. Likewise, the business needs a Company Secretary for systematic and sustainable growth on principles of equity and justice. With the Indian corporate sector witnessing an exponential growth, the demand for qualified professionals who can take up specialized corporate functions has increased manifold. A Company Secretary (CS) is one such professional who can discharge those responsibilities very effectively. To run an organization in today's business environment whether profit making or not, needs a person of high caliber, dedicated to strive for and achieve the purposes of the organizations. A CS is well versed professional with multi disciplinary knowledge and positive attitude. He has the role to mould the ideas of the top brass or the promoters with whom he is associated as a guide and philosopher. Only after listening to the company secretary, the businessman or the industrialist in the corporate world firms use his ideas, brush it up thoroughly and implement. The entrepreneur then pursues the goals set with great zeal and enthusiasm and the organization gets popularity and required growth over a period of time. Thus the company secretary has a great role to play in business and industry. This article throws light on the qualities of a good company secretary so that he is best fit into any organization of any size and character.



management, accounting and taxation. Almost all these subjects are included in the curriculum of ICAI and the ICWA also. However, emphasis lies on legal and secretarial matters in ICSI. Off late the business needed public money for its expansion and growth. As a result, the knowledge and practice in the matters related to the Securities and Exchange Board of India Act, 1992 and related regulations were added as prime course content. Today, many others have been added like the Arbitration & conciliation Act, 1996, The Competition laws and many others. The curriculum of the subjects are reviewed and changed from time to time as per the demand of the time and business entities. A CS student is required to undergo management training under one or more professional company secretary while he is a student of this study. If for any reasons he could not complete his management training after he has passed in the final examination he has to complete his training though for reduced tenure as a trainee. Before a person gets the membership of the profession he has to attend many programs and undertake various types of training. The purpose is simple that a company secretary has to deliver high quality services as an employee or as an independent professional after he is admitted as a member. Initially the qualified and trained students are admitted as an associate member of the ICSI. Later on after serving the society for at least five years in the fields related to the company law and allied matters he is admitted as the Fellow Member of the Institute.

2. SUBJECTS OF THE PROFESSION

In India there are three main professions in the commerce field under the Ministry of Corporate Affairs. This profession has unique reasons for getting recognition and has its chequered history. After the Institute of Chartered Accountants of India (ICAI) and the Institute of Cost and Works Accountants of India (ICWA) it was considered important that one more Institute is required to develop and regulate this profession of Company Secretaries in commerce stream. The ICAI was formed immediately after independence in the year 1949 and the ICWA after another 10 years in 1959. Much later the Company Secretaries Act, 1980 was passed and the Institute of Company Secretaries of India (ICSI) was constituted under an Act of Parliament. Besides corporate secretarial practices the subjects being taught and the course content of the profession includes corporate and economic laws,

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3. QUALITIES OF A GOOD COMPANY SECRETARY

A qualified and successful CS is a leader who leads by example of his life. He is required to discern between the right and the



business decisions related to finance, legal, production and management are greatly affected by his views. A good company secretary is the architect of the vision and mission statements of the company. He makes sure that the mission is achieved while realizing the vision. This approach of a company secretary makes him a valuable human resource in the company. The ICSI has a mission to make its members global leaders in governance and it is obviously doing its duty as an Institute. Today the ICSI has become global by sharing its experience under MOUs with the institutes abroad.

wrong while discharging his responsibilities. Generally a company secretary holds a key position in the company. In spite of that his life and his behavior reflect an epitome of the simplicity and compassion for one and all. To become a successful CS one has to constantly review quality of his thoughts. He must ensure that they are always elevated and powerful and helpful to others. He is supposed to be trustworthy while maintaining high dignity and self respect. We find normally he is short and brief in his words and speech. However, his actions lay down governance principles for times to come. The Company Secretary as a professional has knowledge of critical information of the organization being in close contact with the top management his most important personal traits are loyalty and integrity. For effective communication he has to possess a good command over language.

He is practical in his approach and always loyal to his profession. He is sympathetic and empathetic to one and all. Though at times it appears he is not, in practice he is always well wisher of all with whom he comes into contact. His attitude is to accommodate while keeping the working environment positive. Though he holds very respectable position wherever he is, he is always naturally humble and very polite. Above all, he is very intelligent and diligent. In nut shell, we can say he has many virtues which make him a good CS. Thus, the core of a successful CS is his quality and ethical approach in dealing and compliance matters adding value to the business and industry.

4. COMPANY SECRETARY - AS A PROFESSIONAL

The company secretary of any company is the kingpin in the organization. He is the link between directors and other stakeholders such as shareholders, the regulators and the society at large. A company secretary can succeed only if he keeps himself updated with the latest information in the corporate sector especially related to law. The management of the company revolves around him. He is aware of the developments of various management policies of the company. Industrialists and the entrepreneurs rely on him heavily. His views are discussed and considered in the board room. The Companies Act, 2013 has given him the position of Key Managerial Personnel meaning thereby, legally also he is one of the most important managerial personnel of the company. The fact is he is a fulcrum of the business activities of a company. All

5. LEVERAGING INFORMATION TECHNOLOGY AND IT TOOLS

On following the WTO principles today the world is becoming a small village wherein competition is all around. Goods and services move from one country to another without many hassles. Moreover, there are innumerable complexities in the business laws, rules and regulations. Complying the corporate governance principles and ethics in business has gained importance. Not following those may result in loss of reputation and business beyond repair. Further, the business laws vary from country to country. Complexity of business laws and frequent changes therein have necessitated more and more use of information technology. Above all, the human mind is so complex and no two humans are same in nature. Under the circumstances there are possibilities of fraud being committed at each and every stage in business life. To a large extent with the use of information technology one can ensure proper and timely implementation of the laws, rules, regulations and internal guidelines.

6. CONCLUSION

In shaping the growth of an organization the role of a company secretary in the organization chart is paramount. He is the brain behind the growth plans of the promoter. He is instrumental in improving the working environment of the company. This results in sustainable growth in productivity and the culture of the organization becomes inclusive. By persuading the managing director a company secretary can lay down code of conduct and policies related to ethics to be followed by the senior management. The position of a company secretary is pivotal in company management and compliance matters. As the laws are changing with great speed, to be in tune with the societal needs and the changes being incorporated in the statutes the company secretary has to be always alert, active and flexible in nature. He must keep himself updated with the changing business environment. Without a dynamic company secretary, real growth of a business is doubtful.



ARTICLES ON THEME
**GOODS AND SERVICES
TAX (GST)**

GST: A REFORM IN INDIRECT TAXATION



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Introduction

Whether it was uniformity of taxation and consequent free interior trade or possession of 'the jewel in the crown' at the root of prosperity of Britain is debatable, nonetheless the words of father of modern economics on the benefits of uniformity of system of taxation cannot be taken too lightly. By subsuming more than a score of taxes under GST, road to a harmonized system of indirect tax has been paved making India an economic union.

Genesis:

Several countries have already established the Goods and Services Tax. In Australia, the system was introduced in 2000 to replace the Federal Wholesale Tax. GST was implemented in New Zealand in 1986. A hidden Manufacturer's Sales Tax was replaced by GST in Canada, in the year 1991. In Singapore, GST was implemented in 1994. GST is a value-added tax in Malaysia that came into effect in 2015.

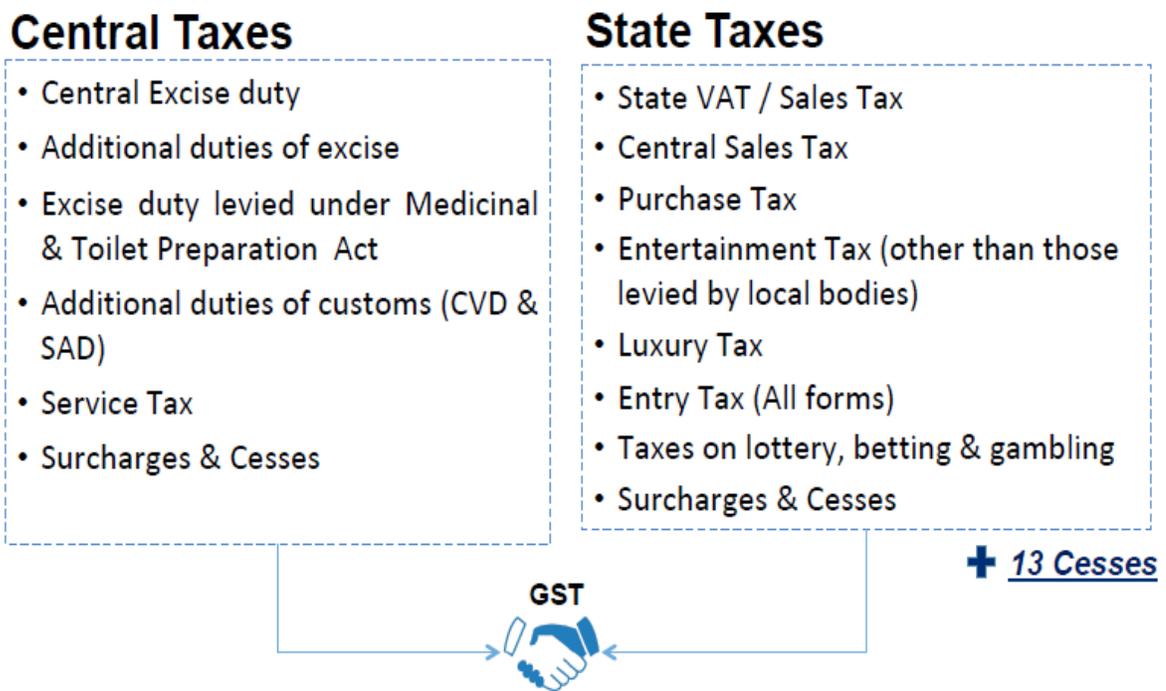
Month, Year	Journey of GST
2000	In India, the idea of adopting GST was first suggested by the Atal Bihari Vajpayee Government in 2000. The State Finance Ministers formed an Empowered Committee (EC) to create a structure for GST, based on their experience in designing State VAT. Representatives from the Centre and states were requested to examine various aspects of the GST proposal and create reports on the thresholds, exemptions, taxation of inter-state supplies, and taxation of services. The committee was headed by Asim Dasgupta, the Finance Minister of West Bengal. Dasgupta chaired the committee till 2011.
2004	A task force that was headed by Vijay L. Kelkar, the advisor to the Finance Ministry, indicated that the existing tax structure had many issues that would be mitigated by the GST system.
February 2005	The finance minister, P. Chidambaram, said that the medium-to-long term goal of the government was to implement a uniform GST structure across the country, covering the whole production-distribution chain. This was discussed in the budget session for the financial year 2005-06.
February 2006	The finance minister set 1 April 2010 as the GST introduction date.
November 2006	Parthasarthy Shome, the advisor to P. Chidambaram, mentioned that states will have to prepare and make reforms for the upcoming GST regime.
February 2007	The 1 April 2010 deadline for GST implementation was retained in the union budget for 2007-08.
February 2008	At the union budget session for 2008-09, the Finance Minister confirmed that considerable progress was being made in the preparation of the roadmap for GST. The targeted timeline for the implementation was confirmed to be 1 April 2010.
July 2009	Pranab Mukherjee, the new Finance Minister of India, announced the basic skeleton of the GST system. The 1 April 2010 deadline was being followed then as well.
November 2009	The EC that was headed by Asim Dasgupta put forth the First Discussion Paper (FDP), describing the proposed GST regime. The paper was expected to start a debate that would generate further inputs from stakeholders.
February 2010	The government introduced the mission-mode project that laid the foundation for GST. This project, with a budgetary outlay of Rs.1,133 crore, computerised commercial taxes in states. Following this, the implementation of GST was pushed by one year.
March 2011	The government led by the Congress party put forth the Constitution (115th Amendment) Bill for the introduction of GST. Following protests by the opposition party, the Bill was sent to a standing committee for a detailed examination.
June 2012	The standing committee started discussion on the Bill. Opposition parties raised concerns over the 279B clause that offers additional powers to the Centre over the GST dispute authority.
November 2012	P. Chidambaram and the finance ministers of states held meetings and set the deadline for resolution of issues as 31 December, 2012.
February 2013	The Finance Minister, during the budget session, announced that the government will provide Rs.9,000 crore as compensation to states. He also appealed to the state finance ministers to work in association with the government for the implementation of the indirect tax reform.

*The views expressed are personal views of the author and it should not be taken as views of the NIRC-ICSI.

Month, Year	Journey of GST
August 2013	The report created by the standing committee was submitted to the parliament. The panel approved the regulation with few amendments to the provisions for the tax structure and the mechanism of resolution.
October 2013	The state of Gujarat opposed the Bill, as it would have to bear a loss of Rs.14,000 crore per annum, owing to the destination-based taxation rule.
May 2014	The Constitution Amendment Bill lapsed.
December 2014	India's new Finance Minister, Arun Jaitley, submitted the Constitution (122nd Amendment) Bill, 2014 in the parliament. The opposition demanded that the Bill be sent for discussion to the standing committee.
February 2015	Mr. Jaitley, in his budget speech, indicated that the government is looking to implement the GST system by 1 April, 2016.
May 2015	The Lok Sabha passed the Constitution Amendment Bill. Jaitley also announced that petroleum would be kept out of the ambit of GST for the time being.
August 2015	The Bill was not passed in the Rajya Sabha.
March 2016	Mr. Jaitley said that he was in agreement with the Congress's demand for the GST rate not to be set above 18%. But he was not inclined to fix the rate at 18%. In the future if the Government, in an unforeseen emergency, is required to raise the tax rate, it would have to take the permission of the parliament. So, a fixed rate of tax is ruled out.
June 2016	The Ministry of Finance released the draft model law on GST to the public, expecting suggestions and views.
August 2016	The Congress-led opposition finally agreed to the Government's proposal on the four broad amendments to the Bill. The Bill was passed in the Rajya Sabha.
September 2016	The Honourable President of India gave his consent for the Constitution Amendment Bill to become an Act.

The GST Council also finalised on the GST rates and GST rules. The Government declared that the GST Bill will be applicable from 1 July 2017.

PRE-GST INDIRECT TAX STRUCTURE IN INDIA



Constitution amended to provide concurrent powers to both Centre & States to levy GST (Centre to tax sale of goods and States to tax provision of services)

GST LAW FROM A CONSTITUTIONAL PERSPECTIVE

A. Definition of GST

“Goods and services tax” means any tax on supply of goods, or services or both except taxes on the supply of the alcoholic liquor for human consumption.

S.No	Definition	Article	Definition
1	Goods	366(12)	Includes all materials, commodities, and articles.
2	Service	366(26A)	Anything other than goods [Introduced vide 101st Constitutional Amendment Act]
3	State	366(2B)	With reference to articles 246A, 268, 269,269A and Article 279A includes a Union territory with Legislature. [Introduced vide 101st Constitutional Amendment Act]

*“Goods and Services tax” law while having unique principles, has significant elements of prior Central and State laws; and is also inspired by VAT/GST legislation of EU, Australia, Malaysia etc. along with International VAT/GST guidelines of OECD.

B. Constitutional Amendment

- ◆ Bill passed by Rajya Sabha on 03.08.2016 & Lok Sabha on 08.08.2016.
- ◆ Notified as Constitution (101st Amendment) Act, 2016 on 08.09.2016.

Key Features:

- ◆ Concurrent jurisdiction for levy & collection of GST by the Centre & the States – Article 246A.
- ◆ Centre to levy & collect IGST on supplies in the course of inter-State trade or commerce including imports – Article 269A.
- ◆ Compensation for loss of revenue to States for five years on recommendation of GSTC – Clause 19.
- ◆ GST on petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas & aviation turbine fuel to be levied from a later date on recommendations of GSTC.

GST - ADVANTAGES AND DISADVANTAGES

Advantages	Disadvantage
1. The most important benefit is the removal of cascading effect, i.e. removal of tax on tax.	1. The understanding of GST structure is complicated and distortionary to fully exploit the expected benefits.
2. Starting from registration to filing returns and payment of GST tax it's an online procedure.	2. Multiple tax rates and many complexities will result into tax disputes and lead to more corruption.
3. Startups won't be running around tax offices for various registrations and procedures under excise, service tax and VAT.	3. High confusion regarding the product classification and multiple rates is a major concern.
4. Higher threshold for registration.	4. The food industry has criticized the levying of higher rates on value-added manufactured goods and has asked for a simpler regime.
5. Composition scheme for small business. The purpose is to ease the burden of compliance which enables the small businesses to focus more on business and less on compliance.	5. Items like (i) Alcohol (ii) Real Estate and (iii) Electricity have been kept out of this regime defeating the purpose of one tax.

COMPONENTS OF GST

GST would be levied on a common base by both the central and the state government simultaneously. The dual GST can be categorized into the following:

- ◆ **Central GST (CGST)**- GST to be levied by the Central Government.
- ◆ **State GST (SGST)/Union Territory GST (UTGST)**- GST to be levied by States/Union Territories with legislature.
- ◆ **Integrated GST (IGST)**- GST levied by Central Government on inter-state supply of goods and services to ensure that the credit chain is not disrupted. Apart from the applicable custom duties, import of goods and services would be treated as inter-state supplies and would therefore be subject to IGST.





GOODS & SERVICES TAX (GST) COUNCIL

GST Council is a constitutional body for making recommendations to the Union and State Government on issues related to Goods and Service Tax. The GST Council is chaired by the Union Finance Minister and other members are the Union State Minister of Revenue or Finance and Ministers in-charge of Finance or Taxation of all the States.

The Union Cabinet in its meeting held on 12th September, 2016 approved setting-up of GST Council and setting up its Secretariat. As per Article 279A of the amended Constitution, the GST Council which will be a joint forum of the Centre and the States, shall consist of the following members: -

GST RATES

At the time of GST implementation former Finance Minister, the late Mr. Arun Jaitley said that the government wanted to keep the GST rates close to the original rates. But there were differences in case of some items because of the changes in the economy as well as customer preferences. Some commodities were kept in the high tax bracket (18-28%) but on scrutinizing the list, they found that these commodities should be considered as necessities and not luxuries. This is why the GST rates were revised for commodities such as notebooks, exercise books.

Few GST Rates are:

Tax Rate	Products
0.25%	Cut and semi-polished stones are included under this tax slab.
5%	Household necessities such as edible oil, sugar, spices, tea, and coffee (except instant) are included. Coal, Mishti/Mithai (Indian Sweets) and Life-saving drugs are also covered under this GST slab.
12%	This includes computers and processed food.
18%	Hair oil, toothpaste and soaps, capital goods and industrial intermediaries are covered in this slab.
28%	Luxury items such as small cars, consumer durables like AC and Refrigerators, premium cars, cigarettes and aerated drinks, High-end motorcycles are included here.

- i. Chairperson – Union Finance Minister.
- ii. Vice Chairperson - to be chosen amongst the Ministers of State Government.
- iii. Members - MOS (Finance) and all Ministers of Finance / Taxation of each State.
 - ◆ Quorum is 50% of total members.
 - ◆ Decision by 75% majority.
 - ◆ States - 2/3 weightage and Centre - 1/3 weightage.
 - ◆ Council to make recommendations on everything related to GST including laws, rules and rates etc.

***Sources: CBIC, Business Alligators and Bankbazaar.**



ELECTRONIC INVOICE UNDER GST



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Traditional invoicing is heavily paper-based process and also manually intensive prone to human error resulting in increased cost and processing life cycle for companies. Due to this, the concept of Electronic invoicing was introduced as an integrated electronic format to be shared between supplier and buyer.

The true definition of an electronic invoice is that it should contain data from the supplier in a format that can be entered into the buyers Account payable (AP) system without requiring any data input from the buyers AP administrator other than approval for posting. Each country has defined a standard and adopted the same recent adoption in the Asian countries by Singapore which has used pan-European public procurement online standard. Globally accepted standard on e-invoice is universal business language. All these standards are into having a common business language. These standards are aligned with the local laws by each country. After implementation of this standard all accounting applications will generate same electronic version of the invoice. In the current system in India, each ERP has a database and the E version of the invoice be it XML/JSON or any other format would have different header which leaves no room for interoperability. The machine credibility and uniform interpretation is the key objective of E invoice.

E INVOICE IN INDIA

In the 35th GST council meeting, the introduction of E invoicing has approved implant in a face manner for reporting of invoices to GST system before issuing to the

customers. It was decided to start this from 1st January, 2020 on voluntary basis and mandatory from 1st April, 2020. Since there is no standard for this existing in the country, standard for the same has been finalized after consultation with trade industry bodies as well as ICAI after keeping the draft in public place.

SUMMARY OF THE ISSUED NOTIFICATIONS

- ◆ Registered person whose aggregate turnover in a financial year exceeds 100 crores shall prepare electronic invoice and same will be mandatory from 1st April, 2020 for all the transactions except B2C transactions and Bill of Supply.
- ◆ New sub-rule 4 has been introduced under Rule 48 under CGST rules. As per this new rule, the invoice shall be prepared by including search particulars as candy in form GST INV-01 after obtaining an invoice reference number by uploading same information on the invoice registration portal.
- ◆ Taxpayers need to obtain invoice reference number by uploading the information on invoice registration portal.
- ◆ Invoice issued without invoice reference number will be treated as invalid invoice for the taxpayers whose turnover is more than 100 crores.
- ◆ In case of E invoice, the provisions of CGST Rule 48 (1) and (2) are not applicable. These some rules contain the provisions of issue of triplicate invoices and duplicate invoices in case of goods and services respectively.
- ◆ Timing of issue of invoice as mentioned in Section 31 of CGST Act does not get changed due to introduction of electronic invoice. In other words, the time of generation of invoice in case of goods will be before or at the time of removal of goods for delivery of goods and before or after the provision of service in case of services as described in section 31 (2) of CGST Act.

Salient features:

- ◆ E-invoice does not mean generation of invoices from a central portal of tax department.
- ◆ All accounting softwares are expected to adapt the new e invoice standard wherein they would realign in their data access and retrieval in the standard format.
- ◆ There would not be any change in the format and mode of delivery of invoice to the customer.

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- ◆ Generation of e-invoice will be the responsibility of the taxpayer who will be required to report the same to Invoice Registration Portal of GST, which in turn will generate a unique IRN.
- ◆ E-invoice is required to be issued in case of all types of supply including reverse charge exports business to government except B2C. In B2C, the QR code is must for taxpayers whose total turnover is more than Rs 500 crores in the financial year.
- ◆ E invoicing is not merely limited to the issuance of invoices but also extends to the credit notes, debit notes, etc.

PROCESS OF GETTING AN E-INVOICE

The following are the stages involved in generating or raising an e-invoice.

- 1 Taxpayer must ensure to use the reconfigured ERP system as per PEPPOL standard. He must coordinate with the software service provider to incorporate the standard set for e-invoicing, i.e. e-invoice schema (standards) and must have the mandatory parameters, at least. It should be capable of generating the JSON file for multiple invoices together. Those taxpayers not having any software will be provided offline utility. At a future date when e-invoicing applies to small taxpayers, they can choose from 8 different accounting and billing softwares all tied up with the GSTN. It is available free of cost. It is available both as online (cloud-based) as well as offline (installed on the computer system of the user).
2. The taxpayer must thereafter raise a normal invoice on that software. He must give all the necessary details like, billing name and address, GSTN of the supplier, transaction value, Item rate, GST rate applicable, tax amount, etc.
3. Upload the details of invoice, especially mandatory fields onto the IRP using the JSON file only. It can be done directly or through GSPs or APIs (apps or software providers). The IRP will act as the Central Registrar for e-invoicing and its authentication. There are several modes of interacting with IRP such as web-based, API-based, SMS based, mobile app-based, an offline tool-based, and GSP based.
4. IRP will validate the key details of the B2B invoice, check for any duplications and generate an invoice reference number (hash) for reference. There are four parameters: Seller GSTIN, Invoice number,

FY and document type (INV/DN/CN).

5. IRP generates the Invoice Reference Number (IRN), digitally signs the invoice and creates a QR code in Output JSON for the supplier. On the other hand, the seller of the supply will get intimated of the e-invoice generation through email (if provided in the invoice).

6. IRP will send the authenticated payload to GST portal for GST returns. Additionally, details will be forwarded to the e-way bill portal, if applicable. ANX-1 of seller and ANX-2 of the buyer gets auto-filled for the relevant tax period. In

turn, it determines the tax liability.

A taxpayer can continue to print his invoice as being done presently with logo. E-invoicing system only mandates all taxpayers to report invoices on IRP in electronic format.

ISSUES AHEAD:

- ◆ Cost to business: The existing ERP system must be reconfigured in view of requirement of seamlessly sync with IRP. It will have one time cost most as well recurring cost. A large group having different business verticals within the group may have varying demands for invoice generation, which would require additional customization of commonly maintained ERP system.
- ◆ Operational challenges: The scheme issued for E invoice is having many optional fields. Businesses will also have to look at the requirements for skill development and further upgradation for staff concerned with invoice generation and accounts.
- ◆ Technology upgradation: For smooth functioning we require additional technology upgradation to automate processes such as payment, reconciliation raised by buyer as well as banks treatment to fully gain the benefits of the transition.

FUTURE AHEAD:

The introduction of electronic invoicing promises to be the most significant steps since the introduction of GST. The businesses must understand the proposed system at its very inception so that adequate preparation can be taken care of.

The data requirements as mentioned in the scheme provided by GSTN, have to be understood thoroughly. This requires a high degree of standardization of invoicing operations and will necessitate the involvement of various stakeholders including internal teams such as Account receivable and Accounts payable as well as external players such as customers, suppliers, bankers etc.

In totality this must be seen as a text compliance tool evolved as a technological solution. E-invoicing is conceptualized to be a Win-Win situation with digitalization resulting in ease of compliance for businesses as well as real-time access to data and also to tax administrators.



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NOTE ON EQUALISATION LEVY

1. BACKGROUND

Equalization Levy was introduced in India in 2016, with the intention of taxing the digital transactions i.e. the income accruing to foreign entities from online advertisement and related activities from India. It is aimed at taxing business to business transactions. Below is a small note on the amended provisions and its impact on corporate entities having online business operations in India.

The Finance Bill, 2020 has expanded the scope of the “equalization levy” to include consideration received by e-commerce operators from e-commerce supply or services, and taxed at a **rate of 2%**. This levy has an **effective date of 1 April, 2020**. It was not part of the budget announcements made on February 1, 2020. This has been introduced as official amendment on March 23, 2020 and passed on the same date by the Parliament. Recently on July 4, 2020 enabling rules have been notified and the first due date was July 7, 2020.

2. APPLICABILITY

Equalization levy is chargeable on consideration received or receivable by a **non-resident ‘e-commerce operator’** from **‘e-commerce supply or services’** made or provided or facilitated by it.

An **“e-commerce operator”** is defined as ***a non-resident that owns, operates or manages a digital or electronic facility or platform for online sale of goods or the online provision of services.***

The **“e-commerce supply or services”** on which the levy applies are:

1. Online sale of goods **owned** by the e-commerce operator
2. Online provision of **services** provided by the e-commerce operator
3. Online sale of goods or provision of goods facilitated by the

e-commerce operator (i.e., when the operator provides a platform for others to supply goods or provide services)

4. Any combination of the above

The levy is applicable when the goods or services are provided / facilitated by the e-commerce operator to:

A person resident in India;

A non-resident (in respect of sale of advertisements targeted at persons resident in India or using IP address in India);

A person who buys goods or services using an IP address located in India;

3. EXCEPTION

Here are certain situations when the equalization levy is not applicable. These include situations when:

The non-resident has a permanent establishment in India and the e-commerce supply or services are effectively connected to such permanent establishment.

The equalization levy at 6% on “specified services” (such as online advertisement and any provision for digital advertising space or any other facility or service for the purpose of online advertisement)

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applies to such services;

The gross receipts / turnover in respect of goods sold / services provided to residents, non- residents and persons using IP addresses in India is less than INR 20 million during the previous year (April 1 to March 31) (i.e. approximately U.S. \$265,000)

4. COMPLIANCE

Responsibility - Unlike in the case of the equalization levy on specified services (online advertisements) where the resident payer was responsible to deduct and pay the equalization levy, this levy is the e-commerce operator responsibility and is to be discharged by the operator itself, on a quarterly basis.

Rate : Non-resident e-commerce operator is required to pay 2 per cent equalization levy on value of e-commerce supply or service on quarterly basis and is required to file annual statement in India.

Due Date : Due date for 1st compliance/payment for the period of April 1, 2020 to June 30, 2020 for the equalization levy is July 7, 2020. Thereafter, for each quarter its compliance and payment are due on October 7, January 7, April 7 respectively.

Filing :E-Commerce Operator needs to file annual return in Form-1 at Income Tax Portal.

Penal action :Failure to pay equalization levy or failure to undertake the required compliance attracts interest, penalty and prosecution provisions on non-resident e-commerce operators.

Interest: In case of delay of payment, interest will be charged @ 1% p.m.

Penalty: Penalty will be equal to Rs. 1000/- per day subject to maximum of levy in default.

5. TAX TREATY BENEFIT

5.1 *Equalization levy is said to be a separate charge (levy) created in the Finance Act, 2016 and it does not form part of the Indian Income-tax*

Act, 1961. Senior tax officials on various forums has stated that tax treaty benefit will not be available on equalization levy.

6. REQUEST FOR DEFERMENT

It is learnt that group of nine business bodies, representing mostly American, European, Australian and Asian foreign companies, had written to Finance Minister Nirmala Sitharaman seeking deferment of 2 per cent tax imposed on non-resident e-commerce companies by nine months due to the crisis triggered by COVID-19.

However, the enforcement of the equalization levy has not been deferred as expected by the industry, the department has recently on July 4, 2020 issued a circular notifying the rules and form to ensure compliance of the levy starting July 7, 2020.

7. CONCLUSION

It is important to note that equalization levy related amendments did not form part of Finance Bill, 2020 presented on February 1, 2020; and were directly introduced and passed by Indian Parliament on March 23, 2020 during lockdown situation without much discussion with the stakeholders. There appear to be various open issues and confusion created due to broad language used in the amendment.

Procedures related to sales return or credit note also require proper guidance. Similarly, its conflict with GST provisions also needs examination. One could therefore expect some clarification and FAQs in due course on the new scope of equalization levy.

In the given circumstances, since the trigger point is online sale by a non-resident operator, the foreign entity operating e-commerce portal need to examine whether sale made by it to Indian resident customers during the previous financial year i.e. April 1, 2019 to March 31, 2020 was INR 20 million or higher or not. If yes, then it needs to ensure the compliance of the above provisions are made, unless there is more clarity from the department in the coming days.



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WRITE-UP ON TDS ON GST

Tax Deduction at Source (TDS), well-known provision under Income tax is now introduced in facet of GST law.

Notification No. 50/ 2018-Central Tax, dated 13th September, 2018 was issued to bring into force the provisions of TDS under GST with effect from October 01, 2018. So, with effect from 1st October, 2018, notified class of assesses have to undertake TDS deduction under GST, file GST-TDS returns, issue GST-TDS certificates and take-up all other entailing compliances.

APPLICABILITY OF THE PROVISION

Under Section 51 of the CGST Act, 2017 read with Notification No. 50/ 2018-Central Tax, dated 13th September, 2018, the following are the categories of the persons who are mandated to undertake TDS deduction:

- a) a department or establishment of the Central Government or State Government; or
- b) local authority; or
- c) Governmental agencies; or
- d) Such persons or category of persons as may be notified by the Government on the recommendations of the Council.

The Central Government vide Notification No. 33/ 2017-Central Tax, dated 15th September, 2017 notified the persons under clause (d) of section 51(1) namely:-

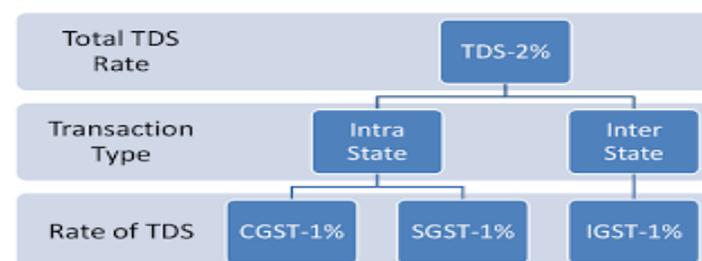
- i. an authority or a board or any other body, -
 - a) set up by an Act of Parliament or a State Legislature; or
 - b) established by any Government, with 51% or more participation by way of equity or control, to carry out any function;
- ii. society established by the Central Government or the State Government or a Local Authority under the Societies Registration Act, 1860 (21 of 1860);
- iii. public sector undertakings;



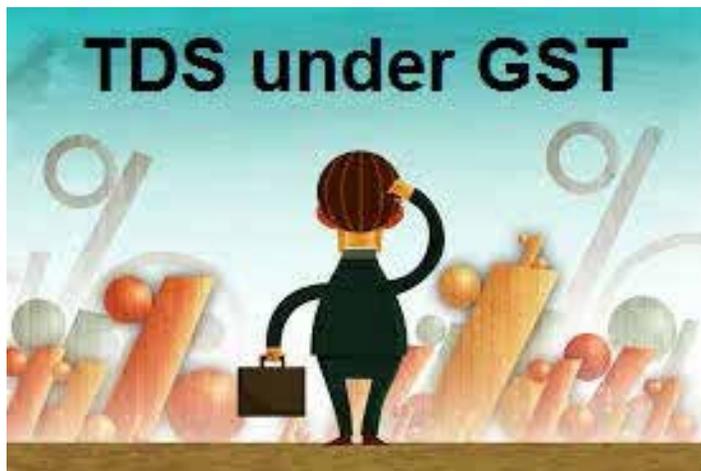
The aforementioned category of persons are required to undertake TDS deduction as per section 51 of the CGST Act, 2017 and similar provisions contained in the IGST Act from 1st October, 2018.

Section 51 of the CGST Act, 2017 mandates that the notified persons shall deduct TDS from amounts paid or credited to the supplier of taxable goods or services if the contract value exceeds Rs. 2,50,000/-.

APPLICABLE RATE OF GST ON TDS DEDUCTION



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Intra State Supply	-	2% (CGST 1% + SGST 1%)
Inter State Supply	-	2% (IGST 2%)



THRESHOLD LIMIT FOR TDS DEDUCTION

Tax deduction is required if all the following conditions are satisfied –

- TDS is required to be deducted by the aforementioned persons at the aforementioned rates if the value of a contract exceeds Rs. 2, 50,000/-.
- If the contract is made for both taxable supply and exempted supply, deduction will be made if the total value of taxable supply in the contract > Rs.2.5 Lakh. This value shall exclude taxes & cess leviable under GST.
- Total value of taxable supply > Rs.2.5 Lakh under a single contract. This value shall exclude taxes & cess leviable under GST.
- When advance is paid to a supplier on or after 01.10.2018 to a supplier for supply of taxable goods or services or both.

Section 51 of the Act uses the verbatim “a contract” meaning, the value of the whole contract for the supply of goods or services has to be considered.

Thus, once the value of the underlying contract exceeds Rs. 2, 50,000/-, TDS is required to be deducted with respect to payment for each invoice even if the value of the stand-alone invoice is more than Rs. 2,50,000/-.

REGISTRATION UNDER GST

Section 24(vi) of the CGST Act, 2017 provides for compulsory liability for registration for the deductors of TDS. A deductor in GST will be required to get registered and obtain a GSTIN [Goods & Services Tax

Identification Number] as a TDS deductor even if he is separately registered as a supplier.

A deductor has to get himself registered through the portal www.gst.gov.in by using their PAN/TAN. The entire process is online.



RETURN TO BE FILED BY TDS DEDUCTOR

The TDS (Tax Deducted at source) transactions need to be reported to the government through form GSTR 7. GSTR 7 consists of details regarding TDS deducted, the amount of TDS paid & payable, and any refund of TDS claimed. Based on form GSTR 7, the Tax Deduction Certificate will be made available for the deductee on the common portal in Form GSTR-7A. The deductee can then only claim the input credit of such TDS deducted and utilize for the payment of output tax liability.

A taxpayer is required to file his/her GSTR 7 for the given month by the 10th day of the succeeding month. A TDS certificate i.e. GSTR 7A needs to be issued within 5 days of depositing the tax to the government.

PENALTY FOR NON COMPLIANCE



Failure to file form GSTR 7 on or before the given due date can lead to a ‘per day penalty’ of Rs 100 under CGST & Rs 100 under SGST. The total late fee shall be calculated along with an 18% interest applicable from the day following the due date to the date of payment.

The amount of fine liable cannot exceed Rs. 5000.



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GOODS AND SERVICE TAX

WHAT IS GST

The economic case for GST is straightforward: Income is taxed irrespective of source and use; therefore, consumption should also be taxed on the same principle. GST is one of the widely accepted indirect taxation system prevalent in more than 150 countries across the globe. Globally, GST has been structured as a destination based comprehensive tax levied at a specified rate on sale and consumption of goods and services within a country. GST is a tax on goods and services with comprehensive and continuous chain of set-off benefits from the producer's point and service provider's point upto the retailer's level. It is essentially a tax only on value addition at each stage, and a supplier at each stage is permitted to set-off, through a tax credit mechanism, the GST paid on the purchase of goods and services is available for set-off on the GST to be paid on the supply of goods and services. The final consumer will thus bear only the GST charged by the last dealer in the supply chain, with set-off benefits at all the previous stages

NEED FOR GST

"In 2004, analysing the structure of the prevailing indirect tax system both at the Central and State level, the Task Force on Implementation of the Fiscal Responsibility and Budget Management Act, 2003 observed that "high import tariffs, excises and turnover tax on domestic goods and services have enormous cascading effects, leading to a distorted structure of production, consumption and exports. This problem can be effectively addressed by shifting the tax burden from production and trade to final consumption, and from savings to consumption. The existing tax system introduces innumerable distortions resulting in inefficient resource allocation and adversely impacting GDP growth. It also provides an incentive to firms to engage in political lobbying for exemptions and favourable modifications in the tax schedule. The Indian consumer is known to be remarkably sensitive to apparently small changes in relative prices. The goal of a rational tax system is to empower households to engage in undistorted decision making, driven by their own needs and preferences." Accordingly,

the Task Force recommended that "a well designed destination-based value added tax on all goods and services is the most elegant method of eliminating distortions and taxing consumption. Under this structure, all different stages of production and distribution can be interpreted as a mere tax pass-through, and the tax essentially 'sticks' on final consumption

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within the taxing jurisdiction. Therefore, the Task Force recommended the introduction of a destination based VAT type dual Goods and Services Tax (hereafter referred to as 'GST')."

2 There was a burden of "tax on tax" in the pre-existing Central excise duty of the Government of India and sales tax system of the State Governments. The introduction of Central VAT (CENVAT) has removed the cascading burden of "tax on tax"

to a good extent by providing a mechanism of "set off" for tax paid on inputs and services upto the stage of production, and has been an improvement over the pre-existing Central excise duty. Similarly, the introduction of VAT in the States has removed the cascading effect by giving set-off for tax paid on inputs as well as tax paid on previous purchases and has again been an improvement over the previous sales tax regime.

GST IN OTHER COUNTRIES

Internationally, countries are moving towards simplification of tax structures:

- ◆ South Korea replaced eight indirect taxes representing 40% of revenue by GST
- ◆ Other countries such as Japan Australia, New Zealand, Singapore and South Africa have strived to achieve a world class GST. GST is one of the widely accepted indirect taxation system prevalent in more than 150 countries across the globe.
- ◆ Globally, GST has been structured as a destination based comprehensive tax levied at a specified rate on sale and consumption of goods and services within a country.

MODELS There are several models of GST, each with its own merit and

demerit. A look at some of the models in circulation:

- (1) **Australian Model:** In Australia GST is a federal tax, collected by the Centre and distributed to the states.
- (2) **Canadian Model:** The GST in Canada is dual between the Centre and the states and has three varieties: (i) Federal GST and provincial retail sales taxes (PST) administered separately - followed by the largest majority; (ii) Joint federal and provincial VATs administered federally (Harmonious Sales Tax - HST); and (iii) Separate federal and provincial VAT administered provincially (QST) – only for Quebec as it is like a breakaway province. The first variety is fundamentally the Canadian model, which is similar (though not the same) to the existing situation in India.
- (3) **Kelkar-Shah Model:** This model of a unified GST, is based on a grand bargain to merge central excise, service tax and state VAT into one common base. Two different rates of tax are to be levied by the Centre and the states. The collection may be by the Centre. This is like the HST model in Canada;
- (4) **Bagchi-Poddar Model:** This model, just like Kelker- Shahs, envisages a combination of central excise, service tax and VAT to make it a common base of GST to be levied both by the Centre and the states separately. This means that the Central Excise Act, 1944 may be abolished and the goods tax may be only on the sale of goods. It may merge in it the service tax. To put this in legal lingo, the taxable event for the GST may be the act of sale of goods and services. The concept of manufacture may simply vanish.

CONSTITUTIONAL PROVISIONS WITH RESPECT TO GST LAW IN INDIA

The Constitution (One Hundred and Twenty Second Amendment) Bill, 2014 was passed by Lok Sabha on 6th May, 2015. The said Bill on a motion moved by the Hon'ble Minister of Finance, Corporate Affairs and Information and Broadcasting, was referred to the Select Committee for examination. The proposed amendments in the Constitution are targeted to achieve the objective of conferring simultaneous power on Parliament and State legislatures to make laws for levying GST simultaneously on every transaction of supply of goods & services. In addition, the proposed amendments would allow subsuming of a number of indirect taxes presently being levied by Central & State Governments into GST and thus will remove cascading of taxes and provide a common national market for goods and services.

The Bill contains 21 clauses and these clauses propose to, inter alia, amend Constitution of India by inserting new Articles- 246A, 269A and 279A with respect to special provision to Goods and Services Tax, levy and collection of Goods and Services Tax in course of inter-state trade or commerce and Goods and Services Tax council, respectively. Apart from that, the bill also purports to amend Articles 248, 249, 250, 268, 269, 270, 271, 286, 366 and 368 of Constitution of India and amendment of the Sixth and the Seventh schedule of the Constitution as well. The Bill



also seeks to repeal Article 268A of the Constitution. By bringing this bill into effect, the Government of India intends to usher in fundamental systemic reforms in the indirect taxes dispensation currently being implemented in the country by integrating and harmonizing the tax structure across the country in the form of Goods and Services Tax (GST). The proposed amendments would subsume a number of indirect taxes presently being levied by Central and State Governments into GST thereby doing away the cascading of taxes and providing a common national market for Goods and Services. The aim to bring about these amendments in the Constitution is to confer simultaneous power on Parliament and State legislatures to make laws for levying GST simultaneously on every transaction of supply and Goods and Services.

ROLE OF PCS UNDER THE GST LAW ENVISAGED FOR INDIA

A company secretary is well versed in laws subject without any doubt by virtue of his academic knowledge and practical training and particularly master to understand the laws subjects. Indirect taxes/GST would be more laws compared to computation to tax, it is easiest for the Company Secretary to understand and be an expert in the subject of Indirect Taxes/GST. Company Secretary can play an important role being an advisor and facilitator for due compliances of laws relating to Indirect Taxes/goods and Service Tax (GST) to the business community and corporate world as well.

THE COMPANY SECRETARY CAN PERFORM THE FOLLOWING TYPES OF SERVICES TO CLIENTS:-

- (i) **Advisory services or strategic advisor:** A company secretary can better interpret the law of Indirect taxes or proposed GST law and provide comprehensive guidance and advisory to the business. Company secretary are more suited for the services because for their knowledge of laws and good communication skills
- (ii) **Tax Planning:** Company secretary is competent to understand the impact of laws and its various alternatives based on the proper tax planning of indirect taxes/GST.
- (iii) **Procedural Compliances:** Procedure Compliance includes registration, filing of returns, payments of taxes, assessment etc. the procedure compliance is the easiest task because Company Secretary is already playing a role of Compliance Officer under various other laws.

- (iv) Book/Record Keeping: Like other tax laws indirect taxes/ GST would require proper record keeping and accounting systematic records of credit of input/input service and its proper utilisation is necessary for this success of GST. Company secretary must learn and be equipped to perform this tasks and it is easy because CS course have all the subjects.
- (v) Representation: Company Secretary can provide this service with confidence because of practical exposure with various competent authorities. Company secretary can better justify this service.
- (vi) Appellate work Because of legal drafting skill, the Company Secretary can provide better service in the appellate work. At present, our members are already recognised under various state VAT legislations to perform various functions.

An illustrative list is as under:-

- ◆ West Bengal Value Added Tax Authorised to appear before Appellate and Revisional Added Tax Rules, 2005 Board, the Commissioner, the Special Commissioner, the Additional Commissioner or any person appointed to assist the Commissioner on behalf of a dealer [Rule 2 (1)(a)(iv)].
- ◆ Bihar Value Added Tax Authorised to appear before VAT authorities appointed Act, 2005 under Section 10 or the Tribunal or an Officer of the Bureau of Investigation constituted under Section 86 of the Act [Section 87(d)].
- ◆ Daman and Diu Value Added Tax Authorised to appear before any VAT authority in Added Tax Regulation, connection with any proceedings under this Regulation. 2005 [Regulation 82(1)(b)].
- ◆ Goa Value Added Tax Authorised to appear before any VAT authority including Act, 2005 the Tribunal in connection with any proceedings under this Act [Section 82(1)(b)].
- ◆ Jharkhand Value Added Tax To conduct VAT Audit under section 63(1) To appear before Tax Act, 2005 VAT authorities under Rule 51(1)(c) Similarly under the excise laws and service tax laws,

THE COMPANY SECRETARY HAVE BEEN PERFORMING FUNCTIONS WHICH CAN BE

classified under following heads:-

- ◆ Acting as authorised representative before Central Excise Authorities.
- ◆ Valuation and classification of goods.
- ◆ Assessment of duty and obtaining refunds.
- ◆ Complying with formalities for removal of excisable goods for home consumption and exports.
- ◆ CENVAT procedures.
- ◆ Advising on search, seizure etc.
- ◆ Documentation.

As per the proposed administrative structure, as recommended by the task force on GST, case for uniformity in the procedures has been made so as to reduce compliance and administrative cost, which would in turn result in improved voluntary compliance.

In the report, the task force has envisioned the design of dual GST in the

following manner:-

- ◆ The Central Board of Excise & Customs (CBEC) shall be responsible for implementing the CGST and the State Tax administrations will be separately responsible for implementing the SGST. The various tax administrative functions such as assessment, enforcement, scrutiny and audit should be undertaken by the CBEC in respect of the CGST and by the State tax administration in respect of the SGST subject to our recommendation on small-scale industries.
- ◆ All procedures under CGST and SGST should be uniform.
- ◆ Each taxpayer should be allotted a PAN based taxpayer identification number, as recommended above.
- ◆ The unit of taxation for the purposes of GST should be persons as defined under the Income Tax Act. Consequently, for the purposes of CGST, all production units/branches of a person located anywhere in the country will be treated as a single taxable entity eligible for CGST input credit across units/branches. Similarly, for the purposes of SGST, all production units/branches of a person located anywhere within the State will be treated as a single taxable entity eligible for SGST input credit across units/branches in that State.
- ◆ The Central Government shall establish a common IT infrastructure which will serve the needs of both CGST and SGST.
- ◆ The Central Government will be responsible for establishing a taxpayers information network (TIN) keeping in view the information requirement of CBEC and the State tax administration. The TIN will be shared between the Centre and the States.
- ◆ The payment of tax and the transaction reporting should be made through a combined payment and transaction reporting statement in Form No. GST-I. This statement should detail all business transactions relating to sales. This statement should be common for both CGST and SGST compliance and it should be mandatory to file this statement electronically on a monthly basis while making payment of taxes
- ◆ Taxpayers opting for the compounded levy may be required to pay their taxes and file their returns on a quarterly basis.
- ◆ Electronic filing of all other returns, if any, should also be mandatory. Therefore, the return forms should be common for CGST and SGST compliance.

It can be seen that as per the recommendation of task force, although in theory the GST model would be a dual-tax structure, however for all practical and administrative purposes, the implementation of tax would be a single process.

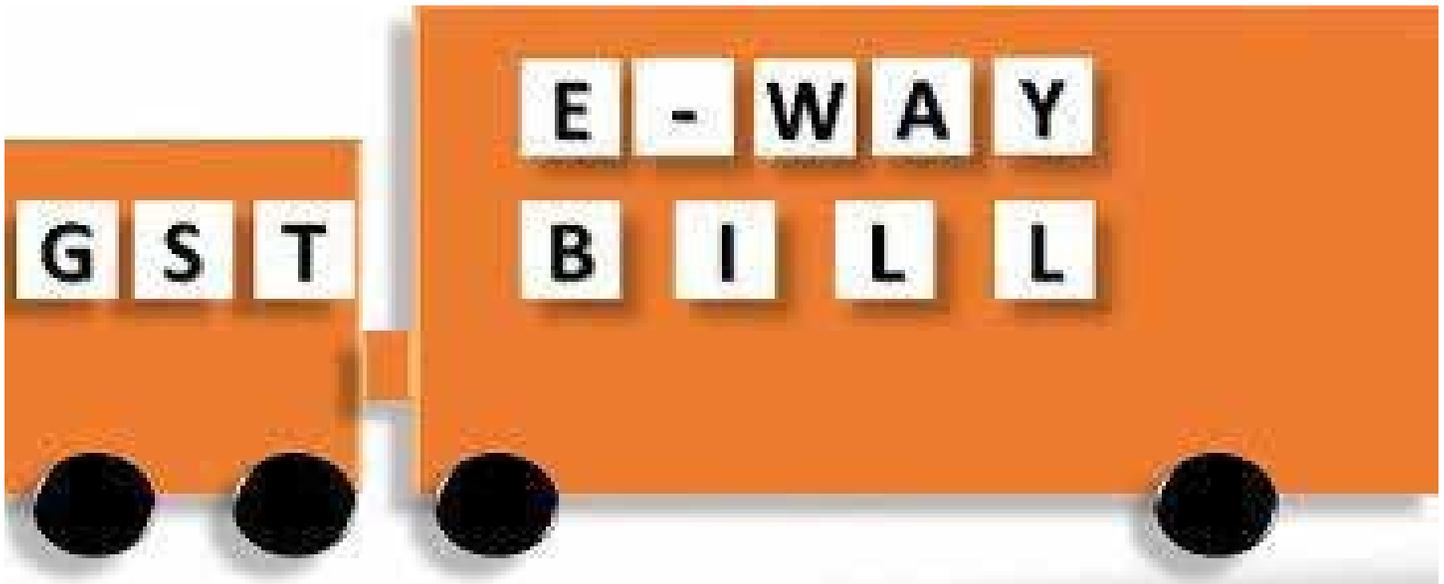
Hence Company Secretary being a trained professional, having a long track record and who is already recognised for performing various important functions under Central tax statutes and State taxes, should be recognised under the proposed GST legislation also.



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ALL ABOUT E-WAY BILL



1. WHAT IS AN EWAY BILL?

EWay Bill is an Electronic Way bill for movement of goods to be generated on the eWay Bill Portal. A GST registered person cannot transport goods in a vehicle whose value exceeds Rs. 50,000 (Single Invoice/bill/delivery challan) without an e-way bill that is generated on ewaybillgst.gov.in.

Alternatively, Eway bill can also be generated or cancelled through SMS, Android App and by site-to-site integration through API.

When an e-way bill is generated, a unique Eway Bill Number (EBN) is allocated and is available to the supplier, recipient, and the transporter.

2. WHEN SHOULD EWAY BILL BE ISSUED?

eWay bill will be generated when there is a movement of goods in a vehicle/ conveyance of value more than Rs. 50,000 (either each Invoice or in aggregate of all invoices in a vehicle/conveyance) –

- In relation to a 'supply'
- For reasons other than a 'supply' (say a return)
- Due to inward 'supply' from an unregistered person

For this purpose, a supply may be either of the following:

- A supply made for a consideration (payment) in the course of business
- A supply made for a consideration (payment) which may not be in the course of business

- A supply without consideration (without payment) In simpler terms, the term 'supply' usually means a:

1. Sale – sale of goods and payment made
2. Transfer – branch transfers for instance
3. Barter/Exchange – where the payment is by goods instead of in money

Therefore, eWay Bills must be generated on the common portal for all these types of movements. For certain specified Goods, the e-way bill needs to be generated mandatorily even if the value of the consignment of Goods is less than Rs. 50,000:

1. Inter-State movement of Goods by the Principal to the Job-worker by Principal/ registered Job-worker***,
2. Inter-State Transport of Handicraft goods by a dealer exempted from GST registration

3. WHO SHOULD GENERATE AN EWAY BILL?

- **Registered Person** – Eway bill must be generated when there is a movement of goods of more than Rs 50,000 in value to or from a registered person. A Registered person or the transporter may choose to generate and carry e-way bill even if the value of goods is less than Rs 50,000.

- **Unregistered Persons** – Unregistered persons are also required to generate e-Way Bill. However, where a supply is made by an unregistered person to a registered person, the

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receiver will have to ensure all the compliances are met as if they were the supplier.

- **Transporter** – Transporters carrying goods by road, air, rail, etc. also need to generate e-Way Bill if the supplier has not generated an e-Way Bill.
- Unregistered Transporters will be issued Transporter ID on enrolling on the e-way bill portal after which Eway bills can be generated.

Who	When	Part	Form
Every Registered person under GST	Before movement of goods	Fill Part A	Form GST EWB-01
Registered person is consignor or consignee (mode of transport may be owned or hired) OR is recipient of goods	Before movement of goods	Fill Part B	Form GST EWB-01
Registered person is consignor or consignee and goods are handed over to transporter of goods	Before movement of goods	Fill Part B	The registered person shall furnish the information relating to the transporter in Part B of FORM GST EWB-01
Transporter of goods	Before movement of goods		Generate e-way bill on basis of information shared by the registered person in Part A of FORM GST EWB-01
An unregistered person under GST and recipient is registered	Compliance to be done by Recipient as if he is the Supplier.		1. If the goods are transported for a distance of fifty kilometers or less, within the same State/Union territory from the place of business of the consignor to the place of business of the transporter for further transportation, the supplier or the transporter may not furnish the details of conveyance in Part B of FORM GST EWB-01. 2. If supply is made by air, ship or railways, then the information in Part A of FORM GST EWB-01 has to be filled in by the consignor or the recipient

Note: If a transporter is transporting multiple consignments in a single conveyance, they can use the form GST EWB-02 to produce a consolidated e-way bill, by providing the e-way bill numbers of each consignment. If both the consignor and the consignee have not created an e-way bill, then the transporter can do so * by filling out PART A of FORM GST EWB-01 on the basis of the invoice/bill of supply/delivery challan given to them.

4. CASES WHEN EWAY BILL IS NOT REQUIRED

In the following cases it is not necessary to generate e-Way Bill:

1. The mode of transport is non-motor vehicle
2. Goods transported from Customs port, airport, air cargo complex or land customs station to Inland Container Depot (ICD) or Container Freight Station (CFS) for clearance by Customs.
3. Goods transported under Customs supervision or under customs seal
4. Goods transported under Customs Bond from ICD to Customs port or from one custom station to another.
5. Transit cargo transported to or from Nepal or Bhutan
6. Movement of goods caused by defence formation under Ministry of defence as a consignor or consignee
7. Empty Cargo containers are being transported
8. Consignor transporting goods to or from between place of business and a weighbridge for weighment at a distance of 20 kms, accompanied by a Delivery challan.

9. Goods being transported by rail where the Consignor of goods is the Central Government, State Governments or a local authority.
10. Goods specified as exempt from E-Way bill requirements in the respective State/Union territory GST Rules.
11. Transport of certain specified goods- Includes the list of exempt supply of goods, Annexure to Rule 138(14), goods treated as no supply as per Schedule III, Certain schedule to Central tax Rate notifications. (PDF of List of Goods).

Note: Part B of e-Way Bill is not required to be filled where the distance between the consigner or consignee and the transporter is less than 50 Kms and transport is within the same state.

5. STATUS OF IMPLEMENTATION ACROSS INDIA

Inter-State movement of goods has seen rise in numbers of generation of e-way bills ever since its implementation began from 1st April 2018. State-wise implementation of e-way bill system has seen a good response with all the States and Union Territories joining the league in the generation of e-way bills for movement of goods within the State/UT. However, reliefs have been provided to people of few States by way of exempting them from e-way bill generation in case of monetary limits falling below threshold amount or certain specified

items. For Instance, Tamil Nadu has exempted people of its State from the generation of eway bill if the monetary limit of the items falls below Rs. One Lakh.

6. VALIDITY OF EWAY BILL

An e-way bill is valid for periods as listed below, which is based on the distance travelled by the goods. Validity is calculated from the date and time of generation of e-way bill-



Type of conveyance	Distance	Validity of EWB
Other than Over dimensional cargo	Less Than 100 Kms	1 Day
	For every additional 100 Kms or part thereof	additional 1 Day
For Over dimensional cargo	Less Than 20 Kms	1 Day
	For every additional 20 Kms or part thereof	additional 1 Day

Validity of Eway bill can be extended also. The generator of such Eway bill has to either four hours before expiry or within four hours after its expiry can extend Eway bill validity.

7. DOCUMENTS OR DETAILS REQUIRED TO GENERATE EWAY BILL

1. Invoice/ Bill of Supply/ Challan related to the consignment of goods
2. Transport by road – Transporter ID or Vehicle number
3. Transport by rail, air, or ship – Transporter ID, Transport document number, and date on the document

8. HOW TO GENERATE EWAY BILL?

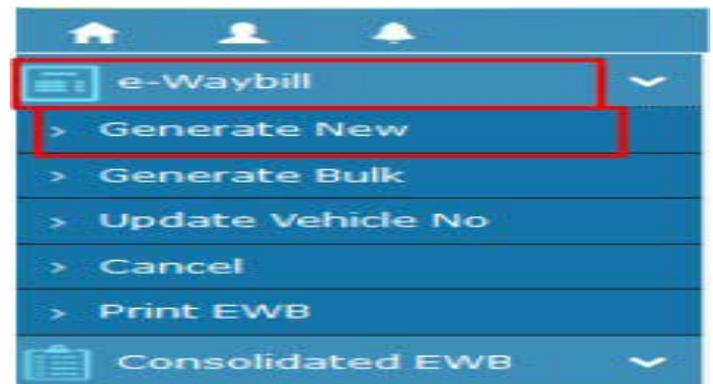
Here is a step by step Guide to Generate EWay Bill (EWB-01) online:

Step 1: Login to [eway bill system](#).

Enter the Username, password and Captcha code, Click on 'Login'



Step 2: Click on 'Generate new' under 'E-waybill' option appearing on the left-hand side of the dashboard.



Step 3: Enter the following fields on the screen that appears:



- 1) Transaction Type: Select 'Outward' if you are a supplier of consignment Select 'Inward' if you are a recipient of consignment.

- 2) Sub-type: Select the relevant sub-type applicable to you:

If transaction type selected is Outward, following subtypes appear:



If transaction type selected is Inward, following subtypes appear:



Note: SKD/CKD- Semi knocked down condition/ Complete knocked down condition

- 3) Document type: Select either of Invoice / Bill/ challan/ credit note/ Bill of entry or others if not Listed
- 4) Document No. : Enter the document/invoice number
- 5) Document Date: Select the date of Invoice or challan or Document. Note: The system will not allow the user to enter the future date.
- 6) From/ To Depending on whether you are a supplier or a recipient,

enter the To / From section details.

Note: If the supplier/client is unregistered, then mention 'URP' in the field GSTIN, indicating that the supplier/client is an 'Unregistered Person'.

7) Item Details: Add the details of the consignment (HSN code-wise) in this section:

1. Product name
2. Description
3. HSN Code
4. Quantity,
5. Unit,
6. Value/Taxable value
7. Tax rates of CGST and SGST or IGST (in %)
8. Tax rate of Cess, if any charged (in %)

Note: On the implementation of Eway bills, Based on the details entered here, corresponding entries can also be auto-populated in the respective GST Return while filing on GST portal.

8) Transporter details: The mode of transport(Road/rail/ship/air) and the approximate distance covered (in KM) needs to be compulsorily mentioned in this part.

Apart from above, **either** of the details can be mentioned:

1. Transporter name, transporter ID, transporter Doc. No. & Date.

OR

2. Vehicle number in which consignment is being transported.

Format: AB12AB1234 or AB12A1234 or AB121234 or ABC1234

Note: For products, clients/customers, suppliers, and transporters that are used regularly, first update the 'My masters' section also available on the login dashboard and then proceed.

Step 4: Click on 'Submit'. The system validates data entered and throws up

an error if any.

Otherwise, your request is processed and the away bill in Form EWB-01 form with a unique 12 digit number is generated. The away bill generated looks like this:

Print and carry the away bill for transporting the goods in the selected mode of transport and the selected conveyance. You can print the away bill anytime as follows:

Step-1: Click on 'Print EWB' sub-option under 'e-Waybill' option

Step-2: Enter the relevant away bill number -12 digit number and click on 'Go'

Step-3: Click on 'Print' or 'detailed print' button on the EWB that appears:

GOOD AND SERVICE TAX



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On 1st July 2017, GST started as a revolutionary change in the Indian taxation system with a belief and trust of magic to make a reform in Indian Economy.

The landmark decision of levy and collection of tax by State and Union both through Article 246A of Constitution of India shows the strong conviction of the government in taking a brave decision.

First let me compliment all the Taxpayers and professionals for bearing all the issues and pain in administering of GST even after, we recently celebrated the third anniversary of GST in a Hope and commitment that we will achieve the desired results of GDP growth and ease of doing businesses.

With the day by day increasing concerns, the pandemic and lockdown act as a yet another misery for an already miserable man and the endurance of stakeholders are standing at the cliff of the mountain which needs to be resolved through a combine efforts of Government, professionals and Tax payers.

Let me summarise the major concerns today which are knocking at our doors:

1. For Government

The Central has guaranteed the annual revenue growth of 14% to all the states, and due to business suffering the ultimate collection remains low at various stages.

With Central government facing crisis to return the shares of the respective state it creates the payment imbalance in Central as well as State.

2. For Taxpayer

They are the ultimate bearer of distress and even fighting for the survival of businesses, felt harassed with the imposition of various late fees, penalties and interest resulting in huge cost in governing the businesses.

3. Professionals

With regular amendments without much clear clarification creates a nightmare for guiding the clients about their respective due dates and compliances.

Some of them are also summarised for your ready reference:

(3.1) Late Fee Relief to Normal Taxpayers filing Form GSTR-3B:

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a. Taxpayers having aggregate turnover > Rs. 5 Cr. in preceding FY

Tax period	Late fees waived if return filed on or before
February	24th June
March	24th June
April	24th June

b. Taxpayers having aggregate turnover upto Rs. 5 crores in preceding FY

Tax period	Late fees waived if return filed on or before (For Group A States) *	Late fees waived if return filed on or before (For Group B States) *
February	30th June	30th June
March	03rd July	05th July
April	06th July	09th July
May	12th Sept	15th Sept
June	23rd Sept	25th Sept
July	27th Sept	29th Sept

Group A- Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, Daman & Diu and Dadra & Nagar Haveli, Puducherry, Andaman and Nicobar Islands, Lakshadweep

*** Group B-** Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand, Odisha, Jammu and Kashmir, Ladakh, Chandigarh, Delhi

(3.2) Late Fee Relief to Normal Taxpayers filing Form GSTR-1:

Tax period	Due Date	Waiver of late fee if return filed on or before
March, 2020	11.04.2020	10.07.2020
April, 2020	11.05.2020	24.07.2020
May, 2020	11.06.2020	28.07.2020
June, 2020	11.07.2020	05.08.2020
Quarterly taxpayers January to March 2020	30.04.2020	17.07.2020
Quarterly taxpayers April to June 2020	31.07.2020	03.08.2020

(3.3) Relief in Payment of Interest to Normal Taxpayers filing Form GSTR- 3B:**a. Taxpayers having aggregate turnover > Rs. 5 Cr. in preceding FY**

Tax period	Due Date	No interest payable till	Interest payable @ 9% from & till	Interest payable @ 18% from
Feb, 2020	20th March, 2020	4th April, 2020	5th April to 24th June, 2020	25th June, 2020
March, 2020	20th April, 2020	5th May, 2020	6th May to 24th June, 2020	25th June, 2020
April, 2020	20th May, 2020	4th June, 2020	5th June to 24th June, 2020	25th June, 2020
May, 2020	27th June, 2020 (extended date for filing)	27th June, 2020	—	28th June, 2020

b. Taxpayers having aggregate turnover upto Rs. 5 crores in preceding FY (Group A)

Tax period	Due Date	No interest payable till	Interest payable @ 9% from & till	Interest payable @ 18% from
Feb, 2020	22nd March, 2020	30th June, 2020	1st July to 30th Sept., 2020	1st Oct., 2020
March, 2020	22nd April, 2020	3rd July, 2020	4th July to 30th Sept., 2020	1st Oct., 2020
April, 2020	22nd May, 2020	6th July, 2020	7th July to 30th Sept., 2020	1st Oct., 2020
May, 2020	12th July, 2020 (extended date for filing)	12th Sept., 2020	13th Sept to 30th Sept., 2020	1st Oct., 2020
June, 2020	22nd July, 2020	23rd Sept., 2020	24th Sept to 30th Sept., 2020	1st Oct., 2020

c. Taxpayers having aggregate turnover upto Rs. 5 crores in preceding FY (Group B)

Tax period	Due Date	No interest payable till	Interest payable @ 9% from & till	Interest payable @ 18% from
Feb, 2020	24th March, 2020	30th June, 2020	1st July to 30th Sept., 2020	1st Oct., 2020
March, 2020	24th April, 2020	5th July, 2020	6th July to 30th Sept., 2020	1st Oct., 2020
April, 2020	24th May, 2020	9th July, 2020	10th July to 30th Sept., 2020	1st Oct., 2020
May, 2020	14th July, 2020 (extended date for filing)	15th Sept., 2020	16th Sept to 30th Sept., 2020	1st Oct., 2020
June, 2020	24th July, 2020	25th Sept., 2020	26th Sept to 30th Sept., 2020	1st Oct., 2020

4. Unorganised Sector

Small manufactures, workers like plumbers, electricians etc who are not aware of credit flow are not getting formal work due to Credit blockage. Further many of small business voluntary opted for GST registrations increasing their cost, resulting in beaten out of the market by organised players.

Key Measures Taken during the Covid-19:

1. Extension of due date for filing an annual return for FY 2018-19: The due date for furnishing the annual return electronically for financial year 2018-19 has been extended to 30 September.
2. Filling of Nil return facility of GSTR-3B through an SMS providing relief to small taxpayers.
3. Extension of Various Due Dates for the Month of March to May for GST returns to June end although it also created chaos in different due dates for different taxpayers.
4. Extension of Foreign Trade Policy (FTP 2015 -20) for one more year, Because of the COVID-19 crisis, the government has decided to continue relief under various export promotion schemes by extending existing foreign trade policy (FTP) by another one year i.e., up to 31 March 2021. Further, various other changes have also been made in the FTP and procedures to ease the compliance burden of the business concerns.

ROAD AHEAD FOR COMPANY SECRETARY:

In this Global era of business being a professional, we can't ignore the fact that GST is something which is a basic taxation for any corporate, and although we may not be an expert in this domain but the good news is that even no one is as of now, due to the fact that it is only three years back law which will take time to settle.

So, what stops us from becoming one of experts or if even we can provide a Value addition to client through our knowledge and wisdom the enriching the client business can be achieved.

My dear Friends and Colleagues it's never too late to act and as Albert Einstein rightly Quoted

"In the middle of difficulty lies opportunity."

CONCLUSION

The initial days of the rollout were not "tax-friendly" for the taxpayers due to the technical glitches in the GST portal and the complexities and confusion over the return filing system is still going on but we must remember:

"Changes are always hard in beginning, Messy at Middle but once settled it is worth it"

So, Hope and work towards making it true ease for doing business and help the country economy to get a boost and stability.

3 YEARS OF GST, ROLE OF COMPANY SECRETARIES, DIRECTOR'S REMUNERATION



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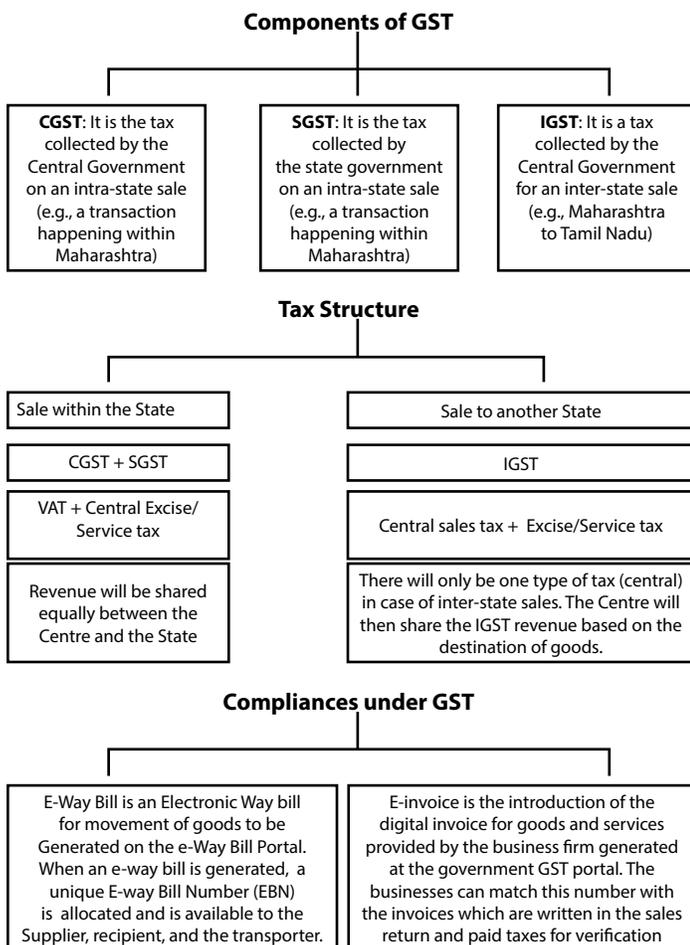
At the outset I would like to thank our esteemed NIRC for giving us the opportunity to write on the most complicated yet interesting topic Goods & Services Tax.

Goods & Services Tax often called as "GST" has become the integral part of our lives with all the amendments that have taken place as well as in this time of Covid-19 Pandemic, how smartly and responsibly our authorities have introduced new structure and mechanism and facility of "EODB" (Ease Of Doing Business).

3 YEARS OF GST

On 1st July, 2020, we all embarked 3 Years Anniversary of GST. Successful implementation of GST has made it very clear that "One Tax One Nation" is the future of *Atmanirbhar and Atmakushal Bharat*.

Starting with a brief of GST first i.e.



ROLE OF COMPANY SECRETARIES

Company Secretaries being the compliance & governance professionals

own a great responsibility towards the compliance of all statutory laws. After GST, role of company secretaries have increased, so as the opportunities. Starting from the scratch of GST Registrations, Returns, and Reconciliations to representing the case to the departments. Company Secretaries have come a long way in GST by providing good and efficient services in their respective fields.

Our esteemed institute in its curriculum have started to inculcate the seeds of GST in the students from their earlier times. It is an opportunity for students also to start practicing the law from their early times and try to find out the answer of "Why" from each and every aspect of the GST Law.

Being into Practice or into Employment, a Company Secretary can provide his services in GST in various ways and manner. Company Secretaries are the Key Person to handle all such matters with his expertise, knowledge and liaising.

DIRECTORS REMUNERATION TO FETCH GST

CBIC has clarified the applicability of GST on director's remuneration vide CGST circular no. 140/2020 dated 10th June 2020.

APPLICABILITY OF GST ON REMUNERATION OF EXECUTIVE DIRECTOR

An Executive Director can work as in both capacities as an Employee or not as an employee.

If he works as an employee, then GST is not charged on the remuneration paid to the company's executive/whole-time director/managing director.

If he does not work as an employee, then the services provided by a director to the company is subject to GST at 18% and will fall under the reverse charge mechanism of GST.

APPLICABILITY OF GST ON REMUNERATION OF NON- EXECUTIVE DIRECTOR

The services provided by a non-executive director to the company is subject to GST and will fall under the reverse charge mechanism of GST as the services provided by non-executive director are majorly of professional nature and are accounted in Books of Accounts separate from Salaries.

GST applies to remuneration paid to Independent Directors. RCM is applicable, and therefore the company, which is the recipient of services, is liable to pay GST at 18% on the total amount of director's remuneration.

GST is not only a law, it will be the face of Indian Taxation Regime in the future and a key area for company secretaries all-round the globe to eye for.

*The views expressed are personal views of the author and it should not be taken as views of the NIRC-ICSI.

GST LAW FOR COMPANIES UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS (CIRP) - INSOLVENCY & BANKRUPTCY CODE, 2016



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As per IBC, once an entity defaults certain threshold amount, Corporate Insolvency Resolution Process (CIRP) gets triggered and the management of such entity (Corporate Debtor) and its assets vest with an interim resolution professional (IRP) or resolution professional (RP). It continues to run the business and operations of the said entity as a going concern till the insolvency proceeding is over and an order is passed by the National Company Law Tribunal (NCLT).

The Corporate Persons undergoing the corporate insolvency resolution process under the provisions of the Insolvency and Bankruptcy Code, 2016 are the Corporate Debtor and the management of whose affairs is being undertaken by Interim Resolution Professionals (IRP) or Resolution Professionals (RP). These IRP/RP shall follow the following special procedure, from the date of the appointment of the IRP/RP till the period they undergo the corporate insolvency resolution process as per Notification No. 11/2020 – Central Tax dated March 21, 2020 and Notification No. 39/2020 – Central Tax dated May 5, 2020 read with Circular No. 134/04/2020-GST dated March 23, 2020 and Circular No. 138/08/2020-GST dated May 6, 2020 issued by **Central Board of Indirect Taxes and Customs** as mentioned below:



PROCESS AFTER APPOINTMENT OF IRP/RP UNDER IBC, 2016 FOR COMPLIANCE OF GST LAWS

- Registration** - The said persons shall, with effect from the date of appointment of IRP/RP, be treated as a distinct person of the corporate debtor, and shall be liable to take a new registration in each of the States or Union territories where the corporate debtor was registered earlier, within 30 days of the appointment of the IRP/RP or by June 30, 2020, whichever is later.

What will happen to the previous Registration: The GST registration of an entity for which CIRP has been initiated should not be cancelled, however, the proper officer may, if need be, suspend the registration. In case the registration of an entity undergoing CIRP has already been cancelled and it is within the period of revocation of cancellation of registration, it is advised that such cancellation may be revoked by taking appropriate steps in this regard.

Whether new registration required if IRP is not ratified and separate RP is appointed: In cases where the RP is not the same as IRP, or in cases where a different IRP/RP is appointed midway during the insolvency process. There can be 2 situations:

- When the previous authorized signatory (IRP) shares the credentials with his successor: the change in the GST system may be carried out by an amendment in the registration form. Changing the authorized signatory is a non-core amendment and does not require approval of tax officer.
- When he does not share the credentials with his successor: the newly appointed person can get his details added through the Jurisdictional authority as Primary authorized signatory.

The new registration by IRP/RP shall be required only once, and in case

of any change in IRP/RP after initial appointment under IBC, it would be deemed to be change of authorized signatory and it would not be considered as a distinct person on every such change after initial appointment. Accordingly, it has been clarified that such a change would need only change of authorized signatory which can be done by the authorized signatory of the Company who can add IRP /RP as new authorized signatory or failing that it can be added by the concerned jurisdictional officer on request by IRP/RP.

- First Return after registration** -The said persons shall, after obtaining registration file the first return under section 40 of the Central Goods & Services Tax Act, 2017 (the Act) regarding outward supplies in the period between the date on which he became liable to registration till the date on which registration has been granted.

The IRP/RP is under no obligation to file the returns of pre-CIRP period and he only needs to comply with all the legal requirements after the Insolvency Commencement Date. The IRP/RP will be liable to furnish returns, make payment of tax and comply with all the provisions of the GST law during CIRP period.

- One time Input Tax Credit on old GSTIN:** The said persons shall, in his first return as above, be eligible to avail input tax credit on invoices covering the supplies of goods or services or both, received since his appointment as IRP/RP but bearing the old GSTIN of the Corporate Debtor, subject to the conditions of Chapter V of the Act and the rules made thereunder, except the provisions of Section 16(4) of the Act and Rule 36(4) of the Central Goods and Service Tax Rules, 2017 (the Rules).

Section 16(4): It puts a restriction on availing ITC if such taxpayer has delayed filing GSTR-3B for tax periods from July 2017 to March 2018.

Rule 36(4): It stipulates a cap of 10% provisional ITC. Even a registered person receiving goods from such companies can claim ITC on invoices bearing the earlier GSTIN in compliance with the conditions specified under Chapter V of the GST Act.

- This exception is made only for the first return filed under section 40 of the CGST Act.**

Any amount deposited in the cash ledger by the IRP/RP, in the existing registration, from **the date of appointment of IRP/RP to the date of registration in terms of this notification** shall be available for refund to the erstwhile registration under the head refund of cash ledger, even though the relevant **FORM GSTR-3B/GSTR-1** are not filed for the said period. (The instructions contained in Circular No. 125/44/2019-GST dated November 18, 2019 stands modified to this extent).

- Input Tax Credit by the persons receiving supplies from the Corporate Debtors:** The same rules would apply for the registered persons receiving supplies from this Corporate Debtor. In other words, they need to avail the GST Input Tax Credit from the date of appointment of IRP/RP for that Corporate Debtor (their supplier) to the date of registration or 30 days from the date of this notification, whichever is earlier, on invoices issued using the GSTIN of the erstwhile corporate debtor, subject to the conditions of Chapter V of the said Act and the rules made thereunder, except the Rule 36(4) of the Rules.

Exemption from Notification dated March 21, 2020: Non requirement to follow the above procedure and IRP/RP would not be required to take a fresh registration in those cases where statements in FORM GSTR-1 under section 37 and returns in FORM GSTR-3B under section 39 of the CGST Act, for all the tax periods prior to the appointment of IRP/RP, have been furnished under the registration of Corporate Debtor (earlier GSTIN).

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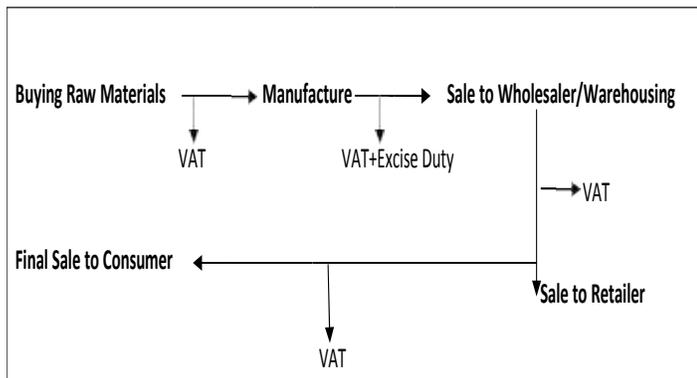
GOODS AND SERVICES TAX (GST)

WHAT IS GST IN INDIA?

GST is known as the Goods and Services Tax. It is an indirect tax which has replaced many indirect taxes in India such as the excise duty, VAT, services tax, etc. The Goods and Service Tax Act was passed in the Parliament on 29th March 2017 and came into effect on **1st July 2017**.

In other words, Goods and Service Tax (GST) is levied on the supply of goods and services. Goods and Services Tax Law in India is a comprehensive, multi-stage, destination-based tax that is levied on every value addition. GST is a single domestic indirect tax law for the entire country.

Before the Goods and Services Tax could be introduced, the structure of indirect tax levy in India was as follows:



Under the GST regime, the tax is levied at every point of sale. In the case of intra-state sales, Central GST and State GST are charged. All the inter-state sales are chargeable to the Integrated GST.

Now, let us understand the definition of Goods and Service Tax, as mentioned above, in detail.

a) Multi-stage

An item goes through multiple change-of-hands along its supply chain: Starting from manufacture until the final sale to the consumer.

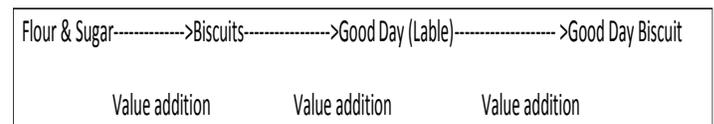


Let us consider the following stages:

- Purchase of raw materials
- Production or manufacture
- Warehousing of finished goods
- Selling to wholesalers
- Sale of the product to the retailers
- Selling to the end consumers

The Goods and Services Tax is levied on each of these stages making it a multi-stage tax.

b) Value Addition



A manufacturer who makes biscuits buys flour, sugar and other material. The value of the inputs increases when the sugar and flour are mixed and baked into biscuits.

The manufacturer then sells these biscuits to the warehousing agent who packs large quantities of biscuits in cartons and labels it. This is another addition of value to the biscuits. After this, the warehousing agent sells it to the retailer.

The retailer packages the biscuits in smaller quantities and invests in the marketing of the biscuits, thus increasing its value. GST is levied on these value additions, i.e. the monetary value added at each stage to achieve the final sale to the end customer.

Destination-Based

Consider goods manufactured in Uttar Pradesh and sold to the final

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consumer in Andhra Pradesh. Since the Goods and Service Tax is levied at the point of consumption, the entire tax revenue will go to Andhra Pradesh and not Uttar Pradesh.

THE JOURNEY OF GST IN INDIA

The GST journey began in the year 2000 when a committee was set up to draft law. It took 17 years from then for the Law to evolve. In 2017, the GST Bill was passed in the Lok Sabha and Rajya Sabha. On 1st July 2017, the GST Law came into force.

S. No.	YEAR	EVENTS
1.	2000	PM Atal Bihari Vajpayee set up a committee to draft GST Law
2.	2004	A task force concludes GST must be implemented to improve current tax structure
3.	2006	Finance Minister proposes GST introduction from April 1, 2010
4.	2007	CST to be phased out. Rate reduced from 4% to 3%
5.	2008	EC finalises dual GST structure to have separate levy, legislation
6.	2010	Project to computerise commercial taxes launched but GST implementation postponed
7.	2011	Constitution Amendment Bill to enable GST Law introduced
8.	2012	Standing committee begins discussion on GST but stalled it over clause 279B
9.	2013	Standing committee tables its report on GST
10.	2014	GST Bill reintroduced in Parliament by Finance Minister
11.	2015	GST Bill passed in Lok Sabha but not passed in Rajya Sabha
12.	2016	GST goes live. Amended Model GST Law passed in both Houses. President gives assent
13.	2017	Four supplementary GST Bills passed in Lok Sabha and approved by Cabinet. Rajya Sabha passes Four supplementary GST Bills. Final GST to implement on July 1, 2017.

ADVANTAGES OF GST

GST has mainly removed the cascading effect on the sale of goods and services. Removal of the cascading effect has impacted the cost of goods. Since the GST regime eliminates the tax on tax, the cost of goods decreases.

Also, GST is mainly technologically driven. All the activities like registration return filing, application for refund and response to notice needs to be done online on the GST portal, which accelerates the processes.

- Removing the cascading effect of tax
- Higher threshold for GST registration
- Composition scheme for small businesses
- Simpler online facilities for GST compliance
- Relatively lesser compliances under GST
- Defined treatment for e-commerce activities
- Increased efficiency in logistics
- Regulating the unorganised sectors

WHAT ARE THE COMPONENTS OF GST?

There are three taxes applicable under this system: **CGST, SGST & IGST.**

- **CGST:** It is the tax collected by the Central Government on an intra-state sale (e.g., a transaction happening within Uttar Pradesh)
- **SGST:** It is the tax collected by the state government on an intra-state sale (e.g., a transaction happening within Uttar Pradesh)
- **IGST:** It is a tax collected by the Central Government for an inter-state sale (e.g., Uttar Pradesh to Andhra Pradesh)

In most cases, the tax structure under the new regime will be as follows:

Transaction	New Regime	Old Regime	Revenue Distribution
Sale within the State	CGST + SGST	VAT + Central Excise/ Service tax	Revenue will be shared equally between the Centre and the State
Sale to another State	IGST	Central Sales Tax + Excise/ Service Tax	There will only be one type of tax (central) in case of inter-state sales. The Centre will then share the IGST revenue based on the destination of goods.

Illustration:

- Let us assume that a dealer in Gujarat had sold the goods to a dealer in Punjab worth Rs. 100,000. The tax rate is 18% comprising of only IGST.

In such a case, the dealer has to charge IGST of Rs. 18,000. This revenue will go to Central Government.

- The same dealer sells goods to a consumer in Gujarat worth Rs. 100,000. The GST rate on goods is 12%. This rate comprises CGST at 6% and SGST at 6%.

The dealer has to collect Rs. 12,000 as Goods and Service Tax, Rs. 6,000 will go to the Central Government and Rs. 6,000 will go to the Gujarat govern-



Article

ment since the sale is within the state.

TAX LAWS BEFORE GST

In the earlier indirect tax regime, there were many indirect taxes levied by both the State and the Centre. States mainly collected taxes in the form of Value Added Tax (VAT). Every state had a different set of rules and regulations.

Inter-state sale of goods was taxed by the Centre. CST (Central State Tax) was applicable in case of inter-state sale of goods. The indirect taxes such as the entertainment tax, octroi and local tax were levied together by state and centre. These led to a lot of overlapping of taxes levied by both the State and the Centre.

For example, when goods were manufactured and sold, excise duty was charged by the centre. Over and above the excise duty, VAT was also charged by the state. It led to a tax on tax effect, also known as the cascading effect of taxes.

The following is the list of indirect taxes in the pre-GST regime:

- Central Excise Duty
- Duties of Excise
- Additional Duties of Excise
- Additional Duties of Customs
- Special Additional Duty of Customs
- Cess
- State VAT
- Central Sales Tax
- Purchase Tax
- Luxury Tax
- Entertainment Tax
- Entry Tax
- Taxes on advertisements
- Taxes on lotteries, betting, and gambling

CGST, SGST, and IGST have replaced all the above taxes.

However, certain taxes such as the GST levied for the inter-state purchase at a concessional rate of 2% by the issue and utilisation of 'Form C' is still prevalent.

It applies to certain non-GST goods such as:

- Petroleum crude;
- High-speed diesel
- Motor spirit (commonly known as petrol);
- Natural gas;
- Aviation turbine fuel; and
- Alcoholic liquor for human consumption.

It applies to the following transactions only:

- Resale
- Use in manufacturing or processing
- Use in certain sectors such as the telecommunication network, mining, the generation or distribution of electricity or any other power sector.

HOW HAS GST HELPED IN PRICE REDUCTION?



During the pre-GST regime, every purchaser, including the final consumer paid tax on tax. This condition of tax on tax is known as the cascading effect of taxes.

GST has removed the cascading effect. Tax is calculated only on the value-addition at each stage of the transfer of ownership.

The indirect tax system under GST will integrate the country with a uniform tax rate. It will improve the collection of taxes as well as boost the development of the Indian economy by removing the indirect tax barriers between states.

Illustration:

Based on the above example of the biscuit manufacturer, let's take some actual figures to see what happens to the cost of goods and the taxes, by comparing the earlier GST regimes.

Tax calculations in earlier regime:

Action	Cost (Rs)	Tax rate at 10% (Rs)	Invoice Total (Rs)
Manufacturer	1,000	100	1,100
Warehouse adds a label and repacks at Rs.300	1,400	140	1,540
Retailer advertises at Rs. 500	2,040	204	2,244
Total	1800	444	2,244

The tax liability was passed on at every stage of the transaction, and the final liability comes to a rest with the customer. This condition is known as the cascading effect of taxes, and the value of the item keeps increasing every time this happens.

Tax calculations in current regime:

Action	Cost (Rs)	Tax rate at 10% (Rs)	Tax liability to be deposited (Rs)	Invoice Total (Rs)
Manufacturer	1,000	100	100	1,100
Warehouse adds a label and repacks at Rs.300	1,300	130	30	1,430
Retailer advertises at Rs. 500	1800	180	50	1,980
Total	1800	180		1,980

In the case of Goods and Services Tax, there is a way to claim the credit for tax paid in acquiring input. The individual who has already paid a tax can claim credit for this tax when he submits his GST returns.

In the end, every time an individual is able to claim the input tax credit, the sale price is reduced and the cost price for the buyer is reduced because of lower tax liability. The final value of the biscuits is therefore reduced from Rs.2,244 to Rs.1,980, thus reducing the tax burden on the final customer.

WHAT ARE THE NEW COMPLIANCES UNDER GST?

Apart from online filing of the GST returns, the GST regime has introduced several new systems along with it.

E-Way Bills

GST introduced a centralised system of waybills by the introduction of "E-way bills". This system was launched on 1st April 2018 for inter-state movement of goods and on 15th April 2018 for intra-state movement of goods in a staggered manner.

Under the e-way bill system, manufacturers, traders and transporters can generate e-way bills for the goods transported from the place of its origin to its destination on a common portal with ease. Tax authorities are also benefited as this system has reduced time at check-posts and helps reduce tax evasion.

E-invoicing

Recently, the e-invoicing system has been launched on a trial basis starting from January 2020 and applicable from October 2020. This system requires large businesses with an annual aggregate turnover of more than Rs.100 crore to comply with some requirements.

They must obtain a unique invoice reference number for every business-to-business invoice by uploading on the GSTN's portal known as the invoice registration portal. The portal verifies the correctness and genuineness of the invoice. Thereafter, it authorises using the digital signature along with a QR code.

E-invoicing allows interoperability of invoices and helps reduce data entry errors. It is designed to pass the invoice information directly from the IRP to the GST portal and the e-way bill portal. It will, therefore, eliminate the requirement for manual data entry while filing ANX-1/GST returns and for the generation of part-A of the e-way bills.

WHAT IS THE NEW GST RETURN SYSTEM?

In the 31st GST Council Meet, it was decided that a New Return System under GST would be introduced for taxpayers. This return system will contain simplified return forms, for ease of filing across taxpayers registered under GST. Under this New Return System, there will be one main return **GST RET-1** and **2**, annexures **GST ANX-1** and **GST ANX-2**. This return will need to be filed on a monthly basis, except for small taxpayers who can opt to file the same quarterly. Small taxpayers are taxpayers with a turnover up to Rs 5 crore in the preceding financial year.

FORMS TO BE FILED UNDER THE NEW GST RETURN SYSTEM

The main return **GST RET-1** will contain details of all supplies made, input tax credit availed and payment of taxes, along with interest, if any. This re-

turn will contain two annexure forms namely **GST ANX-1** and **GST ANX-2**. **GST ANX-1** (Annexure of Outward Supplies) is for reporting details of all outward supplies, inward supplies liable to reverse charge, and import of goods and services, that will need to be reported invoice-wise (except for B2C supplies) on a real-time basis. **GST ANX-2** (Annexure of Inward Supplies) will report details of all inward supplies. Most of these details will be auto-drafted from the details uploaded by the suppliers in their **GST ANX-1**. The recipient of supplies will be able to take action on these auto-drafted documents, which will be available to them on a real-time basis.

DIFFERENCES BETWEEN CURRENT VS NEW GST RETURN SYSTEMS

Old Return-filing System	New Simplified Return System
Taxpayers considered small if turnover is up to Rs 1.5 crore in the preceding financial year, otherwise considered large taxpayers	Taxpayers considered small if turnover is up to Rs 5 crore in the preceding financial year, otherwise considered large taxpayers
Multiple return forms to be filed depending on the category of taxpayers, such as – GSTR-1, GSTR-4, GSTR-5, GSTR-6, GSTR-7 , etc	A single simplified main return form GST RET-1 containing 2 annexures GST ANX-1 and GST ANX-2 to be filed by all categories of taxpayers
Revenue invoices can be uploaded only at the time of filing of returns of outward supplies	A mechanism for the continuous upload of revenue invoices on a real-time basis
Input tax credit could be claimed on a self-declaration basis	Input tax credit can be claimed based on invoices uploaded by the supplier
Missing invoices and amendments, if any, could only be made in the return of the following tax period	Missing invoices and amendments, if any, can be made by filing an Amendment Return
Taxpayers have to file GST returns until their registration has been cancelled, even if an application for cancellation of registration has been submitted	Registration will now be suspended, in cases where a taxpayer has applied for cancellation of registration, and returns will not need to be filed for this period

TRANSITION PLAN TO THE NEW GST RETURN SYSTEM

The New GST Return System has been launched on a trial basis from July 2019, and the full-fledged system will be put into place from April 2020 (earlier: October 2019). This transition plan will be carried out in a phased manner. The trial phase will be for users to familiarise themselves with the annexure forms of the new return system.

The transition plan that was previously announced was as follows:

From July to September, during the trial phase, taxpayers will continue to file their **GSTR-1** and **GSTR-3B** returns as per the current system in place. From October 2019, **GST ANX-1** will need to be filed by large taxpayers, which will replace the **GSTR-1** return. However, **GSTR-3B** will still need to be filed up to November 2019. In the case of small taxpayers, they will need to pay taxes using **PMT-08**, which will replace their **GSTR-3B** return.

From December 2019, large taxpayers will have to start filing **GST RET-01**, the main return under the new return system. For small taxpayers, their first **GST RET-01** will need to be filed for the quarter of October-December 2019.

OFFLINE DEMO TOOL PROTOTYPE

The GST Network (GSTN) has introduced an interactive web-based prototype of the Offline Tool of the new return system. With this demo version of the prototype, a taxpayer will be able to navigate across different pages. This prototype will also allow a user to experience various functionalities such as drop-down menus, upload of invoices, upload of the purchase for verifying with inward supplies (system-created), etc.

A taxpayer will be able to analyse and experience the practical aspects of the simplified GST returns with this prototype. A user can then share feedback or suggestions with the GSTN.

IMPORTANT CHANGES INTRODUCED IN THE NEW GST RETURN SYSTEM

These are some of the changes introduced in the new return system-

- Harmonized System of Nomenclature (HSN) code will be needed in order to submit details at a document level (on the basis of turnover) versus a separate HSN summary.
- A user will also get HSN via his GST ANX-2, wherever a supplier was supposed to declare the HSN code.
- B2B supplies, liable to reverse charge mechanism need not be shown by the supplier in the GST ANX-1, however, the aggregate figure will need to be shown in GST RET-1.
- Inward supplies which are liable to RCM have to be declared in GST ANX-1 at the GSTIN level, by the recipient of supplies.
- The concept of B2C-L has been removed. The turnover limit for quarterly filers (small taxpayers) will be considered as Rs 5 crore versus the present limit of Rs 1.5 crore.
- A recipient can report missing invoices at an invoice level (that is when a supplier has not uploaded an invoice in T+2 period).

UPLOAD OF INVOICES UNDER THE NEW GST RETURN SYSTEM

There are several terms introduced in the new return system, with regard to the upload of invoices-

Missing invoices:

Whenever a supplier has not uploaded an invoice or a debit note, and a recipient claims ITC, it will be termed as "missing invoices". When ITC is availed on missing invoices by a recipient, and these missing invoices do not get uploaded by the supplier within the stipulated time frame, then the ITC availed with respect to such debit notes/invoices will be recovered from the recipient.

Locking of invoices:

A recipient will have the option to lock in an invoice, if he agrees with the details reported in that invoice. If there is a huge volume of invoices, it may not be practical to lock in individual invoices, and in such cases, deemed locking of invoices will be done on those invoices uploaded which are neither rejected nor have been kept as pending by recipient.

Unlocking of the invoices:

An invoice on which ITC has already been availed by a recipient will be considered a locked invoice, and will not be open for amendments. In case

an amendment needs to be made to a particular invoice, the supplier will have to issue a debit or a credit note. An incorrectly locked invoice can be unlocked by the recipient online, subject to a reversal of ITC claim made, and an online confirmation thereafter.

Pending invoices:

An invoice which has been uploaded by a supplier, however one of the following scenarios applies to that invoice:

- The recipient has not received the supply
- The recipient is of the opinion that there is a need for an amendment in the invoice
- The recipient is unsure about availing ITC for the time being

An invoice in such cases will be marked pending by the recipient, and no ITC will be availed by a recipient on these pending invoices.

Rejected invoices:

When the recipient's GSTIN is filled incorrectly by the supplier, the invoice will be visible for a taxpayer who is not the receiver of such supplies. As ITC will not be eligible to be taken on these invoices, the recipient will need to reject these invoices. To make the task of rejecting invoices hassle-free, the matching IT tool will have the option to create a recipient/seller master list via which the correct GSTIN can be identified.

INPUT TAX CREDIT (ITC) UNDER THE NEW GST RETURN SYSTEM

Availing of ITC will depend on uploading of invoices or debit notes by the supplier, within the stipulated time frame. An invoice uploaded by the supplier within the 10th of the following month will be visible continuously for the recipient. The taxes payable thereafter which can be claimed as ITC will be posted in the ITC table of the recipient's return before the 11th of the following month. These invoices will be available for availing ITC in the return which is filed by the recipient. Invoices that are uploaded by the supplier after the 10th of the following month will get posted in the concerned field of the recipient's return of the subsequent month; however, the viewing facility will be on a continuous basis.

AMENDMENT RETURNS UNDER THE NEW GST RETURN SYSTEM

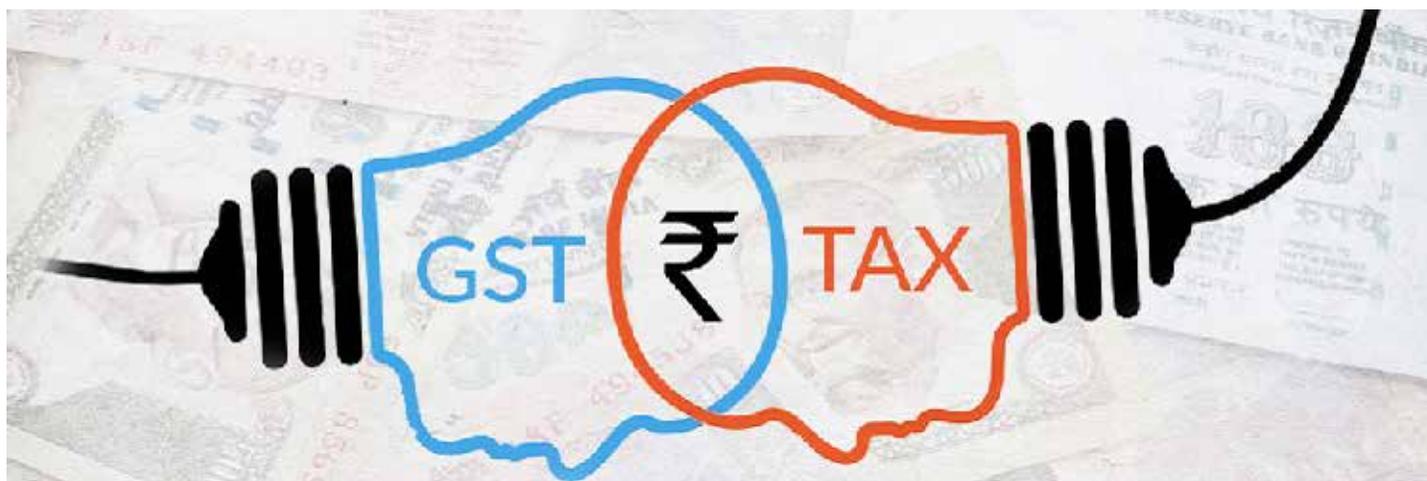
Under the new return system, a taxpayer will be allowed to file two amendment returns for each tax period. A taxpayer will also be allowed to make payment through an amendment return, which in turn will help the taxpayer in saving on his interest liability. In case ITC is available in the taxpayer's electronic credit ledger (ECL), it can be utilised for paying the liability in the amendment return. The amendment of a missing invoice which is reported later by a supplier can be done via an amendment return of the concerned tax period to which the invoice belongs.

In case a recipient has acknowledged and locked an invoice, amendment of that invoice will not be allowed. To amend any specific value of a locked invoice, either a supplier will have to raise a debit/credit note, or a supplier can seek the help of the recipient in unlocking the invoice so that he will be able to make an amendment by filing an amendment return. Amendment of a GST invoice will be allowed only if ITC has not yet been availed by the recipient.

GST AUDIT- THE BATTLE OF ESTEEM FOR COMPANY SECRETARIES



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"Success in life is not for those who run fast, but for those, who keep running and are always on the move."

Bangambiki Habyarimana, *Pearls Of Eternity*

This expression may work in both, personal and professional situations. Indeed, there seems to exist a consensus that "Goods and Service Tax (GST) has become a biggest tax reform in the business world and a "field of intense competition" among various Corporate professionals to play an important role in being an advisor and facilitator for due compliances under GST and be an asset to the general business community and corporate world.

However, in the GST law, Company Secretaries have been entrusted with several functions except Audit under section 42(Tax Audit) and Section 50(1) & (2) (Special Audit), which has been specifically assigned to the Chartered Accountants & Cost Accountants. However, being deprived of the opportunity has started the battle of esteem among Company Secretaries to earn the status of GST Auditor with pride and prestige.

A GIANT DREAM OR PETTY PURSUIT

Our Institute, the Institute of Company Secretaries of India has filed a petition, demanding an amendment to Section 42 & 50 to include company Secretaries as an Auditor under GST law so that, if allowed to be the Auditor under GST, then Company Secretaries could extend their best services under GST law in utmost transparency with diligently & efficiently and all the three Professionals will have equal opportunity under GST law.

Now the question arises that are we wanting a medium to showcase our Skills and capabilities which fuel our passion in playing pivotal role

in corporate management in promoting good corporate governance and corporate law matters including direct & Indirect tax laws.

It is well-recognized that the Company Secretary profession is related to finance, accounts, taxation, secretarial and legal. They do secretarial audit, compliance audit, internal audit, due diligence audit etc. Professional work is nothing but an audit work for any certification, attestation, authentication or report. Company Secretaries are the professionals who understand & interpret the law in a much better way and also proficient in Accounts, Management & finance. Moreover, GST audit is verification and preparation of a reconciliation statement for the value declared in the return with reference to statutory records maintained under the GST Act and audited accounts books such as sales register, purchase register, ledger etc. From analyzing through this aspect, we have a strong case for the Audit Right.

It's not mere pursuits that we are fighting for Audit Right under GST Law as we, Company Secretaries deny to settle for average work or for minimum share or scarcity of opportunities as we know we have proven our capabilities to the corporate world. Demanding the Recognition of Company Secretaries as the Auditor under Goods and Service Tax Act, is battling the critics in the fight for a better dazzling future and welcoming the possibilities that all of us represent as the Company Secretary has been bestowed upon statutory recognition of Key Managerial Personnel (KMP) of a company under the Companies Act, 2013 for reporting and advising the Board about compliance with all laws applicable to a company. The role of Company Secretary is more pronounced and recognized in practicing arena with Secretarial Audit under the Companies Act, 2013 which has been exclusively assigned thereto. Additionally, the Company Secretary has been entrusted with the audit and certification of various documents and act as authorized Representatives before various Regulatory Authorities. Company

*The views expressed are personal views of the author and it should not be taken as views of the NIRC-ICSI.



Secretaries are very well conversant with the technicalities of the accountancy and taxation and are at par with other professionals and must be given equal opportunities.

GAME CHANGER MANIFESTO

The Company Secretaries, who practice in almost all the branches of law and have a strong accounting background, are competent professionals to handle the regulatory compliance under the proposed GST laws. They are skilled professionals who understand legal, financial and compliance dimensions of business entity comprehensively. Under the Current Tax Regime, a large number of Practicing Company Secretaries are extending the registration, advisory, tax planning, compliance & appearance services to its clients in India & abroad. Having regard to their competency & Knowledge in tax laws, various states have recognized Company Secretaries to conduct Audit under VAT law.

Therefore, the Company Secretaries have a right to demand and they are demanding that right but the pride lies in earning rather than inheriting it as gift as its rightly said by someone that never beg what you can earn with respect and that's the way forward to earn recognition as GST Auditor and Company Secretary Professionals by performing the following types of services for clients are playing an important role in being an advisor and facilitator for due compliances under GST and becoming an asset to the general business community and corporate world:-

(i) Advisory services or strategic advisor

A Company Secretary can comprehensively interpret the law of GST and provide complete guidance and advisory to the business entities. Company Secretaries are more suited for their services because of their knowledge of laws and good communication skills.

(ii) Tax Planning

Company Secretaries are competent to understand the impact of laws and its various alternatives and can be helpful in proper tax planning under GST.

(iii) Procedural Compliances

Procedural Compliance includes registration, filing of returns, payments of taxes, assessment etc. Since a Company Secretary is already playing the role of a Compliance Officer under various other laws, he can assist in the same under GST law also.

(iv) Book/Record Keeping

Like any other tax laws, introduction of GST would also require proper record keeping and maintaining systematic records of credit of input/input service and its proper utilisation etc. Company Secretaries must hone their skills to perform these tasks.

(v) Representation

A Company Secretary can provide the service of representation with confidence because of practical exposure due to appearing before various competent authorities.

(vi) Appellate work

Because of their legal bent of mind, a Company Secretary can provide better services in the field of appellate work.

The Company Secretaries by registering their presence in all the important fields of the GST law have proven their competencies to earn the recognition as GST Auditors.

CONCLUSION

Recently on the third Anniversary of the introduction of Good and Service Tax Act in the webinar held by the Institute of Company Secretaries of India to commemorate GST DAY, the Hon'ble Minister of Commerce & Industry, **Shri Piyush Goyal** has remarkably accepted that *"The ambit of Company Secretary Professionals, the truth Keepers of the Corporate world, has widened and they have now transitioned into Corporate Secretaries of the country"*. Further, the Hon'ble Chief Minister of Bihar and GST Council, **Shri Sushil Kumar Modi** has said *"Company Secretary Professionals Should actively participate in suggesting measures to the GST Council, to revive the most notable tax reform of the country from the present economy throttle."*

Therefore, it can rightly opinionated that though being deprived of their right to be a GST Auditor, the Company Secretary Professionals have made their mark and registered their presence through their continuous efforts and efficient services and played a role of game changer that now, the eminent leaders recommend the GST Council and Government to provide Company Secretaries the recognition they deserve as they understand and believe that for better administration of new tax regime in the country, it is pertinent to have more and more competent and equipped professionals to facilitate regulators to ensure various compliance of statue and thus help in achieving this ambitious task, Company Secretaries must be allowed to conduct GST Audit by making an amendment in Section 42 & 50 to include Company Secretaries as an Auditor under GST law as they have emerged as the game changer here as they have established themselves as the proficient professionals who understand & interpret the law, Accounts, Management & finance and could render best services under GST law in utmost transparency with diligently & efficiently if given an opportunity to serve. It will not be surreal if the Government gives Company Secretary Professionals the Audit right under GST law which is imminent in near future, as it will not be the result of overnight decision, moreover it will be the reward for the efforts, determination, willingness and hard work of all the Company Secretaries who work towards making this dream come true.

PETROLEUM - THE INDIAN ECONOMY DRIVER: STILL OUT OF THE GST AMBIT



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Petroleum, the lifeline of the economy has given a wide berth, from country's biggest indirect tax reform tool. GST (Goods & Service Tax) has rolled out three years ago with lot of corrective measures to adopt/motivate to unify the tax system/ uniformity in the rates/one tax-one nation. But Petroleum, Natural Gas & ATF (Airline Turbine Fuel) still out of the ambit, lets dig out a little.....

This has always been a furious topic for discussion & debate among Intellectuals, Professionals and Analysts that whether Petroleum/Diesel should be covered under GST ambit and if yes which class/head or slab should be dedicated to this. As per Section 9(2) of **Central Goods and Services Tax Act, 2017- GST on Petroleum products at later stage-**

"The GST on the supply of petroleum crude, high speed diesel, motor spirit, central tax on the supply of petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas and aviation turbine fuel shall be levied with effect from such date as may be notified by the Government on the recommendations of the Council."

This shows that Government is in the mood of covering Petrol/Diesel too under GST and one fine day, it may be crystallized as well. But if we look into the current scenario there are certain hiccups which really justifying keeping it at bay or may say the strong barriers.

Though known but astonished to be known that Petrol & Diesel implicate Central Government's Central Excise Duty & State Government's VAT (Value Added Tax) and that too 62-69% collectively of the fuel price. **Means the price we are paying for every litre of Petrol or Diesel has tax component in the form of excise duty & VAT, up to 62-69%. Yes, that's the big Catch!**The largest source of revenue for Central as well as State Government.

Excise Duty- excise duty is the tax levied on domestic production of goods, not directly but indirectly imposed on consumers.

VAT (Value added Tax)- is a tax that is added to the price of goods & services and it varies from one State to another and Union Territories as well.

It may range from 6% being charged in Andaman and Nicobar to 39-40% in Mumbai. If we look below to the prices of fuel in Delhi for July 1st, 2020 the findings are not new but certainly surprising;

	Total Price/Per Litre (INR)	Tax Price Paid/Per Litre (INR)
Petrol (Delhi)	80.43	51.54 (64%)
Diesel (Delhi)	80.53	50.66 (63%)

*And in case of Mumbai, this tax component may be steeper, as we have witnessed in June, 2020 record high of petrol price @ Rs. 86 per litre because the VAT rate in Mumbai are highest. One of the fundamental reasons behind the Fuel Price Difference across the States is that **no GST framework**, still VAT at differential rates is being charged.*

**The views expressed are personal views of the author and it should not be taken as views of the NIRC-ICSI.*

At present, when the world is trying hard to defeat CORONA VIRUS & Crude Oil price dipped down to the record level, we have witnessed great protest towards fuel price hike, in the recent times. In the slow tone the music of bringing Petrol/Diesel under GST is also being sung. But bringing petrol & diesel under GST umbrella is not solely Central Government's cup of tea but an absolute consent (in the form of willingness) of State Government is also crucial & obligatory factor because VAT charged on petrol and diesel is a major source of revenue for them especially for States like Maharashtra, U.P., Delhi & others.. Further, around 42% of Central Excise Duty (as per Finance Commission), shifts to State Govt. too. Thus, State Governments avail dual benefit.

- ◆ Now, at this juncture it will be indispensable to mention that Petrol and Diesel taxed at 62-69%, if covered under GST would be charged less than half i.e. 28% as per current slabs. But in such case, **the Center & State Government's share would also fall significantly. And ultimately huge loss of revenue.** This seems to be an evident reason keeping away petrol and diesel from GST regime. An interesting incident here emerges out that few State Governments (SGs) like Assam, during GST council meeting has consented to support GST on petrol and diesel on a condition that compensation of defeated loss from VAT shall be done by the Central Government (CG). CG while upon losing major revenue contributor, in case, could not be daring enough to reimburse SGs, **the Double Whammy.**
- ◆ Another strong reason we may sense, keeping petrol and diesel out of the ambit of GST is, **to control the consumption of fuel.** The fall in the price of fuel consequent to GST levy shall lead to higher consumption of petrol and diesel because low price will definitely increase the purchase power of consumers for this precious substance. And hence, this is a major setback for bringing petrol and diesel under GST umbrella.
- ◆ Apart from the reasons curbing petrol/diesel to be covered under GST, one resilient intention of the ruling machinery is to **monitor and control Inflation Rate.** In case, petroleum covered GST it may help boost the rate of inflation in a detrimental manner. Since rate of petrol and Inflation rate share a crucial relationship and act as the sharp tools for economic curve.

The above mentioned are the few grounds paving way for the justification that why petrol and diesel still out of the ambit of GST. However, necessary law has been passed in this context but implementation is still unsure. It is worth wait & watching that with what justification, the ruling machinery will bring these significant economic drivers under GST umbrella.

Disclaimer: This article is purely based on my personal views and not in the favour or against any machinery or system in existence.

GST ON E-COMMERCE TRANSACTIONS



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This article aims to express the meaning, legislative provisions and the views of authors on GST on e-commerce transactions. Before venturing into the topic of Goods and Services Tax (referred to as “GST” for brevity) on E-Commerce transactions, it is pertinent to discuss on the nature and meaning of e-commerce.

INTRODUCTION

E-Commerce or Electronic Commerce, in common parlance refers to the **buying and selling of goods or services using the internet**, and the transfer of money and data to execute these transactions. Ecommerce is often used to refer to the sale of physical products online, but it can also describe any kind of commercial transaction that is facilitated through the internet.

Whereas e-business refers to all aspects of operating an online business, e-commerce refers specifically to the transaction of goods and services.

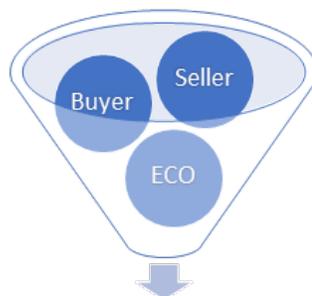
Now that the meaning of e-commerce is understood, let us look at the definition of e-commerce and electronic commerce operator (ECO) as per the Central Goods and Services Tax (CGST) Act, 2017. **Under Sub-Section (44) of Section 2, “electronic commerce” means the supply of goods or services or both, including digital products over digital or electronic network.** As per Sub-Section (45) of Section 2, **“electronic commerce operator”** means any person who owns, operates or manages digital or electronic facility or platform for electronic commerce.

The Laws of Contracts in India allows the seller and the buyer to choose the mode of negotiation of supply contract. This is to imply, that both seller and buyer have the freedom to negotiate the mode of contract by way of oral, or written mode, physically or electronically. Nevertheless, the GST Law is immaterial over the mode of supply contract which has been entered into between the seller and the buyer.

As shown above in the diagram, there are three parties to an e-commerce transaction:

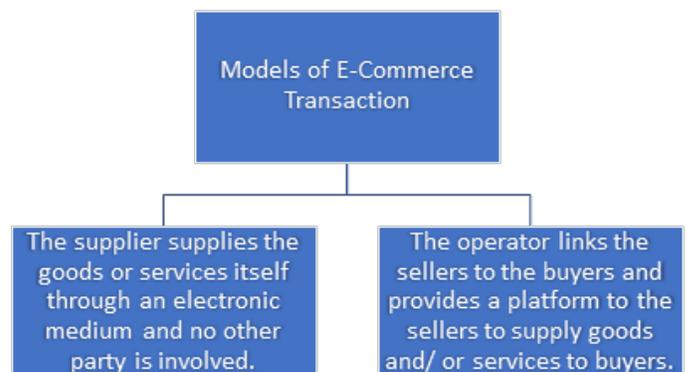
- ◆ Seller of the goods and / or services

Parties to E-Commerce Transactic



- ◆ Buyer of the goods and / or services
- ◆ ECO (Electronic Commerce Operator)

Unless mentioned explicitly to the contrary, it is reiterated that the word “supply” means “supply of goods and / or services”.



Modes of E-Commerce Transaction

There are, in practical parlance, two modes of e-commerce transactions which exists on the current date which are explained as follows:

- ◆ **Bipartite Model** – Here, the sellers and the buyers enter into an arrangement and negotiate a contract for the supply of goods and services over the electronic medium, i.e. the internet. There is only one transaction, i.e. between a seller and a buyer. There are thus, no

involvement of any operator, middleman or any other third party in this arrangement. For example, Apple sells iPhones to customers from its own website.

- ◆ **Tripartite Model** – In this model, a third party gets involved who is the aggregator or the operator. Here, the operator merely provides a platform to the suppliers. There are two kinds of transactions being executed – (i) the supplier supplying the goods and/ or services to the buyers, and (ii) the e-commerce operator supplying platform and other allied services to the supplier. These two transactions are distinct and they attract GST on their own. For example, Apple is selling iPhones to customers using the website of Amazon.

Before moving ahead, it will be useful to touch upon the definition of “aggregate turnover” as understanding the concept is key to understand GST. The law says that “**aggregate turnover**” means the aggregate value of all taxable supplies (excluding the value of inward supplies on which tax is payable by a person on reverse charge basis), exempt supplies, exports of goods or services or both and inter-state supplies of persons having the same Permanent Account Number, to be computed on an all-India basis but excludes Central tax, State tax, Union territory tax, Integrated tax and cess. The definition of “**aggregate turnover**” is self-explanatory and clear. Now, with the concept of aggregate turnover understood, the article moves ahead to discuss the provisions of GST Law on registration.

REGISTRATION

Under **Clause (ix) of Section 24** of the CGST Act, 2017, every person supplying goods or services through electronic commerce operators is required to be compulsorily registered, without any threshold exemption limit.

However, the Central Government has the power to exempt specific suppliers from the requirements of registration. Moreover, vide **Notification No. 65/2017-C.T., dated 15/11/2017**, the Central Government has exempted persons making supplies of services, other than supplies specified under **Sub-Section (5) of Section 9** from the requirements of compulsory registration provided the aggregate turnover to be computed on all India basis is not exceeding an amount of twenty lakh rupees (Rs. 20,00,000) in a financial year. **Sub-Section (5) of Section 9** of Act refers to some services where the levy to pay GST is on the e-commerce operators rather than the suppliers.

The ultimate position after the said notification is, a person supplying services other than those mentioned in **Sub-Section (5) of Section 9** of the Act are required to register and collect GST only if their turnover is more than the threshold limit. For those service providers who were covered under the above provision, they were not liable to be registered under GST, as liability to pay GST is on the e-commerce operator and if a person is supplying goods through e-commerce operator, he is compulsorily required to get themselves registered under GST irrespective of turnover.

Moreover, as per **Clause (x) of Section 24** of the Act, the benefit of threshold exemption is not available to e-commerce operators and they are liable to be registered irrespective of the value of supply made by them.

PLACE OF SUPPLY

One of the most important factors in the GST Law is the concept of



‘**Place of Supply**’. Since GST is a destination-based tax, the state where the goods or services are consumed, or the last destination of supply of goods or services falls, are taxed. It can also be said that the place where the goods are consumed, that state has the right to collect GST. Other rules under GST also revolves around the place of supply.

The concept of place of supply is important because transaction will fall, viz. interstate or intra-state and accordingly, the levy of IGST (Integrated Goods and Services Tax) or CGST & SGST it explains the category under which the will take place. The last destination of goods is of utmost importance. This rule is applicable on all the e-commerce operators and suppliers.

There are two scenarios possible in a typical e-commerce transaction which are enumerated as follows:

1. In case where the shipping address and the billing address are same, the place of supply will be the place where the **goods are delivered**.
2. In case where the shipping address and the billing address are different, the **location of the buyer** will be considered as the place of supply and point of taxation as well.

INVOICING

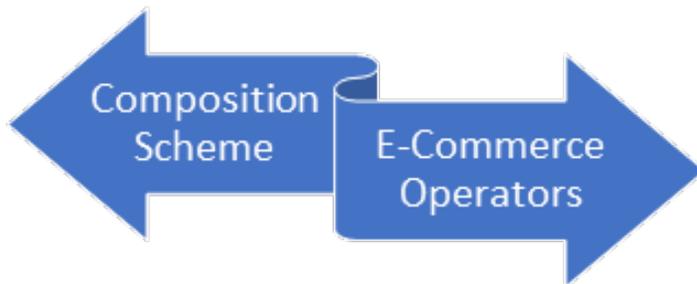
Every supplier is liable to maintain invoice-wise details of supplies to registered taxable persons and the aggregate value of supplies to unregistered persons made through the e-commerce platform. Hence it is very important to raise invoices while at the same time, fulfilling the conditions of GST Law.

As per **Section 31 of CGST Act, 2017**, read with **Rule 54 of CGST Rules, 2017**, here are some details that should be mentioned in the Sales Invoice –

1. Name, address, and GSTIN of the supplier
2. Invoice number
3. Date of issue
4. Name, address and GSTIN of the recipient (if registered)
5. HSN code
6. Description of the goods/services
7. Quantity of goods
8. Value(after discount)
9. Rate and amount of GST

COMPOSITION SCHEME

Under Section 10 of the Act, all medium and small-scale business are allowed for composition scheme. But **Sub-Section (2) of Section 10** clearly mentions that the e-commerce operators are kept out of the ambit. Thus, it can be concluded that the benefits of composition scheme cannot be made available for e-commerce operators. In simple words it can be noted that e-commerce business operators are ineligible for composition scheme.



COMMISSION CHARGED AND INPUT TAX CREDIT

The e-commerce operators are charging commission from various suppliers on a percentage basis of sales made. This commission is charged for various support services, provided to the suppliers by the e-commerce operators. The tax shall be charged in the invoices raised against supplier of goods or services; and such suppliers can avail ITC (Input Tax Credit) on such GST charged, if otherwise eligible.

TAX COLLECTION AT SOURCE

Under at tripartite sale model discussed above, many sellers were not reporting sales to the Government. This was because the after the sale was executed on the e-commerce platform, the operator used to collect the money and remit the same to the supplier. Ever since then, the responsibility of collecting tax has been placed on the operators. Once the operator has collected tax and submitted the details, the Government will have correct information of the sellers and the sales made.

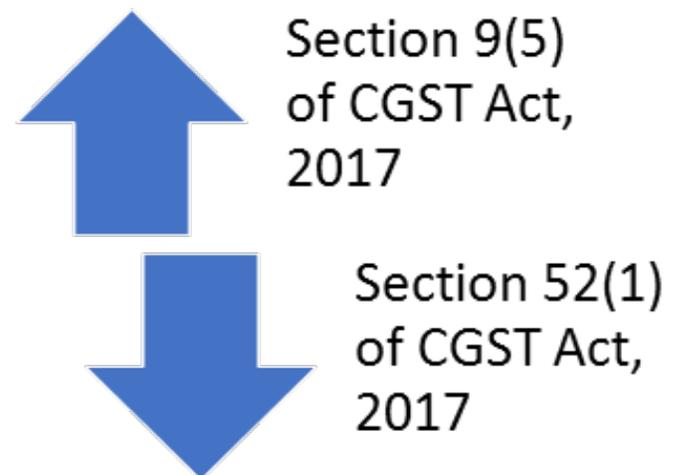
Under **Section 52** of the CGST Act, 2017, an electronic commerce operator is also required to collect tax, called 'Tax Collection at Source' ('TCS'). Sub-Section (1) of Section 52 is reproduced below for the convenience of the readers:

Section 52(1)— *Notwithstanding anything to the contrary contained in this Act, every electronic commerce operator (hereafter in this section referred to as the "operator"), not being an agent, shall collect an amount calculated at such rate not exceeding one per cent., as may be notified by the Government on the recommendations of the Council, of the net value of taxable supplies made through it by other suppliers where the consideration with respect to such supplies is to be collected by the operator.*

Explanation—*For the purposes of this sub-section, the expression "net value of taxable supplies" shall mean the aggregate value of taxable supplies of goods or services or both, other than services notified under Sub-Section (5) of Section 9, made during any month by all registered persons through the operator reduced by the aggregate value of taxable supplies returned to the suppliers during the said month.*

Section 52 of the Act is not a charging section but is a method of collecting taxes. It lays down that the e-commerce operator (ECO) shall collect and deposit a tax at the rate of 1% (i.e. 0.5%+0.5%) from the value of taxable supplies made through it by other suppliers and the consideration is also collected by the ECO from the customer. It is worth noting that where an ECO supplies its own goods or services through its website / portal then the provisions of Section 52 are not at all applicable. Such TCS deducted is reflected in the electronic cash ledger of the supplier. The Government has clarified that TCS shall be deducted only when the supplier is liable to pay GST. As per FAQs on TCS issued by the CBIC, TCS is not required to be collected on exempt supplies.

For the purposes of TCS, an e-commerce operator has to obtain separate registration for TCS, despite the fact that it is already registered under GST as a supplier or otherwise and has GSTIN. The provision imposes a duty on ECOs to collect tax from the consideration required to be paid to the persons making supplies of goods or services or both through its platform. The deduction shall be done on monthly basis on net value of taxable supplies.



Here, the readers are advised to tread with caution. Section 52(1) should not be confused with Section 9(5). Both the sections are mutually exclusive of each other. Section 9(5) is clearly a charging section whereas Section 52(1) is a section for collecting tax which is charged by other section. Section 9(5) is clearly making ECO as the actual supplier while Section 52(1) makes no such assumptions.

PROCEDURAL FORMALITIES

The procedural formalities for the payment of taxes and filing of GSTR-1 and GSTR-3B is well known. GSTR-1 is the details of outward supplies and GSTR-3B is the monthly return along with the payment.

What really needs to be emphasized here is the monthly return GSTR-8, which is applicable to ECO only. GSTR-8 is the form specifying details of supplies processed and the amount of TCS collected by the ECO. It has to be filed by the 10th of the next month.

Following is the relevant information regarding GSTR-8:

- GSTIN: The 15-digit GSTIN (Goods and Services Taxpayer Identification Number) received from the government needs to be

entered in this field. A provisional id can be used too in case the concerned person/party does not have a GSTIN.

- **Legal name of the registered person:**The name of the taxpayer shall be auto-populated in this field, post logging-in.
- **Details of supplies made through e-commerce operator:**The gross values of supplies, as supplied to registered/unregistered people, along with the value of the supplies returned by the same shall be entered in the field. The difference in value between the two shall be the net liable TCS amount.
- **Amendments to details of supplies in respect of an earlier statement:**Corrections to data, if any, in the return statements submitted in the previous months, can be made in this field.
- **Details of interest:**If the TCS is not paid by the due date, by the operator, then there is an interest levied on the account on the amount of due TCS.
- **Tax payable and paid:**This field contains within it, the details of the total tax payable in namely SGCT, CGST and IGST respectively, and the amount of tax already paid till date.
- **Interest payable and paid:**The interest levied for late payment (18%) is calculated in this file, on the outstanding amount.
- **Refund claimed from electronic cash ledger:**Refunds, if any, to be claimed from ECL, need to be detailed here. However, the refund can only be claimed once all the TCS liability of the ongoing tax period has been discharged.
- **Debit entries in cash ledger for TCS/interest payment [to be populated after payment of tax and submissions of return:** The information regarding, the amount of tax collected at source needs to be entered in this field, which will then flow to Part C of GSTR – 2A of the e-commerce operator filing for GSTR – 8

If the GSTR-8 is not filed on time, then a penalty of Rs. 100 under CGST & Rs. 100 under SGST shall be levied per day. The total will be Rs. 200 per day. The maximum is Rs. 5,000. There is no late fee on IGST in case of delayed filing.

Along with late fee, interest at the rate of 18% per annum has to be paid. It has to be calculated by the taxpayer on the tax to be paid. The time period will be from the next day of filing to the date of payment

INTERNATIONAL E-COMMERCE PORTAL

Even though GST is a consumer-based tax, i.e. the burden of payment of such tax falls on the ultimate consumer, the supplier must collect the tax from the consumer and remit it to the treasury of government, with the exception of supplies made on reverse charge mechanism. This happens when the suppliers and the consumers are both in India.

Suppose, the supplier is in a jurisdiction outside India. Though, that foreign manufacturer is supplier of goods, liability to pay GST is not on that foreign manufacturer. GST is paid by the importer located in India at the time of import. Similarly, when supplier of services supplies certain services to an Indian resident, liability to pay GST on such supply is on the person receiving the services under reverse charge method.

Thus, when an e-commerce operator is located outside India, in general there is no GST liability on that operator. Goods supplied thorough such foreign located e-commerce portal shall attract IGST at the time of import; and services supplied through such an e-commerce portal shall attract GST on reverse charge method.

As per **Section 14 of the IGST Act, 2017**, the service of Online Information and Database Access and Retrieval (OIDAR) falls as an exception to the above-mentioned provision.

Section 14(1)—*On supply of online information and database access or retrieval services by any person located in a non-taxable territory and received by a non-taxable online recipient, the supplier of services located in a non-taxable territory shall be the person liable for paying integrated tax on such supply of service.*

Here, OIDAR services means services, whose delivery is mediated by information technology over the internet or an electronic network and the nature of which renders their supply essentially automated and involving minimal human intervention and impossible to ensure in the absence of information technology and includes electronic services such as:

1. Advertising on the internet;
2. Providing cloud services;
3. Provision of e-books, movie, music, software and other intangibles through telecommunication networks or internet;
4. Providing data or information, retrievable or otherwise, to any person in electronic form through a computer network;
5. Online supplies of digital content (movies, television shows, music and the like);
6. Digital data storage; and
7. Online gaming;

And **non-taxable online recipient** means any Government, local authority, governmental authority, an individual or any other person not registered and receiving online information and database access or retrieval services in relation to any purpose other than commerce, industry or any other business or profession, located in taxable territory.

Also, if such services are provided to a person who is located outside India then such services are exempt vide exemption notification.

CONCLUSION

As India opens up to the outside world, we are faced with an incredible complexity and diversity of online transactions. With the recent Covid-19 situation and the lock-down in force, more and more transactions are happening online and the services of Amazon, Flipkart, eBay are busier than ever. The behaviour of consumers is changing and so is the ever-dynamic GST law, to keep track and walk along the changes. A lot of commercial transactions are happening over the internet, and the Indian Government has got an opportunity to earn revenue in that area, keeping in mind, to balance its own interests, as well as the interests of the e-commerce operators, the suppliers and finally, the consumers.

CAREER OPPORTUNITIES UNDER GST



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WHAT IS GST?

The goods and services tax (GST) is a form of indirect tax levied on goods and services supplied for domestic consumption. In other words, Goods and Service Tax (GST) is levied on the supply of goods and services. Goods and Services Tax Law in India is a comprehensive, multi-stage, destination-based tax that is levied on every value addition. GST is a single domestic indirect tax law for the entire country.

It is an indirect tax which has replaced many indirect taxes in India such as the excise duty, VAT, Services Tax, etc. The Goods and Service Tax Act was passed in the Parliament on 29th March 2017 and came into effect on 1st July 2017.

COMPONENTS OF GST:

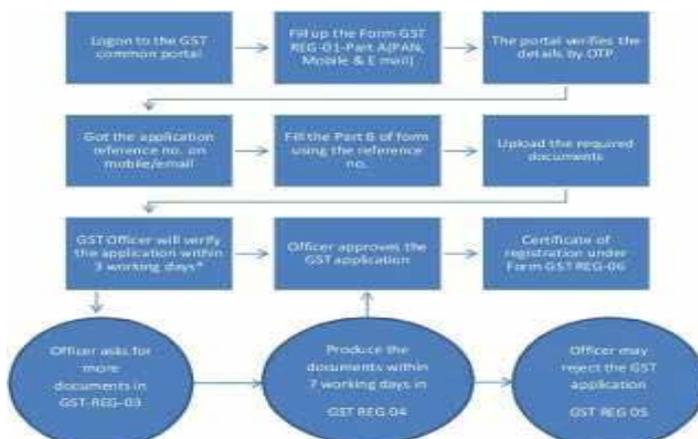
There are three components of GST- IGST, CGST, and SGST/UGST. In case if the sale of goods or service is between two states i.e. inter-state, IGST or Integrated GST is levied. If the sale is within a state i.e. intra-state, CGST or Central GST and SGST/UGST or State GST are levied.

A brief outlook in GST:

- ◆ **GST Registration:** Every business or corporation that are involved in the buying and selling of goods or rendering services have to register for GST. It is mandatory for business entities whose turnover is more than Rs.20 lakhs (for supply of services) and Rs. 40 lakhs (Rs 10 lakhs for NE and hill states) (for supply of goods) yearly to register for a GST.

All businesses making interstate outward supplies of goods have to compulsorily register for GST too without considering its turnover limit. The same applies to businesses making taxable supplies on behalf of other taxable persons, example Agents and Brokers.

Process for GST Registration:



*The views expressed are personal views of the author and it should not be taken as views of the NIRC-ICSI.

- ◆ Go to the GST Portal (<https://gst.gov.in/>)
- ◆ Generate a TRN by Completing OTP Validation
- ◆ OTP Verification & TRN Generation
- ◆ TRN Generated
- ◆ Log in with TRN
- ◆ Submit Business Information
- ◆ Submit Promoter Information
- ◆ Submit Authorized Signatory Information
- ◆ Principal Place of Business
- ◆ Additional Place of Business
- ◆ Details of Goods and Services
- ◆ Details of Bank Account
- ◆ Verification of Application
- ◆ ARN Generated

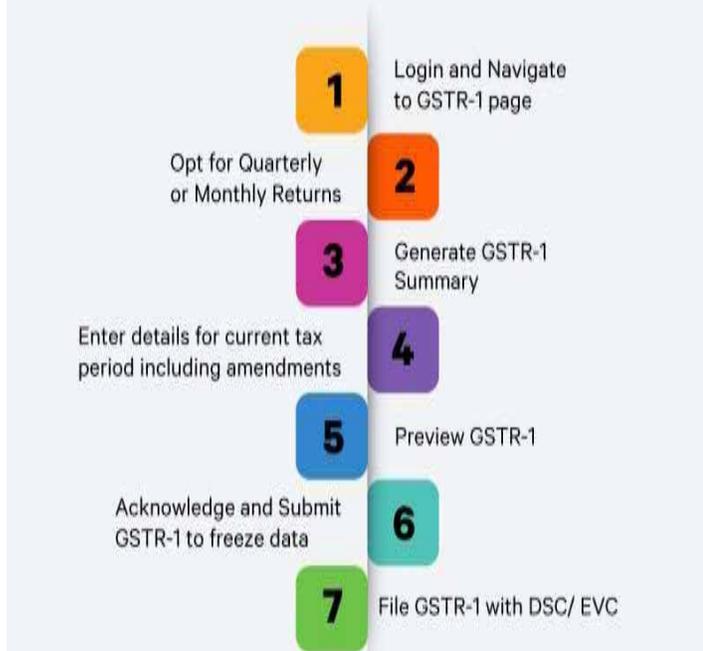
DOCUMENTS REQUIRED FOR GST REGISTRATION:

- ◆ PAN Card of the Business or Applicant
- ◆ GSTIN is linked to the PAN of the business. Hence, PAN is required to obtain GST certificate.
- ◆ Identity and Address Proof of Promoters
- ◆ Identity proof and address proof documents like PAN, passport, driving license, Aadhaar
- ◆ card or voter's identity card must be submitted for all the promoters.
- ◆ **Business Registration Document**
Proof of business registration like incorporation certificate or partnership deed or registration certificate must be submitted for all types of registered entities.
- ◆ **Address Proof for Place of Business**
Documents like rental agreement or sale deed along with copies of electricity bill or latest property tax receipt or municipal khata copy must be submitted for the address mentioned in the GST application.
- ◆ **Digital Signature**
Class 2 or class 3 digital signature is required for the authorised signatory to sign and submit the GST application. In case of proprietorship, there is no requirement for digital signature.

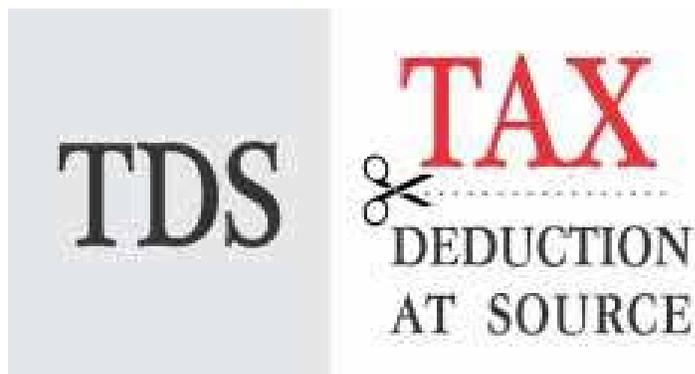
GST RETURN

A GST Return is a document containing details of income that is required to be filed as per the law with the tax authorities. Under the GST law, a taxpayer has to submit two returns on a monthly basis and one such return annually. All returns have to be filed online. Please note that there is no provision for revising the returns. All invoices for the previous tax period that went unreported must be included in the current month.

GSTR-1 Filing Process



- ◆ **GSTR-6:** The Input Service provider generates and files GSTR-6 only after all details furnished in GSTR 6A are accepted and verified. This is done on the 13th of every month.



- ◆ **GSTR-7:** GSTR-7 is filed by the entities who deduct tax at the time of making payment to the suppliers for purchase, that is, inward supplies received. GSTR-7 form contains details of Tax deducted at source (TDS) under GST, the tax liability, and TDS refund. GSTR7 must be filed on the 10th of the subsequent month.
- ◆ **GSTR-7A:** GSTR 7A is better known as the TDS certificate which is generated as soon as the GSTR filing is done by the tax deductor in Form GSTR-7. The assessee uses it for keeping records.
- ◆ **GSTR-8:** The form GSTR-8 is filed by e-commerce businesses who collect tax at source (TCS) to furnish the details of the supplies made through the e-commerce platform. It is filed on the 10th of every month.
- ◆ **GSTR-9:** The GSTR 9 form is filed annually by entities to furnish the details of all purchases, sales, input tax credit or refund claimed or demand created etc. GSTR- 9 is filed by normal taxpayers, SEZ unit, SEZ developer, OIDAR service providers, and the taxpayers who have withdrawn from the composition scheme to normal taxpayers. Annual return purposes. It has to be duly filled by all taxpayers by the coming financial year 31st December. This mainly consists of all the details of the 12 GSTR3 filed during the financial year.

TYPES OF GST RETURNS:

- ◆ **GSTR-1:** The GSTR-1 is a monthly return form filed by businesses which Carries details of taxable goods or services, or both as well as that of outward supplies. Every GST-registered entity should file GSTR-1 except Input service distributor and Composition taxpayer. It must be filed even if there is no business activity. The due date for filing GSTR-1 is 10th of every month.
- ◆ **GSTR-2A:** GSTR-2A is the return of details of all the inward supplies of goods/services, that is, purchases made by registered suppliers. This form is filed by the 15th of every month. GSTR-2A is auto populated where the data will be fetched from the GSTR-1 filed by the supplier. It is a read-only return and cannot be edited.
- ◆ **GSTR-3B:** It is a summarized monthly return of all the details of inward and outward supplies, input tax credits and the details of all the GST liabilities. It is a self-declaration form filed by all taxpayers for every tax period.
- ◆ **GSTR-4:** GSTR-4 is filed every year by all taxpayers under the GST composition scheme. Businesses should provide a summary of the outward supplies and all the taxes paid thereon, details of import of services and supplies that may attract reverse charge. The due date for filing this form is the 30th of the month succeeding the financial year.
- ◆ **GSTR-5:** This form is filed by all non-resident taxpayers registered in India and carry out business operations in India. This form is to be submitted on a monthly basis and has to be filed by every month on the 20th.



Article

- ◆ **GSTR-9A:** GSTR-9A is filed by entities who have opted for composition scheme any time during the financial year. The details furnished in GSTR-9A are inward and outward supplies, taxes paid, demand created, refund, input tax credit availed or reversed.
- ◆ **Refund:** The word refund, in simple terms, means an amount of money that is given back to a person upon happening or occurring of some event. Here, GST refund refers to any amount that is due to the taxpayer from the tax administration due to excess payment of taxes or any other reason.
- ◆ A claim for refund may arise on account of-
 - ◆ Export of Goods or services
 - ◆ Supplies to SEZs units and developers
 - ◆ Deemed Export supplies
 - ◆ Refund of taxes on purchase made by UN or embassies etc
 - ◆ Refund arising on account of judgment, decree, order or direction of the Appellate Authority, Appellate Tribunal or any court
 - ◆ Refund of accumulated Input Tax Credit on account of inverted duty structure
 - ◆ Finalisation of provisional assessment
 - ◆ Refund of pre-deposit
 - ◆ Excess payment due to mistake
 - ◆ Refunds to International tourists of GST paid on goods in India and carried abroad at the time of their departure from India
 - ◆ Refund on account of issuance of refund vouchers for taxes paid on advances against which goods or services have not been supplied
 - ◆ Refund of CGST & SGST paid by treating the supply as intra-State supply which is subsequently held as inter-State supply and vice versa.

Thus, practically every situation is covered. The GST law requires that every claim for refund is to be filed within 2 years from the relevant date.

PROCESS FOR REFUND:

Here is the Step by Step Guide to File RFD – 01 on GST Portal:

Step 1: Login to the GST portal.

Step 2: Go to 'Services' > 'Refunds' > 'Application for Refund'

Step 3: Select the Refund Type and click on 'CREATE'.

Step 4: Once you click on 'CREATE' in the above step you will be redirected to file Form



GST RFD 01 as per your refund type.



Step 5: You can enter values of the refund to be claimed in the editable 'Refund Claimed' table. The refund amount can be less than or equal to the amount available in Electronic Cash/Credit Ledger.

Click on "Click to view Electronic Liability Ledger" to get details of liabilities/ dues relating to returns/other demands.

Step 6: Click on "GO BACK TO REFUND FORM" after viewing the outstanding demand.

Step 7: Select the bank account (in which you want the refund to be credited) from the drop-down.

Step 8: To upload the supporting documents, please follow the steps below:

1. Give the description to the document
2. Click on "Choose File" to add the document
3. Click on "Delete" icon to delete the uploaded document Click on "SAVE" after completion of uploading the document.

Step 9: Click on "PREVIEW" to download the form in PDF.

After reviewing the draft, click on "PROCEED" to submit the form.

Step 10: Select the checkbox in the declaration. Select the name of the 'Authorised Signatory' from the drop-down.

Based on the type of your organisation click on "SUBMIT WITH DSC" or "SUBMIT WITH EVC".

In case of DSC, select the certificate of the authorised signatory and click on 'SIGN' button.

In case of EVC, enter the OTP received on the mail ID or mobile number of

the authorised signatory and click on 'VERIFY'.

Step 11: Once RFD-01 is filed ARN will be generated and "Refund ARN Receipt" can be downloaded as PDF document from 'Services' > 'Refunds' > 'My Saved/ Filed Applications'.

Filed applications can be tracked using the "Track Application Status" under Refunds.

After inspection by a GST authority refund amount will be credited to the applicant bank account.

CAREER OPPORTUNITIES UNDER GST: (THE CONCLUSION)

GST Council is the governing body of GST having 33 members, out of which 2 members are of centre and 31 members are from 28 state and 3 Union territories with legislation. The council contains the following members (a) Union Finance Minister (as chairperson) (b) Union Minister of States in charge of revenue or finance (as member) (c) the ministers of states in charge of finance or taxation or other ministers as nominated by each state's government (as member). GST Council is an apex member committee to modify, reconcile or to procure any law or regulation based on the context of goods and services tax in India. The council is presently headed by the union finance minister Nirmala Sitharaman assisted with the finance minister of all the states of India. The GST council is responsible for any revision or enactment of rule or any rate changes of the goods and services in India.

Just like in the Council, in general there is a lot of scope for the professionals to grow in the field of GST by being a GST Practitioner.



GST Practitioner is a kind of consultant who provides services to other taxpayers through online mode. A GST Practitioner must be registered on GSTN Portal and must have gained a certificate by going through an application procedure before he can start his or her practice.

The provisions relating to GST Practitioners are contained in Section 48 of the Central GST Act' 2017 read with Rule 24 of GST Return Rules' 2017. As per these provisions, the following persona shall be eligible as GST Practitioner: -

- (1) Chartered Accountant holding COP
- (2) Company Secretary holding COP
- (3) Cost and Management Accountant holding COP
- (4) Advocate

- (5) Graduate or Postgraduate degree in Commerce
- (6) Graduate or Postgraduate degree in Banking
- (7) Graduate or Postgraduate degree in Business Administration
- (8) Graduate or Postgraduate degree in Business Management
- (9) Degree examination of any recognized Foreign University
- (10) Retired Government Officials

HOW TO ENROL AS A GST PRACTITIONER:

Any person willing to become GST practitioner can enrol by making application in FORM GST PCT-1 to the authorised officer;

After examining the eligibility, Authorised Officer will issue the certificate in FORM GST PCT-2.

A person enrolled as a goods and services tax practitioner may have to pass the examination conducted at such periods and by such authority as may be notified by the Commissioner.

Benefits of being a GST Practitioner:

Below are mentioned GST Practitioner Benefits. Once certified, a GST Practitioners can perform below mentioned activities on GSTN Portal-

- ◆ He can view complete list of taxpayers who are engaged in your account.
- ◆ He can furnish details of inward and outward supplies.
- ◆ He can furnish the monthly, quarterly, and annual return on behalf his taxpayer client.
- ◆ He can make a deposit for credit into the electronic cash ledger.
- ◆ He can file an application for his claim for refund.
- ◆ He can even file an application for amendments or cancellation of his registration.
- ◆ He is also enabled to make changes in the profile of his taxpayer client like place of his business, his contact details, his other business information. However, a GST practitioner can only save such information and cannot submit it. He must tell his client to submit the information as he has furnished it.
- ◆ He can also help his client to generate an e-waybill for various movement of his goods.
- ◆ He is also able to help his client in issuance of tax invoices, delivery challan, a
- ◆ procedure for GST registration, cancellation, and any GST Updates.
- ◆ He is enabled to accept or reject the application as a consultant from fellow taxpayer.

As per one Survey, Due to manifold increase in compliances under GST Regime, wherein minimum 37 returns are to be filed in a year, per registration, there is a need of GST Professionals in the market. As per the chairman of CII, GST would lead to rise in country's GDP by 2% to 2.5%. He categorically mentioned that a study of CII predicted a job creation of 2.5 million for every 1% growth in GDP. "As a result of increasing GDP, overall income of every employee will increase and it will lead to better purchasing power of individual taxpayers," he said. Thus, more GDP means increase in business and it leads to increase in demand of GST Professionals.



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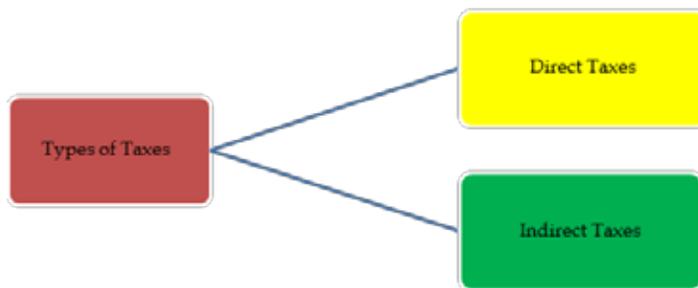
GOODS AND SERVICES TAX

BACKGROUND

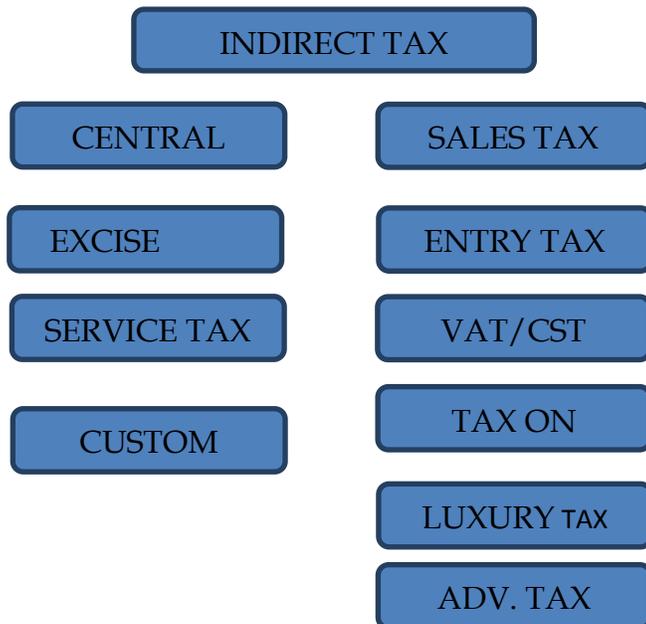
GST is a huge reform for indirect taxation in India, the likes of which the country has not seen post-Independence. GST will simplify indirect taxation, reduce complexities, and remove the cascading effect. Experts believe that it will have a huge impact on businesses both big and small, and change the way the economy functions.

Direct Tax:- Burden of tax is not passed/shifted to other party.

Indirect Tax:- Burden of tax is passed/shifted to other party.



Direct Tax : Income Tax and Wealth Tax



CONSTITUTIONAL ASPECT OF GST:

As per Article 265 of Constitution of India 'No tax shall be levied or collected except by the authority of Law.'

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Article 246A

- (1) Notwithstanding anything contained in articles 246 and 254, Parliament and subject to article 246A(2), the Legislature of Every State, have power to make laws with respect to Goods and Services Tax imposed by the Union or by such State.
- (2) Parliament has exclusive power to make laws with respect to goods and Services tax (GST) where the supply of goods , or of service, or both takes place in the course of inter –state trade or commerce.

Article 246 and 254 provides power to State to make laws on sale of goods inside the State. Now Article 246A shall have overriding effect on Article 246 and 254, Both Centre and State shall have power to make laws on tax on supply of goods and services or both.

POWER TO LEVY GST

Article 246A of the Constitution, which was introduced by the Constitution Amendment (101st)Act 2016 confers concurrent power to both parliament and state legislatures to make laws with respect to GST, however, Clause 2 of Article246A read with Article exclusive power to the Parliament to legislature with respect to inter- state trade or commerce.

What principles were adopted for subsuming the above taxes under GST ?

The various Central, State and Local levies were examined to identify their possibilities of being subsumed under GST. While identifying , the following principles were kept in mind:

- ◆ Taxes or levies to be subsumed should be primarily in the nature of indirect taxes, either on the supply of goods or on the supply of services.

- ◆ Taxes or levies to be subsumed should be part of the transaction claim which commences with import/manufacture/production of goods or provision of services at one end and the consumption of goods and services at the other.
- ◆ The subsumation should result in free flow of tax credit in Intra and Inter-state levels. The taxes, levies and fees that are specifically related to supply and of goods & services should not be subsumed under GST.
- ◆ Revenue fairness for both the union and the States individually would need to be attempted.

Particulars	Goods	Services
Movable Property	Yes	No
Actionable Claim (Right to recover money e.g unsecured loan, insurance money, lottery, betting, gambling)	Yes	No
Growing crops-severed before supply through contract entered before severance/crops	Yes	No
Immovable property	No	Yes
Land and building	No	Yes
Money and securities	No	No

Note:

- ◆ The goods is said to be movable if it can be shifted from one place to another as it is from its place called the movable property.
- ◆ If shifted is not possible as it is then it is called immovable property.

Composite Supply (Sec2(30)): Composite supply means a supply made by a taxable person to a recipient consisting of two or more taxable supplies of goods or services or both , or any combination thereof.

- ◆ Goods+ Goods
- ◆ Goods+ Services
- ◆ Services+ Services
- ◆ Services + Goods

Which are naturally bundled and supplied in conjunction with each other in the ordinary course of business, one of which is a principle supply.

Principle Supply Sec2(90) : Principle supply means the supply of goods which constitutes the predominant element of a composite supply and to which any other supply forming part of that composite supply is ancillary.

2 CONDITIONS

1. The supplies are naturally bundled in the ordinary of business which are supplied at one go; and
2. One of the supply is a Principle supply.

Mixed supply(Sec2(74): Mixed supply means two or more individual supplies of goods or

services , or any combination thereof , made in conjunction with each other by a taxable person for a single price where such supply does not constitute a composite supply.

Note: The method of billing separately for unrelated supplies or together could be examined where rates are differing.

Consideration Sec 2(31) : Consideration in relation to supply of goods or services or both includes:-

- (a) Any payment made or to be made , whether in money or otherwise, in respect of, in response, to or for the inducement of, the supply of goods or services or both , whether by the recipient or by any other person but shall not include any subsidy given by the Central Government or a State Government;
- (b) The monetary value of any act or for bearance, in respect of, in response to , or for the inducement of, the supply of goods or services or both, whether by the recipient or by any other persona but shall not include any subsidy given by the Central Government or a State Government.

Provided that a deposit given in respect of the supply of goods or services or both shall not be considered as payment made for such supply unless the supplier applies such deposit as consideration for the said supply.

Aggregate Turnover Limits for the GST Registration under Old and New Regime:-

Earlier Limits- For Goods/ Services

Applicability Date	Aggregate Turnover	Registration Required
Up to 31 st March, 2019	Exceed Rs. 20Lakh	For Normal Category States
Up to 31 st March, 2019	Exceed Rs. 10 Lakh	For Special Category

New Limits- For Sale of Goods

Applicability Date	Aggregate Turnover	Registration Required
From 1 st April, 2019	Exceed Rs. 40 Lakh	For Normal Category States
From 1 st April, 2019	Exceed Rs. 20Lakh	For Special Category



THERE HAS BEEN NO CHANGE IN THRESHOLD LIMITS FOR SERVICE PROVIDERS

Meaning of Aggregate Turnover: Aggregate turnover means the value of all taxable supplies (excluding the value of inward supplies on which tax is payable by a person on reverse charge basis), exempt supply, export of goods or services or both and inter- state supplies of persons having the same permanent account number (PAN), to be computed on all – India basis but excludes Central tax, State Tax , Union territory tax, integrated tax and cess.

Special Category States under GST:-

Below is the list of states which are assigned special status under Goods and Services Tax Law:

1. Arunachal Pradesh
2. Assam
3. Jammu & Kashmir
4. Manipur
5. Meghalaya
6. Mizoram
7. Nagaland
8. Sikkim
9. Tripura
10. Himachal Pradesh
11. Uttarakhand

Other amendments in the threshold limits under the Composition Scheme

1. Changes in the composition scheme: The threshold of annual turnover for composition scheme was increased to Rs.1.5 crores from 1st April, 2019. The taxpayers registered under the scheme have to pay tax quarterly and file returns annually from 1st April, 2019. The limit remains unchanged at Rs.75 lacs for North Eastern states & Uttarakhand.
2. Composition scheme was made available to service providers: New scheme introduces a fixed tax rate of 6% with 3% CGST and 3% SGST. Independent service providers, as well as mixed suppliers of goods and services with an annual turnover of up to Rs.50 lacs in the preceding financial year can opt for this scheme.

GST Return: Return means to file or to enter the details on portal for paying tax and claiming input credit . Under GST, a registered person has to file GST return that includes:

- ◆ Sale
- ◆ Purchase
- ◆ Output GST (applicable on sale)
- ◆ Input tax Credit (applicable on purchase)

WHO WILL FILE GST RETURN?

In the GST regime, any regular business has to file two types of returns

- ◆ Monthly/ Quarterly
- ◆ Annual Return

TYPES OF GST RETURNS

Form (Return)	Description	Frequency
GSTR-1	Details of outward supplies of taxable goods and/or services affected.	Monthly/ Quarterly* * Annual Turnover is less than 1.5 crore and opted quarterly return
GSTR-2 *Return is Suspended from Sep 2017 to onwards	Details of inward supplies of taxable goods and/or services effected claiming the input tax credit.	Monthly
GSTR-3 *Return is Suspended from Sep 2017 to onwards	Monthly return on the basis of finalisation of details of outward supplies and inward supplies along with the payment of tax.	Monthly
GSTR-3B	Simple return in which details of the outward supply and input tax credit file and paid tax Basically this return is specially for tax collection.	Monthly
GSTR-3 *Return is Suspended from Sep 2017 to onwards	Monthly return on the basis of finalisation of details of outward supplies and inward supplies along with the payment of tax.	Monthly
CMP-08	Statement-cum-challan to make a tax payment by a taxpayer registered under the composition scheme under section 10 of the CGST Act (supplier of goods) and CGST (Rate) notification no. 02/2019 dated 7th March 2020 (Supplier of services)	Quarterly
GSTR-4	Return for a taxpayer registered under the composition scheme under section 10 of the CGST Act (supplier of goods) and CGST (Rate) notification no. 02/2019 dated 7th March 2020 (Supplier of services).	Annual
GSTR-5	Return for Non –resident foreign taxable person	Monthly
GSTR-6	Return for and input service distributor to distribute the eligible input tax credit to its branches	Monthly
GSTR-7	Return for govt. authorities deducting tax at source(TDS)	Monthly

GSTR-8	Details of supplies effected through e-commerce operators and the amount of tax collected at source by them.	Monthly
GSTR-9	Annual Return for Normal Taxpayer	Annually
GSTR-9c	Annual Return for certified reconciliation statement (CA Return in Trend)	Annually *Turnover base not for all
GSTR-10	Final return to be filled by a taxpayer whose GST registration is cancelled	Once, when GST (within 3 months of date of cancellation) registration is cancelled or surrendered.
GSTR-11	Details of inward supplies to be furnished by a person having UIN and claiming a refund	Monthly

* Subject to changes by Notifications/ Orders

**Statement of self-assessed tax by composition dealers – same as the erstwhile form GSTR-4, which is now made an annual return with effect from FY 2019-2020 onwards.

INPUT TAX CREDIT UNDER GST – CONDITIONS TO CLAIM

A registered person will be eligible to claim Input Tax Credit (ITC) on the fulfilment of the following conditions:

1. Possession of a tax invoice or debit note or document evidencing payment
2. Receipt of goods and/or services
3. Goods delivered by supplier to other person on the direction of a registered person against a document of transfer of title of goods
4. Furnishing of a return
5. Where goods are received in lots or instalments ITC will be allowed to be availed when the last lot or instalment is received
6. Failure of the supplier towards supply of goods and/or services within 180 days from the date of invoice, ITC already claimed by recipient will be added to output tax liability and interest to paid on such tax involved. On payment to supplier, ITC will be again allowed to be claimed
7. No ITC will be allowed if depreciation has been claimed on the tax component of a capital good
8. Time limit to claim ITC against an Invoice or Debit Note is earlier of below dates:

The due date of filing GST Return for September of next financial year.

OR

Date of filing the Annual Returns relevant for that financial year.

Items on which credit is not allowed

1. Motor vehicles and conveyances except the below cases
2. Such motor vehicles and conveyances are further supplied i.e. sold

3. Transport of passengers
4. Used for imparting training on driving, flying, navigating such vehicle or conveyances
5. Transportation of goods
6. Food and beverages, outdoor catering, beauty treatment, health services, cosmetic and plastic surgery
But if the goods and/or services are taken to deliver the same category of services or as a part of a composite supply, credit will be available
7. Sale of membership in a club, health, fitness centre.
8. rent-a-cab, health insurance and life insurance except the following:
 - ◆ Government makes it obligatory for employers to provide it to its employees
 - ◆ goods and/or services are taken to deliver the same category of services or as a part of a composite supply, credit will be available
9. travel benefits extended to employees on vacation such as leave or home travel concession.
10. Works contract service for construction of an immovable property (except plant & machinery or for providing a further supply of works contract service)
11. Goods and/or services for the construction of an immovable property whether to be used for personal or business use
12. Goods and/or services where tax have been paid under composition scheme
13. Goods and/or services used for personal use
14. Goods or services or both received by a non-resident taxable person except for any of the goods imported by him.
15. Goods lost, stolen, destroyed, written off or disposed of by way of gift or free samples
16. ITC will not be available in the case of any tax paid due to non-payment or short tax payment, excessive refund or ITC utilized or availed by the reason of fraud or willful misstatements or suppression of facts or confiscation and seizure of goods.

BE AWARE ABOUT THIS NOTIFICATION BEFORE TAKING ITC AS PER NEW RULE.

GST Law – Changes and Clarifications on ITC Claim in Return GSTR-3B [Insertion of Rule 36(4) w.e.f. 9-10-2019 and Circular No. 123/42/2019–GST Dated 11-11-2019]

The Government has amended The Central Goods and Services Tax Rules, 2017 (hereinafter referred as “CGST Rules” vide the Central Goods and Services Tax (Sixth Amendment) Rules, 2019 through Notification No. 49/2019 – Central Tax dated 9th October, 2019 and made effective from the date of their publication in the Official Gazette i.e. 9th October 2019.

Sub rule (4) to Rule 36 was inserted which reads as follows

“Input tax credit to be availed by a registered person in respect of invoices or debit notes, the details of which have not been uploaded by the suppliers under sub section (1) of section 37, shall not exceed 20 per cent. of the eligible credit available in respect of invoices or debit notes the details of which have been uploaded by the suppliers under sub section (1) of section 37.”

1. What are the details required to be uploaded by the Suppliers under sub section (1) of Section 37?

Section 37(1) casts responsibility on every registered person, other than an Input Service Distributor, a non resident taxable person, a person paying tax under provisions of Section 10 i.e. composition dealers, to furnish the details of outward supplies of goods or services or both effected during tax period electronically in such form and manner as may be prescribed.

The form and manner has been prescribed under Rule 59 of CGST Rule which requires such details in Form GSTR 1 and should include

- (i) invoice wise details of all inter State and intra State supplies made to the registered persons;
- (ii) invoice wise details of all inter State supplies with invoice value more than two and a half lakh rupees made to the unregistered persons;
- (iii) consolidated tax rate wise details of all intra State supplies made to unregistered persons;
- (iv) consolidated State wise and tax rate wise details of inter State supplies with invoice value upto two and a half lakh rupees made to unregistered persons;
- (v) debit and credit notes, if any, issued during the month for invoices issued previously.

2. How to find the details uploaded by the Suppliers under sub section (1) of Section 37?

Sub rule (3) of Rule 59 of CGST Rules specifies that the details of outward supplies furnished by the supplier shall be made available electronically to the concerned registered persons (recipients) in Part A of FORM GSTR 2A through the common portal after the due date of filing of FORM GSTR 1.

Accordingly, every registered person is now required to view the GSTR 2A made available on the common portal after the due date of filing of Form GSTR 1.

3. What is eligible credit?

The term “eligible credit” is not defined anywhere in the Act or Rules, however the normal meaning can be taken as the Input Tax Credit which is not ineligible to the registered person.

The Input Tax Credit in certain cases is not available and thus such Input Tax Credit will be categorised as ineligible credit. Few instances of such specific ineligibility are:

- (i) Goods or services or both mentioned in Section 17(5) subject to respective conditions;
- (ii) in respect of inputs held in stock and inputs contained in semi finished or finished goods held in stock on the day immediately preceding the date from which he becomes liable to pay tax under the provisions of CGST Act, if he has not applied for registration under this Act within thirty days from the date on which he becomes liable to registration;

However, Reversal of Input Tax Credit under Rule 42 and 43 for partly use for the purpose of any business and partly for other purposes or partly use for effecting taxable supplies including zero rated supplies and partly for effecting exempt supplies cannot be termed as ineligible credit as the reversal is for restricted allowance of credit under Section 17(1) and 17(2).

Basic conditions of eligibility to claim Input Tax Credit have been prescribed in Section 16 of CGST Act and it specifies that every registered person shall be entitled to take Input Tax Credit in respect of any supply of goods or services or both

- (i) which are used or intended to be used in the course or furtherance of his business; and
- (ii) have a tax invoice or debit note issued by a supplier registered under this Act, or such other tax paying documents as may be prescribed; and
- (iii) he has received the goods or services or both (Where the goods against an invoice are received in lots or installments, registered person shall be entitled to take credit upon receipt of last lot or installment); and
- (iv) not claimed depreciation on the tax component of the cost of capital goods and plant and machinery under the provisions of the Income tax Act, 1961; and
- (v) whose invoice or debit note is not after the due date of furnishing of the return under section 39 for the month of September following the end of financial year to which such invoice or invoice relating to such debit note pertains or furnishing of the relevant annual return, whichever is earlier.

It is also important to note that as per Section 155 of CGST Act, where any person claims that he is eligible for input tax credit under this Act, the burden of proving such claim lie on such person.

4. In order to clarify the provision and its applicability, the Government has issued Circular No.123/42/2019 GST dated 11th November, 2019 and the important clarifications are

- (i) the restriction is not imposed through the common portal and **it is the responsibility of the taxpayer that credit is availed in terms of the said rule and** therefore, the availment of restricted credit in terms of sub rule (4) of rule 36 of CGST Rules **shall be done on self assessment basis by the tax payers;**
- (ii) The Taxpayers may avail full ITC in respect of IGST paid on



import, documents issued under RCM, credit received from ISD etc. which are outside the ambit of sub section (1) of section 37, provided that eligibility conditions for availment of ITC are met in respect of the same;

- (iii) The restriction of 36(4) will be applicable only on the invoices / debit notes on which credit is availed after 09.10.2019.
- (iv) The restriction imposed is not supplier wise and the credit available under sub rule (4) of rule 36 is linked to total eligible credit from all suppliers against all supplies, which are otherwise eligible for ITC, whose details have been uploaded by the suppliers.
- (v) The restriction of 20% applies with respect to eligible input tax credit available to the recipient in respect of invoices or debit notes the details of which have been uploaded by the suppliers under sub section (1) of section 37 **as on the due date of filing of the returns in FORM GSTR 1 of the suppliers for the said tax period.**

EXAMPLE FOR BETTER UNDERSTANDING...

Eligible ITC as per Records/ Accounts	Eligible ITC as per GSTR 2A (out of 1)	Eligible ITC not appearing in GSTR 2A (out of 1)	Restriction as per Rule 36(4)	Eligible ITC allowed to be taken in GSTR 3B
(1)	(2)	(3)	(4)	(5)
		(1) (2)	Minimum of (3) or 20% of (2)	(2) + (4)
1,000,000	600,000	400,000	120,000	720,000
1,000,000	700,000	300,000	140,000	840,000
1,000,000	850,000	150,000	150,000	1,000,000

(vi) The balance ITC may be claimed by the taxpayer in any of the succeeding months in proportion to the details of missing invoices are uploaded by the suppliers provided that credit on invoices, the details of which are not uploaded (under sub section (1) of section 37) remains under 20 per cent of the eligible input tax credit, the details of which are uploaded by the suppliers.

EXAMPLE:-

Eligible ITC not appearing in GSTR 2A	Remaining ITC (out of 1)	Eligible ITC in GSTR 2A of next period(s)	Restriction as per Rule 36(4)	Eligible ITC allowed to be taken in GSTR 3B
(6)	(7)	(8)	(9)	(10)
(3) of Earlier Table	(1) (5) of Earlier Table	out of (6)	Minimum of (7) or 20% of (8)	Minimum of (7) or [(8) + (9)]
400,000	280,000	134,000	26,800	160,800
300,000	160,000	134,000	26,800	160,000
150,000	0	134,000	0	0

5. Few Unanswered Questions

- (i) As per Circular issued, the restriction of 36(4) will be applicable where credit is availed after 09/10/2019. As credit is deemed to be availed on submission of GSTR 3B, it appears to be applicable for returns of any period filed after 09/10/2019 implying retrospective applicability (circular extending provision applicability) and discriminating eligibility of ITC for the taxpayers filing return before and after prescribed date.
- (ii) In respect of the Taxpayers filing Quarterly GSTR 1, it appears that credit can be taken when it appears in GSTR 2A. In respect of inward supplies received in 1st month of Quarter, as the due date to file GSTR 1 is after the due date of GSTR 3B, the credit can be taken in 4th month having a huge impact on the dealers opted to file Quarterly GSTR 1 and no option to change over periodicity is available in between the year.
- (iii) GSTR 2A being a dynamic document and restriction applies as compared to figures appearing in GSTR 2A as on the due date of filing of the returns in FORM GSTR 1 of the suppliers for the said tax period, the filing of GSTR 3B will be done in last 5 6 days i.e. after 12th of succeeding month, adding to server issues.
- (iv) Big Question whether GSTR 2A will be updated in real time to get correct figures.
- (v) As GSTR 2A does not give date on which it is updated, finding the entries exist on the due date of filing of the return in FORM GSTR 1 is almost impossible and thus putting impossible task to trace GSTR 2A on the due date of filing of the return by each taxpayer.

* Subject to changes by Notifications/ Orders

Note: This is for Knowledge Sharing initiative and the author does not intend to solicit any business or profession

Disclaimer: The information contained in this article should not be relied upon in connection with any investment option and it is designed to provide helpful information. All recommendations are made without guarantee on part of the author.



INITIATIVES OF CHAPTERS

BAREILLY

"Bareilly Chapter of ICSI-NIRC organized 3rd Webinar during the Lockdown period on 1st July 2020 on the topic "Opportunities for Company Secretaries under MSME". The Guest Speaker to the webinar was CS Amit Gupta (Regional Council Member - NIRC), Special Guest, CS Suresh Pandey (Chairman, NIRC-ICSI) and Chief Guest, Sh. Rishi Ranjan Goel (Joint Commissioner Industries - Bareilly) graced the program with their presence. As, the topic was relevant to the current scenario therefore, members took keen interest during the session.

BHILWARA

1. Bhilwara Chapter conducted a webinar on the topic Opportunities in RERA on 24th June, 2020. The chief guest of the webinar was Shri Avinash Rai Khanna, Vice Chairman of Indian Red Cross Society and the guest of honour was CS(Dr.) Shyam Agrawal, Member Appellate Authority.
2. Bhilwara Chapter also conducted a webinar on the topic Latest Amendment in the Section 185 and Section 186 of the companies Act, 2013 on 16th July, 2020. The Special Guest was CS Suresh Pandey, Chairman NIRC and the Key Note Speaker CS Sanjay Somani, Past Chairman Bhilwara.
3. The Chapter is providing all necessary information to the students and the Members on regular basis.
4. Bhilwara Chapter is regularly sending information about CSEET to many schools and colleges for making students aware about the CSEET.
5. Organizing many programme in Student Month."

FARIDABAD

"Faridabad Chapter initiatives for July,2020 :-

- 1) Webinar for Members on 11th July, 2020.
- 2) Students Programs
 - a) Online Quiz on Company Law – 03.07.2020
 - b) Online Batch start on CE EX-1 Dec 2020 – 08.07.2020
 - c) Online Session on "Life Skills" - 09.07.2020
 - d) Online Faculty Induction Program – 13.07.2020
 - e) Online Crash Course for 3 days on GST for CS Students w ef 15 to 17.07.2020
 - f) Online Zero Grievance Day – 19.07.2020
 - g) Online CAP – 24.07.2020 – (DAV School, M D School)
- 3) Due Activities of July ,2020
 - a) Essay Writing Competition – Kargil Victory Diwas -26.07.2020
 - b) Online Session "How to Crack Interview on -27.07.2020
 - c) Power Point Competition 28.07.2020
 - d) Webcast for Students – 30.07.2020
- 4) Proposed CSEET batch w ef 30.07.2020"

GHAZIABAD

1. Ghaziabad Chapter celebrated PCS Day on 15th June, 2020 and International Yoga Day on 21st June, 2020 wherein special bulletin mentioning journey of our fellow friends as a PCS and different poses of Yoga was published, and the same was unveiled by CS Suresh Pandey, Chairman of NIRC of ICSI at Annual General Meeting of the Chapter on June 27th, 2020
2. Ghaziabad Chapter conducted 06 webinars on topics such as IBC, POSH, Recent Amendments in FEMA due to Covid-19, Ideal Disclosures in Director's Report and Amendments in Companies Act, 2013etc.
3. Ghaziabad Chapter organized a webinar and celebrated GST Day on July 01, 2020.
4. Ghaziabad Chapter is celebrating Students Month during July 2020. We have conducted an online quiz contest on "Company Law" and organized an online session on "Life Skills" for our student. We are planning to conduct many more activities for students in the month of July.
5. We have invited Articles and Write-ups for our Chapters monthly e-Newsletter.
6. We have resumed our OT Classes by Online Mode
7. We are encouraging members to take CSBF Membership of our Institute."

JAIPUR

Webinar

1. 11-07-2020 - Panel Discussion- GST Experts
2. 17-07-2020 - Managing the business of Corporate Debtor under IBC - Challenges and latest amendments in IBC.
3. 24-07-2020- Cyber Crime
4. 31-07-2020- Drafting/Latest Amendment in Companies

Student Month Activities.

1. 06-07-2020-Quiz Contest
2. 11-07-2020- Student Webinar on "Life Skills"
3. 13-07-2020- Faculty Induction Program
4. 20-07-2020- "Samadhan Diwas"- Zero Grievance Day
5. 22-07-2020- Celebration of Career Awareness Week
6. 26-07-2020- Kargil Victory Day- Essay writing competition
7. 28-07-2020- Tree Plantation Drive - World Nature Conservation Day
8. 28-07-2020- Online Prog for Student-How to appear for an interview
9. 29-07-2020- Power Point Competition
10. 31-07-2020- Webcast for students on Academic Topic

GORAKHPUR

Gorakhpur Chapter celebrated Doctor's Day and GST Day on 01st July 2020. Also, On 01st July 2020, A Webinar was conducted on the theme "Loans to Directors". The Chief Guest of the webinar was Shri Ravi Kishan Shukla, Hon'ble Member of Parliament, Lok Sabha and the Guest of Honour was CS Suresh Pandey, Chairman, NIRC of ICSI. The special guest of the programme was Dr. Priyanka Verma, Member, Indian Dental Association and the Speaker of the programme was CS Santosh Pandey.

Gorakhpur Chapter also conducted an Online Panel Discussion on "New Dynamics: New Opportunities" on 22nd July 2020. The Chief Guest of the programme was CS (Dr.) Shyam Agrawal, Member, Appellate Authority and Past President ICSI. The panelists of the programme was CS Anuradha Gupta, CS Sheetal Sharma and CS Gesu Nathani.

Gorakhpur Chapter also organised many programmes for students during Student Month July 2020:

1. Online Session on "Life Skills" on 09th July 2020.
2. Faculty Induction Programme on 10th July 2020.
3. Online session on "How to crack CS exams" on 16th July 2020.
4. Samadhan Diwas"- Zero Grievance Day on 19th July 2020.
5. Professional Development Programme (PDP) on 22nd July 2020.
6. Celebration of Career Awareness Week from 20th to 24th July 2020.
7. Kargil Victory day- Essay Writing Competition on 26th July 2020.
8. Webinar for students on "How to appear in interview" on 27th July 2020.
9. Power Point Competition on 28th July 2020.
10. Online Quiz contests for Students on 29th July 2020.
11. Webinar for students on GST on 31st July 2020. The Chapter is also sending various information through various channels to Students and Members regarding various updates. The Press news related to various developments has also been published. Various announcements for the benefit of students and members have been posted on the Chapter's Child Portal. The Chapter is regularly sending information about CSEET to many schools and colleges for making students aware about the CSEET."

GURUGRAM

Webinar on 06th June 2020 on the topic MSME Grant & How to grab these facilities and Role of CS. The Chapter also organised Webinar on Critical Issues under GST – Role of CS on 13th June 2020 and Webinar on Practical Aspects of Merger – PCS Day Celebrations on 20th June 2020. Gurgaon Chapter also organised Webinar on IPR Enforcement Rules, 2007 & The Legal Metrology (Packaged Commodities) Rules, 2011 as amended on 24th June 2020.

JALANDHAR

Jalandhar Chapter conducted a webinar on 23.06.2020 on the topic "Road Ahead to CS Profession" for the members of Jalandhar and planning to conduct more such webinars. We are motivating the non CSBF members to enroll in CSBF and also following up with the defaulter members to restore their membership. Jalandhar Chapter is also propagating about CSEET through different platforms. We are also planning to celebrate student month.

JODHPUR

1. 09th July, 2020- Webinar on FLA and FC-GPR
2. 13th July, 2020- Online Quiz Contest for students
3. 17th July, 2020- Poetry Competition for students
4. 18th July, 2020- Samadhan Diwas
5. 25th July, 2020- Webinar on MSME & Filling of return of deposits
6. 26th July, 2020- Essay Writing Competition: Kargil Day
7. 28th July, 2020- Power Point Competition
8. 31st July, 2020- Online Program for students (Appear in Interview)

KARNAL

1. Karnal Chapter has organised its 5th Webinar on 9th July, 2020.

Webinar on the topic "New Normal for Professionals Post Covid Era"

Time slot : 2.00 PM to 3.30 PM.

Date: 9/07/2020

Faculty : CS Richa Sharma (Partner Conducive Legal LLP).

Further, Karnal Chapter has also scheduled to conduct its 6th Webinar on 28th July, 2020. Webinar on the topic "Opportunities for Company Secretaries In Consumer Protection Act, 2020"

Time slot : 3.00 PM to 4.30 PM.

Date: 28/07/2020

Faculty : CS Nityanand Singh.

Also Karnal Chapters is conducting below student competitions during the Student Month, 2020.

1. "PPT Competition" on 28.07.2020.
2. "Online Session on Life Skill" on 30th July, 2020

KOTA

Kota Chapter is regularly sharing the CSEET flyer to the students through various channels. Kota Chapter is also communicating with different schools/colleges for propagating the CSSEET flyer. Kota chapter is planning to conduct various activities during student month. Kota chapter regularly updating the child portal of Kota chapter for the information of students and members. Kota Chapter is also planning for conducting live webinars for the Members of Kota. Kota Chapter also motivated its members to contribute in CSBF.

LUDHIANA

Ludhiana Chapter has taken the initiative of "exploring the unexplored talent" by inviting and motivating the members for writing the articles for the quarterly e-newsletter of Ludhiana Chapter. By publishing three-newsletter, we purport that the members share their knowledge with other members and students. We have also reserved a column in the e-newsletter by which the young members of the profession may share their stories of becoming company secretary, which will inspire the students and alternatively prepare them for dealing with failures. By this newsletter, we are also trying to cater the need of knowledge update of the members and students by providing a compiled "knowledge update report".

MEERUT

Meerut Chapter had organized two Webinars during the month of June, 2020. 18.06.2020-Overview of MSMEs: Its impact and Relevance in "Vocal for Local" Vision under COVID-19 (Speaker : CS Gaurav Kumar) 29.06.2020-Impact of COVID-19 on World Economy (Speaker : Prof.(Dr.) Amar P. Garg)

NOIDA

1. Total Eleven Webinars have been conducted with maximum participation from Members , including a Panel Discussion with 3 Past Presidents of ICSI - Mr Pavan Vijay, Mr Nesar Ahmed and Ms Mamta Binani.
2. First Online Career Awareness Program was conducted in May 2020, facilitated by Moti Lal Nehru College.
3. Managing Committee Meeting of Noida Chapter was conducted through Online mode in June, 2020.
4. Annual General Meeting (AGM) of Noida Chapter for 2020 was conducted through Online mode on 30th June, 2020.
5. Facilitated for initialization of Tie up between ICSI HQ and various Financial Institutions, like Poonawalla Finance, Tata Capital.
6. Conducted Student Month Activities through Online mode starting with Online Quiz Contest on 3rd July, 2020 with 36 participants.
7. Conducted Two Free Demo Sessions for Executive Students to initiate OT Classes for Dec.2020.
8. Conducted Online Session on Life Skills through Online mode on 9th July, 2020 with 38 participants. for Dec.2020.
9. Conducted Faculty Induction Program through Online mode on 10th July, 2020 with 11 participants.
10. Started Five Days Revisionary Classes through Online mode from 16th July, 2020 with 65 participants on first day.
11. Samadhan Diwas was observed on 18th July, 2020 with launch of a own Grievance Redressal Mechanism at Chapter Level to solve/reply the queries received from Members/Students at Chapter.

PANIPAT

1. "Webinar on 02 July 2020 on Role of Company Secretaries in Corporate Governance Vis-a-vis Leading the Private Equity & Venture Capital Transactions. Eminent Speaker: Mr. Yawar Usmani, Company Secretary & Legal Counsel, Stellapps Technologies Private Limited, Chief Guest: Mr. Sanjay Bhatiaji, Member of Parliament, Lok Sabha (Panipat-Karnal)
2. Online Session on "Life Skills" on 09 July 2020
3. Online Company Law Quiz- 2020 on 10 July 2020
4. Online Crash Course for Students of Panipat Chapter of NIRC of ICSI, on Tax Laws on 15 July 2020
5. Online Crash Course for Students of Panipat Chapter of NIRC of ICSI, on 16 July 2020 on "Setting up of Business Entities and Closure"
6. Online Crash Course for Students of Panipat Chapter of NIRC of ICSI, on GST Laws on 17 July 2020
7. "Samadhan Diwas"- Zero Grievance Day on 19 July 2020
8. "Webinar on 20 July 2020 on the Topic: "Role of Professionals in Nation Building Viz a Viz New Avenues for Company Secretaries". Chief Guest was Sh. Pramod Vj, MLA, Panipat City and Guest of Honour was CS Nagendra D. Rao, Vice-President, The ICSI. The Special Guest and Eminent Speaker was CS Harish Vaid, Past Vice President ICSI, Sr. President (Corporate Affairs) Jaypee Group. Eminent Speaker was CS Sheetal Sharma, Panellist and Practicing Company""
9. Online Career Awareness Program on 21 July 2020 with 30+ Students from Ch. Bansi Lal Govt. college, Bhiwani District with live session.
10. Online Career Awareness Program on 23 July 2020 with 30+ Students Shiksha Bharti Public School, Rohtak District with live session.
11. Online Career Awareness Program on 24 July 2020 with 40+ Students from DAV Police Public School and Blooming Dales School, Hisar District with live session.
12. Online Programme for students on 25 July 2020 (How to appear in interview).
13. Faculty induction Programme (online) on 25 July 2020.

PRAYAGRAJ

Initiatives taken by Prayagraj Chapter during the month of July 2020 may be summarized as below:

1. Celebration of Student's Month with numerous activities such as:
 - (i) Activation of OTC Classes for December 2020 session on 10th July 2020
 - (ii) Faculty Induction Programme on 12th July 2020
 - (iii) Session on "How to Crack CS Exams" on 13th July 2020 by CS(Dr).Himanshu Shrivastava,Assistant Professor,Dept of Commerce & Business Administration,University of Allahabad
 - (iv) Session on "Life Skills" on 16th July 2020 by Eminent & Renowned Speaker,Prof.Arun Kumar
 - (v) Samadhan Diwas(Query Day for CS Students)
2. Programmes to be Organized for Student Month
 - (i) Career Awareness Programme during the period 20th July 2020 to 24th July 2020
 - (ii) Session on "How to appear in an Interview"
 - (iii) Power Point Presentation activity for CS Students.
 - (iv) Session on use of IT by CS Professionals.
 - (v) Online Quiz
3. Organized 1 Live Webinar on 14th July 2020 on "Recent Amendments in GST during Covid-19-Role of Professionals, CS Suresh Pandey Chairman NIRC-ICSI gracing the programme as Chief Guest and shared the efforts taken by the ICSI at all Professional level, and is continuously hand to hand with the policies of the Government, Guest of Honour Shri.Dharmendra Kr.Singh IRS Central GST & Central Excise, Special Invitee Shri. Satya Brat Upadhyay Asst.Commissioner SGST along with CMA Dr.Pawan Jaiswal Master Trainer GST and Member GST Advisory Board, Govt Of India,and CA Archana Yadav as speakers. CS Lavkush Yadav Chairman welcomed all the Guests and CS Harsh Tiwari delivered vote of Thanks.
4. Representation has been given to the Veer Bahadur Purvanchal University(Jaunpur University) for ICSI Signature Award Scheme,which is under consideration."

UDAIPUR

1. The Chapter is providing all necessary information to the students and the Members on regular basis.
2. Udaipur Chapter is regularly sending information about CSEET to many schools and colleges for making students aware about the CSEET.
3. Organizing many programme in Student Month.
4. Conducting Webinar for Udaipur Chapter Members."

VARANASI

Initiative of Varanasi Chapter as under:-

1. Conducted the Webinar on 2 June 2020. Topic is MSME Registration Process & Opportunities For CS in Startup.
2. Conduct the Annual General Meeting Online.
3. Solve the Queries of Student and Members



Dear Professional Colleagues,

Sub: Online Consultation and Medical Facilities at Concessional Rates for Members of NIRC-ICSI

Greetings and Best Wishes from NIRC of ICSI !!!

We hope that all of you along-with your family members, friends and relatives are safe and taking every care to protect yourself from the Corona Virus.

Online Consultation

The present Pandemic situation creates an atmosphere where none of us is comfortable going to Hospital for Health related issues. Keeping the same in mind, NIRC tie up with Fortis Hospital for Online Consultation at 20% discount. The facility is not limited to the members of Northern Region but for the entire CS fraternity spread all across the country in all 26 Hospitals of Fortis Group.

Medical facilities at Concessional Rates

NIRC also arranged the below Medical facilities at concessional rates for its members in renowned hospitals:-

Sr. No.	Hospital	Discount Allowed		Applicability
		Out Patient Department (OPD)	In Patient Department (IPD)	
1	Fortis Hospital	20%	10%	Offer is available for 26 hospitals of Fortis Group across India Video/ Tele consultations: For video/ tele consultations and e-prescriptions, Members can register a request for Video consult at https://www.fortishealthcare.com/lp/video-consult/?utm Please use coupon code FORTISMA20 to avail discounts on MyFortis App or on fortis Portal for all OPD Consultations
2	Medeor Hospital	25%	15%	Offer is available for all three units of Medeor Hospital situated at Qutab Institutional Area, New Delhi, Dwarka, New Delhi, IMT Manesar, Gurgaon Haryana
3	Venkateshwar Hospital	20%	15%	Offer is available for Venkateshwar Hospital, Dwarka, New Delhi

The Proposal as received from above hospitals are available on website of NIRC-ICSI <https://www.icsi.edu/nirc/home/>

We wish to inform that NIRC-ICSI is no way promoting/ advertising the above hospitals and does not accept any responsibility for the Consultation/Services provided by them.

We are further exploring the possibilities of concessional treatment in other renowned hospitals.

Wishing you best of Health!

Regards,
CS SURESH PANDEY
Chairman, NIRC-ICSI
Mob. 9968300649
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