



# Newsletter

April, 2022 - Volume - 57



THE INSTITUTE OF  
Company Secretaries of India

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE  
Statutory body under an Act of Parliament  
(Under the jurisdiction of Ministry of Corporate Affairs)





# CONTENTS

GST Collection Updates	1
Trends in GST Collection and E-way Bills Generated	3
GST Compensation released to States/UTs	4
Tax Revenues in FY 2021-22	5
GST Portal Updates	7
GST in News	12
Compliance Calendar	17
GST Quiz	18

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



## GST COLLECTION UPDATES

**GST Revenue collection for April 2022 highest ever at ₹1.68 lakh crore**

**Gross GST collection in April 2022 is all time high, ₹25,000 crore more than the next highest collection of ₹1,42,095 crore, just last month**

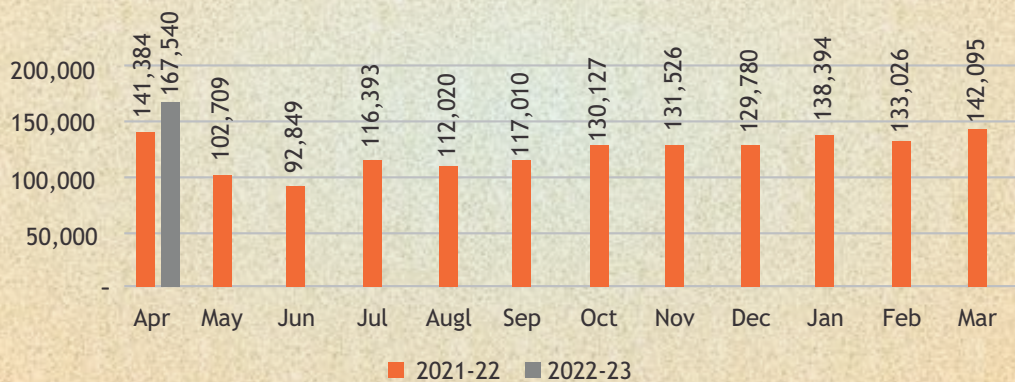
The gross GST revenue collected in the month of April, 2022 is ₹1,67,540 crore of which CGST is ₹33,159 crore, SGST is ₹41,793 crore, IGST is ₹81,939 crore (including ₹36,705 crore collected on import of goods) and cess is ₹10,649 crore (including ₹857 crore collected on import of goods).

The Government has settled ₹33,423 crore to CGST and ₹26,962 crore to SGST from IGST. The total revenue of Centre and States in the month of April 2022 after regular settlement is ₹66,582 crore for CGST and ₹68,755 crore for the SGST.

The revenues for the month of April 2022 are 20% higher than the GST revenues in the same month last year. During the month, revenues from import of goods was 30% higher and the revenues from domestic transaction(including import of services) are 17% higher than the revenues from these sources during the same month last year.

For the first time gross GST collection has crossed ₹1.5 lakh crore mark. Total number of e-way bills generated in the month of March 2022 was 7.7 crore, which is 13% higher than 6.8 crore e-way bills generated in the month of February 2022, which reflects recovery of business activity at faster pace.

### Trend in GST Collection (Rs. in Crore)

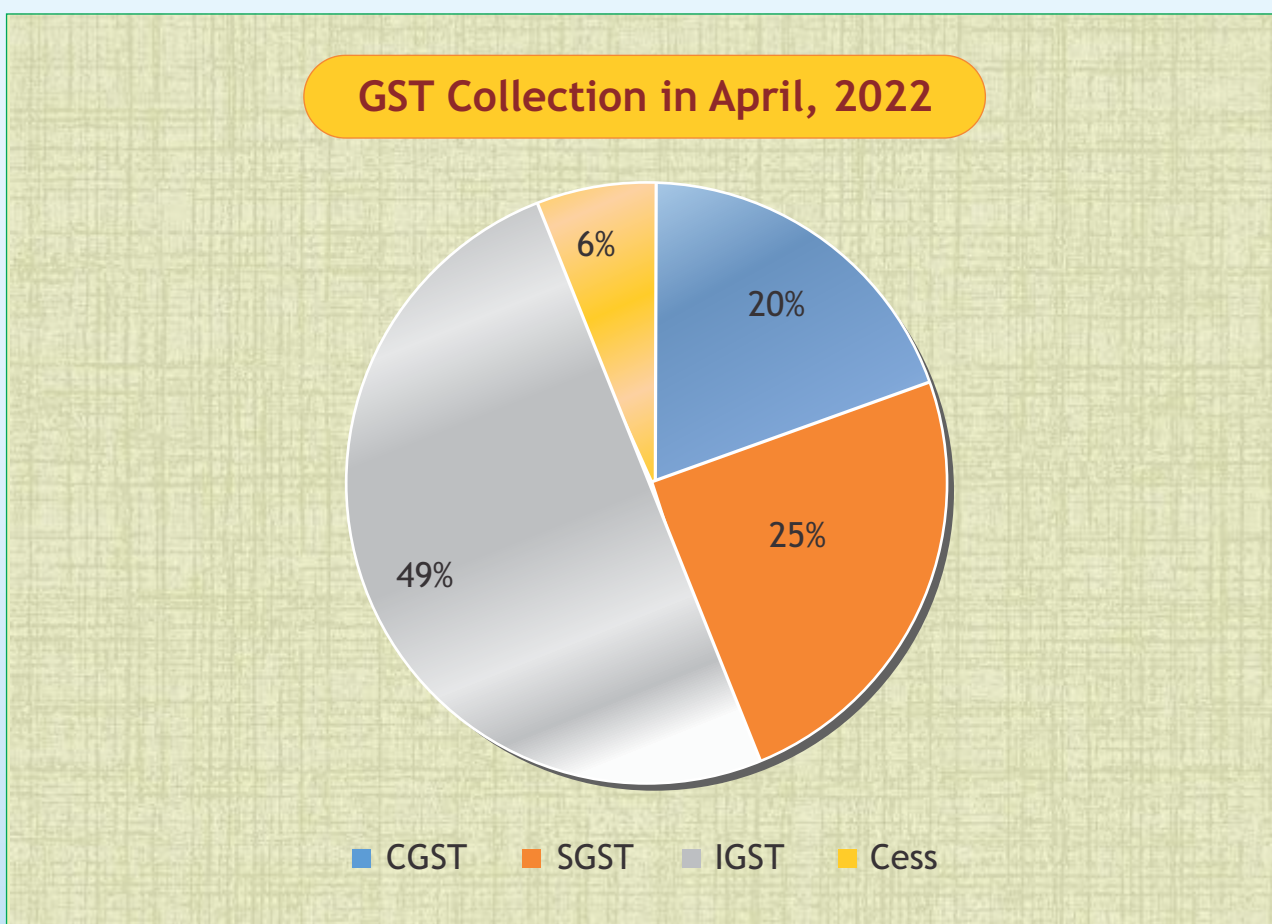




Month of April 2022 saw the highest ever tax collection in a single day on 20<sup>th</sup> April 2022 and highest collection during an hour, during 4 PM to 5 PM on that day. On 20<sup>th</sup> April 2022, ₹57,847 crore was paid through 9.58 lakh transactions and during 4-5 PM, almost ₹8,000 crore was paid through 88,000 transactions. The highest single day payment last year (on the same date) was ₹48,000 crore through 7.22 lakh transactions and highest one hour collection (2-3 PM on the same date last year) was ₹ 6,400 crore through 65,000 transactions.

During April 2022, 1.06 crore GST returns in GSTR-3B were filed, of which 97 lakh pertained to the month of March 2022, as compared to total 92 lakh returns filed during April 2021. Similarly, during April 2022, 1.05 crore statements of invoices issued in GSTR-1 were filed. Till end of the month, the filing percentage for GSTR-3B in April 2022 was 84.7% as compared to 78.3% in April 2021 and the filing percentage for GSTR-1 in April 2022 was 83.11% as compared to 73.9% in April 2021.

This shows clear improvement in the compliance behaviour, which has been a result of various measures taken by the tax administration to nudge taxpayers to file returns timely, making compliance easier and smoother and strict enforcement action taken against errant taxpayers identified based on data analytics and artificial intelligence.

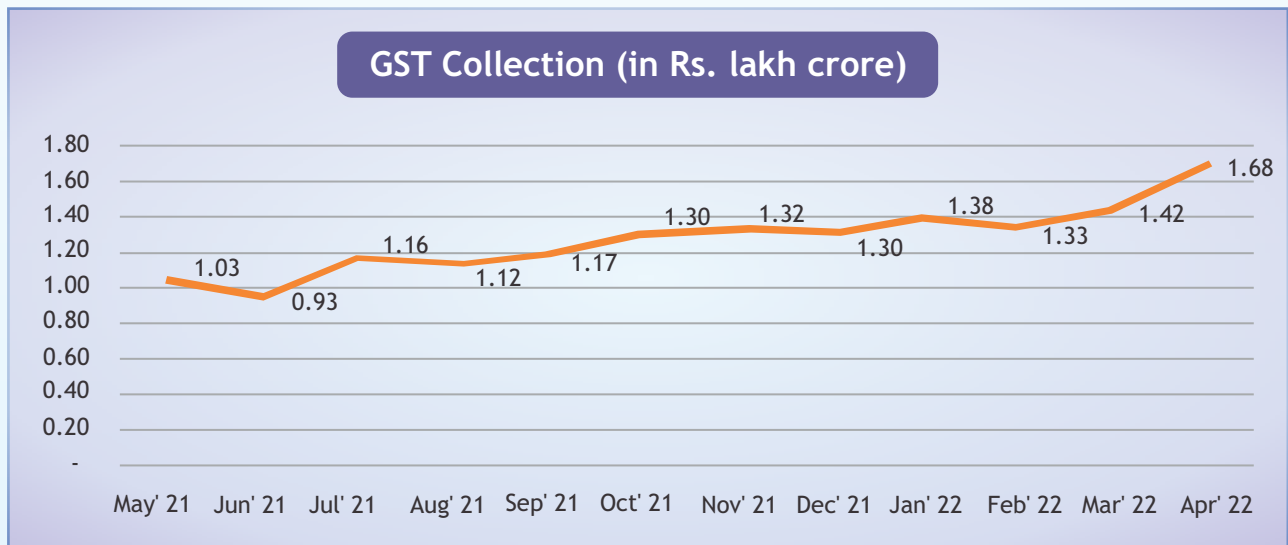


Source: <https://pib.gov.in/PressReleaseframePage.aspx?PRID=1821758>



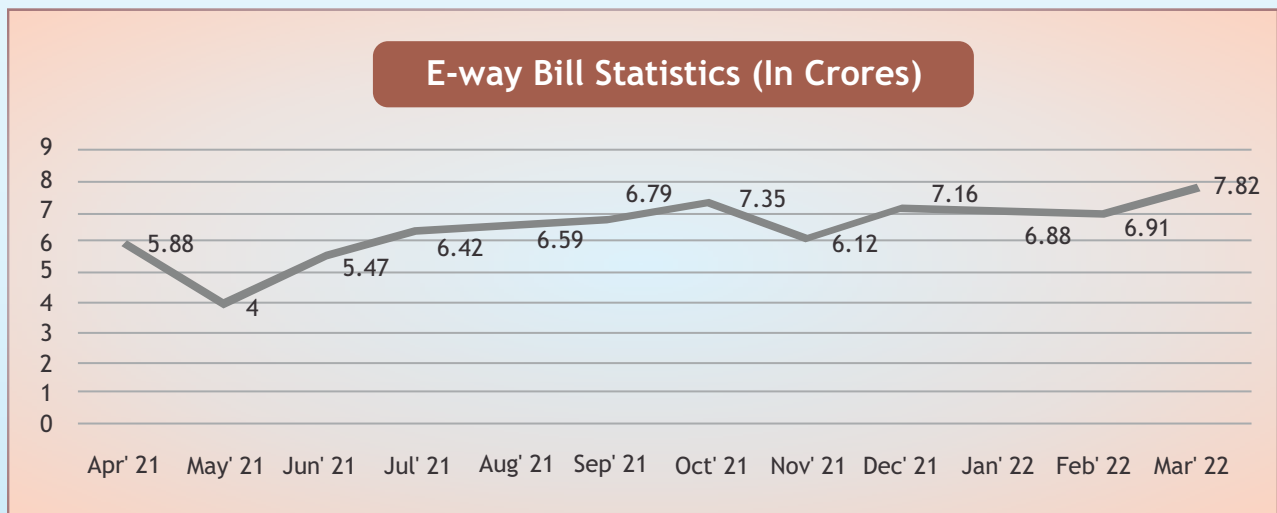
## TRENDS IN GST COLLECTION AND E-WAY BILLS GENERATED

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



Source: Compiled from Press Releases issued by PIB

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



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

**Note:** The revenue collections in the current month pertains to the transactions conducted in the previous month. For example: Revenue collections for the month of May'21 (as per PIB release) reflects the transactions conducted in Apr' 21. Therefore, the chart for e-way bills generated in Apr' 21 is shown corresponding to the GST Revenue collection for May' 21 and so on.



## GST COMPENSATION RELEASED TO STATES/ UTs

**₹2.78 lakh crore of compensation released to States for the year 2020-21 itself; nothing is pending for the year**

**Centre released ₹7.35 lakh crore and compensation of ₹78,704 crore pending only for the year 2021-22**

At the time of introduction of GST, the Constitution amendment provided that the Parliament, by law shall provide compensation to States for a period of five years for loss of revenue due to introduction of GST. Accordingly, the GST (Compensation to States) Act was legislated which provides for release of compensation against 14% year-on-year growth over revenues in 2015-16 from taxes subsumed in GST. This compensation cess is credited to the compensation fund and as per the Act, all compensation is paid out of the fund. Presently, cess is levied on items like pan masala, tobacco, coal and cars.

Compensation of about ₹49,000 crore has been released for 2017-18 from the fund, which increased to ₹83,000 crore for 2018-19 and further to ₹1.65 lakh crore in 2019-20. For these three years, almost ₹3 lakh crore compensation was released to States. However, the compensation requirement increased substantially during 2020-21 due to impact of covid on revenues. To ensure that States have adequate and timely resources to combat covid and related issues, Centre borrowed ₹1.1 lakh crore in 2020-21 and ₹1.59 lakh crore in 2021-22 and passed it on to States on a back-to-back basis. During 2021-22, Centre ensured that release of this amount of ₹1.59 lakh crore was front loaded to ensure that States have adequate resources in the earlier part of the year.

Taking into account this loan, ₹2.78 lakh crore of compensation has been released to States for the year 2020-21 itself and nothing is pending for the year. Including the assistance released on back-to-back basis, ₹7.35 lakh crore has been released to States till now and, currently, only for the year 2021-22, compensation of ₹78,704 crore is pending due to inadequate balance in the fund, which is equivalent to compensation of four months.

Normally, compensation for ten months of April-January of any financial year is released during that year and the compensation of February-March is released only in the next financial year. As explained earlier, compensation of eight out of ten months of 2021-22 has already been released to States. The pending amount will also be released as and when amount from cess accrues in the compensation fund.

Source: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1820749>





## TAX REVENUES IN FY 2021-22

The tax revenue in the Union Budget for 2021-22 was estimated at ₹22.17 lakh crore against the revised estimates of ₹19 lakh crore, with a growth of 17%. The Union Budget was presented on 1<sup>st</sup> February, 2021 when the 1<sup>st</sup> COVID wave had tapered off in India but the world was facing successive waves.

**Against the Union Budget estimates of ₹22.17 lakh crore, the revenue collections as per the pre-actual figures is ₹27.07 lakh crore, almost ₹5 lakh crore above the budget estimates.** This is a growth of 34% over last year's revenue collection of ₹20.27 lakh crore, led by growth of 49% in direct taxes and supported by 20% growth in indirect taxes. This revenue growth has been propelled by rapid economic recovery after successive waves of COVID, supported by one of the largest immunization programmes of the world run by the Government. These were also supplemented with better compliance efforts in taxation through use of technology and artificial intelligence.

2021-22 marks the highest tax-GDP ratio of 11.7%, with direct tax to GDP ratio at 6.1% and indirect tax to GDP ratio at 5.6%. The tax buoyancy (which is a measure of growth in tax revenues as compared to GDP growth) is at a very healthy figure of 1.9, with 2.8 for direct taxes and 1.1 for indirect taxes. The ratio of direct to indirect taxes recovered from 0.9 in 2020-21 back to 1.1 in 2021-22.

**On the indirect taxes, GST has seen an exemplary growth during 2021-22 despite two waves of COVID-19 pandemic.** CGST revenues increased from ₹4.6 lakh crore last year to ₹5.9 lakh crore in 2021-22. The average monthly gross GST revenue in 2021-22 was ₹1.23 lakh crore as compared to ₹ 94,734 crore in 2020-21 and ₹1.01 lakh crore in 2019-20





signifying a robust rebound in the economy. The GSTR-3B filing (percentage of returns of previous month filed till end of the month) improved from 74% in September 2020 to 87% in February 2022. The GSTR-1 filing has significantly improved from 54% in September 2020 to 82% in February 2022 proving that the gap between GSTR-3B filing and GSTR-1 filing has completely narrowed down to the level of elimination. This shows that the GST ecosystem has appreciated the invoice-based discipline in GST, which not only benefits GST revenues but also contributes to overall formalization in the economy.

The level of economic recovery can also be seen from the value of e-way bills generated every month, which has improved from ₹16.9 lakh crore in January 2021 to ₹25.7 lakh crore in March 2022.

During 2021-22, Customs duty has witnessed a growth rate of 48%. During last two years, Government has undertaken comprehensive review and rationalization of the Customs tariff structure through extensive consultations and crowd sourcing and has rationalized various exemptions and simplified the tariff structure.

It is expected that the trend of recovery in the economy and tax revenues of the Government will continue to grow.

Source: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1814822>







## GST PORTAL UPDATES

### New Functionalities made available for Taxpayers on GST Portal

S. No	Form/ Functionality	Functionality made available for Taxpayers
<b>Homepage Portal</b>		
1.	Enhancements made in the Search Taxpayer functionality	The Search Taxpayer link on the home page of GST Portal has been provided with an additional Help Link "Search Temporary ID" for searching taxpayers assigned with Temporary ID.
<b>Registration</b>		
2.	Aadhaar authentication/ Aadhaar enrolment ID mandatory for Form GST REG-21	The taxpayers registered as TCS will now be able to file an application for revocation of the cancellation of registration in Form GST REG-21 only if they have successfully undergone Aadhaar Authentication or if they submit Aadhaar Enrolment ID as part of their e-KYC verification.
3.	Changes made on the portal for composition taxpayers engaged in supply of Hotel and Restaurant Services	<p>Normal taxpayers having aggregate turnover upto ₹1.5 Crore in the previous financial year, who do not want to avail ITC facility; taxpayers having aggregate turnover upto ₹75 lakh in the previous financial year &amp; registered in the States of Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura &amp; Uttarakhand; and the taxpayers supplying services and/or mixed supplies having aggregate turnover in the previous financial year upto ₹50 lakhs can opt for Composition scheme.</p> <p>The taxpayers engaged in supply of restaurant services were being prevented from filing their quarterly statement in Form CMP-08 if their annual aggregate turnover (AATO) exceeded ₹50 lakh even though they are eligible for composition levy for AATO upto ₹1.5 Crore.</p> <p>This issue has now been resolved.</p>



### Returns

4.	Changes in Table 4(A) of Form GSTR-3B	<p>As per the Notification No. 40/2021 - Central Tax dated December 29, 2021, no input tax credit shall be availed by the registered person in respect of invoices or debit notes the details of which are not furnished in GSTR-1.</p> <p>Hence, the taxpayers are allowed to avail only that ITC which is available in GSTR-2B and auto-populated in table 4 of GSTR-3B.</p> <p>Accordingly, the system-based validation on the threshold of the excess ITC that can be availed by the taxpayer has been reduced to 0% from the earlier 5%. The system will give now warning message if a taxpayer increases the auto-populated ITC in table 4A (ITC Available).</p> <p>However, as of now, the taxpayer will still be allowed to proceed and file the return with the edited values.</p>
5.	Displaying payment liability ratio & its calculation and providing Form GST DRC-03 link	<p>System computed liability is auto-populated in GSTR-3B on the basis of values reported in Form GSTR-1/IFF. In addition, liability on account of inward supplies attracting reverse charge is auto-populated from Form GSTR-2B.</p> <p>A functionality has been implemented to display liability payment ratio and its computation details to taxpayer. This ratio of auto-populated liability and the liability actually paid by taxpayer would indicate the compliance behavior of a taxpayer. The taxpayers are also provided with a linkage to Form GST DRC-03 to make any liability payment.</p>
6.	Facility for submitting consent for availing loan by MSME Taxpayers	<p>A link has been provided in the File Returns Page under Returns Dashboard of the portal, where MSME taxpayers can give their consent for availing Mudra Loan upto ₹10 lacs or MSME Loan upto ₹5 crore.</p>
7.	Changes implemented in Form GSTR-5	<p>A new Proceed to File button has been provided and Submit button has been removed in Form GSTR-5 filed by the Non-resident taxable persons.</p> <p>Further, table for reporting inward supplies attracting reverse charge has also been provided in Form GSTR-5.</p>



8.	Offline utility for TDS/TCS credit received	An excel based TDS & TCS Credit Received offline utility has been made available on the portal for download. This utility will help the taxpayer to prepare the TDS & TCS Credit Received return in offline mode.
9.	Changes made in "QUERY ICEGATE" functionality	<p>If a taxpayer fetches BoE details from ICEGATE portal before these records have been shared by ICEGATE with GST portal, he/ she gets an error message "Record already processed".</p> <p>To help reduce these error messages, a validation has been introduced which disallows taxpayers from triggering "QUERY ICEGATE" for BoE records where the BoE Date/Reference Date is less than T-4 (where T is current date).</p>
<b>Refund</b>		
10.	Updating the message in Track Application Status	The Status message " <i>PMT-03 Undertaking has been submitted. Kindly wait for the issuance of PMT-03 by Tax Officer for re-crediting the amount to Credit/Cash Ledger, if applicable</i> " is now displayed to the taxpayers while tracking their refund application if the status of the PMT-03 undertaking is successfully filed and is pending processing by the tax officer.

Source: [https://tutorial.gst.gov.in/downloads/news/new\\_functionalities\\_compilation\\_march\\_2022.pdf](https://tutorial.gst.gov.in/downloads/news/new_functionalities_compilation_march_2022.pdf)





## GSTR-1 Enhancements & Improvements

The statement of outward supplies in Form GSTR-1 is to be furnished by all normal taxpayers on a monthly or quarterly basis, as applicable. Quarterly GSTR-1 filers have also been provided with an optional Invoice Furnishing Facility (IFF) for reporting their outward supplies to registered persons (B2B supplies) in the first two months of the quarter. Continuous enhancements & technology improvements in GSTR-1/IFF have been made from time to time to enhance the performance & user-experience of GSTR-1/IFF, which has led to improvements in Summary Generation process, quicker response time, and enhanced user-experience for the taxpayers.

The previous phase of GSTR-1/IFF enhancement was deployed on the GST Portal in November 2021. In that phase, new features like the revamped dashboard, enhanced B2B tables, and information regarding table/tile documents count were provided. In continuation to the same, the next Phase of the GSTR-1/IFF improvements is now available on the Portal.

GSTR-1/IFF can be viewed as usual by navigating in the following manner:

***Return Dashboard > Selection of Period > Details of outward supplies of goods or services GSTR-1 > Prepare Online***

The following changes are being done in this phase of the GSTR-1/IFF enhancements:

- i. **Removal of 'Submit' button before filing:** The present two-step filing of GSTR-1/IFF involving 'Submit' and 'File' buttons will be replaced with a simpler single-step filing process. The upcoming 'File Statement' button will replace the present two-step filing process and will provide taxpayers with the flexibility to add or modify records till the filing is completed by pressing the 'File Statement' button.
- ii. **Consolidated Summary:** Taxpayers will now be shown a table-wise consolidated summary before actual filing of GSTR-1/IFF. This consolidated summary will have a detailed & table-wise summary of the records added by the taxpayers. This will provide a complete overview of the records added in GSTR-1/IFF before actual filing.
- iii. **Recipient wise summary:** The consolidated summary page will also provide recipient-wise summary, containing the total value of the supplies & the total tax involved in such supplies for each recipient. The recipient-wise summary will be made available with respect to the following tables of GSTR-1/IFF, which have counter-party recipients :
  - Table 4A : B2B supplies
  - Table 4B : Supplies attracting reverse charge
  - Table 6B : SEZ supplies
  - Table 6C : Deemed exports
  - Table 9B : Credit/Debit notes

For detailed advisory & sample screenshots of the GSTR-1/IFF improvements & enhancements, please visit [https://tutorial.gst.gov.in/downloads/news/gstr1\\_enhancement\\_phase\\_2.pdf](https://tutorial.gst.gov.in/downloads/news/gstr1_enhancement_phase_2.pdf)

Source:<https://www.gst.gov.in/newsandupdates/read/534>



## Advisory to Composition Taxpayers

Background: Since FY 2019-20, composition taxpayers have to pay the liability through Form GST CMP-08 on quarterly basis while return in Form GSTR-4 is required to be filed on annual basis after end of a financial year.

**Reason of Negative Liability in GSTR-4:** The liability of the complete year is required to be declared in GSTR-4 under applicable tax rates. Taxpayers should fill up table 6 of GSTR-4 mandatorily. In case, there is no liability, the said table may be filled up with '0' value. If no liability is declared in table 6, it is presumed that no liability is required to be paid, even though, taxpayer may have paid the liability through Form GST CMP-08. In such cases, liability paid through GST CMP-08 becomes excess tax paid and moves to Negative Liability Statement for utilization of same for subsequent tax period's liability.

**What the taxpayer did wrongly:** Liability paid through Form GST CMP-08 is auto-populated in table 5 of the GSTR-4 for convenience of the taxpayers. Taxpayers who do not fill up table 6 of GSTR-4 i.e. no liability is declared, even though, taxpayer may have paid the liability through Form GST CMP-08; since the 'Tax payable' in GSTR-4 is computed after reducing the liability declared in GST CMP-08 which is auto-populated in table 5. Thus, if nothing is declared in table 6, then the negative liability entry appears in GSTR-4.

**Debit of the negative liability** - In the past, lot of tickets were received on the Helpdesk for reducing the negative liability from the Negative Liability Statement and the same was being done. For convenience of the taxpayers, the amount available in negative liability statement have been debited for all taxpayers. It has been noticed that some taxpayers had utilised the amount available in negative liability statement for paying the liability to file statement in Form GST CMP-08 or GSTR-4 of subsequent financial year. In such cases, the amount utilised out of negative liability statement has been debited in the cash ledger. Though, such liability should have been paid by depositing the amount through challan but in some cases the amount had not been deposited by the taxpayers. The taxpayer who have deposited the amount in cash ledger, the debited amount has been adjusted whereas in case the amount of liability has not been deposited through challan, the balance in cash ledger becomes negative. In such cases, the taxpayers are advised to deposit the past liability through challan of equal amount urgently.

The details of the debit so made have been communicated to all such taxpayers through emails available on the portal. In case, the liability had been paid through adding in the next years' liability, the same can be claimed as refund through application in Form GST RFD-01.

Source:<https://www.gst.gov.in/newsandupdates/read/536>



## GST IN NEWS

### Group of Ministers to meet on May 2 to discuss GST related to casinos, race courses and online gaming

The mandate of the GoM is to examine the valuation of services provided by casinos, race courses and online gaming websites, along with taxability of certain transactions in a casino.

Online games involving betting attract a 28 per cent GST rate while games not involving betting or gambling are in the 18 per cent bracket.

The group, in its deliberations on May 2, will examine the administration of valuation provision and if an alternative methodology of valuation could be recommended. It will also evaluate impact on other similar services like lottery.

*Source: <https://www.indiatoday.in/business/story/gst-council-gom-meeting-may-2-recommend-taxes-casinos-online-gaming-horse-racing-1943694-2022-04-30>*

### GST Council meet: Extension of compensation cess to States to be in focus

The much-awaited 47<sup>th</sup> Goods and Services Tax (GST) Council meeting, with its focus on GST rate restructuring and extension of GST compensation cess, will now possibly be held in the first week of May, once the Union Finance Minister Nirmala Sitharaman returns from her 10-day visit to the US after attending the World Bank-IMF meeting earlier this month.

Among the many items on the Council's agenda, the extension of the GST compensation cess to states could turn out to be a contentious issue if the Government refuses to accede to the request, given its vociferous demand from several opposition-rules states.

The States have urged the Centre to extend the five-year compensation period under the GST law before its termination by June-end. Any move to extend the GST compensation deadline, however, will call for an amendment to the Indian Constitution, which will have to be taken up in the next parliamentary session because as per the Constitution's 10<sup>1st</sup> Amendment Act, States can only be compensated for five years, starting 2017.

Reports also suggest that the GST Council is also contemplating the simplification of the tax regime by rationalizing tax rates and correcting the inverted duty structure.

There are also reports that the Government may discuss the inclusion of aviation turbine fuel (ATF) under the GST regime because of the current high crude prices.

*Source: [https://www.business-standard.com/article/economy-policy/gst-council-meet-extension-of-compensation-cess-to-states-to-be-in-focus-122042900499\\_1.html](https://www.business-standard.com/article/economy-policy/gst-council-meet-extension-of-compensation-cess-to-states-to-be-in-focus-122042900499_1.html)*

*Note: The 47<sup>th</sup> GST council meeting has not been held so far.*



## Input Tax Credit (ITC) admissible on Bus hired for Transportation of Employees having capacity of more than 13 passengers: Gujarat AAR

The Gujarat Authority of Advance Ruling (AAR) ruled that the GST ITC is admissible on buses hired for transportation of employees having a capacity of more than 13 passengers.

The applicant submitted that it provides a canteen and bus transportation facility to its employees. The canteen and bus transportation facility are part and parcel of the employment arrangement with the employees. Based on the agreed terms of the HR Policy, the applicant was entitled to make recoveries at subsidized rates for facilities provided by them at the factory.

According to the applicant, in order to provide the canteen and bus transportation facilities, it engaged third-party service providers, who in turn provide the said canteen and bus transportation facilities to the employee. Since the services are provided by the third-party service providers, the service providers are raising their invoices with applicable GST to the applicant. They recover a certain portion (i.e., subsidized amount-fixed amount deducted from salary on a monthly basis) from the employees towards the self-consumption of food provided in the canteen area.

The applicant sought an advance ruling on the issue of whether the recoveries made by the applicant from the employees for providing a canteen facility to its employees are taxable under the GST laws.

Yet another issue raised was whether the free-of-cost bus transport facilities provided by the applicant to its employees are taxable under the GST laws.

*The AAR ruled that ITC on motor vehicles for transportation of persons having an approved seating capacity of more than 13 persons is not blocked credit vide Section 17(5) of the CGST Act. As a result, the hiring of buses with a seating capacity of more than 13 people does not fall under blocked credit as defined in Section 17(5)(b)(i) of the CGST Act.*

*The Authority observed that GST, at the hands of the applicant, is not leviable on the amount representing the employees' portion of canteen charges, which is collected by them and paid to the canteen service provider.*

*Source: <https://www.livelaw.in/news-updates/gujarat-aar-gst-itc-ms-emcure-pharmaceuticals-limited-section-175-cgst-act-197883>*

## Apple and Malt Cola Fizzy attracts 28% GST and 12% GST Compensation Cess: Gujarat AAR

The Gujarat Authority of Advance Ruling (AAR) has ruled that 28% GST and 12% GST Compensation Cess are payable on Apple and Malt Cola Fizzy.



The applicant submitted that it intends to supply thermally processed ready-to-serve fruit beverages with different flavours. Presently, the applicant is not registered under GST.

The applicant intends to supply apple juice based drinks under the names of “Apple Cola Fizzy” and “Malt Cola Fizzy”. Both the drinks have the same ingredients and manufacturing process. The second one has an added flavour of malt.

The applicant stated that the products would be commercially marketed as apple juice-based drinks or fruit juice-based drinks, and that labels affixed to the products would expressly state this.

The applicant submitted that the difference in the rate of tax charged by various other manufacturers is quite huge. Charging a 40% rate of tax when competitors are charging 12% makes the product unsellable and the whole margin gets eaten up subsequently.

The applicant has sought an advance ruling on the issue of classification and applicable tax rate on the supply of ready-to-serve fruit beverages named “Apple Cola Fizzy” and “Malt Cola Fizzy” made by the applicant under Notification No. 1/2017-CT (Rate) dated June 28, 2017 as amended up to date.

The applicant contended that drinks prepared from juice concentrates and other ingredients, including water, sugar, flavours, etc., and processed by heat are classifiable under the category of ‘Thermally Processed Fruit Beverages/Fruit Drinks/Ready to Serve Fruit Beverages’. On the other hand, carbonated fruit beverages or fruit drinks may be prepared from carbonated water or by the process of carbonation. However, thermal processing or processing by heat is not a trait of carbonated beverages.

*The AAR observed that “Apple Cola Fizzy” and “Malt Cola Fizzy” are carbonated beverages with fruit juice. The Fitment Committee has cited the classification of carbonated beverages with fruit juice at HSN 220210.*

*Source: <https://www.livelaw.in/news-updates/gujarat-aar-apple-cola-fizzy-malt-cola-fizzy-gst-gujarat-authority-of-advance-ruling-aar-197805>*

## **Bonafide error in format of date on e-way Bill, warrants only minor penalty: Kerala HC**

The Kerala High Court bench of Justice Bechu Kurian Thomas has held that a minor penalty can be imposed for a bona fide mistake in the date on an e-way bill.

The petitioner/assessee has a valid GST registration and carries on business in electrical contract work. In connection with the work of a hospital in Assam, some goods were transported by a vehicle after paying the required tax. During the course of transportation from Ernakulam, the goods were intercepted by the department, who detained the goods under section 129 of the Central Goods and Service Tax Act, 2017 on noticing an irregularity in the e-way bill.





Though the goods were being transported on 02.03.2021 (2<sup>nd</sup> March, 2021), the invoice mentioned the date as 03.02.2021 (3<sup>rd</sup> February, 2021). There was a discrepancy in the date mentioned in the invoice.

*According to the petitioner, the error occurred due to the default computer formatting system. Instead of day-month-year (dd-mm-yyyy) formatting for the Indian system, the computer-generated bill provided a month-day-year (mm-dd-yyyy) format. As a result, instead of 02.03.2021, the invoice bill mentioned the date as 03.02.2021. Due to the irregularity in the invoice, the goods were detained and tax along with the penalty was demanded.*

The petitioner contended that the detention of goods and the demand for furnishing security for the alleged tax and penalty payable were illegal and without authority. It was submitted that the default formatting system in the computer which generated the invoice as “mm-dd- yyyy” instead of the format adopted in India as “dd-mm-yyyy” was the cause of the mistake and that, for such an inconsequential and minor mistake, the petitioner ought not to be subjected to such huge liabilities. The petitioner relied on CBDT circulars dated September 14, 2018 and contended that minor errors should not be penalized so severely.

The department contended that the remedy of the petitioner was to invoke the appellate forum under the statute and not by invoking the provisions of Article 226 of the Constitution of India. The mistake in the format could have been purposeful for evasion of tax, and hence the disputed question ought not to be considered by the court.

The court observed that a statutory circular was issued to mitigate the hardships being caused to taxpayers for minor discrepancies, which had no bearing on the liability to tax or on the nature of goods being transported. The circular was statutory in nature and was binding on the tax officers. Thus, minor discrepancies cannot be penalized contrary to the mode and procedure contemplated under the Circular.

The court noted that the discrepancy pointed out is only on the invoice date, which was shown as 03.02.2021, while that shown in the e-way bill was 02.03.2021. All other details in the invoice and the e-way bill, including the nature of goods transported, the details of consignor and consignee, the GSTIN of supplier and recipient, place of delivery, invoice number, value of goods, HSN code, vehicle number, etc. had no discrepancy.

*The court held that inaccuracy in date format warranted imposition of only a minor penalty. The extent of tax and penalty imposed upon the petitioner was perverse and illegal, warranting interference under Article 226 of the Constitution of India.*

Source:<https://www.livelaw.in/tax-cases/kerala-high-court-article-226-of-the-constitution-of-india-e-way-bill-197582>



## Clarification related to misleading reports of purported feedback sought from States on raising GST Rates on 143 items

It has been noted that a section of the media has reported that feedback has been sought from States regarding a suggestion for raising Good & Services Tax (GST) rates on 143 items.

Some reports have even carried the number and description of items. It is clarified that no feedback from States has been sought on the GST rates for any specific items or specific proposals to restructure the rates and the reports regarding the same are purely speculative without any basis in fact.

The GST Council, in its 45<sup>th</sup> Meeting had formed a Group of Ministers (GoM) to look into the rationalization of rates. The deliberations of the Group are ongoing. The views of the States were sought generally on the Terms of References (ToRs) of the GoM soon after it was set up in September, 2021. A report of the Group is yet to be submitted to the Council for consideration.

Source: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1819963>





## COMPLIANCE CALENDAR

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

### \*GSTR-3B

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

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

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

<sup>#</sup> Due date of filling form GSTR-3B for the month of April 2022 extended to 24<sup>th</sup> May 2022 vide Notification No. 05/2022-Central Tax dated 17.05.2022

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



## GST QUIZ

1. A person whose aggregate turnover in the preceding financial year did not exceed \_\_\_\_\_ can opt for Composition Scheme. In case of Special Category States / UTs, the limit is \_\_\_\_\_.

- A) ₹1.5 crores, ₹75 lakhs                      B) ₹1.5 crores, ₹50 lakhs  
C) ₹ 1 crores, ₹ 75 lakhs                      D) ₹1 crores, ₹50 lakhs

2. Which of the following persons cannot opt for Composition Scheme?

- A) Manufacturer of ice cream, pan masala, or tobacco  
B) A person making inter-state supplies  
C) A casual taxable person or a non-resident taxable person  
D) All of the above

3. What is the tax rate under the Composition Scheme?

- A) Manufacturers 2%, Traders 1%, Restaurants not serving alcohol 5%  
B) Manufacturers 1%, Traders 2%, Restaurants not serving alcohol 5%  
C) Manufacturers 1%, Traders 1%, Restaurants not serving alcohol 5%  
D) Manufacturers 1%, Traders 1%, Restaurants not serving alcohol 2%

4. Composition taxpayers have to pay the liability through Form \_\_\_\_\_ on quarterly basis while return in Form \_\_\_\_\_ is required to be filed on annual basis after end of a financial year.

- A) GST PMT-06, GSTR-4                      B) GST PMT-06, GSTR-4A  
C) GST CMP-08, GSTR-4                      D) GST CMP-08, GSTR-4A

Answers: 1 (A) 2 (D) 3 (C) 4 (C)

## Motto

सत्यं वद। धर्मं चर।  
इष्टार्कं तेष्ट त्रुथे. अबेदेष्ट डेडु तेष्ट लव.

## Vision

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

## Mission

"To develop high calibre professionals  
facilitating good corporate governance"



**THE INSTITUTE OF  
Company Secretaries of India**

**भारतीय कम्पनी सचिव संस्थान**

**IN PURSUIT OF PROFESSIONAL EXCELLENCE**

Statutory body under an Act of Parliament

(Under the jurisdiction of Ministry of Corporate Affairs)

ICSI House, 22, Institutional Area, Lodi Road, New Delhi-110003 | Phone: 011-4534 1021

Connect with ICSI

[www.icsi.edu](http://www.icsi.edu)



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