



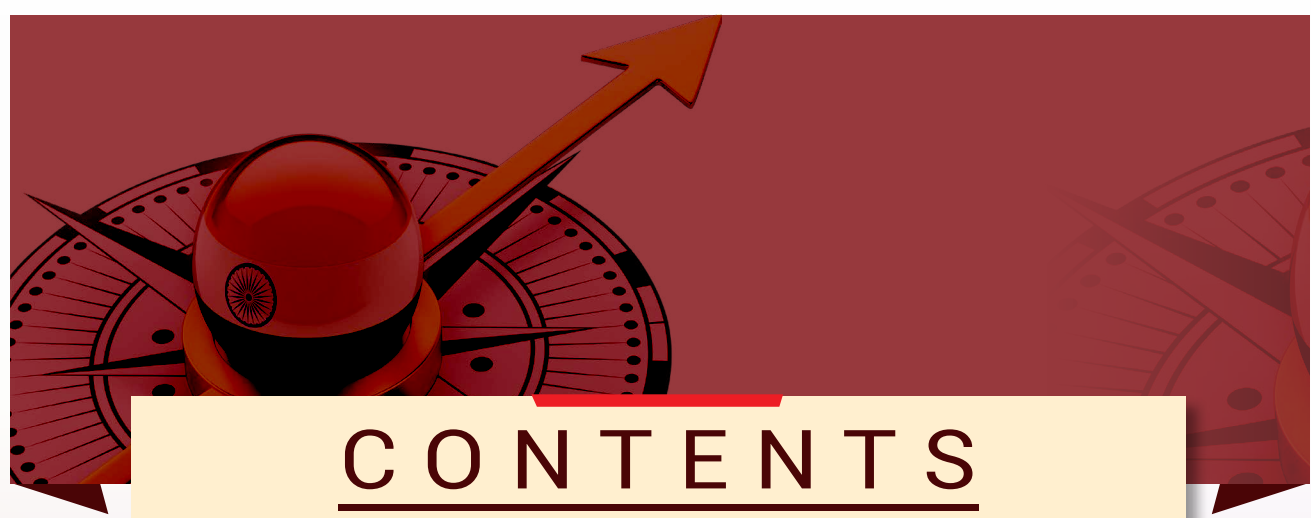
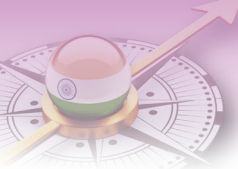
# Newsletter

March, 2021 | Volume - 44



**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)



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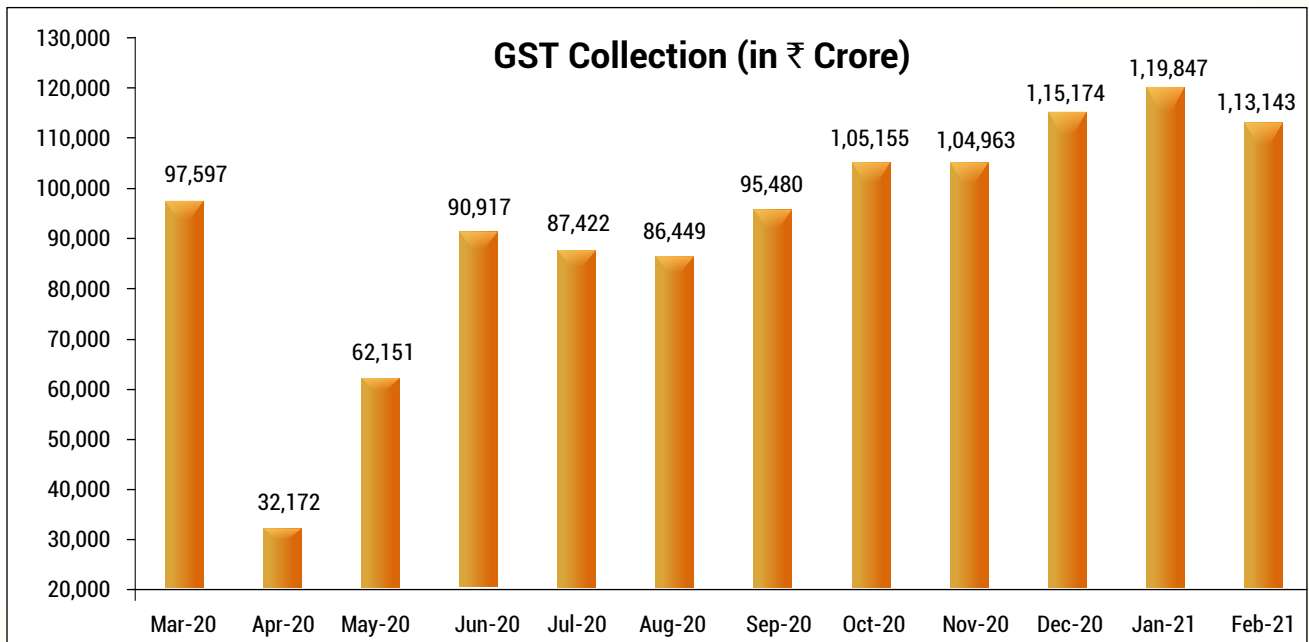




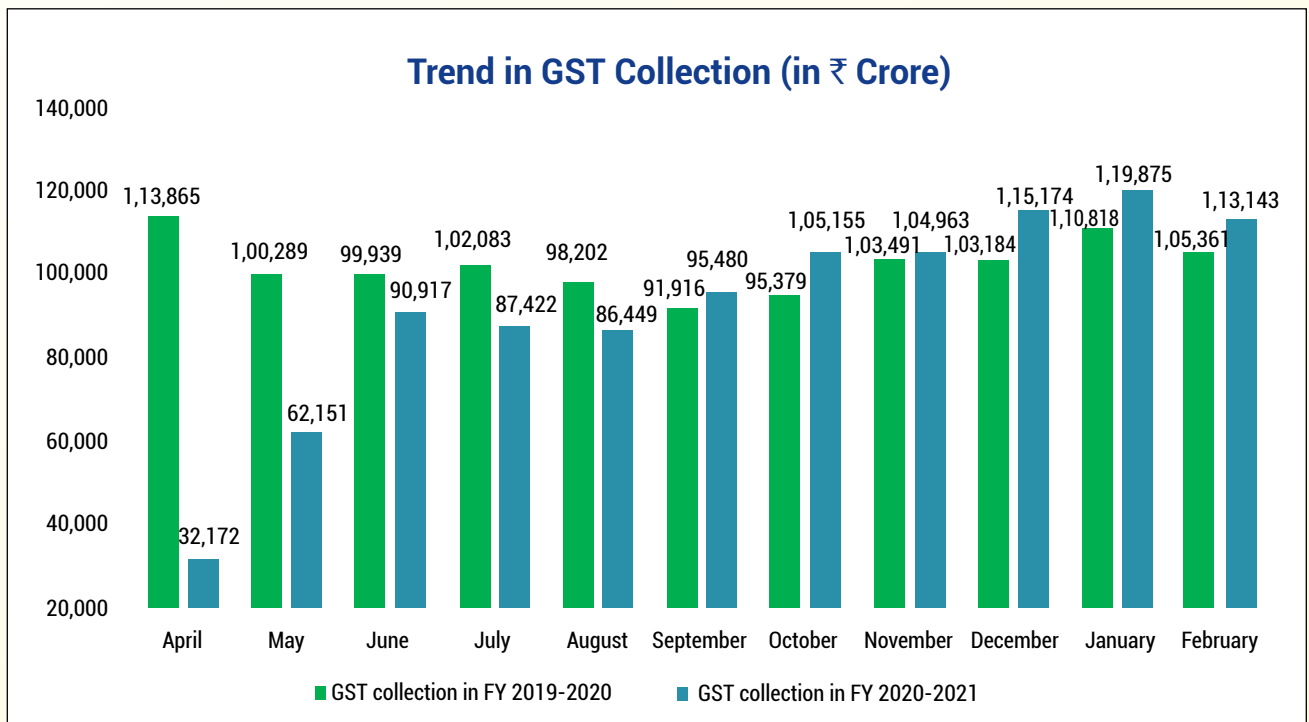
# GST STATISTICAL UPDATES

## GST COLLECTION

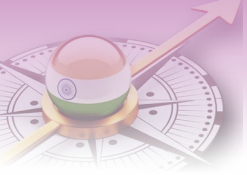
GST Revenue collection in the month of **February, 2021** is ₹ **1,13,143 Crore**.



## TRENDS IN GST COLLECTION



Source: <https://pib.gov.in/PressReleaseDetail.aspx?PRID=1701723>



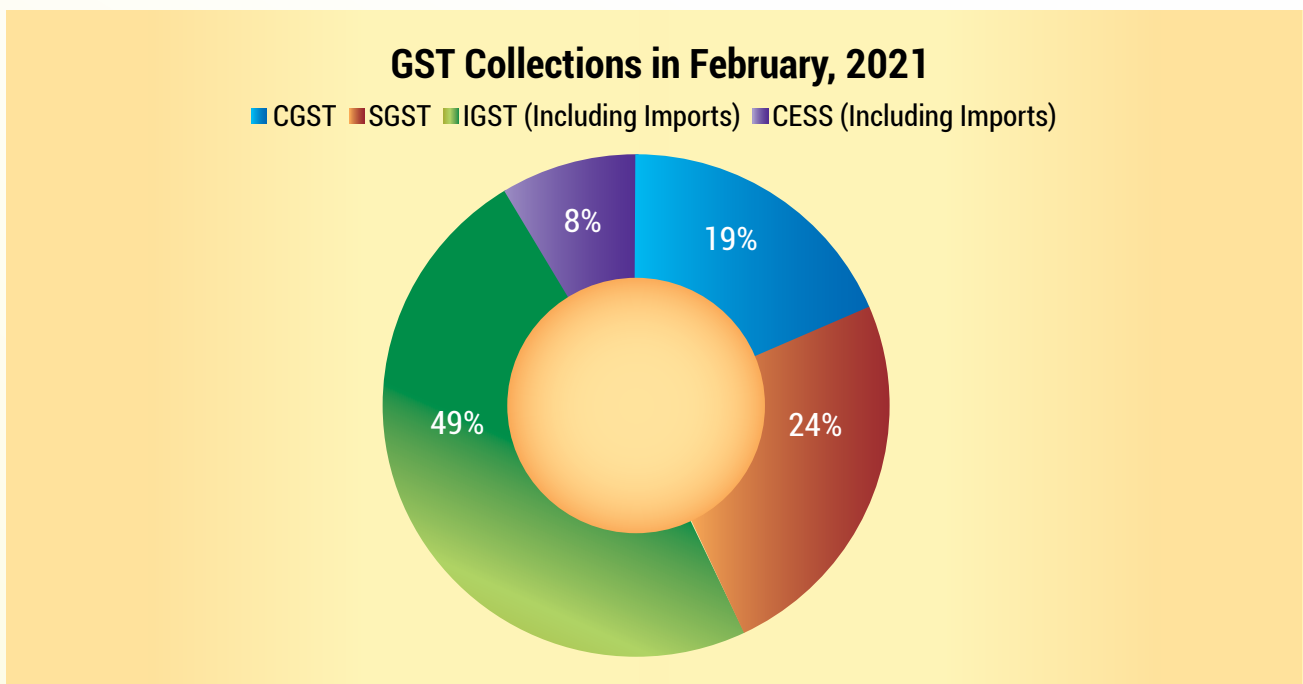
## BREAK-UP OF GST COLLECTION

Out of total GST collection of ₹ 1,13,143 crore, in the month of February, 2021 CGST is ₹ 21,092 crore, SGST is ₹ 27,273 crore, IGST is ₹ 55,253 crore (including ₹ 24,382 crore collected on import of goods) and Cess is ₹ 9,525 crore (including ₹ 660 crore collected on import of goods).

The government has settled ₹ 22,398 crore to CGST and ₹ 17,534 crore to SGST from IGST as regular settlement. In addition, Centre has also settled ₹ 48,000 crore as IGST ad-hoc settlement in the ratio of 50:50 between Centre and States/UTs. The total revenue of Centre and the States after regular settlement and ad-hoc settlement in the month of February, 2021 is ₹ 67,490 crore for CGST and ₹ 68,807 crore for the SGST.

In line with the trend of recovery in the GST revenues over past five months, the revenues for the month of February, 2021 were **7% higher** than the GST revenues in the same month last year. During the month, revenues from import of goods were **15% higher** and the revenues from domestic transaction (including import of services) were **5% higher** than the revenues from these sources during the same month last year.

**The GST revenues crossed ₹ 1 lakh fifth time in a row and crossed ₹ 1.1 lakh crore third time in a row** post pandemic despite this being revenue collection of the month of February. This is a clear indication of the economic recovery and the impact of various measures taken by tax administration to improve compliance.



Source: <https://pib.gov.in/PressReleaseDetail.aspx?PRID=1701723>



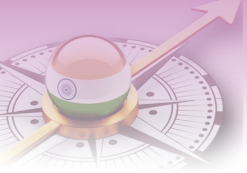
## COMPLIANCE CALENDAR

Forms	Period	Due Date	Remarks
GSTR-1	Feb-2021	11 <sup>th</sup> Mar, 2021	Turnover exceeding ₹1.5 Crore or who've opted to file <b>monthly</b> return
	Mar-2021	11 <sup>th</sup> Apr, 2021	
GSTR-1	Jan-Mar, 2021	13 <sup>th</sup> Apr, 2021	<b>Quarterly</b> return for registered persons with aggregate turnover up to ₹1.50 Crores
GSTR-3B	Feb-2021	20 <sup>th</sup> Mar, 2021	Turnover exceeding ₹5 Crore or who've opted to file <b>monthly</b> return
	Mar-2021	20 <sup>th</sup> Apr, 2021	
GSTR-3B	Jan-Mar, 2021	22 <sup>nd</sup> & 24 <sup>th</sup> Apr, 2021	<b>Quarterly</b> return for registered persons who opted to file under QRMP Scheme
GSTR-4	FY 2020-21	30 <sup>th</sup> April, 2021	All persons registered under Composition Scheme are required to file <b>Annual</b> Return
GSTR-5	Feb-2021	20 <sup>th</sup> Mar, 2021	Non-resident persons are required to pay GST and file <b>monthly</b> GST return
	Mar-2021	20 <sup>th</sup> Apr, 2021	
GSTR-5A	Feb-2021	20 <sup>th</sup> Mar, 2021	Non-resident OIDAR services providers are required to file <b>monthly</b> GST return
	Mar-2021	20 <sup>th</sup> Apr, 2021	
GSTR-6	Feb-2021	13 <sup>th</sup> Mar, 2021	Every Input Service Distributor is required to file <b>monthly</b> GST return
	Mar-2021	13 <sup>th</sup> Apr, 2021	
GSTR-7	Feb-2021	10 <sup>th</sup> Mar, 2021	Filed by person liable to deduct TDS
	Mar-2021	10 <sup>th</sup> Apr, 2021	
GSTR-8	Feb-2021	10 <sup>th</sup> Mar, 2021	Filed by e-Commerce Operators liable to deduct TCS
	Mar-2021	10 <sup>th</sup> Apr, 2021	
GSTR-9 & GSTR-9C	FY 2019-20	31 <sup>st</sup> Mar, 2021	<b>Annual</b> return & <b>Reconciliation</b> statement filed by regular taxpayer
CMP-08	Jan-Mar, 2021	18 <sup>th</sup> Apr, 2021	Statement for payment of self- assessed tax
RFD-10	-	-	Eighteen months after end of the quarter for which refund is to be claimed

Source: <http://gst.gov.in>







## STATE-WISE GROWTH OF GST REVENUES IN FEBRUARY, 2021

State Code	State	Feb, 2020 (in ₹ Crore) *	Feb, 2021 (in ₹ Crore) *	Growth (in percentage)
1	Jammu and Kashmir	316.17	329.89	4%
2	Himachal Pradesh	620.69	663.12	7%
3	Punjab	1,228.94	1,299.37	6%
4	Chandigarh	172.37	148.5	-14%
5	Uttarakhand	1,280.93	1,181.13	-8%
6	Haryana	5,266.43	5,589.81	6%
7	Delhi	3,834.75	3,727.46	-3%
8	Rajasthan	2,932.09	3,223.70	10%
9	Uttar Pradesh	5,775.91	5,996.62	4%
10	Bihar	1,120.50	1,127.99	1%
11	Sikkim	182.65	222.35	22%
12	Arunachal Pradesh	48.36	61.36	27%
13	Nagaland	24.93	34.83	40%
14	Manipur	37.36	32.34	-13%
15	Mizoram	24.84	21.06	-15%
16	Tripura	63.26	63.25	0%
17	Meghalaya	156.57	146.5	-6%
18	Assam	923.87	945.84	2%
19	West Bengal	3,941.54	4,334.98	10%
20	Jharkhand	2,070.87	2,321.03	12%
21	Odisha	2,790.16	3,340.57	20%
22	Chhattisgarh	2,274.41	2,453.10	8%
23	Madhya Pradesh	2,621.03	2,791.57	7%
24	Gujarat	7,215.54	8,221.23	14%
25	Daman and Diu	94.47	2.61	-97%
26	Dadra and Nagar Haveli	145.41	235.09	62%
27	Maharashtra	15,734.66	16,103.50	2%
29	Karnataka	7,413.83	7,581.45	2%
30	Goa	410.61	343.8	-16%
31	Lakshadweep	2.14	0.46	-79%
32	Kerala	1,754.12	1,806.10	3%
33	Tamil Nadu	6,426.49	7,008.21	9%
34	Puducherry	158.86	158.05	-1%
35	Andaman and Nicobar Islands	36.01	23.26	-35%
36	Telangana	3,667.13	3,636.44	-1%
37	Andhra Pradesh	2,563.33	2,652.57	3%
38	Ladakh	0	9.06	
97	Other Territory	145.11	134.33	-7%
99	Centre Jurisdiction	100.14	129.03	29%
	<b>Grand Total</b>	<b>83,581.02</b>	<b>88,101.59</b>	<b>5%</b>

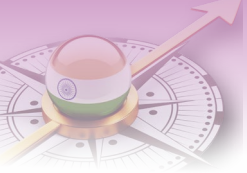
\*Data doesn't include GST on import of goods

Source: - <https://pib.gov.in/PressReleaseDetail.aspx?PRID=1701723>



## GST COMPENSATION SHORTFALL RELEASED TO STATES

Sl. No.	No. of Installment	Amount (in ₹ Crore)	Date of Press Release
1	1 <sup>st</sup> Installment <a href="https://pib.gov.in/PressReleasePage.aspx?PRID=1667096">https://pib.gov.in/PressReleasePage.aspx?PRID=1667096</a>	6,000	23 <sup>rd</sup> October, 2020
2	2 <sup>nd</sup> Installment <a href="https://pib.gov.in/PressReleasePage.aspx?PRID=1669467">https://pib.gov.in/PressReleasePage.aspx?PRID=1669467</a>	6,000	2 <sup>nd</sup> November, 2020
3	3 <sup>rd</sup> Installment <a href="https://pib.gov.in/Pressreleaseshare.aspx?PRID=1680565">https://pib.gov.in/Pressreleaseshare.aspx?PRID=1680565</a>	6,000	9 <sup>th</sup> November, 2020
4	4 <sup>th</sup> Installment <a href="https://pib.gov.in/Pressreleaseshare.aspx?PRID=1680565">https://pib.gov.in/Pressreleaseshare.aspx?PRID=1680565</a>	6,000	23 <sup>rd</sup> November, 2020
5	5 <sup>th</sup> Installment <a href="https://pib.gov.in/Pressreleaseshare.aspx?PRID=1680565">https://pib.gov.in/Pressreleaseshare.aspx?PRID=1680565</a>	6,000	28 <sup>th</sup> November, 2020
6	6 <sup>th</sup> Installment <a href="https://pib.gov.in/PressReleasePage.aspx?PRID=1679433">https://pib.gov.in/PressReleasePage.aspx?PRID=1679433</a>	6,000	9 <sup>th</sup> December, 2020
7	7 <sup>th</sup> Installment <a href="https://pib.gov.in/Pressreleaseshare.aspx?PRID=1680565">https://pib.gov.in/Pressreleaseshare.aspx?PRID=1680565</a>	6,000	14 <sup>th</sup> December, 2020
8	8 <sup>th</sup> Installment <a href="https://pib.gov.in/Pressreleaseshare.aspx?PRID=1682355">https://pib.gov.in/Pressreleaseshare.aspx?PRID=1682355</a>	6,000	21 <sup>st</sup> December, 2020
9	9 <sup>th</sup> Installment <a href="https://pib.gov.in/Pressreleaseshare.aspx?PRID=1684149">https://pib.gov.in/Pressreleaseshare.aspx?PRID=1684149</a>	6,000	28 <sup>th</sup> December, 2020
10	10 <sup>th</sup> Installment <a href="https://pib.gov.in/PressReleasePage.aspx?PRID=1686015">https://pib.gov.in/PressReleasePage.aspx?PRID=1686015</a>	6,000	4 <sup>th</sup> January, 2021
11	11 <sup>th</sup> Installment <a href="https://pib.gov.in/PressReleaselframePage.aspx?PRID=1687654">https://pib.gov.in/PressReleaselframePage.aspx?PRID=1687654</a>	6,000	11 <sup>th</sup> January, 2021
12	12 <sup>th</sup> Installment <a href="https://pib.gov.in/Pressreleaseshare.aspx?PRID=1689707">https://pib.gov.in/Pressreleaseshare.aspx?PRID=1689707</a>	6,000	18 <sup>th</sup> January, 2021
13	13 <sup>th</sup> Installment <a href="https://pib.gov.in/PressReleaselframePage.aspx?PRID=1692107">https://pib.gov.in/PressReleaselframePage.aspx?PRID=1692107</a>	6,000	25 <sup>th</sup> January, 2021
14	14 <sup>th</sup> Installment <a href="https://pib.gov.in/PressReleaseDetailm.aspx?PRID=1694696">https://pib.gov.in/PressReleaseDetailm.aspx?PRID=1694696</a>	6,000	3 <sup>rd</sup> February, 2021
15	15 <sup>th</sup> Installment <a href="https://pib.gov.in/PressReleasePage.aspx?PRID=1697430">https://pib.gov.in/PressReleasePage.aspx?PRID=1697430</a>	6,000	12 <sup>th</sup> February, 2021
16	16 <sup>th</sup> Installment <a href="https://pib.gov.in/PressReleaseDetailm.aspx?PRID=1698165">https://pib.gov.in/PressReleaseDetailm.aspx?PRID=1698165</a>	5,000	15 <sup>th</sup> February, 2021
17	17 <sup>th</sup> Installment <a href="https://pib.gov.in/PressReleaselframePage.aspx?PRID=1699562">https://pib.gov.in/PressReleaselframePage.aspx?PRID=1699562</a>	5,000	20 <sup>th</sup> February, 2021
18	18 <sup>th</sup> Installment <a href="https://pib.gov.in/PressReleasePage.aspx?PRID=1701719">https://pib.gov.in/PressReleasePage.aspx?PRID=1701719</a>	4,000	1 <sup>st</sup> March, 2021
19	19 <sup>th</sup> Installment <a href="https://pib.gov.in/PressReleasePage.aspx?PRID=1703426">https://pib.gov.in/PressReleasePage.aspx?PRID=1703426</a>	2,104	9 <sup>th</sup> March, 2021
20	20 <sup>th</sup> Installment <a href="https://pib.gov.in/PressReleaseDetailm.aspx?PRID=1704907">https://pib.gov.in/PressReleaseDetailm.aspx?PRID=1704907</a>	4,104	15 <sup>th</sup> March, 2021
	<b>Grand Total</b>	<b>1,10,208</b>	



## FAQs ON FORM GST ITC-01

### 1). What is Form GST ITC-01?

Registered person who is entitled to claim credit of input tax under section 18 (1) is required to file a declaration in Form 'GST ITC-01'. The credit may be availed for inputs held in stock, inputs contained in semi-finished or finished goods held in stock or capital goods as mentioned below:

- Filing of Form GST ITC-01 will enable a newly registered taxpayer to take credit of input tax 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 GST provisions.
- Filing of Form GST ITC-01 will also benefits the taxpayers who have taken registration on Voluntarily Basis, to take credit of input tax 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 of grant of registration.
- Filing of Form GST ITC-01 will enable the taxpayer who opts out of composition scheme and opts to pay tax as a normal taxpayer, to take credit of input tax in respect of inputs held in stock, inputs contained in semi-finished or finished goods held in stock or on capital goods on the day immediately preceding the date on which he becomes liable to pay tax under Section 9.

- Filing of Form GST ITC-01 will entitle such registered persons whose supply of goods and/or services becomes taxable from exempt, to take credit of input tax in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock relating to such exempt supply and on capital goods exclusively used for such exempted supply on the day immediately preceding the date from which such supply become taxable.

### 2). Input Tax Credit can be availed on which goods?

Input tax credit can be availed on following goods:

- Inputs held in stock
- Inputs contained in semi-finished or finished goods held in stock
- Capital goods (Only in case where composition taxpayer opting out of the composition scheme and opts to pay tax as normal taxpayer or where the supply of exempted goods and/or services become taxable supply). Such persons will ensure that the input tax credit on capital goods shall be claimed after reducing the tax paid on such capital goods by 5 percentage points per quarter of a year or part thereof from the date of the invoice or such other document in which capital goods were received by the taxable persons.







### 3). When can I claim Input Tax Credit?

Registered person can claim credit of the inputs tax in respect of eligible stock of goods within 30 days from the date of becoming eligible to avail ITC under sub-section (1) of section 18 or within such further period as may be extended by the Commissioner:

- Claim under clause (a) or clause (b) of sub-section (1) of section 18 can be made only once.
- Claim under clause (c) of sub-section (1) of section 18 can be made once in a financial year.
- Claim under clause (d) of sub-section (1) of section 18 can be made as and when the exempted supply become taxable.

### 4). By when do I need to claim Input Tax Credit?

The input tax credit can be claimed for invoices up to one year prior to the date of grant of approval /opting out of composition scheme or exempt supplies becoming taxable and will be counted on or after

appointed day. For capital goods the invoices can be dated 5 years prior to the date of grant of approval / opting out of composition scheme or exempt supplies becoming taxable.

### 5). What are the pre-conditions to claim Input Tax Credit?

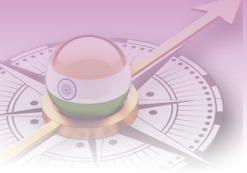
The claim in Form GST ITC-01 should be filed by the registered person within a period of thirty days from the date of becoming eligible to avail the input tax credit in terms of Section 18 of the Act. If the declared amount of ITC is more than Rs. 2 Lakh, then the details given in Form GST ITC-01 should be certified by practicing Chartered Accountant/Cost Accountant.

### 6). What will happen once the Form GST ITC-01 is filed?

Once the Form GST ITC-01 is successfully filed, the amount of ITC claimed would be posted to your credit ledger; ARN is generated and SMS and Email are sent to the taxpayer.



**Source:** [https://tutorial.gst.gov.in/userguide/inputtaxcredit/index.htm#t-GST\\_ITC-01\\_faq.htm](https://tutorial.gst.gov.in/userguide/inputtaxcredit/index.htm#t-GST_ITC-01_faq.htm)



## FAQs ON FORM GST ITC-02

### 1). What are the pre-conditions for filing of ITC declaration in FORM GST ITC-02?

The following conditions must be met for being eligible to file the FORM GST ITC-02:

- In case any registered entity undergoes sale, merger, de-merger, amalgamation, lease or transfer, the acquired entity must file ITC declaration for transfer of ITC in the FORM GST ITC-02.
- The acquired or transferor entity must have matched Input Tax Credit available in the Electronic Credit Ledger, as on effective date of merger/ acquisition/ amalgamation / lease/ transfer.
- The acquiring entity (transferee) and the acquired entity (transferor), both should be registered under the GST regime.
- The acquired entity (transferor) must have validly filed all the returns for the past periods.
- All transactions categorized as "Pending for action" of the merging entity should be either accepted, rejected or modified and any liabilities arising out of the returns filed by the transferor must be paid.
- The transfer of business should be with specific provision of transfer of liabilities. It should be accompanied by a certificate issued by Chartered Accountant or Cost Accountant to that effect. Liabilities here would include stayed demands – of tax or in respect of litigation or recovery cases.

### 2). Which ITC can be transferred by filing FORM GST ITC-02?

The following ITC can be transferred by filing the FORM GST ITC-02:

- Matched ITC balance available in the transferor's Electronic Credit Ledger;
- Such ITC appearing under the major heads – Central tax, State / UT tax, Integrated tax, and CESS can be transferred by filing FORM GST ITC-02.

The amount of ITC that is provisional or un-matched, cannot be transferred by the Acquired Entity (transferor) using this process.

### 3). As an acquiring /transferee Entity, can I change my decision once the ACCEPT/ REJECT button has been pressed?

Upon filing of the FORM GST ITC-02 by the acquired entity (transferor), such details are notified to the acquiring (transferee) entity through the GST portal. On acceptance, the un-utilized credit specified in FORM GST ITC-02 will be credited to his Electronic Credit Ledger. The Transferee (acquiring) Entity can change its decision to accept or reject an ITC transfer request any number of times until it is finally submitted by the transferor at the GST portal.



**4). What happens to the Electronic Credit Ledgers of Acquired Entity (transferor) as well as the Acquiring Entity (transferee), if the ITC transfer request filed through FORM GST ITC-02 is accepted or rejected in the system?**

If the ITC transfer request of an acquired Entity (transferor), filed through FORM GST ITC-02 is ACCEPTED by the acquiring Merged Entity (transferee), the ITC will be transferred to the transferee, and the Electronic Credit Ledger of the (transferee) Acquiring Entity will get updated.

However, if the ITC transfer request of an acquired entity (transferor), filed through the FORM GST ITC-02 is REJECTED by the acquiring entity (transferee), the ITC will not be transferred to the transferee, and the Electronic Credit Ledger of the acquired entity will receive back the ITC. The Electronic Credit Ledger of the acquiring entity (transferee) will not remain unchanged.

**5). In case of demerger how much of the ITC would be transferred to the demerged entity or entities?**

In the case of demerger, the ITC shall be apportioned in the ratio of the value of assets of the new units as specified in the demerger scheme.

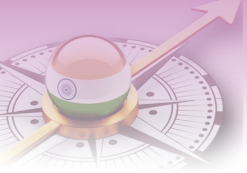
**6). Which certificate from a practicing Chartered Accountant / Cost Accountant is required for filing FORM GST ITC-02?**

For filing the FORM GST ITC-02, the acquired (transferor) entity must submit and upload a copy of certificate issued by a practicing chartered account or cost accountant, certifying that sale / merger / amalgamation / lease or transfer of business has been done with specific provision for the transfer of liabilities. The FORM GST ITC-02 cannot be filed without such certificate.



**Source:** [https://tutorial.gst.gov.in/userguide/inpu-taxcredit/index.htm#t=GST\\_ITC-02.htm](https://tutorial.gst.gov.in/userguide/inpu-taxcredit/index.htm#t=GST_ITC-02.htm)





## FAQs ON FORM GST ITC-02A

### 1). What is Form GST ITC-02A?

A person having multiple places of business in a State or Union territory may be granted separate registration for each place of business.

If a registered person, who has obtained separate registration for multiple places of business in a State/UT and intends to transfer unutilized matched Input Tax Credit lying in his/her Electronic Credit Ledger of an existing entity (the transferor entity) to newly registered entities/place of businesses (transferee entity), then transferor entity (existing entity) has to file Form GST ITC-02A on GST Portal, within 30 days from obtaining such registration and transferee entity (newly registered entity) can accept or reject the same.

### 2). When filing of Form GST ITC-02A is needed for a taxpayer?

Taxpayer can file Form GST ITC-02A, if he/she has obtained separate registration for multiple places of business in a State/UT and intends to transfer unutilized matched Input Tax Credit lying in his/her Electronic Credit Ledger to registered entities/place of businesses.

### 3). From where can I as taxpayer transfer ITC in Form GST ITC-02A?

You can transfer ITC in Form GST ITC-02A by navigating to **Services > Returns > ITC Forms > TRANSFER ITC** after logging into the GST Portal.

Post filing of Form GST ITC-02A, Electronic Credit Ledger of transferor entity will get updated with a debit entry for the amount mentioned in the Form.

### 4). By when can I transfer ITC in Form GST ITC-02A?

As a transferor entity (existing entity), in case you have obtained separate registration for multiple places of business in a State/UT, you can transfer ITC in 'Form GST ITC-02A' within 30 days after obtaining such registration.

### 5). From where can I as transferee entity take action in Form GST ITC-02A?

You as transferee entity (newly registered entity),

can take action in Form GST ITC-02A by navigating to **Services > Returns > ITC Forms > TAKE ACTION** after logging into the GST Portal.

### 6). What actions can be taken by the transferee entity in Form GST ITC-02A?

Transferee entity can accept or reject the ITC transferred by the transferor entity.

### 7). Can a Transferee entity modify the amount transferred by the transferor entity?

Transferee entity cannot modify the amount transferred by the transferor entity.

### 8). What happens after Form GST ITC-02A is successfully filed by the transferor entity?

After Form GST ITC-02A is successfully filed by the transferor entity:

- An e-mail and SMS notification will go to transferee entity for his/her acceptance or rejection of Form ITC-02A in order to transfer or reject Input tax credit.
- Post filing of Form GST ITC-02A, Electronic Credit Ledger of transferor entity will get updated with a debit entry for the amount mentioned in the Form.

### 9). What happens after acceptance of ITC by the transferee entity and successful filing of Form GST ITC-02A?

After acceptance of ITC by the transferee entity and successful filing of Form GST ITC-02A:

- An e-mail and SMS notification will go to transferor entity for action taken by transferee as acceptance in the form.
- On acceptance by the transferee entity, Electronic Credit Ledger of transferee entity will be updated accordingly.

### 10). What happens after rejection of ITC by the transferee entity and successful filing of Form GST ITC-02A?

After rejection of ITC by the transferee entity and successful filing of Form GST ITC-02A:



- An e-mail and SMS notification will go to transferor entity for action taken by transferee as rejection in the form.
- On rejection by the transferee entity, the amount mentioned in 'Form GST ITC-02A' will be re-credited in the Electronic Credit Ledger of transferor entity.

### 11). Can I preview the Form GST ITC-02A before filing?

Yes, you can preview the Form GST ITC-02A before filing it on the GST Portal, as a transferor entity.

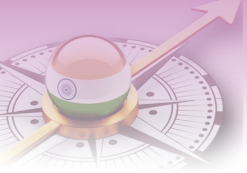
### 12). What are the modes of signing Form [GST ITC-02A?

You can file Form GST ITC-02A using DSC, or EVC.

**Source:** [https://tutorial.gst.gov.in/userguide/inpu-tax-credit/index.htm#t-faq\\_2a.htm](https://tutorial.gst.gov.in/userguide/inpu-tax-credit/index.htm#t-faq_2a.htm)







## FAQs ON FORM GST ITC-03

### 1) What is Form GST ITC-03?

Form GST ITC-03 is to be filled up by those taxpayers who opt for composition scheme or where goods or services or both supplied by taxpayer becomes wholly exempt. This form is to be filed by taxpayers, to pay an amount, by way of debit in the electronic credit ledger or electronic cash ledger, equivalent to credit availed in respect of:

- Inputs held in stock, and
- Inputs contained in semi-finished goods or finished goods held in stock, and
- Capital goods or plant and machinery

### 2) When filing of Form GST ITC-03 is needed for a taxpayer?

In following conditions taxpayer must file Form GST ITC-03:

- Taxpayer has opted for composition scheme or goods or services or both supplied by a taxpayer becomes wholly exempt.
- Taxpayer has availed ITC in respect of input held in stock and input contained in semi-finished goods or finished goods held in stock and on capital goods or plant and machinery.

### 3) From where can I as taxpayer file Form GST ITC-03?

Form GST ITC-03 can be accessed on the GST Portal, post login by the taxpayer.

The path is **Services > Returns > ITC Forms**.

### 4) What is the frequency for filing Form GST ITC-03?

Registered person can file 'Form GST ITC-03' only once in a financial year for opting for composition scheme. For reversal/payment of tax in case of exemption of supplies it can be filed multiple times, as and when notifications exempting such supplies are issued by Government.

### 5) Can I preview the Form GST ITC-03 before filing?

Yes, you can preview the Form GST ITC-03 before filing it on the GST Portal.

### 6) What is MAKE PAYMENT button for? What happens when MAKE PAYMENT button is clicked?

**MAKE PAYMENT** button is clicked to pay off the liabilities, computed based on details declared by the taxpayer. Once you click the **MAKE PAYMENT** button, liabilities are payed off and you cannot make any changes to Form GST ITC-03.

### 7) Why do I need to create a Challan?

If available cash balance in Electronic Cash Ledger is less than the amount required to offset the liabilities; additional cash is required for paying the liabilities. You need to create the challan for that additional cash required, to offset the liabilities.

### 8) GST Portal has auto-populated the "Tax to be paid through ITC" fields. Can I edit the amount for ITC utilization?

"Tax to be paid through ITC" fields show optimum credit utilization amounts by the GST Portal, based on provisions of the law/rules relating to credit utilization. However, you may edit the ITC utilization. As you change ITC utilization, the cash to be paid by you will also change.

### 9) What are the modes of signing Form GST ITC-03?

You can file Form GST ITC-03 using DSC, or EVC.

#### Digital Signature Certificate

Digital Signature Certificates (DSC) are the digital equivalent (that is electronic format) of physical or paper certificates. A digital certificate can be presented electronically to prove one's identity, to access information or services on the Internet or to sign certain documents digitally. In India, DSC are issued by authorized Certifying Authorities.



The GST Portal accepts only PAN based Class II and III DSC.

### Electronic Verification Code (EVC)

The Electronic Verification Code (EVC) authenticates the identity of the user at the GST Portal by generating an OTP. The OTP is sent to the mobile phone number of the registered mobile phone of Authorized Signatory filled in part A of the Registration Application.

## 10) What happens after Form GST ITC-03 is filed?

### After Form GST ITC-03 is filed:

- ARN will be generated in the GST portal and the same will be communicated to Taxpayer by SMS and E-mail, on their registered mobile number and e-mail id respectively.
- Balance of credit lying in Electronic Credit Ledger will lapse on filing of this form, after ITC reversal / payment of tax, in case of Opt-in for composition scheme.

## 11) Can I file Nil Form GST ITC-03?

Yes, you can file Nil Form GST ITC-03.

## 12) When can I file Nil Form GST ITC-03?

You can file Nil Form GST ITC-03, if you have -

- a) No stock of inputs or inputs contained in semi-finished and finished goods or capital goods on

the day immediately preceding the day on which composition scheme has commenced; or

- b) The stock of inputs or inputs contained in semi-finished and finished goods or capital goods on the day immediately preceding the day on which composition scheme has commenced but you have not claimed input tax credit (ITC) on the same.

## 13) From where can I as taxpayer file Nil Form GST ITC-03?

You can preview and file Nil Form GST ITC-03 by navigating to **Services > Returns > ITC Forms** option.

**Note:** You can preview Nil Form GST ITC-03 before filing.

## 14) What are the modes of signing Nil Form GST ITC-03?

You can file Nil Form GST ITC-03 using DSC or EVC.

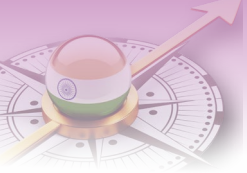
**Note:** Filing using DSC is mandatory for the class of taxpayers (Companies etc.) as specified in the rules.

## 15) What happens after Nil Form GST ITC-03 is filed?

After Nil Form GST ITC-03 is filed, ARN will be generated in the GST Portal and the same will be communicated to taxpayer by SMS and E-mail, on their registered mobile number and e-mail id respectively.

**Source:** [https://tutorial.gst.gov.in/userguide/inputtaxcredit/index.htm#t=FAQs\\_ITC\\_03.htm](https://tutorial.gst.gov.in/userguide/inputtaxcredit/index.htm#t=FAQs_ITC_03.htm)





## FAQs ON FORM GST ITC-04

### 1) What is Form GST ITC-04?

Form GST ITC-04 is a declaration form to be furnished by registered persons (Principal), showing the details of inputs or capital goods dispatched to or received from a job worker in a particular quarter.

The details of the following 4 types of transactions need to be furnished in GST ITC-04:

- Inputs or capital goods dispatched to job workers in the quarter
- Inputs or capital goods received back from job workers in the quarter
- Inputs or capital goods sent from one job worker to another in the quarter
- Inputs or capital goods supplied from the premises of job workers in the quarter

### 2) Who is required to file Form GST ITC-04?

A registered manufacturer (Principal) is required to file 'Form GST ITC-04' on a quarterly basis, if such person is sending any inputs or capital goods to a job worker (both registered and unregistered), without payment of tax and receives it back or sends it out to another job worker or supplies from the premises of job worker to a customer directly.

### 3) Is it mandatory to file Form GST ITC-04?

Yes, it is mandatory to file Form GST ITC-04 for a registered manufacturer (Principal), if he/she is sending any inputs or capital goods to a job worker and receives it back or sends it out to another job worker or supplies from the premises of job worker.

### 4) What are the modes of filing Form GST ITC-04?

The Form GST ITC-04 can be filed either in online mode directly or by using offline excel utility.

### 5) From where can I as a taxpayer can file Form GST ITC-04 online and offline?

Taxpayer can access Form GST ITC-04 by navigating to Services > Returns > ITC Forms after logging into the GST portal.

### 6) What is the frequency for filing Form GST ITC-04?

Form GST ITC-04 is required to be filed on a quarterly basis. You cannot file Form GST ITC-04, in case, previous quarter returns are not filed.

### 7) What is the due date for filing Form GST ITC-04?

Due date for filing Form GST ITC-04 is on or before 25th of the month succeeding a Quarter.

For Example: Due date for filing Form GST ITC-04 for Quarter Apr-June 2020 will be 25th July 2020. However, due date for filing of Form GST ITC-04 can be extended by Government through notification.

### 8) What is the late fee for filing Form GST ITC-04 after due date?

As of now, there is no late fee, penalty or interest for late filing of Form GST ITC-04.

### 9) What are the details required to be provided in GST ITC-04?

Details for following tables of Form GST ITC-04 are to be entered by registered persons (Principal):

- Table 4: Details of inputs/capital goods sent for job-work both for registered and unregistered persons
- Table 5A: Details of inputs/ capital goods received back from job worker to whom such goods were sent for job work; and losses and wastes both for registered and unregistered persons
- Table 5B: Details of inputs / capital goods received back from job worker other than the job worker to whom such goods were originally sent for job work; and losses and wastes both for registered and unregistered persons
- Table 5C: Details of inputs/ Capital goods sent to job worker and subsequently supplied from the premises of job worker; and losses and wastes both for registered and unregistered persons

### 10) Can I preview Form GST ITC-04 before filing?

No, there is no option to preview Form GST ITC-04 before filing.

### 11) What are the modes of signing Form GST ITC-04?

You can file Form GST ITC-04 using DSC or EVC.

**Source:** [https://tutorial.gst.gov.in/userguide/inputtaxcredit/index.htm#t=FAQs\\_its04.htm](https://tutorial.gst.gov.in/userguide/inputtaxcredit/index.htm#t=FAQs_its04.htm)

## NOTIFICATIONS

### Notification no. 05/2021 – Central Tax dated 8th March, 2021

In exercise of the powers conferred by sub-rule (4) of rule 48 of the Central Goods and Services Tax Rules, 2017, the Government, on the recommendations of the Council, hereby makes the following further amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 13/2020 – Central Tax, dated the 21st March, 2020, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 196(E), dated 21st March, 2020, namely:-

In the said notification, in the first paragraph, with effect from the **1st day of April, 2021**, for the words **“one hundred crore rupees”**, the words **“fifty crore rupees”** shall be substituted.

**Source:** <https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-05-central-tax-english-2021.pdf>

### Notification no. 06/2021 – Central Tax dated 30th March, 2021

In exercise of the powers conferred by section 128 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Government, on the recommendations of the Council, hereby makes the following amendments in notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 89/2020 – Central Tax, dated the 29th November, 2020, published in the Gazette of India, Extraordinary, Part II, Section 3, Subsection (i), vide number G.S.R. 745(E), dated the 29th November, 2020, namely:-

In the said notification, –

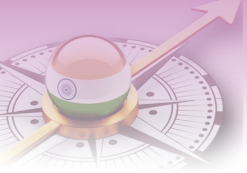
in the first paragraph, for the figures, letters and words, **“31st day of March”**, the figures, letters and words **“30th day of June”**, shall be substituted;

in the first paragraph, for the figures, letters and words, **“1st day of April”**, the figures, letters and words **“1st day of July”**, shall be substituted.

**Source:** <https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-06-central-tax-english-2021.pdf>







## CIRCULARS

### Circular no.147/03/2021-GST dated 12th March, 2021

#### Clarification on refund related issues-Reg.

Various representations have been received seeking clarification on some of the issues relating to GST refunds. The issues have been examined and to ensure uniformity in the implementation of the provisions of law across the field formations, the Board, in exercise of its powers conferred by section 168 (1) of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as "CGST Act"), hereby clarifies the issues detailed hereunder:

#### **2. Clarification in respect of refund claim by recipient of Deemed Export Supply**

- 2.1 Representations have been received in respect of difficulties being faced by the recipients of the deemed export supplies in claiming refund of tax paid in respect of such supplies since the system is not allowing them to file refund claim under the aforesaid category unless the claimed amount is debited in the electronic credit ledger.
- 2.2 Para 41 of Circular No. 125/44/2019 – GST dated 18/11/2019 has placed a condition that the recipient of deemed export supplies for obtaining the refund of tax paid on such supplies shall submit an undertaking that he has not availed ITC on invoices for which refund has been claimed. Thus, in terms of the above circular, the recipient of deemed export supplies cannot avail ITC on such supplies but when they proceed to file refund on the portal, the system requires them to debit the amount so claimed from their electronic credit ledger.
- 2.3 The 3rd proviso to Rule 89(1) of CGST Rules, 2017 allows for refund of tax paid in case of a **deemed export supply to the recipient or the supplier** of deemed export supplies. The said proviso is reproduced as under:

*"Provided also that in respect of supplies regarded as deemed exports, the application may be filed by, -*

- (a) *the recipient of deemed export supplies; or*
- (b) *the supplier of deemed export supplies in cases where the recipient does not avail of input tax credit on such supplies and furnishes an undertaking to the effect that the supplier may claim the refund"*

From the above, it can be seen that there is no restriction on recipient of deemed export supplies in availing ITC of the tax paid on such supplies when the recipient files for refund claim. The said restriction has been placed by the Circular No. 125/44/2019-GST dated 18.11.2019.

- 2.4 In this regard, it is submitted that in order to ensure that there is no dual benefit to the claimant, the portal allows refund of only Input Tax Credit (ITC) to the recipients which is required to be debited by the claimant while filing application for refund claim. Therefore, whenever the recipient of deemed export supplies files an application for refund, the portal requires debit of the equivalent amount from the electronic credit ledger of the claimant.
- 2.5 As stated above, there is no restriction under 3rd proviso to Rule 89(1) of CGST Rules, 2017 on recipient of deemed export supply, claiming refund of tax paid on such deemed export supply, on availment of ITC on the tax paid on such supply. Therefore, the para 41 of Circular No. 125/44/2019-GST dated 18.11.2019 is modified to remove the restriction of non-availment of ITC by the recipient of deemed export supplies on the invoices, for which refund has been claimed by such recipient. The amended para 41 of Circular no. 125/44/2019-GST dated 18.11.2019 would read as under:

"41. Certain supplies of goods have been notified as deemed exports vide notification No. 48/2017-Central Tax dated 18.10.2017 under section 147 of the CGST Act. Further, the third proviso to rule 89(1) of the CGST Rules allows either the recipient or the supplier to apply for refund of tax paid on such deemed export supplies. In case such refund is sought by the supplier of deemed export supplies, the documentary evidences as specified in notification No. 49/2017- Central Tax dated 18.10.2017 are also required to be furnished which includes an undertaking that the recipient of deemed export supplies shall not claim the refund in respect of such supplies and shall not avail any input tax credit on such supplies. Similarly, in case the refund is filed by the recipient of deemed export supplies, an undertaking shall have to be furnished by him stating that refund has been claimed only for





those invoices which have been detailed in statement 5B for the tax period for which refund is being claimed and **the amount does not exceed the amount of input tax credit availed in the valid return filed for the said tax period.** The recipient shall also be required to declare that the supplier has not claimed refund with respect to the said supplies. The procedure regarding procurement of supplies of goods from DTA by Export Oriented Unit (EOU) / Electronic Hardware Technology Park (EHTP) Unit / Software Technology Park (STP) Unit / Bio-Technology Parks (BTP) Unit under deemed export as laid down in Circular No. 14/14/2017-GST dated 06.11.2017 needs to be complied with."

### **3. Extension of relaxation for filing refund claim in cases where zero-rated supplies has been wrongly declared in Table 3.1(a).**

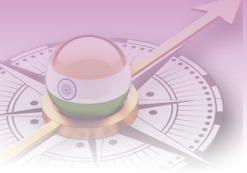
- 3.1 Para 26 of Circular No. 125/44/2019-GST dated 18th November, 2019 gave a clarification in relation to cases where taxpayers had inadvertently entered the details of export of services or zero-rated supplies to a Special Economic Zone Unit/Developer in **table 3.1(a) instead of table 3.1(b) of FORM GSTR-3B** of the relevant period and were unable to claim refund of the integrated tax paid on the same through **FORM GST RFD-01A**. This was because of a validation check placed on the common portal which prevented the value of refund of integrated tax/cess in **FORM GST RFD-01A** from being more than the amount of integrated tax/cess declared in table 3.1(b) of **FORM GSTR-3B**. The said Circular clarified that for the tax periods from 01.07.2017 to 30.06.2019, such registered persons shall be allowed to file the refund application in **FORM GST RFD-01A** on the common portal subject to the condition that the amount of refund of integrated tax/cess claimed shall not be more than the aggregate amount of integrated tax/cess mentioned in the tables **3.1(a), 3.1(b) and 3.1(c) of FORM GSTR-3B** filed for the corresponding tax period.
- 3.2 Since the clarification issued vide the above Circular was valid only from 01.07.2017 to 30.06.2019, taxpayers who committed these errors in subsequent periods were not able to file the refund applications in **FORM GST RFD-01A/ FORM GST RFD-01**.
- 3.3 The issue has been examined and it has been decided to extend the relaxation provided for filing

refund claims where the taxpayer inadvertently entered the details of export of services or zero-rated supplies to a Special Economic Zone Unit/ Developer in table 3.1(a) instead of table 3.1(b) of **FORM GSTR-3B till 31.03.2021**. Accordingly, para 26 of Circular No. 125/44/2019-GST dated 18.11.2019 stands modified as under:

"26. In this regard, it is clarified that for the tax periods commencing from **01.07.2017 to 31.03.2021**, such registered persons shall be allowed to file the refund application in FORM GST RFD-01 on the common portal subject to the condition that the amount of refund of integrated tax/cess claimed shall not be more than the aggregate amount of integrated tax/cess mentioned in the Table under columns **3.1(a), 3.1(b) and 3.1(c) of FORM GSTR-3B** filed for the corresponding tax period."

### **4. The manner of calculation of Adjusted Total Turnover under sub-rule (4) of Rule 89 of CGST Rules, 2017.**

- 4.1 Doubts have been raised as to whether the restriction on turnover of zero-rated supply of goods to 1.5 times the value of like goods domestically supplied by the same or, similarly placed, supplier, as declared by the supplier, imposed by amendment in definition of the "Turnover of zero-rated supply of goods" vide Notification No. 16/2020-Central Tax dated 23.03.2020, would also apply for computation of "Adjusted Total Turnover" in the formula given under Rule 89 (4) of CGST Rules, 2017 for calculation of admissible refund amount.
- 4.2 Sub-rule (4) of Rule 89 prescribes the formula for computing the refund of unutilised ITC payable on account of zero-rated supplies made without payment of tax. The formula prescribed under Rule 89 (4) is reproduced below, as under:
- "Refund Amount = (Turnover of zero-rated supply of goods + Turnover of zero-rated supply of services) x Net ITC ÷ Adjusted Total Turnover"*
- 4.3 Adjusted Total Turnover has been defined in clause (E) of sub-rule (4) of Rule 89 as under:
- "Adjusted Total Turnover" means the sum total of the value of-*
- (a) **the turnover in a State or a Union territory, as defined under clause (112) of section 2**, excluding the turnover of services; and



(b) the turnover of zero-rated supply of services determined in terms of clause (D) above and non-zero-rated supply of services,

**excluding-**

- (i) the value of exempt supplies other than zero-rated supplies; and
- (ii) the turnover of supplies in respect of which refund is claimed under sub-rule (4A) or sub-rule (4B) or both, if any,

during the relevant period.'

4.4 "Turnover in state or turnover in Union territory" as referred to in the definition of "Adjusted Total Turnover" in Rule 89 (4) has been defined under sub-section (112) of Section 2 of CGST Act 2017, as:

"Turnover in State or turnover in Union territory" 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) and exempt supplies made within a State or Union territory by a taxable person, **exports of goods** or services or both and inter State supplies of goods or services or both made from the State or Union territory by the said taxable person but excludes central tax, State tax, Union territory tax, integrated tax and cess"

4.5 From the examination of the above provisions, it is noticed that "Adjusted Total Turnover" includes "Turnover in a State or Union Territory", as defined in Section 2(112) of CGST Act. As per Section 2(112), "Turnover in a State or Union Territory" includes turnover/ value of export/

zero-rated supplies of goods. The definition of "Turnover of zero-rated supply of goods" has been amended vide Notification No.16/2020-Central Tax dated 23.03.2020, as detailed above. In view of the above, it can be stated that the same value of zero-rated/ export supply of goods, as calculated as per amended definition of "Turnover of zero-rated supply of goods", need to be taken into consideration while calculating "turnover in a state or a union territory", and accordingly, in "adjusted total turnover" for the purpose of sub-rule (4) of Rule 89. Thus, the restriction of 150% of the value of like goods domestically supplied, as applied in "turnover of zero-rated supply of goods", would also apply to the value of "Adjusted Total Turnover" in Rule 89 (4) of the CGST Rules, 2017.

4.6 Accordingly, it is clarified that for the purpose of Rule 89(4), the value of export/ zero-rated supply of goods to be included while calculating "adjusted total turnover" will be same as being determined as per the amended definition of "Turnover of zero-rated supply of goods" in the said sub-rule. The same can explained by the following illustration where actual value per unit of goods exported is more than 1.5 times the value of same/ similar goods in domestic market, as declared by the supplier:

**Illustration:** Suppose a supplier is manufacturing only one type of goods and is supplying the same goods in both domestic market and overseas. During the relevant period of refund, the details of his inward supply and outward supply details are shown in the table below:

**Net admissible ITC = Rs. 270**

**All values in Rs.**

Outward Supply	Value per unit	No of units supplied	Turnover	Turnover as per amended definition
Local (Quantity 5)	200	5	1000	1000
Export (Quantity 5)	350	5	1750	1500 (1.5*5*200)
<b>Total</b>			<b>2750</b>	<b>2500</b>

The formula for calculation of refund as per Rule 89(4) is :

$$\text{Refund Amount} = (\text{Turnover of zero-rated supply of goods} + \text{Turnover of zero-rated supply of services}) \times \text{Net ITC} \div \text{Adjusted Total Turnover}$$

Turnover of Zero-rated supply of goods (as per amended definition) = Rs. 1500

$$\text{Adjusted Total Turnover} = \text{Rs. } 1000 + \text{Rs. } 1500 = \text{Rs. } 2500 \text{ [and not Rs. } 1000 + \text{Rs. } 1750]$$

$$\text{Net ITC} = \text{Rs. } 270$$

$$\text{Refund Amount} = \frac{\text{Rs. } 1500 \times 270}{2500} = \text{Rs. } 162$$

**Thus, the admissible refund amount in the instant case is Rs. 162.**

**Source:** [https://www.cbic.gov.in/resources/htdocs-cbec/gst/Circular\\_Refund\\_147.pdf](https://www.cbic.gov.in/resources/htdocs-cbec/gst/Circular_Refund_147.pdf)

# GST Quiz

1	E-invoicing has been made mandatory from 1st April, 2021 for every taxpayer whose aggregate turnover in any of the financial year from 2017-18 exceeds _____.	<ul style="list-style-type: none"> <li>A. 100 Crores</li> <li>B. 250 Crores</li> <li>C. 500 Crores</li> <li>D. 50 Crores</li> </ul>
2	If a registered person, who has obtained separate registration for multiple places of business in a State/UT and intends to transfer unutilized matched Input Tax Credit lying in his/her Electronic Credit Ledger of an existing entity (the transferor entity) to newly registered entities/place of businesses (transferee entity), then transferor entity (existing entity) has to file _____ on GST Portal, within 30 days from obtaining such registration and transferee entity (newly registered entity) can accept or reject the same.	<ul style="list-style-type: none"> <li>A. Form GST ITC-04</li> <li>B. Form GST ITC-03</li> <li>C. Form GST ITC-02A</li> <li>D. Form GST ITC-02</li> </ul>
3	Form GST ITC-04 is a declaration form to be furnished by registered persons (Principal), showing the details of inputs or capital goods dispatched to or received from a job worker in a particular quarter and it's required to be filed on a _____ basis.	<ul style="list-style-type: none"> <li>A. quarterly</li> <li>B. monthly</li> <li>C. yearly</li> <li>D. half-yearly</li> </ul>
4	Due date to file Form CMP-08 for the quarter Jan- Mar, 2021 is _____.	<ul style="list-style-type: none"> <li>A. 10th April, 2021</li> <li>B. 18th April, 2021</li> <li>C. 20th April, 2021</li> <li>D. 30th April, 2021</li> </ul>

Answer: Q1-D, Q2-C, Q3- A, Q4- B



### Motto

सत्यं वद। धर्मं चर।  
इष्टकारं कुरु। अविद्वेष्टं कुरु।

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