

# GST GUIDE



Due date for GSTR9 and 9C of 18-19 extended to 31-Dec-20

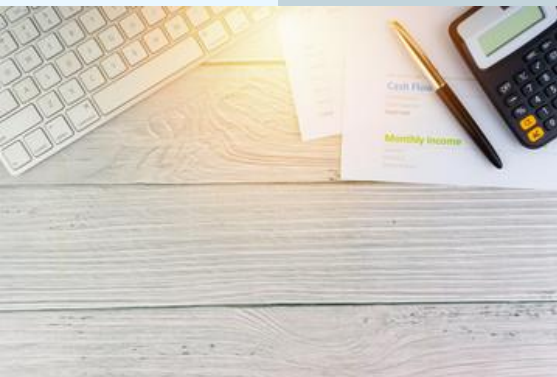
Karnataka AAR - Catering Services to Educational Institutions exempted from GST

Goods cannot be detained on account of absence of tax amount on E-way bill - Kerala High Court

Withdrawal of EVC facility extended to companies for filing GSTR1 and GSTR3B.

IRIS Peridot 4.0 envisaged to Go-LIVE in Nov-20

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# Notifications, Circulars and Amendments to Law/Rule



| Notification / Orders   | Subject          | Notification Highlights  |                              |                              |                              |
|-------------------------|------------------|--|------------------------------|------------------------------|------------------------------|
| 73/2020-CT              | 01-Oct-20        | IRN can be generated for any invoice prepared between 01-Oct-20 to 31-Oct-20 within 30 days of invoice date. |                              |                              |                              |
| 74,75 and 76/2020-CT    | 15-Oct-20        | Due dates defined for GST returns for Monthly and Quarterly filers which are enumerated below:-              |                              |                              |                              |
| Particulars             | Period           | GSTR1  | Turnover of                  |                              |                              |
|                         |                  |  | > Rs.5 Crores                | < Rs.5 Crores                |                              |
|                         |                  |  | GSTR3B                       |                              |                              |
|                         |                  |  | All States                   | Annx A States                | Annx B States                |
| Monthly Return Filers   | Oct-20 to Mar-21 | 11th of the succeeding month   | 20th of the succeeding month | 22nd of the succeeding month | 24th of the succeeding month |
| Quarterly Return Filers | Oct-20 to Dec-20 | 13-Jan-21  | -                            |                              |                              |
|                         | Jan-21 to Mar-21 | 13-Apr-21  |                              |                              |                              |

# Notifications, Circulars and Amendments to Law/Rule



| Notification / Orders | Subject   | Notification Highlights  |
|-----------------------|-----------|--|
| 77/2020-CT            | 15-Oct-20 | 31-Oct-20 is revised time limit for issuing invoices in case of goods being sent or taken out of India on approval for sales or return due between 20-Mar-20 to 30-Mar-20  |
| 78/2020-CT            | 15-Oct-20 | W.E.F 01-Apr-21, Taxpayers having turnover up-to Rs. 5 Crores. can mention HSN Code up-to 4 digits and taxpayer above Rs. 5 Crores. can mention HSN Code up-to 6 digits. However, 8-digit HSN Codes will be mandatory for export and import transactions |
| 79/2020-CT            | 15-Oct-20 | GST Audit exemption continues for taxpayer having turnover up-to Rs. 5 Crores for FY 2019-20 as well.  |
| 80/2020-CT            | 28-Oct-20 | Due date of annual return GSTR 9, 9A, 9C for FY 2018-19 is extended from 31- Oct-20 to 31-Dec-20   |

# Advance Authority Rulings

**Supply Services of Food and Drinks to educational Institutions exempted from GST: Karnataka, AAR**

**Applicant:** M/s Mahalakshmi Mahila Sangha

**Facts & Issue of The Case:** The applicant, M/s Mahalakshmi Mahila Sangha is engaged in providing catering services to educational institutions sponsored by State/ Central Union territory which are exempted services under Sl.No.66 of the Notification No.12/2017 Central Tax (Rate) dated 28-Jun-17.

The applicant sought advance ruling on the issue of whether activities of providing catering services to educational institutions are exempted service under Serial No. 66 of the Notification No. 12/2017-Central Tax (Rate). As per Circular 65/39/2018, TDS under GST is applicable only for taxable supply contracts, and as the applicant is the exempted service provider. TDS is not applicable to our services (HSN Code 9992).

## **Observations & Ruling:**

The Authority consisting of members M.P. Ravi Prasad and Mashud Ur Rehman Faruqui ruled that the supply of services made by the applicant in the form of supply of food and drinks to the educational institutions is covered under entry no. 66 of Notification No. 12/2017- Central Tax (Rate) and entry no.66 of Notification (12/2017) Ng. FD 48 CSL 2017 and are hence exempted from CGST and SGST. "The amount received for such exempted service as covered under para 1 above is not liable for tax deduction at source under section 51 of the CGST Act and section 51 of SGST Act," the AAR further ruled.

## **RAMA Says:**

As per section 51 of CGST Act,2017, it is clear that TDS is only to be deducted when total value of supply of Taxable goods and/or Services under a Contract exceeds Rs.250000/- exclusive of tax & cess as per the invoice and therefore advance ruling given is in line with the provision mentioned i.e., TDS is only to be deducted when it is taxable supply and not in case of exempt supply.



# Case Laws



## **Case Law 1: Non-mentioning of Tax on E-Way Bill cannot be a ground for detention of Goods (M.S. Steel and Pipes v. Assistant State Tax Officer [2020] (Kerala))**

### **Facts & Issues of the Case:**

The reason for detention was that, while consignment was supported by an invoice which contained details of goods transported as also tax paid in respect of goods, there was no mention of the tax amounts separately in the e-way bill that accompanied the goods. The respondents therefore detained goods on the ground that there was no valid e-way bill, supporting transportation in question.

### **Key finding of Ruling:**

A reading of the said Rule clearly indicates that the e-way bill has to be in FORM GST EWB-01, and in that format, there is no field wherein the transporter is required to indicate the tax amount payable in respect of the goods transported. If the statutorily prescribed form does not contain a field for entering the details of the tax payable in the e-way bill, then the non-mentioning of the tax amount cannot be seen as an act in contravention of the rules.

### **RAMA Says:**

In the instant case, it is not in dispute that the transpiration was covered by a valid tax invoice, which clearly showed the tax collected in respect of the goods and an e-way bill in the prescribed format in FORM GST EWB-01. Since there was no contravention by the petitioner of any provision of the Act or Rule for the purposes of Section 129, the detention in the instant case cannot be said to be justified.

# Case Laws

**Case Law 2 : Goods detained as the Invoices accompanying the goods were not of continuous serial number(Devices Distributors v. Assistant State Tax Officer [2020] (Kerala))**

**Facts of the case:**

The objection of the respondent was essentially with regard to the invoices that accompanied the transportation of the goods. It was found that the tax invoices furnished, although carried serial numbers, they were not consecutive for the three invoices. In particular, it was noticed that while one invoice carried the serial number as 46000152. The other two invoices carried the serial numbers 53000029 and 53000030. The detaining authority, therefore, suspected that the invoices carrying the serial numbers in between the two sets of invoices indicated above might have been used for transportation of other goods that were not brought to the notice of the Department.



**Key finding of Ruling:**

In the instant case, e-way bills did accompany the goods. The transportation was covered by tax invoices. The objection of the respondents is only that the invoices did not bear continuous numbers and hence they suspect that the invoices bearing serial numbers that fell between the numbers on the invoices produced at the time of transportation, could have been used for transportation of other goods that had not been brought to the notice of the Department.

THE High Court held that entertainment of such a doubt by the authority cannot be a justification for detaining the goods in question, especially when they were admittedly accompanied by tax invoices as also e-way bills that clearly indicated the particulars that were required by Rule 46 of the GST Rules. It is also relevant to note that the doubt entertained by the respondents were, at any rate, in respect of goods that may have been transported under cover of the invoices that numerically fell between the numbers shown in the invoices that were carried along with the goods, and in that sense, pertained to goods other than those that were actually detained. The detention in the instant case cannot be justified under section 129 of the GST Act.

# GST Portal Updates

## A) **Withdrawal of EVC facility extended to companies for filing GSTR1 and GSTR3B.**

- The facility to file GSTR 3B and GSTR-1 with the EVC in lieu of DSC extended to the registered person, who are also registered under the Companies Act, 2013, shall be withdrawn w.e.f. 1-Nov-20. However, facility to file NIL returns through OTP verification, shall be continued for all types of registered persons in view of notification 58/2020-dated 1-Jul-20

## A) **Filing NIL Form CMP-08 statement through SMS on GST Portal**

1. A Composition taxpayer may now file NIL statement in Form GST CMP-08 for a quarter, through an SMS, apart from filing it through online mode, on GST Portal.
2. To file NIL Form GST CMP-08 through SMS, the taxpayer must fulfill following conditions:
  - Taxpayer must be registered as composition taxable person (by filing Form GST REG-01) or the taxpayer might have opted for composition levy (by filing Form GST CMP-02).
  - Taxpayer must have filed all the applicable statement(s) in Form GST CMP-08 for the previous quarter(s).
  - Authorized signatory and his/ her phone number must be registered on the GST Portal.

- There must not be any data in save stage, in online version of Form GST CMP-08, on the GST Portal.

3. NIL Form CMP-08 for a tax period must be filed by the taxpayer, if there is no:

- outward supplies;
- liability due to reverse charge (including import of services); and
- other tax liability for the quarter, for which the statement is being filed.

4. Steps to File Nil Form GST CMP-08 through SMS are as below:

- Send SMS to 14409 number to file Nil Form CMP-08 i.e. NIL space Return Type space GSTIN space Return Period

- (For example, for NIL Filing for Tax Period Apr-Jun 2020: NIL C8 07AQDPP8277H8Z6 062020)

- Send SMS again on the same number 14409 with Verification Code to confirm filing of Nil Form CMP-08

- (For Example: If Verification Code received here is 324961: CNF space Return Type space Code - CNF C8 324961)

- After successful validation of "Verification Code", GST Portal will send back ARN to same mobile number and on registered e-mail ID of the taxpayer to intimate successful Nil filing of Form GST CMP-08.

5. All the authorized representatives for a particular GSTIN, with unique mobile number can file NIL Form GST CMP-08 through SMS.

6. The due date for filing of Form GST CMP-08 is 18<sup>th</sup> of the month following the quarter.



# RAMA IRIS GST / Portal Updates

## IRIS Peridot – 4.0

### Feature Highlight

IRIS Peridot 4.0 envisaged to Go-LIVE in Nov-20. The 4.0 Version which is right now in Beta Launch will soon be released on Play store for user download.

The Peridot app is a free app that lets you scan any GSTIN to know their taxpayer type, filing history and eligibility to collect tax. So, what more will you be able to achieve with IRIS Peridot 4.0?

Here is a list of what's in store for you...

### Search GSTIN by Name:

The app that currently lets you scan GSTIN will now let you even search GSTINs by Name. Search text can be either in trade or legal name. For simplicity sake right now, it will be showing only the trade name. So, if you see a result which doesn't contain your search text, it would be in the legal name.

### Search GSTIN by PAN:

Not only this, but now you can even search by PAN and get all GSTINs belonging to the PAN. Both PAN and Name search results are from Peridot Database, which has about 92 lakh GSTINs by now.

### Create Watchlist:

GSTINs which you search frequently can be added as your favourite and will be available as your watchlist. And what's more, you can do bulk refresh for all your watch listed GSTINs and know if they have filed any return and if it was on time.



### Bookmark Notifications:

Version 3.2 offered multiple notifications regarding due dates and release of GST Notifications and Circulars. With 4.0, now you will be able to bookmark these notifications for future reference.

### Complete GST Returns Summary:

All the GST returns apart from main/regular returns filed by the taxpayer will be displayed under the 'More Returns' section.

### QR Scanner:

With e-invoicing gone live, QR scanner is also included. Only for Production QR codes and E-Way Bill QR Codes, well, just click on the GSTIN and see the magic!

All these above features are available once you sign up using your Google ID.

Another change to notice in version 4.0 is that the search history will now show Trade name instead of Legal Name. Overall, as a principle, trade name will be displayed wherever available.

One feature of the current version that you won't find in the new version is the option to report issues. Instead of that option, now a feedback form is included where you can provide other feedback as well.

For demo enquiry, please contact –**Mr. Kapil Bansal: +91 97693 63338**

# Annexures

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

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

**Disclaimer:** The views expressed in various sections of the guide are based on understanding of the GST Laws and study of notifications, circulars, rulings and judgements issued by various competent authorities, however, in no case these should be considered as opinion expressed on a particular scenario that would require a deeper understanding of the transaction in consideration.

**RAMA**, a boutique consulting firm having expertise in Risk & Business Advisory, Process & Systems (ERP) Consulting & Indirect Taxes across industries for corporates in India, UAE, USA, Africa & Europe.

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