

# GST GUIDE



**Relaxation on GST Compliance  
due to Covid-19 Breakdown**

**Special Procedure for Corporate  
Debtors undergoing corporate  
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**Clarification on Refund related  
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**RAMA IRIS Update-New  
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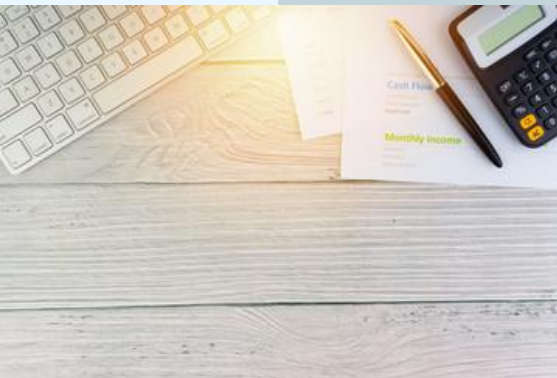
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# Notifications, Circulars and Amendments to Law/Rule



## 1. Extension of Due Dates For GST Returns Due to Covid-19 (Notification No. 30 to 34 & 36 /20)

Type of Taxpayers	Tax Period / Particulars	GSTR3B			GSTR1
		T/O upto Rs.1.5 Cr	T/O between Rs.1.5 Cr to Rs.5 Cr	T/O > Rs.5 Cr	All Taxpayers
		Revised Due Date for GST Returns			
Normal Tax Payers	Feb-20	30-Jun-20	29-Jun-20	04-Apr-20	11-Mar-20
	Mar-20	03-Jul-20	29-Jun-20	05-May-20	30-Jun-20
	Apr-20	06-Jul-20	30-Jun-20	04-Jun-20	30-Jun-20
	May-20	12 & 14-Jul-20 in staggered manner		27-Jun-20	30-Jun-20
	Late Fee	Nil if filed upto above due date	Nil if filed upto above due date	Nil if filed by 24-Jun-20	Nil if filed upto above due date
	Interest			9% if filed between revised due date to 24-Jun-20	N/A
Relaxation for Interest and Late fee is not applicable for May-20 GSTR3B					
Composition Taxpayers	Tax Period		Return Type	Revised Due Date	
	FY 20-21		CMP-02	30-Jun-20	
	Jan-20 to Mar-20		CMP-08	07-Jul-20	
	FY 19-20		GSTR04	15-Jul-20	
ITC03 towards reversal of ITC in special circumstances extended to 31-Jul-20					

**RAMA Says:** Our honorable Finance Minister has announced certain relief to businesses grappling with economic impact of Covid-19. Waiver of late fee, penalty and interest on GST will surely help the industry to cope up with the huge cash crunch during this tough time. However, there are certain concerns with the companies like filing of returns without DSC, interest on net liability etc. There have been multiple cases where revenue authorities had blocked electronic credit ledgers of businesses with initiating investigations as a part of anti-evasion drive. As on date most of these investigations were underway. The company who opted to pay tax within due date / extended due date, such blocked credit ledgers may further exacerbate the financial pressure. On plea of the taxpayers, recently GST portal has been activated for filing of GST returns without DSC (with EVC)

# Notifications, Circulars and Amendments to Law/Rule



**Notification No. 30/2020-Central Tax -03-Apr-20**

## **Allowed to Avail ITC Without GSTR2A Reconciliation**

- The applicability of rule 36 (4) regarding restriction of availment of ITC in respect of Invoices not appearing in GSTR2A has been deferred for tax period Feb-20 to Aug-20. The said restriction shall now apply cumulatively for the said tax periods while filing GSTR3B of Sept-20.

**RAMA Says:** It is a major relief for taxpayers to allow availment of ITC without performing GSTR2A reconciliation. This amendment allows the taxpayers to avail ITC, even if the vendor has not filed GSTR1 or not declared the invoices while filing GSTR1 for the period Feb-20 to Aug-20

**Notification No 35/2020-Central Tax-03-Apr-20**

## **Extension of validity of E-way bill and GST Compliances**

- Validity of E-way bill expiring between 20-Mar-20 to 15-Apr-20 have been extended till 30-Apr-20
- Where any time limit for completion or compliance of any action by any authority or by person has been prescribed or notified under this act and which falls during the period from 20-Mar-20 to 29-Jun-20, the time limit for such completion or compliances of such action shall be extended to 30-Jun-20 including for the purpose of :-
  - Completion of any proceeding or passing of any order or issuance of any notice, intimation notification, sanction, approval or such other action
  - Filing of any appeal, reply or application or furnishing of any report, document, return, statement or any such other record under the provisions of the Act

**But such extension shall not apply to the following: -**

- Chapter IV- Time and value of Supply
- Section 10 (3)- Conversion of Composition Dealer to Regular tax payer
- Section 25- Procedure for registration
- Section 27- Special provisions relating to casual taxable person and non-resident taxable person
- Section 31- Tax Invoice
- Section 37- Furnishing of Returns

# Notifications, Circulars and Amendments to Law/Rule

- Section 47-Levy of late fee
- Section 50- Interest on Delayed payment of tax
- Section 69-Power to Arrest
- Section 90-Liability of partners of firm to pay tax
- Section 122- Offences and Penalties
- Section 129- Detention, Seizure and release of goods and conveyances in transit
- Section 39- Furnishing of returns except provision related to TDS (sub-section3), ISD Provisions (sub-section 4), non-resident taxable person provisions (sub-section 5)
- Section 68- Inspection of goods in movement in so far as e-way bill is concerned
- Rules made with respect to above sections

## **Notification No. 08/2020-CT -02-Mar-20**

### **Value of Supply of Lottery**

The value of supply of lottery shall be deemed to be 100/128 of the face value of ticket or of the price as notified in the Official Gazette by the Organizing State, whichever is higher

## **Notification No. 09/2020-CT- 16-Mar-20**

### **Annual Return for Foreign Airlines**

Foreign Airlines Company is not required to file **FORM GSTR-9**.

A statement of receipts and payments for the financial year in respect of its Indian Business operations to be **submitted** for each GSTIN **by the 30th September of the year** succeeding the financial year.

## **Notification No. 10/2020-CT – 23-Mar-20**

### **Special procedure for taxpayers having principal place of business in Dadra and Nagar Haveli and Daman and Diu consequent to merger of two UTs.**

- Tax period has been specified for filing returns and paying tax in returns are as follows:-

a) Jan-20:- 01-Jan-20 to 25-Jan-20

b) Feb-20:- 26-Jan-20 to 29-Feb-20

- Option of transferring ITC from erstwhile Union Territory to new Union Territory after filing return for the month of Jan-20

## **Notification No. 11/2020-CT – 23-Mar-20 and Circular No.134/04/2020-GST/ 23-Mar-20**

### **Special Procedure for Corporate Debtors undergoing Corporate Insolvency Resolution Process**

- All pending GST dues during pre-CIRP period will be treated as “Operational Debt” and claims may be filed by proper officer before NCLT. Moreover moratorium period will be imposed where pending suits /proceedings against corporate debtor will be prohibited.
- GST Registration of the corporate debtor will not be cancelled. The officer may suspend the Registration. If the Registration is already cancelled and it is within the period of revocation of cancellation, it may be revoked.
- IRP /RP is not liable to file any pending returns for pre-CIRP period
- The Corporate Debtor who is undergoing CIRP need to take separate registration for

# Notifications, Circulars and Amendments to Law/Rule

each state or Union Territory where he was earlier registered within 30 days of appointment of IRP/RP. For existing cases, it need to take new registration within 30 days of issuance of the notification.

- The IRP/RP will be liable to file first return filed as per section 40. It can avail ITC wrt supplies received since appointment as IRP/RP and during CIRP period but bearing its existing GSTIN (only for first return)
- The Registered Person who receives supplies from Corporate Debtor be eligible to avail ITC on invoices issued using existing GSTIN during the period of appointment of IRP/RP till the date of registration
- Any cash deposited in the cash ledger in erstwhile GST Registration will be available for refund

**RAMA Says:** The above changes may increase the GST compliances for corporate debtors as there is no clarity for the treatment of erstwhile GST registration compliances. Further it requires following clarification: -

- Cancellation or surrender of GST new registration once IBC proceeding is completed
- Treatment for transfer or refund of excess balance of ITC in erstwhile GST registration

**Notification No. 12/2020-CT- 23-Mar-20**

## **Waiver of Furnishing Form GSTR1 for 2019-20**

Taxpayer opting for availing the option of special composition scheme shall furnish details of self-assessed tax in GSTR-3B rather

than GST CMP-08 for the FY 19-20. Also such taxpayer need not file GSTR-1 for the FY 19-20

**Notification No. 13-2020-CT-23-Mar-20**  
14/2020-CT-23-Mar-20

## **Exemption of QR Code for certain class of Registered Person and Extension of Implementation of E-Invoicing**

- Certain Class of Registered Persons Includes Insurance Co , Banking Company, Financial Institutions, Non-Banking Financial Institutions, GTA, Multiplexes etc are exempted from issuing E-Invoice and QR Code.
- Implementation date of E-Invoice and QR Code is extended to 01-Oct-20.

**RAMA Says:** It is a major relief for banking industry and multiplexes who deals majorly

with B2C customers. Also the industry is facing tough time due to COVID-19 and it may require further extension for complying with e-invoicing provisions.

**Notification No.15/2020-CT -23-Mar-20**

## **Extension of Filing GSTR Form 9 and 9C**

Due Date for Filing GSTR-9 and GSTR-9C for the FY 2018-19 has been extended to 30-Jun-20.

**RAMA Says:-** It is a welcome step of the government as the taxpayers have recently completed the filing of Annual Return and reconciliation statement of FY 17-18 and require additional time to file Form 9 and Form 9C for FY 18-19.

# Notifications, Circulars and Amendments to Law/Rule

**Notification No.16/2020-CT-23-Mar-20**

## **3rd Amendment in CGST Rules:-**

**Rule 25-** The proper officer may physically verify the place of business of a person in absence of Aadhaar authentication before grant of registration or due to any other reason. The verification report along with other documents shall be uploaded in form GST Reg-30 within 15 days of following the verification date.

**Rule 43(1)-** The total ITC of capital goods should be availed in GSTR3B.

The 5% point reversal per quarter earlier considered as ineligible credit will have to be shown as a part of Output Tax liability in GSTR3B (earlier the amount was reduced from total ITC of capital goods)

**Rule 80(3)** – GSTR 9C (Reconciliation Statement) for FY 2018-19 is mandatory for all the taxpayer **having aggregate turnover during FY 2018-19 of more than Rs.5 crores.**

**Rule 86(4)** - Insertion of Rule 4(A) – tax wrongly paid or paid in excess for which debit has been made in electronic credit ledger, if found admissible by proper officer be credit back to electronic credit ledger by order made in Form GST PMT-03.

**Rule 89(4)** – For claiming refunds under Exports without payment of tax, Export Turnover shall be minimum of

- Value of zero rated supply of goods made during the relevant period without payment of tax or



- 1.5 times the value of like goods domestically supplied by the same or similar placed, supplier, as declared by the supplier.

**RAMA Says:-** The above provision may entail disputes for determining what are like goods and who are similar placed suppliers. Further the restriction is only with respect of refund of accumulated ITC and not for refund of tax paid on Export of goods.

**Rule 92(1a)** – In case of refunds other than tax paid on Zero rated supplies or deemed export, the proper officer is satisfied that refund due is payable to the applicant, he shall sanction refund amount in accordance with the liability discharged through cash ledger and electronic credit ledger.

**Rule 96 (10):-** Assessee's importing goods under Advance Authorization /EOU Scheme can also claim refund under Export of goods with payment of tax option.

**Rule 96B** – Realization of Foreign Currency wrt Exports of Goods:-

- The Foreign Currency should have been received within the timelines provided under FEMA
- If the refunds have been processed and the

# Notifications, Circulars and Amendments to Law/Rule

exports value have not been realized in part or full, the refund **amount need to be paid through DRC-03 along with interest within 30 days of the expiry of the said period.**

Where sale proceeds have been received by the applicant within such extended time provided by RBI, the amount recovered from the taxpayer will be refunded back in proportion to the sales proceed received.

**Notification No.17/2020-CT-23-Mar-20**

## **Exemption of Aadhaar Authentication**

Aadhaar authentication shall not apply to a person who is not a citizen of India or to a class of persons other than the following class of person namely:

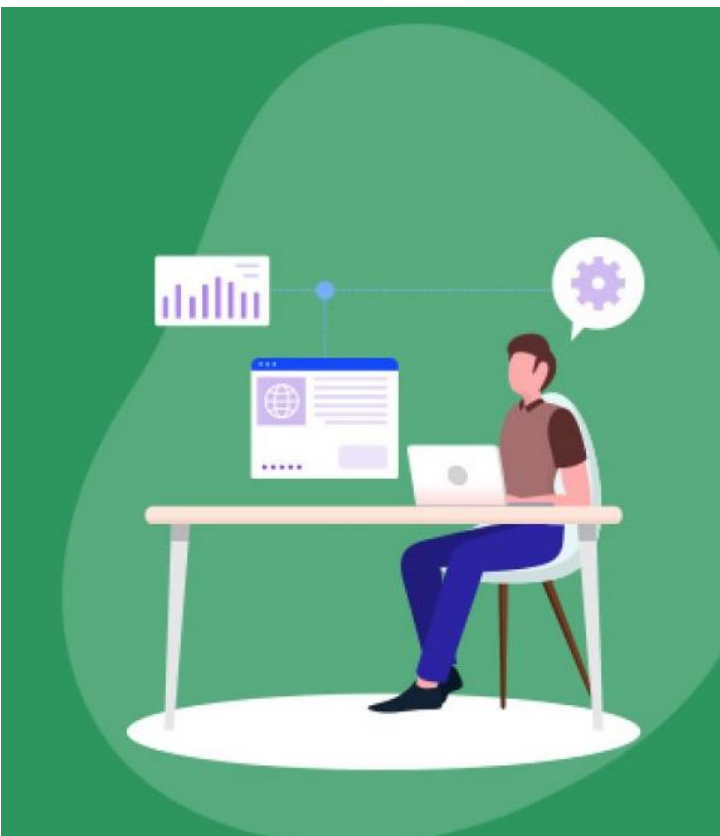
- (a) Individual;
- (b) Authorized signatory of all types;
- (c) Managing and Authorized partner; and
- (d) Karta of an Hindu undivided family

**Notification No.18/19/20-CT-23-Mar-20**

## **Aadhaar Authentication for Registration**

The following person shall undergo Aadhaar number authentication as specified in rule 8 of CGST Rules 2017 **from 01-Apr-20** in order to be eligible for registration: -

- (a) Authorized signatory of all types
- (b) Managing and Authorized partners of partnership firm
- (c) Karta of Hindu undivided family



**Circular on apportionment of ITC during business organization** [Circular no. 133 03/2020-GST dated 23-Mar-20]

133/03/2020

## **Apportionment of ITC During Business Organization**

For the purpose of apportionment of ITC pursuant to a demerger under rule 41(1), the value of assets of the new units is to be taken at state level and not at all-India level.

- This rule is applicable for all forms of business re-organization that results in partial transfer of business assets along with liabilities.
- The ratio as per rule 41(1) shall be applied

# Notifications, Circulars and Amendments to Law/Rule

to the total amount of unutilized ITC of the transferor and need not applied separately in respect of each head of ITC.

- The transferor is at the discretion to transfer the ITC balance from any of the ITC head in any proportion subject to ITC balance available. However, it should not exceed the total ITC amount determined under rule 41(1).
- The transferor is required to file Form ITC-02 only in those states where both transferor and transferee are registered.
- The formula for apportionment of ITC under rule 41(1) shall applied on the date of filing of Form ITC-02

**Circular No.:** 135/05/2020

## **Clarification for Refund Related Issues**

- Till 31-Mar-20, clubbing of tax period for claiming refund was possible only within Financial year. However, reiterating section 16(3) of IGST Act and 54(3) of CGST Act and also basis the Delhi High Court judgement in case of M/s Pitambra Books Pvt Ltd, CBEC has removed this restriction allowing bunching of refund claims across Financial Years.
- CBEC clarified that refund under inverted duty structure will not be allowed for those cases where traded goods were purchased at higher GST rate and at time of sale of those goods, GST rate is reduced.
- The refund on accumulated ITC shall be restricted to the invoices uploaded through GSTR1 and reflecting in 2A i.e. Restricting refund claim to only for those invoices of 2A and denying the additional 10% ITC
- HSN/SAC code should be added in the statement of invoices relating to inward

supply as provided in Annexure B so as to easily identify between the supplies of goods or services.

**RAMA Says:-** The above clarification brings relief to the taxpayers as there may several instances where inputs are booked in one financial year and the sales with respect to the above inputs may happen in another financial year due to extended production time.

The restriction for refund of credit to the extent it is reflecting in GSTR2A ideally should be allowed from Oct-2019 refunds onwards as rule 36(4) becomes applicable from Oct-19 onwards.

Further the restriction of section 36(4) has been relaxed for the period Feb-20 to Aug-20 which again creates disputes at time of claiming refunds for the above said periods.

# Advance Authority Rulings (GST)

# AAR

## Authority For Advance Ruling

### Case 1 – Printing Services supplier to Foreign Customer is subject to GST

Case Name: Swapna Printing Works (P.) Ltd.{45/WBAAR/2019-20 Dt.06-Mar-20-AAR-WB}

#### Facts of the Case:

The Applicant was awarded a contract by a foreign entity for printing booklets in various Indian languages. The Applicant uses its own inputs like paper, ink etc. and prints the content and binds it into booklets.

These books are then delivered to places in India and consideration is received in foreign currency from foreign entity.

#### Matter under Consideration:

Whether the activity of procuring orders from a foreign buyer to printing texts based on the content received from foreign supplier and thereafter, delivery of printed material to various places in India would tantamount to export of service since the consideration is received in convertible foreign exchange?



#### Contention of the Applicant:

The Applicant approached the Authority to contend that the supply amounts to export of service since:

- As per section 2(93)(a) of the CGST Act, recipient means the person liable to pay consideration, which in the present case is foreign entity
- Only in a case where there is no consideration, then the recipient is the person to whom service is rendered
- As per section 13(2) of the IGST Act, the place of supply (POS) of printing service is outside India since the recipient (foreign company) is outside India. Further, section 13(3)(a) of IGST Act, is not applicable since the foreign entity has not provided any goods for printing

# Advance Authority Rulings (GST)

- The recipient is outside India and consideration is received in foreign currency thus, the activity qualifies as an export of service

## Observations & Ruling of the Authority:

The Authority observed as under:

- The predominant element of supply is supply of printing service and the goods supplied (books) have no use other than display of printed material. Reliance was placed upon the GST circular 11/11/2017-GST dated 20-Oct-17 clarifying the taxability of printing contracts
- Being a composite supply, printing service is inseparable from supply of printed booklets. Therefore, the place where the books are delivered will be the POS of printing service
- As per the bank letter, the foreign entity has paid the consideration for supply of booklets to different locations in India
- The definition of recipient is exhaustive. It is impossible to make a separation between the person to whom supply is made and one liable to pay consideration. The person who receives supply in India should be considered as recipient, being inseparable from the foreign entity
- POS being in India the service does not qualify as export in terms of section 2(6) of IGST Act

**RAMA Says:** The term 'recipient' cannot be interpreted to mean the beneficiary of the service and thereby, the interpretation adopted by the Authority could likely be challenged. It is also not very clear whether the conclusion is based upon delivery of 'goods' or provision of service to

come to a conclusion that the place of supply is the beneficiary in India.

Also, in case of Ansys Software Pvt Ltd (ADVANCE RULING NO. KAR ADRG 30 OF 2019, 12-Sep-19, AAR - KARNATAKA), the Applicant had provided post sales technical service to the Indian customers of its Foreign Parent Company. The consideration was paid by the foreign company for such service. The Authority had held that the foreign company would be regarded as a recipient of service in terms of section 2(93) of the CGST Act, as the consideration is received from the parent company.

## **Case 2 – 'Transfer of title in goods' is supply of goods**

Case Name: Automotive Components Technology India (P.) Ltd {05/ARA/2020 Dt.31-Jan-20-AAR-TN}

### Facts of the Case:

The Applicant is engaged in supply of automotive components (parts and moulds). It proposes to undertake a transaction whereby it would take order from Indian buyers and in turn place the order for manufacturing on a foreign supplier.

There is only a transfer of title in moulds from foreign supplier to the Applicant and from Applicant to the Indian buyer. The physical possession of moulds is retained by the foreign supplier and is disposed off as waste by the foreign supplier.

Also, no consideration is received by the Applicant or the Indian buyer for disposal of the moulds as no value is attributable to the said waste moulds. Further, Separate invoices are raised for parts and moulds by the foreign supplier on the Applicant and thereafter, by the Applicant on the Indian buyer.

# Advance Authority Rulings (GST)

## Matter under Consideration:

- Whether GST would be applicable on transfer of title in moulds from Applicant to Indian buyer without physical importation of moulds into India?
- If yes, whether the Indian buyer would be eligible to take input tax credit (ITC) of the GST paid to the Applicant for the said purchase?

## Contention of the Applicant:

The Applicant approached the Authority to contend that no GST is payable on transfer of title in mould to Indian buyer on the following grounds:

- As per section 10(1)(c) of the IGST Act, the place of supply would be location of goods at the time of delivery i.e. outside India. Hence, the transaction should be treated as an inter-state supply
- IGST Act is applicable only within the territory of India and since the transfer of title of moulds is taking place outside the territory of India, GST is not applicable on the transfer
- Transfer of title in moulds does not constitute import of goods as there is no physical movement of goods (moulds) into India
- If the GST is leviable then the Indian buyer should be eligible to claim the ITC



## Observations & Ruling of the Authority:

The Authority observed as follows:

- As per section 7 of CGST Act read with clause 1(a) of Schedule II of the CGST Act, transfer of title in goods is a supply of goods.
- In the present case, there is a transfer of title in mould for a consideration and the said supply is in the course of business.

**> RAMA Says:** The instant ruling has ignored the concept of Place of Supply and determined the taxability of matter under consideration. Considering the definition of Import of Goods, moulds cannot be said to have imported into India. Also, Section 10(1)(c) of the IGST Act deals with place of supply in case where there is no physical movement of goods and states location of goods as place of supply. Considering this, the ruling delivered by the Authority may be challenged.

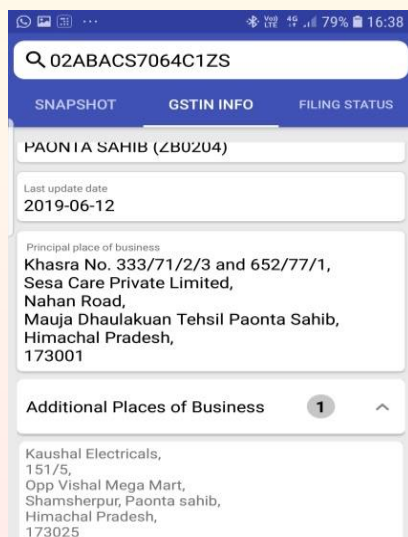
# RAMA IRIS GST / Portal Updates

## 'Know your Supplier' with IRIS Peridot 3.1

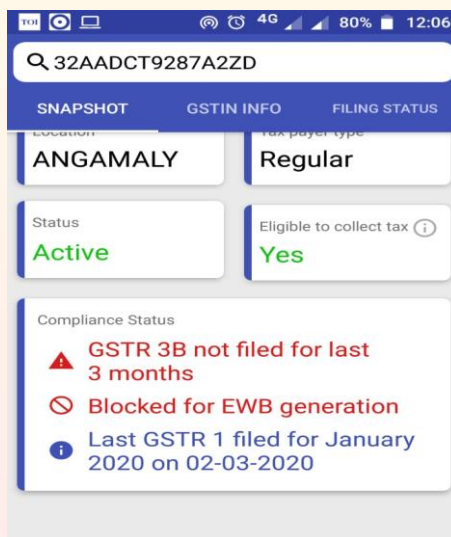
IRIS Peridot is a mobile app that helps you to verify the correctness of any GSTIN by validating it with the GST system. It helps you to check the status of GST return filing of your vendor and / or customer. If you are a registered business owner, you can check if your vendor has valid GSTIN, his eligibility to collect GST and is he filing returns on timely basis. Hence, the app is complete package of "Know your Supplier" with one GSTIN.

IRIS Peridot 3.1 version now comes with enhanced features as follows:

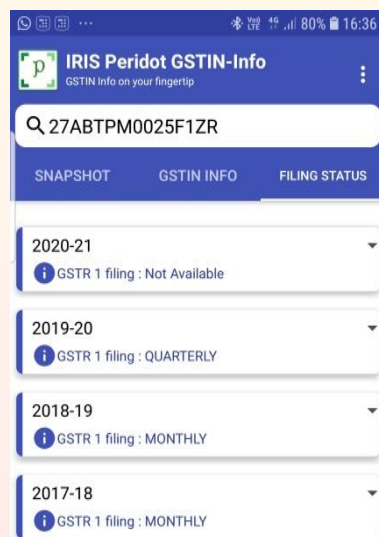
1. We can check all the **additional place of business** of the GSTIN searched.
2. We can check all the additional details in **"Compliance Status"** such as GSTR-3B filing status, Active for E-way Bill Generation and last GSTR-1 filing period and date of filing.
3. **GSTR-1 and GSTR-3B filing history** for regular tax payers grouped financial year wise.



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

# RAMA IRIS GST / Portal Updates

## Activation of Self Service Portal Link on GST Portal Home Page:



GST Self Service help desk link is now active and has gone under various changes both in terms of display and query resolution. Registered person can now lodge their complaints and get their solutions directly by simply going on link being activated on GST Portal Home Page.

### **Quick Guide to lodge a complaint/issue:**



Please enter the keyword related to issue / complain being faced by you in the "Type of Issue/Concern" box



The system will search and show the list of all the issue with the entered keyword from which you can select the exact issue, after which the system will show the FAQ's and relevant sections of User Manual related to that issue / complain. Please go through the FAQ shown which may solve the problem faced by you.



In case no match is found with the keyword entered, then you can select the most relevant Category and Sub-Category from the dropdown boxes next to the box, "Type of Issue/Concern".



In case the FAQ's do not help resolve the issue, then please select the button "No, I want to lodge my complaint" which will show the page to fill in the details to lodge the complaint.




On lodging of complaint, System will give you a reference number (ticket). Use it to check status of your complaint in future here

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