

# GST Update

Weekly Update  
14.09.2019

- This Presentation covers the GST changes / observations/ press releases/ Tweet FAQs/ Sectoral FAQs released by CBEC since the last update on 31.08.2019. It supplements the earlier GST Updates.
- There was no update on 07.09.2019 as no notifications/ circulars were issued during the preceding week
- This presentation is based on CGST Act/Rules/ Notifications, except the provisions related solely to SGST provisions. Similar parallel provisions in State Laws may be referred to as required

- One Corrigendum to Circular No. 63/37/2018-GST issued
- Reimbursement scheme for SGST paid on Mission Mangal Movie announced by Maharashtra GST

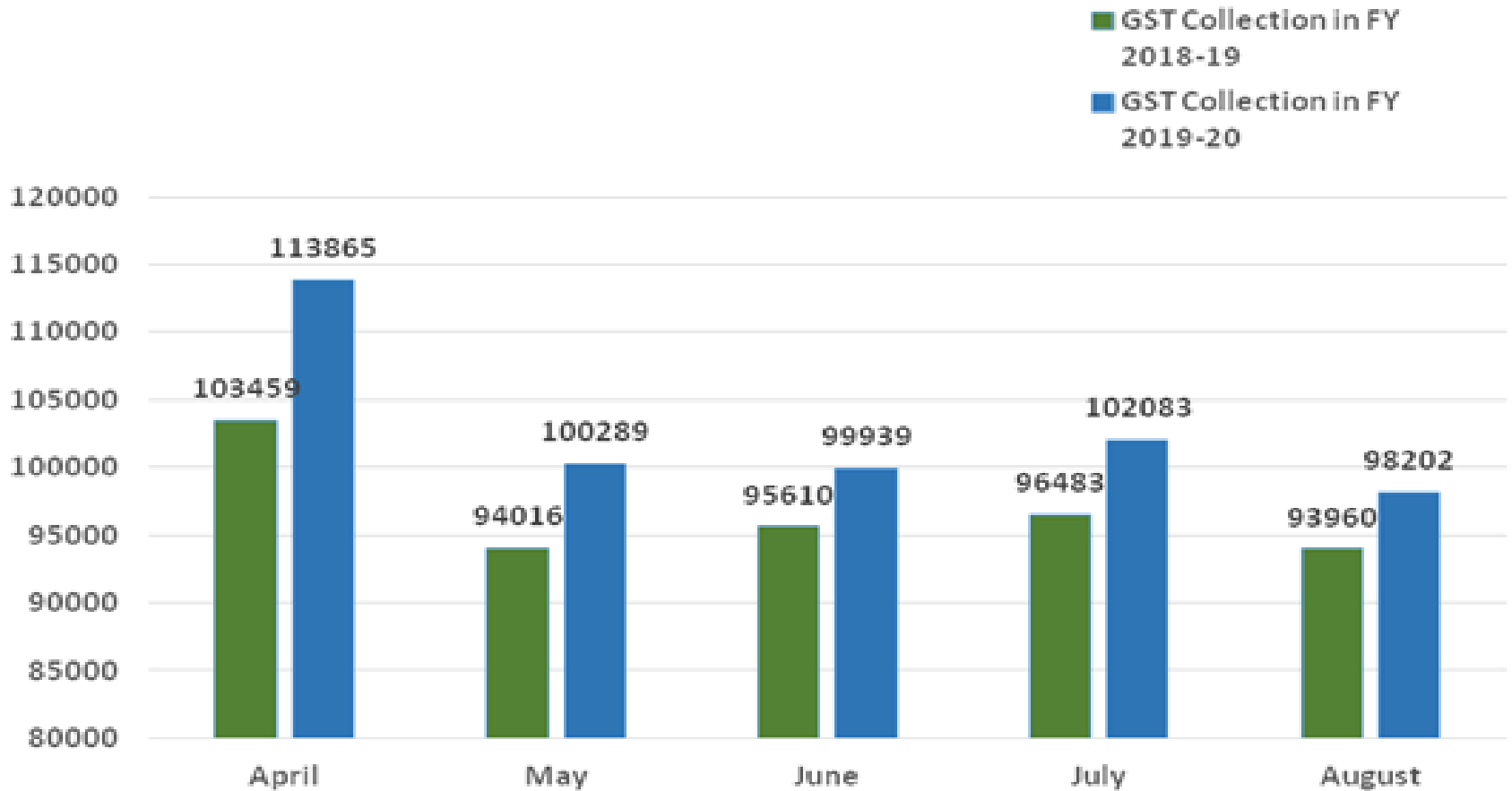
# GST Revenue

- <https://pib.gov.in/PressReleaseframePage.aspx?PRID=1583793>
- PIB Press release dated 1<sup>st</sup> September, 2019
- The total gross GST revenue collected in the month of August, 2019 is ₹ 98,202 crore of which CGST is ₹ 17,733 crore, SGST is ₹ 24,239 crore, IGST is ₹ 48,958 crore (including ₹ 24,818 crore collected on imports) and Cess is ₹ 7,273 crore (including ₹ 841 crore collected on imports). The total number of GSTR 3B Returns filed for the month of July up to 31st August, 2019 is 75.80 lakh.
- The government has settled ₹ 23,165 crore to CGST and ₹ 16,623 crore to SGST from IGST as regular settlement. The total revenue earned by Central Government and the State Governments after regular settlement in the month of August, 2019 is ₹ 40,898 crore for CGST and ₹ 40,862 crore for the SGST.

## GST Revenue (Contd)

- The revenue in August, 2018 was ₹ **93,960** crore and the revenue during August, 2019 is a growth of **4.51%** over the revenue in the same month last year.
- During April-August, 2019 vis-à-vis 2018, the domestic component has grown by **9.11%** while the GST on imports has come down by **1.43%** and the total collection has grown by **6.38%**. During the month of August, 2019, the due date of filing returns was extended by a month in 58 districts in 7 States due to floods.
- **Rs. 27,955 crore** has been released to the states as GST compensation for the months of June-July, 2019.

## Trends in GST Collection in Rs. Crore



## Mentioning of Unique Identity Number( UIN) in invoices of supply to UIN Entities

- **Corrigendum dated 06th September, 2019 to Circular No. 63/37/2018-GST dated 14th September, 2018**
- As the issue of non-recording of UINs has continued even after 31<sup>st</sup> March, 2019 it has been decided to extend the waiver (Waiver from recording UIN in the invoices) given in this regard vide Circular No.63/37/2018-GST dated 14<sup>th</sup> September, 2018 up to 31<sup>st</sup> March 2020.
- Subject to the condition that the copies of such invoices which are attested by the authorized representative of the UIN entity shall be submitted to the jurisdictional officer.
- The retailer associations, hypermart and other retailer chains should also be advised to ensure that a mechanism to record the UIN in the supply invoices is put in place before 31 st March 2020.

# Exemption from SGST to Mission Mangal Movie in Maharashtra

- Trade Circular No. 48 T of 2019 dated 13<sup>th</sup> September, 2019
- Reimbursement of SGST applicable on tickets of Mission Mangal Movie
- <https://www.mahagst.gov.in/en/gst-rule/240>
- Mission Mangal is based on Mangalyan mission io ISRO. Our scientists mainly women scientists, gave their valuable contribution to the success of the mission. To promote this message in the field of science, Government of Maharashtra has issued reimbursement of SGST scheme.





# Exemption from SGST to Mission Mangal Movie in Maharashtra (Contd)

- Maharashtra Government is going to reimburse to the registered theatre the component of SGST prominently indicated in the ticket which is issued for the supply of service by way of admission to the exhibition of movie **Mission Mangal** during the period 29<sup>th</sup> August 2019 to 3<sup>rd</sup> December 2019.
- Registered theatre after indicating CGST and SGST in the price of ticket shall reduce the ticket price by amount equal to SGST in order to pass on the benefit to the consumer.
- "Registered theatre" means theatre registered under the Maharashtra GST Act, 2017.

## Exemption from SGST to Mission Mangal Movie in Maharashtra (Contd)

- Registered theatre shall prominently indicate the component of SGST, CGST and amount of discount on account of reimbursement to be claimed from Government of Maharashtra in the ticket price of Mission Mangal movie.
- **Example-** Suppose basic ticket price is Rs 200/-. SGST applicable is Rs 18/- and CGST applicable is Rs 18/-. Total price comes to Rs 236/-. Here, Government is going to reimburse the amount equal to SGST payable which is at Rs 18/-.The theatre shall reduce this amount of SGST to be reimbursed by the State Government at Rs 18/-from Rs 236/- and collect balance amount of Rs 218/- from consumer. The theatre shall prominently indicate this reimbursement amount of Rs 18/- which is equal to SGST in the ticket.

## Exemption from SGST to Mission Mangal Movie in Maharashtra (Contd)

- The registered theatre shall pay the tax, SGST as well as CGST, in a regular manner.
- If the registered theatre has recovered full amount from consumer without reducing the amount equal to SGST, then no refund of such amount will be granted to the theatre. In order to claim refund of SGST paid, the registered theatre is required to pass on the benefit of this scheme to the consumer.

# Exemption from SGST to Mission Mangal Movie in Maharashtra (Contd)

- Every registered theatre which is going to take the benefit of this scheme shall communicate the details as given in **Annexure I** through email on following mail id-
- [mahafilmincentives@mahagst.gov.in](mailto:mahafilmincentives@mahagst.gov.in) within seven days from the publication of this circular or within seven days from the date on which theatre started passing the benefit of the scheme to consumer, whichever is later.
- Registered theatre which fails to communicate the same within the prescribed time limit will not be eligible to claim the benefit of the scheme.

# Exemption from SGST to Mission Mangal Movie in Maharashtra (Contd)

- Theatres which are going to take benefit of this scheme shall prominently display in their theatre premises a board to the effect that Government of Maharashtra is going to reimburse the component of SGST to the registered theatre and cost of ticket is reduced accordingly. Jurisdictional officer may visit the theatre to verify whether theatre is passing on this benefit to consumer or not.
- **Mechanism for Refund:** After filing the return under section 39 of MGST Act, 2017, registered theatre shall make an application to State jurisdictional officer for reimbursement of SGST component which he has paid in the return period in **Annexure II** within **thirty days** from the filing of return and payment of tax for the said period.

# Exemption from SGST to Mission Mangal Movie in Maharashtra (Contd)

- If registered theatre is under jurisdiction of Central authority, then he will apply to concerned divisional Joint Commissioner of State Tax or to the locational administrative head of the office.
- Registered theatre shall produce the books of accounts for the verification before jurisdictional officer for ascertaining refund claim as and when required. Apart from verification of books of accounts, jurisdictional officer will also verify whether registered theatre has fulfilled all the conditions prescribed in the Government Resolution. After due verification , refund will be disbursed to the registered theatre. The refund shall be disbursed within 30 days of the application.



# GST Portal Updates

# New Functionality

- **New Return (Trial)**
- Online Preparation of Annexure of supplies (GST ANX-1) and Annexure of Inward Supplies (GST ANX-2) & changes in offline utility
- Supplier taxpayers can now fill in details of tables 3A (Business-to-Consumer (B2C) details), table 3B (Business-to-Business (B2B) details) & table 3H (Details of Supplies attracting Reverse Charge) in their Form GST ANX 1, online, on the GST Portal. On saving these details by Supplier Taxpayer records of Form GST ANX-1 will automatically flow to GST ANX 2 of the recipient taxpayer.



- **New Return (Trial)**
- Table 3A of GST ANX-2 of the Recipient Taxpayer will thus get auto-populated. The Recipient Taxpayer can now take 'Action' (Accept / Reject / Pending) on Form GST ANX-2, online and save it.
- New features has been made available in the Offline Tool as given below:
  - On import of excel file in offline tool to prepare GST ANX-1, the error file containing erroneous records, if any, will be generated. These records can be exported into an excel file for rectification and after rectification the excel file can be re-imported into offline tool.

- **New Return (Trial)**

- Records 'Mark for Delete' in GST ANX-1 using offline tool, can now be uploaded on GST Portal using JSON file by supplier taxpayer, to delete such records.
- The offline tool will now throw error if HSN code is wrongly entered or is non-existent.
- GST ANX 2 & Matching Tool: Facility to 'Refine Matching Result', using tolerance limit and approximation logic, is now made available in offline tool. Now taxpayers can select limits, using which they can match the records, while matching purchase register details with GST ANX 2 (downloaded from GST Portal).

For more details on New Return Offline Tool (Trial) click the link-  
<https://dashret.gst.gov.in/dashret/trial>

- **Opting for Composition scheme, by taxpayers dealing with services (*Form GST CMP 02*)**
- Option for composition scheme by taxpayers dealing with services, in Form GST CMP -02, has been made available on the GST Portal.
- Taxpayer can select category as specified in the form and multiple options can be selected.
- Taxpayer who have filed Form GSTR -1 /GSTR 3B for April/May/June 2019 cannot opt for this now.
- Taxpayers coming under this scheme can file return Form CMP-08 only.

- **TDS/TCS Deductor & Temp Registrants- Adding of Bank Account details by TDS/TCS Deductors & Temp Registrants**
  - TDS/TCS Deductors & Temp Registrants can now add bank account details by a non-core amendment in their registration application to file for refund.
- **Miscellaneous- Addition of Legal Name on Search of a taxpayer**
  - In the “Search Taxpayer functionality” available on GST Portal, Trade Name of the taxpayer will also be now made available as part of taxpayer profile.
  - ***Home > Search Taxpayer > Search by GSTIN/UIN***



# GST Legal Updates

# Due date contemplated u/r 117 of the CGST Rules, 2017 is procedural in nature and hence not mandatory

**Case of Siddharth Enterprises Vs Nodal Officer reported in 2019-  
TIOL-2068-HC-AHM-GST.**

## Facts

Writ applicant had sought issuance of a writ of mandamus to allow filing of declaration in form GST TRAN-1 and GST TRAN-2 to enable it to claim transitional credit of eligible duties in respect of inputs held in stock on the appointed day in terms of Section 140(3) of the CGST Act; to issue a writ of declaration for declaration of the due date contemplated u/r 117 of the Rules to claim transitional credit as being procedural in nature and thus merely directory and not a mandatory provision; grant ad interim reliefs and award costs.

# Due date contemplated u/r 117 of the CGST Rules, 2017 is procedural in nature and hence not mandatory

## The Hon'ble High Court held as under

Section 140(3) of the Act allows carry forward of the eligible duties in respect of inputs held in stock subject to fulfilment of conditions (i) to (v) as mentioned therein - Section 140(3) of the Act is a complete Code in itself and the substantive right conferred by the Act cannot be curtailed by way of rules - entitlement of credit of eligible duties on the purchases made in the pre-GST regime as per the then existing CENVAT Credit Rules is a vested right and, therefore, it cannot be taken away by virtue of Rule 117 of the CGST Rules with retrospective effect for failure to file form GST TRAN-1 within the due date i.e. 27.12.2017 - provision for facility of credit is as good as the tax paid till the tax is adjusted and, therefore, the right to credit had become absolute under the CEA and, therefore, the credit is indefeasible and the same cannot be taken away -

# Due date contemplated u/r 117 of the CGST Rules, 2017 is procedural in nature and hence not mandatory

right to carry forward credit is a right or privilege acquired and accrued under the repealed CEA, 1944 and it has been saved u/s 174(2)(c) of the CGST Act, 2017 and, therefore, it cannot be allowed to lapse u/r 117 of the Rules for failure to file declaration in form GST TRAN-1 within the due date i.e. 27.12.2017 - right to carry forward CENVAT credit for not being able to file the form GST TRAN-1 within the due date offends the policy of the Government to remove the cascading effect of tax by allowing the Input Tax Credit as mentioned in the Objects and Reasons of the Constitution 122 and Amendment Bill, 2014, and which clearly sets out that it is intended to remove the cascading effect of taxes and bring out a nationwide taxation system - Denial of carry forward of tax paid on stock on the appointed day may lead to cascading effect of tax because the GST will again have to be paid on the Central Excise duty already suffered on the stock -



# Due date contemplated u/r 117 of the CGST Rules, 2017 is procedural in nature and hence not mandatory

- It is an established principle of law that it is necessary to look into the mischief against which the statute is directed, other statutes in pari materia and the state of law at the time - It is arbitrary, irrational and unreasonable to discriminate in terms of the time-limit to allow the availment of the Input Tax Credit with respect to purchase of goods and services made in the pre-GST regime and post-GST regime and, therefore, it is violative of Article 14 of the Constitution of India - Section 16 of the Act allows the entitlement to take input tax credit in respect of post-GST purchase of goods or services within return to be filed u/s 39 for the month of September following the end of the financial year to such purchase or furnishing of the relevant annual return, whichever is earlier

# Due date contemplated u/r 117 of the CGST Rules, 2017 is procedural in nature and hence not mandatory

- whereas rule 117 allows time limit only up to 27th December 2017 to claim transitional credit on pre-GST purchases, therefore , it is arbitrary and unreasonable to discriminate in terms of the time limit to allow the availment of ITC with respect to the purchase of goods and services made in the pre-GST regime and post-GST regime - as this discrimination does not have any rationale, therefore, it is violative of Article 14 of the Constitution - It is legitimate for a going concern to expect that it will be allowed to carry forward and utilise the CENVAT credit after satisfying all the conditions as mentioned in the CEX law and, therefore, disallowing such vested right is offensive against Article 14 as it goes against the essence of doctrine of legitimate expectation - By not allowing the right to carry forward the CENVAT credit

## **Due date contemplated u/r 117 of the CGST Rules, 2017 is procedural in nature and hence not mandatory**

for not being able to file the form GST TRAN-1 within the due date may severely dent the writ-applicants working capital and may diminish their ability to continue with the business and such action violates the mandate of Article 19(1)(g) of the Constitution - liability to pay GST on sale of stock carried forward from the previous tax regime without corresponding input tax credit would lead to double taxation on the same subject matter and is, therefore, arbitrary and irrational; CBEC GST Flyer no. 20 dated 01.01.2018 refers - CENVAT credit earned under the erstwhile Central Excise law is the property of the writ-applicants and it cannot be appropriated for merely failing to file declaration in the absence of law in this respect (Article 300A refers) -

## **Due date contemplated u/r 117 of the CGST Rules, 2017 is procedural in nature and hence not mandatory**

It could have been appropriated by the government by providing for the same in the CGST Act but it cannot be taken away by virtue of merely framing Rules in this regard - All four writ-applications succeed and are allowed - respondents are directed to permit the writ-applicants to allow filing of declaration in form GST TRAN-1 and GST TRAN-2 so as to enable them to claim transitional credit of the eligible duties in respect of inputs held in stock on the appointed day in terms of s.140(3) of the Act - Furthermore, it is declared that the due date contemplated u/r 117 of the CGST Rules, 2017 is procedural in nature and thus should not be construed as a mandatory provision.

## Any ISSUES/ queries?



- <https://cbec-gst.gov.in/>
- [CBEC MITRA HELPDESK](#)
  - 1800 1200 232
  - [cbecmitra.helpdesk@icegate.gov.in](mailto:cbecmitra.helpdesk@icegate.gov.in)
- GSTN Help Desk
  - <https://selfservice.gstsystem.in/> - Grievance redressal portal
  - Help Desk Number: 0120-4888999

# Any ISSUES/ queries?

- Twitter Handles
- For General Questions
- [https://twitter.com/askGST\\_GoI](https://twitter.com/askGST_GoI)
- For technology related issues
- <https://twitter.com/askGSTech>
- NACIN twitter
- [https://twitter.com/NACIN\\_OFFICIAL](https://twitter.com/NACIN_OFFICIAL)

**THANK YOU**