ICSI - GST

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भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

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Inside The Issue

From the President

Dear Professional Colleagues,

While presenting the Interim Budget for 2019-2020, honourable Finance Minister, Shri Piyush Goyal stated that "last five years have seen India being universally recognised as a bright spot of the global economy. The country witnessed its best phase of macro-economic stability during this period. We are the fastest growing major economy in the world with an annual average GDP growth during last five years higher than the growth achieved by any Government since economic reforms began in 1991. From being the 11th largest economy in the world in 2013-14, we are today the 6th largest in the world. Besides generating high growth rate, we contained double-digit inflation and restored fiscal balance". This tremendous achievement is definitely contributed by continuous efforts of Government. Implementation of GST is one of the key ingredients of this journey. Over the last 20 months, India has seen a new era of economic growth, where ease of indirect taxes compliances with robust IT infrastructure are the witness of such growth.

Government is taking every possible step in understanding the grievance of taxpayers and simplifying the GST laws for better and smooth administration. Recently GST Council slashed down the GST rates on various goods & services and now only very few items are falling under 28% tax bracket. Various concerns & issues of Industry have been taken care by the Government in GST Amendment Acts, 2018 and the same is made effective from February 01, 2019.

Indeed, with all these constant initiatives of the government, when GST is paving the way for one Common National Market, the dedicated efforts of all of us as professionals are equally important in the success of GST. It is essential for us to keep ourselves updated with the latest developments in serving the professional expertise in GST.

Aligning our appreciation towards the Interim Budget 2019-20 and fortifying our efforts towards the success of GST, we are pleased to release our 22nd edition of ICSI GST Newsletter, a monthly circulation to the professional community containing various updates on GST laws.

We look forward for your feedback for further enriching the contents of GST Newsletter.

With best wishes

CS Ranjeet Pandey

President, ICSI

NO PAIN ONLY GAIN: LATEST CHANGES IN GST REGISTRATION PROVISIONS*

GST has brought various business reforms. Intention of any law is not to give pain but to provide gain. For achieving goal of Ease of doing business in India, various measures are taken and one of the prime focuses is on GST. Since long business community was demanding to allow taking one or more registration in the same state under same PAN even in the same line of Business, Government took proactive step and allow it through CGST Amendment Act 2018 which was notified w.e.f. 1st Feb 2019. Second area to cry was filing of Nil GST returns between the time period of applying for GST registration cancellation and its final approval by department which is also resolved.

- **Separate registration for multiple places of business within a State or a Union territory [Rule 11 of CGST Rules, 2017]**

Any person having multiple places of business within a State or a Union territory, requiring a separate registration for any such place of business under sub-section (2) of section 25 shall be granted separate registration in respect of each such place of business subject to the following conditions, namely:-

(a) Such person has more than one place of business as defined in clause (85) of section 2;

Section 2(85) of CGST Act 2017 "place of business" includes–– (a) a place from where the business is ordinarily carried on, and includes a warehouse, a godown or any other place where a taxable person stores his goods, supplies or receives goods or services or both; or (b) a place where a taxable person maintains his books of account; or (c) a place where a taxable person is engaged in business through an agent, by whatever name called;

**Contributed by Ms. Payal Kataria, FCS, and Special Invitee, ICSI-GST Core Advisory Group*
Views expressed in this article are the personal views of the author

(b) such person shall not pay tax under section 10 for any of his places of business if he is paying tax under section 9 for any other place of business;

Section 10 of CGST Act deals with Composition Levy and for all places of business either opt composition scheme or regular scheme.

It is clarified that where any place of business of a registered person that has been granted a separate registration becomes ineligible to pay tax under section 10, all other registered places of business of the said person shall become ineligible to pay tax under the said section.

Example: If Mr. A has already taken GST registration under regular Scheme in Punjab and as allowed in GST amendment Act, he can opt to take another registration in Punjab under regular Scheme only and cannot take Composition Scheme for second registration in Punjab.

(c) all separately registered places of business of such person shall pay tax under the Act on supply of goods or services or both made to another registered place of business of such person and issue a tax invoice or a bill of supply, as the case may be, for such supply.

Procedure to Take separate Registration in the Same State

A registered person opting to obtain separate registration for a place of business shall submit a separate application in FORM GST REG-01 in respect of such place of business.

The provisions of rule 9 and rule 10 relating to the verification and the grant of registration shall, mutatis mutandis, apply to an application submitted under this rule

There is no any other new form prescribed for taking separate registration in the same state and Form GST REG-01 is to be filed for the same.

Treatment of ITC

Transfer of credit on obtaining separate registration for multiple places of business within a State or Union territory- Procedural aspect [Rule 41A of CGST Rules, 2017]

(1) A registered person who has obtained separate registration for multiple places of business in accordance with the provisions of rule 11 and who intends to transfer, either wholly or partly, the unutilised input tax credit lying in his electronic credit ledger to any or all of the newly registered place of business, shall furnish within a period of thirty days from obtaining such separate registrations, the details in FORM GST ITC-02A electronically on the common portal, either directly or through a Facilitation Centre notified in this behalf by the Commissioner

Provided that the input tax credit shall be transferred to the newly registered entities in the ratio of the value of assets held by them at the time of registration.

Explanation.- For the purposes of this sub-rule, it is hereby clarified that the 'value of assets' means the value of the entire assets of the business whether or not input tax credit has been availed thereon.

(2) The newly registered person (transferee) shall, on the common portal, accept the details so furnished by the registered person (transferor) and, upon such acceptance, the unutilised input tax credit specified in FORM GST ITC-02A shall be credited to his electronic credit ledger.

❖ Suspension of registration [Rule 21A of CGST Rules, 2017]

(1) Where a registered person has applied for cancellation of registration under rule 20, the registration shall be deemed to be suspended from the date of submission of the application or the date from which the cancellation is sought, whichever is later, pending the completion of proceedings for cancellation of registration under rule 22.

(2) Where the proper officer has reasons to believe that the registration of a person is liable to be cancelled under section 29 or under rule 21, he may, after affording the said person a reasonable opportunity of being heard, suspend the registration of such person with effect from a date to be determined by him, pending the completion of the proceedings for cancellation of registration under rule 22.

(3) A registered person, whose registration has been suspended under sub-rule (1) or sub-rule (2), shall not make any taxable supply during the period of suspension and shall not be required to furnish any return under section 39.

(4) The suspension of registration under sub-rule (1) or sub-rule (2) shall be deemed to be revoked upon completion of the proceedings by the proper officer under rule 22 and such revocation shall be effective from the date on which the suspension had come into effect."

Section 29 of the CGST Act has been amended by the CGST (Amendment) Act, 2018 to provide for "Suspension" of registration. The intent of the said amendment is to ensure that a taxpayer is freed from the routine compliances, including filing returns, under GST Act during the pendency of the proceedings related to cancellation.

Conclusion: Before taking decision to take multiple registrations in the same state various points and parameters to be judged and calculated.

Applicability of Reverse Charge Mechanism (RCM) on Purchases from Unregistered Persons*

Section 9(4) of CGST Act, 2017 and Section 5(4) of IGST Act, 2017 contain provisions regarding Reverse Charge Mechanism (RCM) on purchases from unregistered persons.

GST on supplies from unregistered person to registered person is levied in the hands of registered person under RCM.

Government has amended the provisions regarding RCM on purchases from unregistered persons vide GST Amendment Acts, 2018.

	Before Amendment	After Amendment
Section 9(4)/ 5(4) of CGST Act/ IGST Act	The central tax/ integrated tax in respect of the supply of taxable goods or services or both by a supplier, who is not registered, to a registered person shall be paid by such person on reverse charge basis as the recipient and all the provisions of this Act shall apply to such recipient as if he is the person liable for paying the tax in relation to the supply of such goods or services or both.	The Government may, on the recommendations of the Council, by notification, specify a class of registered persons who shall, in respect of supply of specified categories of goods or services or both received from an unregistered supplier, pay the tax on reverse charge basis as the recipient of such supply of goods or services or both, and all the provisions of this Act shall apply to such recipient as if he is the person liable for paying the tax in relation to such supply of goods or services or both.
Analysis	Every registered person was liable to pay GST on all intra-state/ inter-state supplies of goods and services or both received from unregistered persons under reverse charge mechanism.	A class of registered person shall pay GST on all intra-state/ inter-state supplies of goods or services or both received from unregistered persons under reverse charge mechanism.

**Prepared by CS. Richa Gupta, Consultant, Dte of PD, PP & Studies, ICSI*

BEFORE AMENDMENT

An exemption was granted by Central Government vide Notification No. 08/2017- Central Tax (Rate) dated 28th June, 2017 to those registered persons whose aggregate value of supplies of goods or services or both received from any or all the suppliers, who is or are not registered doesn't exceed Rs. 5000 in a day.

This notification came into force with effect from the 1st day of July, 2017.

No such exemption was granted under IGST Act.

Central Government further vide Notification No. 38/2017- Central Tax (Rate) dated 13th October, 2017 extended such exemption to all the registered persons till 31st March, 2018.

Similar exemption notification was also issued under IGST Act on the same day to provide exemption for inter-state supplies from unregistered persons.

Such exemption was further extended to 30th June, 2018 then 30th September, 2018 and then 30th September, 2019 vide various Notifications issued by the Central Government for both intra-state and inter-state supplies from unregistered persons.

AFTER AMENDMENT

Notification No. 01/2019 – Central Tax (Rate) dated 29th January, 2019 rescinds notification No. 8/2017-Central Tax (Rate) dated 28th June, 2017 in view of bringing into effect the amendment regarding RCM on supplies by unregistered persons in the CGST Act.

Notification No. 01/2019 – Integrated Tax (Rate) dated 29th January, 2019 rescinds notification No. 32/2017-Integrated Tax (Rate) dated 13th October, 2017 in view of bringing into effect the amendments regarding RCM on supplies by unregistered persons in the IGST Act.

Consequent to the Notification No. 01/2019 – Central Tax (Rate) and Notification No. 01/2019 – Integrated Tax (Rate) dated 29th January, 2019 exemption provided till 30th September, 2019 also stands withdrawn.

W.e.f. 01.02.2019, Section 9(4)/ Section 5(4) to be applicable only for specified class of registered persons.

The class of persons to whom Section 9(4)/ Section 5(4) will be applicable is yet to be notified.

CONCLUSION

From 1.7.1017 to 13.10.2017	From 13.10.2017 to 31.1.2019	From 01.02.2019
Only those Registered Persons whose aggregate value of intra-state supplies of goods or services or both received from any or all the suppliers, who is or are not registered [i.e. from Unregistered Person(s)], doesn't exceed *Rs. 5000 in a day* were exempted.	All the Registered Persons receiving supplies (intra-state/ inter-state) of goods or services or both from any or all the suppliers, who is or are not registered [i.e. from Unregistered Person(s)], were exempted without any limit.	Section 9(4)/ Section 5(4) to be applicable only for specified class of Registered Persons in respect of specified category of goods or services or both. The class of persons and category of goods/ services in respect of which Section 9(4)/ Section 5(4) will be applicable is yet to be notified.

Major Amendments made in GST Amendment Acts, 2018 enforced w.e.f. February 01, 2019*

<table>
<tr><th>S. No.</th><th colspan="2">Major Amendments</th></tr>
<tr><td rowspan="3">1.</td><td colspan="2">New Provision: Section 49A inserted in CGST Act, 2017
The input tax credit (ITC) on account of Central tax, State tax or Union territory tax shall be utilised towards payment of Integrated tax, Central tax, State tax or Union territory tax, as the case may be, only after the input tax credit available on account of Integrated tax has first been utilised fully towards such payment.</td></tr>
<tr><td>An Example:
CGST Liability: ₹ 20,000</td><td>Available Input Tax Credit:
CGST Input: ₹ 7,000
SGST Input: ₹ 2,000
IGST Input: ₹ 12,000</td></tr>
<tr><td colspan="2">Order of Set Off:
1. IGST: ₹12,000
2. CGST: ₹ 7,000
3. Cash: ₹ 1,000</td></tr>
<tr><td>2.</td><td colspan="2">Newly inserted Section 49B in CGST Act, 2017 provides that the order and manner of utilization of ITC may be changed/ altered by the Government on the recommendations of the GST Council any time.</td></tr>
<tr><td>3.</td><td colspan="2">Reverse Charge Mechanism (RCM) provisions on supplies from unregistered person is restricted to specific class of registered person and for specific category of goods/ services.

The class of persons and category of goods/ services in respect of which Section 9(4)/ Section 5(4) will be applicable is yet to be notified.

(For detailed analysis, kindly refer Article: Applicability of Reverse Charge Mechanism (RCM) on Purchases from Unregistered Persons)</td></tr>
<tr><td>4.</td><td colspan="2">In respect of Composition Scheme, maximum limit of turnover has been enhanced from ₹ 1 Crore to ₹ 1.5 Crore.

Note: Maximum limit is enhanced by the amendment act but presently the limit is ₹ 1 Crore only.</td></tr>
</table>

**Prepared by CS. Richa Gupta, Consultant, Dte of PD, PP & Studies, ICSI*

	Further, manufacturers and traders can opt for composition scheme even if they supply services, provided that the value of such service should not exceed ten per cent of turnover in the preceding financial year or five lakh rupees, whichever is higher.
5.	Separate registration for each place of business in respect of a person having multiple place of business in a State allowed. Earlier, multiple registrations within a State were allowed only in cases of separate business vertical.
6.	During pendency of the proceedings relating to cancellation of registration, the registration may be suspended for such period and in such manner as may be prescribed. The intent of the said amendment is to ensure that a taxpayer is freed from the routine compliances, including filing returns, under GST Act during the pendency of the proceedings related to cancellation.
7.	Separate registration requirement for SEZ unit or developer incorporated in the Act itself in Section 25.
8.	Suppliers can issue consolidated credit note/ debit note for multiple invoices in a financial year. Practical problem of linking each credit note/ debit note to particular invoice has been resolved.
9.	Increase in threshold limit for obtaining GST registration in the States of Arunachal Pradesh, Assam, Himachal Pradesh, Meghalaya, Sikkim and Uttarakhand from earlier ₹ 10 lakhs to now ₹ 20 lakhs. After amendment, threshold limit is ₹ 10 Lacs in case of Manipur, Mizoram, Nagaland & Tripura **AND** ₹ 20 Lacs in case of remaining states. Further, Govt. has enabled itself, to increase threshold limit for obtaining GST Registration, from ₹ 10 lakh to ₹ 20 lakhs upon request received from any special category state.
10.	Input Tax Credit (ITC) will be available for motor vehicles having approved seating capacity of more than 13 persons (including driver). ITC will also be available in respect of dumpers, work-trucks, fork-lift trucks and other special purpose motor vehicles.

	No ITC shall be available for services of general insurance, servicing, repair and maintenance in so far as they relate to motor vehicles, vessels and aircraft for which the credit is not available. Scope of ITC available expanded.
11.	Any department of the Central Government or a State Government or a local authority, whose books of account are subject to audit by the Comptroller and Auditor-General of India or an auditor appointed for auditing the accounts of local authorities under any law for the time being in force need not to get their accounts audited by a Chartered Accountant or Cost Accountant under GST. Hence, they are not required to file audit report in FORM GSTR-9C.
12.	Activities specified in schedule II will be taxed, only when the activity is constituted as supply in accordance of provisions of Section 7(1) of the CGST Act. This provision is amended retrospectively w.e.f. July 01, 2017. The schedule doesn't decide whether a transaction is supply or not, rather it decides whether the supply is in the nature of supply of goods or supply of services. Drafting error is rectified.
13.	The principle of Unjust enrichment will be applicable in case where supplies are made to SEZ Unit/ Developer and tax is recovered by a unit located in Domestic Tariff Area (DTA) AND at the same time refund is also claimed by such unit. Refund will be available to SEZ Unit/ Developer only.
14.	In case of export of services, receipt of consideration in foreign currency is a pre-condition to claim refund. Amendment allows receipt of payment in Indian rupees, where permitted, by the RBI in case of export of services. [Section 54 of CGST Act]
15.	In case of any recovery is due from one unit in a particular state the amount can be recovered from another unit of same person located in different state also which means for the purpose of speedy recovery word person to include distinct person also (person with same PAN). [Section 79 of CGST Act]

16.	Law has restricted the maximum ceiling of pre-deposit in case of Appeals to Appellate Authority to ₹ 25 crores [Section 107(6) of CGST Act]; and Appeals to Appellate Tribunal to ₹ 50 crores [Section 112(8) of CGST Act] Earlier there was no ceiling limit.
17.	Time limit for payment of tax or penalty for goods detained or seized has been increased from 7 days to 14 days. [Section 129(6) of the CGST Act]
18.	Time limit for receipt of goods sent to job-worker for job-work (Section 143 of CGST Act): The period of 1 year (in case of inputs) and 3 years (in case of capital goods) may on showing sufficient cause can be extended by a Commissioner for a further period not exceeding 1 year (in case of inputs) and 2 years (in case of capital goods) respectively.
19.	In Schedule I of the principal Act, in paragraph 4, for the words "taxable person", the word "person" shall be substituted. An entity, even though not registered under GST, if receives services from their related parties located outside India, in course or furtherance of business, falls under an ambit of GST.
20.	Insertion of the words "OR TRANSACTIONS" after the word "ACTIVITIES" in the heading of Schedule II. Some items in the form of transactions will be better covered through this amendment. This provision is amended retrospectively w.e.f. July 01, 2017.
21.	• Supply of goods from a place in the non-taxable territory to another place in the non-taxable territory without such goods entering into India (Merchant Trade Transactions); • Sale of goods after dispatch from the port of origin located outside India but before clearance for home consumption (High Sea Sales); and • Supply of warehoused goods to any person before clearance for home consumption *not to be treated as supplies.* The above 3 transactions are specified under Schedule III through CGST Amendment Act.

GST News

1. GST Revenue collection for January 2019 crossed one lakh crore rupees

- The total gross GST revenue collected in the month of January, 2019 is **Rs 1,02,503 crore** of which CGST is **Rs 17,763 crore**, SGST is **Rs 24,826 crore**, IGST is **Rs 51,225 crore** (including **Rs 24,065 crore** collected on imports) and Cess is **Rs 8,690 crore** (including **Rs 902 crore** collected on imports).

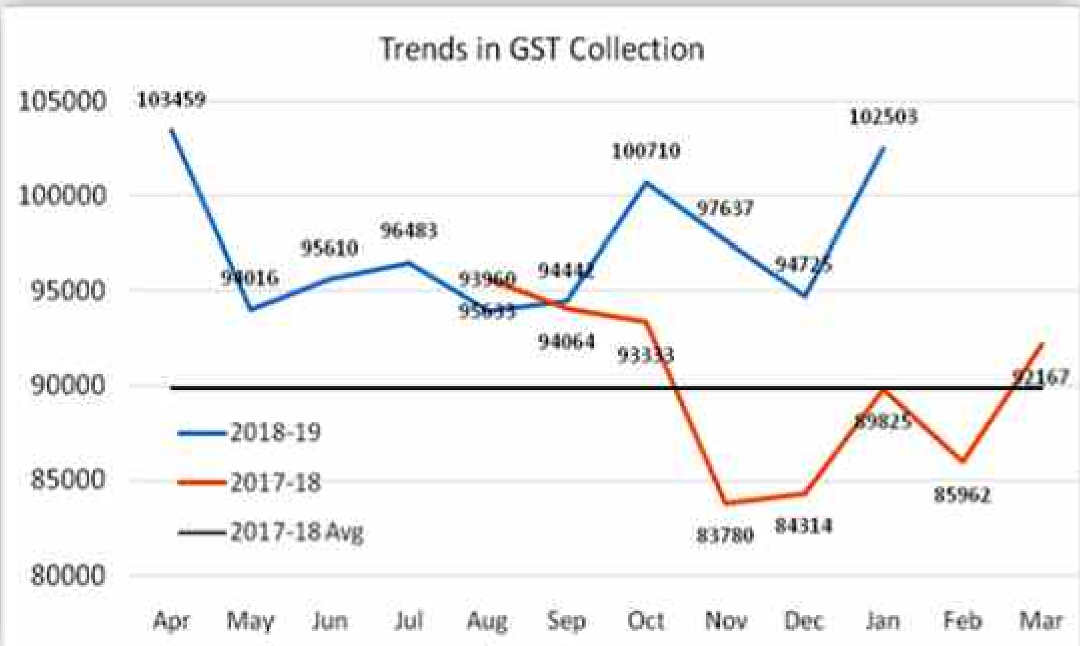
- In FY 2018-2019, it is for the third time that GST Revenue collection has crossed One Lakh Crore.

- The total number of GSTR-3B Returns filed for the month of December up to 31st January, 2019 is **73.3 lakh**.

- The collection in January 2019 is a significant increase from the collection of Rs 94,725 crore in December, which was a decline from Rs 97,637 crore in November and Rs 1,00,710 crore in October.

- January 2019 collections are 14% above the January 2018 collections of Rs 89,825 crore. This jump has been achieved despite various tax reductions having come into force that provided major relief to the consumers. The gross GST collections over the last three-month period has been 14% higher than the corresponding period last year.

The following Chart shows Trends in Revenue during the Current Financial Year 2018-19 as compared to the Last FY 2017-18:



http://pib.nic.in/newsite/PrintRelease.aspx?relid=187958

2. **Rising Revenue Trend prompted Government to estimate 18% growth in FY20 GST Collections: Ajay Bhushan Pandey**

- The Government has projected over 18 percent growth in GST collections in 2019-20 based on the rising trend in revenue mop up witnessed during the three-month period ending January 2019, Revenue Secretary Ajay Bhushan Pandey said.

- The central government plans to collect over Rs 7.61 lakh crore in Goods and Services Tax next fiscal as against the revised estimate of over Rs 6.43 lakh crore to be collected in the current financial year ending March.

- However, the collection during this fiscal would be less by Rs 1 lakh crore from the Rs 7.43 lakh crore estimated in the budget for 2018-19.

- Last fiscal, our average collection was Rs 89,000 crore. This fiscal, we are averaging Rs 97,000 crore. So, the revenue trend is on an upward scale. If one compares November, December, January of 2017-18 with that of 2018-19, one can see a 14 percent increase. So, based on this assessment, we have given the increase for next year said Ajay Bhushan Pandey, Revenue Secretary.

- He said during the last one-and-half years, a series of measures, both in rate rationalisation and processes, have been undertaken.

- The changes made to the GST system will hopefully lead to consolidation next year, which in turn will result in higher revenue, Pandey told PTI. “Based on that, we have given the estimate.”

  https://www.bloombergquint.com/gst/rising-revenue-trend-prompted-govt-to-peg-18-pc-rise-in-fy20-gst-collections-secy#gs.231u4y86

3. **GSTN develops system to fetch e-way bill data into monthly sales returns to curb evasion**

- Now, businesses supplying goods worth more than Rs 50,000 will have option to include details of e-way bills generated while filing the final monthly sales return under GSTR-1, a move aimed at curbing tax evasion by reporting different sets of supplies data.

- Matching of invoices of e-way bills with the sales shown in GSTR-1 will help taxmen in assessing whether the supplies have been accurately shown in sales return and GST paid on the same, tax experts said.

- "To avoid double data entry, GSTN has provided a facility to taxpayers, where month's e-way bill data is shown in format, which is required by a taxpayer to fill up the Form GSTR-1. The taxpayer can import data in his GSTR-1 form or import the same and use it with GSTR-1 offline tool to create his GSTR-1 Return Form," GST Network said.

- Touted as an anti-evasion measure, e-way bill system was rolled out on April 1, 2018, for moving goods worth over Rs 50,000 from one state to another. The same for intra or within the state movement was rolled out in a phased manner from April 15, 2018.

- Following this, it has come to investigative officers' notice that some transporters are doing multiple trips by generating only a single e-way bill or not reflecting e-way bill invoices while filing GSTR-1. It has also come to the notice that certain e-way bill is not being generated even as supplies are being made.

- While generating e-way bill, details of supplier, receiver and other invoice details like number, date, goods, quantity, HSN code etc are provided by the taxpayer on e-way Bill Portal. This data is now transferred to GST portal, GSTN, which has developed the technology backbone for Goods and Services Tax (GST), said.

- With this facility, taxpayer will not be required to enter data in his Form GSTR-1 for all invoices for which he has generated e-way bill. This will avoid double data entry by taxpayers. This facility will help taxpayer to fill up their Form GSTR-1 in less time. This will also avoid any data entry mistakes made while filling details," GSTN Chief Executive Prakash Kumar said.

- GSTN said it has divided the taxpayers into three categories to download /import the data into GSTR-1. In last 18 months, around 90 per cent of taxpayers have reported up to 50 B2B and B2C large invoices in a month.

- "Since these invoices can be easily seen on the screen, facility to import the data directly into GSTR-1 has been provided for such taxpayers. These taxpayers can edit the details imported in GSTR-1, if required, and then file their Form GSTR 1 online after adding other details like B2C supplies," GSTN said.

- For those having more than 50 invoices but up to 500, have been provided facility to download the data in a prescribed 'csv' file format, which can then be imported into GSTR 1 offline tool.

- In case the number of invoices is more than 500, the invoice details can be imported from return Dashboard on GST portal as a 'zip' file. Tax payer can add more invoices (like those below Rs 50,000 in value) and upload in offline tool to prepare his/her return.

- Linking of e-way bill data with GSTR-1 would help taxmen keep a tab on whether the supplies shown in e-way bill matches the sales shown in the returns form and thereby check evasion.
  https://economictimes.indiatimes.com/news/economy/finance/gstn-develops-system-to-fetch-e-way-bill-data-into-monthly-sales-returns-to-curb-evasion/articleshow/67756802.cms

4. Proposal to encourage taxmen to file GST profiteering complaints on anvil

- The GST officials are working out mechanism to prompt taxmen to initiate profiteering complaints, which could be taken up for further investigation by the Directorate General of Anti-Profiteering.

- Currently, only consumers file complaints against businesses for not passing on the benefits of reduction of the rates of Goods and Services Tax (GST) on various products.

- Under the standard operating procedure (SoP) being worked out by the GST officials, the Central and State Government Tax Officerswill be encouraged to take up suo moto the issue of profiteering by businesses, sources said.

- Once the tax officersfind that GSTbenefits have not been passed on to the consumers, they will refer the case for further investigation to the Directorate General of Anti-Profiteering (DGAP).

- As per the procedure, the DGAP submits its investigation report to the National Anti-Profiteering Authority (NAA), which decide on the final quantum of profiteering and the monetary penalty.

- In 2018, the NAA received 80 investigation reports from the DGAP and issued final orders in 29 cases. Of this, 9 businesses were found to have not passed on benefits of rate cuts of about Rs 559.90 crore to consumers.

- So far in 2019, the NAA has passed orders in 3 cases.

- Sources said as consumers often are reluctant to file complaints, the GST officials and the NAA are keen to rope in the field formation for filing complaints of profiteering against businesses.

- Sources further noted that consumers usually lag the expertise to ascertain whether the GST rate cut benefits have been passed on to them by way of reduction in prices. The tax officials, they said, will be able to find out with greater certainty, whether the tax cut benefits have been passed on to the consumers.

- The proposed mechanism will also act as a deterrent for businesses who show reluctance in passing on GST benefits

- The GST has replaced a tangle of local taxes and entry levies. Since its roll out on July 1, 2017, GST Councilhas reduced tax rates on a host of items.

- Of the 1,216 commodities being used at present, broadly 183 are taxed at zero rate, 308 at 5 per cent, 178 at 12 per cent, 517 at 18 per cent and 28 items in the 28 per cent slab.

  https://economictimes.indiatimes.com/news/economy/policy/proposal-to-encourage-taxmen-to-file-gst-profiteering-complaints-on-anvil/articleshow/67741096.cms

5. GoM favours paring GST to 5% on residential properties from 12% currently

- "The GoM favoured lowering GST rates on residential houses to 5 per cent without input tax credit and to 3 per cent for those under affordable housing," an official said.

- Currently, GST is levied at 12 per cent with Input tax credit (ITC) on payments made for under-construction property or ready-to-move-in flats where completion certificate has not been issued at the time of sale. ∴

- The effective pre-GST tax incidence on such housing property was 15-18 per cent.

- GST, however, is not levied on buyers of real estate properties for which completion certificate has been issued at the time of sale.

- There have been complaints that builders are not passing on the ITC benefit to consumers by way of reduction in price of the property after the rollout of GST.
https://www.business-standard.com/article/pti-stories/gom-favours-cutting-gst-to-5-pc-on-residential-properties-3-pc-on-affordable-housing-119020800716_1.html

6. Jubilant found guilty of not passing GST benefit on sale Of Domino's Pizza

- Jubilant FoodWorks Ltd., the operator of Domino's Pizza chain in India, has been found guilty of not passing on the goods and services tax cut benefit of Rs 41.42 crore on sale of some products and has been directed to deposit the illegal gains with the government.

- The National Anti-Profiteering Authority passed the order on an email complaint filed by a customer that Jubilant FoodWorks had not reduced the prices of 'Domino's Stuffed Garlic Bread' and 'Medium Veg Pizza' despite a cut in GST rate from 18 percent to 5 percent.

- The GST rate on restaurants was cut to 5 percent without input tax credit from 18 percent, effective Nov. 15, 2017.

- The anti-profiteering authority held that Jubilant FoodWorks has not passed on the benefit of reduction in the tax rate to its customers during the period Nov. 15, 2017 to May 31, 2018.

- It asked the company to reduce the prices of its products by way of commensurate reduction in taxes.

- "The respondent (Jubilant FoodWorks) is directed to refund to the applicant an amount of Rs 5.65 along with interest at the rate of 18 percent from the date of charging the above amount from him till its refund. It is further directed to deposit the balance amount of Rs 41,42,97,629.25 in the ratio of 50:50 in the central and the state consumer welfare funds along with interest at the rate of 18 percent till the same is deposited, within a period of three months," the National Anti-Profiteering Authority said.

- It also asked the Directorate General of Anti-Profiteering, which investigated the case, to conduct further investigation after May 31, 2018 to check if the benefit of tax reduction was passed to customers.

- "It is clear that the respondent has resorted to profiteering by charging more price than what he could have charged by issuing wrong tax invoices," the National Anti-Profiteering Authority said.

- The authority has also issued a show cause notice to Jubilant FoodWorks to explain why the penalty should not be imposed on the company.

- Jubilant FoodWorks operates quick service restaurant from 1,128 outlets across 31 sates and union territories.
https://www.bloombergquint.com/business/jubilant-found-guilty-of-not-passing-gst-benefit-on-sale-of-dominos-pizza#gs.D9ziL4wb

7. **One lakh students to be trained in GST accountancy, Govt. to fund fees**

- The Government is coming out with Goods and Services Tax(GST) Accountants course and plans to train about 1 lakh GST Accountants over the next one to one-and-half year.

- The course fees would be fully funded by the Government of India, ICAI (The Institute of Cost Accountants of India) president Amit Anand Apte told reporters.

- The objective of the programme is to ensure that compliance as far *GSTis concerned increases especially in the SMEs s*ector, he said adding the intention was to serve the sector because there was a gap between availability of trained resources and requirements.

- "GST Accountants programme will be launched very soon and about 1 lakh accountants will be trained specifically on GST compliances.

- We are working out the modalities with the Ministry of Corporate Affairs and the course would be tentatively launched by February end," Apte said.

  https://www.business-standard.com/article/pti-stories/icai-to-train-1-lakh-students-on-gst-accountants-course-119021400765_1.html

8. **GST Rate Cut on Housing Sales**

- **Affordable Homes:** The GST Council has approved lowering the tax rate on affordable housing to 1 % without ITC from earlier 8% with ITC.

- **Under-construction Flats:** The GST Council has approved lowering the tax rate on under-construction flats to 5% without ITC from earlier 12% with ITC.

- The new tax rates will be applicable from April 01, 2019.

- Definition of what constitutes affordable housing will be based on carpet area of flats— a residential house of carpet area of up to 90 square metre in non-metropolitan cities, and 60 square metre in metropolitan cities having value of up to Rs 45 lakh.

- Metropolitan cities where a house of 60 square metre will come under the affordable housing segment are Bengaluru, Chennai, Delhi NCR (limited to Delhi, Noida, Greater Noida, Ghaziabad, Gurgaon, Faridabad), Hyderabad, Kolkata and Mumbai, including Mumbai Metropolitan Region.

  https://www.bloombergquint.com/gst/gst-council-approves-5-tax-rate-for-under-construction-properties#gs.nNU2ABdi

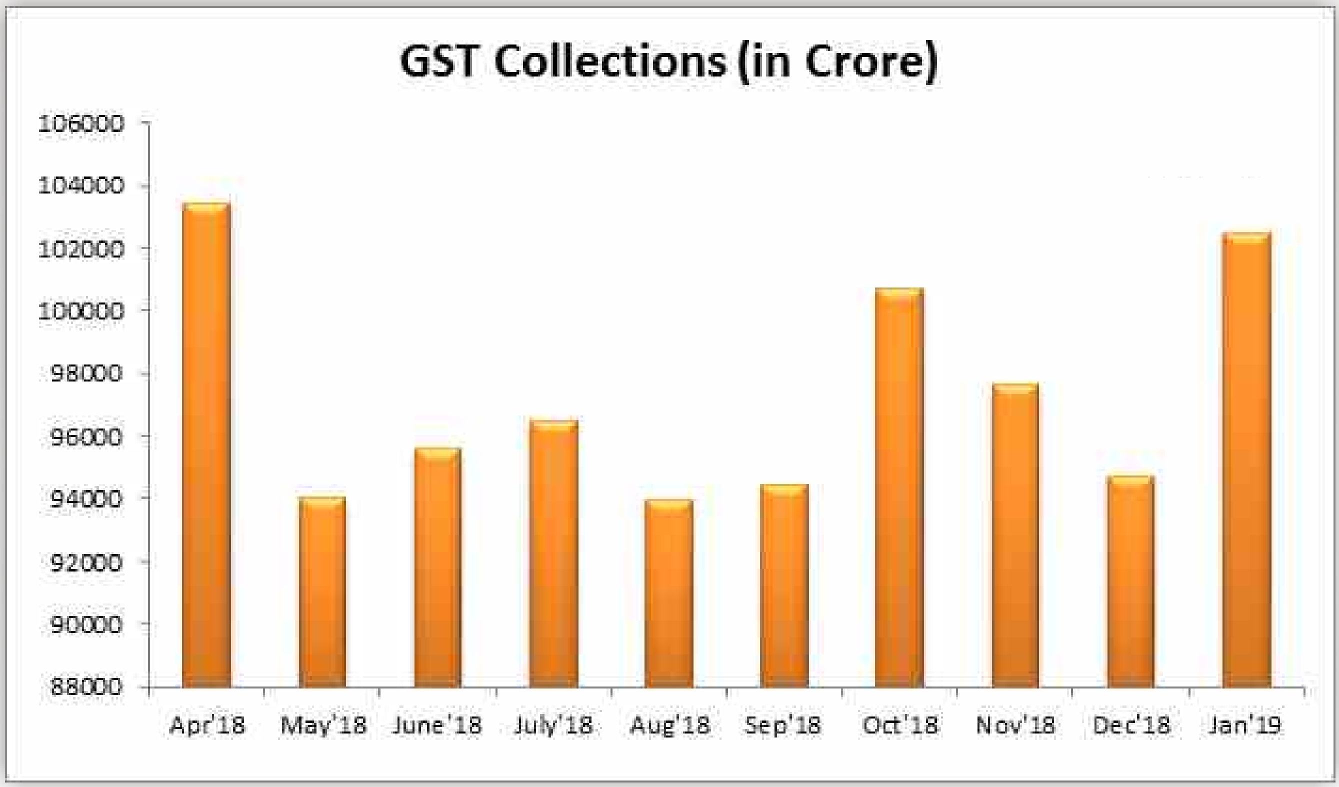
GST STATISTICAL UPDATES*

GST Collections

The total gross GST revenue collected in the month of January, 2019 is **Rs 1,02,503 crore.**

The GST collection stood at Rs. 103,458 crore in April 2018, Rs. 94,016 crore in May 2018, Rs. 95,610 crore in June 2018, Rs. 96,483 crore in July 2018, Rs. 93,960 crore in August 2018, Rs. 94,442 crore in September 2018, Rs. 100,710 crore in October 2018, Rs. 97,637 crore in November 2018 and Rs. 94,726 crore in December 2018 .

In FY 2018-2019, it is for the third time that GST Revenue collection has crossed One Lakh Crore.



** Prepared on the basis of information available at pib.nic.in:*

IGST Settlement between Centre and States

The government has settled Rs. 18,344 crore to CGST and Rs. 14,677 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 January, 2019 is **Rs. 36,107 crore** for CGST and **Rs. 39,503 crore** for the SGST.

Total Revenue earned by Central Government and State Government in the month of December (after regular IGST Settlement)

Central Govt.: Rs. 36,107 Crore CGST
(17,763 + 18,344 = 36,107)

State Govt.: Rs. 39,503 Crore SGST
(24,826 + 14,677= 39,503)

Form GSTR-3B filed from April' 2018 to January' 2019

S. No.	For the Month	Upto	In lacs
1	March, 2018	30th April, 2018	60.47
2	April, 2018	31st May, 2018	62.47
3	May, 2018	30th June, 2018	64.69
4	June, 2018	31st July, 2018	66.00
5	July, 2018	31st August, 2018	67.00
6	August, 2018	30th September, 2018	67.00
7	September, 2018	31st October, 2018	67.45
8	October, 2018	30th November, 2018	69.60
9	November, 2018	31st December, 2018	72.44
10	December, 2018	31st January, 2019	73.30

COMPLIANCE CALENDER – FEBRUARY 2019

GSTR-1 — Turnover exceeding Rs. 1.50 Crores or opted to file monthly Return

- March 11th, 2019

GSTR-3B — Monthly declaration return

- March 20th, 2019

GSTR-4 — Return for a taxpayer registered under the composition levy

- For Quarter January to March 2019 - April 18th, 2019

GSTR-5 — Return for a Non-Resident foreign taxable person

- March 20th, 2019

GSTR-6 — Return for an Input Service Distributor

- March 13th, 2019

GSTR-7 — Return for authorities deducting tax at source

- For October 2018 to January 2019 - February 28th, 2019

GSTR-8 — Details of supplies effected through e-commerce operator and the amount of tax collected

- March 10th, 2019

**Prepared by Mr. Deepak Kumar, Assistant Director, Dte of PD PP & Studies, ICSI*

GST QUIZ

1	ITC can be claimed by a registered person for_______________.	A. Taxable supplies for business purpose B. Taxable supplies for non-business purpose C. Exempted supplies D. All of the above
2	ITC can be claimed on goods/services for personal use if _________________.	A. Payment to supplier has been made B. Return being filed C. All of the above D. No ITC can be claimed
3	ITC on works contract service can be availed only if ___________________.	A. Service related to movable property B. Service related to immovable property C. Engaged in same line of business D. All of above
4	The principal can avail ITC on goods sent to job-worker which relates to ____________.	A. Inputs B. Capital Goods C. Inputs/ Capital goods directly sent to job-worker D. All of the above
5	Input Tax credit as credited in electronic Credit ledger can be utilized for payment of__________.	A. Interest B. Penalty C. Fine D. Taxes

Answer: Q1- A, Q2- D, Q3- C, Q4- D, Q5- D

*Prepared by CS. Richa Gupta, Consultant, Dte of PD, PP & Studies, ICSI

THE INSTITUTE OF
Company Secretaries of India
भारतीय कम्पनी सचिव संस्थान
IN PURSUIT OF PROFESSIONAL EXCELLENCE
Statutory body under an Act of Parliament

Appeal to Register as GST Practitioner

Dear Professional Colleagues,

The Company Secretaries are rendering various value added services to the trade and industry and acting as an extended arm of the regulatory mechanism. There are ample opportunities available for Company Secretaries in GST regime viz. Compliances, advisory, consultancy, tax planning, representational services etc. as they are well versed in understanding the nuances of laws & taxation system.

Many of our members are actively practicing in GST and are widely recognised as GST Expert.

In this regard we request the members to kindly register their name as GST Practitioner and also inform to the Institute in order to facilitate ICSI stakeholders to Know About Your Expertise.

You may register yourself as GST Practitioner in the prescribed form at GST Portal available at the web link:

https://reg.gst.gov.in/registration/

Further, we request you to share your details with ICSI at the following link:

https://bit.ly/2HwIpPm

Regards

(CS Ranjeet Pandey)
President

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