



GST KEY UPDATES

JUNE, 2020

HRD 030/ 20-21

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Chartered Accountants



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KEY POINTS

- In case where a notice has been issued for rejection of refund claim, in full or in part & where time limit for issuance of order (i.e. 60 days from receipt of application) falls during the period from **20th March, 2020 to 30th August, 2020** in such cases the time limit for issuance of said order shall be extended to **15 days after receipt of reply of notice** from registered person or **31st August, 2020**, whichever is later.
- E-way bills generated on or before **24th March, 2020** & whose validity has expired on or after **20th March, 2020**, shall be deemed to valid till **30th June, 2020**.
- **GSTR-3B & GSTR 1** can be filed through EVC till **30th September, 2020** in case of registered person being Company.
- Relief by lowering of interest rate for a prescribed time for tax periods from **February, 2020 to July, 2020**.
- Lowering/waiving of late fees for non-furnishing of **FORM GSTR-3B** from **July, 2017 to January, 2020** and also relief by conditional waiver of late fee for delay in furnishing returns in **FORM GSTR-3B** for tax periods of **February, 2020 to July, 2020**.
- Waiver of late fee for delay in furnishing outward statement in **FORM GSTR-1** for tax periods for months from **March, 2020 to June, 2020** for monthly filers and for quarters from **January, 2020 to June, 2020** for quarterly filers has been notified.
- Extension of due date for furnishing **FORM GSTR-3B** for supply made in the month of **August, 2020** for taxpayers with annual turnover **up to Rs. 5 crores** is notified.



SIGNIFICANT NOTIFICATIONS

Notification No.	Key Update
<p>44/2020- Central Tax, Dt-08-06-2020 and</p> <p>44/2020- MGST Act, Dt-22-06-2020</p>	<p>➤ <u>Seeks to give effect to the provisions of Rule 67A for furnishing a nil return in FORM GSTR-3B by SMS</u></p> <ul style="list-style-type: none">• Enablement of SMS- <p>A new clause 67A has been inserted. As per the said provision, a registered person will be allowed to file Nil GSTR-3B for a tax period through a short messaging service using the registered mobile number and Nil GSTR-3B shall be verified by a registered mobile number based One Time Password facility.</p> <ul style="list-style-type: none">• For the purpose of this rule, a Nil return shall mean a return for a tax period that has nil or no entry in all the Tables in FORM GSTR-3B.• The government hereby provides 8th June, 2020 as the date from which the said provisions shall come into force.
<p>45/2020- Central Tax, Dt-08-06-2020</p>	<p>➤ <u>Seeks to extend the date for transition under GST on account of merger of erstwhile Union Territories of Daman and Diu & Dadar and Nagar Haveli.</u></p> <ul style="list-style-type: none">• Those persons whose principal place of business or place of business was in the erstwhile Union territory of Daman and Diu or in the erstwhile Union territory of Dadra and Nagar Haveli till the 26th day of January, 2020; and is in the merged Union territory of Daman and Diu and Dadra and Nagar Haveli from the 27th day of January, 2020 onwards, as the class of persons who shall, follow a special procedure till the 31st day of July 2020 (the transition date). <p>This notification shall come into force with effect from the 31st May, 2020.</p>

<p>46/2020-Central Tax, Dt-09-06-2020 (amended)</p> <p>56/2020-Central Tax, Dt-27-06-2020</p>	<p>➤ <u>Seeks to extend period to pass order under Section 54(7) of CGST Act.</u></p> <ul style="list-style-type: none"> • Government hereby notifies that in case where a notice has been issued for rejection of refund claim, in full or in part & where time limit for issuance of order (i.e. 60 days from receipt of application) falls during the period from 20th March, 2020 to 30th August, 2020 in such cases the time limit for issuance of said order shall be <ul style="list-style-type: none"> a) 15 days after receipt of reply of notice from registered person or b) 31st August, 2020, whichever is later. <p>➤ This notification shall come into force with effect from the 20th March, 2020.</p>
<p>47/2020-Central Tax, Dt-09-06-2020 and</p> <p>47/2020-MGST Act, Dt-22-06-2020</p>	<p>➤ <u>E-way bills generated on or before 24th March, 2020 & whose validity has expired on or after 20th March 2020, shall be deemed to valid till 30th June 2020.</u></p>
<p>48/2020-Central Tax, Dt-19-06-2020</p>	<p>➤ <u>GSTR-3B & GSTR 1 can be filed through EVC till 30.09.2020 in case of registered person being Company.</u></p> <ul style="list-style-type: none"> • Enablement of EVC- • The registered person registered under the provisions of the Companies Act, 2013 will be allowed to file GSTR-3B through electronic verification code (EVC) without using DSC during the period from 21st April, 2020 to 30th September, 2020. • The registered person registered under the provisions of the Companies Act, 2013 will be allowed to file GSTR-1 through electronic verification code (EVC) without using DSC during the period from 27th May, 2020 to 30th September, 2020. • This notification shall come into force with effect from the 27th May, 2020.
<p>49/2020-Central Tax, Dt-24-06-2020</p>	<p>➤ <u>Seeks to bring into force Sections 118, 125, 129 & 130 of Finance Act, 2020 in order to bring amendment to Sections 2, 109, 168 & 172 of CGST Act w.e.f. 30.06.2020.</u></p> <p>Many provisions of the CGST Act have been amended in the Finance Bill 2020 and some of the same have been notified and the effective date is 30th June, 2020.</p>

- **Section-118 of Finance Act 2020: Amendment of section 2 of CGST Act**

In section 2 of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the Central Goods and Services Tax Act), in clause (114), for sub-clauses (c) and (d), the following sub-clauses shall be substituted, namely:-

(c) Dadra and Nagar Haveli and Daman and Diu;

(d) Ladakh;

- **Section – 125 of Finance Act 2020: Amendment of section 109 of CGST Act**

In section 109 of the Central Goods and Services Tax Act, in sub-section (6),

(a) the words “except for the State of Jammu and Kashmir” shall be omitted;

(b) the first proviso shall be omitted.

- **Section – 129 of Finance Act 2020: Amendment of section 168 of CGST Act**

In section 168 of the **Central Goods and Services Tax Act**, in sub-section (2), for the words, brackets and figures “sub-section (5) of section 66, sub-section (1) of section 143”, the words, brackets and figures “sub-section (1) of section 143, except the second proviso thereof” shall be substituted.

- **Section – 130 of Finance Act 2020: Amendment of section 172 of CGST Act**

In section 172 of the Central Goods and Services Tax Act, in sub-section (1), in the proviso, for the words “three years”, the words “five years” shall be substituted.

(Section 172- If any difficulty arises in giving effect to any provisions of this Act, the Government may, on the recommendations of the Council, by a general or a special order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act or the rules or regulations made thereunder, as may be necessary or expedient for the purpose of removing the said difficulty:

Provided that no such order shall be made after the expiry of a period of three years from the date of commencement of this Act.)

<p>50/2020-Central Tax, Dt-24-06-2020</p>	<p>➤ <u>Seeks to make seventh amendment (2020) to CGST Rules.</u></p> <ul style="list-style-type: none"> This notification has clarified the prescribed the rates for Composition Scheme which will be effective from 01/04/2020. <table border="1" data-bbox="467 296 1529 1335"> <thead> <tr> <th>Section under which composition levy is opted</th> <th>Category of registered persons</th> <th>Rate of tax</th> </tr> </thead> <tbody> <tr> <td>Sub-sections (1) and (2) of section 10 – Engaged only in Supply of Goods</td> <td>Manufacturers, other than manufacturers of such goods as may be notified by the Government</td> <td>half per cent. of the turnover in the State or Union territory</td> </tr> <tr> <td>Sub-sections (1) and (2) of section 10 – Engaged only in Supply of Goods</td> <td>Suppliers making supplies referred to in clause (b) of paragraph 6 of Schedule II(supplier of restaurant Service)</td> <td>two and a half per cent. of the turnover in the State or Union territory</td> </tr> <tr> <td>Sub-sections (1) and (2) of section 10 – Engaged only in Supply of Goods</td> <td>Any other supplier eligible for composition levy under sub- sections (1) and (2) of section 10</td> <td>half per cent of the turnover of taxable supplies of goods and services in the State or Union territory</td> </tr> <tr> <td>Sub-section (2A) of section 10 – Engaged in Supply of Goods & Services</td> <td>Registered persons not eligible under the composition levy under sub-sections (1) and (2), but eligible to opt to pay tax (2A), of section 10</td> <td>three per cent. of the turnover of supplies of goods and services in the State or Union territory.</td> </tr> </tbody> </table> <ul style="list-style-type: none"> This notification shall come into force with effect from the 1st April, 2020. 	Section under which composition levy is opted	Category of registered persons	Rate of tax	Sub-sections (1) and (2) of section 10 – Engaged only in Supply of Goods	Manufacturers, other than manufacturers of such goods as may be notified by the Government	half per cent. of the turnover in the State or Union territory	Sub-sections (1) and (2) of section 10 – Engaged only in Supply of Goods	Suppliers making supplies referred to in clause (b) of paragraph 6 of Schedule II(supplier of restaurant Service)	two and a half per cent. of the turnover in the State or Union territory	Sub-sections (1) and (2) of section 10 – Engaged only in Supply of Goods	Any other supplier eligible for composition levy under sub- sections (1) and (2) of section 10	half per cent of the turnover of taxable supplies of goods and services in the State or Union territory	Sub-section (2A) of section 10 – Engaged in Supply of Goods & Services	Registered persons not eligible under the composition levy under sub-sections (1) and (2), but eligible to opt to pay tax (2A), of section 10	three per cent. of the turnover of supplies of goods and services in the State or Union territory.
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<p>51/2020-Central Tax, Dt-24-06-2020,</p> <p>05/2020-Integrated Tax, Dt-24-06-2020 and</p> <p>02/2020-Union Territory Tax, Dt-24-06-2020</p>	<p>➤ <u>Relief by lowering of interest rate for a prescribed time for tax periods from February, 2020 to July, 2020.</u></p> <table border="1" data-bbox="430 1598 1523 1974"> <thead> <tr> <th>Turnover in preceding FY</th> <th>Tax Period</th> <th>Interest liability</th> <th>Interest</th> </tr> </thead> <tbody> <tr> <td>More than 5 Crore</td> <td>February, 2020, March, 2020, April, 2020</td> <td>Nil for first 15 days from the due date, and 9 % thereafter till 24th June, 2020.</td> <td></td> </tr> <tr> <td rowspan="2">Upto 5 Crore & Specifies states (Chhattisgarh, Madhya Pradesh,</td> <td>February,2020</td> <td>Nil till 30th June, 2020</td> <td rowspan="2">thereafter 9% till 30.09.2020</td> </tr> <tr> <td>March, 2020</td> <td>Nil till 3rd July,2020</td> </tr> </tbody> </table>	Turnover in preceding FY	Tax Period	Interest liability	Interest	More than 5 Crore	February, 2020, March, 2020, April, 2020	Nil for first 15 days from the due date, and 9 % thereafter till 24 th June, 2020.		Upto 5 Crore & Specifies states (Chhattisgarh, Madhya Pradesh,	February,2020	Nil till 30 th June, 2020	thereafter 9% till 30.09.2020	March, 2020	Nil till 3 rd July,2020
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	March, 2020	Nil till 3 rd July,2020													

Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana or Andhra Pradesh or the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands and Lakshadweep)	April, 2020	Nil till 6 th July, 2020	
	May, 2020	Nil till 12 th September, 2020	
	June, 2020	Nil till 23 rd September, 2020	
	July, 2020	Nil till 27 th September, 2020	
	Upto 5 Crore & Specifies states (Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand or Odisha or the Union territories of Jammu and Kashmir, Ladakh, Chandigarh and Delhi)	February, 2020	Nil till 30 th June, 2020
		March, 2020	Nil till 5 th July, 2020
		April, 2020	Nil till 9 th July, 2020
		May, 2020	Nil till 15 th September, 2020
		June, 2020	Nil till 25 th September, 2020
		July, 2020	Nil till 29 th September, 2020

52/2020-Central Tax, Dt-24-06-2020 (amended)

57/2020-Central Tax, Dt-30-06-2020

➤ **One time amnesty by lowering/waiving of late fees for non furnishing of FORM GSTR-3B from July, 2017 to January, 2020 and relief by conditional waiver of late fee for delay in furnishing returns in FORM GSTR-3B for tax periods of February, 2020 to July, 2020.**

- Wavier of Late Fees for delay in filing of GSTR-3B for the returns from Feb 2020 till June 2020 –

Turnover in preceeding FY	Tax period	Late fees waived if GSTR 3B filed before
More than 5 crore rupees	February, 2020, March, 2020, April, 2020	24.06.2020
	May, 2020 to July, 2020	30.9.2020
Upto 5 crores and specified states (Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana or Andhra	February, 2020	30.06.2020
	March, 2020	03.07.2020
	April, 2020	06.07.2020
	May, 2020	12.09.2020
	June, 2020	23.09.2020
	July, 2020	27.09.2020

	Pradesh or the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands and Lakshadweep)																
	Upto 5 Crore & Specifies states (Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand or Odisha or the Union territories of Jammu and Kashmir, Ladakh, Chandigarh and Delhi)	February, 2020	30.06.2020														
		March, 2020	05.07.2020														
		April, 2020	09.07.2020														
		May, 2020	15.09.2020														
		June, 2020	25.09.2020														
		July, 2020	29.09.2020														
53/2020-Central Tax, Dt-24-06-2020	<ul style="list-style-type: none"> Late fees for July, 2017 to July, 2020 stand waived off if GSTR 3B is Nil and filed after 01.07.2020 to 30.09.2020. Late fees is limited to Rs. 500 (CGST + SGST) for July, 2017 to July, 2020 if GSTR 3B is not a Nil return and furnished after 01.07.2020 to 30.09.2020. <p>➤ <u>Waiver of late fee for delay in furnishing outward statement in FORM GSTR-1 for tax periods for months from March, 2020 to June, 2020 for monthly filers and for quarters from January, 2020 to June, 2020 for quarterly filers</u></p> <ul style="list-style-type: none"> The late fees for GSTR-1 stands waived for the following months if the return is filed before the dates mentioned <table border="1" data-bbox="467 1409 1528 1953"> <thead> <tr> <th>Month/ Quarter</th> <th>Dates</th> </tr> </thead> <tbody> <tr> <td>March,2020</td> <td>10.07.2020</td> </tr> <tr> <td>April, 2020</td> <td>24.07.2020</td> </tr> <tr> <td>May, 2020</td> <td>28.07.2020</td> </tr> <tr> <td>June, 2020</td> <td>05.08.2020</td> </tr> <tr> <td>January to March,2020</td> <td>17.07.2020</td> </tr> <tr> <td>April to June,2020</td> <td>03.08.2020</td> </tr> </tbody> </table>			Month/ Quarter	Dates	March,2020	10.07.2020	April, 2020	24.07.2020	May, 2020	28.07.2020	June, 2020	05.08.2020	January to March,2020	17.07.2020	April to June,2020	03.08.2020
Month/ Quarter	Dates																
March,2020	10.07.2020																
April, 2020	24.07.2020																
May, 2020	28.07.2020																
June, 2020	05.08.2020																
January to March,2020	17.07.2020																
April to June,2020	03.08.2020																

<p>54/2020-Central Tax, Dt-24-06-2020</p>	<p>➤ <u>Extension of due date for furnishing FORM GSTR-3B for supply made in the month of August, 2020 for taxpayers with annual turnover up to Rs. 5 crore.</u></p> <table border="1" data-bbox="454 256 1529 777"> <tr> <td data-bbox="454 256 993 499"> <p>(Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana or Andhra Pradesh or the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands and Lakshadweep)</p> </td> <td data-bbox="993 256 1529 499"> <p>1st October, 2020</p> </td> </tr> <tr> <td data-bbox="454 499 993 777"> <p>(Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand or Odisha or the Union territories of Jammu and Kashmir, Ladakh, Chandigarh and Delhi)</p> </td> <td data-bbox="993 499 1529 777"> <p>3rd October, 2020</p> </td> </tr> </table>	<p>(Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana or Andhra Pradesh or the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands and Lakshadweep)</p>	<p>1st October, 2020</p>	<p>(Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand or Odisha or the Union territories of Jammu and Kashmir, Ladakh, Chandigarh and Delhi)</p>	<p>3rd October, 2020</p>
<p>(Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana or Andhra Pradesh or the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands and Lakshadweep)</p>	<p>1st October, 2020</p>				
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<p>55/2020-Central Tax, Dt-27-06-2020</p>	<p>➤ <u>Seeks to amend notification no. 35/2020-Central Tax in order to extend due date of compliance which falls during the period from "20.03.2020 to 30.08.2020" till 31.08.2020.</u></p> <p>Notification under section 168A of CGST Act for extending due date of specific compliance which falls during the period from the 20th March, 2020 to the 30th August, 2020, to 31st August, 2020.</p> <p>Such Compliance Includes-</p> <p>(a) completion of any proceeding or passing of any order or issuance of any notice, intimation, notification, sanction or approval or such other action, by whatever name called, by any authority, commission or tribunal, by whatever name called, under the provisions of the Acts stated above; or</p> <p>(b) filing of any appeal, reply or application or furnishing of any report, document, return, statement or such other record, by whatever name called, under the provisions of the Acts stated above;</p> <p>but, such extension of time shall not be applicable for the compliances of the provisions of the said Act, as mentioned below-</p> <p>(A) Chapter IV i.e. Time and Value of Supply.</p> <p>(B) Sections 25 i.e. Procedure for Registration, Section 27i.e. Special provisions relating to casual taxable person and non-resident taxable person, Section 31 i.e. Tax Invoice, Section 37 i.e. Furnishing of details of Outward Supplies, Section 47 i.e. Levy of Late Fees,</p>				

	<p>Section 50 i.e. Interest on delayed payment of Tax, Section 69 i.e. Power to Arrest, Section 90 i.e. Liability of partner of firm to pay tax, Section 122 i.e. Penalty of certain offences, Section 129 i.e. Detention, seizure and release of goods and conveyances in transit;</p> <p>(C) Section 39 i.e. Furnishing of Returns, except sub-section (3), (4) and (5)</p> <p>(D) Section 68 i.e. Inspection of goods in movement, in so far as e-way bill is concerned; and,</p> <p>(E) Rules made under the provisions specified at clause (a) to (d) above.</p>
<p>04/2020- Integrated Tax, Dt-24-06-2020</p>	<p>➤ <u>Seeks to bring into force Section 134 of Finance Act, 2020 in order to bring amendment to Section 25 of IGST Act w.e.f. 30.06.2020.</u></p> <ul style="list-style-type: none"> • CBIC notifies 30th day of June, 2020 as date of applicability of section 134 of Finance Act, 2020 vide which- In section 25 of the Integrated Goods and Services Tax Act, 2017, in sub-section (1), in the proviso, for the words ‘three years’, the words ‘five years’ was substituted. • Removal of difficulties If any difficulty arises in giving effect to any provision of this Act, the Government may, on the recommendations of the Council, by a general or a special order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act or the rules or regulations made thereunder, as may be necessary or expedient for the purpose of removing the said difficulty: <p>Provided that no such order shall be made after the expiry of a period of Five Years from the date of commencement of this Act.</p> <p>Every order made under this section shall be laid, as soon as may be, after it is made, before each House of Parliament.</p> <p>➤ Word three years replaced with word Five Years with effect from 30th June, 2020.</p>

**Notification Dt- 27.06.2020
The Taxation And Other Laws (Relaxation Of Certain Provisions) Ordinance, 2020"**

➤ **Extension of due date of compliance under Central Excise Act, Customs Act, Customs Tariff Act and Finance Act, 1994 which falls during the period from "20.03.2020 to 29.09.2020" till 30.09.2020**

Statute	Nature of compliances	Due date of compliances	Relief
Central Excise Act,1944	a. completion of any proceedings or issuance of any order, notice, intimation, or sanction or approval, by whatever name called, by any authority, commission, tribunal, by whatever name called, by any authority, commission, tribunal, by whatever name called; or b. Filing of any appeal, reply or application of furnishing of any report, document, return or statement, by whatever name called	Falling during the period from 20 th March 2020 to 29 th September 2020 (earlier 29 June 2020)	Due dates stand extended to 30 September 2020
Customs Act, 1962 (except certain specified sections)			
Customs Tariffs Act, 1975			
Chapter V of the Finance Act ,1944 (service Tax provisions)			

<p>Instruction No. 3/2/2020- MGST Act, Dt-24/06/2020</p>	<p>➤ <u>Payment of GST by real estate promoter/developer supplying construction of residential apartment etc., on the shortfall value of inward supplies from registered supplier at the end of the financial year</u></p> <ul style="list-style-type: none"> • A revised GST rate has been prescribed, w.e.f. 1st April, 2019 on the supply of service by way of construction of residential apartment. Under this, construction of affordable residential apartments attracts GST at the rate of 1% [without ITC] and other residential apartments attract GST at the rate of 5% [without ITC]. • One of the condition prescribed is that at least 80% of value of input and input services, [other than services by way of grant of development rights, long term lease of land or FSI, electricity, high speed diesel, motor spirit, natural gas], used in supplying the construction service, shall be received by the promoter/developer from registered supplier only. In case of shortfall from the said threshold of 80 per cent., the promoter/developer shall pay the tax on the value of input and input services comprising such shortfall in the manner as has been prescribed. This tax shall be paid through a prescribed form electronically on the common portal by end of the quarter following the financial year. Accordingly, for FY 2019-20, tax on such shortfall is to be paid by the 30th June, 2020. • In the above context, requests have been received seeking details of prescribed form on which the said tax amount has to be reported. • The issue referred by the trade has been examined. It has been decided that FORM GST DRC-03, as already prescribed, shall be used for making the payment of such tax by promoter/developer. Accordingly, person required to pay tax in accordance with the said notification on the shortfall from threshold requirement of procuring input and input services (below 80%) from registered person shall use the form DRC-03 to pay the tax electronically on the common portal within the prescribed period.
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SIGNIFICANT CIRCULARS & ORDERS

Sr. No.	Circular/ Order No.	Key Update
1.	139/9/2020-Central Tax Dt-10-06-2020	<p>➤ <u>Clarification on Refund Related Issues.</u></p> <ul style="list-style-type: none">• The refund of ITC availed in respect of invoices not reflected in FORM GSTR-2A was admissible and copies of such invoices were required to be uploaded. However, in wake of insertion of sub-rule (4) to rule 36 of the CGST Rules, 2017 vide notification No. 49/2019-GST dated 09.10.2019, various references have been received from the field formations regarding admissibility of refund of the ITC availed on the invoices which are not reflecting in the FORM GSTR-2A of the applicant.• The matter has been examined and it has been decided that the refund of accumulated ITC shall be restricted to the ITC as per those invoices, the details of which are uploaded by the supplier in FORM GSTR-1 and are reflected in the FORM GSTR-2A of the applicant.• Representations have been received that in some cases, refund sanctioning authorities have rejected the refund of accumulated ITC in respect of ITC availed on Imports, ISD invoices, RCM etc. on the basis that the details of the said invoices/documents are not reflected in FORM GSTR-2A of the applicant.• In this context it is noteworthy that before the issuance of Circular No. 135/05/2020-GST dated 31st March, 2020, refund was being granted even in respect of credit availed on the strength of missing invoices (not reflected in FORM GSTR-2A) which were uploaded by the applicant along with the refund application on the common portal. However, vide Circular No.135/05/2020 – GST dated the 31st March, 2020, the refund related to these missing invoices has been restricted. Now, the refund of accumulated ITC shall be restricted to the ITC available on those invoices, the details of which are uploaded by the supplier in FORM GSTR-1 and are reflected in the FORM GSTR-2A of the applicant. <p>The aforesaid circular does not in any way impact the refund of ITC availed on the invoices / documents relating to imports, ISD invoices and the inward supplies liable to Reverse Charge (RCM supplies) etc. It is hereby clarified that the treatment of refund of such ITC relating to imports, ISD invoices and the</p>

		inward supplies liable to Reverse Charge (RCM supplies) will continue to be same as it was before the issuance of Circular No. 135/05/2020-GST dated 31 st March, 2020.
2.	140/10/2020- Central Tax Dt-10-06- 2020	<p>➤ <u>Clarification in respect of levy of GST on Director's Remuneration.</u></p> <p><u>For independent director and Whole time director who is not an employee of the company</u></p> <ul style="list-style-type: none"> • Whole time director- a person who is not an employee of the company. • 'Independent Directors- such director which has not been an employee or proprietor or a partner of the said company, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed in the said company. • Those independent and Whole time directors are liable for GST where recipient of the said service i.e. the company is liable to discharge GST on RCM basis. <p><u>For Director who is an employee of the company-</u></p> <ul style="list-style-type: none"> • Whether remuneration paid to director is subject to deduction of TDS u/s 192 of Income Tax Act under head "Salaries". <p>Not liable for GST Such salaries are not taxable under GST being consideration for services by an employee to the employer in the course of or in relation to his employment.</p> <ul style="list-style-type: none"> • Whether remuneration paid to director is subject to deduction of TDS u/s 194J of Income Tax Act –under head "Fees for professional services". <p>Liable for GST- The Recipient of the said service i.e. the Company, is liable to discharge the GST on it on reverse charge basis.</p>
3.	141/11/2020- Central Tax Dt-10-06- 2020	<p>➤ <u>Clarification in respect of various measures announced by the Government for providing relief to the taxpayers in view of spread COVID-19</u></p> <ul style="list-style-type: none"> • Manner of calculation of interest delayed filing of GSTR 3B for taxpayers having aggregate turnover above Rs. 5 Cr • The calculation of interest in respect of this class of registered persons for delayed filing of return for the month of March, 2020 (due date of filing being 20.04.2020) is as illustrated in the Table below:

Date of filling GSTR 3B	No. of days of delay	Interest
02.05.2020	12	Zero interest
20.05.2020	30	Zero interest for 15 days, thereafter interest rate @9% p.a. for 15 days
20.06.2020	61	Zero interest for 15 days, thereafter interest rate @9% p.a. for 46 days
24.06.2020	65	Zero interest for 15 days, thereafter interest rate @9% p.a. for 50 days
30.06.2020	71	Zero interest for 15 days, thereafter interest rate @9% p.a. for 50 days and interest rate @18% p.a. for 6 days

- **Manner of calculation of interest for taxpayers having aggregate turnover below Rs. 5 Cr.**

For the taxpayers having aggregate turnover **below Rs. 5 Crore**, notification No.31/2020- Central Tax, dated 03.04.2020 provided a conditional **NIL** rate of interest for the tax period of **February, March and April, 2020**.

The Government, vide notification no 52/2020- Central Tax, dated 24.06.2020 provided the **NIL rate of interest** till specified dates in the said notification and **9% per annum** thereafter till **30th September, 2020**.

Similar relaxation of reduced rate of interest has been provided for the tax period of **May, June and July 2020** also for the said class of registered persons having aggregate turnover **below Rs. 5 Crore** in the preceding financial year.

The notification, thus, provides NIL rate of interest till specified dates and after the specified dates lower rate of **9%** would apply till **30th September 2020**. After 30th September, 2020, normal rate of interest i.e. 18% per annum shall be charged for any further period of delay in furnishing of the returns.

- The calculation of interest in respect of this class of registered persons for

delayed filing of return for the month of March, 2020 (for registered persons for whom the due date of filing was 22.04.2020) and June, 2020 (for registered persons for whom the due date of filing is 22.07.2020) is as illustrated in the Table below:

Tax Period	Applicable rate of interest	Date of filing GSTR 3B	No. of days of delay	Interest
March,2020	Nil till the 3rd day of July, 2020, and 9 per cent thereafter till the 30th day of September, 2020	22.06.2020	61	Zero Interest
		22.09.2020	153	Zero interest for 72 days, thereafter interest rate @9% p.a. for 81 days
		22.10.2020	183	Zero interest for 72 days, thereafter interest rate @9% p.a. for 89 days and interest rate @18% p.a. for 22 days
June,2020	Nil till the 23rd day of September, 2020, and 9 per cent thereafter till the 30th day of September, 2020	28.08.2020	37	Zero interest
		28.09.2020	68	Zero interest for 63 days, thereafter interest rate @9% p.a. for 5 days
		28.10.2020	98	Zero interest for 63 days, thereafter interest rate @9% p.a. for 7 days and interest rate @18% p.a. for 28 days

		<ul style="list-style-type: none"> • Manner of calculation of late fee <p>A conditional waiver of late fee was provided for the tax period of February, March and April, 2020, if the return in FORM GSTR-3B was filed by the date specified in the said notification.</p> <p>The revised dates for conditional waiver of late fee for the months of February, March and April, 2020 and extended the same for the months of May, June and July, 2020 for the small taxpayers.</p> <p>➤ It is clarified that the waiver of late fee is conditional to filing the return of the said tax period by the dates specified in the said notification. In case the returns in FORM GSTR3B for the said months are not furnished on or before the dates specified in the said notification, then late fee shall be payable from the due date of return, till the date on which the return is filed.</p>
4.	Order No. 01/2020-Central Tax Dt- 25-06-2020	<p>➤ <u>Extension of the time limit for filing an application for revocation of cancellation of registration for specified taxpayers.</u></p> <ul style="list-style-type: none"> • WHEREAS, sub-section (2) of section 29 of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the said Act) provides for cancellation of registration by proper officer in situations described in clauses (a) to (e) as under: – <p>(a) a registered person has contravened such provisions of the Act or the rules made thereunder as may be prescribed; or</p> <p>(b) a person paying tax under section 10 has not furnished returns for three consecutive tax periods; or</p> <p>(c) any registered person, other than a person specified in clause (b), has not furnished returns for a continuous period of six months; or</p> <p>(d) any person who has taken voluntary registration under sub-section (3) of section 25 has not commenced business within six months from the date of registration; or</p> <p>(e) registration has been obtained by means of fraud, willful misstatement or suppression of facts:</p> <ul style="list-style-type: none"> • Provided that the proper officer shall not cancel the registration without giving the person an opportunity of being heard. • AND WHEREAS, sub-section (1) of section 169 of the said Act provides for service of notice (opportunity of being heard); clauses (c) and (d) of said sub-section are as under: – <p>(c) by sending a communication to his e-mail address provided at the time</p>

of registration or as amended from time to time; or

(d) by making it available on the common portal; or

- AND WHEREAS, sub-section (1) of section 30 of the said Act provides for application for revocation of cancellation of the registration within **thirty days from the date of service of the cancellation order;**
- AND WHEREAS, sub-section (1) of section 107 of the said Act provides for filing appeal by any person aggrieved by any decision or order passed by an adjudicating authority within **three months from the date on which the said decision or order is communicated** to such person and sub-section (4) of section 107 of the said Act empowers the Appellate Authority that it may, if he is satisfied that the appellant was prevented by sufficient cause from presenting the appeal within the aforesaid period of three months, allow it to be presented within a further period of one month;
- AND WHEREAS, a large number of registrations have been cancelled under by the proper officer by serving notices as per clause (c) and clause (d) of sub-section (1) of section 169 of the said Act and the period of thirty days provided for application for revocation of cancellation order, the period for filing appeal under of the said Act and also the period of condoning the delay has elapsed; the registered persons whose registration have been cancelled under clause (b) or clause (c) of sub-section (2) of section 29 of the said Act are unable to get their cancellation of registration revoked despite having fulfilled all the requirements for revocation of cancellation of registration; the said Act being a new Act, these taxpayers could not apply for revocation of cancellation within the specified time period of thirty days from the date of service of the cancellation order, as a result whereof certain difficulties have arisen in giving effects to the provisions of subsection (1) of section 30 of the said Act;
- NOW, THEREFORE, in exercise of the powers conferred the Central Government, on the recommendations of the Council, hereby makes the following Order, to remove the difficulties, namely: --
- For the removal of difficulties, it is hereby clarified **that for the purpose of calculating the period of thirty days for filing application for revocation of cancellation of registration** for those registered persons who were served notice under clause (b) or clause (c) of sub-section (2) of section 29 and where cancellation order was passed up to 12th June, 2020, **the later of the following dates shall be considered:-**
 - a) Date of service of the said cancellation order; or
 - b) 31st day of August, 2020.

For detailed Notifications, Orders and Circulars kindly follow below link-
<http://www.cbic.gov.in/htdocs-cbec/gst/central-tax-notfns-2017>



RECENT CASE LAWS

1. Whether input tax credit is available to the applicant on the services availed for the aforementioned items through contractors.

Applicant	Prasar Bharti Broadcasting Corporation
Journal of Publication	HP-AAR-1/2020
Date of Ruling	19-05-2020
Ruling Authority	Authority for Advance Ruling Himachal Pradesh

FACTS

- The applicant is a registered taxpayer and has entered into agreement for hiring commercially licensed vehicles for transportation of his employees.
- As per section 16 of the CGST Act, 2017, every registered person shall be entitled to take credit of input tax charged on any supply of goods or services or both to him which are used or intended to be used in the course or furtherance of business.
- However, on this availment of input tax credit, there are exceptions prescribed under section 17(5) of the CGST Act, 2017.

ISSUE

- Whether input tax credit is available to the applicant on the services availed for hiring of taxis through contractors and what rate of GST will be applicable on the same?

HELD

- The availability of ITC as per the proviso to section 17(5)(b) is available only on the condition that such goods or services or both is obligatory for an employer to provide to its employees under any law for the time being in force.
- Since, the applicant has not been able to cite any law under which the service of providing the facility of transportation to its employees is obligatory under any law, therefore ITC will not be available to him.
- Therefore, if the facility provided by a taxpayer for transportation of employees is not obligatory under any law, for the time being in force then no ITC will be available to such a taxpayer. The applicant will however be eligible to claim ITC for the service supplied at 12% GST rate if the conditions laid down in the second proviso to section 17(5)(b) are satisfied.

2. Documents required for export without payment of tax to prove receipt of proceedings in foreign currency in case FIRC is not receivable in case of such transactions?

Applicant	M/s Thinklab Edusoft LLP
Journal of Publication	RAJ/AAR/2019-20/35
Date of Ruling	13-03-2020
Ruling Authority	Rajasthan Authority for Advance Ruling

FACTS
<ul style="list-style-type: none">• The assessee is engaged in the business of software consultancy and wants to act as an exporter of these services.• As per refund rules, the assessee is required to submit FIRC/BRC details along with refund application as the same is needed to verify that the funds have been received in foreign currency and that services are provided in relation to the funds received.• However, their receiving bank does not issue FIRC certificates stating that there is no provision unless the amount involved is in case of FDI.• Further, the funds are received in foreign currency in their paypal account and will be transferred to Indian account after conversion into domestic currency but they will not receive FIRC Certificates as there is a contradictory provision in respect of the same in many statutes.• The assessee has sought advance ruling under the ambit of section 97(2)(b).
ISSUE
<ul style="list-style-type: none">• The measure to be followed in case any refund proceedings are due to non-availability of FIRC or any other supporting documents being relied upon by the GST department?
HELD
<ul style="list-style-type: none">• It is mandatory in terms of Rule 89(2) of CGST Rules, 2017 to produce copy of FIRC/BRCs, evidencing that the export proceeds involved in the export of services has actually been realized from abroad in foreign currency.• However, ongoing through a website, a process for getting copy of FIRC has been mentioned.• Therefore, by adopting the said process, the assessee can obtain the copy of FIRC.• In the instant case, the question sought by the applicant is outside the scope of section 97 (2) of CGST Act, 2017, therefore the application is not admitted.

3. Where GST is payable on goods procured from vendor located outside India where goods so purchased are not brought into India?

Applicant	M/s. Sterlite Technologies Ltd
Date of Ruling	05.03.2020
Ruling Authority	GUJARAT AUTHORITY OF ADVANCE RULING

FACTS

- M/s Sterlite Technologies Limited is engaged in the Development and supply of software with respect to telecommunication, service management platform, pre integrated offerings etc. and trading in hardware.
- They procure requisite hardware from the vendor located within India or outside India on payment of applicable duties/taxes
- Such hardware is sold as per the requirement of the customer on payment of GST, except in case of export.
- The applicant proposed to undertake transaction and supply of hardware, commercially known as 'Merchant Trade Transaction', wherein the applicant will receive an order from the customer located outside India and as per their instruction, Vendor would directly ship the goods to customer located outside India.
- Vendor would issue invoice on applicant against which payment would be made in foreign currency and applicant would raise invoice on customer and would receive consideration in foreign currency. In the above transaction, goods would not physically come into India, but would move from place outside India to another place outside India.

ISSUE

- Whether GST is payable on goods procured from vendor located outside India in a context where the goods so purchased are not brought into India?
- Whether GST is payable on goods sold to customer located outside India, where goods are shipped directly from the vendor's premises (located outside India) to the customer's premises?

HELD

- With reference was given to the 'High Sea Sales', Circular No. 33/2017 Customs dated August 1, 2017 it was found that, where Bill of Entry/import declarations are not being filed with respect to the goods so procured, GST would not be leviable.
- GST is not payable on goods procured from a vendor located outside India, where the goods so purchased are not brought into India.
- The transaction is covered under the ambit of Inter-state supply and is neither exempted nor covered under the export of services. Thus, the theory of elimination takes us to the conclusion that such supplies will be subject to the levy of IGST.
- Applicable GST is payable on goods sold to a customer located outside India, where goods are shipped directly from the vendor's premises (located outside India) to the customer's premises.

4. Applicability and rate of GST on sale of Transferrable Development Rights (TDRs) or Floor Space Index (FSI).

Applicant	Vilas Chandanmal Gandhi
Journal of Publication	GST-ARA-40/2019-20/B
Date of Ruling	15th January, 2020
Ruling Authority	Authority of Advance Ruling, Maharashtra

FACTS

- The Applicant, Mr. Vilas Chandanmal Gandhi, was an owner of the land situated within the limits of PMC and wanted to develop the land jointly in collaboration with M/s. Amar Builders and Developers (**Developer**) and share the profits through distribution of sale proceeds after development of the land by way of construction of residential/ commercial project.
- The applicant is seeking an advance ruling in respect of the following questions.
 1. Whether GST is leviable on sale of Transferable Development Rights ('TDR')/ Floor Space Index ('FSI') received as consideration for surrendering the joint rights in land in terms of Development Control Regulations and granted in light of the article of agreement dated 18 December 2017 entered between the Applicant and Pune Municipal Corporation ('PMC') read with Development Control Regulations?
 2. If yes, what will be classification under GST and what will be applicable rate of GST?

ISSUE

- The applicant had assigned/transferred development rights in the land to the developer for the purpose of construction of a residential/commercial project in consideration for 45% of the sale proceeds of the developed project along with a deposit of 3.6 crores.
- However, there was reservation on the land in light of Draft Development Plan for Pune city sanctioned by the Municipal Corporation of Pune City (PMC).
- Since the applicant and the developer realized that vacating/ removing reservation may not be possible, they decided to surrender their rights in the said land. PMC gave them TDR's/ Additional FSI, as consideration for surrendering the joint rights in land to PMC in terms of Development Control Regulations (DCR).
- Both the parties later decided to sell a part of the TDRs/ Additional FSI to Vamona Developers Pvt. Ltd. (VDPL) and share the sale proceeds in agreed ratio. Consequently, Applicant entered into agreement/ deed of assignment with VDPL.
- Initially at the time of the said agreement, applicant did not charge GST and later on Applicant raised GST invoice on VDPL and requested them to pay the GST on the said transaction along with interest. However, VDPL informed applicant that that GST is not leviable on the transaction of sale of TDR/ Additional FSI.

HELD

- It was held that the scope of supply of services is very wide. The transaction of TDRs could be treated as “service.”
- As per **Notification No. 05/2019** C.T. (Rate) dated 29.03.2019, which amends **Notification No. 13/2017** C.T. (Rate) dated 28.06.2017, supply of TDRs is made **taxable under reverse charge**.
- As per Notification no. 04/2018 C.T. (Rate) dated 25.01.2018, amended by **Notification No. 23/2019 dated 30.09.2019** GST is leviable on supply of Development Rights & liability to pay Central Tax shall arise at the time of transfer of the constructed structure to the person supplying Development Rights.
- GST classification will be under **Heading 9972** and the applicable rate of **GST 18% (9% CGST+ 9% SGST)**.

5. Whether TDS under GST applicable only for taxable supply contract?

Applicant	M/s Maharashtra Mahila Sangha
Date of Ruling	21.05.2020
Ruling Authority	The Authority for Advance Ruling, Karnataka

FACTS

- The applicant is an association of persons registered under the provisions of the Goods and Services Act, 2017. The applicant states that he is engaged in providing catering services to educational institutions as per Sarva Shikshana Abhiyana e-tendering and scheme sponsored by State/ Central/ Union territory which is exempted services under SI.No.66 of the Notification No.12/2017-Central Tax (Rate) dated 28.06.2017
- The applicant states that as he is doing exempted services (HSN Code 9992), TDS for GST on their services are not to be deducted from their bill. As per Circular 65/39/2018, TDS under GST is applicable only for taxable supply contracts and they are providing exempted services and hence TDS is not applicable to them.
- As per the verification of the contracts, it is seen that the agreements for the supply of services are entered between the Heads of the Residential School and the applicant and the recipient of services is hence, the Residential School.

ISSUE

- The applicant is providing catering services to educational institutions sponsored by State/ Central/ Union territory which is exempted services under SI.No.66 of the Notification No.12/2017-Central Tax (Rate) dated 28.06.2017. As per Circular 65/39/2018, TDS under GST is applicable only for taxable supply contracts and they are exempted service provider. Whether TDS is applicable for our services (HSN Code 9992)?

HELD

- 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) dated 28.06.2017 and entry 66 of Notification (12/2017) No. FD 48 CSL 2017 dated 29.06.2017 and are hence exempted from CGST and SGST.
- The amount received for such exempted service is not liable for Tax Deduction at Source under section 51 of the CGST Act and section 51 of KGST Act.

6. Supply of books to religious schools is exempted

Applicant	M/s Ideal Industrial Synergy Solutions Private Limited
Journal of Publication	KAR ADRG 26/2019
Date of Ruling	23.04.2020
Ruling Authority	The Authority for Advance Ruling, Karnataka

FACTS
<ul style="list-style-type: none">• The applicant is in the business of carrying out manufacturing, designing, printing all types of confectionaries, brochures, stickers, aseptic bags, Tin containers, leaflets, posters, calendars, catalogs, danglers, profiles.• He is also involved in the printing and selling of religious books for various Islamic educational institutions across India. The content is provided by the religious head. The books are not sold to the content provider but are sold to the religious schools as per the order received from such schools.
ISSUE
<ul style="list-style-type: none">• Whether selling of religious books attracts GST?
HELD
<ul style="list-style-type: none">• AAR observed that since supply of books by the applicant are for consideration and this being in course of business, it would amount to supply of books as per the section 7(1) of the CGST Act, 2017.• The supply of books by the applicant to the religious school are supply of printed books which is covered under HSN code 4901 and is exempt from tax as per Notification No. 2/2017 – Central Tax (Rate) dated 28.06.2017

7. Activity of Developing the Land is a supply of service under GST

Applicant	M/s Maarq Spaces Private Limited
Journal of Publication	KAR/AAAR-19/2020-21
Date of Ruling	04-05-2020
Ruling Authority	Appellate Authority for Advance Ruling, Karnataka

FACTS

- M/s Maarq Spaces Private Limited is engaged in the business of Property development. It entered into a Joint Development agreement with Land Owners to convert a piece of land into residential layout, cost of which will be borne by Appellant. Consideration of the same is agreed in the ratio of 25% to the Appellant and 75% to the Land Owners.

ISSUE

- In this connection Appellate sought Advance Ruling in respect of the following questions:
 - a. Whether the activity of development and sale of land attracts GST?
 - b. If answer to the above is yes, for the purpose of taxable value, whether provision of Rule 31 can be made applicable in ascertaining the value of land and supply of service?

HELD

- The justification of the Advance Ruling Authority is that the activities undertaken by the applicant, as envisaged in the agreement placed before the Authority, **amount to a supply of service to the landowners and is liable to be taxed** appropriately is accurate.
- Rule 31 is applicable in this case and the value of supply equal to the amount received by the appellant, which is 25% of the market value of the plot.

8. Interest received in form of PPF, interest received on Personal Loans, Saving Bank Account, is considered for the purpose of calculating the threshold limit of Rs.20.00 Lakh for registration under GST Law?

Applicant	Sri Sawai Manoharlal Rathi
Journal of Publication	GUJ/GAAR/R/2020/10
Date of Ruling	19.05.2020
Ruling Authority	Authority for Advance Ruling, Gujarat

FACTS
<ul style="list-style-type: none"> • The applicant is an individual not engaged in any business. • His estimated receipts for the F.Y. 2018-19 are likely to be totally Rs. 20,12,000/-, which includes, (i) Rent receipts: Rs.9,84,000/-, (ii) Bank interest: Rs.3,000/-, (iii) Interest on PPF deposit: Rs.2,76,000/- and (iv) Interest on Personal Loans and Advances: Rs.7,49,000/-.
ISSUE
<ul style="list-style-type: none"> • Whether interest received in form of PPF, interest received on Personal Loans and Advances to family/friends and interest received on Saving Bank Account would be considered for the purpose of calculating the threshold limit of Rs.20 Lakh for registration under GST Law?
HELD
<ul style="list-style-type: none"> • “Aggregate Turnover” is relevant to a person to determine the threshold limit to obtain registration under the Act. • As per the definition given under section 2 (6) of the CGST Act, it can be said the term “aggregate turnover” is an all-encompassing term covering all the supplies effected by a person having the same PAN and includes nil rated, exempt, zero rated and non-taxable supplies. • Entry 28(a) of the Notification No. 9/2017, (which provides a list of services exempt from tax) relates to services by way of extending deposits, loans or advances in so far as the consideration is represented by way of interest. Therefore, in given case GST is not leviable on Interest Income earned by the Applicant. • However, going by the definition of “aggregate turnover”, the Applicant is required to consider the value of both the taxable supply i.e. “Renting of immovable property” and exempted supply of service provided by way of extending deposits, loans or advances for which they earned interest income, to arrive at “Aggregate Turnover” to determine the threshold limit for the purpose of obtaining registration under the GST Act.

9. GST on GTA services cannot be avoided by non-issuance of consignment note

Applicant	M/s. K M Trans Logistics Private Limited
Journal of Publication	RAJ/AAAR/5/2019-20
Date of Ruling	20.11.2019
Ruling Authority	Appellate Authority for Advance Ruling, Rajasthan

FACTS

- The appellant M/s. K M Trans Logistics Private Limited is engaged in the business providing transport services to various manufacturers of motor vehicles for carrying their vehicles from factory to the various cities in India where the authorized dealers are located.
- The appellant stated that the goods will be transported using its own vehicles/lorries under the E-Way bill rules but there will be no generation of consignment note and therefore, is claiming that the services are out of purview of GST and will categorise as non – taxable services.
- In the process of transportation of goods two types of services can be provided either by way of activity described as GTA services or by way of rental services of transport vehicles can be provided.

ISSUE

- Does transportation by own vehicles on the basis of Invoices(s) and E-Way bill without issuing of LR/GR by the Applicant Transporter will be covered under exempted supply/Non-GST supply?
- Does Rule 42 of the CGST Rules 2017 apply in case where there is GST and Non-GST Supplies and there is a common consumption of input and input services?

HELD

- In case where the **lien of the goods is transferred** and the **appellant becomes responsible for the safe delivery of the goods** to the consignee, **the services will be classified as GTA services** and the issuance or non-issuance of consignment note does not make any difference so far as the nature of activity carried out by them is concerned.
- Thus, the AAAR found that the services provided by the appellant will be **liable to payment of GST** as specified under the Notification 11/2017 – Central Tax (Rate) dated 28.06.2017 (as amended).

10. Supply of goods not entering India is not treated as imports

Applicant	M/s Dolphine Die Cast Private Limited
Journal of Publication	KAR ADRG 35/2020
Date of Ruling	20.05.2020
Ruling Authority	The Authority for Advance Ruling, Karnataka

FACTS

- The applicant is a manufacturer and exporter of Aluminium and Zinc die Castings. The applicant manufactures the Steel Die as per the foreign customers requirement and specifications. These items are exported to the overseas customer along with sub-assemblies and other components against the order. However, the applicant retains the Steel Die till the completion of the export order or completion of the life of the die.
- The applicant raises tax invoice for the Steel Die in the name of overseas customer in foreign currency. However, after completion of the export order or completion of the life of the die, the applicant either export the dies to the overseas customer or scraps the die at the applicant's end as per the customer's instructions.
- Similarly, sometimes the applicant imports die from Thailand. The Thailand supplier first manufactures die as per the applicant's requirement and, retains them and uses the same for the manufacture of the Aluminium Casting and Pressure Die Casting component of Aluminum. Though the die is not physically imported, the Thailand supplier raises tax invoice in the name of the applicant. After the completion of the order or completion of the die life, the applicant either imports the Dies and returns to the Domestic customer or as per the customer's instruction he informs the Thailand supplier to scrap the die.

ISSUE

- The applicant seeks for advice on how to charge GST and on how to discharge the GST liability for both manufacturing and export transactions of Steel Die.
- Whether the applicant account the purchase as commercial invoice and pay the GST under Reverse Charge Mechanisms?

HELD

- AAR observed that at the time of raising of the tax invoice, the die was with the applicant. As per section 10 of the IGST Act 2017, **the place of supply of the goods would be the location of such goods at the time of delivery.** Therefore, the place of supply of die would be the location of the applicant.
- AAR, on basis of the above findings, observed that these transactions would be treated as intra state transactions as per section 8 of the IGST Act, 2017 and the applicant will have to raise CGST and SGST invoice and collect and pay GST accordingly.
- Similarly, in regards to the import of die and casting component, AAR observed that though the Thailand supplier issued the tax invoice in the name of the applicant, **the die was not physically imported by the applicant.**
- AAR noted that the above transaction will not amount to import as per section 2(10) of the IGST Act, 2017 and hence, is **not liable to GST on reverse charge basis.**



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