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## In brief

- Time limit prescribed for filing pending returns post revocation of cancellation order.

- Form and manner of filing returns and payment of taxes by Composition Tax payer amended.

## Notifications - CGST

### CGST (3<sup>rd</sup> Amendment) Rules, 2019

[Notification No. 20/2019-Central Tax, Dated: 23-04-2019](#)

#### Rule 23 - Revocation of cancellation of registration

Proviso has been added to Rule 23 (1) for compliance after passing of Revocation Order. All returns due for the period from the date of the order of cancellation of registration till the date of the order of revocation of cancellation of registration shall be furnished by the said person within a period of 30 days from the date of order of revocation of cancellation of registration.

#### For cancellation with retrospective effect:

Another proviso has been added to Rule 23(1) of the said Rules enabling filing of application for revocation of cancellation of registration, subject to the condition that all returns relating to the period from the effective date of cancellation of registration till the date of order of revocation of cancellation of registration shall be filed within a period of 30 days from the date of order of such revocation of cancellation of registration.

#### Rule 62 - Form and manner of submission of statement and return

Taxpayers opting for composition schemes need to file statement for purpose of payment of tax on quarterly basis and file returns on annual basis.

**Annual Return by Composition Tax payers:** They shall furnish a return for every financial year (FY) or, as the case may be, part thereof in **FORM GSTR-4**, till the 30<sup>th</sup> April following the end of such FY.

**Quarterly Statement by Composition Tax payers:** They shall furnish a statement, every quarter or, as the case may be, part thereof, containing the details of payment of self-assessed tax in **FORM GST CMP 08**, till the 18<sup>th</sup> of the month succeeding such quarter.

## In brief

- Quarterly Statements and annual return, at par with composition dealers, for taxpayers availing benefits of Notification 2/2019, CGST (Rate) prescribed.

- Non-filers of prescribed returns restricted from generating E-way Bill

Form GST CMP –08- Statement for payment of self-assessed tax

- New Format for GST CMP-08 notified
- “Nil” Statement shall be filed if there is no tax liability due during the quarter.
- Interest shall be leviable if payment is made after the due date.
- Negative value may be reported as such if such value comes after adjustment.
- If the total tax payable becomes negative, then the same shall be carried forward to the next tax period for utilising the same in that tax period.

### Procedure of tax payment and return filing for specified category of Tax payers

Notification No. 21/2019-Central Tax, Dated: 23-04-2019 and Circular no. 97/16/2019-GST Dated: 05.04.2019

The registered persons-

- paying tax under the provisions of Section 10 of the CGST Act, 2017 or
- by availing the benefit of **Notification No. 02/2019– Central Tax (Rate), dated the 07.03.2019** i.e., the option of composition scheme for supplier of services with a tax rate of 6% having annual turnover in preceding year up to Rs 50 lakhs

shall follow the special procedure as mentioned below for furnishing of return and payment of tax :

Return	Purpose	Period	To be filed by
FORM GST CMP 08	Details of payment of self-assessed tax	Quarterly	18 <sup>th</sup> day of the month succeeding such quarter
FORM GSTR-4	Return for every FY	Yearly	On or before the 30 <sup>th</sup> day of April following the end of such FY

### Provisions of Rule 138E of the CGST Rules notified w.e.f. 21<sup>st</sup> August, 2019

Notification No. 22/2019-Central Tax, Dated: 23-04-2019 and Notification No. 23/2019-Central Tax, Dated: 21-06-2019

#### Non-filers of GST returns to be barred from generating E-way Bills

According to Rule 138E of CGST Rules, 2018 (as amended), no person (including a consignor, consignee, transporter, an e-commerce operator or a courier agency) shall be allowed to furnish the information in PART A of FORM GST EWB-01 in respect of a **registered person**, whether as a supplier or a recipient, who,—

- Being a person paying tax under Section 10, has not furnished the returns for 2 consecutive periods; or
- Being a person other than a person specified above, has not furnished the returns for a consecutive period of 2 months.

## In brief

- Due date for filing GSTR 7 extended to 31.08.2019.

- Due dates for filing GSTR 1 and GSTR 3B for the period from July to September 19 prescribed.

- ODAIR service providers not required to file GSTR 9 and GSTR 9C

- Time limit set for furnishing bank details by the new registrants.

However, Commissioner on being satisfied may allow furnishing of the said information in E-Way Bills subject to such conditions and restrictions as may be specified by him on case to case basis.

### Extension of the due date for filing GSTR-7

Notification No. 26/2019 – Central Tax Dated: 28.06.2019

This notification seeks to extend the due date for filing GSTR-7, a return to be filed by the persons who is required to deduct TDS (Tax deducted at source) under GST for the months October 2018 to July 2019 till the 31.08.2019.

### Due dates for furnishing GSTR 1 and GSTR 3B for the period from July 2019 to September 2019 prescribed

Notification No. 27/2019, 28/2019 and 29/2019 – Central Tax Dated: 28.06.2019

Return	Period	Due date
GSTR 1 (Quarterly)	July 2019 to September 2019	31.10.2019
GSTR 1 (Monthly)	July 2019 to September 2019	11 <sup>th</sup> day of the month succeeding such month.
GSTR 3B	July 2019 to September 2019	20 <sup>th</sup> day of the month succeeding such month.

### Exemption to ODAIR service providers from furnishing GSTR 9 and GSTR 9C

Notification No. 30/2019 – Central Tax Dated: 28.06.2019

This notification exempts a person registered under Section 24, supplying online information and data base access or retrieval services (OIDAR services) from a place outside India to a person in India, other than a registered person from furnishing of Annual Return in Form GSTR 9 and Reconciliation statement in the Form GSTR 9C

### CGST (4<sup>th</sup> Amendment) Rules, 2019

Notification No. 31/2019 – Central Tax Dated: 28.06.2019

Rule/Form	Subject	Description
10A and 21(d)	Furnishing of bank details	New registrants under GST are required to furnish bank account details on GST portal within 45 days from the grant of GST registration or due date of filing 1 <sup>st</sup> GST return applicable to them whichever is earlier. Violation of this condition may lead to cancellation of registration under Rule 21.

## In brief

- Manner and procedure for transfer of balance in E-cash ledger under any head to another head prescribed.
- Rule 95A enabling refund to retail outlets established in the departure area of an International Airport inserted.

Rule/ Form	Subject	Description
32A	Value of supply in cases where Kerala Flood Cess is applicable	The value of supply of goods or services or both on which Kerala Flood Cess is levied under Clause 14 of the Kerala Finance Bill, 2019 shall be deemed to be the value determined in terms of Section 15 of the Act, but shall not include the said cess.
66 and 67	Form and Manner of Submission of Return	There are changes to Rule 66 and 67 of CGST Rules related to Form and manner of submitting TDS and TCS returns.
87	Electronic Cash Ledger	A registered person may, on the common portal, transfer any amount of tax, interest, penalty, fee or any other amount available in the electronic cash ledger under the Act to the electronic cash ledger for integrated tax, central tax, state tax or Union Territory tax or cess in FORM GST PMT-09.
95A	Refund of taxes to the retail outlets established in departure area of an international Airport beyond immigration counters making tax free supply to an outgoing international tourist.	Rule 95A for GST refund has been inserted prescribing manner and procedure for refund of taxes to the retail outlets established in departure area of an international Airport.  Also refer: <a href="#">Circular no. 106/25/2019-GST Dated: 29.06.2019</a>
128 to 133	Anti-Profiteering	Procedural amendments have been prescribed in the working of Standing Committee and Screening Committee formed under these Rules.
138	Generation of E-Way Bill	Proviso has been added allowing extension of validity of E-way Bill within 8 hours from the time of its expiry.
138E	Restriction on furnishing of details in Part A of E-way Bill	The restriction on generation of E-Way Bill by non-filers of returns and Statements, as prescribed, has been extended to those who are availing the benefits under Notification No.2/2019, CGST (Rate).

## In brief

- New GST forms in line with amendment in CGST Rules notified.

Rule/Form	Subject	Description
Form GSTR 04	Return for FY of registered person who has opted for composition levy or availing benefit of notification No. 02/2019- Central Tax (Rate)	Amended Form GSTR 04 to be filed by Composition dealers and those availing benefit under Notification 2/2019, CGST (Rate) has been notified.
GSTR 9	Annual Return	Amendments have been made in the Instructions to filing GSTR 9.
GST PMT – 09	Transfer of amount from one account head to another in electronic cash ledger	For enabling transfer of cash balance available under One head on the GST Portal to another head pursuant to newly inserted Clause 13 to Rule 87 has been notified.
FORM GST RFD- 10 B	Application for refund by Duty Free Shops/Duty Paid Shops (Retail outlets)	To enable retail outlets at the Airports under Rule 95A to claim refund, Form GST REF 10B has been notified.
FORM GST DRC- 03	Intimation of payment made voluntarily or made against the show cause notice (SCN) or statement	Earlier FORM GST DRC- 03 has been replaced with the new one.

### Extension of time limit for furnishing ITC 04

[Notification No. 32/2019 – Central Tax Dated: 28.06.2019](#)

- Time limit for furnishing ITC 04 extended

The time limit for furnishing the declaration in FORM GST ITC-04, in respect of goods dispatched to a job worker or received from a job worker, during the period from July 2017 to June 2019 has been extended till 31.08.2019.

## Notifications – CGST (Rate)

### Explanation for the term “outgoing international tourist” used in Rule 95A

[Notification No. 11/2019 – Central Tax \(Rate\) Dated: 28.06.2019](#)

- Term “Outgoing International Tourist” as used in Rule 95A, explained

Explanation - For the purposes of this notification, the expression “outgoing international tourist” shall mean a person not normally resident in India, who enters India for a stay of not more than 6 months for legitimate non-immigrant purposes.

## In brief

- Clarification regarding utilization of ITC issued.
- Upfront amount payable for long term lease of industrial plots for specified purposes is exempt even if paid in installments, provided the amount payable has been determined upfront
- Treatment under GST of penal interest payable under certain situations has been clarified.

## Circulars- CGST

### Clarification on issues related to utilisation of Input Tax Credit under GST

[Circular no. 98/17/2019-GST Dated: 23.04.2019](#)

As per Section 49 credit of IGST has to be utilized first for payment of IGST then CGST and then SGST in that order mandatorily.

Section 49A provides that the input tax credit (ITC) of Integrated Tax has to be utilized completely before ITC of Central tax / State tax can be utilized for discharge of any tax liability.

Rule 88A has been inserted to allow utilization of ITC of IGST towards the payment of Central tax and State tax, or as the case may be, Union territory tax, in any order. From the above, 2 set of opinion can be drawn:

- Available ITC of account of IGST will first be utilised for payment of IGST, then CGST/SGST and then for SGST/CGST or vice versa
- Available ITC of account of IGST will first be utilised for payment of IGST and then for payment of CGST and SGST (in any proportion).

It is further clarified that till the common portal supports the utilisation of ITC in above mentioned manner, taxpayers may continue to utilize their ITC as per the functionality available on the common portal.

### Clarification on issue related to upfront payment for long term lease for specified purposes

[Circular no. 101/20/2019-GST Dated: 30.04.2019](#)

Upfront amount (called as premium, salami, cost, price, development charges or by any other name) payable for long term lease (of 30 years, or more) of industrial plots or plots for development of infrastructure for financial business was exempt from GST vide Entry No. 41 of Exemption Notification 12/2017 – Central Tax (R).

This circular clarifies that the exemption is admissible irrespective of whether such upfront amount is payable or paid in one or more instalments, provided the amount is determined upfront.

### Clarification on issues regarding the levy of additional/penal interest on account of delay in payment of EMI

[Circular no. 102/21/2019-GST Dated: 28.06.2019](#)

- If a supply is made, with an option provided by the supplier, to make payment in installments at fixed intervals and is liable to interest and additional/penal interest in case of delayed payment, the penal interest would be taxable as it would be included in the value of supply, irrespective of the manner of invoicing.

## In brief

- Clarification issued to determine place of supply in case of services provided by ports and services temporarily imported in India.

- Treatment of secondary and post sales discounts under GST has been clarified.

- If loan for making the purchase at a fixed rate of interest and liability to pay additional/penal interest is provided to the buyer by a 3<sup>rd</sup> party (other than the supplier), then penal interest would be exempt.

### Clarification on place of supply in specified cases

[Circular no. 103/22/2019-GST Dated: 28.06.2019](#)

Clarification has been issued regarding the determination of place of supply in the following cases:

- Services provided by Ports
- Services rendered on goods temporarily imported in India

### Clarification on doubts related to the treatment of secondary or post-sales discounts under GST

[Circular no. 105/24/2019-GST Dated: 28.06.2019](#)

Doubts	Clarification
Value of supply in case of post-sale discount given by the supplier of goods to the dealer without any further obligation or action required at the dealer's end.	Such discount is related to the original supply of goods and not to be included in taxable value.
Value of supply in case of additional discount given by the supplier of goods to the dealer as a post-sale incentive requiring the dealer to do some activities like undertaking special sales drive, advertisement campaign, exhibition, etc.	This will be treated as a separate transaction and the discount will be treated as consideration for undertaking such activity. Dealer (supplier of services) would be required to charge applicable GST on the value of such additional discount and the supplier of goods (recipient of services), will be eligible to claim the ITC.
Value of supply in case of additional discount by the supplier of goods to the dealer to offer a special reduced price to the customer.	Such additional discount represents the consideration flowing from the supplier of goods to the dealer for the supply made by the dealer to the customer.  This additional discount is required to be added while determining the value of supply to be made by the dealer to the customer. The customer, if eligible, can claim the ITC benefit of GST paid on such additional discount.

## In brief

- Taxpayers whose registration was cancelled under specified conditions and who could not file application for revocation of cancellation of registration order can now file such application up to 22-07-2019.
- Due date for furnishing GSTR 9, GSTR 9A and GSTR 9C for the F.Y. 2017-18 has been extended to 31-08-2019.

Doubts	Clarification
ITC reversal in case of discounts granted by the supplier but not excluded from the value of supply. (commercial/financial credit notes)	The dealer will not be required to reverse ITC attributable to the tax already paid on such post-sale discount received by him through the issuance of financial/commercial credit notes by the supplier of goods.

## Removal of Difficulties Order, 2019

### Extension of the time limit for filing an application for revocation of cancellation of registration for the registered person in specified cases

[Removal of Difficulties Order No. 5/2019-GST Dated: 23.04.2019](#)

This order seeks to extend the time limit for filing an application for revocation of cancellation of registration for the registered person who was served notice under specified conditions and who could not reply to the said notice, thereby resulting in cancellation of his registration certificate and is, therefore, unable to file application for revocation of cancellation of registration against such order passed up to 31.03.2019, shall be allowed to file application for revocation of cancellation of the registration not later than 22.07.2019.

### Extension of the due date for furnishing FORM GSTR-9, FORM GSTR-9A and FORM GSTR-9C for the FY 2017-18

[Removal of Difficulties Order No. 6/2019-GST Dated: 28.06.2019](#)

The due date for furnishing FORM GSTR-9, FORM GSTR-9A and FORM GSTR-9C for the FY 2017-18 has been extended to 31-08-2019.





## Key Take Away

- Taxpayers opting for composition schemes and availing the benefit of Notification No. 02/2019– Central Tax (Rate), dated: 07-03-2019 to file statement for purpose of payment of tax on quarterly basis and file return on annual basis.
- Annual Return FORM GSTR 4 and Quarterly statement FORM CMP-08 has been notified for specified category of taxpayers and manner and procedure for filing the same has been prescribed.
- Provisions of Rule 138 E barring non-filers of GST returns from generating E-way Bills will be effective from 21-08-2019.
- Due dates for furnishing GSTR 1 and GSTR 3B for the period from July 2019 to September 2019 has been prescribed.
- Time limit prescribed for furnishing bank details by the new registrants.
- Manner and procedure for refund of taxes to the retail outlets established in departure area of an international Airport beyond immigration counters making tax free supply to an outgoing international tourist has been prescribed.
- FORM GST PMT\_09 enabling transfer of cash balance available under one head on GST Portal to another head has been notified.
- Clarification regarding utilization of ITC has been issued.
- Due date for furnishing FORM GSTR-9, FORM GSTR-9A and FORM GSTR-9C for the FY 2017-18 has been extended to 31-08-2019.

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