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Notifications - Central Tax and Central Tax (Rate)

E-invoices to be compulsory for businesses with turnover above Rs. 5 crores from 1st August 2003

[Notification No. 10/2023 – Central Tax dated 10th May 2023](#)

- From August 1, 2023, e-invoice will be compulsory for every registered person whose aggregate turnover in a financial year (FY) exceeds Rs 5 crore in any year from 2017-18 onwards for B2B supplies.
- Earlier this limit was Rs.10 crore or more.

Extension of due date for filing GST returns for Manipur

[Notification No. 11,12,13/2023 – Central Tax dated 24th May 2023](#)

[Notification No. 14,15,16/2023 – Central Tax dated 19th June 2023](#)

- CBIC has further extended the due date of filing of GSTR-1, GSTR-3B, and GSTR-7 for the months of April and May 2023 for taxpayers whose principal place of business is in the State of Manipur till 30th June 2023.
- The Notifications will be effective from 31st May 2023

Extension of due date for filing GST returns for few districts of Gujarat

[Notification No. 17/2023 – Central Tax dated 27th June 2023.](#)

- CBIC has extended the due date of filing of GSTR-3B for the months of May 2023 for the registered persons whose principal place of business is in the districts of Kutch, Jamnagar, Morbi, Patan and Banaskantha in the state of Gujarat till June 30, 2023.
- The Notification will be effective from 20th June 2023.

Extension of time limit for exercising option by Goods Transport Agency (GTA) for payment under 'forward-charge' for F.Y.2023-24

[Notification No. 05/2023- Central Tax \(Rate\) dated 9th May 2023](#)

- The CBIC has extended the last date for exercising of option by GTA to pay GST under forward charge mechanism for the F.Y.2023-24 from 15th March 2023 to 31st May 2023.
- Further, in case the GTA who commences new business or crosses threshold for registration during any F.Y. may exercise the option to itself pay GST on the services supplied by it during that F.Y. by making a declaration in Annexure V before the expiry of 45 days from the date of applying for GST registration or 1 month from the date of obtaining registration whichever is later.

Instructions

Guidelines for Special All-India Drive against fake registrations

[Instruction No. 01/2023-GST dated 4th May 2023](#)

- In the National Co-ordination Meeting of the State and Central GST officers held on 24th April 2023 it was agreed that a Special All India Drive will be launched by all Central and State Tax administrations during the period 16th May 2023 to 15th July 2023.
- The purpose is to detect suspicious/ fake registrations and to conduct requisite verification for timely remedial action to prevent revenue loss.
- It was found that forged documents, such as forged electricity bills, property tax receipts, rent agreements, etc. are being used as proof of principal place of business to obtain GST registration. Few fraudsters have obtained fake GST registrations on the basis of PAN and Aadhaar number of persons from economically weaker sections without their knowledge with an intent to defraud the revenue by passing

fraudulent input tax credit (**ITC**) without underlying supply of goods or services, which has resulted in huge revenue loss. Following guidelines have been issued to ensure uniformity in the action by the field formations and for effective coordination and monitoring of the action taken during this Special Drive.

▲ Identification of fraudulent Goods and Services Tax Identification Number (**GSTINs**)- Based on detailed data analytics and risk parameters, Goods and Services Tax Network (**GSTN**) will identify and share the details of fraudulent/Suspicious GSTINs jurisdiction wise, with the concerned State/Central Tax administration for initiating verification drive and conducting necessary action subsequently.

▲ Information Sharing Mechanism- A nodal officer shall be appointed by each of the Zonal CGST Zone and State to ensure seamless flow of data. The appointment details of these officers will be compiled and shared among all tax administrations, GSTIN and Directorate General of Analytics and Risk Management (**DGARM**).

▲ Action to be taken by field formations- On receipt of data from GSTN through the Nodal Officer, a time bound exercise of verification of the suspicious GSTINs shall be undertaken by the concerned jurisdictional tax officer. If, after detailed verification, it is found that the taxpayer is non-existent and fictitious, then the tax officer may immediately initiate action for suspension and cancellation of the registration of the said taxpayer in accordance with the provisions of section 29 of CGST Act. ITC may also be blocked in the Electronic Credit Ledger. Recipients who have wrongly availed ITC from such non-existing taxpayers will be identified, and suitable action will be initiated for recovery of the credit. Efforts will be made to identify the masterminds and beneficiaries behind the fake GSTINs for further action.

▲ Feedback and Reporting Mechanism- State and CGST Zones will provide an action taken

report on a weekly basis to the GST Council Secretariat. Any novel modus operandi discovered during verification and investigation will also be reported.

▲ National Coordination Committee (**NCC**) – NCC will monitor the progress of the Special Drive. The committee will meet periodically. The GST Council Secretariat will act as the secretariat for this committee.

Guidelines for Scrutiny of Returns

Instruction No. 02/2023-GST dated 26th May 2023

- CBIC has issued instruction providing revised Standard Operating Procedure (**SOP**) for scrutiny of returns for F.Y.2019-20 onwards. SOP contains guidelines for selection of returns, scrutiny process, schedule, timelines, reporting and monitoring of such scrutiny.
- Directorate General (DG)Systems has developed functionality “Scrutiny of Returns”, containing the online workflow for scrutiny of returns in the CBIC ACES-GST application.
- The selection of returns for scrutiny will be done by the DGARM based on identified risk parameters.
- The proper officer shall conduct scrutiny of returns pertaining to minimum of 4 GSTINs per month. Scrutiny of returns of one GSTIN shall mean scrutiny of all returns pertaining to a F.Y. for which the said GSTIN has been selected for scrutiny.
- Scrutiny of returns is to be conducted in a time bound manner, so that the cases may be taken to their logical conclusion and that too expeditiously.
- However, the procedure specified in Instruction No. 02/2022 dated 22.03.2022 shall continue to be followed for the scrutiny of returns for the F.Y. 2017-18 and 2018-19.

Guidelines for processing of applications for registration under GST

Instruction No. 03/2023-GST dated 14th June 2023

- CBIC has issued instructions prescribing guidelines for processing GST registration

applications to prevent the menace of fake or bogus registrations being used to fraudulently pass on ITC by issuing invoices without any underlying supply. These guidelines are as follows.

- On receipt of the application for the registration, the officer should make scrutiny and verification of the details, documents to ensure that the same are legible, complete and relevant.
 - Documents furnished as proof of address may be cross verified from the publicly available sources, such as websites of the concerned authorities.
 - Special attention will be given, based on data analytics and risk parameters to the cases where “High” risk rating has been assigned to an application for registration.
 - Special attention will be given where registration obtained on the PAN of the applicant has been cancelled /rejected / suspended previously.
 - Proper officer will check whether the proof of address of place(s) of business prima facie appear to be suspicious/ doubtful on the basis of scrutiny of the application and the documents.
 - Proper officer will issue a notice to the applicant requiring clarification/information within the prescribed time limit , where any document is incomplete or not legible, the address of place of business does not match with the document uploaded by the applicant, or where such uploaded document does not appear to be a valid proof of the address of the said place of business, where any GSTIN linked to the PAN of the applicant is found cancelled or suspended.
 - The proper officer will carefully examine the reply furnished by the applicant in response to the clarification notice and may grant registration if reply found satisfactory. In other cases, for reasons to be recorded in writing, he may reject such application and inform the applicant electronically.
 - Where the applicant has either failed to undergo authentication of Aadhaar number or has not opted for the same, the proper officer will initiate the process for physical verification of the place of business.
- Even in cases where the applicant has undergone authentication of Aadhaar number, if the proper officer is of the opinion that physical verification of the place is essential to check the authenticity of the applicant, he may conduct the same in a time bound manner.
 - While processing the application, the proper officer must ensure that the entire process is completed within the prescribed time limit and no application is approved on deemed basis for want of timely action on the part of tax officers. Strict view may be taken where any gross negligence is observed on part of the concerned officers.
 - Wherever the registered person is found to be non-existent or fictitious, subsequent remedial action(s) may be taken without any delay.

KEY TAKE AWAY

- Raising the limit of E-invoicing for the business with turnover of over 5 crores will help to plug the gaps in revenue collection and improve compliance.
- By implementing the guidelines for Special All-India Drive against fake registrations government aims to safeguard the interest of genuine taxpayers and contribute to a transparent tax administration.
- SOP for Scrutiny of Returns will boost the efforts of the department to leverage technology and risk-based tools to encourage self-compliance and to conduct scrutiny of returns with minimal human interaction.



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