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Gist of Circulars/Notifications issued by CBIC pursuant to 50th GST Council Meeting held on 11.07.2023 and Recommendations of 51st GST Council Meeting held on 1.08.2023

Circulars pursuant to recommendations of 50th GST Council Meeting

Clarification on charging of interest under Section 50(3) of the CGST Act, 2017 in case of wrong availment of IGST credit and reversal thereof.

[Circular No. 192/04/2023-GST dated-17/07/2023.](#)

In case of wrong availment and subsequent reversal of IGST credit, for applicability of interest u/s 50(3) of CGST Act, it needs to be seen whether the aggregate balance in electronic credit ledger (**ECL**) of IGST, CGST & SGST has fallen below such wrongly availed ITC or not. Interest is not payable if the aggregate balance of input tax credit (**ITC**) in the ECL of the registered person is more than such wrongly availed IGST credit at all times till such reversal of the said wrongly availed IGST credit. However, interest is payable on differential amount if the aggregate balance is lower than the wrongly availed ITC.

Example -IGST amounting to Rs.50,000 was wrongly utilized and available balance under ITC ledger is as follows:

CGST Rs.	SGST Rs.	IGST Rs.	Cess Rs.
10,000	10,000	20,000	2,000

Interest will be applicable on the balance amount of Rs.10,000. However, the credit of compensation cess available in ECL cannot be considered for the purpose of calculation of credit balance as credit of cess cannot be utilized against CGST/SGST/IGST.

CNK Comments

This clarification will resolve anomaly arising due to manner of utilization of ITC available as per Rule 88B. It is also pertinent to note that the circular covers only wrong availment and utilization of IGST Credit and not CGST & SGST though the same analogy of considering IGST credit balance could be extended in case of wrong availment of CGST and SGST credits.

Clarification to deal with difference in ITC availed in FORM GSTR- 3B as compared to that detailed in FORM GSTR-2A for the period 01.04.2019 to 31.12.2021.

[Circular No. 193/05/2023-GST dated 17/07/2023.](#)

ITC claimed in excess of the amounts appearing in GSTR-2A to be allowed subject to self-certification/CA certification. The benefit of ITC based on self-certification / CA certification is restricted to the limit prescribed under Section 36(4) for various periods as under:

Period	Rule 36(4) restriction on Eligible ITC
01/04/2019 to 08/10/2019	100% of excess ITC can be claimed
09/10/2019 to 31/12/2019	Restricted up to 20% of ITC appearing in GSTR-2A
01/01/2020 to 31/12/2020	Restricted up to 10% of ITC appearing in GSTR-2A
01/01/2021 to 31/12/2021	Restricted up to 5% of ITC appearing in GSTR-2A

Example:

Particulars	09/10/2019 to 31/12/2019 20%	01/01/2020 to 31/12/2020 10%	01/01/2021 to 31/12/2021 5%
The total ITC taken in GSTR-3B	Rs.5,00,000	Rs.5,00,000	Rs.5,00,000
As per GSTR-2A	Rs.3,00,000	Rs.3,00,000	Rs.3,00,000
ITC restricted as per Rule 36(4)	Rs.3,60,000 (i.e., 3,00,000*1.2)	Rs.3,30,000 (i.e., 3,00,000*1.1)	Rs.3,15,000 (i.e., 3,00,000*1.05)
Credit allowed based on certification during a tax period	60,000	30,000	15,000

CNK Comments

- The guidelines provided by [Circular No. 183/15/2022-GST dated 27.12.2022](#) shall be applicable, in toto, for the period from 01.04.2019 to 08.10.2021.
- ITC available in excess of eligible ITC of 20% ,10% and 5% shall not be available even if requisite certificate is provided from 09.10.2021 till 31.12.2021.
- From 01.01.2022 onwards ITC can be availed only up to the extent appearing in GSTR-2B.
- The above instructions will apply only to the ongoing proceedings in scrutiny/ audit/ investigation, etc. for the period 01.04.2019 to 31.12.2021 and not to the completed proceedings. However, these instructions will apply in those cases during the period 01.04.2019 to 31.12.2021 where any adjudication or appeal proceedings are still pending.

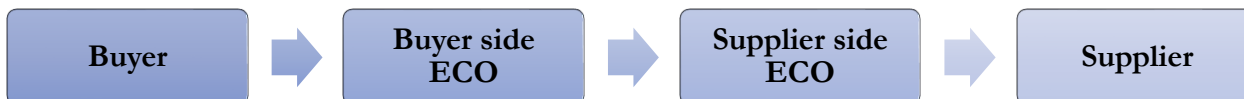
Clarification on TCS liability under Section 52 of the CGST Act, 2017 in case of multiple E-Commerce Operators in one transaction.

[Circular No. 194/06/2023-GST dated 17/07/2023.](#)

In the case of Open Network for Digital Commerce (ONDC) or other similar arrangements, there can be multiple e-commerce operators (**ECO**) involved in a single transaction. In this context, CBIC clarified as to which ECO should collect tax at source (**TCS**) and make other compliances u/s 52 of the CGST Act as set out below.

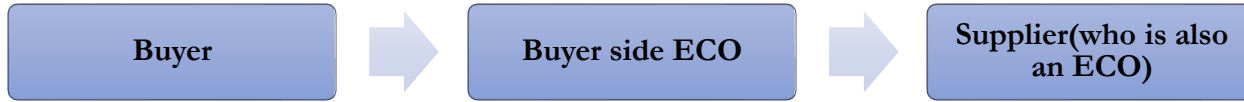
Situation I- Where the supplier-side ECO himself is **NOT THE SUPPLIER**.

- The compliances under Section 52, including collection of TCS is to be done by the seller side ECO who finally releases the payment to the supplier for supplies made through it.



Situation II- Where the supplier-side ECO is **HIMSELF THE SUPPLIER**

- The compliances under Section 52 and collection of TCS is to be done by the buyer-side ECO who finally releases the payment to the supplier (who is himself an ECO) for supplies made through it.



CNK Comments:

An ambiguity on the responsibility of collection of TCS under GST has been resolved by this clarification in case of transaction involving multiple ECO. Thus, ECO who is responsible for transferring the consideration to the supplier is liable to collect TCS and there is no requirement to collect TCS when the supplier has his own e-commerce platform.

Clarification on availability of ITC in respect of warranty replacement of parts and repair services during warranty period.

[Circular No. 195/07/2023-GST dated 17/07/2023.](#)

	Transaction	Whether GST is payable or not.	Whether ITC to be reversed or not.
I.	Manufacturer offers warranty and provides replacement of parts or repair services to the customer during the warranty period		
	Replacement without charging any consideration	No GST	Not an exempt supply hence no ITC reversal by manufacturer
	When additional consideration is charged	GST applicable	No ITC reversal by manufacturer
II.	Distributor on behalf of manufacturer provides replacement of parts to the customer during the warranty period		
	Without charging separate consideration	No GST	No ITC reversal.
	When additional consideration is charged	GST applicable	Distributor replaces either by using his stock or by purchasing from a third party and issues tax invoice on manufacturer then manufacturer can claim ITC and no ITC reversal is required by the distributor.
III.	Distributor replaces the parts from existing stock purchased from the Manufacturer during the warranty period and manufacturer issues credit note for the same		
	Distributor replaces the parts from existing stock purchased from manufacturer	No GST	Here manufacturer will issue credit note, adjust its tax liability and ITC reversal is to be done by distributor based on credit note raised.
	Replacement is done free of cost to the customer but charges the manufacturer for repair service.	GST applicable	Manufacturer can avail ITC

Following will be the GST applicability where customer avails extended warranty offer provided by the manufacturer:

Scenario IV	Transaction	GST applicability
	Extended warranty provided at the time of original supply	<ul style="list-style-type: none"> ▪ GST is to be paid according to composite supply. ▪ Such consideration becomes part of composite supply wherein principal supply being supply of goods.
	Extended warranty at any time after the original supply	<ul style="list-style-type: none"> ▪ GST payable as if it is a separate contract. ▪ GST payable by the service provider, depending on the nature of the contract.

CNK Comments:

The aforesaid clarifications will bring big relief to manufacturers and distributors who offer product warranties.

Clarification on taxability of shares held in a subsidiary company by the holding company.

[Circular No. 196/08/2023-GST dated 17/07/2023.](#)

CBIC has clarified that mere holding of securities of a subsidiary company by a holding company cannot be treated as a supply of services and therefore cannot be taxed under GST.

CNK Comments:

The securities held by the holding company in the subsidiary company are neither goods nor services. Further, purchase or sale of shares or securities, is neither supply of goods nor supply of services. Therefore, it is now clarified that the activity of holding of shares of subsidiary company cannot be treated as a supply of services by a holding company to the said subsidiary company and cannot be taxed under GST merely because entry in GST rate schedule recognizes services of holding equity of subsidiary companies as service.

Clarification on refund related issues.

[Circular No. 197/08/2023-GST dated-17/07/2023.](#)

Issues	Clarification
Whether the refund of the accumulated ITC u/s 54(3) of CGST Act shall be admissible based on ITC as reflected in Form GSTR-2A or on the basis of that available as per Form GSTR-2B of the applicant?	<ul style="list-style-type: none"> ▪ It has been clarified that refund of accumulated ITC for the tax period January 2022 and onwards shall be available only on the invoices / debit notes which are appearing in Form GSTR-2B instead of Form GSTR-2A. ▪ However, where refund claims for the tax period January 2022 and onwards has already been disposed by the proper officer, the same shall not be reopened.
How to calculate “adjusted total turnover” in case of goods exported out of India?	<ul style="list-style-type: none"> ▪ It has been clarified that the value of goods exported out of India to be included while calculating “adjusted total turnover” would be the as per the explanation inserted in sub-rule (4) of ▪ Rule 89 of CGST Rules vide Notification No. 14/2022- CT dated 05.07.2022.

Issues	Clarification
<p>In case exporters have voluntarily made payment of IGST, along with applicable interest, as goods could not be exported or payment for export of services could not be received within time frame as prescribed in Rule 96A(1) of CGST Rules then, can those exporters be entitled to claim refund of unutilized ITC, IGST paid on exports and interest subsequent to export of the said goods or realization of payment in case of export of services ?</p>	<ul style="list-style-type: none"> ▪ Export benefit available even if goods are exported after 3 months from date of invoice or payment towards service export realized after 1 year from the date of invoice. ▪ Refund of accumulated ITC can be claimed on such exports. ▪ Refund of taxes paid on such exports can also be claimed. ▪ Interest paid, if any will not be refunded. ▪ The refund application can be filed under the category 'other' till the actual notified refund category 'excess payment of tax' becomes operational.

CNK Comments:

The clarification issued by the Government is highly beneficial for businesses, as it allows for refunds of accumulated ITC and taxes on exports even if the goods are exported or payments are realised after specific time periods. However, the non-refundable interest remains a limitation in these provisions.

Clarification on issue pertaining to e-invoice

[Circular No. 198/10/2023-GST dated- 17/07/2023.](#)

It has been clarified that the registered person, whose turnover exceeds the prescribed threshold for generation of e-invoicing, is required to issue E-invoice for supplies made to Government departments or establishments/ Government agencies/ local authorities/ PSUs registered solely for the purpose of TDS.

CNK Comments:

Earlier to this circular the supplies made to the Government Departments or establishments/ Government agencies / local authorities / PSUs, etc., who were not registered under GST as a regular taxpayer, were considered as B2C supplies. But now if these Government departments etc. are registered u/s 51 of CGST Act then supplier will have to issue E-invoice to such Government entities.

Clarification regarding taxability of services provided by an office of an organisation in one State to the office of that organisation in another State, both being distinct persons.

[Circular No. 199/10/2023-GST dated- 17/07/2023.](#)

- Circular bifurcates the cost into third party services and internally generated services.
- CBIC has clarified that it is not mandatory to follow Input Service Distributor (**ISD**) mechanism for transfer of common ITC.
- Head Office (**HO**) can transfer credit to the Branch Offices (**BOs**) by raising invoice u/s 31 of the CGST Act to the concerned BOs or by following ISD mechanism. BOs can then avail ITC on the same subject to the provisions of Section 16 and 17 of CGST Act.
- In case, BOs are eligible for full ITC and no invoice is raised on the BOs by HO, it is clarified that value of services to the BOs may be deemed to be declared as NIL and deemed to be open market value as per proviso to Rule 28 of CGST Rules.
- The salary cost of employees is not mandatory to be included to arrive at the value of supplies provided to the BOs, irrespective of whether branch can claim full ITC or not.

CNK Comments:

Allocation of common ITC through cross charge or ISD mechanism has been an intriguing issue under the GST Law. The clarification that ISD is not mandatory for the past and present period does away with the ruling given by Maharashtra Appellate Authority of Advance Ruling in case of Cummins India Ltd.

Further, cross charge is not required where full ITC is available. This gives much needed relief in case of transactions between distinct persons. However, the proposal as per 50th GST Council Meeting that ISD would become mandatory in future could once again complicate such transactions.

Clarification regarding GST rates and classification of certain goods

[Circular No. 200/12/2023-GST dated 01/08/2023.](#)

CBIC has clarified that GST on uncooked/unfried snack pellets, imitation Zari thread or yarn, fish soluble paste is reduced to 5% w.e.f.27.07.2023 Further, in view of the prevailing doubts regarding the applicability of GST rate the issue for past period is to be regularized on “as is” basis.

Clarifications regarding applicability of GST on certain services

[Circular No. 201/13/2023-GST dated 01/08/2023.](#)

Issue	Clarification
Whether services supplied by director of a company in his personal capacity such as renting of immovable property to the company or body corporate are subject to Reverse Charge Mechanism (RCM)	<ul style="list-style-type: none"> ▪ It has been clarified that services supplied by directors of a company or body corporate in their personal capacity, such as services supplied by way of renting of immovable property are not taxable under RCM. ▪ Only services supplied by the director of the company in the capacity as a director of the company are taxable under RCM.
Whether supply of food or beverages in cinema hall is taxable as restaurant service @5%	<ul style="list-style-type: none"> ▪ Supply of food and beverages in cinema halls are taxable as a “restaurant service” if they are supplied independent of the cinema exhibition service. ▪ Further when the price of cinema ticket is inclusive of food and beverages then it will be considered as a composite supply and the entire supply will attract GST at the rate applicable to service of exhibition of cinema being the principal supply.

Notifications pursuant to recommendations of 50th GST Council Meeting

CBIC has issued the following Notifications, which will come into force from 30/07/2023

Notification No.	Particulars	Old Due date	New Due Date
18/2023-Central Tax dated 17/07/2023	Extended due date for filing GSTR-1 for the tax period April 2023, May 2023, June 2023 for Manipur	April & May 2023 -30/06/2023 June 2023 – 11/07/2023	31/07/2023
19/2023-Central Tax dated 17/07/2023	Extended due date for filing GSTR-3B for the tax period April 2023, May 2023 and June 2023 for Manipur	April & May 2023 30/06/2023	31/07/2023

Notification No.	Particulars	Old Due date	New Due Date
		June 2023 – 20/07/2023	
20/2023-Central Tax dated 17/07/2023	Extended due date for filing GSTR-3B for the quarter ending June 2023 for Manipur	24/07/2023	31/07/2023
21/2023-Central Tax dated 17/07/2023	Extended due date for filing GSTR-7 for the tax period April 2023, May 2023, June 2023 for Manipur	April & May 2023 30/06/2023 June 2023 – 10/07/2023	31/07/2023
22/2023-Central Tax dated 17/07/2023	Extended due date of amnesty scheme to GSTR-4 non-filers	30/06/2023	31/08/2023
23/2023-Central Tax dated 17/07/2023	Extension of time limit for revocation of cancellation of registration.	30/06/2023	31/08/2023
24/2023-Central Tax dated 17/07/2023	Extended due date of amnesty scheme for deemed withdrawal of assessment order u/s 62	30/06/2023	31/08/2023
25/2023-Central Tax dated 17/07/2023	Extended due date of amnesty scheme to GSTR-9 non-filers	30/06/2023	31/08/2023
26/2023-Central Tax dated 17/07/2023	Extended due date of amnesty scheme to GSTR-10 non-filers	30/06/2023	31/08/2023

Notification No. 27/2023- Central Tax dated 31/07/2023

CBIC has issued this notification whereby from 01.10.2023 the provision of Section 123 of Finance Act, 2021 will come into force. Hence from 01.10.2023 supplier can make zero-rated supply under Letter of Undertaking (LUT)/ Bond without payment of IGST and claim refund of unutilised ITC on supply of goods/ services. Similarly, all suppliers of goods and services except those specified in [notification no. 01/2023 –Integrated Tax dated 31.07.2023](#), can export goods and services on payment of Integrated Tax and claim refund of the same.

CNK Comment:

Finance Act, 2021 has amended Section 16(3) and Section 16(4) to the IGST Act on 28.03.2021 but the date from which it will become effective was not notified till 31.07.2023 Now this anomaly has been resolved by making it effective from 01.10.2023.

Section 16(3) speaks about refund in case of non-realization of sale proceeds. Previously Section 16(3) had no power for recovery of refund in case of non-realization of sale proceeds in case of export of goods, though it was mentioned under Rule 96B of CGST Rules 2017. This amendment will fill the gap by providing that the registered person making zero rated supplies is liable to deposit the refund received along with interest in case of non-realization of sale proceeds within the specified time. Further the option to make zero-rated supplies with payment of IGST is removed from Section 16(3) and Section 16(4) has been made effective from 01.10.2023 empowering Government to notify certain class of persons or class of goods / services on which the benefit of claiming refund of export with payment of integrated tax will be allowed.

Notification No. 28/2023- Central Tax dated 31/07/2023

This notification has been issued to specify effective date of following sections of GST Act:

Sections	Amendments
Amendments to the CGST Act 2017 w.e.f. 1 August 2023	
109, 110, 114, 117, 118, 119	New sections relating to the GST Appellate Tribunal (AT) and appeals against the orders of Appellate Tribunal Section 109 – Constitution of Appellate Tribunal, Section 110-Members of Appellate Tribunals, Section 114 – Financial and Administrative powers, Section 117-Appeal to High Court (against order passed by AT), Section 118 – Appeal to Supreme Court (against order passed by AT), Section 119 – Sums due to be paid notwithstanding appeal, etc.
Amendments to the CGST Act 2017 w.e.f. 1 October 2023	
16(2)	Where payment to vendor is not made within the prescribed time limit, the ITC so claimed needs to be reversed along with interest. Earlier, the taxpayer was required to add such amount of ITC to their outward liability. However, such ITC can be re-availed on payment of the amount to the supplier.
17(3)	For computing proportionate ITC reversal on account of exempt supply, it has been provided that the value of exempt supply shall include the value of below mentioned transactions listed in Schedule III of the CGST Act: <ul style="list-style-type: none"> ▪ Sale of land and, subject to clause (b) of paragraph 5 of Schedule II, sale of building. ▪ Sale by endorsement of document of title to goods, before clearance for home consumption and in-bond
17(5)	ITC on purchase of goods and/ or services used for or intended to be used for activities relating to corporate social responsibility is restricted.
30(1)	The time limit of 30 days for filing an application for revocation of cancellation of registration has been removed and so is the discretionary power for extending such time limit. Consequently, application for revocation of cancellation of registration can be filed anytime.
37, 39, 44, 52	Limitation period of 3 years from the due date for filing returns in Forms GSTR-1, GSTR-3B, GSTR-9 and Statement of TCS in Form GSTR-8 has been provided along with powers for extension on recommendation by GST Council. Therefore, these returns cannot be filed beyond 3 years from their due date of filing.
62(2)	In case the taxpayer files a return in response to an assessment order under Section 62 of the CGST Act (Assessment of non-filers of returns) within 60 days (<i>earlier 30 days</i>) from the date of service of assessment order, the order shall be deemed to be withdrawn. A proviso has been inserted to enable belated filing within a further period of 60 days on payment of additional late fee.
122(IB)	Newly inserted penal provision for various offences committed by Electronic Commerce Operator

Sections	Amendments
132(1)(g), (j) and (k)	<p>Clauses (g), (j) and (k) of Section 132(1) of the CGST Act have been omitted. As a result, the below offences shall no longer be punishable by way of imprisonment:</p> <p>Clause (g) – obstruction/ prevention of officers from discharging their duty. Clause (j) – Tampering/ destroying of material, evidence or documents. Clause (k) – Failure to supply information/ supplying false information.</p>
158A	Newly inserted provision for sharing taxpayers’ information across other Government systems under consent from such taxpayers.
Schedule III	<p>New entries inserted in Schedule III (Supplies which are neither goods nor services) effective from 01.07.2017</p> <ul style="list-style-type: none"> ▪ Entry 7 –Supply of goods from a non-taxable territory to another non-taxable territory without the goods touching Indian territory. ▪ Entry 8 - Sale by endorsement of document of title to goods, before clearance for home consumption and in-bond supplies.
Amendments to the IGST Act w.e.f. 1 October 2023	
2(16)	The definition of non-taxable online recipient has been amended to include all unregistered persons who receive online information and database access or retrieval services, located in taxable territory.
12(8)	<p>Place of supply (POS) (where supplier and recipient are in India) for transportation of goods to a place outside India shall now be as follows:</p> <ul style="list-style-type: none"> ▪ Supply to a registered person – Location of such person ▪ Supply to other than registered person – Location at which goods are handed over for the transportation. <p>Earlier the place of supply in the above case was destination of goods outside India.</p>
13(9)	<p>Section 13(9) of IGST Act has been omitted.</p> <p>POS (where either supplier or recipient is outside India) of transportation of goods shall now follow the general rule i.e., location of recipient; if the location of recipient is not available, then location of the supplier.</p>

Notification No. 29/2023- Central Tax dated 31/07/2023.

CBIC has notified special procedure to be followed by a registered person or an officer referred to in Section 107(2) of the CGST Act who intends to file an appeal against the order passed by the proper officer u/s 73 or 74 of the said Act in accordance with Circular No. 182/14/2022-GST, dated 10.11 2022 relating to ITC availed in Form TRAN-1 or TRAN-2 pursuant to the directions of the Hon’ble Supreme Court in the case of Union of India v/s Filco Trade Centre Pvt. Ltd.

Notification No. 30/2023- Central Tax dated 31/07/2023.

This notification notifies special procedure to be followed by the manufacturers of tobacco, pan masala & other similar items. Manufacturer of such goods as mentioned in schedule to this Notification shall furnish the details of packing machines being used for filling and packing of pouches or containers in FORM SRM-I/SRM-IIA within a specified date. It also provides details of records to be maintained in Input Register. Such registered person shall submit a special statement for each month in FORM SRM-IV on the common portal, on or before the tenth day of the succeeding month.

Notification No. 31/2023- Central Tax dated 31/07/2023.

CBIC has notified that risk-based biometric-based Aadhaar authentication of registration will be conducted in Puducherry.

Notification No. 32/2023- Central Tax dated 31/07/2023.

For easing compliance burden on small taxpayers, exemption from filing of annual return (in FORM GSTR-9/9A) for taxpayers having aggregate annual turnover up to two crore rupees to be continued also for FY 2022-23

Notification No. 33/2023- Central Tax dated 31/07/2023.

CBIC has notified u/s 158A of CGST Act, 2017 “Account Aggregators” as the systems with which information is to be shared by the common portal. Account Aggregator” means a non-financial banking company which undertakes the business of an Account Aggregator in accordance with the policy directions issued by RBI under Section 45JA.

Notification No. 34/2023- Central Tax dated 31/07/2023

The persons making supplies of goods through an ECO who is required to collect TCS under Section 52, having an aggregate turnover in preceding Financial Year (**FY**) and in current FY not exceeding the specified limit u/s 22(1) of CGST Act are exempted from obtaining GST registration w.e.f.01.10.2023 subject to following conditions namely:

1. such persons shall not make any inter-State supply of goods,
2. such persons shall not make supply of goods through ECO in more than one State or Union territory,
3. such persons shall be required to have a PAN issued under the Income Tax Act, 1961,
4. such persons shall, before making any supply declare on the common portal their PAN, address of their place of business and the State or Union Territory (**UT**) in which such persons seek to make such supply,
5. such persons have been granted an enrolment number on successful validation of PAN and they should not have more than one enrollment number. The enrollment number shall cease to be valid from the effective date of registration,
6. such persons shall not be granted more than one enrolment number in a State or UT,
7. no supply of goods shall be made by such persons through ECO unless such persons have been granted an enrolment number on the common portal. The enrolment number so granted shall cease to be valid from the effective date of registration.

CNK Comments:

This will reduce the compliance burden and promote ease of doing business through ECO for small taxpayers.

Notification No. 06/2023- Central Tax (Rate) dated 26/07/2023.

It has been notified that w.e.f.27.07.2023 last date of exercising the option by Goods Transport Agency (**GTA**) to pay GST under forward charge mechanism (**FCM**) will be 31st March of preceding FY instead of 15th March. The option can be exercised starting from January 01 of the preceding FY.

For Example:

If a GTA wants to opt for FCM for F.Y. 2024-25 i.e., from 01.04.2024 then GTA has to select such an option on GST portal between 01.01.2024 to 31.03.2024.

Notification No. 07/2023- Central Tax (Rate) dated 26/07/2023.

The said notification has been amended to provide GST exemption on satellite launch service by all private sector companies.

CNK Comments:

Earlier satellite launch services were exempted to specific companies or organizations. Now as per this notification GST is exempted on satellite launch service for all private sector enterprises, thus, encouraging start-ups.

Notification No. 08/2023- Central Tax (Rate) dated 26/07/2023.

This notification clarifies that GTA will not be required to file declaration for paying GST under FCM in every FY. Option exercised for a FY shall be applied for future FY's unless they file a declaration to revert to RCM.

CNK Comments:

This has relieved GTAs from filing yearly GST declaration under FCM. This will help to reduce compliance procedures for GTAs who are registered under GST law.

Notification No. 09/2023- Central Tax (Rate) dated 26/07/2023.

Changes in GST rates of Goods w.e.f. 27.07.2023 are as follows.

Sr. No.	Description of Goods	From	To
1	Un-fried or un-cooked snack pellets manufactured through process of extrusion.	18%	5%
2	Imitation Zari thread or yarn	12%	5%
3	Linz-Donawitz (LD) Slag	18%	5%
4	Fish soluble paste	18%	5%

Notification No. 10/2023-Central Tax (Rate) dated 26/07/2023.

This notification has been issued to make following substitution in the explanation to the [Notification No. 26/2018-Central Tax \(Rate\) dated 31.12.2018](#) in pursuance to the New Foreign Trade Policy, 2023. It will come into force w.e.f. 27.07.2023.

- (a) "Foreign Trade Policy" means the Foreign Trade Policy, 2023, notified by the Government of India in the Ministry of Commerce and Industry vide notification No. 1/2023 dated 31.03.2023, published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-Section (ii) vide S.O. 1565 (E). dated 31.03.2023.
- (b) "Handbook of Procedures" means the Handbook of Procedure, notified by the Government of India in the Ministry of Commerce and Industry vide Public Notice No. 01/2023 dated 01.04.2023, Extraordinary, Part-I, Section 1 vide F. No. 01/75/171/00016/AM-23/FTP Cell dated 01.04.2023.

Notification No. 01/2023 –Integrated Tax dated 31.07.2023.

CBIC has notified all goods or services (except the goods such as Pan Masala, Tobacco, Mentha Oil etc.) as the class of goods or services which may be exported on payment of IGST and on which the supplier of such goods or services may claim the refund of tax so paid. The said notification will come into force from 01.10.2023.

Gist of Recommendations of 51st GST Council Meeting held on 01.08.2023

- To make certain amendments in CGST and IGST Act 2017, including amendment in Schedule III of CGST Act, 2017, to provide clarity on taxation of supplies in casinos, horse racing and online gaming.
- To insert a specific provision in IGST Act, 2017 to provide for liability to pay GST on supplier located outside India supplying online money gaming to a person in India.
- To levy GST on online gaming and actionable claims in casinos at entry level and not on each bet placed. The valuation of supply of online gaming and actionable claims in casinos may be done based on total fund deposited with the supplier excluding the amount entered into bets out of winnings of previous bets and not on the total value of each bet placed. For e.g., if any person goes in casinos purchases coins of Rs. 1,000, he plays the first game by giving Rs. 100 and in case he wins say Rs. 300, then GST will be levied on Rs. 1,000 only and not on Rs. 1,300.
- GST @ 28% on online gaming and actionable claims in casinos is expected to be implemented from 01.10.2023. This decision will be reviewed after six months of its implementation.

CNK Comments:

This will give some relief to those who were unhappy with the decision taken in 50th GST council meeting to levy 28% tax on full face value for online gaming, casinos and horse racing. Now GST will be charged on the value of coins/chips purchased and money deposited in wallets in casinos or online gaming respectively and not on each game played.

Further recommendations states that offshore entities must take GST registrations in India, failure to take GST registration could result in the platform being blocked, in accordance with the provisions of the Information Technology Act.

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MUMBAI

www.cnkindia.com

3rd Floor, Mistry Bhavan, Dinshaw Vachha Road,
Churchgate, Mumbai, 400 020, India.
Tel: +91 22 6623 0600

501/502, Narain Chambers, M.G. Road, Vile Parle
(East), Mumbai 400 057, India.
Tel: +91 22 6250 7600

Bengaluru: +91 80 2535 1353

Chennai: +91 44 4384 9695

Vadodara: +91 265 234 3483

Ahmedabad: +91 79 2630 6530.

GIFT City: +91 79 2630 6530

Delhi: +91 11 2735 7350

13Pune: +91 20 2998 0865

Dubai: +971 4 3559533

Abu Dhabi: +971 4 3559544