



# **Agenda for 30<sup>th</sup> GST Council Meeting**

**28<sup>th</sup> September 2018**





**File No: 580/30<sup>th</sup> GSTCM/GSTC/2018**  
**GST Council Secretariat**

Room No.275, North Block, New Delhi

Dated: 07<sup>th</sup> September 2018

**Notice for the 30<sup>th</sup> Meeting of the GST Council scheduled on 28<sup>th</sup> September 2018**

The undersigned is directed to refer to the subject cited above and to say that the 30<sup>th</sup> Meeting of the GST Council will be held on **28<sup>th</sup> September 2018 (Friday)** as follows:

- Friday, 28<sup>th</sup> September 2018: 11:00 hours onwards (Through Video Conference)
- 2. In addition, an Officer's Meeting will be held as follows:
  - Thursday, 27<sup>th</sup> September 2018: 11:00 hours onwards (Through Video Conference)
- 3. The Agenda Items for the 30<sup>th</sup> Meeting of the GST Council will be communicated in due course of time.
- 4. Respective State NIC units may be contacted for details regarding the Video Conference.
- 5. Please convey the invitation to the Hon'ble Members of the GST Council to attend the meeting.

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**(Dr. Hasmukh Adhia)**

**Secretary to the Govt. of India and ex-officio Secretary to the GST Council**

**Tel: 011 23092653**

Copy to:

1. PS to the Hon'ble Minister of Finance, Government of India, North Block, New Delhi with the request to brief Hon'ble Minister about the above said meeting.
2. PS to Hon'ble Minister of State (Finance), Government of India, North Block, New Delhi with the request to brief Hon'ble Minister about the above said meeting.
3. The Chief Secretaries of all the State Governments, Delhi and Puducherry with the request to intimate the Minister in charge of Finance/Taxation or any other Minister nominated by the State Government as a Member of the GST Council about the above said meeting.
4. Chairperson, CBIC, North Block, New Delhi, as a permanent invitee to the proceedings of the Council.
5. Chairman, GST Network

### **Agenda Items for the 30<sup>th</sup> Meeting of the GST Council on 28<sup>th</sup> September 2018**

1. Confirmation of the Minutes of 29<sup>th</sup> GST Council Meeting held on 04<sup>th</sup> August 2018
2. Deemed ratification by the GST Council of Notifications, Circulars and Orders issued by the Central Government
3. Decisions of the GST Implementation Committee (GIC) for information of the GST Council
4. Decisions/recommendations of the IT Grievance Redressal Committee for information of the Council
5. Review of Revenue position
6. Analysis of Revenue Gap of select States and Union Territory of Puducherry for information of the Council
7. Status report on Anti-profiteering measures under GST for information of the Council
8. Proposal of State of Kerala for imposition of Cess on SGST for rehabilitation and flood affected works
9. Proposal of State of Punjab to address difficulties arising out of recent amendment to rule 96 of the CGST/SGST Rules relating to exports
10. IGST exemption to imported goods supplied for relief and rehabilitation of people affected by floods in the State of Kerala for information of the Council
11. Any other agenda item with the permission of the Chairperson
12. Date of the next meeting of the GST Council

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# Discussion on Agenda Items

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## **Agenda Item 1: Confirmation of the Minutes of 29<sup>th</sup> GST Council Meeting held on 04<sup>th</sup> August 2018**

### **Draft Minutes of the 29<sup>th</sup> GST Council Meeting held on 04<sup>th</sup> August 2018**

The twenty-ninth Meeting of the GST Council (hereinafter referred to as ‘the Council’) was held on 4<sup>th</sup> August 2018 at Vigyan Bhawan, New Delhi under the Chairpersonship of the Hon’ble Union Finance Minister, Shri Piyush Goyal (hereinafter referred to as the Chairperson). A list of the Hon’ble Members of the Council who attended the meeting is at **Annexure 1**. A list of officers of the Centre, the States, the GST Council and the Goods and Services Tax Network (GSTN) who attended the meeting is at **Annexure 2**.

2. The following agenda items were listed for discussion in the 29<sup>th</sup> Meeting of the Council:
  1. Confirmation of the Minutes of 28<sup>th</sup> GST Council Meeting held on 21<sup>st</sup> July, 2018.
  2. Discussion to address issues and concerns of Micro, Small & Medium Enterprises (MSME) in GST regime.
  3. Incentivising Digital Payments in GST Regime.
  4. Any other agenda item with the permission of the Chairperson.
  5. Date of the next meeting of the GST Council.

### **Preliminary discussion**

3. The Hon’ble Chairperson extended a warm welcome to all the Hon’ble Members of the Council and the officers. He noted with delight that this Meeting had a better presence of the Hon’ble Members as compared to the last meeting and stated that he looked forward to the valuable contribution of all the Hon’ble Members during the meeting. He observed that earlier the only forum in which issues relating to Micro, Small and Medium Enterprises (MSME) could be discussed was Niti Aayog, and its earlier avatar, the Planning Commission and this was the first time, a focussed meeting was being organised on an extremely important subject of MSME.

3.1. The Hon’ble Chairperson recalled that during informal discussion with the Hon’ble Council Members last time, many of them, like those from Bihar, Punjab, Delhi, Haryana and Puducherry had suggested to have one meeting of the Council for a focussed discussion on many concerns of the MSME Sector. Subsequently the Council decided to convene a special meeting within two weeks for the MSME sector. He observed that the MSME sector with very small investments made very significant contribution and provided livelihood to millions of people across the country. He noted that it was heartening to see that the Council was collectively discussing the issues and concerns faced by the MSME sector as raised by almost all the Hon’ble Members. He further stated that the meeting provided an opportunity to consider how to draw a roadmap of going forward; to make this

as an instrument to further the cause of promoting the MSME sector; to ensure orderly growth of MSME sector; and how to help the MSME sector in creation of more jobs. He observed that if there was a need, the Council could also look at other aspects like bank finance and any other measure, which can promote the growth of the MSME sector. He observed that if India had to become a manufacturing hub, while the big industries had a particular role to play, they also needed a support ecosystem that the MSME sector gives. He observed that 30 to 40 years back, India followed an industrial policy of setting up industries in backward areas by way of licensing but in today's liberalised atmosphere, it may not be possible for the Government to direct somebody to set up industries in a particular area. He further observed that the efforts made in the last 30-40 years for promoting industries in remote areas had helped in creating an ecosystem around those industries where millions of people worked indirectly and created small scale and ancillary industries etc. However, in last few years, in a liberalised atmosphere, the government had let industries choose suitable location for their establishment and in this process, some parts of the country had remained alienated from the development process and they had not been able to see that kind of economic growth in the MSME sector. The Hon'ble Chairperson further stated that some figures indicated that there are approximately 5 crore MSME units in the country in which approximately 12 crore people work. Therefore, the multiplier effect of the MSME is hugely important for the national economy and needs to be recognised.

3.2. The Hon'ble Chairperson observed that largely there was a good acceptance by the public of the decisions taken during the last Meeting of the Council. Feedback from the media and small industries was very positive. He informed that before this Meeting of the Council, on 2<sup>nd</sup> August 2018, he, along with his team of Central Government officers, had interacted on video conference from 12 locations with stakeholders representing Composition business, small traders, manufacturers and job workers. Generally, they all unanimously welcomed GST and wanted to be part of the new indirect taxation system.

3.3. The Hon'ble Chairperson thanked all the States for sending the representations of the industries from their States which were tabulated and circulated before the Council meeting. He observed that it was a very good collaborative effort of the States by which initially 146 suggestions were received and then some more were received later. With these words, he once again welcomed the Hon'ble Members of the Council and then requested Dr. Hasmukh Adhia, Union Finance Secretary and Secretary to the Council (hereinafter referred to as the Secretary) to take up discussion on the Agenda items.

3.4. The Secretary invited Shri Shashank Priya, Joint Secretary, GST Council to brief the Council regarding various volumes of the Agenda notes circulated for the Meeting to facilitate the ensuing discussion. The Joint Secretary, GST Council informed that altogether four volumes of Agenda notes had been circulated. Volume-1 of the Agenda note contained Agenda Item 1 viz. Confirmation of the Minutes of the 28<sup>th</sup> GST Council meeting; Volume-2 contained compilation of issues and concerns of MSME received from the Tax administrations of the States and the Central Government as well as other stakeholders; Volume-3 was an Addendum to Volume-2 which contained suggestions received from a few States viz. Delhi, Gujarat, some CBIC Zones and suggestions from Federation of Indian Micro, Small and Medium Enterprises (FISME) received after circulation of Volume-2; Volume-4 contained the Agenda note on Agenda Item 3 viz. Incentivising Digital Payments in GST Regime and Agenda 4 was an additional Agenda placed with the permission of the

Hon'ble Chairperson notifying due dates for GSTR-1, GSTR-2, GSTR-3 and GSTR-3B. He further informed that as was discussed during the last Council Meeting, the report of the Law Review Committee (LRC) as well as an analysis of the proposals contained in the report of the LRC was circulated to the States and copies of these two documents were also placed today before the Hon'ble Members. After this preliminary introduction, the Secretary commenced discussion on the Agenda items.

### **Discussion on Agenda items**

#### **Agenda Item 1: Confirmation of the Minutes of 28<sup>th</sup> GST Council Meeting held on 28 July, 2018**

4. The Secretary stated that written comments had been received from the States of Gujarat and Rajasthan for amendments in the draft Minutes of the last Council meeting (hereinafter referred to as the Minutes). He requested Shri S. Ramesh, Chairman, CBIC to brief the Council regarding the suggested changes.

4.1. The Chairman, CBIC informed that the Commissioner of Commercial Tax (CCT), Gujarat had sent a written request to make five changes to the Minutes. The first proposed change was in paragraph 18.15 of the Minutes where CCT, Gujarat had requested to replace the presently recorded version ("Dr. P. D. Vaghela, CCT, Gujarat stated that this option was also examined by the Law Committee earlier and that this could possibly be implemented by allowing credit to the purchaser.") with the following version: 'Dr. P. D. Vaghela, CCT, Gujarat stated that this option was also examined by the Law Committee earlier but was found not feasible as the seller would be required to claim refund. However, this could again be examined by the Law Committee.' The Council agreed to record the proposed revised version in the Minutes.

4.2. The second suggested change was in paragraph 20 (xiv) of the Minutes where CCT, Gujarat had requested to replace the presently recorded version ("**Nicotine Gum:** The Hon'ble Deputy Chief Minister of Gujarat stated that to quit smoking habit, Nicotine Polacrilex Gum is used and the present rate of tax on this item was 18% which should be reduced. The Hon'ble Chairperson stated that this may be examined by the Fitment Committee. The Council agreed to this suggestion.") with the following version: - '**Nicotine Gum:** The Hon'ble Deputy Chief Minister of Gujarat stated that to quit smoking habit, Nicotine Polacrilex Gum is used and the present rate of tax on this item was 18% which should be reduced. He added that these products are like medicines and its rate should be reduced to 12%. The Secretary suggested that it may be referred to the Fitment Committee for further discussion. The CCT, Gujarat stated that the Fitment Committee had discussed this proposal and rejected it. The Joint Secretary, TRU-II stated that this product could not be differentiated from regular chewing gum. The Secretary stated that technical specification could be given for this product based on percentage of nicotine content and then rate reduction could be considered. He suggested that the Fitment Committee could consider this issue afresh on this basis. The Council agreed to this suggestion.' The Council agreed to record the proposed revised version in the Minutes.

4.3. The third proposed change was in paragraph 20 (iii) under Annexure III at page 36 of the Minutes where the presently recorded version of the CCT, Gujarat ("CCT, Gujarat stated that this issue could also be addressed by putting renting services by Panchayats and Municipalities under reverse charge. However, if a Municipality rented a property to a non-registered person, no tax would



be payable in this situation.”) was proposed to be replaced with the following: ‘CCT, Gujarat stated that as far as renting of property was concerned, it was already under reverse charge mechanism in case of supply of services to the registered person. In case such turnover of renting of property including any other commercial activities not covered by Article 243W of the Constitution is more than Rs. 20 Lakh, the Municipality will be required to take registration. At present, even if such income is less than Rs. 20 lakh and as activities undertaken as part of Article 243W of the Constitution is not declared as ‘no supply’, turnover of such activities is included in the total turnover and Municipalities are required to take registration even when their revenue from renting of property and other commercial activities are less than Rs. 20 lakh. If this proposal is accepted, Municipalities are put at par with Panchayats.’ The Council agreed to record the proposed revised version in the Minutes.

4.4. The fourth proposed change was at Sl. No. 101 at page no. 37 of the Minutes where CCT, Gujarat had requested to replace the presently recorded version (“The CCT, Gujarat requested that this issue should be considered sympathetically in the interest of export. The Secretary stated that giving a retrospective amendment would be difficult.”) with the following: ‘The CCT, Gujarat requested that this issue should be considered sympathetically in the interest of export. The Secretary stated that there were a lot of such interim issues for retrospective amendment which would need to be examined. The CCT, Gujarat suggested that this issue could also be addressed through the Removal of Difficulties Provision under the GST Law. The Secretary observed that it would need to be examined further. The Council agreed to this suggestion.’ The Council agreed to record the proposed revised version in the Minutes.

4.5. The fifth change proposed was in paragraph 35.4 of the Minutes where CCT, Gujarat had requested to replace the presently recorded version (“CCT, Gujarat stated that it was a good proposal to do away with permit system.”) with the following: ‘The CCT, Gujarat stated that state road permit and national permit system should be done away with and loss in revenue due to abolition of permit system could be taken care of by appropriately raising registration charges, etc.’ The Council agreed to record the proposed revised version in the Minutes.

4.6. The Chairman, CBIC informed that CCT, Rajasthan had sent a written communication stating that after the version of the Hon’ble Minister from Goa recorded in paragraph 22(ii) of the Minutes, (“The Hon’ble Minister from Goa stated that at least the cap of room rent of Rs.7500 and above per night for applying 28% tax rate should be increased to Rs.10,000 per night.”) the following should be added: ‘The Hon’ble Minister from Rajasthan stated that they supported the stand of the Hon’ble Minister from Goa of applying 28% tax rate on room rent above Rs.10,000 only.’ The Council agreed to add this version of the Hon’ble Minister from Rajasthan in paragraph 22(ii) of the Minutes.

4.7. Dr. T. V. Somanathan, CCT, Tamil Nadu suggested a correction in the 3<sup>rd</sup> sentence of paragraph 33.12 of the Minutes. He stated that it appeared from the Minutes that the suggestion for formation of a Committee of officers came from CCT, Tamil Nadu, whereas it had in fact come from the Hon’ble Chairperson. He, therefore, suggested to replace the words “He further stated...” in the 3<sup>rd</sup> sentence of paragraph 33.12 of the Minutes with the following: “The Hon’ble Chairperson stated...” The Council agreed to make change in the 3<sup>rd</sup> sentence of paragraph 33.12. of the Minutes as suggested by the CCT, Tamil Nadu.

4.8. The Secretary informed that Dr. A.B. Pandey, Chairman, GSTN wanted to raise a point regarding the proposed date for implementation of the new return format from 1<sup>st</sup> January 2019 and invited the Chairman, GSTN to make his comments. The Chairman, GSTN pointed out that in

Paragraph 19 (vii) of the Minutes, it was recorded that the new return format would be implemented from 1<sup>st</sup> January 2019 on best effort basis. In this regard, he pointed out that in paragraph 18.10. of the Minutes, it was recorded that on an enquiry by the Hon'ble Chairperson regarding time taken for development of software, CEO, GSTN had informed that they would need about six-month time to develop the software after specifications were frozen. He stated that the return formats were presently in public domain from 1<sup>st</sup> August 2018 and one-month time period was given for comments and feedback. If the return format was finalized by around 15<sup>th</sup> September 2018, GSTN would need at least six months, i.e. till mid- February 2019, to prepare the software. He stated that as this would be middle of the quarter, his proposal was to implement the new return format from 1<sup>st</sup> April 2019. He informed that he had consulted Shri Nandan Nilekani, non-executive Chairman, Infosys who had also suggested to implement the new return format from 1<sup>st</sup> April 2019. He noted that in the Minutes, it was recorded that implementation date of 1<sup>st</sup> January 2019 was on best effort basis. He stated that one should also be prepared to do some trial run for filing of return in the new format, as also suggested by the Hon'ble Deputy Chief Minister of Bihar. He further stated that such trial could commence by mid-February 2019 but the new return should be finally implemented from 1<sup>st</sup> April 2019 so that one did not run into some difficulties like last year.

4.9. The Secretary stated that the new return was very crucial for revenue mobilisation. Presently, due to gaps in return data, computer analytics was incomplete and this gap needed to be bridged at the earliest. In this view, the new return format needed to be implemented as fast as possible. He stated that the return could be attempted to be implemented on best effort basis from 1<sup>st</sup> January 2019 and if at that time, deadline appeared to be difficult to achieve, the due date could be postponed to 1<sup>st</sup> April 2019. He stated that he had also discussed this issue with Shri Nandan Nilekani who had informed that work for 30% of the new return format could be started right away for which mandate could be given immediately as these were non-changeable. As regards the remaining 70% work, the new return design would need to be frozen by 1<sup>st</sup> week of September 2018 and five-month time would be needed from 1<sup>st</sup> week of September 2018 to complete the software development. He stated that the time frame could be worked out with GSTN separately. He also stated that one or two months' time could be given to the trade to try out the new return format and then to finally implement it. He stated that the time line of 1<sup>st</sup> January 2019 was indicated to expedite the development of software for the new return. The Council took note of this discussion.

4.10. The second issue raised by the Chairman, GSTN was in respect of paragraph 18.7 of the Minutes. He pointed out that it was recorded that one exit option would be given to a taxpayer to switch over from filing monthly return to quarterly return and *vice versa* at the beginning of any quarter. He stated that this would lead to complications in the software and suggested that the switch over from monthly return to quarterly return and *vice versa* should be allowed only once, at the beginning of the financial year. The Council agreed to this suggestion.

4.11. Shri Mauvin Godinho, Hon'ble Minister from Goa suggested that while recording the version of a Minister in the Minutes, his/her name should also be mentioned as sometimes stakeholders needed to see and confirm that their concerns had been raised by their Minister in the Council. Shri Manpreet Singh Badal, the Hon'ble Finance Minister from Punjab also supported this suggestion. The Council took note of the suggestion.

4.12. Shri V. Narayanasamy, Hon'ble Chief Minister of Puducherry stated that during the last Meeting of the Council, there was a discussion to increase the annual turnover threshold for filing

quarterly return from Rs.1.5 crore to Rs.5 crore. He stated that he had objected to that proposal and subsequently he had gone out of the meeting for some time to meet the Hon'ble Union Home Minister. He recalled that the proposal to allow quarterly filing of return to taxpayers having annual turnover up to Rs.5 crore was objected to by other States namely Odisha and Kerala also. He stated that in paragraph 18.14 of the Minutes, it was also recorded that the issue was referred to the Law Committee to examine how to ensure that taxpayers did not pay less amount in the first two instalments of the quarter. In view of the above, he requested the Hon'ble Chairperson to accept this proposal as final, only when all States agreed to it. He added that practical difficulties of small States should be taken into account while arriving at such a decision.

4.13. The Hon'ble Chairperson stated that during the last Council Meeting, Hon'ble Minister from Kerala had initially objected to this proposal but eventually, he had agreed to it when it was pointed out that there were only 26,000 taxpayers in his State with annual turnover between Rs. 1.5 crore and Rs.5 crore. He added that Puducherry would have about 1,000 taxpayers with annual turnover between Rs1.5 crore and Rs.5 crore. Odisha also agreed when the final decision was taken as this was an investor friendly measure. He added that there would be no revenue loss by reducing the frequency of return for such taxpayers to quarterly basis. He stated that the Law Committee had been mandated to examine whether monthly payment of tax should be one-third of the amount for the quarter, or what could be the formulation to ensure that there is no revenue loss and whether interest could be charged for not paying at least one-third amount in each of the first two months of the said quarter. He stated that the number of taxpayers with annual turnover between Rs.1.5 crore and Rs.5 crore was very small nationally. He observed that it was a measure of trade facilitation and would encourage people to show their actual turnover. He further stated that this would increase overall compliance and would go down very well in Puducherry too as a trade friendly measure.

4.14. Dr. Amit Mitra, Hon'ble Finance Minister from West Bengal stated that he could not attend the last meeting of the Council but he had expressed support for reduction in rates of tax on goods attracting tax at the rate of 28%. He recalled that he had written a letter dated 30<sup>th</sup> October 2017 in which he had suggested that except for sin and luxury goods, tax on other goods presently charged at 28%, should be reduced to 18%. He stated that rate of tax on several components of building materials like paint, varnish, putty, glazier, etc. was reduced from 28% to 18% but rate of tax on cement had not been lowered. He stated that cement had a very big use in low cost housing and rate reduction would help this sector. He added that reduction of tax rate on cement would also have a significant Keynesian multiplier impact in the range of approximately 3 to 4 times because cement went into every aspect of the building construction. He stated that since cement is neither a luxury nor a sin good, the rate of tax on cement should be reduced even if this had revenue implications, as there was revenue implication in regard to reduction in rates of tax on other goods as well. The Hon'ble Chairperson stated that the Council could deliberate on this issue.

4.15. The Hon'ble Chairperson made an observation on a macro issue of capturing full value for tax which he said could be raised simultaneously and then cement could be looked at in that context. He stated that the goods coming out of the factory were being charged to tax at the requisite rate and in the instant case (cement) at the rate of 28%, on the value at which they came out of the factory. He observed that it may be possible to capture the additional value addition and associated cost at one more level, say the wholesale level, as it was still organised to some extent. However, after it got to retail level, particularly to retailers enjoying Rs. 20 lakh threshold exemption, or some exemption scheme etc. and also to possibly non-compliant dealers, the last part of the value chain was lost which,

in the Central Excise regime, was captured indirectly through the Maximum Retail Price (MRP) based tax i.e. it used to have MRP, abatement and then tax on it. Now, it was not clear whether by reducing the tax rates, the benefit of tax reduction was being passed on to the ultimate consumer. He stated that it was for the Council to decide as to what could be done collectively to capture the value at all levels and particularly for the goods that were prone to be moved out of the formal value chain into the unorganised sector and this needed to be looked at the conceptual level. He stated that another example of this type of goods was *pan masala gutka* where value chain may not be captured at the retailer level.

4.16. Shri Sushil Kumar Modi, the Hon'ble Deputy Chief Minister of Bihar stated that the proposal to reduce tax rate on cement could be agreed to and this could be taken up as an Agenda item in the next meeting of the Council. The Secretary stated that on a rough estimate, loss of revenue in a year on account of reduction in rate of tax on cement from 28% to 18% would be around Rs.14,000 crore. On the issue of affordable housing, the Secretary clarified that presently the entire value chain was being taxed but the GST rate had been reduced to effective rate of 8% for affordable housing projects and Credit Linked Subsidy Scheme instead of 12% levied on normal housing projects. Hence, the burden was not falling on affordable housing sector. Further, the rate reduction on cement would lead to a big revenue sacrifice of Rs.14,000 crore and it was likely that its benefit might end up in the pocket of the producers rather than the consumers. He further stated that the annual revenue target in GST was about Rs.12 lakh crore out of which Centre and States each was expected to collect about Rs.50,000 crore every month. He pointed out that during the first quarter of this financial year, there was a revenue shortfall of Rs.43,000 crore of all amount collected, including Cess. He stated that in July 2018, there was a shortfall of Rs.13,000 crore including the amount collected under CGST, SGST, IGST and Compensation Cess. He added that it was important to also worry about the revenue of the Central and the State Governments.

4.17. The Hon'ble Chairperson stated that the issue of reduction in rate of tax on cement could be flagged and not closed at this stage and also to study the setoff that the affordable housing got. He added that one also needed to consider how to capture tax for the entire value chain and whether this could be achieved by introducing a scheme of taxation on the basis of MRP. He stated that as a principle, one should look at keeping benign rates of tax for better compliance.

4.18. The Hon'ble Minister from West Bengal stated that during the VAT regime, they struggled for revenue in the first two years but thereafter the revenue picked up very well. He stated that since the use of cement was across the sector and very widespread in the society, the elasticity of reduction of tax was more than one, which meant that if one reduced rate of tax by 1%, the demand would increase by more than 1%. He stated that if the annual revenue impact of reduction of rate on cement was Rs.14,000 crore, the annual revenue impact of last meeting's rate reduction to the tune of Rs. 6000 crore was not small either. He, therefore, reiterated that rate of tax on cement should be reduced from 28% to 18%.

4.19. Shri Yanamala Ramakrishnudu, Hon'ble Minister from Andhra Pradesh supported the proposal of the Hon'ble Minister from West Bengal. He stated that not only a lot of weaker section housing was under construction but there were several other types of housing projects in several States, other than those stated a while ago, which required cement to be procured at a reasonable rate. He stated that in his State, there were about 19 lakh houses under construction which also included affordable housing. In addition to construction of houses for weaker sections, construction of housing

was underway in villages as well as for urban poor. Cement was a primary raw material for construction of all such houses. He suggested to hold a separate discussion on the topic of reduction of rate of tax on cement as early as possible.

4.20. Shri Manish Sisodia, Hon'ble Deputy Chief Minister of Delhi stated that there were always two perspectives to a proposal for reduction in tax rate; one was loss of revenue and second was improved compliance. He stated that since data was now available, a comparative study could be done by GSTN or any research team and shared with the Council regarding collection figures in terms of quantum of tax payment and number of tax payers when the rate of tax on a good was 28% *vis-a-vis* change in compliance levels and collection figures when the rate was reduced to 18%. The Hon'ble Chairperson stated that it was a good idea to conduct a study through empirical data and the principle of elasticity of demand as raised by the Hon'ble Ministers from West Bengal, Delhi and Andhra Pradesh. He reiterated that the value chain was getting lost somewhere in between the manufacturing and the last retail point and that MRP based taxation could help to capture the entire value addition chain. He observed that this might go against the idea of GST but it should be examined by a Committee of officers. The Hon'ble Chairperson enquired as to who would carry out this study. Shri Upender Gupta, Commissioner (GST Policy Wing), CBIC, suggested that the Law Committee could conduct the study relating to MRP based levy and capacity-based assessment whereas the Fitment Committee could study the impact of rate reduction on those products where tax rate had earlier been reduced from 28% to 18%. The Council agreed to this suggestion.

4.21. Shri Nitinbhai Patel, Hon'ble Deputy Chief Minister of Gujarat stated that the issue of Anti-profiteering was discussed during the earlier meetings of the Council in the context of reduction in rate of tax under GST *vis-a-vis* the combined rate of VAT and Central Excise during the pre-GST era and whether or not customer was getting the benefit of such rate reduction. He recalled that in the earlier meetings, the Hon'ble Deputy Chief Minister of Bihar had suggested to carry out widespread advertisements on this aspect but not enough publicity had been done. He also stated that it needed to be verified whether consumers were getting benefitted in real sense or whether revenue was being given up without actually benefiting the consumers. He added that rate reduction had no meaning if the consumers did not get the benefit. He stated that in this regard, the Council should know about the action taken by the National Anti-profiteering Authority. The Hon'ble Deputy Chief Minister of Bihar suggested that the Anti-profiteering Authority should give a report regarding its work during the next meeting of the Council such as investigations done, number of notices issued, recoveries made thereunder etc.

4.22. The Hon'ble Deputy Chief Minister of Gujarat stated that earlier it was decided that all big manufacturers should advertise about cost reduction of their products whose prices got reduced because of GST implementation but to his knowledge, none of the company/manufacturer was doing this on large scale, and as a result, consumer was not able to see the benefit of rate reduction under GST. The Hon'ble Chairperson observed that it was a good suggestion that the consumer should come to know regarding the reduction in tax rate. He suggested that a small percentage, say 0.1 % or 0.2% of GST collections should be spent on GST education for consumers. The Secretary informed that the National Anti-Profiteering Authority had already collected about Rs.150 crore and a portion of it could be used for this purpose. The Hon'ble Chairperson stated that this amount should be used for advertisements for GST education of consumers.

4.23. Shri Tuhin Kanta Pandey, Additional Chief Secretary (ACS), Odisha, stated that as a matter of fact several advertisements had been released for publicizing the rate reduction on various items. He further stated that the Department of Revenue of the Government of India had carried out advertisements even in local newspapers highlighting as to which goods were exempted from tax and which were taxed at lower rate. He recalled that several manufacturers had also given front page advertisements highlighting price reduction of their goods due to reduction in GST rates.

4.24. The Hon'ble Minister from West Bengal stated that tax rate of 18% on outdoor catering and 5% on restaurants was leading to a lot of cash dealing in the outdoor catering services. He suggested that the rate of tax on outdoor catering services should also be reduced to 5%. The Hon'ble Minister from Goa and the Hon'ble Deputy Chief Minister of Bihar supported the idea of revisiting the rate of tax on outdoor catering services. The Hon'ble Chairperson stated that the Fitment Committee could look into this.

4.25. The Hon'ble Minister from West Bengal stated that the rate of tax on cinema should be made uniform at 18% as the present rate of 28% and 18% based on the price of tickets was irksome. Shri Shashi Bhusan Behera, Hon'ble Minister from Odisha supported this proposal. He stated that this rate reduction would also help in promotion of culture. The Hon'ble Chairperson stated that two issues needed to be considered with respect to rate of tax on cinema. First, whether the rate of 28% should apply for value of ticket costing Rs.100 or more and second, whether there should be some provision to promote regional cinema. He also observed that rate of tax of 28% on cinema appeared high as it was not a luxury. The Hon'ble Minister from West Bengal reiterated that varying rates of tax on cinema with price stratifications complicated the tax structure and suggested to have one rate on cinema. The Hon'ble Deputy Chief Minister of Delhi stated that many cinema halls sold tickets for Rs.500 and Rs.1,000 and there were different rates for tickets in different States. He stated that previously States exempted tax on some movies based on the theme that it covered or if it was an educational movie. He suggested to take a decision on this line as this would help promote regional and theme-based cinemas in public interest without hampering the interest of commercial cinema. He stated that if a blanket rate reduction was done, it would not help the cause of regional cinema. The Hon'ble Minister from Andhra Pradesh stated that cinema was a common man's entertainment and the present rates of 28% and 18% were very high and they deserved to be reduced. The Hon'ble Chairperson stated that this issue needed to be examined with respect to revenue data and suggested that the Fitment Committee could examine it. The Council agreed to this suggestion.

4.26 The Hon'ble Chief Minister of Puducherry stated that during the last meeting of the Council held on 21<sup>st</sup> July, 2018, it was decided under Agenda Item 8(ii) to set up a Committee under the chairmanship of the Chairman, CBIC, and consisting of Finance Secretaries of Delhi, Puducherry, Tamil Nadu and one each from the States of North East and West to address concerns regarding treatment of the IGST amount *vis-à-vis* the Consolidated Fund of India. He stated that there were long arguments during the last Council meeting on the subject and wondered what the Committee would decide when both Delhi and Puducherry were Members of the GST Council / Committee. The Secretary stated that the idea behind constituting the Committee was to analyse the issue of perceived injustice meted out to the two Union Territories and the issue regarding Rs.1.5 lakh crore of IGST revenue lying in balance. The Hon'ble Deputy Chief Minister of Delhi stated that either the present system be followed to divide 50% of the accumulated balance or to decide that Puducherry and Delhi have no role in the distribution of IGST and that the devolution formula of Central taxes would apply

to IGST. The Hon'ble Chief Minister of Puducherry forcefully stated that the recommendations of the Finance Commission could not be applied to apportionment of IGST.

4.27. The Secretary stated that the Finance Commission principle could not be applied to IGST. Instead, it was decided during the last Council Meeting that one would try not to build the IGST balance beyond Rs.1.6 lakh crore (which was the balance last year as well) and for IGST accumulation beyond this amount accruing this year, provisional settlement would be made to the States, including Delhi and Puducherry, every 2 months. He added that as regards the accumulated amount of Rs.1.6 lakh crore, it was a liability against the balance lying in the input tax credit ledger of the taxpayers. The Hon'ble Deputy Chief Minister of Delhi stated that the States also had the input tax credit liability. The Secretary stated that there was a balance of Rs.70,000 crore in SGST ledger as well. The Hon'ble Deputy Chief Minister of Delhi stated that IGST was being collected both as Central and State tax. The Secretary stated that one institution would have to hold IGST money and this responsibility had been entrusted to the Central Government. It was not possible to keep this money outside the Consolidated Fund of India.

4.28. The Hon'ble Deputy Chief Minister of Delhi stated that settlement of IGST would be done towards CGST and SGST, and therefore, no other formula could be applied to IGST amount. The Secretary stated that in such a case, the only solution would be to move to original CGST and SGST model with money directly going to the States as SGST and to the Centre as CGST. He reiterated that no settlement could be done for IGST ledger balance that normally would lie in the input tax credit ledger of the taxpayers. The Hon'ble Deputy Chief Minister of Delhi stated that it would need to be distributed to the States and the Union Territories should also be made part of this distribution. The Secretary stated that the IGST devolution was a Constitutional issue. The Hon'ble Deputy Chief Minister of Delhi enquired as to under what law it was decided to devolve IGST money. The Hon'ble Chief Minister of Puducherry stated that after September, 2018, the remaining amount should be given to the States. The Secretary stated that if data was available, then distribution shall be done. The Hon'ble Deputy Chief Minister of Delhi stated that application of the 42% formula was wrong. The Secretary stated that if one went by the argument of the Hon'ble Deputy Chief Minister of Delhi to take money out of the Consolidated Fund of India and keep it in the Public Account, then no State would get devolution of this amount. The Hon'ble Chairperson stated that the Committee constituted on this issue could discuss the matter further. The Hon'ble Chief Minister of Puducherry reiterated that the Finance Commission formula could not be applied to IGST. Dr. T. M. Thomas Isaac, Hon'ble Minister from Kerala, stated that regarding the issue whether Union Territories should get a share of IGST when devolution was made, the relevant rules could be tweaked if it was considered advisable. Dr. Himanta Biswa Sarma, Hon'ble Minister from Assam, observed that the Government of India gave salary to the Police force in the two Union Territories but not to the States. The Hon'ble Chairperson stated that the issue would need to be studied with an open mind.

5. **For Agenda item 1**, the Council decided to adopt the Minutes of the 28th Meeting of the Council with the following changes:

5.1. To replace the version of CCT, Gujarat recorded in paragraph 18.15 of the Minutes with the following: 'Dr. P. D. Vaghela, CCT, Gujarat stated that this option was also examined by the Law Committee earlier but was found not feasible as the seller would be required to claim refund. However, this could again be examined by the Law Committee;'

5.2. To replace the version recorded in paragraph 20 (xiv) of the Minutes with the following: **‘Nicotine Gum:** The Hon’ble Deputy Chief Minister of Gujarat stated that to quit smoking habit, Nicotine Polacrilex Gum is used and the present rate of tax on this item was 18% which should be reduced. He added that these products are like medicines and its rate should be reduced to 12%. The Secretary suggested that it may be referred to the Fitment Committee for further discussion. The CCT, Gujarat stated that the Fitment Committee had discussed this proposal and rejected it. The Joint Secretary, TRU-II stated that this product could not be differentiated from regular chewing gum. The Secretary stated that technical specification could be given for this product based on percentage of nicotine content and then rate reduction could be considered. He suggested that the Fitment Committee could consider this issue afresh on this basis. The Council agreed to this suggestion;’

5.3. To replace the version of CCT, Gujarat recorded in paragraph 20 (iii) under heading Annexure III of the Minutes with the following: ‘CCT, Gujarat stated that as far as renting of property was concerned, it was already under reverse charge mechanism in case of supply of services to the registered person. In case such turnover of renting of property including any other commercial activities not covered by Article 243W of the Constitution is more than Rs. 20 lakh, the Municipality will be required to take registration. At present, even if such income is less than Rs.20 lakh and as activities undertaken as part of Article 243W of the Constitution are not declared as ‘no supply’, turnover of such activities is included in the total turnover and Municipalities are required to take registration even when their revenue from renting of property and other commercial activities is less than Rs.20 lakh. If this proposal is accepted, Municipalities are put at par with Panchayats;’

5.4. To replace the version recorded in paragraph 26 (ii) of the Minutes with the following: ‘The CCT, Gujarat requested that this issue should be considered sympathetically in the interest of export. The Secretary stated that there were a lot of such interim issues for retrospective amendment which would need to be examined. The CCT, Gujarat suggested that this issue could also be addressed through the Removal of Difficulties Provision under the GST Law. The Secretary observed that it would need to be examined further. The Council agreed to this suggestion;’

5.5. To replace the version of CCT, Gujarat recorded in paragraph 35.4 of the Minutes with the following: ‘The CCT, Gujarat stated that state road permit and national permit system should be done away with and loss in revenue due to abolition of permit system could be taken care of by appropriately raising registration charges, etc.;’

5.6. To add the following version of the Hon’ble Minister from Rajasthan after the version of the Hon’ble Minister from Goa recorded in paragraph 22(ii) of the Minutes: ‘The Hon’ble Minister from Rajasthan stated that they supported the stand of the Hon’ble Minister from Goa of applying 28% tax rate on room rent above Rs.10,000 only;’

5.7. In the 3rd sentence of paragraph 33.12 of the Minutes, to replace the words “He further stated...” with the words “The Hon’ble Chairperson stated...”

5.8. In addition to the above, during discussion on Agenda Item 1, the Council also approved the following: -

- i. In the new return System, the change over from monthly return to quarterly return or *vice versa* shall be allowed only once, at the beginning of the financial year;



- ii. The Fitment Committee to study the impact of rate reduction on those products where tax had earlier been reduced from 28% to 18% in terms of its impact on growth in the number of taxpayers and the quantum of tax payment;
- iii. The Law Committee to examine the feasibility of introducing MRP-based and capacity-based tax assessment under GST;
- iv. The National Anti-profiteering Authority to give a report regarding the action taken under the National Anti-profiteering Law in the next meeting of the Council;
- v. The Fitment Committee to examine the feasibility of reduction in rate of tax on outdoor catering and cinema.

**Agenda Item 2: Discussion to address issues and concerns of Micro, Small & Medium Enterprises (MSME) in GST regime**

6. Introducing this Agenda item, the Hon'ble Chairperson sought the views of the Hon'ble Members as to how to structure the discussion. The Hon'ble Deputy Chief Minister of Bihar suggested to take up the issue State wise as per the compilation in Volume-2 of the Agenda notes. The Hon'ble Minister from West Bengal stated that the items listed in Volume-2 and Volume-3 contained both small and big issues and in his opinion, States should be allowed to take up bigger issues which could be listed and discussed subsequently. The Hon'ble Minister from Punjab thanked the Hon'ble Chairperson for focusing attention on such an extremely important sector. He suggested that instead of discussing the nitty-gritty of the Agenda, each State could be given five minutes to highlight the most important issues of concern for it and then these could be discussed one by one. The Chairperson agreed to this suggestion and invited the Hon'ble Members one by one to highlight the important issues of concern to them.

6.1. Starting the discussion, the Hon'ble Deputy Chief Minister of Delhi stated that the MSME sector was one of the most important sectors for generating employment in the country. He added that contribution of the MSME sector to the overall GDP, employment and exports of the country was very significant and the core issue of concern for MSME was that the Council should consider formulating a scheme for the MSME with annual turnover up to Rs.5 crore under which a certain proportion of tax paid by the registered dealer in the MSME sector could be reimbursed to him both by the Union Government and the State Government. He observed that in the erstwhile Central Excise regime, manufacturers with annual turnover upto Rs.1.5 crore were exempted from registration. The MSME were facing stiff competition from the bigger manufacturers and foreign players in the same product line as the benefit of tax exemption was not available to them under GST regime. He added that the proposed scheme, while benefitting the MSME sector, would not create any distortion in the GST regime and will go a long way in enhancing the competitiveness of the MSME sector as well as promoting employment generation in the country.

6.2. The Hon'ble Chief Minister of Puducherry stated that the small-scale sector accounted for 25% of exports and it was a major labour-intensive industry. After implementation of GST, this sector was facing problems in filing returns which hopefully would be resolved with the new return design. He stated that most of the industries in the smaller States got their raw materials from outside which was used in manufacturing of finished goods. After manufacturing, most of the finished goods again went outside the State as market within the State was very limited. This was adversely affecting their revenue position. He also highlighted some rate related issues of concern to the MSME sector. He stated that tractor was taxed at the rate of 12% but its spare parts, which were mostly

manufactured by small and medium units, were taxed at the rate of 18%. He stated that small scale sector was the backbone of industrial development in India and small industries were suffering as they had to pass the burden of this high tax to the consumers. As a result, they were becoming unviable and closing down their business. He further stated that plastic was taxed at the rate of 18% but recycled plastic should be taxed at a lower rate as it was an eco-friendly product.

6.3. The Hon'ble Chief Minister of Puducherry also stated that during the pre-GST period, Exim scrips were allowed for payment of tax for domestically procured goods meant for use in export products, but the same was not allowed in the GST regime which led to blockage of working capital. He, therefore, suggested that the Exim scrips should be permitted for discharging the tax liability of IGST, CGST and SGST for goods procured even domestically. He further stated that the tax rate of 18% on automobile servicing garages was very high. He observed that it was a labour-intensive industry and a high tax rate was affecting this industry and suggested to reduce tax on the same. He further stated that tax rate of 18% on job work was too high and it was a serious issue which was creating difficulty for people because contractors were not willing to take up contracts even from the Government to do job work. He observed that these were labour intensive areas and suggested that a small group of Ministers should be constituted to address the issues raised by the Hon'ble Ministers of the States so that the small and medium industries were able to survive.

6.4. Shri Jayant Malaiya, Hon'ble Minister from Madhya Pradesh, stated that the Laghu Udyog Bharti in his State had represented that tax rate of 18% on *dona patta* made from waste papers was too high. He stated that MSME manufacturing *dona patta* from waste papers employed thousands of people and the investment in setting up the plant and machinery for such manufacturing units was very low. To enable them to survive and compete, the rate of tax on these products, manufactured by MSME, should be 5%. He stated that at the present rate of 18% tax on this product, people were not even paying any tax. The Hon'ble Chairperson observed that it was a recurring theme that lowering the tax rate would improve compliance. He added that a similar problem was highlighted by the Hon'ble Chief Minister (CM) of Madhya Pradesh for *bidi* and the Hon'ble CM had suggested to reduce the rate of tax on *bidi* from 28% to 18%. The Hon'ble Minister from Madhya Pradesh supported the suggestion of the Hon'ble CM of Madhya Pradesh and stated that the rate of tax on *bidi* should be reduced to at least 18%, if not 12%, as these are labour intensive industries.

6.5. Shri Conrad K. Sangma, Hon'ble Chief Minister of Meghalaya, stated that they did not receive many grievances, except one. The State was having a lot of small contractors and small Government suppliers. He stated that Section 22(1) of the SGST Act, 2017 provided for registration of suppliers for goods or services or both if the annual turnover exceeded Rs.10 lakh which had been decided to be raised to Rs 20 lakh during the last Council meeting. However, from October 2018, small contractors and government suppliers with annual turnover below this threshold may also be required to take registration for tax deduction at source (TDS) under Section 51 of the SGST Act, 2017, if the value of their contract was Rs. 2.5 lakh or more. He stated that this would compel all suppliers of goods or services to obtain GST registration even if the annual turnover of the supplier did not exceed the threshold limit. He further stated that this would make the life of small suppliers very difficult and also reflected badly on State's compliance levels. He suggested that even for TDS, there should be a higher threshold or there could be a mechanism developed by the GSTN whereby only when the supplier crossed the threshold turnover, it should be required to register for TDS.

6.6. Shri Sambhaji Patil Nilangekar, Hon'ble Minister from Maharashtra, stated that about 30 issues had been raised by various MSME related organisations of Maharashtra. A good message had been sent by organising a special meeting of the Council on MSME issues. He further stated that most of the issues were technical and legal in nature and could be looked into by the Law Committee, the Fitment Committee and the GSTN.

6.7. The Hon'ble Deputy Chief Minister of Bihar stated that one important suggestion received was regarding tax audit by Chartered Accountants (CAs) for GST and income tax. He suggested that there should be only one tax audit by CA for income tax and GST, and it could be certified in two different forms, one for GST and the other for Income Tax. The Hon'ble Chairperson stated that this was a good suggestion and, in that process, the revenue figures from GST and Income Tax would also get aligned. The Hon'ble Minister from West Bengal stated that his State had also implemented a procedure similar to the one suggested by the Hon'ble Deputy Chief Minister of Bihar. The Hon'ble Deputy Chief Minister of Delhi supported the proposal made by the Hon'ble Deputy Chief Minister of Bihar. The Hon'ble Deputy Chief Minister of Bihar further suggested that for legacy issues of VAT, a one-time settlement scheme should be introduced so that the officers could thereafter concentrate on compliance under GST. He also supported the proposal of reimbursement scheme put forth by the Hon'ble Deputy Chief Minister of Delhi by refunding a part of the tax collected from the taxpayers in the MSME sector. He stated that under Central Excise, tax was exempt for units having an annual turnover below Rs.1.5 crore, and therefore, a 25% or 50% refund of CGST amount could be considered. The Hon'ble Chairperson observed that the MSME sector had asked for refund of the total amount of tax and the entire burden should not be put on CGST.

6.8. The Hon'ble Deputy Chief Minister of Bihar further stated that there should be a system by which GSTN should send regular SMS alerts before the due date of return filing to the taxpayers. He also suggested that the taxpayers should have the option to make payment of tax through all banks instead of the presently notified 14 banks. He stated that the law permitted payments through debit card and credit card but it was not yet operational under GST and it should be made operational at the earliest. He also suggested that the JSON file exceeding 5 MB should be allowed to be uploaded on the GST portal. He further suggested that mismatch of invoices should be available in the dealer's login whereas presently they were directly getting notices regarding the mismatches. He suggested that a Standard Operating Procedure (SOP) should be drawn up for action in case of mismatch. He further stated that the FORM ITC-04 should not be mandatory and it should be deliberated to make it optional. He also stated that there should be different invoice format and invoice requirement for B2B and B2C supplies. He also suggested that job workers in the textile sector should be exempted from the requirement of e-Way bill. He suggested that circulars should be issued in respect of job works, valuation, immovable property, sale of assets, cashbacks from banks and deemed export to reduce confusion among the taxpayers.

6.9. The Hon'ble Deputy Chief Minister of Bihar further suggested that there should be a provision to fill up Part B of e-Way bill in case of self-movement of goods by bus or train. He also suggested that NIC should issue FAQs in this regard. He observed that in textile business, it was a practice by the traders to leave the material transported from other States in the godown of their transporters for three to four months and to take it from them as per the requirement. However, the present system of e-Way bill considered such deposits in the warehouse of transporter as goods in transit till it reached the premises of the trader. He stated that this was a specific problem of Bihar

and the rule should be modified appropriately. He further stated that there should be a facility to download FORM GSTR-2A in the desired sequence. He also suggested to launch a special refund fortnight for the MSME sector as earlier done for exporters. He also suggested that there should be only one refund authority for both CGST and SGST and for this, the State authority could be declared as DDO (Drawing and Disbursing Officer) under the Central rule and *vice versa*. He also stated that there were complaints of demand of 10% commission for granting refund to exporters as it was a manual system of refund. He emphasized that this should be checked.

6.10. The Hon'ble Minister from Kerala stated that he shared the concerns of the other Hon'ble Members for MSME sector. He observed that earlier they enjoyed a number of privileges not only in taxes levied but also rebate in sale, purchase preferences, interest subvention, etc. apart from significant planned fund allotted to MSME sector. He observed that all these incentives had been whittled down and now the load for helping MSME sector was only on the taxation policy. He warned that this had a danger to adversely impact the revenue. He further stated that under GST, the prime principle was revenue neutral rate. However, no time was given to evaluate whether revenues were stabilizing around the revenue neutral rates. He stated that the revenue collection was not growing as expected, and implications of the rate reduction on revenue was not known and it was not clear how it would affect the ability and capacity of the Governments to support the MSME sector. It needed to be evaluated carefully whether the Council could support the MSME sector by foregoing revenue. He observed that the prime objective of the Council was to mobilise revenue but it appeared that this was nobody's concern. He observed that revenue shortfall was too high and it could adversely affect the capacity to keep the fiscal deficit within the range as per the FRBM (Fiscal Responsibility and Budget Management) Act and also to meet the commitments of the States to incur expenditure in the social sector. He emphasized that the Council must look at the revenue implication of the tax rate changes and wait for some time for revenue position to stabilize before undertaking any further reduction in tax rates. He added that reduction in tax rate should not be based on mere demands made in the Council.

6.11. The Hon'ble Minister from Kerala further observed that raising the annual threshold for Composition dealers was not enough. The more dynamic dealers under the MSME sector would like to be part of the value added chain and would register under GST. He observed that since manufacturers with an annual turnover up to Rs.1.5 crore were exempt under Central Excise, one could discuss a scheme for refund under CGST. However, one also needed to look at policy changes in other sectors which may not be within the mandate of the Council, such as those of the Reserve Bank of India, IT and electronics sector. It was important to examine what policy changes they could undertake to help the MSME sector. He observed that presently, compensation to States was assured at an annual growth rate of 14% but after four years, the provision of compensation would lapse. He added that in India, tax to GDP ratio was only 18% whereas in developed countries, it was around 25-30% and even higher. He wondered how social sector development could take place without improvement in tax to GDP ratio. He observed that during the period of VAT, he had the autonomy to craft the State's tax structure in accordance with the needs of the developmental programmes of the State, but now he was stuck with poor revenue collection. He further stated that the Council should be cautious regarding giving up revenue because the implication of what was already done was not yet known.

6.12. The Hon'ble Minister from West Bengal stated that during the VAT regime, manufacturers having an annual turnover up to Rs.1.5 crore paid VAT but did not pay Central Excise duty and now all taxpayers with an annual turnover between Rs.20 lakh and Rs.1.5 crore had to pay both CGST and SGST. He stated that keeping in view the issues raised by the Hon'ble Deputy Chief Ministers of Delhi and Bihar and the concerns expressed by the Hon'ble Minister from Kerala, a new norm should be that CGST would not be paid by manufacturers with an annual turnover up to Rs.1.5 crore. He stated that the Central Government could pay it as reimbursement so that amendment in law was not required and the ITC chain remained intact. He further stated that unbranded food grains like *atta*, *daal* and rice were exempt from GST but packaged foods were liable to tax at the rate of 5%. He stated that owners of brand names were foregoing their enforceable rights in their brand names and they competed with small and medium unbranded sellers on an uneven scale. He suggested that food grains, whether branded or unbranded, should be exempted from GST. He stated that the rate structure on food grains had been experimented for one year and now it was time to rationalize it. He further suggested that his State had removed intra-State e-Way bill for job work, which primarily benefited the textile sector but it was also benefitting 20%-30% non-textile job work intensive industries. The Hon'ble Minister from West Bengal further stated that they had increased the value threshold for non-job work consignments requiring e-Way bill from Rs.50,000 to Rs.1.00 lakh. He suggested that intra-State e-Way bill for job work should be removed altogether. He also supported the suggestion of the Hon'ble Deputy Chief Minister of Bihar on FORM ITC-04. He suggested to either remove it altogether or to have an SOP on this subject which should apply across all the States. He further stated that online utilities were not available for Composition taxpayers and they had to go through an offline process, which was causing rent seeking behaviour and delays. He stated that online facility for Composition taxpayers should be introduced at the earliest. He stated that primarily, the Council's principle should be to move towards simplification as that would improve revenue buoyancy. He added that he had highlighted the complications mentioned by the stakeholders and one needed to look objectively as to how to further simplify GST.

6.13. The Hon'ble Deputy Chief Minister of Gujarat stated that it was a good step to call a special meeting of the Council for MSME sector. However, the Council had earlier too tried to help MSME, which gave the maximum employment and all the Hon'ble Ministers were desirous of helping the MSME sector. He stated that in his State, there were 4.14 lakh micro industries, 75,300 small industries and 3,000 medium industries and these employed about 26-28 lakh workers. He observed that all the cities of Gujarat had MSME. He stated that they had received proposals from MSME which went beyond GST. The stakeholders of MSME had highlighted that there should be a provision to get more loan from banks and the Government of India should evolve a scheme for the same so that they could compete with the big industry. He stated that since the MSME were also competing with big manufacturers, they needed help just like cottage industries to market their products. He further stated that special exhibitions should be organised where these small units could sell and market their products. He suggested to constitute a task force or a Group of Ministers to formulate a detailed plan to help small scale industry. He observed that almost all States supported small industries in some or the other way. The State of Gujarat was helping the MSME sector through a budgetary support of approximately Rs. 2000 crore. He further stated that in addition to budgetary support provided by States, the MSME sector should also be helped financially through reimbursement scheme under CGST.

6.14. Shri Krishna Byre Gowda, Hon'ble Minister from Karnataka, stated that he supported the concerns of MSME. He endorsed the view of the Hon'ble Chairperson about the employment situation and employment potential of the MSME and stated that to increase the share of manufacturing in GDP, growth of MSME was very important. He stated that the Council must also acknowledge that several decisions were taken during the last 7 to 8 months primarily in response to the concerns of the MSME sector, like increase in Composition threshold limit, return simplification and process re-engineering. He stated that it would be desirable to document the decisions taken by the Council so far and already implemented which were benefitting the MSME sector without undermining the remaining concerns faced by this sector. He stated that it should be acknowledged that the Council had been responsive and taking decisions to address the concerns of the MSME sector. The Hon'ble Chairperson stated that this was a very important point and the Council acknowledged that during last 13 months, it collectively and continuously addressed and responded to the concerns of MSME from time to time and in this meeting again, it was focussing on the concerns of MSME.

6.15. The Hon'ble Minister from Karnataka further stated that many issues were also being addressed currently, as for example once the new return format was implemented, a large number of concerns of MSME would be addressed. He also noted that efforts were underway to speed up refunds. He stated that if all the work that was presently in the pipeline was rolled out in 4 to 5 months, it would take care of the difficulties being faced by the MSME to a great extent. He observed that the Agenda on MSME covered a broad segment of compartmental issues viz. law amendment, policy, administrative, procedural, including Information Technology and tax rates. He observed that some of the issues raised were outside the ambit of GST. He stated that the concerns raised covered different segments of which some were being addressed by the Fitment Committee and the Law Committee and probably some of the issues fell within the domain of Industries department and the MSME department. He observed that the VAT legacy issue was completely a State issue. He further observed that there were multitude of issues and one needed to respond to them accordingly. He also echoed the concerns raised by the Secretary and the Hon'ble Minister from Kerala about revenue under GST. He stated that pre-GST, Karnataka's revenue was growing at the rate of 16% to 18% year on year whereas it was now consistently facing deficit of about 28% to 30%. He observed that GST was implemented on the premise of revenue buoyancy, as experienced during VAT. However, after one year of GST implementation, there was a consistent revenue deficit of about 30%. He observed that State revenues were protected only for four years but States had built up commitments for public welfare which would have to be met even after four years and, therefore, he was very much concerned about revenue. He stated that even if there was a 25% growth in revenue, month on month, in the next four years, his State would still fall short of its protected revenue. Therefore, while addressing concerns of all sectors, Council should be mindful of revenue consideration as well.

6.16. The Hon'ble Minister from Karnataka also observed that simplicity should not be mixed up with concession. He observed that concessions were not the only way to address the problems of the MSME sector. He supported the suggestion of the Hon'ble Minister from West Bengal that if a concession had to be given to MSME on tax, then it should be from CGST and through a refund route. He also endorsed the view of the Hon'ble Chief Minister of Puducherry to refer the issues raised by the States to respective Committees or to constitute an overarching Committee having oversight of the Fitment Committee, the Law Committee and the IT Committee. This Committee

could also invite officers from other Ministries and Council could take a decision based on the recommendations of the Committee. He stated that at this stage, he would limit his observations to these broader points, and, if need be, at a later stage, he would take up discussion item-wise. The Hon'ble Chairperson stated that he was open to the idea to have the issues considered either by the respective Committees or by an overarching Committee or by GoM which could also invite officers from the other relevant departments like banking, etc to present their views on any particular issue.

6.17. Shri Prakash Pant, Hon'ble Minister from Uttarakhand stated that pre-GST, MSME also enjoyed area-based exemption. He stated that when the State was formed, there were approximately 1,100 MSME but now there were approximately 56,000 MSME units due to the benefit of area-based exemption it enjoyed. He observed that previously, on the advice of the Council, a budgetary support was provided by the Central Government to the tune of 58% reimbursement of the tax paid and the total claim was around Rs.837 crore. However, the units had got refund of only about Rs.314 crore till now, and there was still a big gap which needed to be addressed. He stated that previously benefit under the area-based exemption scheme was extended to MSME set up and which started production by the cut-off date of 31<sup>st</sup> March 2010. Subsequently, by a circular in 2010, the Central Government continued to extend the benefit of area-based exemption scheme under Central Excise even if such companies switched over from partnership firm to a registered company. However, a major issue arising in the GST regime was that firms were not getting refund in the form of reimbursement from Department of Industrial Policy & Promotion (DIPP) once they made this switchover. He emphasised that MSME units should continue to get the benefits under the area-based exemption scheme even after such switchover. He further stated that small scale industries with annual turnover up to Rs.1.5 crore should either be reimbursed or exempted from CGST. He added that provision of reverse charge mechanism was a problem for MSME. He also suggested that Goods Transport Agency (GTA) and other legal services should be taxed on forward charge basis as tax on reverse charge basis on these two services was causing a burden on MSME. He stated that bread should be kept under the exempted list for the purpose of reverse charge mechanism of GTA under Section 9(3) of the CGST Act and SGST Act as its shelf-life was very less.

6.18. The Hon'ble Minister from Uttarakhand further suggested that ice-cream manufacturers should be extended the benefit of Composition scheme. He also suggested that branded and unbranded *namkeen* should be differentiated. While branded *namkeen* could continue to be taxed at the rate of 12%, unbranded *namkeen* should be taxed at the rate of 5%. He suggested that the Fitment Committee should examine this issue. He stated that another major problem faced by MSME was that only 14 banks were authorised for payment of GST and suggested that all banks registered under RBI should be included in this list so that no bank enjoyed any monopoly. He also suggested that the job workers should be exempted from the requirement of filing ITC-04 and they should also be exempted from filing e-Way bill, both for inter-State as well as intra-State movement of goods. He further stated that due to difficulties in the return filing procedure, some of the MSME could not file return for the last 7 to 8 months and now they faced a late fee liability of more than Rs.1 lakh. He suggested that there should be one-time waiver of late fee and penalty. He supported the suggestion of the Hon'ble Deputy Chief Minister of Bihar for a common audit by chartered accountant under the Income Tax and GST. He also observed that there were 56,000 MSME in his State which were finding it difficult to file return as now there was no system of manual return filing. He stated that currently there was only one GST *Seva Kendra* and if a system of offline manual filing of return

could not be thought of, then more such GST *Seva Kendras* should be opened at Divisional level of tax departments to assist MSME to file returns on-line for a small fee.

6.19. Shri C.P. Singh, Hon'ble Minister from Jharkhand stated that one important issue was regarding leasing of land to MSME. If development charge for land was paid by them at one go, it would not be charged to GST but if development charge was paid in 10 instalments, then it was charged to GST. He suggested that tax on development charges when paid in instalments should be exempted. Secondly, he supported the suggestion of the Hon'ble Deputy Chief Minister of Bihar regarding SMS alert messages to taxpayers for payment of tax dues and return filing dates. Thirdly, he suggested that there should be a provision of one-time revision of returns. The fourth point raised by him was that in different offices of GST, different terminology was being used. In some offices, it was shown as "*Maal Aur Seva Kar Karyalaya*" and in some other offices, it was shown as "*Vastu Aur Sewa Kar Karyalaya*". He suggested that the name should be uniform. The Hon'ble Chairperson stated that for goods, the Hindi word "*Maal*" should be used for all offices. The Council agreed to this suggestion and decided that the correct Hindi translation for the words "Goods and Services Tax" was "*Maal Aur Sewa Kar*" and this should be used uniformly, wherever required.

6.20. Shri Mauvin Godinho, Hon'ble Minister from Goa complimented the Hon'ble Chairperson for convening this special meeting for MSME. He stated that the message had gone that the Council was concerned about MSME. He stated that during the first three months after implementation of GST, he often faced abuses from the public but now there was a positive response to GST. He complimented the Members of the Council for bringing about this change in attitude of the public towards GST. He also observed that the tax rate reductions carried out during the last Council Meeting to help the middle class had gone down very well and observed that middle class were the opinion framers. He stated that the suggestions received for MSME were of mixed nature wherein some related to administrative or clarificatory matters but more than anything else, people were again looking at rate reduction on various items. He cautioned that revenue was also a very important issue and unless there was an overall buoyancy in tax revenue, no further cut in tax rate should be considered. He supported the proposal of appointing GoM which could listen to the associations of MSME and identify problems at the ground level. He suggested that the GoM could take about two months' time to formulate its recommendations by when one could also analyse revenue buoyancy and areas of revenue leakages. He also supported the proposal to exempt MSME from filing ITC-04. He also stated that public sector banks were not issuing GST invoices for GST charged on services supplied to MSME, as a result of which, MSME were unable to avail input tax credit. He appreciated the suggestion of the Hon'ble Deputy Chief Minister of Bihar to integrate CA's verification for income-tax filing and GST filing and stated that this would not only help in buoyancy of taxes but would also help to plug revenue leakages.

6.21. The Hon'ble Minister from Goa also suggested to exempt branded food grains from GST. He further suggested to exempt e-Way bill for intra-State movement of goods for job work. He also supported the proposal to tax re-cycled plastic or any product which are environment friendly at a lower rate. He informed that in Goa, re-cycled plastic was being used for various applications including for making roads. He observed that tax had been reduced on *Namkeen*, Pasta, Noodles, Chocolates, Spaghetti and Macaroni from 18% to 12% but the breakfast cereals were left out. These were made not only by multinational companies but also by smaller industries and 80% to 90% of raw materials for such cereals was food-grains contributed by the agricultural sector and produced



by local farmers. He observed that reducing tax on breakfast cereals would be a course correction and it would also help bolster Make in India campaign. He stated that after one year of experience of GST and after the last meeting of the Council, the message had gone that Council cared for every segment of society. He observed that air-conditioners and televisions were no longer items of luxury and they could also be seen in the hutments and had become necessities. He again appreciated the reduction in tax rate carried out during the last meeting of the Council but suggested that no tax cuts should be approved during this meeting. The Hon'ble Chairperson appreciated the points made by the Hon'ble Minister from Goa and observed that, borrowing a terminology from the monetary policy of the Reserve Bank of India, the sum and substance of the suggestion made by the Hon'ble Minister from Goa was to call for a pause on rate correction.

6.22. Shri D. Jayakumar, Hon'ble Minister from Tamil Nadu thanked the Hon'ble Chairperson for organising a meeting devoted to the MSME sector. He informed that he had convened a stakeholders' meeting of various MSME organisations on 26<sup>th</sup> July 2018 to understand their difficulties under the GST regime. Based on this feedback, they had compiled and furnished a list of issues concerning the MSME to the Council Secretariat. He stated that the predominant request of MSME related to tax on job work services. Prior to GST, they were out of the ambit of VAT but now under GST, they were reportedly facing blockage of working capital due to levy of GST at the rate of 18% on job work. He stated that reduction of rate of taxes on job work uniformly to 5% would considerably mitigate the burden on job workers without affecting the revenue adversely since it was an intermediate stage activity. He further stated that this was a problem particularly in the engineering sector where, small manufacturers had to pay tax upfront while making supplies to big companies whereas they typically received payment after three months. He pointed out that earlier, the Council had taken cognizance of the difficulties faced by the textile sector and had reduced the rate of tax on job work in textile sector to 5%.

6.23. The Hon'ble Minister from Tamil Nadu further stated that his State was a major hub for auto industries and the auto ancillaries in his State were mainly supplying to Original Equipment Manufacturers (OEM). Earlier, they were mostly out of the purview of Central Excise. However, in GST, they had to pay tax in the highest slab of 28% which was causing huge blockage of working capital. He observed that auto components being intermediate goods, need not be taxed at the rate of 28% and tax rate could be reduced to 18%. He further stated that the replacement market for auto parts was intrinsically linked to the services sector. In case of bundled supplies of car parts along with car servicing, as service was the predominant supply, the rate of tax for such supplies would be 18% and in this view too, reducing the rate of tax on auto components to 18% would not impinge on revenue collection. He, therefore, urged that rate of tax on automobile components should be reduced to 18% as was done for white goods during the last Meeting of the Council.

6.24. The Hon'ble Minister from Tamil Nadu further stated that for return filing, it was presently agreed that taxpayers with annual turnover up to Rs.5 crore shall file quarterly return but make monthly payment of tax. He stated that the MSME sector had requested for quarterly payment of tax as, in normal practice, payments were received from buyers after a period of three months. He observed that it may not be possible to accede to this request at this juncture and as an alternative, the rate of interest for late payment of tax up to a quarter for this category of taxpayers could be reduced to 12%. Further there should be no penalty where delay in payment of tax / filing of return was for less than three months. He further observed that the present system of return filing did not

facilitate self-filing by the taxpayer and he had to depend on consultants / accountants. This was possibly one reason for lesser returns being filed. He requested that GSTN should come up with a very simple and user-friendly design of return which could facilitate self-filing as was the case with income-tax return. He observed that cost incurred for such design would be worth spending.

6.25. Another issue raised by the Hon'ble Minister from Tamil Nadu related to delay in getting refund on exports by MSME. He stated that as major chunk of exporters was from this sector, GSTN should, on a priority basis, put in place a mechanism for hassle free refund without intervention of tax authorities. He also stated that in order to avoid delay in sanction of GST refund by dual authorities, the Council should explore the possibility of empowering the proper officer, to whom the taxpayer is allotted, to sanction refund under all the three Acts and at the end of the month, the amount of refund may be reconciled and net balance may be apportioned to the States and the Centre. He observed that timely refund to the MSME sector would remove blockage of working capital. He further observed that the Council had taken several ameliorative measures to overcome IT glitches under GST. However, the MSME sector had raised various IT related issues that needed to be sorted out on a priority basis by the GSTN. He informed that these issues were highlighted in the list of issues forwarded to the Council Secretariat.

6.26. The Hon'ble Minister from Tamil Nadu further stated that he had been repeatedly speaking for reduction in rate of tax on goods and services mostly pertaining to the MSME sector. Therefore, all the outstanding requests made by Tamil Nadu should be considered favourably by the Council on urgent basis. He particularly requested to reduce the rate of tax on safety matches (other than hand-made safety matches) from 18% to 12%; and on wet grinder from 12% to 5% on par with similar product i.e. *Atta Chakki*. He recalled that during its last Meeting, the Council had reduced tax on high revenue yielding white goods and therefore rate reduction for goods manufactured by the MSME sector should also be favourably considered to infuse confidence among the stakeholders.

6.27. The Hon'ble Minister from Tamil Nadu further stated that most of the taxpayers belonging to the MSME sector were below the threshold limit of registration. As such, at the time of marketing their products, they faced constraints from big manufacturers and retailers who, for availing the input tax credit, insisted that such small suppliers should get themselves registered. He stated that this put MSME sector at a disadvantageous position as registering under the Act entailed discharging tax liability without receipt of payments leading to blockage of working capital. He requested the Council to reduce the rate of tax on 72 goods and 10 services requested by his State in order to encourage MSME sector which provided avenues for self-employment and livelihood to crores of people. He stated that there would be huge benefits by such reduction which would more than offset the anticipated loss of revenue to the exchequer. The Hon'ble Minister from Tamil Nadu also circulated a written speech covering the above aspects.

6.28. Capt. Abhimanyu, Hon'ble Minister from Haryana, complimented the Council for organising a meeting with focus on MSME sector which would positively impact revenue buoyancy and ultimately benefit the Indian economy. He stated that he would not repeat the issues already raised but would only highlight some of the important ones. He stated that MSME sector was a technical subject and the Government of India had a separate Ministry of Micro Small & Medium Enterprises. He stated that a new legislation was under preparation in which SMEs would be defined not only on the criteria based on investment in plant and machinery but also on the criteria of annual

turnover, which could be up to Rs. 250 crore. Hence, there was a need to go deeper into the subject and an Inter-Ministerial Coordination Group was needed to discuss the whole gamut of issues concerning MSME. This issue could not be addressed only by way of changes in tax structure which had a limited impact.

6.29. He further stated that the factors that would help ease of doing business for MSME needed to be looked into. He suggested that the rate related issues should be referred to the Fitment Committee and the Council could decide on the procedural issues. He cited the example of different e-Way bill procedures in different States for intra-State movement of goods. He observed that this was not a good situation and suggested to review this issue and formulate a national policy for intra-State e-Way bill at least for the MSME sector. He further stated that goods and services predominantly supplied by MSME should be identified and then it could be discussed how to help them through a lower tax slab and wider relief for job work. He stated that in his State, job workers for auto parts, LED lights, utensils and tractor parts needed relief of lower tax rate of 5% as already provided to newspapers, textile yarn, diamonds and certain other things. He suggested that a similar research was required to be done State-wise. He suggested that the Council should remain focussed on the revenue neutral rate. A neat, distortion free GST could resolve many issues of MSME.

6.30. Shri Manpreet Singh Badal, Hon'ble Minister from Punjab, congratulated the Hon'ble Chairperson for calling a Council meeting with MSME focus. He observed that this dynamism was needed for GST to become a tool for economic growth, revenue buoyancy, equity and justice. He stated that the famous economist Prof. Jagdish Bhagwati had once said that India should follow Ludhiana model of growth where there was a factory in every household. This model helped to create employment, goods at economical rates and also distribution of income and wealth in an equitable and socially just fashion. However, the fulcrum had now moved on to the bigger industry and the present trend was either to become a big unit or to become a job worker or become subservient to the bigger industries. He stated that as per the statistics of 2017-18 pertaining to collective profit before tax of companies which are quoted on the Bombay Stock Exchange, the growth of industry in large sector was 10%, in medium, it was minus 30% and in small sector it was minus 300%. This indicated that GST had helped the larger industries which operated on pan India scale by saving on cascading of tax and logistics and they were displacing the smaller industries. He stated that if this was the reality, then one needed to think of some structural reforms for MSME. He observed that as per the statistics of Economic Survey, MSME constituted 90% of the taxpayer base and contributed only 15% of the tax revenue. A large percentage of this tax revenue contribution was from B2B supplies, which were wash transactions, and therefore their total contribution to tax collection was meagre. He informed that he had a meeting with the industry representatives and the following suggestions emerged: -

- (i) Completely exempt certain sectors which did not make any net contribution to the exchequer but were merely a part of the tax chain like job workers and intermediaries where tax could be collected either at the first stage or the last stage. This could benefit 30 to 40 lakh taxpayers. This scheme could be made voluntary like the Composition scheme;
- (ii) At least e-Way bill for job workers in textile and cycle parts sectors may be removed;
- (iii) There should be a uniformity in the provisions of intra-State e-Way bill, say exemption from requirement of e-Way bill for value up to Rs. one lakh.

6.31. The Hon'ble Minister from Punjab further stated that it was desirable to review the reasons and factors disabling the MSME sector. For example, the large-scale units had captive power plants on which they could take input tax credit on all inputs but MSME drawing power from power suppliers could not take input tax credit on power. He suggested to give some weighted deductions in tax credits to MSME. He further stated that as the Indian economy moved from commodities to services and the distinction between goods and services was narrowing down, there should also be a Composition scheme for persons engaged primarily in services supply except for Restaurants, albeit with a lower annual threshold limit, say Rs. 50 lakh for services with a flexibility that they could also supply goods upto a value of Rs. 5 lakh. He stated that a flat lower tax rate of say 5% would help in getting many more people under the tax net and would ensure that those suppliers of services who charged tax at the rate of 18% would have to necessarily declare turnover of over Rs.50 lakh. He also suggested to reduce the rate of interest by 3% for delayed compliance by SMEs with annual turnover up to Rs.1.5 crore. He also suggested to do away with audit for MSME up to a particular threshold. He also supported the proposal of the Hon'ble Deputy Chief Minister of Bihar to have a common audit by chartered accountant under income tax and GST. He further supported the proposal of the Hon'ble Deputy Chief Minister of Bihar that there should be a one-time settlement or '*Samadhan*' Scheme to quickly get over the VAT legacy issues. The Hon'ble Minister from Kerala stated that Punjab had a right to bring its own settlement scheme without referring it to the Council. The Secretary stated that the issue needed a consensus decision of the Council as it would mean lesser revenue from the VAT and the State would be required to be compensated more by the Centre. The CCT, Tamil Nadu stated that one-time settlement scheme for legacy issues of VAT would bring more revenue to the exchequer. The Hon'ble Chairperson stated that it would be useful to have a uniform view for one-time settlement for legacy issues under VAT as this was likely to cause loss of revenue.

6.32. The Hon'ble Minister from Punjab further suggested to reduce the rate of tax on metal scrap from 18% to 5% as it was an important raw material for steel rolling mills. He also suggested not to have reverse charge mechanism for steel rolling mills. He stated that to address many of the problems of MSME, changes in CGST/SGST Law would be required. He pointed out that in the compilation of MSME issues circulated by the Council's Secretariat, at about 50 places, it was mentioned that change in Law was required and this was the root of the problem which needed to be addressed. He suggested that more consultation should be held with stakeholders before making changes in the CGST/SGST Law.

6.33. The Hon'ble Minister from Assam stated that MSME generated the largest employment and it was important to give them relief. The Council could go an extra mile for the same. He informed that the suggestions he received from the stakeholders were very generic and not State specific. He supported the proposal of reimbursement of GST to a certain extent to the units in the MSME sector. He informed that in his State, they were reimbursing SGST component to their small-scale industry and even to medium and large-scale industries because of their area specific industrial policy. He added that reimbursement of CGST and SGST could be considered up to a certain limit by the Council and that this single step would help the MSME sector to a large extent. He supported the suggestion of the Hon'ble Deputy Chief Ministers of Delhi and Bihar in this regard. He added that it could be debated whether the limit for such reimbursement should be units with annual turnover up to Rs. 1.5 crore or Rs.5 crore. He stated that the proposed reduction in rate of tax on cement from 28% to 18% would have an annual revenue implication of Rs.14,000 crore. He expressed that the

cement industry would mostly reduce price for some time and then increase the same. He wondered whether instead of giving this Rs.14,000 crore relief to the cement industry, this kind of benefit could be given to units in the MSME sector. He supported the view of the Hon'ble Ministers from Kerala and Goa that the rate of tax had been reduced on many items and, at this stage, tax rate on the other items need not be reduced. He suggested to have an Inter-Ministerial Group within the Council to take a holistic view after taking feedback from the Ministry of MSME on the issues and to recommend tax reduction only on such goods which would help in generating or sustaining employment. He observed that reduction in tax rate on cement and television of varied sizes may not be needed at this time.

6.34. The Hon'ble Minister from Assam further stated that a discussion in GoM on MSME would have a positive impact for this sector and some of the suggestions not having impact on revenue could be implemented early by the GoM during the intervening period of two to three months. He recalled that in the first 2 to 3 Meetings of the Council, the division of administrative authority over taxpayers was debated passionately but now taxpayers with annual turnover up to Rs.1.5 crore were allowed to avail the benefit of Composition scheme which indicated that those debates had become irrelevant over a period of time. He also supported the suggestion of the Hon'ble Minister from Karnataka to showcase the decisions taken by the Council during the last one year to help the MSME sector and that there should be a consistent publicity drive on this issue even in the regional languages. He stated that big ticket reforms like increasing the annual turnover threshold for Composition, one-year extension for reverse charge mechanism, etc. should be publicised repeatedly in the national as well as the regional press. He also requested the Hon'ble Chairperson that the revenue implication of the proposal of reimbursement of CGST and SGST to MSME should be got examined. He stated that this needed to be counter-balanced with demands for reduction in the rate of tax and then if found feasible, one could come out with a reimbursement policy for the MSME sector in the next Council meeting or so.

6.35. The Hon'ble Minister from Odisha stated that MSME contributed significantly to employment and revenue. He added that his State did not have much of manufacturing sector. He observed that many decisions had been taken earlier too for the benefit of MSME and this meeting would further help the MSME sector. He stated that he had discussed the issues with the stakeholders and many points were already highlighted by the Hon'ble Ministers. He observed that the Hon'ble Ministers from West Bengal and Karnataka had raised important issues on MSME. He stated that MSME required procedural simplification rather than reduction in tax rate and revenue issues. As regards revenue issues, he suggested that they should be taken up carefully. He observed that cement, while used for common man housing, was also used by big builders for making bridges, railway constructions, etc. He stated that rate reduction on cement would not be equitably shared between common man and the big builders and would hamper revenue generation. He suggested that return filing and tax payment should be made quarterly for taxpayers up to an annual turnover of Rs.5 crore to reduce compliance burden, accommodate late release of payments by recipients and prevent blockage of capital. He suggested that the audit requirement under Section 35(5) of the GST Act in case of MSME with annual turnover up to Rs.5 crore should be dispensed with for the first year of GST implementation i.e. 2017-18 as there was a lot of confusion regarding GST and also there was lack of clarity due to frequent changes in the law, rates and procedure. He further stated that supplier of goods should be made legally responsible for generation of e-Way bill i.e. both for part 'A' and part 'B' of the e-Way bill as big suppliers were passing on the responsibility of generation of e-Way

bill to small purchasers. He also suggested that there should be a facility by GSTN to capture Udyog Aadhaar Memorandum (UAM) and Industrial Entrepreneur Memorandum (IEM) numbers in the GST registration to facilitate identification of MSME.

6.36. Shri Jarkar Gamlin, Hon'ble Minister from Arunachal Pradesh supported the proposal of the Hon'ble Minister from Meghalaya regarding increasing the threshold for registration for Tax Deduction at Source. He observed that local businessmen were not in a position to carry out TDS compliances and proposed that those businesses should be exempted from registration under TDS. He stated that to save time, he would not repeat several other issues already spoken of by the other Hon'ble Members.

6.37. The Hon'ble Minister from Andhra Pradesh stated that they had submitted a list of about 29 items for reduction in the rate of tax which required the attention of the Council. He stated that his State was agreeable in principle to extend any concession to MSME but any concession or exemption given by the Council would end up in revenue loss to the States and this also needed to be looked into. He stated that several issues raised by MSME related to legal, administrative and financial issues and these could not be settled immediately. He suggested that a GoM within the Council should be formed on MSME and the Fitment Committee and the Law Committee should study the issues raised and report to the GoM. The Council could then take a decision. He stated that decisions could have multiple complications and, therefore, in-depth study of the proposals was needed. He supported the proposal for reduction in rate of tax for tractors/spare parts for tractors. He observed that tractors were used in farming activities and a high tax rate on it would burden the farmers. Hence, tax on tractors/ tractor spares and trailers should be reduced from 12% to 5%. He also supported the proposal for reduction in rate of tax for movie tickets. He stated that movies were the most popular form of entertainment in Southern States and the movie industry also provided employment to a large number of people. He, therefore, suggested that rate of tax on movie tickets costing more than Rs.100 should be reduced from 28% to 18% and those costing less than Rs.100 should be reduced from 18% to 12%.

6.38. The Hon'ble Minister from Andhra Pradesh further stated that in the VAT regime, aquafeed, poultry feed, cattle feed and feed supplements were exempted from tax. But under GST, as per Notification No.2/2017-Central Tax (Rate), Entry 10 (Exempted List), the item described as aquafeed and supplements was causing confusion due to improper description. He suggested that the entry should be re-drafted and a specific clarification should be issued to grant exemption on feed supplements irrespective of the source of such supplements whether from the residues of food industries or from other sources.

6.39. He also requested to grant exemption from registration under Section 23(2) of the CGST Act and SGST Act for Tirumala Tirupati Devasthanams (TTD) as it was a religious trust and not engaged in business activities and providing services to the devotees was its main objective. Levying tax on the amounts it received in providing services or sale of goods was not justified. He also mentioned that TTD utilised the surplus amount for charitable purposes. He also suggested that fish-nets, fish-net fabrics and fisherman boats currently taxed at the rate of 12% should be exempted as these goods were used by poor fishermen and they were exempted from tax under VAT. Likewise, they had also requested for exemption from registration for Girijan Cooperative Corporation Ltd. because most of the forest products came from tribal and forested areas and these should not be taxed. He further

stated that States were facing fiscal deficit and, therefore, tax benefits should be given only after making a detailed study of the revenue implications.

6.40. The Hon'ble Chairperson invited officers of the States, whose Ministers had not come, to highlight any points which were not covered by the issues raised by the Hon'ble Members of the Council. Shri Alok Sinha, Additional Chief Secretary (ACS), Commercial Tax, Uttar Pradesh, highlighted the problem regarding lack of on-line refund system and requested that the same should be expedited. He stated that Composition taxpayers and MSME Industries were in large number in their State and they had launched a new scheme namely "*Vanijya Kar Vibhag Aapke Dwaar*" to address their concerns. He added that they had sent certain proposals in writing for tax benefit for sectors like sports goods industries, and brass-wares in Moradabad etc. He requested that the Fitment Committee should reconsider these recommendations. He also pointed out that the position of revenue collection in Uttar Pradesh was much better and they had registered 50% growth in tax collection in the last four months as compared to the corresponding four months of the last year.

6.41. Shri Anil Kumar, CCT, Telangana, suggested that the threshold limit for availing the benefit of Composition scheme should be increased to annual turnover up to Rs.3 crore. He further suggested that Composition taxpayers should also be allowed to make inter-State supply. Shri P. K. Bhatt, Additional Commissioner, Commercial Taxes, Jammu & Kashmir stated that they had received 12 representations from MSME sector, out of which they had recommended 4 to 5 points. He requested to exempt GST on almonds, walnuts and handicraft goods specific to their State. He also suggested to reduce the rate of tax on roasted groundnut from 12% to 5%. He added that cricket bat industry enjoyed CST exemption and under GST, the rate of tax should be reduced.

6.42. Shri Amitabh Jain, Principal Secretary (Finance & Commercial Tax), Chhattisgarh suggested that GST on milling charges of paddy to rice should be exempted from tax. He stated that there was no Service Tax earlier but 5% GST was levied currently which ultimately came as a burden on the Public Distribution System subsidy. Shri Rajeev Sharma, CCT, Himachal Pradesh stated that pharmaceutical sector suffered due to inverted duty structure on inputs and final products and this should be rectified. Shri Praveen Gupta, Secretary, Finance (Revenue), Rajasthan raised the issue of inverted duty structure. He stated that in certain cases, the output GST rate for the MSME units was 5% whereas input GST rate was 18%. He stated that railways also suffered from inverted duty structure and huge amount of input tax credit and working capital was blocked. He suggested that this issue should be addressed. He also stated that the notification issued on 26<sup>th</sup> July 2018 in respect of textiles did not give clarity on accumulated input tax credit lying unutilised in the balance and what would happen to inward supplies received upto 31<sup>st</sup> July 2017 and whether it would lapse. He further stated that a distinction should be drawn between input tax credit availed and input tax credit utilised and the provision of interest should be applied only when input tax credit had been utilised. He further suggested to apply a uniform rate of 5% on all job work services.

6.43. Shri Wochamo Oduyo, Additional Commissioner, State Tax, Nagaland supported the proposal to exempt taxpayers with annual turnover up to Rs.1.5 crore from payment of CGST. He suggested that this would also incentivise SGST compliance. Shri Manoj Rai, Additional Commissioner, Commercial Taxes, Sikkim stated that internet connectivity was a major problem in his State and two meetings had already been held in this regard – one in Guwahati on 11<sup>th</sup> April 2016 and the second in Delhi on 18<sup>th</sup> October 2016. During these meetings, BSNL was requested to

provide block level internet connectivity. He observed that as population was very thin in these blocks, the private sector companies were not willing to set up infrastructure to improve internet connectivity and BSNL should improve infrastructure for better internet connectivity. Shri Ashin Barman, Superintendent, State Tax, Tripura stated that all refund should be granted within 30 days of making the application. He also suggested that stock transfer between principal and agent should be exempted from tax.

6.44. The Hon'ble Minister from Karnataka stated that he had to leave the meeting early but before that he wished to highlight some specific issues for the consideration of the Council. He stated that fishmeal was made out of waste fish and went into feed of poultry and it was currently taxed at the rate of 5%. He stated that a clarification should be given regarding the applicability of tax on this product by the Fitment Committee. He further stated that rate of tax on pickle should be brought down to 5%. This proposal was supported by the Hon'ble Minister from Tamil Nadu. The Hon'ble Minister from Karnataka further stated that he had been raising the issue of tax on hybrid cars again and again. He suggested that only the rate of cess on such cars should be lowered. He emphasised that this would not lead to any revenue loss as hardly 100 cars were being sold. He observed that the target to move to electrical vehicles by 2030 was a difficult one, and as an intermediate strategy, it was important to popularise hybrid cars in the next 4 to 5 years. This would help control pollution and save energy.

6.45. The Hon'ble Minister from Karnataka stated that another very important issue related to one segment of Knowledge export in the Biotech sector. He explained that biotech research units in Bengaluru, Hyderabad, Chennai, etc. imported certain items for research and development and then exported the outcome of the research. In such cases, as an item had been imported but was not exported, the other connected outcome like a research report was not treated as export. He stated that this was severely affecting export competitiveness and many MSME were also working in this sector. He gave an example of import of tablets of crocin for doing research to improve its efficacy and the results of the research were exported but not the crocin tablet itself, which was used up during the study. Under the current provisions of the IGST Act, this was treated as domestic consumption and the output supply was taxed in India. He stated that a provision to treat such activities as export was there in the original draft of Law Amendment but it was removed subsequently due to fear of misuse. He stated that this provision should be introduced in the GST Law with safeguards, as needed, to prevent misuse and the Law Committee should further examine it.

6.46. The Hon'ble Chairperson stated that a number of issues had been flagged by the Hon'ble Members during the lunch break. He had discussed regarding the way forward with the Hon'ble Members and the general consensus was that MSME issues relevant to the Law Committee, the Fitment Committee and the IT Committee would be referred to them. New suggestions and representations received subsequent to the Council meeting, including for procedural changes, would also be considered. Issues pending with the Law Committee, as earlier highlighted by the Hon'ble Minister from Punjab, would also be considered by the Law Committee. All these three Committees shall present their respective reports to a Group of Ministers (GoM) on MSME headed by Shri S.P. Shukla, Hon'ble Union Minister of State (Finance) and consisting of the Hon'ble Deputy Chief Ministers of Bihar and Delhi and the Hon'ble Ministers from Kerala, Punjab and Assam. He stated that the GoM on MSME would consider all the recommendations of the three Committees and then bring a full report to the Council, within 2 months. Since it might take time to complete the full



report, the GoM on MSME could also bring before the Council interim report from time to time for taking decision. He added that the GoM on MSME could take decision on minor issues, specifically related to MSME, brought before it by the three Committees and inform the Council. He added that for all the meetings of the GoM on MSME, all the Members of the Council would get intimations so that all those who desired could participate in the Meetings. He further stated that the Convenor of the GoM on MSME may also invite representatives from other Ministries/Departments of the Government of India like Financial Services, MSME and CBDT. The Council agreed to the suggestions of the Hon'ble Chairperson.

6.47. Concluding the discussion on this Agenda item, the Hon'ble Chairperson observed that issues flagged for MSME today were truly outstanding and the States had worked hard to find out the problems of MSME at the ground level. He stated that this would send a good message to MSME. The Hon'ble Minister from West Bengal stated that one issue discussed during the lunch break by the Hon'ble Ministers was regarding giving land on lease hold basis to schools, colleges, and even for commercial activities for 30 or 99 years and charging salami on it. This was considered as sale of interest in an immovable property and it resulted in Government paying huge amount of GST. On the other hand, land given on freehold basis or to the private sector was not being charged to GST. He stated that the Fitment Committee should examine this issue. He also voiced his support to the suggestion of the Hon'ble Minister from Karnataka on the issue of difficulty being faced in Knowledge exports i.e. research. He stated that the products which were imported for research were broken down during the research and could not be re-exported. He recalled that when this issue was discussed earlier, the Secretary had raised concerns of its misuse in some other areas. However, the present law was hurting knowledge outsourcing and he strongly supported the suggestion of the Hon'ble Minister from Karnataka to address this issue.

**7. For Agenda Item 2, the Council: -**

- (i) took note of the suggestions received from the States and the field formations of Central Tax Administrations on MSME related problems as also those which were raised in the Council;
- (ii) approved the formation of a GoM on MSME under the convenorship of the Hon'ble Union Minister of State (Finance) Shri S.P. Shukla with Hon'ble Deputy Chief Ministers of Bihar, Delhi and the Hon'ble Ministers from Kerala, Punjab and Assam as its Members;
- (iii) approved that the Fitment Committee, the Law Committee and the IT Committee shall examine the MSME related issues relevant for them raised by the States and the Central Tax Administrations prior to the Meeting of the Council or as deliberated during the Council meeting as well as new suggestions and representations received subsequent to the Council Meeting, including for procedural changes;
- (iv) approved that the three Committees shall submit their recommendations to the GoM on MSME which will examine it further and then present the full report for the consideration of the Council in two-months and also submit interim reports during the interregnum;
- (v) approved that the GoM on MSME could take decision on minor issues and inform the Council about the same;
- (vi) approved that the decisions taken by the Council in previous meetings and implemented so far with respect to addressing the concerns of MSME sector shall be documented and publicised;

- (vii) approved that the correct Hindi translation for the words “Goods and Services Tax” was “*Maal Aur Sewa Kar*” and this should be used uniformly, wherever required.

### **Agenda Item 3: Incentivising Digital Payments in GST Regime**

8. The Hon’ble Chairperson invited the Hon’ble Deputy Chief Minister of Bihar, Convenor of the GoM on Digital Payments, to introduce the agenda. The Hon’ble Deputy Chief Minister of Bihar stated that during the last Meeting of the Council, a revised proposal on incentivising digital payments was presented and it was decided to refer it back to the GoM on Digital Payments for further consideration. He informed that the GoM had approved the revised proposal as per which the incentive for digital payment would be limited only to B2C transactions made through RuPay (Debit card) and UPI (Unified Payment Interface), BHIM (Bharat Interface for Money) and USSD (Unstructured Supplementary Service Data). He further stated that mostly these RuPay cards (Debit cards) were being issued to *Jan Dhan* account holders and *Kisan Credit Card* (KCC) holders. He informed that about 28 crore RuPay cards had been issued by various banks. He recalled that the earlier proposal was to provide for a reduction in the rate of tax but now it was proposed to refund 20% of total GST paid through cashback with a cap of Rs.100 per transaction. For this cashback scheme, the NPCI (National Payments Corporation of India) would need funds and it was proposed that this could be pooled by the Centre and the respective State. He stated that it was estimated that average value per transaction would be around Rs.1,103 and if 20% of the transactions got the benefit, then the financial implication for a year would be approximately Rs.991 crore. He stated that very few transactions were expected to take place in the first year.

8.1. The Hon’ble Deputy Chief Minister of Bihar added that some Hon’ble Members had raised concern regarding urban and rural divide and suggested to limit this benefit only to rural areas. To address this concern, the revised proposal limited this benefit only to RuPay (Debit) cards which was mostly used in rural areas. Another concern raised was regarding lack of digital infrastructure in rural areas like POS (Point of Sale) machines. He stated that to address this concern, it was recommended that the Government of India should supply large number of POS machines in rural areas at concessional price. He stated that the earlier proposal was to extend this scheme for transactions done through all cards which appeared to give more benefit to credit cards used by urban and elite customers, but the revised proposal would ensure that the scheme benefited mainly the rural population at the start. He further stated that incentivising digital payments by way of instant cashback of GST shall lead to the following gains:

- i) Increased formalisation – reduced GST evasion;
- ii) Increased transparency in business;
- iii) Incentive to use the digitisation will reduce rural – urban divide;
- iv) Improved compliance and reduction in cash transaction vis-à-vis GDP;
- v) No discrimination with rural and poor population;
- vi) Increased consumer participation because of incentive;
- vii) Revenue implication of the policy should not be seen as a cost but as an investment to formalise the economy in long term.

8.2. The Hon’ble Deputy Chief Minister of Delhi raised a question as to how the transactions would be taken on record and how the refund would be paid i.e. whether payment would be made upon making the claim or whether it would be paid automatically. The Hon’ble Chairperson stated that NPCI shall automatically refund the amount for any payment made through server of NPCI. The

Hon'ble Deputy Chief Minister of Bihar added that money would be transferred automatically to the purchaser's account by NPCI in 24 hours.

8.3. The Hon'ble Minister from Haryana stated that during the last meeting of the GoM held on 3<sup>rd</sup> August, 2018, representatives of MeitY (Ministry of Electronics and Information Technology) and NPCI were also present and they informed that they would work out the arrangement regarding cashback by which when RuPay (Debit card) was used or payment was made through BHIM application, money would immediately go into the account of the purchaser by cashback. The time taken would be one or maximum two days after the date of the transaction, as was the present practice with Petro cards. So, the money would be transferred to the account of the purchaser within 36-40 hours. He stated that the GoM also proposed that when RuPay (Debit card) or BHIM app was used, there should be a facility by which the purchaser would receive an SMS about completion of the transaction and also of getting a specified amount of refund shortly so that there was immediate recognition of the benefit. This would incentivise digital transactions.

8.4. The Hon'ble Minister from West Bengal expressed his regret at not being able to attend the last meeting of the GoM on Digital Payments because of his other preoccupations. He recalled that during the first meeting of the GoM which he had attended, there were significant differences amongst the Members but now the proposal had been modified. He informed that he had sent a letter as a member of the GoM to the Convenor of the GoM raising some concerns on the revised proposal. He observed that if one started a policy of giving incentive through GST, today it was for using digital platform but there could be 25 other issues which could be deserving of incentive. He stated that once the principle of giving incentive from GST revenue was accepted, it could potentially open floodgates. He suggested that as the amount involved was small, instead of creating problem with the GST revenue system, it could be done through the budget of the Central Government.

8.5. The Hon'ble Minister from West Bengal further stated that post-demonetisation, the actual situation in villages was not so good. He added that people in villages did not have Wi-Fi and adequate POS machines. So, rural and urban divide was inherent even in the revised proposal. He stated that the revised proposal would benefit the present users of BHIM and would not necessarily serve the poor population. He further raised a concern as to why this incentive should be given from the GST revenue. He stated that earlier he had also expressed concern on proposal with regard to levying cess on sugar and expressed caution regarding starting incentives from GST revenue. Instead, the Centre and the States could do it through their own budget. He further added that there were reports of huge failure of some of these RuPay cards relative to the expectations. He expressed that as a member of the GoM, he disagreed with the proposal and he had sent this in writing to the Convenor of the GoM in appropriate manner but had not sent it to the Council.

8.6. The Hon'ble Chairperson observed that the concerns of the Hon'ble Minister from West Bengal had been reflected in the Agenda notes. He added that the Council should keenly try to improve GST compliance. If the incentive scheme helped in encouraging traders to issue bills, it would lead to substantial gains in revenue. He stated that it was desirable to undertake policy initiatives that encouraged traders to make it a habit to issue bills. He stated that the Central Government could lend support to augment infrastructure by providing POS machines etc. which would in turn support digital transactions in rural areas. He stated that ultimately the States would also be benefitted because of more and more formalisation of the economy. He further added that 3.6

lakh *Panchayats* had now got digital connectivity and 6,000 railway stations would have Wi-Fi in next six months. He stated that making digital connection available to the poor would help to connect them to the world.

8.7. The Chairman, GSTN, stated that about 30 crore RuPay (Debit cards) had been issued. He added that, today, any mobile device could be used as a payment device by using BHIM UPI for making payment. He further stated that BHIM-Aadhaar could be used for making payment even through thumb print. He stated that all this would help in encouraging people to switch to digital payment particularly in small towns and rural areas. He informed that in the last Budget, it was announced that 20 lakh POS machines would be spread across the country in addition to other efforts like BHIM-Aadhaar etc. He added that even the Fair Price Shops (FPS) under the Public Distribution System were being enabled to get payment through BHIM-Aadhaar.

8.8. The Hon'ble Deputy Chief Minister of Bihar pointed out that in 2017-18, the value of transactions through UPI, BHIM and USSD was Rs.1,09,832 crore in approximately about 92 crore transactions; through RuPay POS was Rs.48,886 crore in approximately 46 crore transactions and through RuPay (eComm) was Rs.16,635 crore in approximately 21 crore transactions. He observed that the internet penetration had gone deep into the villages and rural population therein would be able to use RuPay. He further observed that the State of West Bengal had, in fact, received a national prize for popularizing digital use.

8.9. The Hon'ble Minister from Kerala supported the concerns raised by the Hon'ble Minister from West Bengal. He stated that he had sent a long note to the Council on this issue. He had met trade organisations, who had also opposed this proposal. The traders felt that such a scheme would help large malls and would threaten their existence. He further stated that the choice of using physical currency or digital mode of payment was culturally determined and it might not lead to expected benefits. He observed that there was no dramatic increase in digital transactions post-demonetisation. He observed that incentivising those who had already adopted digital system of payment was not a good idea, and therefore, he opposed this proposal. He suggested that if such an incentive was to be given, it should come from the Union Government's budget or from CGST but SGST should not be used for incentivising digital payment. The Hon'ble Deputy Chief Minister of Delhi stated that two issues needed to be considered – first whether Council should adopt the principle of incentivisation and second whether there was adequate technology to support the proposed scheme. He stated that he did not agree with the idea of giving incentives through GST revenue collection and no such precedent should be created. He observed that the Centre and the States had pooled their sovereignty and views of both should be respected. This scheme of incentivisation might be a small thing today but might become a precedent later.

8.10. The Hon'ble Minister from Punjab stated that he was part of the GoM on Digital Payments and expressed his regret for not attending the last meeting of the GoM. He stated that during the earlier meeting, GoM had recommended to hold this proposal in abeyance. He further stated that the proposal to allow one particular card for availing incentive in preference to the other cards could make this scheme fall foul of Article 14 of the Constitution, which enshrined equality before law. He stated that the impact of such a scheme on other credit cards could be adverse. He observed that the scheme should be Constitutionally proper. He also raised an issue as to how the credit card company would know what slab, out of the four tax slabs, to apply for incentive payment. The Hon'ble Deputy

Chief Minister of Bihar stated that RuPay (Debit card) was being used in a large number of rural areas by *Jan Dhan* account holders and *Kisan Credit Card* holders. He stated that in the urban areas, the nationalized banks were generally giving credit cards of other agencies like Master and Visa and not RuPay (Debit cards). He added that NPCI could handle the technology issues as they were already monitoring RuPay card transactions and it would also be possible to know technologically as to what tax was paid by the purchaser.

8.11. Responding to the concern raised by the Hon'ble Minister from Kerala, the Secretary stated that traders were possibly not agreeable to incentivising digital payment as they would have a vested interest in encouraging transactions in cash. He pointed out that the average annual turnover of Composition taxpayers was only Rs.17 lakh and even then, they had got registered on the GST portal. He added that approximately 75% of the Composition taxpayers had turnover of less than Rs.20 lakh. He stated that this was done possibly to encourage cash transaction and to evade GST and income tax. He stated that incentivising digital payment would encourage payments through RuPay, BHIM etc. As for the concern raised by the Hon'ble Minister from Punjab regarding identifying the tax component in the bill amount debited in NPCI, he stated that the NPCI was trying to come out with a solution for this issue and making an application for it in which there would not be much botheration for the trader. He suggested that the Council could give in principle approval to this proposal subject to solutions found out by NPCI.

8.12. The CCT, Tamil Nadu supported the proposal of the Secretary. He stated that this issue did not relate to giving concession. Presently, the traders were telling their buyers that price would be lower if no bill was issued. This scheme would break the nexus between the trader and the consumer where both were benefited if the tax was evaded. Now, there would be benefit for the buyers if bills were raised. Shri Tuhin Kanta Pandey, ACS, Odisha, stated that the scheme to incentivize digital payment was not applicable to Composition taxpayers whereas most rural people went to Composition taxpayers for their purchases. So in the example given by the Secretary regarding concealment of actual turnover by the Composition taxpayers, purchasers from Composition taxpayers or the unregistered taxpayers (taxpayers with annual turnover below Rs 20 lakh) would still not be encouraged to take bills. The CCT, Tamil Nadu, stated that this benefit should also be extended to urban areas where it would generate more revenue as non-billing was one of the significant problems at the last stage of the value chain.

8.13. The Hon'ble Minister from Haryana stated that the mandate to the GoM on Digital Payments was to incentivize digital transactions by way of some cashback in GST and everyone agreed that increased digital transactions would help in better revenue collection. He stated that at this stage, the GoM had suggested only to take a baby step and to incentivise transactions through Government of India owned cards i.e. RuPay (Debit card) and the BHIM application. He stated that his State was supporting approximately 22 lakh social security beneficiaries where Rs.1800 was deposited in their account every month through digital mode. He added that if such 22 lakh beneficiaries got such benefit through RuPay card and NPCI got it activated, then it would also create huge potential. He stated that the shops under PDS were also connected to POS. He pointed out that the GoM did not propose to extend the tax benefit to other cards as they had some in-built costs and conditions which was not the case in BHIM app as well as the RuPay card. He observed that almost Rs.3.60 lakh crore was being transferred directly into the bank account of the roughly 20 crore Government of India beneficiaries. He added that incentivising digital transactions through RuPay cards would increase

revenue collection and formalisation of economy. He further added that there was a potential to improve digital payment by encouraging traders to have more POS machines. He emphasized that this was only a baby step and the Council should approve it to experiment with the same.

8.14. The Hon'ble Chairperson observed that Republic of Korea incentivized payment through credit cards in a very big way and that had helped to formalize its economy. The Hon'ble Minister from Kerala stated that this scheme could be tried in one or two States as B2C transactions did not affect other States at all and then it could be evaluated. The Hon'ble Minister from Assam stated that this agenda item had been discussed during the last two meetings of the Council and was referred to the GoM which had now come up with a good idea of encouraging digital payment through RuPay card and BHIM interface i.e. Government of India owned card and application. He stated that his State had floated some reward scheme and cash prize was also paid to encourage issuing of cash memos. If such a small step could formalize the economy, it would be a very progressive step and would also improve revenue collection. He stated that people would also welcome such a scheme and appealed to the Council to approve the proposal in principle and its benefits could be evaluated subsequently. The Hon'ble Minister from Andhra Pradesh stated that since there was a division of opinion in the GoM itself, this proposal should be revisited. He stated that though, in principle, he supported the proposal, in the present form, it looked impractical and refund would be a problem. The Hon'ble Minister from Odisha stated that it was a welcome proposal but opening the door for incentivising through GST would set a wrong precedent. He stated that the Central Government should implement this scheme through its own budget.

8.15. The Hon'ble Deputy Chief Minister of Delhi stated that earlier they had a scheme “*Bill Banao Inaam Pao*” under which the bills could be uploaded on an app and through a draw of lots, reward upto Rs.50,000 was given. He stated that this had a positive impact and customers were taking bills even for purchase of a bottle of water or a packet of chips. However, in principle, he did not support giving incentive through GST revenue. Instead, the Centre and a particular State could get together to bring out an incentive scheme for that State. The Hon'ble Chairperson stated that essentially, he supported the proposal made by the Hon'ble Minister from Kerala and suggested that NPCI could prepare a software and the States could volunteer to introduce this scheme on a pilot basis to test it out. The Council could take a final decision after analysing the results of the pilot scheme.

8.16. The Hon'ble Minister from West Bengal stated that for pilot project of this incentive scheme, the Central Government should pay from its own budget. The Hon'ble Chairperson stated that paying from the budget of the Union Government would also set a wrong precedent. The Hon'ble Minister from West Bengal stated that he did not, in principle, support bringing incentives on the basis of outgo of GST revenue. The Hon'ble Chairperson observed that even reducing the rate of tax was a kind of incentive. The Hon'ble Minister from Assam stated that continuation of the Composition scheme was a kind of incentive relating to GST. The Chairman, GSTN, stated that BHIM-Aadhaar could also be added to the modes of transactions under this pilot incentive scheme. The Council agreed to this suggestion.

8.17. The Hon'ble Ministers from Assam and Tamil Nadu volunteered to introduce this scheme on a pilot basis. The Hon'ble Chairperson stated that the other States could also volunteer. The Council approved that the proposed scheme to incentivise digital payment could be introduced in the

States that agreed to implement it on pilot basis and the Council could take a decision for its all India application after studying the impact of the pilot scheme in the volunteering States.

9. **For Agenda item 3**, the Council approved the proposal to introduce the following scheme for incentivising digital payment under GST regime:

- i) The GST concessions on digital payments be given on the B2C transactions made through RuPay (Debit Card) and UPI-Unified Payment Interface, BHIM, USSD and BHIM-Aadhaar;
- ii) The GST concession shall be given by way of refund to the consumer in his account through an automated route;
- iii) The concession shall be 20% of total GST paid subject to the total ceiling of Rs.100 (Rs.50 CGST and Rs. 50 SGST) per transaction;
- iv) The CGST amount given as cashback shall be pooled in by the Centre and SGST amount shall be pooled in by the respective State;
- v) Upon approval of the proposal, the exact modalities for providing the concession to be put in place in consultation with the nodal Ministry (Ministry of Electronics & Information Technology);
- vi) There shall be an SMS facility to inform the purchaser regarding the digital transaction made through RuPay (Debit card) and BHIM UPI and to inform the amount that would be credited to the purchaser's account as cashback;
- vii) This scheme shall be run on a pilot basis in the States of Assam, Tamil Nadu and in any other State that may volunteer for the same.

**Agenda Item 4: Any other agenda item with the permission of the Chairperson**

**Agenda Item 4(i): Notifying the due dates for furnishing the details in FORM GSTR-1, FORM GSTR-2 and filling the return in FORM GSTR-3 and FORM GSTR-3B**

10. Introducing this Agenda item, the Secretary stated that until the time a new filing system was approved and implemented, it was proposed to continue with the present system of filling the details of outward supplies in FORM GSTR-1 and summary return in FORM GSTR-3B till March, 2019 along with postponing furnishing of details of inward supplies in FORM GSTR-2 and filing the return in FORM GSTR-3 till March, 2019. He requested Shri Upender Gupta, Commissioner (GST Policy Wing), CBIC to explain the proposal. Commissioner (GST Policy Wing), CBIC stated that this proposal emanated from rule 61(5) of the CGST Rules, 2017 and the proposal placed before the Council was to notify the due dates for filing the said returns as follows:

- (i) the due date for furnishing the details in FORM GSTR-1 for the months of July, 2018 to March, 2019 to be the 11<sup>th</sup> of the corresponding next month for the registered persons having aggregate turnover of more than Rs.1.5 crore in the preceding financial year or the current financial year;
- (ii) the due date for furnishing the details in FORM GSTR-1 for the quarters July 2018-September 2018, October 2018-December 2018, January 2019-March 19 to be the last day of the month (30<sup>th</sup> /31<sup>st</sup>) following the end of the corresponding quarter for the registered

persons having aggregate turnover of up to Rs.1.5 crore in the preceding financial year or the current financial year;

(iii) the due date for filing the return in FORM GSTR-3B for the months of July, 2018 to March, 2019 to be the 20<sup>th</sup> of the corresponding next month;

(iv) the due date for furnishing the details in FORM GSTR-2 and filing the return in FORM GSTR-3 for the months of July, 2018 to March, 2019 shall be notified subsequently.

The Council approved the above proposal.

11. **For Agenda item 4(i)**, the Council approved the proposals contained in paragraph 10(i) to 10(iv) above.

**Agenda item 4(ii): Proposal to withdraw amendment to Section 16(2) of the CGST Act, 2017**

12. The Hon'ble Chairperson stated that during the 28<sup>th</sup> Meeting of the Council held on 21<sup>st</sup> July, 2018, certain proposals for amendment to the GST law were approved. However, he proposed to withdraw the proposed amendment to second proviso under Section 16(2) of the CGST Act, 2017. He stated that the original formulation of the second proviso under Section 16(2) of the CGST Act, 2017 was more beneficial to MSME and deletion of the phrase “along with interest thereon” would reduce the incentive for timely payment to supplier, especially to MSME. He, therefore, requested the Council to agree not to amend the second proviso under Section 16(2) of the CGST Act, 2017, which was earlier approved by the Council in its 28<sup>th</sup> Meeting held on 21<sup>st</sup> July, 2018. The Council agreed to this proposal.

13. **For Agenda item 4(ii)**, the Council approved to withdraw its approval for amendment to second proviso under sub-section (2) of Section 16 of the CGST Act, 2017, given during the 28<sup>th</sup> Meeting of the Council held on 21<sup>st</sup> July, 2018 and approved to retain this provision in its original form.

**Agenda Item 5: Date of next meeting of the GST Council**

14. The Hon'ble Chairperson informed that the next meeting of the Council shall be held in Goa on 28<sup>th</sup> -29<sup>th</sup> September, 2018.

15. In conclusion, the Hon'ble Chairperson observed that a number of very important issues had been flagged during this Meeting and thanked all the participants for their presentations and constructive discussion.

16. The Meeting ended with a vote of thanks to the Chair.



## Annexure 1

<b>List of Ministers who attended the 29th GST Council Meeting on 4 August 2018</b>			
<b>Sl No</b>	<b>State/Centre</b>	<b>Name of Hon'ble Minister</b>	<b>Charge</b>
1	Govt of India	Shri Piyush Goyal	Union Finance Minister
2	Govt of India	Shri S. P. Shukla	Minister of State (Finance)
3	Andhra Pradesh	Shri Yanamala Ramakrishnudu	Minister of Finance, Planning, CT and Legislative Affairs
4	Arunachal Pradesh	Shri Jarkar Gamlin	Minister for Taxation and Excise
5	Assam	Dr. Himanta Biswa Sarma	Finance Minister
6	Bihar	Shri Sushil Kumar Modi	Deputy Chief Minister
7	Delhi	Shri Manish Sisodia	Deputy Chief Minister
8	Goa	Shri Mauvin Godinho	Minister for Panchayat
9	Gujarat	Shri Nitinbhai Patel	Deputy Chief Minister
10	Haryana	Capt. Abhimanyu	Excise & Taxation Minister
11	Jharkhand	Shri C. P. Singh	Minister - Department of Urban Development, Housing and Transport
12	Karnataka	Shri Krishna Byre Gowda	Minister of Rural Development, Law & Parliamentary affairs
13	Kerala	Dr. T. M. Thomas Issaac	Finance Minister
14	Madhya Pradesh	Shri Jayant Malaiya	Minister of Finance & CT
15	Maharashtra	Shri Sambhaji Patil Nilangekar	Minister of Labour, Skill Development & entrepreneurship
16	Meghalaya	Shri Conrad K. Sangma	Chief Minister
17	Odisha	Shri Shashi Bhusan Behera	Finance Minister
18	Puducherry	Shri V. Narayanasamy	Chief Minister
19	Punjab	Shri Manpreet Singh Badal	Finance Minister
20	Tamil Nadu	Shri D. Jayakumar	Minister for Fisheries and Personnel & Administrative Reforms
21	Uttarakhand	Shri Prakash Pant	Finance Minister
22	West Bengal	Dr. Amit Mitra	Finance Minister

## Annexure 2

<b>List of Officers who attended the 29th GST Council Meeting on 04 August 2018</b>			
<b>Sl No</b>	<b>State/Centre</b>	<b>Name of the Officer</b>	<b>Charge</b>
1	Govt. of India	Dr. Hasmukh Adhia	Finance Secretary
2	Govt. of India	Shri S. Ramesh	Chairman, CBIC
3	Govt. of India	Shri Mahender Singh	Member (GST), CBIC
4	Govt. of India	Dr. John Joseph	Member (Budget), CBIC
5	Govt of India	Dr. A B Pandey	Chairman, GSTN
6	Govt. of India	Shri G. C. Murmu	Special Secretary, DoR
7	Govt. of India	Shri P.K. Mohanty	Adviser (GST), CBIC
8	Govt. of India	Shri P.K. Jain	Pr. DG, DG-Audit, CBIC
9	Govt. of India	Shri Sandeep M. Bhatnagar	DG, DG Anti-Profiteering, CBIC
10	Govt. of India	Shri G.D. Lohani	Joint Secretary, TRU I, DoR
11	Govt. of India	Shri Manish Kumar Sinha	Joint Secretary, TRU II, DoR
12	Govt. of India	Shri Ritvik Pandey	Joint Secretary, DoR
13	Govt. of India	Shri Upender Gupta	Commissioner (GST), CBIC
14	Govt. of India	Shri Yogendra Garg	ADG, GST, CBIC
15	Govt. of India	Shri S.K. Rehman	ADG, GST, CBIC
16	Govt. of India	Shri D.S. Malik	DG (M&C)
17	Govt. of India	Shri Reyaz Ahmad	Director, TRU I
18	Govt. of India	Shri Parmod Kumar	OSD, TRU-II, DoR
19	Govt. of India	Shri Gaurav Singh	Deputy Secretary, TRU-I, DoR
20	Govt. of India	Shri Pramod Kumar	Deputy Secretary, TRU-II, DoR
21	Govt. of India	Shri N Gandhi Kumar	Deputy Secretary, DoR
22	Govt. of India	Shri Ravneet Singh Khurana	Joint Comm., GST Policy Wing
23	Govt. of India	Ms Himani Bhayana	Joint Comm., GST Policy Wing
24	Govt. of India	Shri Bhagwati Charan	Dy. Comm, TPRU
25	Govt. of India	Shri Rahil Gupta	Technical Officer, TRU-I, DoR
26	Govt. of India	Shri Ajay Kumar	Technical Officer, TRU-I, DoR
27	Govt. of India	Shri Nikhil Goyal	Technical Officer, TRU-I, DoR
28	Govt. of India	Shri Modassar Safi	Technical Officer, TRU-I, DoR
29	Govt. of India	Shri Sushanta Mishra	Technical Officer, TRU-II, DoR
30	Govt. of India	Shri Harish Y. N	Technical Officer, TRU-II, DoR
31	Govt. of India	Ms Gayatri PG	Dy. Comm., GST Policy Wing
32	Govt. of India	Shri Vikash Kumar	Dy. Comm., GST Policy Wing
33	Govt. of India	Shri Satvik Dev	Asst. Comm., GST Policy Wing
34	Govt. of India	Shri Asim Anand	Asst. Comm., GST Policy Wing
35	Govt. of India	Shri Paras Sankhla	OSD to Union Minister
36	Govt. of India	Shri Anuj Gupta	OSD to Union Finance Minister

37	Govt. of India	Shri Ravi Singh	Addl PS to Union Finance Minister
38	Govt. of India	Shri Nikhil Varma	OSD to MoS (Finance)
39	Govt. of India	Shri Debashis Chakraborty	OSD to Finance Secretary
40	Govt. of India	Shri Anurag Sehgal	OSD to Chairman, CBIC
41	Govt. of India	Shri Nagendra Goel	Advisor, CBIC
42	GST Council	Shri Shashank Priya	Joint Secretary
43	GST Council	Shri Dheeraj Rastogi	Joint Secretary
44	GST Council	Shri Rajesh Kumar Agarwal	Addl. Commissioner
45	GST Council	Shri G.S. Sinha	Joint Commissioner
46	GST Council	Shri Jagmohan	Joint Commissioner
47	GST Council	Shri Rakesh Agarwal	Dy. Commissioner
48	GST Council	Shri Rahul Raja	Under Secretary
49	GST Council	Shri Debashish Dutta	Under Secretary
50	GST Council	Shri Umed Singh Rawat	Superintendent
51	GST Council	Shri Mukesh Gaur	Superintendent
52	GST Council	Shri Rajeev Mirchia	Superintendent
53	GST Council	Shri Sandeep Bhutani	Superintendent
54	GST Council	Shri Vipul Sharma	Superintendent
55	GST Council	Shri Sarib Sahran	Superintendent
56	GST Council	Shri Amit Soni	Superintendent
57	GST Council	Shri Anis Alam	Superintendent
58	GST Council	Shri Dipendra Kumar Singh	Superintendent
59	GST Council	Shri Sunil Kumar	Superintendent
60	GST Council	Ms Sangeeta Dalal	Inspector
61	GSTN	Shri Prakash Kumar	CEO
62	GSTN	Ms. Kajal Singh	EVP (Services)
63	GSTN	Shri Vashistha Chaudhary	SVP (Services)
64	GSTN	Shri Jagmal Singh	VP (Services)
65	GSTN	Shri Sarthak Saxena	OSD to CEO
66	Govt. of India	Shri Kishori Lal	Commissioner, Chandigarh Zone, CBIC
67	Govt of India	Shri Yogesh Kumar Agrawal	Commissioner, Meerut Zone, CBIC
68	Govt of India	Shri Neerav Kumar Mallick	Commissioner, Bhopal Zone, CBIC
69	Govt. of India	Shri Pramod Kumar	Commissioner, Delhi Zone, CBIC
70	Govt of India,	Shri Lalit Prasad	Commissioner, Ahmedabad Zone, CBIC
71	Govt of India	Shri Shri Narayana Swamy	Commissioner, Bengaluru Zone, CBIC

72	Govt. of India	Shri R.C. Sankhla	Commissioner, Lucknow Zone, CBIC
73	Govt. of India	Shri D P Naidu	Commissioner, Hyderabad Zone, CBIC
74	Govt. of India	Shri S. Kannan	Commissioner, Chennai Zone, CBIC
75	Govt. of India	Shri Vijay Mohan Jain	Commissioner, Rohtak Zone, CBIC
76	Govt. of India	Shri C.K. Jain	Commissioner, Jaipur Zone, CBIC
77	Govt. of India	Shri Milind Gawai	Commissioner, Pune Zone, CBIC
78	Govt. of India	Shri B. Hareram	Pr. Commissioner, Vishakhapatnam Zone, CBIC
79	Govt. of India	Shri Sanjay Mahendru	Commissioner, Mumbai Zone, CBIC
80	Govt. of India	Shri Nitin Anand	Commissioner, Ranchi Zone, CBIC
81	Andhra Pradesh	Dr D. Sambasiva Rao	Special Chief Secretary, Revenue
82	Andhra Pradesh	Shri J. V. M. Sarma	Joint Commissioner, CT
83	Arunachal Pradesh	Shri Anirudh S. Singh	Commissioner (Tax & Excise)
84	Assam	Shri Anurag Goel	Commissioner, CT
85	Bihar	Ms Sujata Chaturvedi	Principal Secretary, Finance and CTD
86	Bihar	Dr. Pratima	Commissioner cum Secretary, CTD
87	Bihar	Shri Arun Kumar Mishra	Additional Secretary, CTD
88	Bihar	Shri Ajitabh Mishra	Dy. Commissioner, CTD
89	Chandigarh	Shri Jitendra Yadav	E & T Commissioner
90	Chandigarh	Shri Sanjeev Madaan	ETO
91	Chhattisgarh	Shri Amitabh Jain	Principal Secretary finance & CT
92	Chhattisgarh	Smt Sangeetha P	Commissioner, CT
93	Daman & Diu	Shri Suresh L Kamble	Asst. Commissioner, UT GST
94	Delhi	Ms. Renu Sharma	Pr. Secretary, Finance
95	Delhi	Shri H. Rajesh Prasad	Commissioner, State Tax
96	Delhi	Shri Anand Kumar Tiwari	Addl. Commissioner, GST
97	Goa	Shri Ashok Rane	Addl. Commissioner, CTD
98	Gujarat	Dr. P.D. Vaghela	Commissioner of State Tax
99	Gujarat	Shri. Sanjeev Kumar	Secretary (Economic Affairs) Finance Department
100	Haryana	Shri Sanjeev Kaushal	Addl Chief Secretary, E & T Dept
101	Haryana	Ms. Ashima Brar	E&T Commissioner
102	Himachal Pradesh	Shri Rajeev Sharma	Commissioner of State Tax and Excise

103	Himachal Pradesh	Shri Sanjay Bhardwaj	Addl Comm.State Tax & Excise
104	Himachal Pradesh	Shri Rakesh Sharma	Joint Comm., State Tax & Excise
105	Jammu & Kashmir	Shri Navin K. Choudhary	Pr. Secretary, Finance Dept.
106	Jammu & Kashmir	Shri M Raju	Commissioner, CT
107	Jammu & Kashmir	Shri P. K. Bhatt	Addl Comm., CT Tax Planning
108	Jharkhand	Shri Rahul Sharma	CCT
109	Jharkhand	Shri Ajay Kumar Sinha	Addl. Commissioner of State Taxes
110	Jharkhand	Shri Brajesh Kumar	State Tax officer
111	Karnataka	Shri Srikar M.S.	Commissioner, CT
112	Kerala	Dr. Rajan Khobragade	Pr. Secretary & Commissioner, State GST Dept.
113	Madhya Pradesh	Shri Pawan Kumar Sharma	Commissioner, CT
114	Madhya Pradesh	Shri Sudip Gupta	Jt. Commissioner, CT
115	Madhya Pradesh	Shri Manoj Kumar Choube	Dy. Comm, CT
116	Maharashtra	Shri Rajiv Jalota	Commissioner, State Tax
117	Maharashtra	Shri Dhananjay Akhade	Jt. Commissioner, State Tax
118	Meghalaya	Shri L. Khongsit	Jt. Commissioner, State Tax
119	Mizoram	Shri L. H. Rosanga	Commissioner, State Tax
120	Mizoram	Shri R Zosiamliana	Jt. Commissioner, State Tax
121	Nagaland	Shri Wochamo Oduyo	Addl. Commr, State Tax
122	Odisha	Shri Tuhin Kanta Pandey	ACS, Finance
123	Odisha	Shri Saswat Mishra	Commissioner, CT
124	Odisha	Shri Sahadev Sahoo	Addl. Commissioner, CT
125	Puducherry	Shri G. Srinivas	Commissioner (ST)
126	Punjab	Shri M. P Singh	Addl. Chief Secretary & Financial Commissioner (Taxation)
127	Punjab	Shri V. K. Garg	Advisor (Financial Resources) to CM
128	Punjab	Shri Vivek Pratap Singh	Excise & Taxation Commissioner
129	Punjab	Shri Pawan Garg	Dy. Excise & Taxation Commissioner
130	Rajasthan	Shri Praveen Gupta	Secretary Finance (Revenue)
131	Rajasthan	Shri Alok Gupta	Commissioner, State Tax
132	Rajasthan	Ms. Meenal Bhosle	OSD, Finance
133	Rajasthan	Shri Ketan Sharma	Addl. Commissioner, GST, State Tax Dept
134	Sikkim	Shri Manoj Rai	Addl. Commissioner, CT
135	Tamil Nadu	Dr. T.V. Somanathan	ACS/CCT

136	Tamil Nadu	Shri Ka. Balachandran	Prl Secretary, CT & Registration
137	Tamil Nadu	Shri C. Palani	Jt. Commissioner (Taxation)
138	Telangana	Shri Anil Kumar	Commissioner of State Tax
139	Telangana	Shri Laxminarayan Jannu	Addl. Commissioner, State Tax
140	Tripura	Shri Ashin Barman	Superintendent of State Tax
141	Uttar Pradesh	Shri Alok Sinha	ACS, CT
142	Uttar Pradesh	Shri Vivek Kumar	Addl. Commissioner, CT
143	Uttar Pradesh	Shri C. P. Mishra	Joint Secretary, CT
144	Uttar Pradesh	Shri D. K. Sachan	Joint Commissioner, CT
145	Uttarakhand	Ms. Sowjanya	Commissioner, State Tax
146	Uttarakhand	Shri Piyush Kumar	Addl. Commissioner State Tax
147	Uttarakhand	Shri Rakesh Verma	Jt Comm., State Tax
148	West Bengal	Shri H. K. Dwivedi	ACS, Finance
149	West Bengal	Ms. Smaraki Mahapatra	Commissioner, CT
150	West Bengal	Shri Khalid A. Anwar	Senior Joint Commissioner, CT

**Agenda Item 2: Deemed ratification by the GST Council of Notifications, Circulars and Orders issued by the Central Government**

In the 22<sup>nd</sup> meeting of the GST Council held at New Delhi on 06<sup>th</sup> October, 2017, it was decided that the notifications, Circulars and orders which are being issued by the Central Government with the approval of the competent authority shall be forwarded to the GST Council Secretariat, through email, for information and deemed ratification by the GST Council. Accordingly, in the 28<sup>th</sup> Meeting held on 21<sup>st</sup> July, 2018, the GST Council had ratified all the notifications, Circulars and orders issued before the said date.

2. In this respect, the following Notifications, Circulars and Orders issued after 21<sup>st</sup> July, 2018 (date of the 28<sup>th</sup> GST Council Meeting), till 20<sup>th</sup> September, 2018, under the GST laws by the Central Government, as available on [www.cbic.gov.in](http://www.cbic.gov.in), are placed before the Council for information and ratification: -

Act/Rules	Type	Notification Nos.
CGST Act/CGST Rules	Central Tax	30 to 52 of 2018
	Central Tax (Rate)	13 to 23 of 2018
IGST Act	Integrated Tax	2 of 2018
	Integrated Tax (Rate)	14 to 23 of 2018
UTGST Act	Union territory Tax (Rate)	13 to 22 of 2018
GST (Compensation to States) Act	Compensation Cess (Rate)	2 of 2018
Circulars	Under the CGST Act	50 to 65 of 2018
Orders	Under the CGST Act	4 of 2018

3. The GST Council may grant deemed ratification to the Notifications, Circulars and Orders as listed above.

### **Agenda Item 3: Decisions of the GST Implementation Committee (GIC) for information of the GST Council**

GST Implementation Committee (GIC) took certain decisions between 21<sup>st</sup> July 2018 (when the 28<sup>th</sup> GST Council Meeting was held) and 17<sup>th</sup> September 2018 (before the 30<sup>th</sup> GST Council Meeting scheduled on 28<sup>th</sup> September 2018). Post the Council Meeting, whenever there were issues which required immediate resolution, the approval of the GIC was sought and consequential notifications/circulars/orders were issued. Due to the urgency involved, certain decisions were taken after obtaining approval by circulation amongst the GIC Members. The details of the decisions taken are given below:

#### **Decisions by Circulation – 25<sup>th</sup> July 2018**

2. A proposal for approval of the GIC was received from Commissioner, GST Policy Wing, CBIC relating to extension of due date for filing of return in **FORM GSTR-6** for the months from July, 2017 to August, 2018.

2.1. It was stated that GSTN vide email dated 24.07.2018 had informed that **FORM GSTR-6** is linked with **FORM GSTR-1** for invoice auto-population and delinking of **FORM GSTR-6** and **FORM GSTR-1** was under development. However, because of this linking a large number of taxpayers were facing problems in filing of **FORM GSTR-6**. In view of this, GSTN had requested to extend the due dates for filing of return in **FORM GSTR-6** for the months from July, 2017 to August, 2018 till 30.09.2018

2.2. In view of the above and in the interest of taxpayer facilitation, it was proposed that the due date for filing the return in **FORM GSTR-6** by Input Service Distributors for the months from July, 2017 to August, 2018 may be extended from 31.07.2018 to 30.09.2018.

2.3. The GIC approved the proposal to extend the due date for filing of return in **FORM GSTR-6** for the months from July, 2017 to August, 2018 from 31.07.2018 to 30.09.2018. Accordingly, the implementing notification No. 30/2018 – Central Tax dated 30 July 2018 was issued.

#### **21<sup>st</sup> GIC Meeting – 21 August 2018**

3. The 21<sup>st</sup> Meeting of the GIC was held on 21<sup>st</sup> August 2018. The following agenda items were discussed and decided

#### **Agenda Item 1: Cross-empowerment of central tax and State tax officers under GST**

4. Shri Upender Gupta (Commissioner, GST Policy Wing), CBIC introduced the agenda and stated that in the 9<sup>th</sup> Meeting of the GST Council held on 16<sup>th</sup> January, 2017, it was decided that both the Central and State tax administration shall have the power to take intelligence-based enforcement action in respect of the entire value chain. Further, powers under the Integrated Goods and Services Tax Act, 2017 (**IGST Act for short**) shall be cross-empowered to the State tax administrations on the same basis as under the Central Goods and Services Tax Act, 2017 (**CGST Act for short**) and the respective State Goods and Services Tax Act, 2017 (**SGST Acts for short**) either under law or under Article 258 of the Constitution but with the exception to issues relating to the “place of supply” or the



issue of export and import as discussed by the Law committee or issues pertaining to where the State Governments appoint the Tax Officers as adjudicating authorities.

4.1 Section 6 of the CGST/SGST Act and Section 4 of the IGST Act provide for cross-empowerment of officers, subject to such conditions as may be specified by the Government by notification, on the recommendations of the Council.

4.2. In this regard, draft notifications under the CGST Act, SGST Act and IGST Act were placed before the GIC in its 17<sup>th</sup> Meeting held on 16.05.2018, wherein it was proposed that a new draft of cross-empowerment notification shall be prepared by CCT, West Bengal in consultation with CCT, Gujarat and discussed in the Law Committee; and then be brought before the GIC. It was further decided that in view of the differences over IGST cross-empowerment, the notification under the CGST and the respective SGST Acts could be issued initially.

4.3. Accordingly, revised draft notifications under the CGST Act and the SGST Act as prepared by CCT, West Bengal and further revised by the GST Policy Wing, CBIC were placed before the GIC for approval.

4.4. However, due to the difference of opinion amongst the members, the GIC deferred consideration of this agenda item and agreed that this could be discussed in the GST Council Meeting as an Agenda Item.

**Agenda Item 2: Implementing the recommendations of the IT Grievance Redressal Committee (ITGRC) for: -**

- I. Waiver of late fee paid for delayed filing of returns by certain classes of registered persons;
- II. Extension of date for filing **FORM GST ITC-01** for certain classes of registered persons.

5. Commissioner (GST Policy Wing), CBIC introduced the agenda and stated that in its 1<sup>st</sup> Meeting held on 22.06.2018, the IT Grievance Redressal Committee (ITGRC) considered the issue relating to waiver of late fee paid for delayed filing of returns by certain classes of registered persons and extension of the due date for filing **FORM GST ITC-01** for certain classes of registered persons. After discussion, the Committee proposed that the two issues may be examined separately by the GST Policy Wing, CBIC and then be placed before the GIC. He stated the issues were examined by the GST Policy Wing and the Law Committee and following were proposed on the above issues.

5.1. The late fee paid for delayed filing of returns in the following cases should be waived by way of issuance of relevant notification:

- i. Where **FORM GSTR-3B** for the month of October, 2017 was submitted but not filed and an Application Reference Number (ARN) was generated. [24463 cases]
- ii. Where late fee for filing of **FORM GSTR-4** for the third quarter of 2017-18 [October to December, 2017] was erroneously imposed by the system before the due date due to technical glitches, i.e, between 04.01.2018 and 12.01.2018. [556 cases]

- iii. Where late fee for filing of **FORM GSTR-6** was paid by the registered persons between 01.01.2018 and 23.01.2018, i.e., between the notified last due date and the date of issuance of the subsequent notification specifying further extension of due date. [608 cases]
- 5.2. Extension of due date for filing **FORM GST ITC-01**, for the taxpayers who had opted out of the Composition Scheme by filing **FORM GST CMP-04** between 02.03.2018 and 31.03.2018 but were unable to file **FORM GST ITC-01** due to technical issues, for a period of thirty days from the date of publication the notification in the Official Gazette.
- 5.3. The GIC approved the proposals for implementing the recommendations of the ITGRC as above. Accordingly, the implementing notification Nos. 41/2018 – Central Tax and 42/2018 – Central Tax, both dated 04<sup>th</sup> September 2018, were issued.

**Agenda Item 3: Notifying the annual return FORM GSTR-9 for normal taxpayers and FORM GSTR-9A for composition taxpayers**

6. Commissioner (GST Policy Wing), CBIC introduced the agenda and stated that Section 44 of the CGST Act provided that every registered person, other than an Input Service Distributor, a person paying tax under Section 51 or Section 52, a casual taxable person and a non-resident taxable person, shall furnish an annual return for every financial year electronically in such form and manner to be prescribed on or before the 31<sup>st</sup> of December following the end of such financial year. Further, rule 80 of the Central Goods and Services Tax Rules, 2017 (CGST Rules for short) provided for filing of an annual return by normal taxpayers in **FORM GSTR-9** while composition taxpayers are required to file the annual return in **FORM GSTR-9A**.

6.1. He further stated that the two FORMS had not been notified so far. He added that the Law Committee had drafted both the annual return FORMS. The drafts were forwarded to GSTN for feedback and to commence development. The final draft **FORM GSTR-9** and **FORM GSTR-9A** (annual return FORMS), was prepared after incorporating the feedback received from GSTN. Subsequently, CCT, Gujarat had some comments on the draft FORMS which were incorporated suitably.

6.2. Accordingly, approval of the GIC was sought for notifying the annual return **FORM GSTR-9** for normal taxpayers and **FORM GSTR-9A** for composition taxpayers (along with instructions) as part of the CGST Rules.

6.3. After discussion, GIC approved the annual return FORM GSTR-9 for normal taxpayers and FORM GSTR-9A for composition taxpayers. It further agreed that some minor corrections could be carried out in these two FORMS on the basis of points raised by GSTN and approved by the Law Committee. Accordingly, the implementing notification No. 39/2018 – Central Tax dated 04<sup>th</sup> September 2018 was issued.

**Agenda Item 4: Waiver of recording of UIN on invoices for UN Organisations/Foreign Diplomatic Missions**

7. Commissioner (GST Policy Wing), CBIC, introduced the agenda. He stated that Section 25 of the CGST Act provides for a special status to United Nations Organisations or any Multilateral Financial Institution and Organisation notified under the United Nations (Privileges and Immunities) Act, 1947, Consulate or Embassy of foreign countries (hereinafter referred to as “the said

organisations”) whereby they were granted a Unique Identity Number (UIN) which was different from a GSTIN provided to a registered person. Further, under section 55 of the CGST Act, the said organisations were eligible for refund of taxes paid on the notified supplies of goods and services or both received by them. In such cases, the refund claims were being processed on the basis of a statement of inward supplies being submitted by the said organisations in **FORM GSTR-11**.

7.1. He informed GIC that the trade and industry was repeatedly requested to record UINs of the said organisations on the invoices issued by them, through the press releases dated 13.11.2017, 22.01.2018 and 27.04.2018. Further, a series of advertisements was published in all major newspapers on 18.05.2018 to inform the trade and industry that recording of UINs of the said organisations was a mandatory requirement under the CGST Act. He stated that in spite of all these efforts, many of the suppliers/vendors to the said organisations had not recorded the UIN on the invoices under which supplies were made to embassies, etc. on the premise that UIN was not a valid GSTN. Due to non-recording of UIN, the said organisations were not able to get refund of the taxes paid by them.

7.2. He added that in the 16<sup>th</sup> GIC Meeting held on 10<sup>th</sup> April, 2018, it was decided that a one-time waiver of recording of UINs on the supply invoices would be given for the quarters July-September, 2017, October-December, 2017 and January-March, 2018. The said decision was implemented vide Circular No. 43/17/2018-GST dated 13<sup>th</sup> April, 2018. However, due to continued non-compliance by the trade and industry to record UINs of the said organisations on the invoices issued by them, the Ministry of External Affairs had been requesting for extending the waiver of recording of UINs on the invoices of inward supplies received by the said organisations in order to ensure sanctioning of the due amount of refund.

7.3. Accordingly, it was proposed that the waiver of recording of UINs on the invoices of inward supplies received by the said organisations may be extended for another one year that is, for four quarters from April, 2018 to March, 2019.

7.4. The GIC approved that proposal to extend the waiver of recording of UINs on the invoices of inward supplies received by the said organisations for another one year that is, for four quarters from April, 2018 to March, 2019. It was also agreed that consolidated information regarding the suppliers who were not recording UINs on their invoices for supplies made to embassies, etc. shall be sent to the jurisdictional Commissioners of CGST for initiating suitable action against them.

7.5 Accordingly, the implementing Circular No. 63/37/2018-GST, dated 14<sup>th</sup> September, 2018 was issued.

#### **Agenda Item 5: Changes in FORM GST ITC-04**

8. Commissioner (GST Policy Wing), CBIC stated that representations were received from the textile industry regarding the inconvenience caused while filing the details of the goods sent for job work during a quarter by the principal in FORM GST ITC-04. He informed that the Law Committee decided that FORM GST ITC-04 could be simplified by splitting its Table 5 in three parts and thus removing one-to-one correlation between the inputs sent to job worker and the output received from him. This removed the requirement of mentioning the exact linkage of the details of the goods received from the job worker with the details of the original challans under which the inputs were sent by the principal. He added that a draft form after incorporating suitable changes in consultation with GSTN and CCT, Gujarat were placed for the approval of the GIC. in **FORM GST ITC-04**.

CEO, GSTN stated that after amendment of FORM ITC-04, they would need adequate time to carry out the necessary changes in their software.

8.1. GIC approved the amended **FORM GST ITC-04**. Accordingly, the implementing notification No. 39/2018 – Central Tax dated 04<sup>th</sup> September 2018 was issued.

#### **Agenda Item 6: Changes in the CGST Rules, 2017**

9. Commissioner (GST Policy Wing), CBIC introduced the agenda and stated that the Law Committee had proposed amendments to the CGST Rules, 2017 as follows:

##### **I. Rule 22 and FORM GST REG-20**

9.1. Commissioner (GST Policy Wing), CBIC stated that under rule 22(1) of the CGST Rules, where the proper officer had reasons to believe that the registration of a person was liable to be cancelled under Section 29 of the CGST Act, he shall issue a notice to such person in **FORM GST REG-17**, requiring him to show cause, within a period of seven working days from the date of the service of such notice, as to why his registration shall not be cancelled. In case the taxpayer did not reply to such show cause notice within the stipulated time of seven days, the proper officer was required to cancel the registration certificate. However, it was observed that in case the taxpayer did not send a reply to the show cause notice, but the reason for issuing the show cause had become infructuous (for example, where the taxpayer filed the return), there was no option currently to revoke the proceedings relating to cancellation of registration already initiated by the proper officer on his own motion under rule 22 of the CGST Rules.

9.2. He stated that the Law Committee suggested that in such cases, there should be an option for the officer to revoke the cancellation proceeding *suo motu* before or even after the due date of reply to the show cause when the ground for issuing the show cause did not hold good any more. Accordingly, it was proposed to insert a new sub-rule (4A) in rule 22 of the CGST Rules, 2017 which would read as:

*“(4A) Notwithstanding anything contained in sub-rule (2) or sub-rule (4), where the person instead of replying to the notice served under sub-rule (1) for contravention of the provisions contained in clauses (b) or (c) of sub-section (2) of section 29, furnishes all the pending returns and makes full payment of the tax dues along with applicable interest and late fee, the proper officer shall drop the proceedings and pass an order in **FORM GST-REG 20**.”*

9.3. He added that, the amendment would also necessitate an amendment in the Order to be issued in **FORM GST REG 20**.

9.4. Shri K Gnanasekaran, Additional Commissioner, Tamil Nadu stated that instead of introducing a new sub-rule (4A), a proviso to sub-rule (4) could be inserted. Commissioner (GST Policy Wing), CBIC stated if the Union Law Ministry agreed that a proviso would suffice, then the above formulation would be inserted as a proviso to sub-rule (4) of rule 22. Shri K. Gnanasekaran stated that in the proposed amendment in the Order to be issued in **FORM GST REG 20**, the declaration made by the officer should read “As you have filed all the pending returns, made full payment of tax dues along with applicable interest and late fee, which were due on the date of issue of the aforesaid notice, the proceedings initiated for cancellation of registration are hereby dropped.” CCT, Gujarat supported the proposal and GIC agreed with the proposal.

9.5. GIC approved the proposal to incorporate a new provision as proposed above either as a new sub-rule (4A) in rule 22 or as a proviso to sub-rule (4) of rule 22 as per the advice of the Union Law Ministry. It also approved the change proposed in **FORM GST REG 20** along with the addition proposed by the State of Tamil Nadu. Accordingly, the implementing notification No. 39/2018 – Central Tax dated 04<sup>th</sup> September 2018 was issued, where the new provision was inserted as a proviso to sub-rule (4) of rule 22.

## II. Rule 36(2)

9.6. Commissioner (GST Policy Wing), CBIC stated that under rule 36 (2) of the CGST Rules, input tax credit shall be availed by a registered person only if all the applicable particulars as specified in the provisions of Chapter VI (Tax Invoice, Credit and Debit Notes) were contained in the said document, and the relevant information was furnished in **FORM GSTR-2** by such person. He added that a strict construction of the first condition would lead to denial of input tax credit for minor exclusions of the details in an invoice like non-mentioning of the HSN, address of the recipient, etc. Further, as the furnishing of **FORM GSTR-2** had been suspended currently, the second condition specified in rule 36 (2) of the CGST Rules could not be fulfilled.

9.7. He stated that the Law Committee had agreed that for minor technical lapses with respect to the particulars mentioned in the invoices, input tax credit should not be denied since such lapses are curable defects and substantive rights cannot be denied for minor procedural lapses. Accordingly, it was proposed that the following proviso may be inserted in rule 36(2) of the CGST Rules, 2017, on the lines of the provisions as contained in rule 9(2) of the erstwhile CENVAT Credit Rules, 2004:

*“Provided that if the said document does not contain all the specified particulars but contains the details of the amount of tax charged, description of goods or services, total value of supply of goods or services or both, GSTIN of the supplier and recipient, place of supply in case of inter-State supply, input tax credit may be availed by such registered person.”*

9.8. The GIC approved the proposal. Accordingly, the implementing notification No. 39/2018 – Central Tax dated 04<sup>th</sup> September 2018 was issued.

## III. Rule 55(5)

9.9. Commissioner (GST Policy Wing), CBIC stated that at present, while generating an e-Way bill in **FORM GST EWB-01**, an importer shall mention the bill of entry number as document number in **Part A**. Where the imported goods were transported in batches, the value of goods mentioned in **Part A** would not match with the value shown in the bill of entry filed by the importer. This variation in value of goods would lead to the contravention of the e-Way bill provisions.

9.10. He stated that this issue was discussed in the Law Committee, and to address this issue, it was proposed to amend rule 55(5) of the CGST Rules so as to enable the supplier to issue delivery challans in case of movement of goods in batches or lots. The amended rule, with the proposed additions (in italics and underlined) shall read as:

“55 (5) Where the goods are being transported in a semi knocked down or completely knocked down condition or in batches or lots -

(a) the supplier shall issue the complete invoice before dispatch of the first consignment;

(b) the supplier shall issue a delivery challan for each of the subsequent consignments, giving reference of the invoice;

(c) each consignment shall be accompanied by copies of the corresponding delivery challan along with a duly certified copy of the invoice; and

(d) the original copy of the invoice shall be sent along with the last consignment.”

9.11. He added that this amendment would also necessitate a consequential amendment in Code 4 of Sl. No. 7 of the Notes to **FORM GST EWB-01**, to add the words “*or supply in batches or lots*”, as shown below:

*7. Reason for Transportation shall be chosen from one of the following:*

<i>Code: 4</i>	SKD or CKD <u><i>or supply in batches or lots</i></u>
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9.12. The GIC approved the proposed changes as above. Accordingly, the implementing notification No. 39/2018 – Central Tax dated 04<sup>th</sup> September 2018 was issued.

#### IV. **Rule 89 (4)**

9.13. Commissioner (GST Policy Wing), CBIC stated that currently, under rule 89(4) of the CGST Rules, in the case of export of services, in the formula for calculating maximum refund amount admissible, the ‘*turnover of zero rated supply of services*’ (i.e. the numerator) is defined to include only those zero-rated supplies of services for which the payments had been received during the relevant period, after deducting advances and adding past payments for which services were completed in the relevant period. However, ‘*adjusted total turnover*’ (i.e. the denominator) was not defined in the same manner, and includes all supplies of services made during the relevant period, irrespective of whether the payment had been received or not. He added that this led to a reduction of the admissible amount of maximum refund amount.

9.14. He stated that the Law Committee recommended that a revised formulation, similar to the position under the erstwhile service tax regime, may be introduced whereby the definition of ‘adjusted total turnover’ for export of services is amended to include the ‘*turnover of zero-rated supply of services*’, as defined in rule 89(4) (D) of the CGST Rules plus the value of non-zero rated supplies of services supplied during the relevant period. Accordingly, it was proposed that the existing definition of ‘*adjusted total turnover*’ in rule 89(4) (E) may be substituted as shown below:

*(E) “Adjusted Total Turnover” means sum total of the value of-*

- i. the turnover in a State or a Union territory, as defined under clause (112) of section 2, excluding the turnover of services; and*
- ii. turnover of zero-rated supply of services determined in terms of clause (D) of sub-rule (4) above and non-zero-rated supply of services,*

*excluding*

- i. *the value of exempt supplies other than zero-rated supplies; and*
- ii. *the turnover of supplies in respect of which refund is claimed under sub-rules (4A) or (4B) or both, if any,*

*during the relevant period.*

9.15. The GIC approved the above proposal. Accordingly, the implementing notification No. 39/2018 – Central Tax dated 04<sup>th</sup> September 2018 was issued.

#### V. **Rule 96 (10)**

9.16. Commissioner (GST Policy Wing), CBIC stated that Rule 96 (10) of the CGST Rules seeks to prevent an exporter, who receives goods from suppliers availing the benefit of certain specified notifications under which they supply goods without payment of tax or at reduced rate of tax, from exporting goods under payment of integrated tax. This was to ensure that the exporter did not utilise the input tax credit availed on other domestic supplies received for making the payment of integrated tax on export of goods. However, doubts had been raised whether export of such goods could be made by a person without payment of integrated tax who had himself availed the benefit of the notifications specified in rule 96 (10) of the CGST Rules. For instance, it was unclear whether the restriction applies to an EOU which has imported goods without payment of duty availing the benefit of notification No. 78/2017-Customs dated 13.10.2017 and exports the said goods.

9.17. He stated that it was therefore proposed by the Law Committee to amend rule 96(10) retrospectively with effect from 23.10.2017 – the date on which the said rule was earlier amended to put the restriction of not exporting such goods on payment of integrated tax - in the following manner, so as to avoid any interpretational ambiguity:

"(10) The persons claiming refund of integrated tax paid on exports of goods or services should not have

- (a) received supplies on which ~~the supplier has availed the benefit of the Government of India, Ministry of Finance notification No. 48/2017-Central Tax dated the 18<sup>th</sup> October, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R 1305 (E) dated the 18<sup>th</sup> October, 2017 or notification No. 40/2017-Central Tax (Rate) 23<sup>rd</sup> October, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R 1320 (E) dated the 23<sup>rd</sup> October, 2017 or notification No. 41/2017-Integrated Tax (Rate) dated the 23<sup>rd</sup> October, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R 1321 (E) dated the 23<sup>rd</sup> October, 2017 has been availed; or~~
- (b) availed the benefit under ~~or~~ notification No. 78/2017-Customs dated the 13<sup>th</sup> October, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R 1272(E) dated the 13<sup>th</sup> October, 2017 or notification No. 79/2017-Customs dated the 13<sup>th</sup> October, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R 1299 (E) dated the 13<sup>th</sup> October, 2017."

9.18. The GIC approved the above proposal. Accordingly, the implementing notification No. 39/2018 – Central Tax dated 04<sup>th</sup> September 2018 was issued.

VI. **Rule 138 A (1)**

9.19. Commissioner (GST Policy Wing), stated that currently, “bill of entry” is not mentioned as a document to be carried by a person in charge of a conveyance in rule 138A (1) (a) of the CGST Rules, whereas the importer may mention the bill of entry number as “Document Number” in **Part A** of the e-way bill in **FORM GST EWB-01**. In this regard, the Law Committee had recommended that “bill of entry” could be specified as a document to be carried by a person in charge of a conveyance. Accordingly, it was proposed to insert the following proviso after the existing proviso in rule 138A (1):

*“Provided further that in case of imported goods, the person in charge of a conveyance shall also carry a copy of the bill of entry filed by the importer of such goods and shall indicate the number and date of the bill of entry in **Part A** of **FORM GST EWB-01**.”*

9.20. The GIC approved the above proposal. Accordingly, the implementing notification No. 39/2018 – Central Tax dated 04<sup>th</sup> September 2018 was issued.

9.21. The GIC also decided that the corresponding *pari materia* changes should be carried out in the respective SGST rules and that the notification for carrying out the said amendments shall be issued after due vetting by the Union Law Ministry.

**Agenda Item 7: Extension of due date for filing of FORM ITC-04**

10. Commissioner (GST Policy Wing), CBIC stated that as per rule 45 (3) of the CGST Rules, the details of challans in respect of goods dispatched to a job worker or received from a job worker or sent from one job worker to another during a quarter shall be furnished in **FORM GST ITC-04** on or before the twenty-fifth day of the month succeeding the said quarter, or within such further period as may be extended by the Commissioner by a notification in this behalf.

10.1. He stated that the taxpayers had been facing technical issues while filing the said FORM. The Law Committee had recommended that the general penalty payable under section 125 of the CGST Act for non-furnishing of **FORM ITC-04** within the specified due date for the period from July, 2017 to June, 2018, due to technical issues faced by taxpayers on the common portal, may be waived, till such time the amended **FORM GST ITC-04** is finalized, notified as part of the CGST Rules, 2017 and made available on the common portal. However, on reconsideration of the issue, it was felt that instead of waiving the general penalty for non-furnishing of the said FORM, the last date for filing of the FORM may be extended for the period from the quarter starting from July, 2017 to the quarter ending June, 2018 till 30.09.2018, in exercise of the power under rule 45(3) of the CGST Rules. The Law Committee gave concurrence to this proposal.

10.2. Accordingly, the approval of GIC was sought for the extension of due date for furnishing of **FORM GST ITC-04** for the period from July, 2017 to June, 2018 till 30.09.2018.

10.3. The GIC approved the above proposal. Accordingly, the implementing notification No. 40/2018 – Central Tax dated 04<sup>th</sup> September 2018 was issued.



### **Agenda Item 8: Clarification on refund related issues**

11. Commissioner (GST Policy Wing), CBIC stated that to ensure uniformity in the implementation of the provisions of law across field formations, the Law Committee had proposed certain clarifications on refund related matters be issued by way of a Circular. He stated that the issues proposed to be clarified were as follows:

- i. Submission of invoices for processing of claims of refund
- ii. System validations in calculating refund amount
- iii. Re-credit of electronic credit ledger in case of rejection of refund claim
- iv. Scope of rule 96(10) of the CGST Rules
- v. Disbursal of refund after sanctioning by the proper officer
- vi. Status of refund claim after issuance of deficiency memo
- vii. Treatment of refund applications where the amount claimed is less than rupees one thousand.

11.1. ACS Haryana stated that for the clarification proposed in paragraph 2.4 of the draft circular regarding submission of **FORM GSTR-2A** as an evidence of the account of supply for claiming refund of input tax credit should come before paragraph 2.3 in order to emphasize the point that a physical copy of invoice was to be submitted only for those limited number of purchases whose details did not figure in **FORM GSTR 2A**. Commissioner (GST Policy Wing), CBIC stated that the relevant paragraphs of the draft circular would be suitably rearranged to take care of this concern. He added that once **FORM GSTR-1** filing further improved and all invoices got reflected in corresponding **FORM GSTR-2A**, no hard copies of invoices would be required to be submitted.

11.2. CCT, Gujarat stated that the clarification proposed in paragraph 6.2 of the draft circular, gave an impression that the action permitted under Section 54 (11) of the CGST/SGST Acts (withholding of refund by the Commissioner in certain special circumstances) was getting restricted. Commissioner (GST Policy Wing), CBIC stated that the concern would be addressed by adding a line in the Circular clarifying that the instructions do not restrict the power conferred under Section 54 (11) of the CGST/SGST Act.

11.3. The GIC approved the draft circular along with the changes as proposed above. Accordingly, the implementing Circular No. 59/33/2018 – GST dated 04<sup>th</sup> September 2018 was issued.

### **Agenda Item 9: Clarification on e-Way bill related issues**

12. Commissioner (GST Policy Wing), CBIC introduced the agenda and stated that the Law Committee had proposed certain clarifications on e-Way bill matters to be issued by way of a Circular. He stated that the Circular sought to address a problem faced in the textile sector in relation to storage of goods in movement under an e-way bill in the transporter's premises. He recalled that this issue was also raised by the Hon'ble Deputy Chief Minister of Bihar during the 29<sup>th</sup> GST Council Meeting held on 4<sup>th</sup> August 2018. He stated that the difficulty being faced was proposed to be addressed by allowing a recipient taxpayer to declare the transporter's premises as his additional place of business. Transportation under the e-way bill shall be deemed to be concluded once the goods reached the transporter's godown (recipient taxpayer's additional place of business). Hence, e-way bill validity in such cases will not be required to be extended.

12.1. The GIC approved the proposed circular. Accordingly, the implementing Circular No. 61/35/2018 – GST dated 04<sup>th</sup> September 2018 was issued.

**Agenda Item 10: Scope of Principal agent relationship in the context of Schedule I under CGST Act, 2017**

13. Commissioner (GST Policy Wing), CBIC introduced the agenda and stated that the Law Committee discussed the provisions of paragraph 3 of Schedule I of the CGST Act in the context of principal agent relationship and proposed to issue a Circular in order to clarify the scope and ambit of the principal agent relationship under GST by way of a Circular. He also illustrated various scenarios which would be covered under the Circular.

13.1. Shri P. K. Jain, Pr. DG, DG Audit, CBIC, suggested to suitably add in paragraph 7 of the draft Circular that when the invoice was issued by the agent in the name of the principal, then such agent would not come within the ambit of Schedule I of the CGST, Act, 2017.

13.2. The GIC approved the draft Circular along with the suggestion made above. Accordingly, the implementing Circular No. 57/31/2018 – GST dated 04<sup>th</sup> September 2018 was issued.

**Agenda Item 11: Corrigendum to Circular No. 23/232/2017-GST dated 21st December 2017**

14. Commissioner (GST Policy Wing), CBIC introduced the agenda and stated that the Law Committee had proposed that certain clarifications on auction related matters be issued by way of a corrigendum to Circular no. 23/23/2017. He stated that in paragraph no. 4 of the said circular,

for

“It is further clarified that this circular is applicable to the supply of tea, coffee, rubber etc where the auctioneer claims the ITC in respect of supply made to him by the principal before the auction of such goods and the said goods are supplied only through auction.”

may be read as,

“It is further clarified that this circular is applicable to the supply of tea, coffee, rubber etc where the auctioneer claims the ITC in respect of supply made to him by the principal before **or after** the auction of such goods and the said goods are supplied only through auction.”

14.1. The GIC approved the above proposal. Accordingly, the implementing Circular i.e., the Corrigendum to Circular No. 23/23/2017 – GST dated 04<sup>th</sup> September 2018 was issued.

**Agenda Item 12: Issuance of Circular detailing the procedure for recovery of wrongly availed CENVAT credit under the existing law**

15. Commissioner (GST Policy Wing), CBIC, introduced the agenda and stated that Circular No. 42/16/2018-GST dated 13<sup>th</sup> April 2018 clarified that wrongly availed CENVAT credit under the existing law and inadmissible transitional credit shall be recovered as Central Tax liability which would be paid through the utilization of amount available in the electronic credit ledger or electronic

cash ledger of the registered person. Further, the same shall be recorded in Part II of the Electronic Liability Register (**FORM GST PMT-01**).

15.1. He added that as the functionality to record this liability in the electronic liability register was not available on the common portal as of now, it was proposed that as an alternative, taxpayers may reverse the wrongly availed CENVAT credit under the existing law and inadmissible transitional credit in Table 4(B)(2) of the **FORM GSTR-3B**. The applicable interest and penalty shall be payable on all such reversals. He stated that the Law Committee proposed to clarify this by way of a Circular which was placed before the GIC for approval.

15.2. ACS, Haryana stated that similar circular should be issued by States also. CCT, Gujarat supported the view of ACS, Haryana. Commissioner (GST Policy Wing), CBIC stated that similar Circular could be issued by States under respective existing law and the word CENVAT should be replaced by State VAT.

15.3. The GIC approved the proposal above and also decided that similar Circular shall be issued by States under respective existing law for State VAT. Accordingly, the implementing Circular No. 58/32/2018 – GST dated 04<sup>th</sup> September 2018 was issued.

### **Agenda Item 13: Circular on procedure for filing and processing of refund claims by CSD**

16. Commissioner (GST Policy Wing), CBIC introduced the agenda and stated that the Canteen Stores Department (CSD for short) were registered persons under the CGST Act. In the 15<sup>th</sup> GST Council Meeting, it was decided that the CSD would get an exemption of 50% of Central Tax, Integrated Tax, Union territory tax paid by them under Section 55 of the CGST Act/SGST Act. Accordingly, notifications No. 6/2017-Central Tax (Rate) and No. 6/2017-Integrated Tax (Rate) and No. 6/2017-Union territory Tax (Rate), all dated 28<sup>th</sup> June 2017 had been issued which specify that the CSD, under the Ministry of Defence, were entitled to claim refund of 50% of the applicable Central Tax, Integrated Tax and Union territory tax paid by it on all inward supplies of goods received by it for the purposes of subsequent supply of such goods to the Unit Run Canteens of the CSD or to the authorized customers of the CSD. He added that similar notifications had been issued under the SGST Acts also.

16.1. Further, he stated that notification Nos. 7/2017 – Central Tax (Rate), 7/2017 – Integrated Tax (Rate) and 7/2017 – Union Territory Tax (Rate), all dated 28<sup>th</sup> June 2017 had been issued that exempted from GST all supplies made by the CSD to its Unit run canteens, authorized customers or by unit run canteens to the authorized customers.

16.2. He stated that currently, there was no system for providing refunds to CSD. Further, the form for applying for refund (**FORM GST RFD-01A**) on the common portal did not provide for filing and processing of this type of refund. He pointed out that rule 95 of the CGST Rules specifies **FORM GST RFD-10** for applying for refund under Section 55. However, the said form as currently available on the common portal had been customized for only UIN refunds.

16.3. He proposed that the process of filing and processing of refund claims by CSD may be made manual for the time being. A detailed Circular along with the new **FORM GST RFD-10A**, detailing the manner and procedure for filing the refund claim by the CSD as finalised by the Law Committee was placed before the GIC for approval.

16.4. The GIC approved the draft Circular. Accordingly, the implementing Circular No. 60/34/2018 – GST dated 04<sup>th</sup> September 2018 was issued.

**Agenda Item 14: Introduction of a new return regarding growth of CENVAT credit in pre-GST regime**

17. Shri Manish Sinha, Joint Secretary, Tax Research Unit - II, DoR (referred to as JS, TRU-II in short) introduced the agenda and stated that trends of the transitional credit under GST was examined for the nine months prior to implementation of GST i.e. 01.10.2016 to 30.06.2017. Analysis of top 50,000 GSTINs who had availed 95% of the transitional credit (around Rs. 1, 50,000 crore) revealed that there was sharp rise in the closing balance of credit of many taxpayers when their closing balance of September, 2016 was compared with the closing balance of June, 2017. He stated that it was proposed to filter out the taxpayers who had shown higher than 25% growth in the closing balance of the CENVAT credit above a threshold of Rs. 25 lakh and provide in law that they would need to file a return called “Credit Growth Return” for the said period. He added that the return proposed to capture purchase ledger details of such taxpayers for the period prior to the implementation of GST i.e. for the period between 01.10.2016 and 30.06.2017.

17.1. He stated that based on the advice of Department of Legal Affairs, it was proposed to prescribe the “Credit Growth Return” and to notify certain class of registered persons and the procedures to be followed by such persons with regard to furnishing of return. In view of the above, approval of the GIC was sought in respect of following:

- i) To prescribe a credit growth return, in exercise of powers conferred under section 148 of the CGST Act, to capture details of purchase ledger for such class of taxpayers who have availed transitional credit greater than Rs. 25 lakhs under section 140 of the CGST Act and where the closing balance of CENVAT credit has grown by 25% or more during the period 01.10.2016 to 30.06.2017.
- ii) A draft notification, in respect of (i) above.

17.2. ACS, Haryana sought the reason for having a separate return of this nature and whether such information was not available in the returns filed under Central Excise. JS, TRU-II stated that during pre-GST regime, purchase details were not captured under the existing Central Excise Law. Therefore, the new return was being prescribed to capture it. CCT, Gujarat stated the purchase details were captured by States in VAT regime so the purchase details in existing VAT law in States prior to GST roll out would already be available. Hence such a return would not be required under the SGST Acts.

17.3. The GIC approved the draft notification as proposed above which would be issued under the CGST Act only. The implementing notification is yet to be issued.

**Agenda Item 15: Exemption from GST on sale of development rights by Gujarat International Finance Tec-City Company Limited (GIFTCL)**

18. JS, TRU-II introduced the agenda and stated that CFO, Gujarat International Finance Tec-City Company Limited (GIFTCL) sought confirmation regarding the development charges charged by GIFTCL for long term lease of plots in International Financial Service Centre (IFSC), GIFT City and whether it was exempt from GST under notification No. 12/2017-Central Tax (Rate) S. No. 41 which exempts long term lease of plots by a State Government Industrial Development Corporation or Undertaking or any other

entity having 50% or more ownership of Central Government, State Government, Union Territory. He stated that prior to 13.10.2017, the exemption in question read as under:

*“One-time upfront amount (called as premium, salami, cost, price, development charges or by any other name) leviable in respect of the service, by way of granting long term (thirty years, or more) lease of industrial plots, provided by the State Government Industrial Development Corporations or Undertakings to industrial units.”*

18.1. He stated that in the 22<sup>nd</sup> GST Council Meeting held on 6<sup>th</sup> October, 2017 it was decided to extend the exemption to long term lease of plots by entities having 50% or more ownership of Central Government, State Government or Union Territory in an industrial or financial business area. The exemption presently reads as under, -

*“Upfront amount (called as premium, salami, cost, price, development charges or by any other name) payable in respect of service, by way of granting of long term lease of thirty years, or more) of industrial plots or plots for development of infrastructure for financial business, provided by the State Government Industrial Development Corporations/ Undertakings or any other entity having 50% or more ownership of Central Government, State Government, Union Territory to (a) industrial units or (b) developers in any industrial or financial business area, may be exempted from GST .”*

18.2. He further added that the said recommendation of the GST Council was based on the agenda item 13 (vi) of the 22<sup>nd</sup> GST Council Meeting where it had been categorically stated that the Gift City Company Limited which is developing International Financial Services Centre (IFSC) in Gujarat had requested for an exemption on the lines as had been provided to State Industrial Development Corporations/Undertakings for long term lease of industrial plots. Further in the agenda note it was highlighted that the ownership of Gujarat Government (through Gujarat Urban Development Corporation) in GIFT City Company Limited was only 50%. He stated that apprehension regarding applicability of the exemption to GIFTCL had arisen on account of the fact that Gujarat Government did not have 50% ownership in the GIFTCL directly but through GUDC (whose 100% shares are owned by Gujarat Government).

18.3. He added that the exemption was available for long term lease of plots by an entity having 50% or more of Government. Government and entities created by it, even though wholly owned by the Government, are distinct. Therefore, if one strictly went by wordings of the exemption notification, exemption may not be available to GIFT Co. Ltd. as it was owned not by the State Government but by a wholly owned entity of State Government. However, denying the benefit of the exemption would defeat the objective and intention of the decision taken by the GST Council in its 22<sup>nd</sup> meeting held on 6<sup>th</sup> October, 2017 because the agenda note specifically referred to request of GIFTCL to exempt development charges charged by them for long term lease of plots in GIFT City IFSC and also specifically noted that the 50% ownership of Gujarat Government in GIFTCL is through GUDC.

18.4. He proposed that the following explanation in the exemption notification No. 12/2017-Central Tax (Rate) S. No. 41 [and corresponding notifications issued under IGST, UTGST and SGST Acts], may be inserted exercising the powers under Section 11(3) of the CGST Act, 2017 so that the

same will be applicable with effect from 13/10/2017, the date on which the said entry was amended vide notification number 32/2017 -Central Tax (Rate) dated 13/10/2017.

*“Explanation. -For the purpose of this exemption, the Central Government, State Government or Union Territory must have 50% ownership in the entity directly or through an entity which is wholly owned by Central Government, State Government or Union Territory.”*

18.5. The GIC approved the proposal above. The implementing notification no 23/2018-Central Tax(R) dated 20.09.2018 was issued.

**Agenda Item 16: GST on Priority Sector Lending Certificate (PSLC) for the period 1.7.2017 to 27.5.2018 and GST rate applicable**

19. JS, TRU-II introduced the agenda and stated that Notification No. 11/2018-Central Tax (Rate) dated 28.05.2018 had been issued specifying liability for payment of GST on trading of PSLCs on the buying bank on reverse charge basis. The notification was prospective in nature. He stated that clarification had been sought regarding mechanism to be adopted for payment of GST for past period and the GST rate applicable.

19.1. JS, TRU-II stated that the main reason for charging tax on RCM basis was anonymous nature of trading of PSLC on *e-Kuber* platform of RBI due to which details of the selling and buying bank were not known and the selling bank could not issue invoice and the buyer bank could not avail ITC of taxes paid. In case tax was paid on RCM basis, the buyer bank could issue invoice and then avail the ITC without disclosing the details of the selling bank. RBI had also recommended for not diluting the anonymous character of trading of PSLCs.

19.2. He stated that in case reverse charge mechanism was prescribed for past period too, since the transactions had already taken place and the buying bank had paid the premium which was inclusive of tax to the selling bank, the buying bank would be required to pay tax again and same would amount to double taxation. Though GST paid was available as ITC to the buying bank but there would be phase lag between taking and utilisation of ITC. Therefore, the tax paid by the buying bank would lead to capital blockage at the buying bank's end and might not be a preferred option.

19.3. He added that in case forward charge mechanism was prescribed, the selling bank would be liable to pay GST on forward charge basis. The premium amount already collected, if without tax, would be treated as cum-tax value and the selling bank would be required to pay the tax. However, in this option as no invoice could be issued to the buyer bank due to anonymous nature of transaction, buyer bank cannot avail the ITC of the GST paid. Also, being outward supply of the selling bank, the seller bank also cannot avail the ITC of the taxes paid. He informed that the representatives of Indian Bank's Association had requested for this mode of payment as they maintain that the seller banks had already factored in the GST cost and collected it from the buyer banks.

19.4. He suggested that since no double taxation or capital blockage was involved, it may be prescribed that payment of GST for the period 1.7.2017 to 27.05.2018 would be made by the seller bank on forward charge basis.

19.5. As regard to rate of GST applicable, JS, TRU-II stated that vide circular No. 46/20/2018-GST dated 06.06.2018, it had been clarified that scrips like RECs, PSLCs etc. were classified under heading no. 4907 and attracted GST @ 12% whereas duty paying scrips classified under the same heading would attract Nil GST under Sl. No. 122A of notification No. 2/2017-CT(R).

19.6. Accordingly, he sought approval of the GIC to clarify that GST on PSLCs for the period 01.07.2017 to 27.05.2018 will be paid by the seller bank on forward charge basis and GST rate of 12% would be applicable on the supply.

19.7. The GIC approved the proposal above. Accordingly, the implementing Circular No. 62/36/2018 – GST dated 12<sup>th</sup> September 2018 was issued.

**Agenda Item 17: Extension of due date for furnishing of FORM GSTR-1 and FORM GSTR-3B in State of Kerala, Coorg (Kodagu) District of Karnataka & Mahe in Union territory of Puducherry**

20. Commissioner (GST Policy Wing), CBIC introduced the agenda and stated that in view of the difficulties being faced by the registered persons in the State of Kerala, Coorg (Kodagu) District of Karnataka & Mahe in Union territory of Puducherry, it was proposed that the GIC may approve the proposal that Commissioner by exercising the powers conferred in the sub-section (1) of Section 37 and sub-section (6) of Section 39 may extend the date of furnishing returns for following class of person:-

- i. person who are registered in the State of Kerala;
- ii. person whose principal place of business is in the Coorg (Kodagu) District of Karnataka; and
- iii. person whose principal place of business is in Mahe in Union territory of Puducherry

20.1. He further proposed that the dates for furnishing returns may be extended upto the following dates: -

S.No.	Form	Period	Revised Due Date
1	GSTR-3B	July, 2018	5th October, 2018
2	GSTR-3B	August, 2018	10th October, 2018
3	GSTR-1 (for registered persons having aggregate turnover of more than 1.5 crore rupees)	July, 2018	5th October, 2018
4	GSTR-1 (for registered persons having aggregate turnover of more than 1.5 crore rupees)	August, 2018	10th October, 2018
5	GSTR-1 (for registered persons having aggregate turnover of upto than 1.5 crore rupees)	July - September, 2018	15th November, 2018

20.2. Dr. T.V. Somanathan, CCT, Tamil Nadu observed that as per the provision of sections 37(1) and 39(6) of GST Act, 2017, the Commissioner may for reason to be recorded in writing by notification extend the time limit and hence, he stated that the Commissioner of Central Tax and Commissioner of State Tax would issue Notification for extension of time limit for filing of returns for which the recommendation of the Council may not be necessary and this may be examined by the Law Committee.

20.3. The GIC approved the proposal to revise the due date for filing GSTR-3B and GSTR-1 as proposed in paragraph 19.2 above. It also approved the proposal at paragraph 20.2 above. Accordingly, the implementing notification Nos. 36/2018 – Central Tax, 37/2018 – Central Tax, 38/2018 – Central Tax, all dated 24<sup>th</sup> August 2018 were issued.

**Agenda Item 18: Notification to be issued to extend the due date for filing of the return in FORM GSTR-3B for the month of July, 2018**

21. Commissioner (GST Policy Wing), CBIC introduced the agenda and stated that it had been directly brought to the GIC in view of the urgency. He stated that CEO, GSTN had requested *vide* email on 21.08.2018 that the GST system faced slowness in the daytime (12 noon to 3 PM) of 20.08.2018 which led to huge backlog in filing of **FORM GSTR-3B** for the month of July, 2018 by the taxpayers. It was further noted from the email that the number of taxpayers who have filed the return for the month of July, 2018 is down by 6% as compared to the data for the earlier months. He added that *vide* notification No. 34/2018-Central Tax, dated 10.08.2018 the due date for filing of **FORM GSTR-3B** for the month of July, 2018 was specified as 20<sup>th</sup> August, 2018.

21.1. Accordingly, he sought approval of the GIC to extend the due date of filing of **FORM GSTR-3B** for the month of July, 2018 until 24.08.2018 in view of the fact that a considerable number of taxpayers were yet to file **FORM GSTR-3B**, and considering the fact that 23.08.2018 was a holiday on account of Id-ul-Zuha (Bakrid), in the interest of taxpayer facilitation. He also added that the notification may be approved to be issued today itself, i.e., on 21.08.2018, in view of the fact that the due date for filing of **FORM GSTR-3B** for this month has already elapsed on 20.08.2018.

21.2. CEO, GSTN stated that the system had slowed down because out of twenty units serving the save functionality, one unit had developed snag and this led to a large pile up of save request (around 2.5 lakh per hour). He stated that it took 3-4 hours to clean up this pile up and slowing down the system. They were working to identify why this problem had happened.

21.3. Dr. T.V. Somanathan, CCT, Tamil Nadu, observed that the procedure to get approval of GIC would take time and instead, if there is any difficulty found by GSTN, it should be brought to the knowledge of the GIC at once and any one of the senior Member of the GIC may give approval of extension of time for filing of returns upto 2 to 4 days and communicate the same to GSTN. Instant extension on the day of difficulty faced by the taxpayers on GSTN portal, may give relief to them instead of extending the date after the expiry of due date, which causes anxiety and severe criticism. This suggestion may be brought before the GST Council as an agenda.

21.4. Other Members of the GIC felt that such instances were not frequent and where such extension was required on an urgent basis, approval of the GIC was taken by circulation through e-mail. They also felt that the GST Council had delegated power to the GIC to take decision on important and urgent procedural issues and it would not be prudent to further delegate this power to



only one Member of the GIC. It was also felt that there could be difficulties if the Member of the GIC who was delegated this power was not in station on the given date.

21.5. The GIC approved the above proposal to extend the due date of filing of **FORM GSTR-3B** for the month of July, 2018 until **24.08.2018**. Accordingly, the implementing notification No. 35/2018 – Central Tax dated 21<sup>st</sup> August 2018 was issued.

#### **Decisions by Circulation – 27<sup>th</sup> August 2018**

22. A proposal was sent to Members of the GIC on 27<sup>th</sup> August 2018 for approval relating to settlement of an additional IGST amount of Rs. 12, 000 crore on *ad hoc* basis.

22.1. The agenda note was received from Commissioner, GST Policy Wing, CBIC through an email on 27 August 2018. It was mentioned that the agenda note had been received from JS (Revenue) for approval of the GIC. It was stated that depending on the amount of IGST remaining unapportioned, provisional settlement to Centre and States is being done in a ratio of 50:50 from time to time on an *ad hoc* basis.

22.2. Accordingly, based on the collection of IGST during the year, net of refunds and the settlement of IGST during the period, both regular and provisional, it was proposed to do provisional settlement of another Rs.12,000 crore, 50% to Centre and 50% to States. This will reduce the revenue gap of States and therefore, the compensation required.

22.3. The GIC approved the proposal to settle an additional IGST amount of Rs. 12, 000 crore, 50% to Centre and 50% to States, on *ad hoc* basis. Accordingly, the implementing order was issued vide F. No. S.31013/16/2017-ST-I-DoR Part I dated 29<sup>th</sup> August 2018.

#### **Decisions by Circulation – 05<sup>th</sup> September 2018**

23. Following proposals were sent to GIC on 05<sup>th</sup> September 2018 for approval:

##### **Agenda Item 1: Changes in the CGST Rules, 2017**

23.1. Following amendments to the CGST Rules were proposed:

##### **Rule 117**

23.2. The GST Council, in its 28<sup>th</sup> meeting held on 21.07.2018, had recommended that 122 cases, as listed in Annexure 3 of the Minutes of the 1<sup>st</sup> Meeting of the IT Grievance Redressal Committee (ITGRC), may be allowed to file **FORM GST TRAN-1** and **FORM GST TRAN-2**, with all consequential benefits to the taxpayers since they could not file the said FORMS because of technical glitches. It was further recommended that the Law Committee shall map the consequential benefits relating to the filing of the said FORMS and recommend how to handle such situations in a time bound manner.

23.3. In this regard, the Law Committee had proposed that the due date for furnishing the said FORMS in respect of such taxpayers may be extended, and that rule 117 of the CGST Rules may be amended in order to extend the due date for filing the said FORMS, as given below:

##### **a) Insertion of a new sub-rule (1A) rule 117(1):**

*“(1A) Notwithstanding anything contained in sub-rule (1), the Commissioner may, on the recommendations of the Council, extend the date for submitting the declaration electronically in **FORM GST TRAN-1** by a further period not beyond 31<sup>st</sup> March, 2019, in*

*respect of registered persons who could not submit the said declaration by the due date on account of technical glitches on the common portal and in respect of whom the Council has made a recommendation for such extension.”*

**b) Insertion of a proviso in rule 117 (4) (b) (iii):**

*“Provided that the registered persons filing the declaration in **FORM GST TRAN-1** in accordance with sub-rule (1A), may submit the statement in **FORM GST TRAN-2** by 30<sup>th</sup> April, 2019.”*

**Rule 142**

23.4. Under rule 142 (5), a summary of the order issued under Section 73(9), Section 74(9) or Section 76(3) or Section 129 or Section 130 of the CGST Act is required to be uploaded electronically in **FORM GST DRC-07**, specifying therein the amount of tax, interest and penalty payable by the person chargeable with tax.

23.5. Currently, the said sub-rule does not make a reference to section 125 of the CGST Act which is containing the provisions of general penalty. Therefore, it has been proposed that a reference to section 125 may be made in rule 142 (5) as detailed below:

*“(5) A summary of the order issued under sub-section (9) of section 73 or sub-section (9) of section 74 or sub-section (3) of section 76 or section 125 or section 129 or section 130 shall be uploaded electronically in **FORM GST DRC-07**, specifying therein the amount of tax, interest and penalty payable by the person chargeable with tax.”*

23.6. The GIC approved the amendment to **Rule 117** and **Rule 142**. It also approved that the Notification carrying out the said amendments should be issued after vetting by the Union Law Ministry and the *pari materia* changes would be required to be carried out in the respective SGST Rules. Accordingly, the implementing notification No. 48/2018 – Central Tax dated 10<sup>th</sup> September 2018 was issued.

**Agenda Item 2: Modification of the procedure for interception of conveyances for inspection of goods in movement, and detention, release and confiscation of such goods and conveyances, as clarified in Circular Nos. 41/15/2018-GST dated 13.04.2018 and 49/23/2018-GST dated 21.06.2018**

23.7. In view of the various representations received regarding imposition of penalty in case of minor discrepancies in the details mentioned in the e-Way Bill although there are no major lapses in the invoices accompanying the goods in movement. In order to clarify this issue and to ensure uniformity in the implementation of the provisions of the law across the field formations, the Law Committee had proposed the issuance of a Circular modifying the procedure for interception of conveyances for inspection of goods in movement, and detention, release and confiscation of such goods and conveyances, as clarified in Circular Nos. 41/15/2018-GST dated 13.04.2018 and 49/23/2018-GST, dated 21.06.2018.

23.8. ACS, Haryana observed that the States should also issue similar Circular regarding e-Way Bill verification.

23.9. The GIC approved the circular and also decided that similar Circular on e-Way Bill verification be issued by the States. Accordingly, the implementing Circular No. 64/38/2018-GST, dated 14<sup>th</sup> September, 2018 was issued.

### **Agenda Item 3: Extension of the due date for furnishing FORM GSTR-1 and FORM GSTR-3B**

#### **I. Extending the due date for furnishing FORM GSTR-1 by all registered persons for the period from July, 2017 to September, 2018 till 31<sup>st</sup> October, 2018.**

23.10. It was proposed to introduce a scheme to incentivise all registered persons to furnish the details of outward supplies of goods or services or both in **FORM GSTR-1** since there was substantial gap between the number of returns filed in **FORM GSTR-3B** and the details furnished in **FORM GSTR-1**. It was also proposed to waive the late fee payable by extending the due date for furnishing **FORM GSTR-1** for each of the months from July, 2017 to September, 2018 till 31<sup>st</sup> October, 2018.

23.11. Accordingly, it was proposed to supercede all previous notifications as specified earlier regarding the due date for furnishing details in FORM GSTR-1 for taxpayers with turnover above Rs. 1.5 crore and the due date for furnishing details in FORM GSTR-1 for taxpayers with turnover up to Rs. 1.5 crore and to issue two consolidated notifications for taxpayers having aggregate turnover up to and above Rs 1.5 crores as proposed at paragraph 23.10 above.

#### **II. Extending the due date for filing FORM GSTR-3B and FORM GSTR-1 by taxpayers obtaining GSTIN vide notification No. 31/2018-Central Tax, dated 06.08.2018**

23.12. It was proposed to partially modify the notifications issued for specifying the due date for filing **FORM GSTR-3B** for the period from July, 2017 to November, 2018 till 31.12.2018.

23.13. In view of the above, approval from GIC was sought for the following extensions of due dates:

- i. Extending the due date for furnishing **FORM GSTR-1** by all registered persons for the period from July, 2017 to September, 2018 till 31<sup>st</sup> October, 2018;
- ii. Extending the due date for filing **FORM GSTR-3B** for the period from July, 2017 to November, 2018 and **FORM GSTR-1** for the period from July, 2017 to November, 2018 (and the quarters from July, 2017 to September, 2018) by taxpayers obtaining GSTIN vide notification No. 31/2018-Central Tax, dated 06.08.2018 till 31<sup>st</sup> December, 2018;
- iii. Extending the due date for filing **FORM GSTR-1** by registered persons having aggregate turnover above 1.5 crores rupees registered in Kerala, or whose principal place of business is in Kodagu (Karnataka) and Mahe (Puducherry) for the months of July, 2018 and August, 2018 till 31<sup>st</sup> October, 2018.

23.14. The GIC approved the proposal. Accordingly, the implementing notification Nos. 43/2018 – Central Tax, 44/2018 – Central Tax, 45/2018 – Central Tax, 46/2018 – Central Tax, 47/2018 – Central Tax, all dated 10<sup>th</sup> September 2018 were issued.

### **Agenda Item 4: Extension of duty exemptions for exporters**

23.15. GST Council in its 22<sup>nd</sup> Meeting held on 06<sup>th</sup> October, 2017 had approved two proposals to prevent cash blockage of exporters due to upfront payment of GST on imported / procured inputs, raw materials etc., one providing an immediate solution and the other providing a permanent long-term solution.

23.16. The immediate solution was implemented by issue of notifications to:

- (a) Exempt upto 31<sup>st</sup> March, 2018 the IGST and Cess payable on the imports made by the holders of Advance Authorizations (AA)/ Export Promotion Capital Goods (EPCG) licenses and 100% EOUs; and

- (b) Treat the domestic supplies to the holders of AA/EPCG & 100% EOUs as deemed exports under Section 147 of the CGST Act, 2017 and allow refund of GST paid on such supplies to either their suppliers or the recipients.

23.17. It was stated that a basic framework which appeared to be adaptable by the present IT system of Customs, GSTN and DGFT had been developed. However, the e-Wallet Group had identified few issues relating to the e-Wallet scheme that have a dependency on the new GST Returns framework, which need to be addressed.

23.18. In view of the above, it was proposed that the e-Wallet scheme could begin only after the new GST Returns were implemented and had stabilized. At the same time, the tax exemptions granted as an immediate solution were due to expire on 01<sup>st</sup> October, 2018 and unless a decision was taken, there was bound to be uncertainties about their continuation which might upset exports. In this background it was proposed that the GIC may approve the following proposals:

- (a) Extend the time for finalizing the e-Wallet scheme by six months i.e. upto 31<sup>st</sup> March, 2019, and
- (b) Extend the present exemptions from IGST and Cess etc. on the imports made by the holders of AA/EPCG licenses and 100% EOUs by six months i.e. upto 31<sup>st</sup> March, 2019.

23.20. The GIC approved the proposal. The implementing notification is yet to be issued.

#### **Decisions by Circulation – 06<sup>th</sup> September 2018**

24. A proposal was sent to the GIC for approval wherein it was stated that under rule 80 (3) of the CGST Rules, 2017, every registered person whose aggregate turnover during a financial year exceeds two crore rupees shall get his accounts audited as specified under Section 35 (5) and shall furnish a copy of audited annual accounts and a reconciliation statement, duly certified, in **FORM GSTR-9C**, electronically through the common portal either directly or through a Facilitation Centre notified by the Commissioner.

24.1. Accordingly, it was proposed to amend the CGST Rules, 2017 so as to insert and notify the reconciliation statement in **FORM GSTR-9C**.

24.3. Sh. Sandeep M. Bhatnagar, DG, DG Systems, CBIC approved with some observations as S. Nos. 4 and 3 of the 'The Draft Reconciliation Statement' refer to "*The statement of particulars required to be furnished under section 35 (5) of the CGST Act*" and that it needs clarity as the sub-section does not otherwise refer to a "*statement of particulars*". It was agreed to make the necessary modifications in view of this suggestion by replacing the portion in inverted commas above with the following "*The documents specified under Section 35 (5) of the CGST Act*".

24.4. The GIC approved the proposal to amend the CGST Rules, 2017 so as to insert and notify the **FORM GSTR-9C** with minor changes. It was also decided that the Notification carrying out the said amendment shall be issued after vetting by the Union Law Ministry and that the *pari materia* changes would be required to be carried out in the respective SGST Rules. Accordingly, the implementing notification No. 49/2018 – Central Tax dated 13<sup>th</sup> September 2018 was issued.

25. The decisions of the GIC are placed for information of the Council.

**Agenda Item 4: Decisions/recommendations of the IT Grievance Redressal Committee for information of the Council**

The second Meeting of the IT Grievance Redressal Committee (ITGRC) was held on 21<sup>st</sup> August 2018 (Minutes of the Meeting is attached as **Annexure A** of this agenda Item). Following issues were discussed and decided:

**Agenda Item: TRAN-1 cases**

2. Ms. Kajal Singh, EVP (Services), apprised the Committee that out of 1054 TRAN-1 cases received from nodal officers till 20.08.2018, 170 cases were presented before the ITGRC in its 1<sup>st</sup> Meeting held on 22.06.2018, whereas in this meeting 340 more cases pertaining to TRAN 1 and 258 cases pertaining to TRAN 2 was placed before ITGRC after analysing the cases in detail *vis-à-vis* the technical errors.

3. The ITGRC decided to allow filing of TRAN-1 in total 213 cases on account of technical/system issues, subject to Law Committee recommendations regarding consequential benefits related to filing of TRAN-1/TRAN-2 and suggesting ways to handle such situations, in a time bound manner as referred to it in the 1<sup>st</sup> ITGRC Meeting. Simultaneously, the ITGRC decided not to allow remaining 127 cases in the absence of evidence of technical/system errors in these cases.

**Agenda item – TRAN-2 cases**

4. EVP (Services), GSTN submitted that the last date for filing TRAN-2 form was set as 30<sup>th</sup> June, 2018 after it was made available on the GST Portal on 15<sup>th</sup> December 2017. She informed that 2.8 lakh TRAN-2 had been filed on the GST Portal but due to technical issues, few taxpayers were not able to file TRAN-2. Such cases were collated based on complaints received at the Helpdesk of GSTN

5. The ITGRC observed that system/technical errors encountered by taxpayers in filing TRAN-2 were reasonable and proper for considering these cases to allow filing of TRAN-2. The IT-GRC decided to consider and allow all 258 cases.

6. The decisions/recommendations of the ITGRC are placed for information of the Council

## Annexure A

### Minutes of the 2<sup>nd</sup> IT Grievance Redressal Committee (ITGRC) Meeting held on 21<sup>st</sup> August 2018

The 2<sup>nd</sup> meeting of the IT Grievance Redressal Committee (IT-GRC) was held in Kalpvriksha in North Block, New Delhi on 21<sup>st</sup> August 2018. The list of officers who attended the meeting is attached as **Annexure-1**.

2. Ms. Kajal Singh, EVP (Services), GSTN appraised the background that out of 1054 TRAN-1 cases received from nodal officers till 20.08.2018, 170 cases were presented before the IT-GRC in its 1<sup>st</sup> Meeting held on 22.06.2018, whereas in this meeting 340 more cases pertaining to TRAN 1 and 258 cases pertaining to TRAN 2 was placed before IT-GRC after analysing these cases in detail *vis-à-vis* the technical errors. In the 1<sup>st</sup> Meeting of IT-GRC on 22.06.2018, 122 cases were considered by the Committee and approved for filing TRAN-1/TRAN-2 whereas 48 cases were not approved as investigation of the cases did not reveal any technical glitch/system error in the GST system. The cases considered for approval in the 1<sup>st</sup> IT-GRC meeting were under the following four categories:

- a. **Processed with error:** The taxpayer could not claim transitional credit as the line items requiring declarations of earlier existing law registration were processed with error since the taxpayer had not added them in his registration details.
- b. **TRAN-1 attempted but could not be filed:** As per GST system logs, the taxpayer has attempted to submit fresh or revised TRAN-1 but could not file because of errors.
- c. **TRAN-1 filed but credit not received:** The taxpayer has filed Tran-1 once successfully but no credit has been posted in the ledger.
- d. **TRAN 1 not attempted as per logs due to Registration Issue:** As per GST system logs, the taxpayer was not enabled to file TRAN-1 till its due date due to registration/migration issues.

#### Agenda Item: TRAN-1 cases

3. EVP, GSTN further explained that 340 more TRAN 1 cases as mentioned at para 2 above which consist of 262 cases (193 cases included in 1<sup>st</sup> Agenda note and 69 cases in additional Agenda note sent on 20.08.2018) received through Nodal officers of Centre & State and 78 cases pertaining to writ petitions filed before various Hon'ble High Courts were examined by the GSTN team and categorized broadly reason-wise in two major categories 'A' and 'B'. **Category 'A'** includes cases having technical glitches and **category 'B'** includes cases where no technical issues were found from the system logs. The details of 262 cases were furnished before IT-GRC in Annexure-I of the agenda and 78 cases in Annexure-II of the agenda.

3.1 EVP, GSTN thereafter elaborated the nature of technical issues experienced by the taxpayers in filing TRAN-1 along with reasons, under **category 'A'**, which consisted of following sub-categories:

- a) Cases where the taxpayer received the error "Processed with Error". Here the taxpayer could not claim transitional credit since the line items requiring declarations of earlier existing law

registration were processed with error for the reason that the taxpayer had not added it in his registration details.

- b) Cases where TRAN-1 was attempted or TRAN-1 revision was attempted by taxpayer on or before 27.12.2017, but the taxpayer could not complete it due to errors. The taxpayer in these cases received messages such as “system error”, “upload in progress”, “save in progress” etc.
- c) TRAN-1 could not be filed due to Registration issues: Taxpayer could not file TRAN 1 as they had not migrated before the last date of TRAN 1 filing due to system issues.

3.2 EVP, GSTN further elaborated the cases under the **Category ‘B’**, where no technical issues were found on the basis of logs in GST system, as below:

- a) Taxpayer successfully filed his TRAN 1 and no technical error was found as per logs. This includes some cases which were in ‘submitted’ status and enabled later, as per decision of the GIC, to file TRAN 1 after due date as after ‘submit’, the entries had been posted in their ledgers and they merely had to authenticate and file the TRAN-1. There were 22 cases in this category, detailed at Sl. No. I of the Annexure I of the Agenda and 7 cases pertaining to WPs at Sl No. E of Annexure II.
- b) Cases in which as per log in GST system, no evidences of error or submission/filing of TRAN-1 within due date were noticed. These were total 68 cases (38 cases forwarded by Nodal officers and 30 cases pertaining to WPs).
- c) In 2 cases sent by Nodal officers, the taxpayers were unable to file TRAN-2 as they had either not made or had made incorrect declaration of corresponding stock in TRAN-1.
- d) In 2 Cases sent by Nodal officers, taxpayer had attempted downward revision of distributed credit in Table 8 of TRAN-1. The system was designed to allow only upward revision and not to allow downward revision of the distributed credit in table 8 of TRAN-1. The system was designed in this way as any downward revision would mean that the credit that was distributed to the recipients would have to be modified in their ledgers also. Due to the complexity of design and revision being a new requirement, and shortage of time, the system was designed to handle the revision and modification of the amount only in the ledgers of the taxpayer who had filed the TRAN-1 and not of their recipients.
- e) In total 13 cases, taxpayers had filed TRAN-1 twice but no credit had been received in their ledgers. No technical or system issues were evident from the logs, and the posting in ledgers was what was filled by taxpayers. These included 6 cases sent by Nodal officers and 7 cases pertaining to WPs.
- f) In 7 cases, including 6 cases sent by Nodal officers and 1 case pertaining to WP, the taxpayer filed his TRAN-1 once but no credit had been posted and no technical issue had been found.
- g) There were 5 cases sent by Nodal officers where No System logs were found since the GSTIN sent by the Nodal Officers was found to be incorrect and mails were sent to the Nodal officers to inform the correct GSTIN.
- h) In one case received from Nodal officer, taxpayer had attempted to file TRAN-1 after due date as per system logs (Sl. No. J of the Annexure I of the Agenda).

3.3 EVP, GSTN thereafter elaborated on attempts made by GSTN in the cases pertaining to Hon'ble High Courts where specific evidences were not made available by the taxpayers. For example, in the case of M/s Takshila Real Estate Private (Sl. No. 3 of Annexure II under Category E), an email dated 03.07.2018 was sent to taxpayer stating that as per records, he had successfully filed TRAN-1 and was asked to revert back by end of day i.e 4.7.2018 in case his issue had not been resolved yet; otherwise it will be presumed that his grievance of technical issue pertaining to TRAN-1 stood resolved and accordingly it would be presented before appropriate authorities including Court of Law, wherever required. The taxpayer did not respond to this email. Similar email was also sent to taxpayers mentioned at serial number 1 and 7 on 19.07.2018 (Annexure II, Category E) and they were requested to revert back by 20.07.2018. Out of the two taxpayers mentioned, taxpayer at serial number 7 responded that he had originally filed Form Tran-1 on 27th December, 2017 but realized that substantial credit had been left inadvertently. Thus, he decided to revise the Form TRAN-1 and avail remaining credit relying upon the press release issued after 23rd Meeting of GST Council, which stated that revised due date of filing TRAN-1 was extended upto 31.12.2017 along with one-time option of revision. Accordingly, the taxpayer tried to revise his Form TRAN-1 on 28.12.2017.

3.4 On being asked about some specific cases such as case at Sl No 14 under category D of Annexure II of the Agenda, EVP, GSTN elaborated on steps taken by GSTN in cases where though the taxpayer had filed a Writ Petition alleging technical glitches but no such evidence was noticed from system logs; and informed that an email was sent on 10.07.2018 to the taxpayers requesting the following information:

- i. Exact technical glitch faced while filing TRAN-1
- ii. Nature of error noticed
- iii. Screen-shots of technical error/emails sent to help-desk along with ticket numbers.

The taxpayers were requested to provide the above-mentioned details by the end of day 13.07.2018. Only 10 taxpayers responded. Out of these taxpayers, mentioned at serial number 2,4,5, 6, 9,10,13,14,16 and 28, 9 taxpayers said that no screen shots were taken by them and thus they could not provide screen shots showing technical issue (Sl. No. 2,4,5, 6, 9,10,13,16, 28). However, taxpayer at Sl. No. 14 provided one screen shot, which was found to be not from [www.GST.gov.in](http://www.GST.gov.in). He then confirmed via his email dated 17.07.2018 that the screen shot was from the software "Smart Biz India".

3.5 Considering the above discussion, number of cases falling under each sub-category were consolidated as mentioned in Table-I (Technical Cases) and Table-2 (Non-Technical Cases) below:

**Table-1**

Sl. No.	Category of cases	Cases received from Nodal Officers	Corresponding Annexure of the minutes	Writ Cases	Petition	Corresponding Annexure of the minutes
1	2	3	4	5		6
a	<b>Processed with Error</b>	<b>126</b> (79 from Sl. No. A of Annx-I of agenda + 47 from Ann-I of addl agenda)	Annx-I (A)	<b>6</b> (Sl. No. A of Annx-II of Agenda)		Annx-II (A)



Sl. No.	Category of cases	Cases received from Nodal Officers	Corresponding Annexure of the minutes	Writ Cases	Petition	Corresponding Annexure of the minutes
b	System error, upload in progress, save in progress	54 (32 from Sl. No. B of Annx-I of agenda +1 and 21 from Ann-I of addl agenda)	Annx-I (B)	25 (Sl. No. B of Annx-II of Agenda)		Annx-II (B)
c	Registration issues	-		2 (Sl. No. C of Annx-II of Agenda)		Annx-II (C)
	<b>Sub Total</b>	<b>180</b>		<b>33</b>		

**Table-2**

Sl. No.	Category of cases	Cases received from Nodal Officers	Corresponding Annexure of the minutes	Writ Cases	Petition	Corresponding Annexure of the minutes
1	2	3	4	5		6
a.	Successfully filed his TRAN 1 and no technical error	22 (Sl. No. I of Annx-I of agenda)	Annx-I (I)	7 (Sl. No. E of Annx-II of Agenda)		Annx-II (E)
b.	No evidences of error or submission/filing of TRAN1 prior to due date	38 (Sl. No. D of Annx-I of agenda)	Annx-I (D)	30 (Sl. No. D of Annx-II of Agenda)		Annx-II (D)
c.	Not made or made incorrect declaration of related stock in TRAN 1	2 (Sl. No. I of Annx-G of agenda)	Annx-I (G)	-		-
d.	Downward revision of distributed credit in table 8 of TRAN-1	2 (Sl. No. H of Annx-I of agenda)	Annx-I (H)	-		-
e.	Filed TRAN 1 twice but no credit has been received	6 (Sl. No. E of Annx-I of agenda)	Annx-I (E)	7 (Sl. No. G of Annx-II of Agenda)		Annx-II (G)
f.	Filed his Tran 1 once but no credit has been posted	6 (Sl. No. C of Annx-I of agenda)	Annx-I (C)	1 (Sl. No. F of Annx-II of Agenda)		Annx-II (F)
g.	No System log-Incorrect GSTIN	5 (Sl. No. F of Annx-I of agenda)	Annx-I (F)	-		
h.	Filing of TRAN 1 after due date	1 (Sl. No. J of Annx-I of agenda)	Annx-I (J)	-		
	<b>Sub Total</b>	<b>82</b>		<b>45</b>		

3.6 **Decision:** After detailed discussion considering the above facts, the IT-GRC decided to allow filing of TRAN-1 in total 213 cases of above Table -1 on account of technical/system issues as explained at para 3.1 above and details as per Annexures indicated in column No. 4 and 6 of Table-1 respectively, subject to Law Committee recommendations regarding consequential benefits related to filing of TRAN-1/TRAN-2 and suggest ways to handle such situations, in a time bound manner as referred to it in 1st IT-GRC Meeting.

Simultaneously, the IT-GRC decided not to allow remaining 127 cases mentioned at Table-2 in absence of evidence of technical/system errors in these cases as explained at para 3.2 above and details as per Annexures indicated in column No. 4 and 6 of Table-2 respectively.

4. Further EVP, GSTN informed that they had noticed that some of the State/Centre nodal officers were sending some cases despite *prima facie* there being no technical or systems related issue, as explained above in Table-2. As per Circular No. 39/13/2018 dated 03.04.2018, the grievance application received by Centre/State nodal officer was required to be examined and where *prima facie* any technical or system issue was found, it should be sent to GSTN for examination and submission before IT-GRC for consideration. Commissioners of State Tax, Gujarat, Haryana, West Bengal concurred with this and confirmed that they were ensuring that only cases having technical issue were sent to GSTN for further necessary action. Member (GST), CBIC desired that GST Council Secretariat should reiterate the above instructions that only cases *prima facie* having technical issue should be sent to GSTN for further necessary action.

5. Responding to query from Tamil Nadu and West Bengal about cases forwarded by them, EVP, GSTN stated that as referred by her during the opening remarks, out of 1054 TRAN-1 cases received from nodal officers, 510 cases had been examined by GSTN so far and remaining would be placed before IT-GRC in the forthcoming meetings after due examination. Further, about the cases forwarded by them, EVP, GSTN stated that in respect of the cases where the taxpayer was allowed to file/revise his TRAN-1 in the last meeting, the Law Committee was required to examine consequential action/processes and, *inter alia*, consider the following:

- a) Start and end date for allowing filing of TRAN 1;
- b) Start and end date for filing TRAN-2 in cases where TRAN-1 was allowed to be filed.

6. Commissioner, GST Policy Wing informed that this matter is being considered by the Law Committee in its next meeting.

#### **Agenda Item: TRAN-2 cases**

7. Introducing the agenda item, EVP, GSTN submitted that the last date for filing TRAN-2 form was 30<sup>th</sup> June, 2018 after it was made available on the GST Portal on 15<sup>th</sup> December 2017. 2.8 lakh TRAN-2 had been filed on the GST Portal. Due to technical issues, few taxpayers were not able to file TRAN-2.

7.1 She informed that the cases before the IT-GRC were collated based on complaints received at the **Helpdesk of GSTN** and explained further that technical problems, as was identified by them, could be broadly classified under following categories:

**Category A:** While processing the TRAN-2 file by backend processes, the software code written to persist data in main database encountered an error and status of records were not updated properly. This scenario was observed when database was not responding or when it had reached maximum connections i.e. when database load was high. 174 cases pertain to this category as per Annexure- I of Agenda 2.

**Category B:** When user was saving description in the record being uploaded for filing with empty field value, the software code was to update properly the backend databases as well as the frontend User Interface visible to taxpayer. The software had a bug, which returned duplicate values for the same record on frontend and taxpayers were stuck and unable to file Tran-2. 49 cases pertain to this category as per Annexure II of Agenda 2.

**Category C:** Errors encountered while uploading file which had been prepared in offline utility and manifested when JSON was uploaded in Tran-2 on the portal. This arose with those taxpayers who used a latest browser where plugins were changed and their browser did not support file type that was being uploaded i.e. it was due to a browser compatibility issue. Thus, by the time the taxpayers were advised about the issue, the last date had passed and he could not file TRAN-2. 35 cases pertain to this category as detailed in Annexure III of Agenda 2.

7.2 IT-GRC deliberated on these cases and observed that system/technical errors encountered by taxpayers in filing TRAN-2 as explained above were reasonable and proper for considering these cases to allow filing of TRAN-2.

7.3 **Decision:** After detailed discussion, the IT-GRC decided to consider and allow all 258 cases, as explained in para 7.1 above, to file TRAN-2 as per Annexure-I, II and III of Agenda 2 (Categories A, B, C) attached to the Minutes. Law Committee may examine consequential action/processes for filing TRAN-2.

8. It was also discussed that when such cases involving the technical issues in filing of Tran-1 and Tran-2 come before the court, proper reasoning should be submitted in the affidavit based on feedback from GSTN. EVP, GSTN informed that they were providing detailed comments on each Writ Petition to field formations, even in the cases where they were not respondent. It was also discussed that instances may come where taxpayer may make ITGRC also a respondent in future, being a Committee deciding the cases on IT grievances. The Committee was of the view that in such cases, GSTN should be authorized to defend and only one affidavit should be filed.

## **Annexure-1**

### **Members (Centre)**

- Sh. Mahender Singh, Member (GST), CBIC
- Sh. G.C. Murmu, Special Secretary, DOR
- Sh. P.K. Jain, Pr. Director General, DG-Audit, CBIC
- Sh. Sandeep M. Bhatnagar, Director General, DG-Systems, CBIC

### **Members (States) (through VC)**

- Sh. Sanjeev Kaushal, ACS, Haryana
- Sh. Sh. T. V. Somanathan, CCT, Tamil Nadu
- Dr. P.D. Vaghela, CCT, Gujarat

### **Special Invitees**

- Sh. Shashank Priya, Joint Secretary, GST Council
- Sh. Upender Gupta, Commissioner, GST Policy Wing, CBIC
- Shri Manish Kumar Sinha, JS, TRU-II
- Sh. Dheeraj Rastogi, Joint Secretary, GST Council
- Sh. Prakash Kumar, CEO, GSTN (through VC)
- Ms. Kajal Singh, EVP (Services), GSTN

### **Others**

- Sh. Rajesh Agarwal, Additional Commissioner
- Sh. Gauri Shankar Sinha, Joint Commissioner, GST Council
- Sh Ravneet Singh Khurana, Joint Commissioner, GST Policy Wing, CBIC
- Sh. Rakesh Agarwal, Deputy Commissioner, GST Council
- Sh Arjun Kumar Meena, Deputy Commissioner, GST Council
- Sh. Rahul Raja, Under Secretary, GST Council
- Sh Atanu Majumdar, Addl. Commissioner, West Bengal (On behalf of CCT, West Bengal)
- Sh Rajib Sengupta, Jt. Commissioner, West Bengal (On behalf of CCT, West Bengal)
- Sh K. Gnanasekaran, Additional Commissioner, Tamil Nadu
- Sh. M. Balaji, Joint Commissioner, Tamil Nadu

**Annexures as per Table-1**

**ANNEXURE I (A)**

**{Category A}**

**{Cases as per Sl. No. A of Annexure-I of the Agenda}**

- a. **Processed with Error: The taxpayer could not claim transitional credit as the line items requiring declarations of earlier existing law registration were processed with error since the taxpayer had not added them in his registration details.**

S.No .	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constituti on of business	Nodal Officer jurisdiction Name	Nodal Officer's Governme nt
1	22AFGPA7029E1Z2	PAWAN KUMAR AGRAWAL (Shree Balaji enterprises)	Chattisgarh	Prop.	Deepak Giri Deputy Commissioner State Tax, Raipur , Chhattisgarh	State Govt.
2	22AFQPA3850H2ZO	ARVIND KUMAR AGRAWAL (Arvind Industries)	Chattisgarh	Prop.	Deepak Giri Deputy Commissioner State Tax, Raipur , Chhattisgarh	State Govt.
3	30AACCD9205D1ZB	DECCAN FINE CHEMICALS (INDIA) PRIVATE LIMITED (DECCAN FINE CHEMICALS (INDIA) PRIVATE LIMITED)	Goa	Private Limited Company	Sarita. S Gadgil, Deputy Commissioner Of State Taxes, Goa	State Govt.
4	30AAACC4637J1ZZ	AYG REALTY PRIVATE LIMITED (AYG Realty Pvt Ltd )	Goa	Private Limited Company	Sarita S. Gadgil Dest(Nodal Officer) SGST(Goa)	State Govt.
5	30AAACT3957G1ZK	THE INDIAN HOTELS COMPANY LTD (The Indian Hotels co ltd)	Goa	Public Limited Company	Commissioner, CGST, Goa	Central Govt.
6	24AABCO2764K1ZD	OM MULTICOM PRIVATE LIMITED (OM Multicom Pvt. Ltd.)	Gujarat	Private Limited Company	Sanjai Srivastava Assistant Commissioner (Systems) Ahmedabad North	Central Govt.
7	24AACCG5121D1ZA	GOVARDHAN POLY PLAST PRIVATE LIMITED (Govardhan Polyplast )	Gujarat	Private Limited Company	P.S Kaduskar, CE Commissionerate, Surat	Central Govt.
8	24AAKFJ6184C1ZE	J AND K ENGINEERS LLP (J&K engineers LLP)	Gujarat	Limited Liability Partnership	P.S Kaduskar, CE Commissionerate, Surat	Central Govt.
9	06AAACL8804E1ZR	LANDMARK INFONET PVT LTD (M/s Landmark Infonet Private Limited )	Haryana	Private Limited Company	Siddhartha Bhatti, Central Government , Haryana	Central Govt.
10	06AABCL2120Q1ZK	LANDMARK APARTMENTS PRIVATE LIMITED (M/s Landmark Apartment Pvt. Ltd. )	Haryana	Private Limited Company	Siddhartha Bhatti, Central Government , Haryana	Central Govt.

S.No .	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer jurisdiction Name	Nodal Officer's Government
11	06AADCM4657M1Z3	MAXOP ENGINEERING COMPANY PRIVATE LIMITED (M/s Maxop Engineering Co. Pvt. Ltd )	Haryana	Private Limited Company	Siddhartha Bhatti, Central Government , Haryana	Central Govt.
12	06AAACL0104B1ZK	LEEKHA CHEMICALS PVT LTD (Leekha chemicals pvt ltd)	Haryana	Private Limited Company	Nodal Officer IT, Haryana	State Govt.
13	06AAACK3741R1Z7	KUNAL AUTO INDUSTRIES PVT LTD (Kunal Auto Industries Pvt. Ltd.)	Haryana	Private Limited Company	Nodal Officer IT, Haryana	State Govt.
14	02ABGFS3429J1Z8	SWASTIK WIRE PRODUCT (Swastik Wire Products)	Himachal Pradesh	Partnership	H.B Negi, Commissioner. Central Govt, Himachal Pradesh	Central Govt.
15	29AAEHB1168C1ZO	BHANDARI MUKESHKUMAR BHAWARLAL (A SONA JEWELLERS)	Karnataka	Hindu Undivided Family	K S Basavaraj, State Govt, Karnataka	State Govt.
16	29AABCI0484L1ZA	INDO MIM PRIVATE LIMITED (M/s. INDO-MIN Pvt. Ltd.)	Karnataka	Private Limited Company	R. Sriram, Pro Section GST Bangalore ,East Commissionerate Domlur, Bengaluru - 560008	Central Govt.
17	29AABCT7374C1Z7	TE CONNECTIVITY INDIA PRIVATE LIMITED (TE Connectivity India Private Limited)	Karnataka	Private Limited Company	R. Sriram, Pro Section GST East Commissionerate Domlur, Bengaluru - 560008	Central Govt.
18	29AACCA3584G1ZL	ACE MANUFACTURING SYSTEMS LIMITED (ACE MANUFACTURING SYSTEMS LIMITED)	Karnataka	Public Limited Company	Basavaraj K S Joint Commissioner Of Commercial Taxes, Karnataka	State Govt.
19	29AAQCS4503H1Z2	SUPERMARKET GROCERY SUPPLIES PRIVATE LIMITED (M/s. Supermarket Grocery Supplies Pvt Ltd)	Karnataka	Private Limited Company	R Sriram , Karnataka	Central Govt.
20	29AABCM1458Q1ZW	MEDREICH LIMITED (M/s Medreich Ltd)	Karnataka	Public Limited Company	R Sriram , Karnataka	Central Govt.
21	29AABCM2529A1ZV	MAHESH EXTRUSIONS LIMITED (MAHESH EXTRUSIONS LIMITED)	Karnataka	Public Limited Company	Basavaraj K S Joint Commissioner Of Commercial Taxes, Karnataka	State Govt.

S.No .	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer jurisdiction Name	Nodal Officer's Government
22	27AAAFI3740F1ZP	INFLOW SYSTEMS (INFLOW SYSTEMS)	Maharashtra	Partnership	Vandana K Jain, Commissioner Pune , Maharashtra	Central Govt.
23	27AAACW0328C1ZT	KONECRANES PRIVATE LIMITED (KONECRANES PRIVATE LIMITED)	Maharashtra	Private Limited Company	Vandana K Jain, Commissioner Pune , Maharashtra	Central Govt.
24	27AADCT5273A1ZJ	THERMAX BABCOCK AND WILCOX ENERGY SOLUTIONS PRIVATE LIMITED (Thermax Babcock & Wilcox Energy Solutions Pvt. Ltd.)	Maharashtra	Private Limited Company	Vandana K Jain, Commissioner Pune , Maharashtra	Central Govt.
25	27AABCT5650M1ZZ	TULIPS AMBIENCE PRIVATE LIMITED (Tulip)	Maharashtra	Private Limited Company	Vandana K Jain, Commissioner Pune , Maharashtra	Central Govt.
26	27AAFCR5200B1ZY	ROSE PLASTIC INDIA PRIVATE LIMITED (Rose plastic India Private Limited)	Maharashtra	Private Limited Company	Vandana K Jain, Commissioner Pune , Maharashtra	Central Govt.
27	27AAHFH0626G1ZM	H.P.DEVELOPERS ( H. P. DEVELOPERS)	Maharashtra	Partnership	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner State Govt, Mumbai	State Govt.
28	27AITPS4961M1Z6	ASHA KIRAN SHETTY (SUDE ENGINEERING CORPORATION)	Maharashtra	Prop.	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner State Govt, Mumbai	State Govt.
29	27AAFCC1468A1Z1	COLOURMET INFRATECH PRIVATE LIMITED (COLORMET INFRATECH PVT LTD.)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner State Govt, Mumbai	State Govt.
30	27AAGFD1623C1Z0	DAKSHA SUPERIOR SHOT PEENING (DAKSHA SUPERIOR SHOT PEENING)	Maharashtra	Partnership	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner State Govt, Mumbai	State Govt.
31	27AABCE7227M1ZD	ELECTRONICA FINSMART SOLUTIONS PRIVATE LIMITED (ELECTRONICA FINSMART SOLUTIONS PVT LTD)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner State Govt, Mumbai	State Govt.
32	27AAATS7796R1Z9	SONHIRA SAHAKARI SAKHAR K ARKHANA LTD WANGI (Sonhira	Maharashtra	Local Authority	Shri V.N. Thete, Central Govt, Maharashtra	Central Govt.

S.No .	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constituti on of business	Nodal Officer jurisdiction Name	Nodal Officer's Governme nt
		Sahkari Sakhar Karkhana Ltd)				
33	27AABFB5307N1ZF	BHIMA BUILDERS AND DEVELOPERS (BHIMA BUILDERS AND DEVELOPERS)	Maharashtra	Partnership	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner Mumbai	State Govt.
34	27AAECD8920F1ZO	DBIND WIRE PRODUCTS PRIVATE LIMITED (DIBIND WIRE PRODUCTS PVT LTD)	Maharashtra	Private Limited Company	Shri V.N. Thete, Central Govt, Maharashtra	Central Govt.
35	27AAMCA9892M1ZN	ACCUMEASURE SYSTEMS PRIVATE LIMITED (ACCUMEASURE SYSTEMS PRIVATE LIMITED)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner, Mumbai	State Govt.
36	27AAJCS6006Q1ZS	SDTORK CONTROLS PRIVATE LIMITED (SDTORK CONTROLS PVT LTD)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner Mumbai	State Govt.
37	27AAACY2193B1ZI	YOGI STRUCTURED PACKINGS AND ENGINEERING PRIVATE L TD (YOGI STRUCTURED PACKING AND ENGINNERING PVT LTD )	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner Mumbai	State Govt.
38	27AACCD1013D1ZG	DASHMESH FABRICATORS PRIVATE LIMITED (DASHMESH FABRICATORS PVT. LTD.)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner Mumbai	State Govt.
39	27AAACE3740L1ZM	ESSEL FABRICATORS PRIVATE LIMITED (ESSEL FABRICATORS PVT LTD)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner Mumbai	State Govt.
40	27ACEPB6030B1ZE	SAMIR LAXMINARAYAN BHARTIA (Samir Laxminarayan Bhartia)	Maharashtra	Prop.	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner Mumbai	State Govt.
41	27AALCA6839P1ZT	ALLWIN JEWELLERS PRIVATE LIMITED (M/S allwin jewellers pvt ltd)	Maharashtra	Private Limited Company	Shyam Raj Prasad, Mumbai South, Commissionerate, Maharashtra	Central Govt.



S.No .	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer jurisdiction Name	Nodal Officer's Government
42	27AASCS5480M1ZF	SWIFT INDIA DOMESTIC SERVICES PRIVATE LIMITED (Swift India Domestic Services Pvt. Ltd.)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner State Govt, Mumbai, Maharashtra	State Govt.
43	27AAEFT6710E1ZC	TRIDENT ASSOCIATES (TRIDENT ASSOCIATES)	Maharashtra	Partnership	Jeeditmetla Division, Asst Comm, Maharashtra	Central Govt.
44	27AAACZ0915C1ZP	Z V STEELS PRIVATE LIMITED (ZV steels pvt ltd)	Maharashtra	Private Limited Company	Vipul Gupta, Joint Commissioner, CGST, Mumbai Central Commissionerate, Maharashtra	Central Govt.
45	27AAJFK8614M1ZS	KUMBARE ENTERPRISES (KUMBARE ENTERPRISES)	Maharashtra	Partnership	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai, Maharashtra	State Govt.
46	27AAMCS4758E1ZZ	SCHOCH REEDS INDIA PRIVATE LIMITED (SCHOCH REEDS INDIA PVT LTD )	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai, Maharashtra	State Govt.
47	27AAGCS7980Q1ZA	SAHIL PLASTIC PRIVATE LIMITED (sahil plastic )	Maharashtra	Private Limited Company	Shrikant Patil, Commissioner CGST & CE Aurnagabad, Maharashtra	Central Govt.
48	27AANFV0556D1Z3	VENKAT SIDDHI POLYPACKS (VENKAT SIDDHI POLYPACKS)	Maharashtra	Partnership	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
49	27AACCD3013F1Z8	DYNAMIC FLOW PRODUCTS PRIVATE LIMITED (DYNAMIC FLOW PRODUCTS PVT LTD)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
50	27AAFCB0273N2ZH	BRAMHACORP LIMITED (BrahmaCorp Ltd. (Hotel Division))	Maharashtra	Public Limited Company	Shri Milind Gawai, Central Govt, Maharashtra	Central Govt.
51	27AAFCB0273N1ZI	BRAMHACORP LIMITED (BrahmaCorp Ltd.)	Maharashtra	Private Limited Company	Shri Milind Gawai, Central Govt, Maharashtra	Central Govt.
52	27AAAFL9947M1ZM	LESANTO LABORATORIES (LESANTO LABORATORIES)	Maharashtra	Partnership	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.

S.No	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constituti on of business	Nodal Officer jurisdiction Name	Nodal Officer's Governme nt
53	27AAFCM9492C1Z7	MACROCOSM INFRASTRUCTURE & POWER PRIVATE LIMITED (MACROCOSM INFRASTRUCTURE & POWER PRIVATE LIMITED)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
54	27AACFE7746D1ZH	EKDANT HOUSING (EKDANT HOUSING)	Maharashtra	Partnership	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
55	27AARFS5126N1ZH	SILICONE INTERNATIONAL PRODUCTS (Silocone International Products )	Maharashtra	Partnership	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
56	27AAECS9019E1ZB	SAISONS TRADE & INDUSTRY PRIVATE LIMITED (SAISONS TRADE & INDUSTRY PRIVATE LIMITED)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
57	27AALFA5268P1ZQ	ANSHUMAN DEVELOPERS (ANSHUMAN DEVELOPERS)	Maharashtra	Partnership	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
58	27AAACC4475C1ZX	CRYSTAL IMPEX LIMITED (CRYSTAL IMPEX LTD.)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
59	27AAECG6663L1Z4	GLAZIUM FACADES PRIVATE LIMITED (GLAZIUM FACADES PVT LTD)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
60	07AAECN6470G1ZD	NAMO CAPS PRIVATE LIMITED (NAMO CAPS PVT. LTD.)	New Delhi	Private Limited Company	Dushyant Kumar, Delhi, State Govt	State Govt.
61	04AAGCM0945H1Z O	MAHEN DISTRIBUTION LIMITED (Mahen distribution ltd)	Punjab	Public Limited Company	Excise And Taxation Department Chandigarh	State Govt.
62	33AAACW0315K1Z O	WHEELS INDIA LIMITED (WHEELS INDIA LIMITED)	Tamil Nadu	Public Limited Company	S. Ramaswamy, Joint Commissioner, Tamil Nadu	State Govt.
63	33AAACD1292J1ZV	DELTA SHOES PRIVATE LIMITED (DELTA SHOES P LTD)	Tamil Nadu	Private Limited Company	K. M. Ravichandran, Central Govt, Tamil Nadu	Central Govt.

S.No .	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer jurisdiction Name	Nodal Officer's Government
64	33AAACF0451B1ZJ	FARIDA CLASSIC SHOES PRIVATE LIMITED (FARIDA CLASSIC SHOES P LTD)	Tamil Nadu	Private Limited Company	K. M. Ravichandran, Central Govt, Tamil Nadu	Central Govt.
65	33AAACT3393E1ZK	THERMODYNE TECHNOLOGIES PRIVATE LIMITED (THERMODYNE TECHNOLOGIES P LTD)	Tamil Nadu	Private Limited Company	K. M. Ravichandran, Chennai, Tamil Nadu	Central Govt.
66	33AASCS9932L1ZJ	SDR AUTO PRIVATE LIMITED (SDR AUTO Pvt Ltd)	Tamil Nadu	Private Limited Company	K. M. Ravichandran, Chennai, Tamil Nadu	Central Govt.
67	36AACCM7838D1ZF	MILLENNIUM APPLIANCES INDIA LTD (Millennium Appliances India Limited)	Telangana	Public Limited Company	V Srinivas, Joint Commissioner, Central Government, Hyderabad, Telangana	Central Govt.
68	36AADCD2512J1ZX	DRK INFRATECH PRIVATE LIMITED (DRK Infratech pvt ltd)	Telangana	Private Limited Company	Radha Sindhiya, State Govt, Telangana	State Govt.
69	36AAOFS1840C1ZB	SRI RAMA DISTRIBUTORS (SRI RAMA DISTRIBUTORS)	Telangana	Partnership	Ac(Kukatpally), Telangana	State Govt.
70	36AADCV2331F1ZN	VERSATILE AUTO COMPONENTS PRIVATE LIMITED ()	Telangana	Private Limited Company	Radha Sindhiya Commercial Taxes Department , State Govt Telangana	State Govt.
71	36BZDPR0319A1ZU	SONALI RANJANA ()	Telangana	Prop.	Radha Sindhiya Commercial Taxes Department , State Govt Telangana	State Govt.
72	36AABCE9745N1Z1	MAHA SAI ALUMINIUM PROFILES PRIVATE LIMITED ()	Telangana	Private Limited Company	Radha Sindhiya Commercial Taxes Department Telangana	State Govt.
73	09AAACH3032L1ZO	H ONE INDIA PRIVATE LIMITED (H ONE INDIA PRIVATE LIMITED)	Uttar Pradesh	Private Limited Company	Harish Kumar. GST Commissioner, Noida. Uttar Pradesh	Central Govt.
74	09AABCN5405A1ZZ	NEUMANN COMPONENTS PRIVATE LIMITED (Neumann components pvt ltd)	Uttar Pradesh	Private Limited Company	Harish Kumar. GST Commissioner, Noida. Uttar Pradesh	Central Govt.
75	09AAFCS4674J1ZU	STARION INDIA PRIVATE LIMITED (STARION INDIA PRIVATE LIMITED)	Uttar Pradesh	Private Limited Company	Harish Kumar Assistant Commissioner, Central Govt G. B. Nagar	Central Govt.

S.No .	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer jurisdiction Name	Nodal Officer's Government
76	09AABCM4007B1Z2	MAHASHAKTI MACHINES PRIVATE LIMITED (Mahashakti machines pvt ltd)	Uttar Pradesh	Private Limited Company	Nidhish Singhal, Commissionerate Ghaziabad	Central Govt.
77	09AAOFM9129J1ZL	MAHA SHAKTI ENGINEERING COMPANY (Mahashakti engineering co.)	Uttar Pradesh	Partnership	Nidhish Singhal, Commissionerate Ghaziabad	Central Govt.
78	09AAMFD0112G1ZU	DPV INDUSTRIES (DPV Industries)	Uttar Pradesh	Partnership	Joint Commissioner (I.T.) Commercial Taxes, State Govt, Head Quarter Uttar Pradesh, Lucknow	State Govt.
79	19AAAFE7634A1ZR	EASTERN EQUIPMENT ENTERPRISES (Eastern equipment enterprises)	West Bengal	Partnership	Atanu Majumdar Additional Commissioner Commercial Taxes West Bengal	State Govt.

**Annexure-I (A)**  
**{Cases as per Annexure-I of Additional Agenda}**

S.No .	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer / jurisdiction Name	Nodal officers' Govt.
1	37AOSPR7061L1Z0	VASANTHI RAJOLI ( VASANTHI RAJOLI)	Andhra Pradesh	Proprietorship	G. Gopala Krishna Rao, Asst. Commissioner, CGST Division, Kadapa	Centre
2	37AAICS9992E1ZO	SUPRIYA SPINNING MILLS PRIVATE LIMITED ( Supriya spinning mills pvt ltd)	Andhra Pradesh	Private Limited Company	M. Srihari Rao, Commissioner, CGST Guntur	Centre
3	22AAACI6561R1Z7	IFB INDUSTRIES LTD ( IFB Industries)	Chattisgarh	Public Limited Company	Deepak Giri, Deputy Commissioner, Raipur	State
4	30AAACM1267A1ZC	MINAR TRAVELS INDIA PVT LTD ( Monar travels india)	Goa	Public Limited Company	K. Anpazhakan, Commissioner, CGST Commissionerate Goa	Centre
5	24AACCF5460E1ZZ	FUJI SILVERTECH CONCRETE PRIVATE LIMITED ( Fuji silverttech concrete pvt ltd)	Gujarat	Private Limited Company	J.A. Khan, Commissioner, CGST, Ahmedabad	Centre

S.No	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer / jurisdiction Name	Nodal officers' Govt.
6	24AAJCS0610G1ZT	SPC LIFE SCIENCES PRIVATE LIMITED ( SPC lifesciences)	Gujarat	Private Limited Company	S.K. Barot, Dy. Commissioner, Vadodara	State
7	29AACCD0677P1Z3	DIGITAL CIRCUITS PRIVATE LIMITED ( DIGITAL CIRCUITS PRIVATE LIMITED)	Karnataka	Private Limited Company	Sunil. V, Asst. Commissioner, office of the principal commissioner, Central Tax, Bengaluru	Centre
8	29AABCB7778E1ZD	BHUWALKA PIPES PRIVATE LIMITED ( Bhuwalka pipes)	Karnataka	Private Limited Company	Commissioner CGST, Belagavi	Centre
9	29AAECB5550H1ZM	BRS PRECISION MANUFACTURING PRIVATE LIMITED ( BRS PRECISION MANUFACTURING PVT. LTD)	Karnataka	Private Limited Company	K S BASAVARAJ, Joint Commissioner of comm. taxes, Gandhinagar	State
10	27AAACH2910B1ZA	HYDAC INDIA PRIVATE LIMITED ( Hydac india pvt ltd)	Maharashtra	Private Limited Company	Rajesh Kumar Mishra, Commissioner, CGST Belapur, Mumbai	Centre
11	27AAXPM1901D1ZQ	JAYANT HARI MULAY ( JAYANT HARI MULAY (PROP. VISHWA DEVELOPERS))	Maharashtra	Proprietorship	Vandana K Jain, Commissioner CGST, Pune- II	Centre
12	27AAACM7505R1ZZ	MIHIR CHEMICAL INDUSTRIES PVT LIMITED (MIHIR CHEMICAL INDUSTRIES PVT LTD)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire, Deputy Commissioner of state tax, Mumbai	State
13	27ABAFS7907H1Z0	SHREE YASHRAJ DEVELOPERS ( SHREE YASHRAJ DEVELOPERS)	Maharashtra	Partnership	Dr. Sunil Bodhgire, Deputy Commissioner of state tax, Mumbai	State
14	27AAGCB7868L1ZY	BAARCO LASERTECH PRIVATE LIMITED ( BARCO LASERTECH PVT LTD.)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire, Deputy Commissioner of state tax, Mumbai	State
15	27AADFU3226F1ZD	UNICRAFT MANUFACTURING SYSTEMS LLP ( UNICRAFT MANUFACTURING SYSTEMS LLP)	Maharashtra	Limited Liability Partnership	Dr. Sunil Bodhgire, Deputy Commissioner of state tax, Mumbai	State
16	27AAACF0566D1Z0	WELTECH INDUSTRIES PRIVATE LIMITED ( Weltech Industries Pvt Ltd)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire, Deputy Commissioner of state tax, Mumbai	State

S.No	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer / jurisdiction Name	Nodal officers' Govt.
17	27AADCG0307J1ZW	GIFTING IDEAS PRIVATE LIMITED ( GIFTING IDEAS PRIVATE LIMITED)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire, Deputy Commissioner of state tax, Mumbai	State
18	07AAMCS6685E1ZV	SARASWATI RECYCLERS PRIVATE LIMITED ( SARASWATI RECYCLERS PVT. LTD.)	New Delhi	Private Limited Company	Dushyant Kumar, Nodal Officer, Trade & Taxes Department	State
19	07AAGFD6757M1ZW	DISHA TIME POINT ( DISHA TIME POINT)	New Delhi	Partnership	Dushyant Kumar, Nodal Officer, Trade & Taxes Department	State
20	07AAECA7472P1Z3	APC AIR SYSTEMS PRIVATE LIMITED ( APC AIR SYSTEMS PRIVATE LIMITED)	New Delhi	Private Limited Company	Dushyant Kumar, Nodal Officer, Trade & Taxes Department	State
21	33AALCA9425H1ZL	ARS STEELS & ALLOY INTERNATIONAL PRIVATE LIMITED ( ARS STEELS & ALLOY INTERNATIONAL PRIVATE LIMITED)	Tamil Nadu	Public Limited Company	S. Ramasamy, Joint Commissioner, Chennai	State
22	33AAACF0467F1Z3	FOURRTS (INDIA) LABORATORIES PRIVATE LIMITED ( FOURRTS (INDIA) LABORATORIES PRIVATE LIMITED)	Tamil Nadu	Public Limited Company	S. Ramasamy, Joint Commissioner, Chennai	State
23	33AAAGE0157K2ZP	ENGINE FACTORY AVADI ( ENGINE FACTORY AVADI)	Tamil Nadu	Government Department	S. Ramasamy, Joint Commissioner, Chennai	State
24	33AARCS7033D1ZD	SVD MOTORS PRIVATE LIMITED ( SVD MOTORS PRIVATE LIMITED)	Tamil Nadu	Private Limited Company	S. Ramasamy, Joint Commissioner, Chennai	State
25	33CHFPK6054G1ZH	SIVAPRAKASAM KANIMOZHI ( SIVAPRAKASAM KANIMOZHI)	Tamil Nadu	Proprietorship	S. Ramasamy, Joint Commissioner, Chennai	State
26	33AACCJ6489M1Z0	JAISHNI PACKS PRIVATE LIMITED ( JAISHNI PACKS PRIVATE LIMITED)	Tamil Nadu	Private Limited Company	S. Ramasamy, Joint Commissioner, Chennai	State
27	33AASPS1804J1ZH	CHANDRABEN MAGANLAL SHAH ( CHANDRABEN MAGANLAL SHAH)	Tamil Nadu	Proprietorship	S. Ramasamy, Joint Commissioner, Chennai	State
28	33AACCC2154Q1ZL	CHENNAI AUTOMATION SYSTEMS PRIVATE	Tamil Nadu	Private Limited Company	S. Ramasamy, Joint Commissioner, Chennai	State

S.No	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer / jurisdiction Name	Nodal officers' Govt.
		LIMITED ( CHENNAI AUTOMATION SYSTEMS PRIVATE LIMITED)				
29	33AAPFM0322A1ZZ	MSE INDUSTRIES ( MSE INDUSTRIES)	Tamil Nadu	Partnership	S. Ramasamy, Joint Commissioner, Chennai	State
30	33AAHCA6434C1Z4	AVN AYURVEDA FORMULATIONS PRIVATE LIMITED ( AVN AYURVEDA FORMULATIONS PRIVATE LIMITED)	Tamil Nadu	Private Limited Company	S. Ramasamy, Joint Commissioner, Chennai	State
31	33APHPD0525K1ZA	JAGMALBHAIPATEL DINESHPATEL ( JAGMALBHAIPATEL DINESHPATEL)	Tamil Nadu	Proprietorship	S. Ramasamy, Joint Commissioner, Chennai	State
32	33AACCK8075A1ZU	KG FOUNDATIONS PRIVATE LIMITED ( KG FOUNDATIONS PRIVATE LIMITED)	Tamil Nadu	Private Limited Company	S. Ramasamy, Joint Commissioner, Chennai	State
33	33AAIPB0187F1Z7	MONESH BHAJANLAL HINDUJA ( MONESH BHAJANLAL HINDUJA)	Tamil Nadu	Proprietorship	S. Ramasamy, Joint Commissioner, Chennai	State
34	33AAACU1411A1ZC	UNIPLY INDUSTRIES LIMITED ( UNIPLY INDUSTRIES LIMITED)	Tamil Nadu	Public Limited Company	S. Ramasamy, Joint Commissioner, Chennai	State
35	33AABCC2749J1ZR	CHENNAI MICRO PRINT PRIVATE LTD ( CHENNAI MICRO PRINT PRIVATE LTD)	Tamil Nadu	Private Limited Company	S. Ramasamy, Joint Commissioner, Chennai	State
36	33AADCS8769A1ZC	SHRI RAMALINGA MILLS LIMITED ( SHRI RAMALINGA MILLS LIMITED)	Tamil Nadu	Public Limited Company	S. Ramasamy, Joint Commissioner, Chennai	State
37	33AABCT0158J1ZJ	TAMIL NADU JAI BHARATH MILLS LIMITED ( TAMIL NADU JAI BHARATH MILLS LIMITED)	Tamil Nadu	Public Limited Company	S. Ramasamy, Joint Commissioner, Chennai	State
38	33AACCA2882M1ZK	ARUPPUKOTTAI SHRI VIJAYALAKSHMI TEXTILE MILLS LIMITED ( ARUPPUKOTTAI SHRI VIJAYALAKSHMI TEXTILE MILLS LIMITED)	Tamil Nadu	Private Limited Company	S. Ramasamy, Joint Commissioner, Chennai	State

S.No	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer / jurisdiction Name	Nodal officers' Govt.
39	33AACTA7917N1ZH	AROGYA WELFARE TRUST ( AROGYA WELFARE TRUST)	Tamil Nadu	Society/ Club/ Trust/ AOP	S. Ramasamy, Joint Commissioner, Chennai	State
40	33AAFCM8186P1ZQ	MECHATRONICS CONTROL EQUIPMENTS INDIA PRIVATE LIMITED ( MECHATRONICS CONTROL EQUIPMENTS INDIA PVT LIMITED)	Tamil Nadu	Private Limited Company	S. Ramasamy, Joint Commissioner, Chennai	State
41	33AAECG8084H1ZH	SENTHAMARAI MARBLES & GRANITES PRIVATE LIMITED ( SENTHAMARAI MARBLES & GRANITES PRIVATE LIMITED)	Tamil Nadu	Private Limited Company	S. Ramasamy, Joint Commissioner, Chennai	State
42	33AAFFB6515J1ZM	BULL AGRO IMPLEMENTS ( BULL AGRO IMPLEMENTS)	Tamil Nadu	Partnership	S. Ramasamy, Joint Commissioner, Chennai	State
43	33AAAGM0289C1ZQ	MINISTRY OF RAILWAYS ( MINISTRY OF RAILWAYS)	Tamil Nadu	Government Department	S. Ramasamy, Joint Commissioner, Chennai	State
44	33AABCS0575Q1Z1	SWABS INDIA PVT LTD ( SWABS INDIA PVT LTD)	Tamil Nadu	Private Limited Company	S. Ramasamy, Joint Commissioner, Chennai	State
45	33AAHFK9595M1ZJ	KEERTHI INDUSTRIES ( KEERTHI INDUSTRIES)	Tamil Nadu	Partnership	S. Ramasamy, Joint Commissioner, Chennai	State
46	19AALFS5457N1ZA	STAR ENGINEERING WORKS ( STAR ENGINEERING WORKS)	West Bengal	Partnership	Ravi Pratap Singh, Commissioner CGST Howrah	Centre
47	19AACCE1116E1Z6	V3 POLYPLAST PRIVATE LIMITED ( V3 POLYPLAST PRIVATE LIMITED)	West Bengal	Private Limited Company	Atanu Majumdar, Additional Commissioner, Directorate of Commercial Taxes	State



**Annexure-II (A)**  
**{Category A- Court Cases}**  
**{Cases as per Sl. No. A of Annexure-II of the Agenda}**

S.No.	GSTIN/ Provisional id	Name reported by the Taxpayer in Writ Petition	State	Constitution of business	Nodal Officer jurisdiction Name
1	33AALCS3509E1ZK	Sare Realty Projects Pvt. Ltd v. UOI	Tamil Nadu	Private Limited Company	
2	29ACLPM6273E1Z9	Yash International	Karnataka	Proprietorship	K S Basavaraj, State Govt, Karnataka
3	32AAIFA0994R2ZY	A&B toolers	Kerala	Partnership	
4	19AAACN9967E1Z0	National Insurance Company Ltd. Vs. UOI and Ors	West Bengal	Public Sector Undertaking	
5	03AAACG4932G1Z1	M/s GNA Gears	Punjab	Public Limited Company	
6	03AAACG8506C1Z7	GNA Axies Ltd	Punjab	Public Limited Company	

**Annexure-I (B)**  
**{Category A}**  
**{Cases as per Sl. No. B of Annexure-I of the Agenda}**

**b. Cases where the taxpayer has attempted to submit fresh or revised TRAN1 but could not file because of errors.**

S.No.	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer jurisdiction Name	Nodal Officer's Government
1	10AHWPB6996M1ZN	TONY BATRA (TONY BATRA)	Bihar	Prop.	Mukesh Kumar Commercial Taxes Department Bihar, Patna	State Govt.
2	30AAACF0253H1ZD	F D C LIMITED (F D C LIMITED)	Goa	Public Limited Company	Sarita. S Gadgil Deputy Commissioner Of State Taxes. Goa	State Govt.
3	24AAACW0019N1ZG	COOPER-STANDARD INDIA PRIVATE LIMITED (Cooper Standard India Pvt. Ltd.)	Gujarat	Private Limited Company	Sanjai Srivastava Assistant Commissioner (Systems) Ahmedabad North, Gujrat	Central Govt.
4	24AADAB4675L2ZJ	BHARAT RAJANIKANT PATEL AND OTHERS (Bharat Rajanikant Patel )	Gujarat	Society/ Club/ Trust/ AOP	Superintendent System, Commissionerate, Gujarat	Central Govt.
5	24AACCS9863J1ZW	SENROR METALS PRIVATE LIM I TED (SENROR METALS PRIVATE LIMITED)	Gujarat	Private Limited Company	Superintendent System, Commissionerate, Gujarat	Central Govt.

S.No.	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer jurisdiction Name	Nodal Officer's Government
6	06AACCS1709H1ZM	SISTEMA SHYAM TELESERVICES LIMITED (Sistema Shyam Teleservices Ltd)	Haryana	Public Limited Company	Asst Comm Division North 1, Haryana	Central Govt.
7	06AAOCA7494H1Z6	ALIGHT HR SERVICES INDIA PRIVATE LIMITED (M/s Alight HR Services India Private Limited )	Haryana	Private Limited Company	Siddhartha Bhatti, Central Government, Haryana	Central Govt.
8	06AACCE4248H1ZS	ENERGY EFFICIENCY SERVICES LIMITED (M/s Energy Efficiency Services Limited )	Haryana	Public Limited Company	Siddhartha Bhatti, Central Government, Haryana	Central Govt.
9	06AABCV7572L1ZU	VIJAY MODERN LOOMTEX PRIVATE LIMITED (M/s Vijay Modern Loomtex Private Limited)	Haryana	Private Limited Company	Nodal Officer IT, Haryana	State Govt.
10	29AAACI5145D1ZS	INFINITE COMPUTER SOLUTIONS (INDIA) LIMITED (M/s. Infinite Computer Solutions (India) Ltd., Bengaluru.)	Karnataka	Public Limited Company	R. Sriram, Pro Section GST East Commissionerate Domlur, Bengaluru -560008	Central Govt.
11	29AAFCG8223M1Z5	GCC SERVICES INDIA PRIVATE LIMITED (gcc Services India Private Limited)	Karnataka	Private Limited Company	R. Sriram, Pro Section GST East Commissionerate Domlur, Bengaluru -560008	Central Govt.
12	27AAIFC4591N1ZV	CALYX MERLIN VENTURES LLP (CALYX MERLIN VENTURE LLP)	Maharashtra	Limited Liability Partnership	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner State Govt, Mumbai	State Govt.
13	27AAACK1820B1Z8	KANTI BUILDERS PVT LTD (KANTI BUILDERS PVT LTD)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner State Govt, Mumbai	State Govt.
14	27AABHV3675H1ZT	VASUDEO RAMBALLABH BIYANI (SUSHIL KUMAR AND COMPANY)	Maharashtra	Hindu Undivided Family	Shri V.N. Thete, Central Govt, Maharashtra	Central Govt.
15	27AACCH8413M1ZB	HONOUR LAB LIMITED (Honour lab.)	Maharashtra	Public Limited Company	Vandana K Jain, Commissioner Pune, Maharashtra	Central Govt.
16	27AAFCA9398B1ZG	NOW REALTY PROMOTERS AND BUILDERS PRIVATE LIMITED (Now Realty	Maharashtra	Private Limited Company	Vandana K Jain, Commissioner Pune, Maharashtra	Central Govt.

S.No.	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer jurisdiction Name	Nodal Officer's Government
		Promoters And Builders Private Limited)				
17	27AAEPB5844K1ZN	SURESH PHOOLCHAND BAPNA (SURESH PHOOLCHAND BAPNA)	Maharashtra	Prop.	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
18	27AAACE8483E1ZJ	EPS WORLDWIDE PRIVATE LIMITED (EPS WORLDWIDE PVT LTD)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
19	27AABFS3031N1Z5	SHARADBHAI J SHAH (Saurabj bjai j shah )	Maharashtra	Partnership	Vipul Gupta, Joint Commissioner, CGST &CE, Mumbai Central, Maharashtra.	Central govt.
20	27AAAF06256G1Z8	OSWAL UDHYOG (M/S OSWAL UDHYOG)	Maharashtra	Partnership	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner Mumbai	State Govt.
21	07AABFU3392A1ZG	UNIQUE ENTERPRISES (UNIQUE ENTERPRISES)	New Delhi	Partnership	Dushyant Kumar, State Govt New Delhi	State Govt.
22	07AACAC3726G1Z1	CITYNEON HOLDINGS LTD& CITYNEON CREATIONS PTE LTD& CITYNEON DAG I PVT LTD JV (CITYNEON HOLDINGS LTD& CITYNEON CREATIONS PTE)	New Delhi	Society/ Club/ Trust/ AOP	Dushyant Kumar,State Govt New Delhi	State Govt.
23	07AAAFV0219J1ZD	VIJAY SALES (VIJAY SALES)	New Delhi	Partnership	Dushyant Kumar,State Govt New Delhi	State Govt.
24	08AAJCA0859K1ZD	ARIHANT TECHNOINFRA PRIVATE LIMITED (ARIHANT TECHNOINFRA PRIVATE LIMITED)	Rajasthan	Private Limited Company	Jitendra P Nawal. Superintendent, Comm. Admin- GST CGST Commissionerate, Jodhpur	Central Govt.
25	33AAFC9529A1Z0	ASTON SHOES PRIVATE LIMITED (ASTON SHOES P LTD)	Tamil Nadu	Private Limited Company	K. M. Ravichandran, Central Govt, Tamil Nadu	Central Govt.
26	33AAACL7624G1ZQ	LANSON MOTORS PRIVATE LIMITED (Lanson Motors Private Ltd)	Tamil Nadu	Private Limited Company	K. M. Ravichandran, Chennai, Tamil Nadu	Central Govt.

S.No.	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer jurisdiction Name	Nodal Officer's Government
27	36AABFV3596M1ZJ	VASU AGENCIES ()	Telangana	Partnership	Radha Sindhiya Commercial Taxes Department, State Govt Telangana	State Govt.
28	36AGQPA6979G1ZW	ANIL AGARWAL ()	Telangana	Prop.	Radha Sindhiya Commercial Taxes Department, State Govt Telangana	State Govt.
29	36AACFI2889M1ZT	INTRA INDUSTRIAL TECHNOLOGIES (INTRA INDUSTRIAL TECHNOLOGIES)	Telangana	Partnership	Durishetty Anudeep, Asst Commisisoner. Telangana	Central Govt.
30	09ACLPA9954G1Z9	ARUN KUMAR AGARWAL (ph garg ply house )	Uttar Pradesh	Prop.	V. Valte, Commissioner, Central GST & CE Commissionerate, Lucknow	Central Govt.
31	19AAFCR1319B1ZR	RABI ENGINEERING WORKS PRIVATE LIMITED (M/s RABI ENGINEERING WORKS PVT.LTD.)	West Bengal	Private Limited Company	Ajeet Kumar, Central Government, West Bengal	Central Govt.
32	19AABCG9063D1ZL	GOBINDA DISTRIBUTORS PVT LTD (M/s GOBINDA DISTRIBUTORS(P).LTD.)	West Bengal	Private Limited Company	Ajeet Kumar, Central Government, West Bengal	Central Govt.

**Annexure-I (B)**  
**{Cases as per Annexure-I of Additional Agenda}**

S.N o.	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer jurisdiction Name	Nodal officer's Govt.
1	24AABCA6744M1ZJ	ASSOCIATED BEARING CO PRIVATE LTD (ASSOCIATED BEARING CO. PVT. LTD.)	Gujarat	Private Limited Company	Shri S.K. Barot, Dy. Commissioner, Vadodara	State
2	23AAACM4987H1ZC	MAHINDRA STEEL SERVICE CENTRE LTD (Mahendra Steel Service Centre Ltd.)	Madhya Pradesh	Public Limited Company	Atul Saxena, Commissioner, CGST, Bhopal	Centre
3	27AABCD0503B1ZK	J P MORGAN SERVICES INDIA PRIVATE LIMITED (J.P.MORGAN SERVICES INDIA PVT LTD)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire , Dy. Commissioner of state tax, Mumbai	State
4	07AJTPP3359F1ZQ	JITENDER POPLI (JITENDER POPLI)	New Delhi	Proprietorship	Dushyant Kumar, Nodal Officer, Trade	State

S.No.	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer jurisdiction Name	Nodal officer s' Govt.
					& Taxes Department	
5	07AAIFK8689B1ZZ	KWALITY PIPE COMPANY ( KWALITY PIPE COMPANY)	New Delhi	Partnership	Dushyant Kumar, Nodal Officer, Trade & Taxes Department	State
6	33AAMCS5916J1Z1	SANGEETHA MOBILES PRIVATE LIMITED ( SANGEETHA MOBILES PRIVATE LIMITED)	Tamil Nadu	Private Limited Company	S. Ramasamy, Joint Commissioner, Chennai	State
7	33AAZPK6148A1ZM	JETHMAL KISHORE JAIN ( JETHMAL KISHORE JAIN)	Tamil Nadu	Proprietorship	S. Ramasamy, Joint Commissioner, Chennai	State
8	33BOSPR3540B1Z0	VEERAPPANARAYANAS AMY RAJA PRABHU ( VEERAPPANARAYANAS AMY RAJA PRABHU)	Tamil Nadu	Proprietorship	S. Ramasamy, Joint Commissioner, Chennai	State
9	33AADFF7889H1Z2	FRESH PRINT LLP ( FRESH PRINT LLP)	Tamil Nadu	Limited Liability Partnership	S. Ramasamy, Joint Commissioner, Chennai	State
10	33AAPFP0826N1ZW	P.S.KRISHNA TIMBER MART ( P.S.KRISHNA TIMBER MART)	Tamil Nadu	Partnership	S. Ramasamy, Joint Commissioner, Chennai	State
11	33ADWPN0562D1ZK	MAHAVEERCHAND NAVADEEP ( MAHAVEERCHAND NAVADEEP)	Tamil Nadu	Proprietorship	S. Ramasamy, Joint Commissioner, Chennai	State
12	33AAMCA0217A1ZI	ALPHA PRIME LOGISTICS & ENGINEERING PRIVATE LIMITED ( ALPHA PRIME LOGISTICS & ENGINEERING PRIVATE LIMITED)	Tamil Nadu	Private Limited Company	S. Ramasamy, Joint Commissioner, Chennai	State
13	33AHBPK3722B1Z4	KOMAL JAIN ( KOMAL JAIN)	Tamil Nadu	Proprietorship	S. Ramasamy, Joint Commissioner, Chennai	State
14	33AAACP5136B1Z1	PUDHUAARU FINANCIAL SERVICES PRIVATE LIMITED ( PUDHUAARU FINANCIAL SERVICES PRIVATE LIMITED)	Tamil Nadu	Private Limited Company	S. Ramasamy, Joint Commissioner, Chennai	State
15	33AABFV6899D1ZW	VAISHNAVI METALS ( VAISHNAVI METALS)	Tamil Nadu	Partnership	S. Ramasamy, Joint Commissioner, Chennai	State

S.No.	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer jurisdiction Name	Nodal officers' Govt.
16	33AAACI4227Q1ZF	INDIA MEDTRONIC PRIVATE LIMITED ( INDIA MEDTRONIC PRIVATE LIMITED)	Tamil Nadu	Private Limited Company	S. Ramasamy, Joint Commissioner, Chennai	State
17	33AAVFS1566N1ZG	SHUNMUGAM STORE ( SHUNMUGAM STORE)	Tamil Nadu	Partnership	S. Ramasamy, Joint Commissioner, Chennai	State
18	33AAJFN7744H1Z2	NEW SHUNMUGAM HOME APPLIANCE ( NEW SHUNMUGAM HOME APPLIANCE)	Tamil Nadu	Partnership	S. Ramasamy, Joint Commissioner, Chennai	State
19	33ABIFS0408H1ZH	SRI RAJALAKSHMI RICE & OIL MILLS ( SRI RAJALAKSHMI RICE & OIL MILLS)	Tamil Nadu	Partnership	S. Ramasamy, Joint Commissioner, Chennai	State
20	09AAECB1358H1ZQ	BOULEVARD PROJECTS PRIVATE LIMITED ( Boulevard Projects Private Limited)	Uttar Pradesh	Private Limited Company	Joint Commissioner, Commercial Taxes, Lucknow	State
21	09AADCT5318C1ZJ	THREE C PROJECTS PRIVATE LIMITED ( Three C Projects Private Limited)	Uttar Pradesh	Private Limited Company	Joint Commissioner, Commercial Taxes, Lucknow	State

**Annexure-I (B)**  
**{Cases as per Annexure-I of Additional Agenda}**

S.No.	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer jurisdiction Name	Nodal officers' Govt.
1	33AABCF1590N1ZJ	DAIMLER INDIA COMMERCIAL VEHICLES PRIVATE LIMITED ( DAIMLER INDIA COMMERCIAL VEHICLES PRIVATE LIMITED)	Tamil Nadu	Private Limited Company	S. Ramasamy, Joint Commissioner, Chennai	State

**Annexure-II (B)**  
**{Category A- Court Cases}**  
**{Cases as per Sl. No. B of Annexure-II of the Agenda}**

S.No.	GSTIN/ Provisional id	Name reported by the Taxpayer in Writ Petition	State	Constitution of business	Nodal Officer jurisdiction Name
1	07AACCF7578F7Z8	FRV Power India Pvt Ltd.	Delhi	Private Limited Company	Kuldeep Jakhar Assistant Commissioner CGST, Delhi South Commissionerate

S.No.	GSTIN/ Provisional id	Name reported by the Taxpayer in Writ Petition	State	Constitution of business	Nodal Officer jurisdiction Name
2	07AAKFA1950F1ZP	Ankur Oil and Refrigeration	Gujarat	Partnership	
3	24AAFCV4878D2Z5	Vee Gee Auto Components	Haryana	Private Limited Company	J.A Khan, Commissioner, Central Govt, Gujarat
4	06AABCS1624G2ZQ	Schneider Electric India Pvt. Ltd	Haryana	Private Limited Company	Siddhartha Bhatti, Central Government, Haryana
5	06AADCC3694E1ZR	M/s Shyam Spectra Pvt. Ltd	Haryana	Private Limited Company	
6	29AHQPM7538J1ZH	Mehta Dye Chem	Karnataka	Proprietorship	K S Basavaraj, State Govt, Karnataka
7	32AAMCS5686D2Z4	M/s Shinrai Automobiles Pvt. Ltd	Kerala	Private Limited Company	
8	27AADCS3124K1ZD	Sun Pharmaceuticals Industries Ltd.	Maharashtra	Public Limited Company	
9	26AABCS9528F1Z8	Sankhla Vinly Pvt. Ltd	Dadra and Nagar Haveli	Private Limited Company	
10	27AAECD0537A1Z9	M/s Draeger	Maharashtra	Private Limited Company	
11	27AAACC2659Q1Z6	Century Textiles and Industries Ltd	Maharashtra	Public Limited Company	Vipul Gupta, joint Commissioner, CGST & CE Commissionerate, Mumbai, Central, Maharashtra.
12	27AAACI1198L1ZA	Indusind Media Communications Ltd.	Maharashtra	Public Limited Company	
13	27AABCG2219B1Z8	Grant Investrade Ltd	Maharashtra	Public Limited Company	
14	27AABCV6662P1ZL	Varsa Plastic Industries Pvt Ltd.	Maharashtra	Private Limited Company	
15	27AAACN1252A1Z5	M/s Navnit Motors Pvt. Ltd	Maharashtra	Private Limited Company	
16	14AAEPO3010G1ZC	M/s Network Services Vs. UOI and Ors.	Manipur	Proprietorship	Gaigongdin Panmei , Commissioner CGST, Imphal
17	06AAACU8989R1Z5	M/s Ubico Network Ltd	Haryana	Private Limited Company	
18	22AAACS2791P1Z1	Sainik Mining & Allied Services Ltd.	Chhattisgarh	Public Limited Company	
19	03ARWPB5638A1Z1	Namdev Industries	Punjab	Proprietorship	
20	33AAACL3740P1ZE	LG Balakrishnan v. UOI	Tamil Nadu	Public Limited Company	
21	09AAACD9787G1Z5	M/s DP Garg and Co.Ltd. Vs. UOI and Ors	Uttar Pradesh	Private Limited Company	
22	09AGIPS4364B1ZA	M/s Century House	Uttar Pradesh	Proprietorship	
23	09AACCH3475M1Z5	Hacienda Projects Pvt. Ltd	Uttar Pradesh	Private Limited Company	
24	09AADCT7045E1ZB	M/s Three C Homes Pvt. Ltd.	Uttar Pradesh	Private Limited Company	
25	09ACDPG1600M1ZV	Balaji	Uttar Pradesh	Proprietorship	

**Annexure-II (C)**  
**{Category A- Court Cases}**  
**{Cases as per Sl. No. C of Annexure-II of the Agenda}**

- c. Trans-1 not attempted as per logs - due to Registration Issue - The taxpayer were not able to attempt TRAN1 as their Registration status is Provisional.**

S.No.	GSTIN/ Provisional id	Name reported by the Taxpayer in Writ Petition	State	Constitution of business	Nodal Officer jurisdiction Name
1	07AAFCD7621Q1Z6	Dotcom Home Fashions	Delhi	Pvt. Ltd. Company	
2	20AABFP2461R1Z6	Prakash General Agencies	Jharkhand	Partnership	

**Annexures as per Table-2**  
**ANNEXURE I (I)**  
**{Category B}**  
**{Cases as per Sl. No. I of Annexure-I of the Agenda}**

- a. Successfully Filed as Per Logs: The taxpayer has successfully filed TRAN1 and no technical errors has been found.**

S.No.	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer jurisdiction Name	Nodal Officer's Government
1	30AABFP9574F1ZA	PIONEER DISTRIBUTORS (PIONEER DISTRIBUTORS)	Goa	Partnership	Sarita S. Gadgil Dest(Nodal Officer) GST(Goa)	State Govt.
2	24AABCT6078M1ZX	TODI RAYONS PRIVATE LIMITED (Todi rayons pvt ltd)	Gujarat	Private Limited Company	P.S Kaduskar, Ce Commissionerate, Surat	Central Govt.
3	29AXIPN0760H1ZA	PRADEEP KUMAR SHARANAPPA NYMATHI (HARMONY)	Karnataka	Prop.	Basavaraj K S Joint Commissioner Of Commercial Taxes,Karnataka	State Govt.
4	29AAACW1349M1ZX	WEVIN PRIVATE LIMITED (WEVIN PRIVATE LIMITED)	Karnataka	Private Limited Company	Basavaraj K S Joint Commissioner Of Commercial Taxes,Karnataka	State Govt.
5	27AABFN1735C1ZQ	NAMRATA DEVELOPERS (NAMRATA DEVELOPERS)	Maharashtra	Partnership	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner State Govt,Mumbai	State Govt.
6	27AACCR6469H1Z0	RAJDHANI REFINARY PRIVATE LIMITED (RAJDHANI REFINERY.PVT.LTD)	Maharashtra	Private Limited Company	Shri V.N. Thete, Central Govt, Maharashtra	Central Govt.



S.No .	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer Name	Nodal Officer's Government
7	27AAECS8077J1ZS	SHAH PRECAST PRIVATE LIMITED (SHAH PRECAST PVT. LTD)	Maharashtra	Private Limited Company	Shri V.N. Thete, Central Govt, Maharashtra	Central Govt.
8	27AAACE0702C1ZH	EID PARRY INDIA LIMITED (EID Parry (India) Limited)	Maharashtra	Public Limited Company	Vandana K Jain, Commissioner Pune , Maharashtra	Central Govt.
9	27AAAFK1860E1ZO	KUSHALCHAND INDUSTRIES (KHUSHALCHAND INDUSTRIES)	Maharashtra	Partnership	Jeedimetla Division, Asst Comm, Maharashtra	Central Govt.
10	27AABCB4093N1ZC	ASHISH LIFE SCIENCE PRIVATE LIMITED (ASHISH LIFE SCIENCE PVT LTD )	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
11	27AADCI9067M1ZX	INDITRON ENTERPRISES PRIVATE LIMITED (INDITRON ENTERPRISES PVT LTD)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
12	27AAMCS8834R1Z7	SUNRISE MULTI TECH FASTENERS PRIVATE LIMITED (SUNRISE MULTITECH PVT LTD)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
13	07AAHCS5823P1ZR	SAHAI EXCLUSIVE CONTRACTS PVT (SAHAI EXCLUSIVE CONTRACTS PVT. LTD.)	New Delhi	Private Limited Company	Dushyant Kumar, Delhi, State Govt	State Govt.
14	07AABCL4474F1ZK	LIBRAL TRADERS PRIVATE LIMITED (LIBRAL TRADERS PVT. LTD.)	New Delhi	Private Limited Company	Dushyant Kumar, State Govt New Delhi	State Govt.
15	07AAGCM7473A1ZJ	MA PAPER TRADING PRIVATE LIMITED (MA PAPER TRADING PRIVATE LIMITED)	New Delhi	Private Limited Company	Dushyant Kumar, State Govt New Delhi	State Govt.
16	07AHOPK9232D2Z8	GOVIND KUMAR (BABA computers)	New Delhi	Prop.	Pramod Kumar, Commissioner, CGST East Delhi	Central Govt.
17	07AAFFE3203Q1ZD	EUFORIA RETAIL LLP (Eufوريا Retails llp.)	New Delhi	Limited Liability Partnership	Amit Kr Gupta, Asst Comm, Central Govt, Delhi East	Central Govt.

S.No.	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer jurisdiction Name	Nodal Officer's Government
18	07AAACZ8228L1ZU	4 GENIUS MINDS PRIVATE LIMITED (Genius minds pvt ltd)	New Delhi	Private Limited Company	Amit Kr Gupta, Asst Comm, Central Govt, Delhi East	Central Govt.
19	36AACCv9907G1Z2	V - RETAIL PRIVATE LIMITED ()	Telangana	Private Limited Company	Radha Sindhiya Commercial Taxes Department , State Govt Telangana	State Govt.
20	36AAUFS5784P1ZV	SHWETA COMPUTERS AND PERIPHERALS ()	Telangana	Partnership	Radha Sindhiya Commercial Taxes Department , State Govt Telangana	State Govt.
21	19AABCC2164P1ZC	CABCON INDIA LIMITED (CABCON INDIA PRIVATE LIMITED)	West Bengal	Public Limited Company	Ajeet Kumar, Central Govt, West Bengal	Central Govt.
22	19AABCM7788H1ZV	(Modern Rolling Mills (P) Ltd.)	West Bengal	Private Limited Company	R.P. Singh, Commissioner, Howrah, CGST & CE Commissionerate.	Central Govt.

**Annexure-II (E)**  
**{Category B- Court Cases}**  
**{Cases as per Sl. No. E of Annexure-II of the Agenda}**

S.No.	GSTIN/ Provisional id	Name reported by the Taxpayer in Writ Petition	State	Constitution of business	Nodal Officer's Details if sent by one	Allegations made in the Writ Petition in brief
1	25AAECA0901H1ZA	AGS Transact Technologies Ltd	Andaman & Nicobar	Public Limited Company		The Petitioner was unable to file revised TRAN-1 because of system error. The GST Portal displayed error message and Petitioner was denied access to the system.
2	06AAACM1374L1ZG	Mohan Clothing Co. Pvt. Ltd	Delhi	Private Limited Company		The Petitioner has filed GST TRAN-1 however ITC (eligible duties) has not been credited to his electronic ledger. VAT credit is reflected
3	23AACCT9354K1Z1	Takshila Real Estate Private	MP	Private Limited Company		On 27/12/2017 when the Petitioner tried to submit his DSC, emsigner services application software failed to connect and hence the Petitioner could not submit TRAN-1

S.No.	GSTIN/ Provisional id	Name reported by the Taxpayer in Writ Petition	State	Constitution of business	Nodal Officer's Details if sent by one	Allegations made in the Writ Petition in brief
4	03AADCN1028P1ZJ	M/s NFB Polymers Pvt.Ltd. Vs. UOI and Ors	Punjab	Private Limited Company		The Petitioner successfully uploaded TRAN-1 on Portal but due to unknown reason,credit of excise duty was not reflected on Portal.Therefore,petitioner is unable to carry forward its Cenvat Credit.
5	03AAIPK1266C1Z9	Super Rubber Industries	Punjab	Proprietorship		The Petitioner has been able to file his TRAN-1 however has not received credit claimed.
6	09AAACJ9978K3ZN	Jaimata Engineering Ltd	Uttar Pradesh	Public Limited Company		Petitioner has filed TRAN-1 and credit of State VAT has been reflected but the credit of CENVAT has not been reflected.
7	09AADCL0533D1ZY	Land Kart Builders	Uttar Pradesh	Private Limited Company		The Petitioner tried to revise TRAN-1 on 27.12.2017 but the same was not accepted by the portal due to technical glitch, which continued throughout the day.

#### Annexure-I (D)

#### {Category B}

#### {Cases as per Sl. No. D of Annexure-I of the Agenda}

#### b. No evidences of error or submission/filing of TRAN1 prior to due date

S.No.	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer jurisdiction Name	Nodal Officer's Government
1	18AAECP4424C2ZP	PATANJALI AYURVED LIMITED (Patanjali ayurved ltd)	Assam	Public Limited Company	R R Bangar, Commissioner, CGST, Dibrugarh Commissionerate	Central Govt.
2	24BJDPD1369J1ZE	DINESH NARANBHAI DATTANI (Dinesh Naranbhai Dattani)	Gujarat	Prop.	Superintendent System, Commissionerate, Gujarat	Central Govt.
3	06AALFT2690J1ZR	TARA CHAND SALUJA SONS & COMPANY (M/s Tara Chand Saluja Sons and Company )	Haryana	Partnership	Siddhartha Bhatti, Central Government , Haryana	Central Govt.
4	29AABFA9141P1Z0	ANNAPOORNA MOTORS (ANNAPOORNA MOTORS )	Karnataka	Partnership	Basavaraj K S Joint Commissioner Of Commercial Taxes,Karnataka	State Govt.

S.N o.	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer jurisdiction Name	Nodal Officer's Government
5	29AHMPP7667H1ZH	CHITRIKI PRASHANTH (ANAND MOTORS)	Karnataka	Prop.	Basavaraj K S Joint Commissioner Of Commercial Taxes,Karnataka	State Govt.
6	29ACIPP7138E1ZB	CHITRIKI PANCHAPPA (ANNAPOORNA AGENCIES )	Karnataka	Prop.	Basavaraj K S Joint Commissioner Of Commercial Taxes,Karnataka	State Govt.
7	27AFRPR0749B1Z9	SANJAY GANPATRAO RAJGURU (SANJAY GANPATRAO RAJGURU )	Maharashtra	Prop.	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner State Govt,Mumbai	State Govt.
8	27AGCPJ0079J1ZE	RADHESHYAM RUPAJI JARE (RADHESHAM RUPJI JARE)	Maharashtra	Prop.	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner State Govt,Mumbai	State Govt.
9	27APEPS3313P1ZH	SUBASH MADHAO SAOJI (SUBHASH MADHAV SAOJI)	Maharashtra	Prop.	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner State Govt,Mumbai	State Govt.
10	27AACAC5743P1ZB	CUT 2 CUT MOVIES (CUT 2 CUT MOVIES)	Maharashtra	Society/ Club/ Trust/ AOP	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner State Govt,Mumbai	State Govt.
11	27AAACZ3924H1Z8	ZUARI AGRO CHEMICALS LIMITED (ZUARI AGRO CHEMICALS LTD.)	Maharashtra	Public Limited Company	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner State Govt,Mumbai	State Govt.
12	27AAACE7389R1ZP	EKBOTE'S LOGS AND LUMBERS (P) LTD (Ekbote's Logs & Lumbers Pvt.Ltd)	Maharashtra	Private Limited Company	Vandana K Jain, Commissioner Pune , Maharashtra	Central Govt.
13	27BMDPS8441R1Z4	IMRAN SHAKEEL SHAIKH (SKYS AUTOMOBILE)	Maharashtra	Prop.	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.

S.No.	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer jurisdiction Name	Nodal Officer's Government
14	27AABCS4712P1Z1	SUPER CASSETTES INDUSTRIES PRIVATE LIMITED (SUPER CASSETTES INDUSTRIES PRIVATE LIMITED)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
15	27AHDPS4246A1ZK	MUKESH SOBHAGCHAND SAVADIA (MUKESH SOBHAGCHAND SAVDIA)	Maharashtra	Prop.	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
16	27ABKPS8335H1Z5	KETAN MUKESHBHAI SAVADIA (KETAN MUKESHBHAI SAVADIA)	Maharashtra	Prop.	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
17	27AAJCA0858J1ZG	ARIHANT AASHIYANA PRIVATE LIMITED (ARIHANT ASHIANA PRIVATE LTD)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
18	27AAHCA4707G1ZT	ARIHANT VATIKA REALTY PRIVATE LIMITED ( Arihant Vatika Realty Pvt. Ltd.)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
19	27ABLPS7199C1Z2	VIJAYKUMAR RAMNATH SOMANI (VIJAY AGRO CENTER)	Maharashtra	Prop.	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner Mumbai	State Govt.
20	27AYOPS9374D1ZP	CHAYA MAHENDRA SHETH (CHAYA MAHENDRA SHETH (NEPTUNE POLYMERS))	Maharashtra	Prop.	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
21	27AAMCA9007C1ZT	ALEOS SOLUTIONS & SERVICES PRIVATE LIMITED (ALEOS SOLUTIONS & SERVICES PRIVATE LIMITED)	Maharashtra	Private Limited Company	Vipul Gupta, Joint Commissioner, CGST & CE, Mumbai	Central Govt.

S.No.	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer jurisdiction Name	Nodal Officer's Government
22	27ARWPP9667K1ZF	BHAVISHA DEVENDRA PAREKH (BHAVESHA INTERNATIONAL)	Maharashtra	Prop.	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner Mumbai	State Govt.
23	27AACCN8311Q1Z0	NARSI INTERIOR INFRASTRUCTURES PRIVATE LIMITED (NARSI INTERIOR INFRASTRUCTURE PVT LTD)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner Mumbai	State Govt.
24	07AADCC2405P1ZN	CHOGORI INDIA RETAIL LIMITED (CHOGORI INDIA RETAIL LIMITED)	New Delhi	Private Limited Company	Dushyant Kumar, State Govt New Delhi	State Govt.
25	07AAACR7638C1ZH	RTC RESTAURANTS INDIA LIMITED (RTC RESTAURANTS INDIA LTD)	New Delhi	Public Limited Company	Dushyant Kumar, State Govt New Delhi	State Govt.
26	07AAAFS6606E1ZG	SUPER INDIA PAPER PRODUCTS (SUPER INDIA PAPER PRODUCTS)	New Delhi	Partnership	Dushyant Kumar, State Govt New Delhi	State Govt.
27	07AACCB8721G1ZT	BDG INTERNATIONAL (INDIA) PRIVATE LIMITED (B.D.G INTERNATIONAL INDIA PVT LTD)	New Delhi	Private Limited Company	Dushyant Kumar, State Govt New Delhi	State Govt.
28	04AACFN4535F1ZN	NEW INDIA TRADING AND INDUSTRIAL CORPORATION (NEW INDIA TRADING AND INDUSTRIAL CORPORATION)	Chandigarh	Partnership	Excise and Taxation Officer Excise And Taxation Department Chandigarh	Union territory
29	08AABCS1848L1Z2	ARIHANT SUPERSTRUCTURES LIMITED (ARIHANT SUPERSTRUCTURE LTD.)	Rajasthan	Public Limited Company	Jitendra P Nawal. Superintendent, Comm. Admin-GST CGST Commissionerate, Jodhpur	Central Govt.
30	36GPVPS0678E1Z4	SEVAKULA SURESH BABU ()	Telangana	Proprietorship	Radha Sindhiya Commercial Taxes Department, State Govt Telangana	State Govt.

S.N o.	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer jurisdiction Name	Nodal Officer's Government
31	36ACIP19629P1ZS	BALAKOTESWAR A RAO IVATURI ()	Telangana	Proprietorship	Radha Sindhiya Commercial Taxes Department , State Govt Telangana	State Govt.
32	36AAFFB1371G1ZR	SRI BHEEMESHWAR A PHARMA ()	Telangana	Partnership	Radha Sindhiya Commercial Taxes Department , State Govt Telangana	State Govt.
33	36AACFV0668B1ZE	VENKATA SAI AGENCIES ()	Telangana	Partnership	Radha Sindhiya Commercial Taxes Department , State Govt Telangana	State Govt.
34	36AAGFV1787M1ZH	VASU VACCINES AND SPECIALITY DRUGS ()	Telangana	Partnership	Radha Sindhiya Commercial Taxes Department , State Govt Telangana	State Govt.
35	36AACFV3660M1ZT	VASU PHARMA DISTRIBUTORS ()	Telangana	Partnership	Radha Sindhiya Commercial Taxes Department , State Govt Telangana	State Govt.
36	36AGQPS1764D2Z2	SURENDER MOTILAL SURANA ()	Telangana	Prop.	Radha Sindhiya Commercial Taxes Department , State Govt Telangana	State Govt.
37	09ABIPA0891J1ZL	AMIT KUMAR AGRWAL (M/S GOOD TECH COMPONENTS)	Uttar Pradesh	Prop.	Joint Commissioner (I.T.) Commercial Taxes , State Govt, Head Quarter Uttar Pradesh, Lucknow	State Govt.
38	09AGUPA4343G1ZB	RANJANA AGARWAL (M/S BEST WALL INDIA)	Uttar Pradesh	Prop.	Joint Commissioner (I.T.) Commercial Taxes , State Govt, Head Quarter Uttar Pradesh, Lucknow	State Govt.

**Annexure-II (D)**  
**{Category B- Court Cases}**  
**{Cases as per Sl. No. D of Annexure-II of the Agenda}**

S.No.	GSTIN/ Provisional id	Name reported by the Taxpayer in Writ Petition	State	Constitu tion of Business	Nodal Officer jurisdiction Name	Allegations made in the Writ Petition in brief
1	07ADQPA9636B1ZL	Aman Motors	Delhi	Proprieto rship		In Annexure P-2 of the Writ Petition (email to help-desk) the Petitioner has mentioned that they couldn't file TRAN-1 form due to confusion of last date. They tried to upload the same on 28.12.2017 but could not do so.
2	07AAACB3239P1ZH	Benlon India Ltd.	Delhi	Public Limited Compan y		The Petitioner was not able to upload its claim for credit on input in for GST TRAN-1 on account of failure of system to accept the information on the GST Portal.
3	07AAGFT8271N1ZH	Tara chand saluja & sons	Delhi	Partnersh ip		The Petitioner could not save its TRAN-1 on the Portal
4	06AAACB3239P1ZJ	Benlon India Ltd.	Haryana	Unlimite d Compan y		The Petitioner was not able to upload its claim for credit on input in GST TRAN-1 on account of failure of system to accept the information on the GST Portal.
5	36AABCP6265A1ZO	M/s PKL Ltd.	Telangana	Private Limited Compan y		The Petitioner has alleged that the TRAN-1 functionality was closed on 28.12.2017 contrary to the press release of GST Council which provided 31.12.2017 to be last date for filing TRAN-1. The Petitioner did not upload some F forms which were to be uploaded in TRAN-1.
6	36AALCA1s387Q1ZZ	Ayyanna Infra Pvt Ltd	Telangana	Private Limited Compan y		The Petitioner has alleged that the TRAN-1 functionality was closed on 28.12.2017 contrary to the press release of GST Council which provided 31.12.2017 to be last date for filing TRAN-1. The Petitioner was unable to file TRAN-1 on 27.12.2017 despite making several attempts.
7	20AARFK6985F1ZZ	M/s Kheriwal Enterprises	Jharkhand	Partnersh ip		The petitioner was unable to submit FORM GST TRAN-1



S.No.	GSTIN/ Provisional id	Name reported by the Taxpayer in Writ Petition	State	Constitu tion of Business	Nodal Officer jurisdiction Name	Allegations made in the Writ Petition in brief
						due to captcha code error in GST portal As a result the Petitioner could not avail its ITC in respect of closing stock amounting Rs. 65,10,915.30
8	32AAACM5167B1ZZ	M.G. Shahani & Co.	Kerala	Private Limited Company		The petitioner tried to upload GST TRAN-1 however was unable to do so. The Petitioner is also challenging the fact that TRAN-1 filing facility was closed on 27.12.2017
9	32AANFR6282N1ZK	E.V. Radha Krishnan Kurup	Kerala	Partnership		The Petitioner could not submit TRAN-1 due to technical glitches
10	32AAGFN9899L1ZE	G. Vinod	Kerala	Partnership		The Petitioner could not submit TRAN-1 due to technical glitches
11	19ADPPG4174P1ZR	Mrinal Ghosh	West Bengal	Proprietorship		The Petitioner was not able to upload GST TRAN-1 because of system failure.
12	27AAACT1983C1ZH	Nelco Ltd.	Maharashtra	Private Limited Company		The petitioner could not file TRAN-1 on 27.12.2017 due to system error of GST portal.
13	03AABCA2250N1Z0	M/s Anaesthetic Gases Pvt. Ltd.	Punjab	Private Limited Company		The Petitioner could not submit their revised TRAN-1 due to technical glitches.
14	03ACIFS8018G1Z6	Sanchit Trading Company	Punjab	Partnership	Pawan Garg, State Govt, Punjab	The Petitioner has filed GST TRAN-1 however ITC has not been credited to his electronic ledger
15	03ACDPS4202M2ZQ	M/s Universal Motors	Punjab	Proprietorship		The Petitioner could not file TRAN-1 because of technical glitches.
16	04AABFM2816M1ZE	M/s Modern Motor Works	Chandigarh	Partnership		The Petitioner has filed the GST TRAN-01 Form to claim credit of eligible duties paid on inputs held in stock as on 30.06.20217. But due to technical glitch in the system of GST portal, the information was not uploaded.
17	34AAHCP7473N1ZR	Pothys Private Limited, Puducherry	Puducherry	Private Limited Company		The Petitioner couldn't file his TRAN-1 because the following messages were displayed i. Please verify GSTIN and other details in macro.

S.No.	GSTIN/ Provisional id	Name reported by the Taxpayer in Writ Petition	State	Constitu tion of Business	Nodal Officer jurisdiction Name	Allegations made in the Writ Petition in brief
						Ii. Some upload records are in progress. Kindly submit once it is processed
18	33AABFP2448N1Z4	Pothys Matchings, Tirunelveli	Tamil Nadu	Partnersh ip		The Petitioner couldn't file his TRAN-1 because the following messages were displayed i. Please verify GSTIN and other details in macro. Ii. Some upload records are in progress. Kindly submit once it is processed
19	33AAFFP2437B1ZS	Pothys, T,Nagar, Chennai	Tamil Nadu	Partnersh ip		The Petitioner couldn't file his TRAN-1 because the following messages were displayed i. Please verify GSTIN and other details in macro. Ii. Some upload records are in progress. Kindly submit once it is processed
20	33AABFP2450N1ZA	Pothys Tirunelveli	Tamil Nadu	Partnersh ip		The Petitioner couldn't file his TRAN-1 because the following messages were displayed i. Please verify GSTIN and other details in macro. Ii. Some upload records are in progress. Kindly submit once it is processed
21	33AABFP2449P1ZZ	Pothys Tetxiles, Tirunelveli	Tamil Nadu	Partnersh ip		The Petitioner couldn't file his TRAN-1 because the following messages were displayed i. Please verify GSTIN and other details in macro. Ii. Some upload records are in progress. Kindly submit once it is processed
22	33AAHCP7473N1ZT	Pothys Private Limited, T.Nagar	Tamil Nadu	Private Limited Compan y		The Petitioner couldn't file his TRAN-1 because the following messages were displayed i. Please verify GSTIN and other details in macro. Ii. Some upload records are in progress. Kindly submit once it is processed
23	33AABFP2446C1ZT	Pothys Fabrics, Tirunelveli	Tamil Nadu	Partnersh ip		The Petitioner couldn't file his TRAN-1 because the following messages were displayed

S.No.	GSTIN/ Provisional id	Name reported by the Taxpayer in Writ Petition	State	Constitution of Business	Nodal Officer jurisdiction Name	Allegations made in the Writ Petition in brief
						i. Please verify GSTIN and other details in macro. Ii. Some upload records are in progress. Kindly submit once it is processed
24	33AABFP2447D1ZQ	Pothys Garments, Tirunelveli	Tamil Nadu	Partnership		The Petitioner couldn't file his TRAN-1 because the following messages were displayed i. Please verify GSTIN and other details in macro. Ii. Some upload records are in progress. Kindly submit once it is processed
25	09AAUPK8236C1ZD	M/s Mahalaxmi Dal Mills vs. UOI and Ors	Uttar Pradesh	Proprietorship		The petitioner had tried to file TRAN-1 on GST Portal on 27.12.2017 for carrying forward VAT credit balance amounting Rs. 4,18,066 which was shown as closing balance in the return of VAT filed for the month of June 2017, but when the Petitioner was trying to file its return the GST portal stopped.
26	09AARPC1511F1Z2	M/s Priya Products	Uttar Pradesh	Proprietorship		The Petitioner tried to file TRAN-1 on the GST Portal on 27.12.2017 but could not file TRAN-1.
27	09AGYPK8576F1ZG	GA Timbre and Plywood Sales	Uttar Pradesh	Proprietorship		The Petitioner tried to submit its GST TRAN-1 online on 27.12.2017 however was unable to file it due to technical glitches
28	09AAFFG0398C1ZI	M/s Golden Trading Agencies	Uttar Pradesh	Partnership		The Petitioner could not submit TRAN-1 due to technical glitches.
29	09ACUFS3366D1ZN	Shree Shyam Photo Store Vs. UoI and Ors.	Uttar Pradesh	Partnership		The Petitioner could not file TRAN-1 on 27.12.2017 due to technical error in GST Portal. The GST System displayed following error message: "Some uploaded records are in progress, kindly submit once it is processed"
30	09AAACX0120H1ZQ	Xpro India Limited Vs. UOI and Ors.	Uttar Pradesh	Public Limited Company		The Petitioner could not file its return in FORM TRAN -1 on GST portal on 27.12.2017 due to technical glitches .

**Annexure-I (G)**  
**{Category B}**  
**{Cases as per Sl. No. G of Annexure-I of the Agenda}**

**c. Not made or made incorrect declaration of stock**

S.No.	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer jurisdiction Name	Nodal Officer's Government
1	24AAFFM6560N1ZX	NETCOMM INFOSYS (Netcom Infosys )	Gujarat	Partnership	P.S Kaduskar, Ce Commissionerate, Surat	Central Govt.
2	27AAGFK8236J1ZZ	KRUSHI SEVA KENDRA (Krishi Seva Kendra Warud)	Maharashtra	Partnership	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner Mumbai	State Govt.

**Annexure-I (H)**  
**{Category B}**  
**{Cases as per Sl. No. H of Annexure-I of the Agenda}**

**d. Downward revision of distributed credit in table 8 of TRAN-1**

S.No.	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer jurisdiction Name	Nodal Officer's Government
1	06AAACC0642F1ZA	CLIX CAPITAL SERVICES PRIVATE LIMITED (CLIX CAPITAL SERVICES PRIVATE LIMITED)	Haryana	Private Limited Company	Siddhartha Bhatti, Central Govt, Haryana	Central Govt.
2	27AAACS9788E1ZV	SIEMENS TECHNOLOGY AND SERVICES PRIVATE LIMITED (SIEMENS TECHNOLOGY AND SERVICES PRIVATE LIMITED)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.

**Annexure-I (E)**  
**{Category B}**  
**{Cases as per Sl. No. E of Annexure-I of the Agenda}**

**e. TRAN-I Filed twice, but credit not received**

<b>S.No .</b>	<b>GSTIN/ Provisional id</b>	<b>Legal Name (Name reported by the Nodal Officer is in brackets)</b>	<b>State</b>	<b>Constitution of business</b>	<b>Nodal Officer jurisdiction Name</b>	<b>Nodal Officer's Government</b>
1	06AAFCA8233R1Z7	CONQUERENT CONTROL SYSTEMS PRIVATE LIMITED (Conquerent Control Systems Pvt. Ltd.)	Haryana	Private Limited Company	Nodal Officer IT, Haryana	State Govt.
2	06AADPM6422B1Z8	DEEPAK MINDA (SONAKSHI INDUSTRIES)	Haryana	Prop.	Nodal Officer IT, Haryana	State Govt.
3	29AACCR6373A1ZF	RAJAMANE AND HEGDE SERVICES PRIVATE LIMITED (RAJAMANE AND HEGDE SERVICES PRIVATE LTD)	Karnataka	Private Limited Company	Basavaraj K S Joint Commissioner Of Commercial Taxes,Karnataka	State Govt.
4	27AAIFR2662P1ZK	RR INSULATORS (RR INSULATORS)	Maharashtra	Partnership	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
5	27AAHCP2295C1ZF	PLATINUM REALTY AND INFRASTRUCTURE PRIVATE LIMITED (PLATINUM REALTY AND INFRASTRUCTURE PRIVATE LIMITED)	Maharashtra	Private Limited Company	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
6	27AASPJ6484B1ZE	MONIKA SUJEET JAGDHANE (Satara Communication)	Maharashtra	Prop.	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner Mumbai	State Govt.

**Annexure-II (G)**  
**{Category B- Court Cases}**  
**{Cases as per Sl. No. G of Annexure-II of the Agenda}**

S.No.	GSTIN/ Provisional id	Name reported by the Taxpayer in Writ Petition	State	Constitution of business	Nodal Officer's Details if sent by one	Allegations made in the Writ Petition in brief
1	07AANPB3551G1ZX	M/s Bhargava Motors v. UOI	Delhi	Proprietorship		The Petitioner has stated that he has filed TRAN-1 but has not received credit he claimed for.
2	36AAACE4540L1ZN	M/s Elegant Chemical Enterprises Limited	Telangana	Private Limited Company		The Petitioner has alleged that the TRAN-1 functionality was closed on 28.12.2017 contrary to the press release of GST Council which provided 31.12.2017 to be last date for filing TRAN-1. The Petitioner had filed his TRAN-1 on 28.09.2017. Thereafter he revised his TRAN-1 on 16.12.2017 but he again found out certain errors in the form and tried to revise TRAN-1 for the third time but was unable to do so.
3	27AGNPM3626P1ZP	Gayatri Agro Agency	Maharashtra	Proprietorship		The Petitioner did not receive VAT credit and it was shown under the heading of pending invoices.
4	23AAACJ6716F2ZV	J.K. Tyers and Industries Ltd.Vs GSTC and Ors.	Madhya Pradesh	Public Limited Company		The Petitioner could not revise TRAN-1. The Petitioner filed its TRAN-1 on 20/12/2017 (AA231217013359G). The Petitioner tried to revise its TRAN-1 on 26/12/2017 but could not revise because revise/re-open option was not available.
5	03AAMHM3493H1Z1	M/s Utility Marketing	Punjab	Hindu Undivided Family		The amount of tax of Rs. 479955 available with the Petitioner was filled by the Petitioner Column 7d instead of Column 7c. The input is not reflected in the Credit Ledger of the taxpayer.

S.No.	GSTIN/ Provisional id	Name reported by the Taxpayer in Writ Petition	State	Constitution of business	Nodal Officer's Details if sent by one	Allegations made in the Writ Petition in brief
6	33AACCG2983R1Z2	Gurudev Motors Pvt. Ltd. v. GSTN & Anr	Tamil Nadu	Private Limited Company		The Petitioner tried to revise TRAN-1 on 27.12.2017 but the Petitioner could not do so because of technical glitches.
7	09ALFPK7573G1ZR	Vihan Motors	Uttar Pradesh	Proprietorship		Part credit not received by the Petitioner.

**Annexure-I (C)**  
**{Category B}**  
**{Cases as per Sl. No. C of Annexure-I of the Agenda}**

**f. TRAN-1 filed but credit not received**

S.No.	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer jurisdiction Name	Nodal Officer's Government
1	06AFQPJ2871K1Z0	SUDARSHAN JAIN (Sudarshan Jain)	Haryana	Prop.	Nodal Officer IT, Haryana	State Govt.
2	27AAIPT7443E1ZF	PRASHANT BALASHEB THORAT (PRASHANT BALASO THORAT)	Maharashtra	Prop.	Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
3	27ABGPD5572M1ZC	SHEETALKUMAR MAHAVEER DOSHI (PARSHWA INTERSTATE)	Maharashtra	Prop.	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner Mumbai	State Govt.
4	27ABGPD5527Q1Z9	MADHAV YASHWANT DHAIGUDE (AJINKYA MEDICALS)	Maharashtra	Prop.	Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner Mumbai	State Govt.
5	36AABFU9842K1ZN	UNISTYLE CORPORATION ()	Telangana	Partnership	Radha Sindhiya Commercial Taxes Department, State Govt Telangana	State Govt.
6	19ALKPS1347P1ZA	PRADEEP KUMAR SANGANERIA (M/s AMRIT ENTERPRISES)	West Bengal	Prop.	Ajeet Kumar, Central Govt, West Bengal	Central Govt.

**Annexure-II (F)**  
**{Category B- Court Cases}**  
**{Cases as per Sl. No. F of Annexure-II of the Agenda}**

S.No.	GSTIN/ Provisional id	Name reported by the Taxpayer in Writ Petition	State	Constitution of business	Nodal Officer's Details if sent by one	Allegations made in the Writ Petition in brief
1	03AHMPG4978Q1ZL	Kay Ess Surgico	Punjab	Proprietorship		The Petitioner filled amount of VAT in column 7d instead of 7c. The VAT credit is not reflected in the Credit Ledger of the taxpayer.

**Annexure-I (F)**  
**{Category B}**  
**{Cases as per Sl. No. F of Annexure-I of the Agenda}**

**g. No system log evidences-Incorrect GSTIN**

S.No.	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of business	Nodal Officer jurisdiction Name	Nodal Officer's Government
1	29AAACA03511F1ZS	(ORGANICA AROMATICS PVT LTD)	Karnataka		K S Basavaraj, State Govt, Karnataka	State Govt.
2	27ABCV9900A1ZL	(VARADHASTA PLASTICS & PACKING PVT LTD.)	Maharashtra		Dr. Sunil Bodhgire Nodal Officer, Deputy Commissioner State Govt,Mumbai	State Govt.
3	27AADCF6516A1Z3	(FEDEX EXPRESS TRANSPORTATION AND SUPPLY CHAIN SERVICE INDIA PRIVATE LIMITED)	Maharashtra		Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
4	27AACCD3013FEM002	(DYNAMIC FLOW PRODUCTS PVT LTD)	Maharashtra		Dr. Sunil Bodhgire State Nodal Officer, Deputy Commissioner Mumbai	State Govt.
5	09AGIPS5757L1ZG	(Trilochan Singh)	Uttar Pradesh		Joint Commissioner (I.T.) Commercial Taxes, Head Quarter Uttar Pradesh, Lucknow	State Govt.



**Annexure-I (J)**  
**{Category B}**  
**{Cases as per Sl. No. J of Annexure-I of the Agenda}**

**h. Filing of TRAN-1 after due date: As per GST system logs the taxpayer has attempted to save on 28th Dec 2018.**

S.No.	GSTIN/ Provisional id	Legal Name (Name reported by the Nodal Officer is in brackets)	State	Constitution of businesses	Nodal Officer jurisdiction Name	Nodal Officer's Government
1	30AABCA7589A1Z2	AAKAASH MANUFACTURING COMPANY PRIVATE LIMITED (AAKAASH MANUFACTURING COMPANY PRIVATE LIMITED)	Goa	Private Limited Company	Sarita. S Gadgil, Deputy Commissioner Of State Taxes. Goa	State Govt.

**TRAN-2 CASES**

**Annexure I to Agenda 2 (Category A)**

**A. While processing the TRAN 2 file by backend processes, the software code written to persist data in main database encountered an error and status of records were not updated properly. This scenario was observed when data base was not responding or when it had reached maximum connections i.e. when data base load was high.**

Sr. No	GSTIN	STATE	REG_NAM	TRADE_NAM	Jurisdictional Authority
1	37AALFB2410L1ZI	Andhra Pradesh	BALAJI ASSOCIATES	BALAJI ASSOCIATES	STATE
2	18ACRPR4029F1Z9	Assam	AMALENDU ROY	SREE RAMKRISHNA FILLING STATION	CENTRE
3	18AAKFB4943R2ZO	Assam	BIMAL AUTO AGENCY	M/S BIMAL AUTO AGENCY	CENTRE
4	18AAJFR0357A1ZH	Assam	ROYAL MARKETING	ROYAL MARKETING	CENTRE
5	18AAGHA2038E1ZR	Assam	ABHISHEK AND COMPANY	COMMERCIAL MARKETING HOUSE	STATE
6	18AHCPB5672J1ZA	Assam	MANOJ KUMAR AGARWAL	RAJASTHAN LIME UDYOG	STATE
7	18AFQPP4004E1ZH	Assam	VISHAL PODDAR	IMAGES INDIA	STATE
8	18ADEPA7637A1ZZ	Assam	AMIT AGARWAL	SUNRISE AGENCIES	CENTRE
9	18ABVPJ4928N1ZQ	Assam	AJAY KUMAR JOGANI	M/S MOD ISLAND	STATE
10	18AACFR3532L1Z2	Assam	RAM LALL TANSUKHRAI	RAM LALL TANSUKHRAI	STATE

Sr. No	GSTIN	STATE	REG_NAM	TRADE_NAM	Jurisdictional Authority
11	18AAACW1988L1ZP	Assam	WILDCRAFT INDIA PRIVATE LIMITED	WILDCRAFT INDIA PRIVATE LIMITED	STATE
12	18AAACB3754B1Z3	Assam	CAVINKARE PRIVATE LIMITED	CAVINKARE PVT LTD	STATE
13	10ADBPA0921A1Z1	Bihar	RANJEET AGRAWAL	ANAND STEEL	CENTRE
14	10AOHPS3537H1Z2	Bihar	BINAY KUMAR SINGH	SHRI OM AUTOMOBILES	STATE
15	10AICPK8023D1Z0	Bihar	RANJEET KUMAR	RAJ ENTERPRISES	STATE
16	10AAACW1988L1Z5	Bihar	WILDCRAFT INDIA PRIVATE LIMITED	M/S WILDCRAFT INDIA PRIVATE LIMITED	STATE
17	04AACCE4248H1ZW	Chandigarh	ENERGY EFFICIENCY SERVICES LIMITED	ENERGY EFFICIENCY SERVICES LIMITED	STATE
18	22AAXFS2085A1Z8	Chhattisgarh	S V S PHARMACEUTICAL DISTRIBUTORS	S V S PHARMACEUTICAL DISTRIBUTORS	CENTRE
19	22AMXPK0901H1Z7	Chhattisgarh	GURJEET SINGH KHANUJA	NAVRANG SERVICES	STATE
20	22AKNPJ4491R1ZG	Chhattisgarh	PRADEEP KUMAR JAISWAL	PRADEEP KUMAR JAISWAL	STATE
21	22AAMCS7467E1Z5	Chhattisgarh	BHR COMMUNICATION PRIVATE LIMITED	BHR COMMUNICATION PRIVATE LIMITED	STATE
22	22AAIHM4896E1Z2	Chhattisgarh	MANISH RATHI HUF	MANISH MARKETING CO	CENTRE
23	22AADCP0218M1ZP	Chhattisgarh	PRESTON INDIA PRIVATE LIMITED	PRESTON INDIA PRIVATE LIMITED	STATE
24	22AABFD7337E1ZW	Chhattisgarh	DEEPSHIKHA ENTERPRISES	DEEPSHIKHA ENTERPRISES	STATE
25	22AAACN4538P1Z9	Chhattisgarh	PIRAMAL ENTERPRISES LIMITED	PIRAMAL ENTERPRISES LIMITED	STATE
26	07AAACB3487H1ZO	Delhi	BERRYSON (INDIA) PVT LTD	BERRYSON (INDIA) PRIVATE LIMITED	CENTRE
27	07AAACI6297A1ZP	Delhi	AKZO NOBEL INDIA LIMITED	AKZO NOBEL INDIA LIMITED	CENTRE
28	07AAACN4538P1Z1	Delhi	PIRAMAL ENTERPRISES LIMITED	PIRAMAL ENTERPRISES LTD.	CENTRE
29	07AAAFK9068L1ZV	Delhi	KAPOOR PLASTIC WORKS	KAPOOR PLASTIC WORKS	CENTRE
30	07AAAFM7803M1Z4	Delhi	M/S GANDHI ELECTRICALS & ELECTRONICS	GANDHI ELECTRICALS & ELECTRONICS	CENTRE
31	07AAAPK5454A1Z7	Delhi	KULDEEP KHERA	S. S. Khera & Co	CENTRE

Sr. No	GSTIN	STATE	REG_NAM	TRADE_NAM	Jurisdictional Authority
32	07AABCI5529C1ZV	Delhi	IKON RETAIL PRIVATE LIMITED	LATIN QUARTERS	STATE
33	07AACCP8575C1ZB	Delhi	PANCHANAN INTERNATIONAL PRIVATE LIMITED	PANCHANAN INTERNATIONAL PRIVATE LIMITED	STATE
34	07AACCR7039P1ZT	Delhi	RX INFOTECH PRIVATE LIMITED	RX INFOTECH PRIVATE LIMITED	STATE
35	07AADCA5784D1ZQ	Delhi	AGILE CYBER SYSTEMS PRIVATE LIMITED	AGILE CYBER SYSTEMS PVT. LTD.	STATE
36	07AADCE2199Q1Z0	Delhi	EDGE INFOTEL PRIVATE LIMITED	EDGE INFOTEL (P) LTD.	CENTRE
37	07AADCH4732L1ZG	Delhi	HAICHENG VIVO MOBILE INDIA PRIVATE LIMITED	Haicheng vivo Mobile (India) Private Limited	STATE
38	07AAECA6421C1Z7	Delhi	AVS DECOR PRIVATE LIMITED	AVS Decor Private Limited	CENTRE
39	07AAFDP0768D1Z4	Delhi	RAJESH DUA	RAJESH HARDWARE SOLUTIONS	STATE
40	07AAGFG0382H1ZJ	Delhi	GURUKRIPA FURNITURES	GURUKRIPA FURNITURES	STATE
41	07AAGPG2423H1Z4	Delhi	MANOJ GUPTA	TANISHKA ENTERPRISES	STATE
42	07AAHCP8212F1ZI	Delhi	PURPLE UNITED SALES PRIVATE LIMITED	PURPLE UNITED SALES PRIVATE LIMITED	CENTRE
43	07AAHPJ5931E1ZV	Delhi	VIPUL KUMAR JAIN	Metal Components & Suppliers	STATE
44	07AAIPA5183C1Z3	Delhi	JAIDEEP ARORA	SMART SOLUTIONS	CENTRE
45	07ABCFS2906A1ZP	Delhi	SHREE SURAT SINGH AND SONS	SHREE SURAT SINGH & SONS	CENTRE
46	07ADVDP2028D1ZT	Delhi	RAKESH KUMAR DHINGRA	DURGE TRADERS	STATE
47	07AFVPG8611D1ZD	Delhi	RAJ RANI GARG	Garg Agency	STATE
48	07AHDPG5705E1ZS	Delhi	PANKAJ GOYAL	MEHAK ENTERPRISES	STATE
49	07AHOPP7427K1ZO	Delhi	KANWAR PAL	SURYA EXPORT	STATE
50	07AHWPG3066F1Z5	Delhi	KRISHAN KUMAR GUPTA	SELECTION SHOPPE	CENTRE
51	07CPRPS4984P1ZH	Delhi	GAURAV SONI	HARRIOM ELECTRONICS	STATE

Sr. No	GSTIN	STATE	REG_NAM	TRADE_NAM	Jurisdictional Authority
52	07AADCH8839A1ZN	Delhi	HOTSPOT SALES & SOLUTIONS PRIVATE LIMITED	HOTSPOT SALES & SOLUTIONS PRIVATE LIMITED	CENTRE
53	07AACCO1231C1Z5	Delhi	ORTHO CLINICAL DIAGNOSTICS INDIA PRIVATE LIMITED	ORTHO CLINICAL DIAGNOSTICS INDIA PRIVATE LIMITED	CENTRE
54	07EJSPS1771P1Z3	Delhi	DIVYANSHU SRIVASTAV	RAKSHA ENTERPRISES	STATE
55	07AACCJ5428N1Z8	Delhi	JAIN DIAGNOSTIC PRIVATE LIMITED	JAIN DIAGNOSTICS PVT LTD.	STATE
56	07AAECR4018E1ZP	Delhi	GRAVITY GADGETS INDIA PRIVATE LIMITED	GRAVITY GADGETS INDIA PRIVATE LIMITED	CENTRE
57	07AAXFA6162E1Z8	Delhi	ACE COLOR	ACE COLOR	STATE
58	07AIKPS9886L1Z1	Delhi	GEETA SACHDEVA	PUNJAB SHOE CO	STATE
59	07AIWPA5638A1ZC	Delhi	JATINDER SINGH ANAND	JATINDER SINGH ANAND	STATE
60	30AADFA2432P1ZR	Goa	AGARWAL BUSINESS HOUSE	AGARWAL BUSINESS HOUSE	STATE
61	30AAFFS4541R1ZX	Goa	SOUVENIR MARKETING CORPORATION	SOUVENIR MARKETING CORPORATION	STATE
62	30AAGCM5933R1Z2	Goa	MANIPAL HEALTH ENTERPRISES PRIVATE LIMITED	MANIPAL HEALTH ENTERPRISES PVT LTD	STATE
63	24AAHFB1489R1ZW	Gujarat	B 7 MORE	B MORE	STATE
64	24AADFM2065Q2Z0	Gujarat	MUKESH FERTILIZERS	MUKESH FERTILIZARS	STATE
65	24AAGFH7672D1ZF	Gujarat	HEMANT TYRE SHOP	HEMANT TYRE SHOP	STATE
66	24AADFA2432P1ZK	Gujarat	AGARWAL BUSINESS HOUSE	AGARWAL BUSINESS HOUSE	CENTRE
67	24AALFJ0877H1Z7	Gujarat	JRV RETAIL LLP	JRV RETAIL LLP	STATE
68	24AAGFJ4201N2ZG	Gujarat	JAY KAY AUTOMOTIVE	JAY KAY AUTOMOTIVE	CENTRE
69	24AAFFE7489N1ZR	Gujarat	ENGYLUBE INDIA INC	ENGYLUBE INDIA INC	STATE
70	24BFRPS3324E1ZE	Gujarat	VIRANG JAYENDRABHAI SHAH	TOYCRA	CENTRE
71	24AXQPS9124E1Z5	Gujarat	MUKESHKUMAR PRAVINKUMAR SHAH	SONA MAHOR	STATE
72	24ANGPS7797B1ZM	Gujarat	DILESHKUMAR PRAVINCHANDRA SHAH	SUVARNA MOTI JEWELLERS	STATE

Sr. No	GSTIN	STATE	REG_NAM	TRADE_NAM	Jurisdictional Authority
73	24AMRPK5237A1Z8	Gujarat	GEETA NARENDRA KHIANI	G.N.PLASTIC	STATE
74	24ALQPS4184C1ZV	Gujarat	JATINBHAI MANHARLAL SHAH	THERAPEUTIC DISTIBRUTOR	CENTRE
75	24ACYPP7461J1ZS	Gujarat	AMRUTLAL MADHAVJIBHAI PATEL	LABH ENTERPRISE	STATE
76	24ACFPB5708F1Z4	Gujarat	BABUKUTTY	UNITRADE INDIA	STATE
77	24AAGFS5475H1ZZ	Gujarat	SHREE TEXTILE	SHREE TEXTILES	CENTRE
78	24AABCA9336P1ZB	Gujarat	AMIYODAYA PETROCHEM PRODUCTS PVT. LTD.	AMIYODAYA PETROCHEM PRODUCT PVT. LTD.	CENTRE
79	24AAACN6932H1ZK	Gujarat	NACL INDUSTRIES LIMITED	NACL INDUSTRIES LIMITED	CENTRE
80	24AAACB1549G1Z3	Gujarat	BLUE CROSS LABORATORIES PRIVATE LIMITED	BLUE CROSS LABORATORIES PRIVATE LIMITED	CENTRE
81	06AACFE7619R1ZW	Haryana	EK ONKAR TRADING COMPANY	EK ONKAR TRADING COMPANY	STATE
82	06AAKCS3399H1ZW	Haryana	RAYMOND APPAREL LIMITED	Raymond Apparel Ltd.	STATE
83	06AAQPB7409N1ZC	Haryana	MOHAN LAL BANSAL	MOHAN ELECTROVISION	CENTRE
84	06ABIPJ5051F1ZX	Haryana	KRISHAN JAIN	DELHI COMPUTER	STATE
85	06ABVPA5500F1ZZ	Haryana	KEWAL AHUJA	HIMANSHU STEELS	STATE
86	06AGAPG8688A1ZJ	Haryana	AMIT GUPTA	Emcon Customer Centre	STATE
87	06BDEPS2535J1ZF	Haryana	SATPAL SONI	AKANKSHA TRADING CO.	STATE
88	02AABCA9317J1ZW	Himachal Pradesh	ADITYA MEDISALES LIMITED	ADITYA MEDISALES LIMITED	CENTRE
89	01AAWFM9621K1ZU	Jammu and Kashmir	MONALISA SHAWLS AND SAREES	MONALISA SHAWLS AND SAREES	STATE
90	01AJTPM9117C1ZB	Jammu and Kashmir	VEENA MAHAJAN	VEENA TRADERS KISHTWAR	STATE
91	20AAAF7318R1ZE	Jharkhand	CENTRAL HARDWARE STORES	M/S CENTRAL HARDWARE STORES.	STATE
92	20APAPS4464B1ZE	Jharkhand	SEEMA SUNEJA	M/S SUNEJA SALES	STATE
93	29AAHCP4367M1ZP	Karnataka	POWER NUCLEUS INDIA PRIVATE LIMITED	POWER NUCLEUS INDIA PVT LTD	STATE
94	29ADEPM2293G1ZE	Karnataka	MANJULA	BABU TRADERS	STATE
95	29AAXFA9222F1Z1	Karnataka	ABC AUTO CORPORATION	ABC AUTO CORPORATION	STATE

Sr. No	GSTIN	STATE	REG_NAM	TRADE_NAM	Jurisdictional Authority
96	29AAOFS1448N1ZF	Karnataka	SRI LAKSHMI AGENCIES	SRI LAKSHMI AGENCIES	CENTRE
97	29AAJCA7142F1ZM	Karnataka	OAKNET HEALTHCARE PRIVATE LIMITED	OAKNET HEALTHCARE PRIVATE LIMITED	STATE
98	29AADCS5069D1Z8	Karnataka	SCHWING STETTER (INDIA) PRIVATE LIMITED	SCHWING STETTER (INDIA) PRIVATE LIMITED	CENTRE
99	29AADCI3682G1ZD	Karnataka	INC.5 SHOES PRIVATE LIMITED	INC.5 SHOES PVT LTD	CENTRE
100	29AAACT4432E1ZJ	Karnataka	TCNS Clothing Co. Limited	TCNS Clothing Co. Limited	STATE
101	32AABCT6921F1ZN	Kerala	THYSSENKRUPP ELEVATOR (INDIA) PRIVATE LIMITED	THYSSENKRUPP ELEVATOR (INDIA) PRIVATE LIMITED	STATE
102	32AAHFT4801H1ZG	Kerala	TONY LITES	TONY LITES	CENTRE
103	32AEOPA7561A1ZY	Kerala	GEORGEKUTTY ABRAHAM	DON DISTRIBUTORS	CENTRE
104	23AAACF3120H1ZC	Madhya Pradesh	FERRING PHARMACEUTICALS PRIVATE LIMITED	FERRING PHARMACEUTICALS PVT LTD	CENTRE
105	23AAACT4250E1ZV	Madhya Pradesh	TROPICAL AGRO SYSTEM INDIA PRIVATE LIMITED	TROPICAL AGRO SYSTEM INDIA PRIVATE LIMITED	STATE
106	23AAECC1334N1ZU	Madhya Pradesh	CFS PHARMA AND OPTICALS PRIVATE LIMITED	CFS PHARMA AND OPTICALS PRIVATE LIMITED	STATE
107	23AAIPU1230A1ZD	Madhya Pradesh	GOPI UDASI	A ONE ELECTRONICS	STATE
108	23ADMPJ9986D1Z5	Madhya Pradesh	KAMLA JAIN	OM DISTRIBUTORS	CENTRE
109	23ADQPK3842D1ZP	Madhya Pradesh	OM PRAKASH KHANDELWAL	A K TRADERS	CENTRE
110	23AERPA0550N1ZK	Madhya Pradesh	MAMTA ARORA	SAI CEREMICS	CENTRE
111	23AGDPM2307D1Z4	Madhya Pradesh	JAGDISH KUMAR MANSUKHANI	ANAND STEEL	CENTRE
112	23AGJPA7271J1ZG	Madhya Pradesh	VIVEK ARORA	SHRINATH MARBAL AND GRANITES	CENTRE
113	23AGUPB0524E1ZX	Madhya Pradesh	ASHOK KUMAR BHATIA	M/S ASHOKA TRADING CORPORATION	CENTRE
114	23AJYPJ6694C1ZR	Madhya Pradesh	PADMA DEVI JAIN	M/S SARAOGI AGENCIES	STATE

Sr. No	GSTIN	STATE	REG_NAM	TRADE_NAM	Jurisdictional Authority
115	23AOQPJ1680M1ZK	Madhya Pradesh	DEEPAK KUMAR JAISWAL	NEW KAMAL AGENCIES	STATE
116	23ARLPG1725G1Z5	Madhya Pradesh	VIJAY KUMAR GUPTA	CLOUD NINE BATH GALLERY	CENTRE
117	23AYIPS5623F1ZF	Madhya Pradesh	PARAS JASAWANTLAL SHAH	KIRTI MACHINERY STORES	CENTRE
118	23BAZPM6278E1Z5	Madhya Pradesh	MANMOHAN MODI	L K TRADING	STATE
119	23BCOPK0061N1ZI	Madhya Pradesh	NARPESH KANODIYA	KANODIA AND COMPANY	CENTRE
120	23BLDPM3613E1ZN	Madhya Pradesh	HITESH KUMAR MANWANI	AGRICA	STATE
121	23AAACP9563A1ZP	Madhya Pradesh	SHUBHKART INDIA PRIVATE LIMITED	SHUBHKART INDIA PRIVATE LIMITED	CENTRE
122	23AAHHM3521M1Z8	Madhya Pradesh	MANOJ KUMAR SATNARAYAN TRIVEDI HUF	ISHAN LITE	STATE
123	23AAPFG4819C1ZK	Madhya Pradesh	GRACE BATH WORLD	GRACE BATH WORLD	STATE
124	23ABWPL2919G1ZG	Madhya Pradesh	VIKAS LOHIA	CITY TEC SOLUTION	STATE
125	23AAXPN8526D1ZE	Madhya Pradesh	JITENDRA KUMAR NAGWANI	AMUL MEDICAL TRADERS	STATE
126	23AFMPK6102J1ZL	Madhya Pradesh	NISREEN SHAIKH NAJMUDDIN KUNWARJI	STANDARD PLYWOOD AGNECY	STATE
127	27AAACG6146L1ZE	Maharashtra	G G DANDEKAR MACHINE WORK S LIMITED	G G DANDEKAR MACHINE WORKS LTD	CENTRE
128	27AAACT4033H1ZK	Maharashtra	VERTIV ENERGY PRIVATE LIMITED	VERTIV ENERGY PRIVATE LIMITED	CENTRE
129	27AABCR8848P1ZH	Maharashtra	RAMA INFRAPROJECTS PRIVATE LIMITED	RAMA INFRAPROJECTS PRIVATE LIMITED	STATE
130	27AABCU0772F1ZG	Maharashtra	BEST UNITED INDIA COMFORTS PRIVATE LIMITED	BEST UNITED INDIA COMFORTS PRIVATE LIMITED	CENTRE
131	27AABFA2459C1ZW	Maharashtra	ARAMCO TUBES	ARAMCO TUBES	STATE
132	27AAXPJ4077H1Z4	Maharashtra	RAJENDRA KHUBCHAND JAIN	MONA TRADERS	STATE
133	27AETPA2036D1ZU	Maharashtra	ANIL GUNAMAL ATWANI	INDIA READYMADE CLOTH STORES	STATE

Sr. No	GSTIN	STATE	REG_NAM	TRADE_NAM	Jurisdictional Authority
134	27ASVPB4548H1ZD	Maharashtra	HARPREETSINGH MANJEETSINGH BHATIA	CAR WORLD	STATE
135	27AACCO2125P1Z9	Maharashtra	ONLY RETAIL PRIVATE LIMITED	ONLY RETAIL PVT LTD	CENTRE
136	27AAFPO4142G1ZT	Maharashtra	ANAND PRAKASH OSWAL	PRAKASH DISTRIBUTORS	CENTRE
137	27AAICP0987G1Z3	Maharashtra	PHILIPS LIGHTING INDIA LIMITED	PHILIPS LIGHTING INDIA LIMITED	STATE
138	21ANAPA9242R1ZZ	Odisha	BINAY KUMAR AGRAWAL	M/S. SHREE MB TRADERS	CENTRE
139	03AARFG1713H1ZN	Punjab	GAURAV WOOLLEN MILLS	GAURAV WOOLLEN MILLS	CENTRE
140	03AABCD5606K1ZX	Punjab	D.R.DYECHEM (INDIA) PVT LTD.	D R DYECHEM (INDIA) PVT LTD	STATE
141	03AABFE4862H1ZP	Punjab	EAST PUNJAB TRADERS	EAST PUNJAB TRADERS	STATE
142	03AACCN3798F1ZG	Punjab	PLAZA WIRES PRIVATE LIMITED	M/S PLAZA WIRES PVT.LTD	CENTRE
143	03AAGFL8481J1Z1	Punjab	LUDHIANA HERBALS	LUDHIANA HERBALS	STATE
144	03ACRFS2740Q1ZJ	Punjab	SHALIMAR TRADERS	SHALIMAR TRADERS	CENTRE
145	03AIGPK5499K1ZU	Punjab	PARVEEN KUMAR	KAMRA BATTERY HOUSE	STATE
146	03AACCO1231C1ZD	Punjab	ORTHO CLINICAL DIAGNOSTICS INDIA PRIVATE LIMITED	ORTHO CLINICAL DIAGNOSTICS INDIA PVT. LTD.	CENTRE
147	03AAICP0987G1ZD	Punjab	PHILIPS LIGHTING INDIA LIMITED	PHILIPS LIGHTING INDIA LIMITED	STATE
148	03AABFC3197P1Z8	Punjab	CITY MOTORS	CITY MOTORS	STATE
149	03AXKPS2956C1ZH	Punjab	MANMANDER SINGH	MARWAHA TRADERS	CENTRE
150	08AAMFP5032D1ZD	Rajasthan	PURAN AUTO SALES	PURAN AUTO SALES	CENTRE
151	08AAMFP6358C1Z0	Rajasthan	PIONEER AGENCIES	PIONEER AGENCIES	CENTRE
152	08AARFP6536D1ZX	Rajasthan	PRIME SPORTS	PRIME SPORTS	CENTRE
153	08ABLPM9878N1ZF	Rajasthan	PARAS RAM MAKHIJA	AJANTA PHOTO GOODS	CENTRE
154	08AGAPA3107E1Z9	Rajasthan	MANGAL KUMAR AGARWAL	HANS AUTOMOBILES	STATE
155	08AABCM1115A2ZA	Rajasthan	MITTAL HOSPITALS LIMITED	MITTAL PHARMACY- A UNIT OF MITTAL HOSPITALS LIMITED	STATE
156	33AFTPB0600B1ZC	Tamil Nadu	BABY BHANDARI	BHAVYA PIPES	STATE



Sr. No	GSTIN	STATE	REG_NAM	TRADE_NAM	Jurisdictional Authority
157	33AAPCS9095P2Z7	Tamil Nadu	SCHULKE INDIA PRIVATE LIMITED	SCHULKE INDIA PRIVATE LIMITED	CENTRE
158	33AARCS4599N1ZB	Tamil Nadu	SAYAR AAUTOMOTIVE PERIVATE LIMITED	SAYAR AAUTOMOTIVE PRIVATE LIMITED	CENTRE
159	33AADPD8068Q1ZB	Tamil Nadu	SMITA DOSHI	DOSHI AUTO CORPORATION	STATE
160	33AADFG5562A1ZX	Tamil Nadu	GEM MOTORS	GEM MOTORS	CENTRE
161	36AABCA5282A1Z4	Telangana	AUTOCOP INDIA PVT LTD	AUTOCOP INDIA PVT LTD	STATE
162	09AAPPJ4939C1ZH	Uttar Pradesh	AMIT JINDAL	M/S RAGHUPATI BATH COLLECTIONS	CENTRE
163	09AGCPG9553C1ZH	Uttar Pradesh	PAWAN GARG	M/S PARASURAM SANITARY HOUSE	CENTRE
164	09AACCO1231C1Z1	Uttar Pradesh	ORTHO CLINICAL DIAGNOSTICS INDIA PRIVATE LIMITED	ORTHO CLINICAL DIAGNOSTICS INDIA PRIVATE LIMITED	CENTRE
165	09ABLPK8349L1ZV	Uttar Pradesh	JITENDRA KAPOOR	M/S KAPOORS MOTOR CRAFT	STATE
166	09AEOPK3277K1ZV	Uttar Pradesh	KANHAIYAJEE	M/S MITTAL MARBLES	STATE
167	09AIQPM6124R1ZC	Uttar Pradesh	SACHIN KUMAR MITTAL	M/S PRAMOD KUMAR AND SONS	STATE
168	09AGCPG9559J1ZW	Uttar Pradesh	MANJU GARG	GARG GLASS HOUSE	STATE
169	05AAFCM5366B1ZQ	Uttarakhand	CONTINENTAL INDIA PRIVATE LIMITED	CONTINENTAL INDIA PRIVATE LIMITED	STATE
170	05ABIFS6186L1ZK	Uttarakhand	SANT SALES	M/S SANT SALES	CENTRE
171	19AABCA5282A1Z0	West Bengal	AUTOCOP INDIA PVT LTD	AUTOCOP INDIA PVT LTD	CENTRE
172	19AADFB1280E1ZT	West Bengal	BHUPENDRA SHAH & CO	BHUPENDRA SHAH & CO.	STATE
173	19AADFC4976C1ZF	West Bengal	CHIRAG AUTOMOBILES	CHIRAG AUTOMOBILES	STATE
174	19AAHCM0651P1Z0	West Bengal	SASTASUNDAR HEALTHBUDDY LIMITED	SASTASUNDAR HEALTHBUDDY LIMITED	CENTRE

## Annexure II to Agenda 2 (Category B)

**B: When user was saving description in the record being uploaded for filing with empty field value, the software code was to update properly the backend databases as well as the frontend User Interface visible to taxpayer. The software had a bug, which returned duplicate values for the same record on frontend and taxpayers were stuck and unable to file Tran-2.**

Sr. No	GSTIN	STATE	REG_NAM	TRADE_NAM	JURISDICTIONAL AUTHORITY
1	37AAACW2472M1ZY	Andhra Pradesh	WOCKHARDT LIMITED	M/S WOCKHARDT LIMITED	CENTRE
2	18AAJCA0072C2Z3	Assam	WIPRO ENTERPRISES PRIVATE LIMITED	WIPRO ENTERPRISES PRIVATE LIMITED	STATE
3	18AAGCP3462J1Z5	Assam	PRO BODY BALANCE PRIVATE LIMITED	PRO BODY BALANCE PRIVATE LIMITED	STATE
4	07AEGPG1300M1ZV	Delhi	USHA GOEL	GOEL MEDICOS	STATE
5	07AAACW1988L1ZS	Delhi	WILDCRAFT INDIA PRIVATE LIMITED	WILDCRAFT INDIA PVT LTD	STATE
6	30AACPE5711G1ZI	Goa	SAMIR HUSSENALI ESSANI	SAMEER SALES CORPORATION/ SAMEER HOTEL SUPPLIES	CENTRE
7	24AFBPT7088M1ZS	Gujarat	SAGAR BALVANTRAI THAKKAR	GOPAL PLASTIC	STATE
8	24AAFFD2719L1ZH	Gujarat	DESALPUR SEVA SAHKARI MANDLI LIMITED	DESALPUR SEVA SAHKARI MANDLI LIMITED	STATE
9	24AAECK0086B1Z2	Gujarat	KONICA MINOLTA BUSINESS SOLUTIONS INDIA PRIVATE LIMITED	KONICA MINOLTA BUSINESS SOLUTIONS INDIA PVT LTD	STATE
10	24AACHP3384A1ZK	Gujarat	PRAVINKUMAR VIRCHAND SHAH HUF	S. MITTAL AND CO.	STATE
11	06AAGCM6857L1ZW	Haryana	GROUPE SEB INDIA PRIVATE LIMITED	GROUPE SEB INDIA PRIVATE LIMITED	STATE
12	20AAACW1988L1Z4	Jharkhand	WILDCRAFT INDIA PRIVATE LIMITED	M/S WILD CRAFT INDIA PRIVATE LIMITED	STATE
13	29ADDFS1146B1ZE	Karnataka	SRISH ENTERPRISES	SRISH ENTERPRISES	STATE
14	29AAJCA0072C1Z1	Karnataka	WIPRO ENTERPRISES PRIVATE LIMITED	WIPRO ENTERPRISES PRIVATE LIMITED	STATE
15	29AAGFV7061E1ZY	Karnataka	VIKAS TRADE LINKS	VIKAS TRADE LINKS	CENTRE
16	29AADFE3647C1ZM	Karnataka	EMVOI PHARMA	EMVOI PHARMA	CENTRE

Sr. No	GSTIN	STATE	REG_NAM	TRADE_NAM	JURISDICTIONAL AUTHORITY
17	27ARUPD0939Q1Z0	Maharashtra	BHUMIT NARESH DEDHIA	ANAND HOME STORE	STATE
18	27AIWPJ5519K1ZK	Maharashtra	OMPRAKASH GHANSHYAMDAS JASWANI	MOBILE TOUCH	STATE
19	27AGUPK5829M1ZH	Maharashtra	PRAMOD GYANCHAND KRIPALANI	VARSHA MEDICALS	STATE
20	27ACXPD2349E1ZH	Maharashtra	NARESH GANGJI DEDHIA	ANAND STEEL	CENTRE
21	27ABKPH3373C1ZU	Maharashtra	HARDIK BHARAT HARIA	CREATIVE MARKETING	STATE
22	27AATFS5349H1ZJ	Maharashtra	SUBURBAN DRUG DISTRIBUTOR S	SUBURBAN DRUG DISTRIBUTORS	CENTRE
23	27AASPN4305M1Z7	Maharashtra	ATUL CHIMANLAL NAHATA	KANHAIYA AGENCIES	STATE
24	27AANPL3089P1ZT	Maharashtra	HARISH DHIRAJLAL LAKHANI	LAKHANI ENTERPRISE	STATE
25	27AAKCA4363M1Z9	Maharashtra	ROYAL LUBELINES PRIVATE LIMITED	ROYAL LUBELINES PRIVATE LIMITED	STATE
26	27AAICS3650F1ZC	Maharashtra	SATISH MOTORS AKOLA PRIVATE LIMITED	SATISH MOTORS (AKOLA) PVT LTD	CENTRE
27	27AAHFS2088M1ZM	Maharashtra	SWASTIK ENTERPRISES	SWASTIK ENTERPRISES	CENTRE
28	27AAGCP3462J1Z6	Maharashtra	PRO BODY BALANCE PRIVATE LIMITED	PRO BODY BALANCE PRIVATE LIMITED	CENTRE
29	27AAFFJ8949J1ZP	Maharashtra	JAI GURUDAV CERAMICS	JAI GURUDAV CERAMICS	CENTRE
30	27AADFV2823M1ZW	Maharashtra	VARHADI PHARMA AGENCY	VARHADI PHARMA AGENCY	CENTRE
31	27AADCN2940C1ZT	Maharashtra	NAMASTE VENTURES PRIVATE LIMITED	NAMASTE VENTURES PRIVATE LIMITED	STATE
32	27AABFM6144J1Z7	Maharashtra	MUKUNDRAI BROS	MUKUNDRAI BROS	STATE
33	27AABCF8820H1ZM	Maharashtra	FORTUNE PROCURATORS INDIA PRIVATE LIMITED	FORTUNE PROCURATORS INDIA PRIVATE LIMITED	STATE
34	27AAAFS6760K1ZU	Maharashtra	SUBURBAN DISTRIBUTORS	SUBURBAN DISTRIBUTORS	CENTRE
35	27AAJCA0072C1Z5	Maharashtra	WIPRO ENTERPRISES PRIVATE LIMITED	WIPRO ENTERPRISES PRIVATE LIMITED	#N/A

Sr. No	GSTIN	STATE	REG_NAM	TRADE_NAM	JURISDICTIONAL AUTHORITY
36	34AAACL2937J1ZJ	Puducherry	LIFESTYLE INTERNATIONAL PRIVATE LIMITED	LIFESTYLE INTERNATIONAL PRIVATE LIMITED	CENTRE
37	08AAIHP6527R1ZA	Rajasthan	PANKAJ NAGPAL HUF	NAGPAL AGENCY	CENTRE
38	08AAKFB1565D1ZN	Rajasthan	BIKANER DIGITECH	BIKANER DIGITECH	CENTRE
39	08AASPN3915D1ZK	Rajasthan	MANOJ NAGPAL	R.M. AGENCY	STATE
40	08ACPPN6879H1ZQ	Rajasthan	VIPLA NAGPAL	RONAK AGENCIES	STATE
41	08ANTPK1043M1ZL	Rajasthan	GURPREET KAUR	EESHAAN	STATE
42	33ALIPP8465F1ZT	Tamil Nadu	POOSARI PONNAMBALAM	DEEPAM MEDICAL	STATE
43	33AAACE4784E1ZU	Tamil Nadu	ELGI EQUIPMENTS LIMITED	ELGI EQUIPMENTS LIMITED	STATE
44	33AAACC3828P1ZI	Tamil Nadu	CHENNAI TWO WHEELERS PRIVATE LIMITED	CHENNAI TWO WHEELER PRIVATE LTD	STATE
45	36AAACL2937J1ZF	Telangana	LIFESTYLE INTERNATIONAL PRIVATE LIMITED	LIFE STYLE INTERNATIONAL PVT LTD	STATE
46	09AAHCP4977D1Z2	Uttar Pradesh	PLS AUTOMOBILE SERVICES PRIVATE LIMITED	M/S PLS AUTOMOBILE SERVICES PRIVATE LIMITED	STATE
47	09AAACZ6049H1Z0	Uttar Pradesh	5E TECHNOLOGIES PRIVATE LIMITED	M/S 5E TECHNOLOGIES PRIVATE LIMITED	CENTRE
48	09AAFCV3666D1Z6	Uttar Pradesh	V-BAZAAR RETAIL PRIVATE LIMITED	M/S V BAZAAR RETAIL PRIVATE LIMITED	STATE
49	19AAGFK7203B1ZO	West Bengal	KALYANI BROTHERS	KALYANI BROTHERS	CENTRE

### Annexure III to Agenda 2 (Category C)

**C: Errors encountered while uploading file which had been prepared in offline utility and manifested when JSON was uploaded in Tran-2 on the portal. This arose with those taxpayers who used a latest browser where plugins were changed and their browser did not support file type that was being uploaded i.e. it was due to a browser compatibility issue. Thus, by the time the taxpayers were advised about the issue, the last date had passed and he could not file.**

Sr. No	GSTIN	STATE	REG_NAM	TRADE_NAM	JURISDICTIONAL AUTHORITY
1	18ACIPD1243L1ZP	Assam	SATYA NARAYAN DARAK	M/S Hanuman Stores	STATE
2	10AAACI1070P1ZU	Bihar	INDCHEMIE HEALTH SPECIALITIES PRIVATE LIMITED	INDCHEMIE HEALTH SPECIALITIES PRIVATE LIMITED	STATE
3	22AGMPR9762L1ZM	Chhattisgarh	RAVI RAHEJA	BALAJI SALES	STATE
4	22AFBPA6953N1ZH	Chhattisgarh	ROHIT KUMAR AGRAWAL	JEEWAN ENTERPRISES	STATE
5	07AAIHA9247F1Z9	Delhi	ABHISHEK GUPTA HUF	BOUN GROUP	STATE
6	07AAJFT7582R1Z2	Delhi	THE ARTWORKS	THE ARTWORKS	STATE
7	07ALSPS1194G1ZL	Delhi	SANDEEP SHARMA	PMI ASSOCIATES	CENTRE
8	07AEGPG9682N1ZS	Delhi	SURENDER MOHAN GROVER	M.G. Traders	STATE
9	24AEHPJ4330B2Z5	Gujarat	CHETAN PANNALAL JAIN	SHRI ARIHANT INDUSTRIES	STATE
10	24AAGCM6857L1ZY	Gujarat	GROUPE SEB INDIA PRIVATE LIMITED	Groupe SEB India Private Limited	STATE
11	24AATFA2665A1ZO	Gujarat	AMOHA CORPORATION	AMOHA CORPORATION	CENTRE
12	24AAACH1671F1Z0	Gujarat	INTERVET INDIA PRIVATE LIMITED	INTERVET INDIA PVT LTD	CENTRE
13	24AAACH0401R1ZT	Gujarat	HINDUSTAN PENCILS PRIVATE LIMITED	HINDUSTAN PENCILS PVT. LTD	STATE
14	06AAOFM8498A1ZW	Haryana	M/S BHATIA SALES	Bhatia Sales	STATE
15	29AAVFS5200R1ZA	Karnataka	STYLISH LIVING	STYLISH LIVING	CENTRE

16	29AAFCS1764F1Z8	Karnataka	SHIV HARI PHARMACEUTICALS PRIVATE LIMITED	SHIVAHARI PAHRAMACEVTICALS PVT LTD	STATE
17	29AACCT5476C1Z7	Karnataka	TRUST CHEMISTS AND DRUGGISTS LIMITED	TRUST CHEMISTS & DRUGGISTS LIMITED,	STATE
18	29AACCM2217L1ZE	Karnataka	MILLIVISIONS MARKETING PRIVATE LIMITED	MILLI VISIONS MARKETING PRIVATE LIMITED	CENTRE
19	23ABJFS8429D1Z4	Madhya Pradesh	SATGURU MOTORS	SATGURU MOTORS	CENTRE
20	23AAACH1671F1Z2	Madhya Pradesh	INTERVET INDIA PRIVATE LIMITED	INTERVET INDIA PVT LTD	STATE
21	27ABFFA0625F1ZW	Maharashtra	APOLLO TELEVENTURE	M/s APOLLO TELEVENTURE	STATE
22	27AFFPS6024N1Z	Maharashtra	NITIN PURUSHOTTAM SARDA	J. JASWANTLAL&BROS.AGENCY DEPARTMENT	CENTRE
23	27AAGPS7702R1ZX	Maharashtra	PRAKASH HEMRAJ SAWALA	GOODLUCK ELECTRICAL STORES	CENTRE
24	27AAACH1671F1ZU	Maharashtra	INTERVET INDIA PRIVATE LIMITED	INTERVET INDIA PVT LTD.	STATE
25	21ADEPK8692B1ZR	Odisha	SAJAN KUMAR KHANDELWAL	M/S SHRUTEE ENTERPRISES	STATE
26	21AADCS5069D1ZO	Odisha	SCHWING STETTER (INDIA) PRIVATE LIMITED	SCHWING STETTER (INDIA) PVT LTD	CENTRE
27	03ABFPL7416B1Z7	Punjab	SHAM LAL	MS SHAM TRADING CO .	STATE
28	08AAACH1671F1ZU	Rajasthan	INTERVET INDIA PRIVATE LIMITED	INTERVET INDIA PRIVATE LIMITED	STATE
29	33AAACH1671F1Z1	Tamil Nadu	INTERVET INDIA PRIVATE LIMITED	INTERVET INDIA PRIVATE LIMITED	STATE
30	36AAACH1671F1ZV	Telangana	INTERVET INDIA PRIVATE LIMITED	INTERVET INDIA PVT LTD	STATE
31	09AAACH1671F1ZS	Uttar Pradesh	INTERVET INDIA PRIVATE LIMITED	INTERVET INDIA PRIVATE LIMITED	STATE
32	05AAEPR9643Q1ZW	Uttarakhand	SHARAD KUMAR RASTOGI	M/S SUPER TECH INDUSTRIES	CENTRE

33	19AADFP4279K1Z P	West Bengal	PUNAM ENTERPRISE	PUNAM ENTERPRISES	STATE
34	19ADZPG6253D1Z 6	West Bengal	MEENA JALAN	JALAN	STATE
35	19AAACH1671F1 ZR	West Bengal	INTERVET INDIA PRIVATE LIMITED	INTERVET INDIA PRIVATE LIMITED	STATE

## Agenda Item 5: Review of Revenue position

In the 29<sup>th</sup> GST Council meeting held on 4<sup>th</sup> August, 2018, revenue collection figures for April to June, 2018 were placed before the Council. The Table 1 below gives the details of revenue collected as Central Goods and Services Tax (CGST), State Goods and Services Tax (SGST), Integrated Goods and Services Tax (IGST) and Cess from July, 2018 to August, 2018 including the details of funds transferred to the Centre and States on account of settlement of funds.

**Table 1\*: GST revenue for July-August, 2018**

(Figures in ₹ Crore)

MONTH	Jul-18	Aug'18
CGST	15,877	15,303
SGST	22,293	21,154
IGST	49,951	49,875
Domestic	25,099	23,363
Imports	24,852	26,512
Comp Cess	8,362	7,628
Domestic	7,568	6,779
Imports	794	849
<b>Total</b>	<b>96,483</b>	<b>93,960</b>

\*Figures rounded to nearest whole number

2. **Table 2** below shows the details of IGST collected, refunded and settled/apportioned during the period.

**Table 2\*: IGST Collection/Settlement/Refund from July'18-August, 2018**

(Figures in ₹ Crore)

MONTH	Jul-18	Aug'18
IGST Collections	49,951	49,875
IGST Refunds	7,892	5,120
IGST Settlement	33,669	41,642
CGST	17,919	15,660
SGST	15,749	13,982
CGST ad hoc		6,000
SGST ad hoc		6,000
Balance for the year	6,688	9,801

\*Figures rounded to nearest whole number

The balance IGST for the year, after settlement/provisional settlement/refund as on 1<sup>st</sup> September is Rs. 9801 crore.

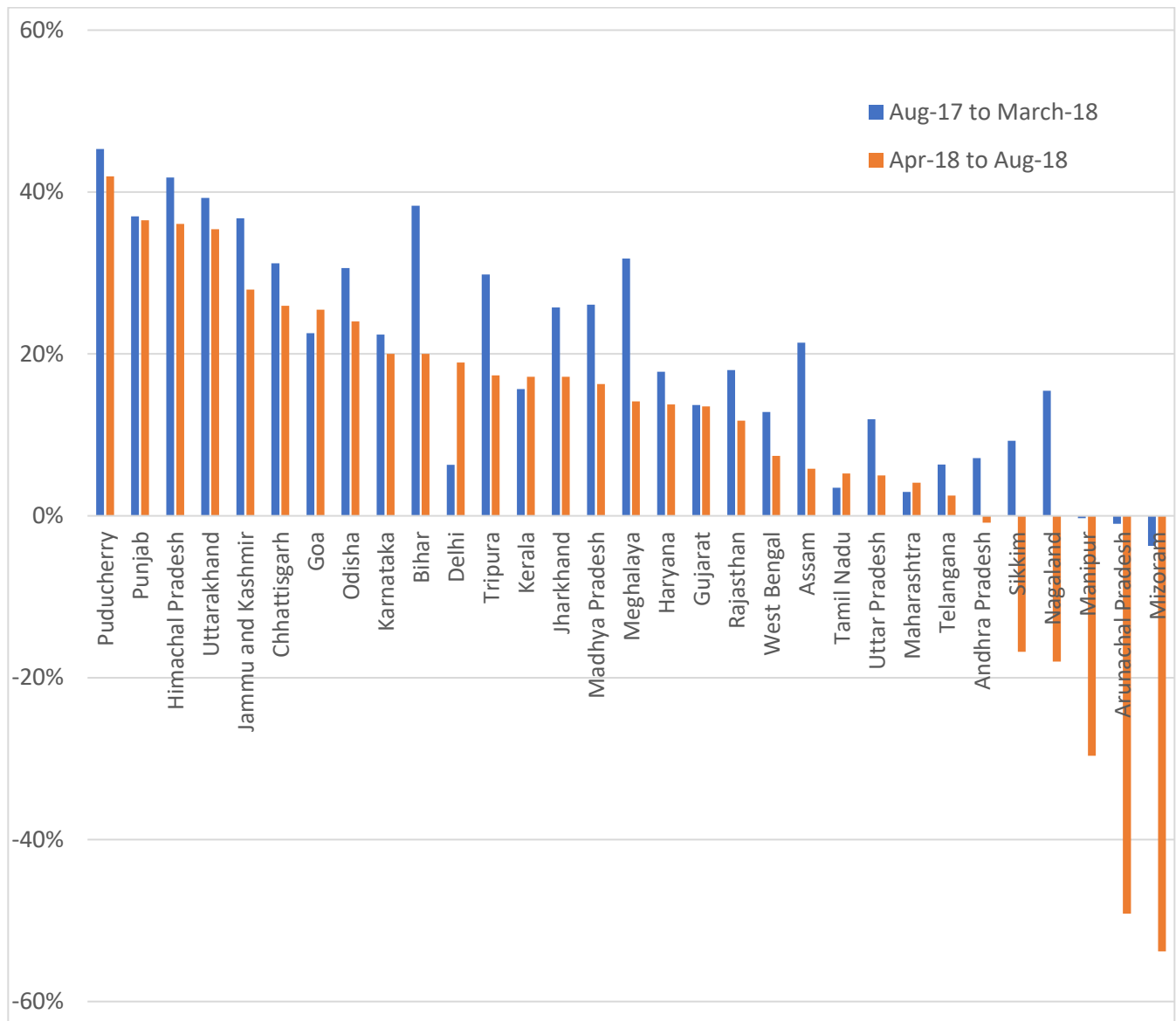
## Revenue Trends

3. The details of State-wise revenue to be protected and percentage revenue shortfall of GST collections between Apr-Aug, 2018 as compared to the period Aug-17 to Mar-18 are given in Table 3 below:



**Table 3: Revenue Shortfall**

Sl	State	Aug-17 to March-18	Apr-18 to Aug-18
1	Puducherry	45%	42%
2	Punjab	37%	36%
3	Himachal Pradesh	42%	36%
4	Uttarakhand	39%	35%
5	Jammu and Kashmir	37%	28%
6	Chhattisgarh	31%	26%
7	Goa	23%	25%
8	Odisha	31%	24%
9	Karnataka	22%	20%
10	Bihar	38%	20%
11	Delhi	6%	19%
12	Tripura	30%	17%
13	Kerala	16%	17%
14	Jharkhand	26%	17%
15	Madhya Pradesh	26%	16%
16	Meghalaya	32%	14%
17	Haryana	18%	14%
18	Gujarat	14%	14%
19	Rajasthan	18%	12%
20	West Bengal	13%	7%
21	Assam	21%	6%
22	Tamil Nadu	3%	5%
23	Uttar Pradesh	12%	5%
24	Maharashtra	3%	4%
25	Telangana	6%	3%
26	Andhra Pradesh	7%	-1%
27	Sikkim	9%	-17%
28	Nagaland	15%	-18%
29	Manipur	0%	-30%
30	Arunachal Pradesh	-1%	-49%
31	Mizoram	-4%	-54%
	<b>Total</b>	<b>16%</b>	<b>13%</b>

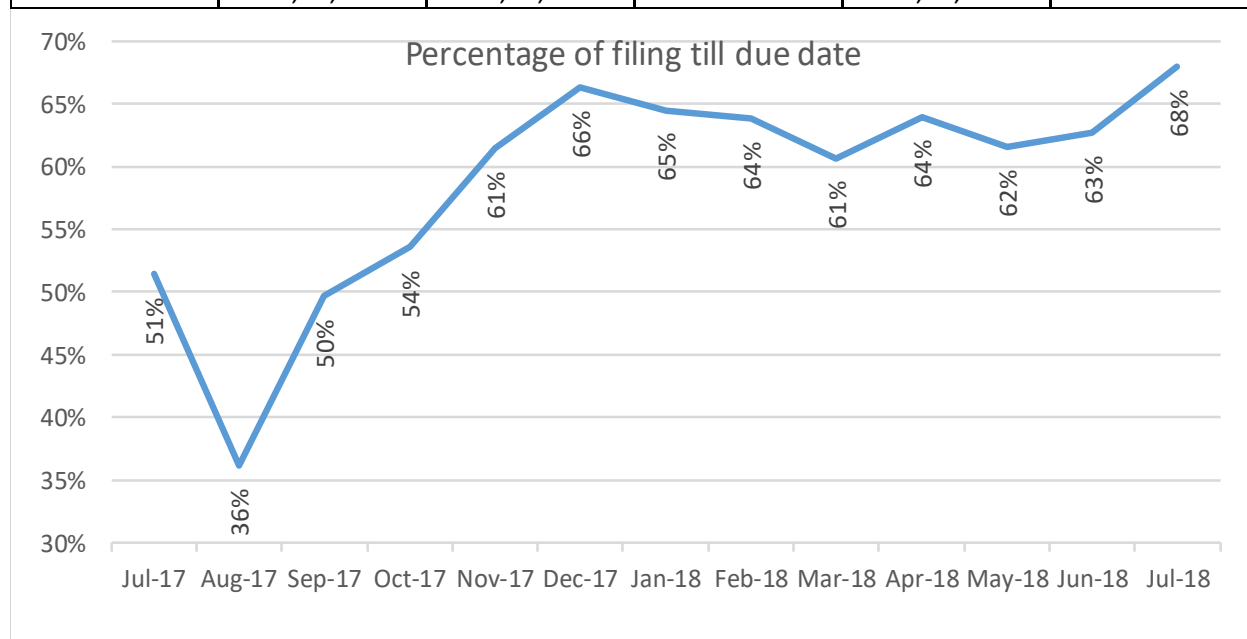


## Trends in Return Filing

4. The table below shows the trend in returns in FORM GSTR-3B till due date and till date for return periods upto July, 2018.

**Table 4: Return filing till due date and till date**

Tax period	Taxpayers eligible to file	Filed till due date	% till due date of filing	Filed till date	% till date
Jul-17	74,61,214	38,34,877	51.40%	64,92,852	87.02%
Aug-17	75,32,807	27,25,183	36.18%	70,26,340	93.28%
Sep-17	79,25,831	39,34,256	49.64%	73,35,595	92.55%
Oct-17	81,54,303	43,68,711	53.58%	70,57,188	86.55%
Nov-17	79,92,517	49,13,065	61.47%	70,81,222	88.60%
Dec-17	81,82,277	54,26,278	66.32%	71,23,350	87.06%
Jan-18	83,63,437	53,94,018	64.50%	71,83,496	85.89%
Feb-18	85,45,661	54,51,004	63.79%	72,48,972	84.83%
Mar-18	87,08,493	52,83,962	60.68%	72,66,971	83.45%
Apr-18	88,17,798	56,38,813	63.95%	72,16,563	81.84%
May-18	91,22,309	56,18,925	61.60%	72,49,414	79.47%
Jun-18	93,16,710	58,39,034	62.67%	72,02,467	77.31%
Jul-18	94,70,282	64,39,259	67.99%	69,27,258	73.15%



5. Till now, the highest level of return filing was observed for December, 2017 and after that, a downward trend was being observed. However, for July, 2018, highest level of return filing till now, at 68% has been observed. The next two tables show the state-wise breakup of this data.

**Table 4: Return filing till due date**

	State/UT Name	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18
1	Jammu and Kashmir	51.11%	56.63%	63.51%	61.97%	61.40%	57.53%	59.77%	59.19%	59.46%	63.55%
2	Himachal Pradesh	50.21%	59.17%	67.65%	66.56%	66.28%	63.68%	69.39%	67.24%	65.38%	71.96%
3	Punjab	73.30%	77.84%	82.46%	79.83%	79.10%	75.89%	79.51%	78.11%	76.31%	81.75%
4	Chandigarh	66.05%	72.56%	77.26%	73.87%	74.47%	71.72%	74.59%	72.75%	72.61%	79.12%
5	Uttarakhand	41.27%	51.60%	58.35%	58.36%	58.37%	55.66%	58.55%	57.82%	57.07%	63.00%
6	Haryana	62.32%	68.49%	73.83%	70.22%	70.01%	66.83%	69.94%	69.07%	67.66%	73.18%
7	Delhi	58.31%	64.61%	70.61%	66.39%	65.45%	62.58%	64.18%	63.78%	62.66%	67.94%
8	Rajasthan	57.17%	66.41%	71.91%	69.18%	68.34%	63.10%	67.89%	66.93%	65.32%	71.42%
9	Uttar Pradesh	53.65%	67.21%	72.56%	70.56%	69.81%	67.35%	70.97%	69.56%	68.50%	73.37%
10	Bihar	41.68%	50.53%	56.09%	56.02%	53.93%	49.86%	55.09%	53.70%	53.40%	60.06%
11	Sikkim	46.31%	49.99%	57.34%	55.73%	55.43%	52.23%	54.96%	54.12%	54.16%	62.09%
12	Arunachal Pradesh	23.31%	25.44%	29.62%	31.51%	32.30%	28.20%	29.54%	30.02%	30.09%	35.60%
13	Nagaland	18.79%	19.79%	25.41%	31.35%	28.26%	28.73%	30.11%	33.37%	33.83%	40.71%
14	Manipur	20.07%	23.09%	26.94%	27.63%	28.57%	31.02%	33.62%	33.25%	30.89%	44.31%
15	Mizoram	28.29%	31.23%	34.07%	39.76%	40.38%	39.84%	41.91%	42.14%	42.32%	47.48%
16	Tripura	44.90%	49.81%	51.93%	53.75%	52.94%	49.49%	56.29%	55.79%	56.38%	63.99%
17	Meghalaya	35.30%	37.59%	40.07%	40.76%	41.11%	43.49%	48.12%	48.72%	50.89%	57.26%
18	Assam	32.34%	37.50%	41.46%	42.92%	41.63%	36.12%	40.54%	42.11%	42.07%	48.31%
19	West Bengal	56.22%	62.25%	65.56%	66.91%	66.26%	62.53%	66.69%	64.57%	65.34%	70.22%
20	Jharkhand	54.42%	60.65%	65.05%	64.45%	61.11%	56.35%	59.24%	58.26%	57.98%	66.08%
21	Odisha	45.06%	53.02%	57.57%	57.69%	56.99%	52.48%	57.53%	54.01%	53.86%	61.51%
22	Chhattisgarh	36.44%	46.32%	53.58%	53.57%	52.93%	45.90%	51.88%	50.97%	52.39%	61.77%
23	Madhya Pradesh	46.04%	58.53%	64.93%	63.00%	61.20%	55.01%	59.81%	61.06%	61.27%	69.39%
24	Gujarat	55.46%	66.76%	73.23%	71.20%	71.46%	68.49%	71.82%	71.85%	70.78%	76.05%
25	Daman and Diu	55.85%	59.34%	65.42%	62.39%	63.82%	60.40%	62.39%	63.15%	61.97%	69.31%
26	Dadra and Nagar Haveli	55.54%	60.20%	66.67%	62.87%	63.90%	60.24%	61.28%	61.21%	61.05%	66.28%
27	Maharashtra	52.78%	59.82%	64.90%	62.00%	62.20%	60.29%	62.14%	61.49%	61.40%	66.51%
29	Karnataka	55.55%	62.10%	66.41%	65.05%	63.68%	61.07%	62.38%	62.48%	62.15%	67.37%
30	Goa	48.28%	52.04%	58.57%	57.93%	56.78%	55.92%	56.18%	56.10%	56.37%	61.44%
31	Lakshadweep	24.82%	23.92%	26.17%	28.68%	24.90%	23.79%	24.91%	22.06%	22.02%	21.86%
32	Kerala	55.26%	59.52%	63.17%	58.93%	57.21%	52.23%	59.00%	58.34%	57.51%	55.16%
33	Tamil Nadu	53.60%	58.36%	60.40%	60.06%	59.09%	56.84%	59.44%	58.95%	58.73%	63.31%
34	Puducherry	54.44%	57.24%	58.20%	57.24%	57.38%	55.95%	57.96%	57.31%	57.64%	62.65%
35	Andaman and Ni Island	14.95%	16.92%	21.49%	21.93%	21.44%	22.12%	22.53%	24.09%	26.65%	32.01%
36	Telangana	45.97%	51.56%	55.89%	54.55%	55.39%	53.66%	56.43%	54.80%	54.22%	60.17%
37	Andhra Pradesh	52.37%	58.35%	61.85%	61.45%	59.03%	54.23%	60.22%	61.00%	60.46%	67.16%
97	Other Territory	31.25%	36.11%	57.89%	60.00%	55.77%	50.00%	53.70%	55.36%	65.00%	70.97%
	<b>Total</b>	<b>53.56%</b>	<b>61.47%</b>	<b>66.33%</b>	<b>64.56%</b>	<b>63.86%</b>	<b>60.68%</b>	<b>63.95%</b>	<b>63.25%</b>	<b>62.67%</b>	<b>67.99%</b>

**Table 4: Return filing till date**

	State/UT Name	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18
1	Jammu and Kashmir	85.37%	87.20%	85.56%	84.33%	83.05%	81.51%	80.21%	77.85%	75.23%	71.31%
2	Himachal Pradesh	83.64%	88.40%	87.11%	86.08%	85.40%	84.44%	84.97%	82.32%	80.31%	77.30%
3	Punjab	93.66%	94.47%	93.50%	92.70%	92.21%	91.54%	90.76%	88.72%	87.63%	85.55%
4	Chandigarh	93.59%	93.16%	91.70%	90.58%	89.99%	89.03%	87.99%	86.17%	85.62%	84.40%
5	Uttarakhand	81.11%	84.89%	83.17%	82.06%	80.78%	79.52%	77.65%	75.70%	73.17%	69.47%
6	Haryana	92.16%	91.80%	90.54%	89.45%	88.59%	87.43%	85.70%	83.81%	81.79%	78.34%
7	Delhi	91.80%	90.07%	88.59%	87.14%	85.90%	84.38%	81.87%	79.89%	77.66%	73.76%
8	Rajasthan	86.93%	90.32%	89.02%	87.94%	87.23%	86.19%	84.51%	81.62%	79.67%	76.48%
9	Uttar Pradesh	82.25%	90.88%	89.18%	88.12%	87.13%	86.40%	86.00%	83.84%	81.77%	78.70%
10	Bihar	78.17%	83.26%	81.16%	79.61%	78.15%	76.70%	76.18%	73.19%	70.52%	66.71%
11	Sikkim	85.87%	87.58%	85.07%	84.51%	82.83%	80.95%	79.73%	77.23%	73.81%	69.60%
12	Arunachal Pradesh	72.70%	71.29%	69.08%	67.90%	65.26%	60.66%	55.89%	53.08%	48.87%	43.91%
13	Nagaland	67.90%	67.79%	65.42%	64.81%	61.02%	59.50%	57.29%	56.34%	52.73%	48.35%
14	Manipur	71.85%	70.67%	69.00%	67.40%	65.53%	63.63%	60.79%	59.67%	56.58%	51.88%
15	Mizoram	77.87%	75.59%	74.23%	73.11%	71.40%	69.37%	66.72%	63.98%	60.50%	55.73%
16	Tripura	81.50%	81.75%	79.31%	78.68%	77.53%	76.14%	75.62%	73.91%	71.93%	69.58%
17	Meghalaya	79.53%	78.52%	76.59%	75.64%	74.52%	73.12%	71.41%	70.59%	68.00%	64.46%
18	Assam	72.69%	73.74%	71.75%	70.52%	68.77%	66.41%	64.02%	62.05%	59.02%	54.95%
19	West Bengal	88.58%	88.58%	87.20%	86.38%	85.52%	84.32%	83.77%	80.91%	78.84%	75.56%
20	Jharkhand	88.45%	89.13%	87.55%	86.15%	84.73%	83.19%	81.47%	79.08%	76.65%	73.28%
21	Odisha	81.33%	83.18%	81.36%	80.25%	79.12%	77.16%	75.89%	72.85%	70.63%	67.24%
22	Chhattisgarh	83.00%	88.07%	86.31%	84.80%	83.65%	81.74%	80.05%	76.65%	75.35%	70.49%
23	Madhya Pradesh	85.51%	90.64%	88.98%	87.92%	86.97%	85.46%	84.95%	82.03%	80.66%	76.93%
24	Gujarat	91.40%	93.08%	92.08%	91.16%	90.49%	89.51%	87.97%	85.49%	84.10%	80.99%
25	Daman and Diu	91.48%	91.04%	89.65%	88.50%	87.35%	85.98%	82.54%	81.32%	79.36%	75.39%
26	Dadra and Nagar Haveli	90.73%	89.26%	88.16%	87.02%	86.01%	84.81%	82.35%	80.09%	77.54%	73.19%
27	Maharashtra	88.48%	88.55%	86.99%	85.49%	84.27%	82.59%	79.95%	77.63%	75.45%	71.85%
29	Karnataka	85.70%	87.63%	86.02%	84.96%	83.71%	82.13%	80.47%	78.31%	76.32%	72.85%
30	Goa	84.50%	85.72%	83.99%	82.35%	81.01%	79.06%	76.13%	73.52%	70.78%	66.70%
31	Lakshadweep	47.12%	47.84%	43.75%	43.02%	37.55%	36.43%	35.69%	34.19%	31.77%	29.03%
32	Kerala	89.72%	91.86%	90.39%	89.56%	88.49%	86.94%	84.49%	82.41%	79.83%	68.85%
33	Tamil Nadu	84.01%	84.13%	82.44%	81.21%	79.92%	78.32%	76.41%	74.50%	72.42%	69.33%
34	Puducherry	87.04%	86.93%	84.92%	83.23%	82.23%	80.67%	78.50%	76.18%	73.63%	70.01%
35	Andaman and Nicob Island	66.03%	65.95%	63.24%	61.29%	59.38%	56.64%	51.51%	48.60%	44.46%	38.77%
36	Telangana	84.46%	85.50%	83.40%	81.97%	81.34%	79.69%	77.95%	75.15%	72.29%	67.55%
37	Andhra Pradesh	84.21%	86.75%	85.36%	84.77%	83.95%	83.20%	82.27%	80.03%	77.95%	74.40%
97	Other Territory	87.50%	88.89%	89.47%	84.44%	80.77%	76.92%	79.63%	76.79%	75.00%	75.81%
	<b>Total</b>	<b>86.60%</b>	<b>88.66%</b>	<b>87.13%</b>	<b>85.97%</b>	<b>84.92%</b>	<b>83.57%</b>	<b>81.99%</b>	<b>79.66%</b>	<b>77.59%</b>	<b>73.94%</b>

**Agenda Item 6: Analysis of Revenue Gap of select States and Union Territory of Puducherry for information of the Council**

In the 28<sup>th</sup> GST Council Meeting held on 21<sup>st</sup> July 2018, it was decided that *the study conducted by Chief Economic Advisor (CEA) for Bihar regarding its revenue gap shall be used as a basis for conducting similar study for the States of Punjab, Himachal Pradesh, Uttarakhand, Jammu & Kashmir and Puducherry, for which the Union Finance Secretary shall work with the Finance Secretaries of the above-mentioned States and submit the Report within 45 days.* However, the CEA demitted the office within a short span of time.

2. The Union Finance Secretary visited the following States/UT for conducting their Revenue Gap analysis:

Sl. No	State/UT	Date of visit
1	Jammu & Kashmir	19.08.2018
2	Punjab	31.08.2018
3	Himachal Pradesh	01.09.2018
4	Puducherry	07.09.2018

3. It emerges from the study that one of the major reasons for huge shortfall of revenue in the States/UT under study is the inbuilt structural design of GST in which the taxes are levied on destination-based principle. In the States suffering huge revenue gap, the contribution from the subsumed taxes such as CST, Purchase Tax etc. in pre-GST regime to the State's exchequer was very substantial. Some other reasons for revenue shortfall are natural and structural factors such as geographical location, size of economy, endowments of natural resources, smaller taxable base, consumption pattern, differential tax rates under VAT regime etc. Due to these factors, States/UT under study have suffered a much higher revenue shortfall.

4. In order to bridge the overall revenue gap, the administrations of the State and Central Tax in the State/UT would need to take steps to broaden their tax base and to enhance enforcement and compliance measures.

5. The reasons for the shortfall and the steps suggested for addressing the revenue gap for the States of Jammu & Kashmir, Punjab, Himachal Pradesh and Puducherry is at **Annexure 1**.

6. This is placed before the Council for information and consideration.

## **Annexure 1**

### **I. Jammu & Kashmir (J&K)**

#### **A. Background**

In respect of the taxes which are subsumed in GST, the growth rate of 4 years from 2013-14, 2014-15, 2015-16 and 2016-17 was 8.59%, minus 0.81%, 19.13% and 14.97% respectively. If we take average revenue growth rate of 4 years, it comes to 10.46% per annum. Under GST, the base year of revenue of 2015-16 is to be protected @ 14% per annum.

2. For the year 2018-19, the revenue to be protected for J&K comes to Rs.7056 crore for the entire year or Rs.588 crore per month. Post provisional settlement, the average revenue shortfall in J&K comes to 28.1% in the first 4 months of the current year i.e. April to July 2018. However, in a normal month when provisional settlement is not made, the revenue gap is 40.1% in July 2018.

#### **B. The Reasons for Shortfall:**

3. In the pre-GST period, the taxes subsumed in GST in 2016-17 were Rs.4668 crores, in which the following were the main heads of income for J&K (**Table 1**): -

**Table 1**

<b>Sl. No</b>	<b>Heads of Income</b>	<b>Amount in Rs. crore</b>
1	VAT (including tobacco)	2814
2	General Sales Tax (excluding liquor) i.e. Service Tax	1535
3	Entry Tax	295

4. Service Tax imposed by Government of India did not cover J&K. The State of J&K had their own General Sales Tax which was in the nature of Service Tax mainly on works contracts. The earlier rate of tax on the works contract was 12.6% under the J&K Service Tax Law and most of the collection was received by way of TDS. Also, there was no Input Tax Credit allowed under earlier Service Tax Law for goods or services. Since most of the works contract of Government works attract a rate of 12% under GST and this is available as Input Tax Credit, there is substantial loss of Rs.800 crore annually in respect of works contract in J&K. However, with the introduction of TDS for works contract which is going to take place from 1<sup>st</sup> October 2018, the revenue leakage in works contract can be reduced.

5. In tobacco, the J&K used to charge 40% VAT which is now reduced to 14% for SGST and the remaining is collected by way of Cess which goes into the common kitty. Annual Revenue loss on this account is estimated to be about Rs.300 crore.

6. In J&K, earlier there was an exemption from Service Tax in respect of establishments providing services by way of lodging and boarding under GST, there is a graded tax of 12%, 18% and 28% on such establishments. However, it appears that the agencies used to this exemption in the pre-GST regime are unwilling to pay this tax on lodging and boarding. This is the reason for loss of revenue on account of service tax under GST.

7. The share of J&K in the total GST of all States is 1.2%. However, the share of J&K in the number of e-way bill generated (up to 28.8.2018) is only 0.27%. This can be an indicator for poor compliance,

8. The assessee base of tax payers under GST has also expanded but not to the level of national average. Out of the old assessee base of VAT and service tax of 73,482 only 47,309 migrated to GST and 40,340 new assesseees were added post-GST taking the figure to 87,000 (appx) out of which 77,000 are regular tax payers and about 10,000 are composition dealers.

9. Return filing percentage for GSTR-3B for the months of April to July 2018 seems to be comparable to the national average when it comes to the State authorities. However, there is scope for improvement.

10. J&K does not have any major industries. Therefore, the Central excise revenue from J&K which is now shared with State Government was not substantial. Once the State is integrated economically with the rest of the country through a common tax regime such as GST, it would be possible to have more industries being set up in J&K.

### **C. Steps suggested for addressing the revenue gap:**

11. Even till date, the division between Central Government and State Government in respect of assesseees has not taken place. This leaves greater burden of administration on the State authorities which may not have adequate manpower to improve the revenue compliance. Once the division of assessee-base is done between the Central and State assesses administrations, some of the administrative burden can be shared by the Central Government authorities which have got adequate manpower. This should also improve the compliance.

12. The TDS on works contract should be started as early as possible so that there is no revenue leakage on account of Service Tax on works contract. As per the present schedule, TDS is going to be made applicable from 1<sup>st</sup> October, 2018 in the entire country. This step should help.

13. Because of the earlier exemption on lodging and boarding services, most of the hotels are not paying GST even under the new regime. Subject to a minimum threshold and composition limit, the remaining big hotels should be asked to file the return and pay GST regularly.

14. There should be a comparison of GSTR-1 and GSTR-3B filed to find out what is the extent of gap in the figure claimed as credit in GSTR-3B and what is admissible to the assesseees as per GSTR-1 filed by the supplier. Both State and Central Government authorities should do this comparison for top 500 taxpayers under the jurisdiction of each authority and wherever discrepancy is found, the concerned taxpayer should be contacted for reconciliation. This comparison will result into better compliance.

15. There is a need to tighten the system of e-way bill in J&K. The Central and State Government should make combined mobile squads and check the movement of goods within the State particularly the goods coming into the State.

16. TRAN-1 and TRAN-2 verification should be undertaken of those tax payers whose input tax credit availment is on the higher side.

17. A percentage check, say of about 10%, of new registrants by way of physical verification should be carried out, on the basis of risk assessment.

18. There should be a focused attention on non-filers of GSTR-3B Return. A systematic effort is needed to make them file GSTR-3B, particularly the bigger tax payers.



## II. Punjab

### A. Background

Punjab is among the top 5 States in terms of the percentage of revenue shortfall against the all-India revenue shortfall figure. For the 8 months of GST collection during financial year 2017-18 (August, 2017 to March, 2018), the average revenue shortfall of Punjab is 37% as against the national average shortfall of 16%. In the first four months of the financial year 2018-19 (April to July, 2018), the revenue shortfall of Punjab is 36%, as against the national average revenue shortfall of around 12%.

2. It is seen that during the base year (2015-16), the total collection of taxes of Punjab was Rs.14,471.77 crore with the break up as indicated in Table 1 below:

**Table 1**

Sr. No.	Item	Rs. crore
1	Value Added Tax (VAT) including contribution from VAT to Punjab Municipal Fund (PMF) and Punjab Municipal Infrastructure Development Fund (PMIDF) as per Section 5(6) of the Act and Purchase Tax	12532.05
2	Central Sales Tax (CST)	567.50
3	Advertisement Tax	17.78
4	Entertainment Tax	174.30
5	Luxury Tax	
6	Lottery, Betting and Gambling	
7	Entry Tax including Octroi and ETTSA Fee	138.33
8	Cesses and Surcharges [including Infrastructure Development (ID) Fee on food grains]	1041.75
9	Duties of Excise on Medicinal and Toilet Preparations	0.06
<b>TOTAL</b>		<b>14471.77</b>

(Source: Department of Revenue)

3. The trend of collection of taxes of the four years of pre-GST period is given in Table 2 below:

**Table 2**

Year	Amount collected (Rs. crore)	Growth percentage
2013-14	13647.15	9.37 (Revenue collection was Rs.12,478 crore during the year 2012-13)
2014-15	14326.72	4.98
2015-16	14471.77	1.00
2016-17	15403.06	6.43

(Source: Commercial Tax Deptt., Punjab & DoR)

4. The overall growth rate of taxes subsumed during the four years of pre-GST period is 5.45%. Seen from this perspective, it can be said that Punjab has gained significantly after GST implementation as the State has now got an assured revenue growth rate of 14% for the next five years, whereas prior to GST implementation, the growth rate was quite low –only 1% in 2015-16 and 6.43% in 2016-17.

### B. Reasons for revenue shortfall

5. One of the main reasons for decline in revenue of Punjab is loss of revenue from agriculture produce. During 2015-16, Punjab got Rs.2,000 crore from Purchase Tax and Rs.1,041.75 crore from Infrastructure Development Fee (ID fee). These two taxes were earlier being exported, which is not

possible in the destination-based tax system under GST. The revenue under these two heads constitutes about 21% of the protected revenue.

6. Average revenue growth of Punjab in pre-GST period was around 6% and due to assured revenue growth rate of 14% during GST, 8% shortfall is likely to persist unless it is offset by larger collection from Service Tax and better enforcement.

7. As per the figures given by the State administration during the presentation, the revenue growth rate from top 10 revenue earning commodities of Punjab is somewhat on the lower side. For instance, electrical goods have seen a rate increase of 3% (6% to 9%), and the revenue for July, 2017 to March, 2018, as compared to July, 2016 to March, 2017 has grown by 6.25% (Rs.340 crore as against Rs.320 crore in VAT), but the growth could be more. Cement has shown a decline in revenue by 19% (Rs.528 crore as against Rs.426 crore) though the VAT and the SGST rate remains the same (14%). Revenue on iron and steel has gone up by 38% (Rs.901.71 crore as against Rs.651.88 crore in 9 months VAT period) but given a 5% increase in rate in GST (4% to 9%) and the reports of tax evasion in this sector, the revenue growth should be more.

8. Pre-GST, tax rates on some other goods were also on the higher side, with rates ranging from 6% to 16% whereas the SGST rates on most of these items have come down to 6% and 9%. This includes goods like building material, marble, granite, ply wood, furniture, medicines, yarn, etc. In VAT, aerated drinks had a tax rate of 30.25% and cigarettes were taxed at 33%. These are now taxed at the rate of 14% plus Cess. This also has contributed to revenue shortfall.

9. Revenue from services sector has not been able to compensate the loss of revenue from goods. One reason for this is lower consumption base of services in Punjab due to lesser number of bigger cities in the State. Revenue from services is reported to be only about Rs.65 crore per month.

10. Small taxpayers provide more significant contribution towards taxes in Punjab as compared to all-India average. While 91% of taxes come from 16% of registered taxpayers in the country, this comes from 28% of registered taxpayers in Punjab. All-India experience shows that small taxpayers are under reporting their sales and this could also be contributing to revenue shortfall.

11. Enforcement action is lagging behind. The MIS on GST portal shows recovery of only Rs.1.00 lakh by the Central and the State Tax authorities during the months of April to August, 2018. During the meeting, it is reported that number of cases detected and recoveries made are more (Rs.20.38 crore recovered by the State administration and Rs.32.9 crore by the Central administration, including DGGI). The figures should be regularly uploaded by the Commissioners of Central and State Tax on the MIS on GST portal.

### **C. Steps suggested to address the revenue gap**

12. The expected gains from Service Tax have not offset the loss of tax from goods sector. Service Tax revenue can be improved through better compliance. To determine whether correct amount of Service Tax is being paid in the State, a sample study should be undertaken of a few major Banks in the State to examine as to what is the percentage of branch network in the State *vis-a-vis* the national number of branches and what percentage of their turnover take place in Punjab *vis-à-vis* their total turnover in the country, and what is the total tax liability discharged by the Bank in the State of Punjab *vis-à-vis* the total tax paid nationally by the Bank. Similar study can also be done for telecom, insurance and airline industries. Such an analysis can serve as a proxy for the percentage of consumption of other services in the State *vis-à-vis* the national consumption. It is also important to verify whether the services being

provided in the State of Punjab are accounted for and taxed in Punjab on the basis of destination principle or due to accounting error of the taxpayer, it is going to some other State.

13. There is lack of big metropolitan cities in Punjab which typically attract higher consumption of services. To offset this, the State should encourage growth of certain sectors like tourism, information technology, etc. so that consumption within the State grows.

14. For evasion-prone commodities like iron and steel, electrical goods, hosiery and yarn, input-output ratio analysis should be carried out. There should also be analysis of total sale of, say iron and steel, in the country and the percentage of iron and steel sold in Punjab and it should be evaluated whether revenue coming to Punjab is commensurate with this ratio.

15. In Punjab since a larger proportion of revenue comes from small taxpayers, examination of returns filed by small taxpayers should also be given emphasis. Data analysis tools should be used to identify taxpayers suspected to be under-reporting their sales. State administration is taking up data analytics and the Central administration should also commence the same. Both administrations can also collaborate for data analytics.

16. Filing of GSTR-3B should be monitored vigorously and there should be a structured follow up mechanism for non-filers of tax returns. Experience shows that increased return filing would lead to increase in revenue. Law Committee should examine to insert a provision in law which would enable GSTN to block return defaulters from generating e-Way bills.

17. To curb issuance of bogus invoices, the Tax Administrations should conduct physical verification of premises of 10% of new registrants, based on risk assessment. TRAN-1 and TRAN-2 verification should also be carried out by the Tax Administrations based on risk assessment parameters.

18. E-Way bill checking, particularly for goods coming into the State, should be conducted through mobile squads on random basis at the State borders. More numbers of e-Way bill checks should be conducted by the Central Government authorities. They should also plan joint checks with the Union Territory Tax authorities.

19. By better enforcement, enhanced compliance and expansion of tax base, the effort of the State as well as the Central administration should be to progressively narrow the gap of revenue shortfall of the State *vis-a-vis* the national average. Presently, the gap is about 24% and the effort should be to narrow this gap by 8% every year so that the State comes at par with the national average of revenue collection in the next three years.

20. All the relevant MIS should be regularly updated by the Tax Administration, particularly those relating to enforcement action, e-Way bill checks and refund sanctioned.

21. The percentage of return filing with Central tax authorities is about 4% to 5% less than the State authorities and bridging this gap would augment revenue.

22. On an average, about 17% of the tax is being paid through cash and 83% through input tax credit. Cash to ITC ratio of top 100 taxpayers as well as of those who are shown, through risk assessment as prone to revenue risk, should be analysed in depth.

### III. Himachal Pradesh

#### A. Background

Himachal Pradesh is among the top 5 States in terms of the percentage of revenue shortfall against the all-India revenue shortfall figure. For the 8 months of GST collection during financial year 2017-18 (August, 2017 to March, 2018), the average revenue shortfall of Himachal Pradesh is 42% as against the national average shortfall of 16%. In the first four months of the financial year 2018-19 (April to July, 2018), the revenue shortfall of Himachal Pradesh is 36%, as against the national average revenue shortfall of around 12%.

2. Revenue of Himachal Pradesh to be protected for the base-year 2015-16 is Rs.3,634.40 crore. The breakup of the figure of revenue to be protected is at Table 1.

**Table 1**

S. No.	Item	Rs. (crore)
1.	VAT and tax on entry of goods into Local Area	2726.98
2.	Central Sales Tax	496.73
3.	Luxury Tax	58.47
4.	Cesses and Surcharges	65.23
5.	Entertainment Tax	1.38
6.	Tax on certain goods carried by road	250.18
7.	Additional Goods Tax	35.43
Total		3634.40

(Source: Department of Revenue)

3. The trend of revenue collection for the last 5 years and the percentage growth of revenue is summarised in Table 2 below.

**Table 2**

Year	Amount Collected (Rs. crore)	Growth Percentage
2012-13	2367.74	
2013-14	2620.51	10.68%
2014-15	3086.15	17.77%
2015-16	3634.40	17.76%
2016-17	3558.85	(-) 2.00%

(Source: Commercial Tax Deptt., Himachal Pradesh & DoR)

4. The average growth rate of revenue of the last four years for the State is 11% as against the assured growth rate of 14%. However, the average growth rate of revenue had tapered off to (-) 2% during 2016-17.

#### B. Reasons for shortfall in revenue

5. The major reason for revenue shortfall is loss of revenue from CST which was levied at 1% for new industry and 1.5% for old industry. This amounted to about Rs. 497 crore in 2015-16 and accounted for 14% of the protected revenue. Another major source of revenue loss is doing away with withholding of 4% input tax credit on stock transfers, which amounted to Rs.152 crore in 2015-16 and accounted for 4.18% of the protected revenue. This is also reflected in steep fall in tax collection of some of the major revenue yielding commodities of the State during the period July 2016 to March 2017 *vis-à-vis* July 2017 to March 2018, as per the data given by the State administration during the presentation. This fall

is (-)111% for pharmaceuticals [from Rs.161 crore to (-) Rs.18 crore], (-)134% for FMCG goods (Rs. 114 crore to (-)39 crore (-) 23% for cement (Rs.111 crore to Rs. 86 crore) and (-)34% for motor vehicles (Rs. 123 crore to Rs. 82 crore).

6. Average revenue growth of Himachal Pradesh in pre-GST period was around 11% and due to assured revenue growth rate of 14% during GST, 3% shortfall is likely to persist unless it is offset by larger collection from Service Tax and better enforcement.

7. As per the data given by the State administration during the presentation, there is also decline in revenue due to reduction in tax rates under GST *vis-à-vis* VAT rates with goods earlier attracting VAT rate of 5% and 13.7% now attracting SGST rate of 2.5%, 6% and 9%. There is reduction in rate of tax on cigarettes and bidis from 36% and 22% respectively in VAT to 14% plus Cess under GST. The State was earlier getting luxury tax on hotels at the rate of 10% (which had no threshold exemption) but now SGST component on accommodation services was less than 9%. Under works contracts, the TDS component of advance tax and the audit trail was so far lost under the GST. The amount of TDS deposited under VAT during 2015-16 was Rs. 35.05 crore.

8. Tax from services, viz., banking, insurance, telecom is only 2% to 3% of total revenue. It has not been able to neutralise the loss of tax in goods sector which, in turn, is mostly due to structural reasons, as discussed earlier.

9. As on 30.08.2018, about 17% (16,480) of total registered taxpayers in the State are registered on the e-Way bill portal as against the national registration figure of about 21% (23,67,381). This points to non-compliance.

10. The return filing status of GSTR-3B and GSTR-1 of the taxpayers between March 2018 and July 2018 in the State is almost at par with or better than the national average. However, on an average, there is 2% less return filing in Central administration as compared to State Tax administration and this gap should be bridged.

11. Enforcement action is weak. As per MIS on GST portal, enforcement action other than e-way bill undertaken by the State and the Central administrations combined is only 56 cases for which the demand created is only Rs.52 lakh and recovery is only Rs.1.7 lakh. However, during the meeting, it was informed that the Central Tax administration has detected 5 cases of tax evasion involving an amount of Rs.5.99 crore and recovery of Rs.1.53 crore. Details of enforcement action should also be updated regularly on the GST portal by the Commissioners of Central and State Tax Administrations.

### **C. Steps suggested for addressing the revenue gap**

12. In order to offset the loss in revenue due to outflow of taxes due to destination principle, State administration should take steps to increase consumption within the State. It should plan to set up big retail outlets to encourage more shopping by tourists. The climatic advantage of Himachal Pradesh should be exploited by encouraging more conferences, etc. and for this, some big, world class convention centre could be set up. Also, policies to encourage setting up of retail outlets, tourism infrastructure and IT sector companies in Himachal Pradesh should be considered.

13. Service Tax revenue is very low and it can be improved through better compliance. To determine whether correct amount of Service Tax is being paid in the State, a sample study should be undertaken of a few major Banks in the State to examine as to what is the percentage of branch network in the State vis-a-vis the national number of branches and what percentage of their turnover take place in Himachal Pradesh vis-à-vis their total turnover in the country, and what is the total tax liability

discharged by the Bank in the State of Himachal Pradesh vis-à-vis the total tax paid nationally by the Bank. Similar study can also be done for telecom, insurance and other services. Such an analysis can serve as a proxy for the percentage of consumption of other services in the State vis-à-vis the national consumption. It would be important to verify whether the services being provided in the State of Himachal Pradesh are accounted for and taxed in Himachal Pradesh on the basis of destination principle or due to accounting error of the taxpayer, it is going to some other State.

14. e-Way bill enforcement should be robust. There should be checking of e-way bill for goods coming into Himachal Pradesh and, for this, mobile checking squads should be active. GSTN should also analyse e-Way bill data and generate reports of abnormal increase in e-Way bill generation by a taxpayer and HSN mismatch between GSTR-1 and e-Way Bill. Law Committee should examine to insert a provision in law which would enable GSTN to block return defaulters from generating e-Way bills.

15. Cash to input tax credit ratio of top 500 taxpayers each of the Central and the State Tax administrations should be examined to ascertain that they have availed input tax credit correctly.

16. Filing of GSTR-3B and GSTR-1 should be monitored vigorously and there should be a structured follow up mechanism for non-filers of tax returns. Experience shows that increased return filing would lead to increase in revenue. The 2% gap between Central and State Tax administration in return filing should be bridged and this would augment revenue.

17. As bogus billing is becoming a common place means of wrongful availment of input tax credit, the Tax Administrations should conduct physical verification of premises of 10% of new registrants, based on risk assessment. Similarly, TRAN-1 and TRAN-2 verification should be carried out by the Tax Administrations based on risk assessment parameters.

18. The State Government wants to introduce a settlement scheme for VAT and CST legacy assessment cases and they propose to waive interest under this settlement scheme. A committee of officers should examine this proposal in consultation with Himachal Pradesh and any other State proposing such scheme. This can also boost revenue in the short term.

19. By better enforcement, enhanced compliance and expansion of tax base, the effort of the State as well as the Central administration should be to progressively narrow the gap of revenue shortfall of the State *vis-a-vis* the national average. Presently, the gap is about 24% and the effort should be to narrow this gap by 8% every year so that the State comes at par with the national average of revenue collection in the next three years.

20. The State Tax administration is in the process of re-organising its tax administration set up. It is setting up functional and field units comprising business vertical for taxpayer services / enforcement / adjudication and economic intelligence unit. This is a good step and will help in improving compliance.

#### IV. Puducherry

##### A. Background

Puducherry is among the top 5 States/UTs with Legislature in terms of the percentage of revenue shortfall against the all-India revenue shortfall figure. For the 8 months of the GST collection during the financial year 2017-18 (August, 2017 to March, 2018), the average revenue shortfall of Puducherry is 45% as against the national average shortfall of 16%. In the first 5 months of the financial year 2018-19 (April to August, 2018), the revenue shortfall of Puducherry is 42%, as against the national average revenue shortfall of around 13%.

2. Revenue of Puducherry (from the subsumed taxes) to be protected for the base year 2015-16 is Rs. 1095.37 crore. The breakup of revenue earned in 2015-16 (**Table 1**) is as follows:

**Table 1**

Revenue from subsumed tax 2015-16			Revenue from Non-Subsumed Tax 2015-16		
Sl. No.	Particulars	Rs in crore	Sl. No.	Particulars	Rs in crore
1	Central Sales Tax	294.71			
2	Duties of Excise on Medicinal & Toilet Preparations	3.90	1	Taxes on liquor including surcharge	-
3	Entry Tax	-	2	Taxes on ATF	-
4	Surcharge on Sales Tax	-	3	Taxes on Motor spirit and Petrol	347.49
5	Entertainment Tax	-		<b>Total</b>	<b>347.49</b>
6	Value Added Tax	796.69	<b>Grand Total of Revenue – Rs. 1442.86 crore</b>		
7	Cesses & surcharges	0.07			
	<b>Total</b>	<b>1,095.37</b>			

Source: Department of Revenue

3. The **ratio of subsumed to non-subsumed taxes** in the year 2015-16 for Puducherry is **3.15** which is almost double of the national figure, which is **1.61** (**Table2**).

**Table 2**

UT/National	Subsumed (Rs in crore)	Non-Subsumed (Rs in crore)	Ratio
	A	B	C = A/B
Puducherry	1095.37	347.49	3.15
All States/UTs with Legislatures	396882	246264	1.61

Source: Department of Revenue and information collected from States/UTs

4. The trend of revenue collection from the subsumed taxes for the last 5 years and the percentage growth of such revenue is summarised in **Table 3** below:

**Table 3**

Sl. No	Year	Amount Collected (in Rs. crore)	Growth percentage
1	2012-13	951.58	-
2	2013-14	912.65	-4.09%
3	2014-15	959.22	5.10%
4	2015-16	1095.37	14.19%
5	2016-17	1186.62	8.33%
Average growth rate			<b>5.88%</b>

Source: CTD, Puducherry

5. As seen from the **Table 3**, the average growth rate of revenue of UT of Puducherry from the taxes subsumed under GST during the period 2012-13 to 2016-17 is only 5.88% as against the assured annual growth rate of 14% during the first five years of implementation of GST.

#### B. The reasons for revenue shortfall

6. **Loss on account of Central Sales Tax (CST):** In pre-GST regime, the UT of Puducherry could achieve a moderate level of industrialisation due to various incentives and **reduced rate of tax on inputs and finished goods**. As seen from **Table 4**, the revenue from **CST constituted about 27% of the total revenue of Puducherry from the subsumed taxes as against the national average of 8%**. Therefore, the loss on account of CST revenue is much higher for Puducherry.

**Table 4**

UT/National	CST revenue (Rs in crore) (2015-16)	Total Revenue Subsumed (Rs in crore) (2015-16)	Ratio in percentage terms
	A	B	C = (A/B) * 100
Puducherry	294.71	1095.37	27%
All States/UTs with Legislatures	33335.52	396882	8%

Source: Department of Revenue

7. **Real growth rate vs expected growth rate:** The **average growth rate** of revenue from the taxes subsumed under GST during the period 2012-13 to 2016-17 was only **5.88%** and due to the assured revenue growth rate of 14% in the GST regime during the transitional period, **8% shortfall** is likely to persist unless it is offset by larger collection from alternate sources of revenue, tax buoyancy and enforcement measures.

8. **Functional/Structural disadvantages:** There are **several functional/structural disadvantages** such as lack of natural/mineral wealth, small domestic consumption base and dependency on non-resident buyers, nascent services sector, limited scope for exports etc.

9. **Loss due to elimination of tax rate differential vis-à-vis neighbouring States:** As seen from **Table 5**, due to low VAT rates in Puducherry *vis-à-vis* the neighbouring State of Tamil Nadu, the consumers from the neighbouring States came to the UT and bought various commodities for which the VAT revenue accrued to the UT. In GST, due to uniformity in rates, purchase by the buyers from outside the UT has virtually stopped. **It was reported that the annual loss of revenue on this account is approximately Rs 96 crore.**

**Table 5**

Vat Rate Comparison (2016-17)				
Sl. No	Commodity	Puducherry	Tamil Nadu	Difference (in absolute terms)
1	Industrial Input & Packing Materials	3%	5%	2%
2	Edible Oil	3%	5%	2%
3	Medical Equipment	3%	5%	2%
4	Mobile Phones	5%	14.5%	9.5%
5	Building Materials	8%	14.5%	6.5%
6	Two Wheelers	8%	14.5%	6.5%
7	Amplifier & Speakers	8%	14.5%	6.5%
8	Electrical & Electronic Appliances	10%	14.5%	4.5%
9	Soaps & Detergents	10%	14.5%	4.5%



10	Furniture other than plastic & un-branded Steel Furniture	10%	14.5%	4.5%
11	Tyres & Tubes	10%	14.5%	4.5%
12	Auto parts	10%	14.5%	4.5%

Source: CTD, Puducherry

10. **Impact of rate rationalisation on revenue:** It was reported that, in VAT regime, certain goods were taxable at higher rates (normal residuary rate of 14.5% and other normal rates) whereas the GST rate on such goods have reduced (**Table 6**) and this has contributed to the SGST revenue shortfall.

**Table 6**

Commodity	Rate under VAT	SGST Rate	Difference between SGST and VAT rates
Cigarette	20%	14%	6%
Chocolates	14.5%	9%	5.5%
Biscuits	14.5%	9%	5.5%
Shampoo	14.5%	9%	5.5%
Toothpastes	14.5%	9%	5.5%
LPG (Commercial)	14.5%	9%	5.5%
Earth moving machinery	14.5%	9%	5.5%
Medicines	5%	2.5%	2.5%

Source: CTD, Puducherry

11. However, as seen from **Table 7**, there is also increase in SGST rate as compared to the VAT rates on some of the major goods. Hence, the revenue loss due to reduction of tax rates on certain goods can be offset by the extra revenue accruing to the UT from those goods on which the tax rates have increased in comparison to the VAT rates.

**Table 7**

Sl.No	Commodity	VAT Rate	SGST Rate
1	LPG (Domestic)	1%	2.5%
2	Edible Oil, Vegetable Oil, Oil cake and Deoiled cake	1%	2.5%
3	Packing materials	5%	9%
4	Furniture	5%	9%
5	Two Wheelers	8%	14%
6	Hardware items & Electrical Goods	8%	9%
7	Building Materials	8%	9%
8	Marbles & Granites	8%	14%
9	Tyres and tubes	10%	14%
10	Auto parts, accessories and attachments excluding tyres and tubes	10%	14%
11	Computers & I.T products	5%	9%
12	Amplifiers and Speakers	8%	9%

Source: CTD, Puducherry

12. **Low contribution of revenue from the Services sector:** There is annual revenue loss in goods sector of about Rs 389 crore due to subsuming of CST and elimination of differential lower VAT rates

in UT *vis-à-vis* the neighbouring States. This loss is not being fully offset by revenue from services sector, which as reported by the State tax authorities, is approximately Rs 120 crore annually.

13. **Enforcement:** Given the fact that the IGST base of Puducherry was higher and inter-State movement of goods were more, the number of registrations under e-Way Bill against the number of registrations under GST for Puducherry is 3.66% lesser than the national average for the period Apr'18 to Aug'18 as shown in **Table 8**. Moreover, only 18 transporters are enrolled under GST. The enforcement action under e-Way Bill reported by the tax authorities is very low.

**Table 8**

	Number of Registrations under GST	Number of Registrations under E-Way Bill	(b) as Percentage of (a)
	A	B	C
All India	11306749	2376884	21.02%
State figures	22778	3954	17.36%
<b>Difference: (India% - Puducherry %)</b>			<b>3.66%</b>

Source: GSTN

14. **Return filing:** The compliance level in GSTR-3B and GSTR-1 return filing for the period Jul'17 to Jul'18 is lower than the national average to the tune of 2-3 % and 6-7 % respectively. A high percentage i.e. 17% of the taxpayers in Puducherry has declared annual turnover of more than Rs. 1 crore. Therefore, lower percent of return filing has a bearing on loss in revenue.

#### **C. Steps suggested for addressing the revenue gap**

15. The revenue to be protected for the year 2018-19 is Rs. 1620 crore. Puducherry has limited market for finished goods and has a higher dependency on non-resident buyers. In order to sustain a good growth rate and to reduce the revenue gap, the UT should broaden its tax base by strengthening Tourism, Hotel and Restaurant businesses. Further, its location on eastern coast and proximity to Industrial hub and a metropolitan city provides an opportunity to develop information technology and exports by setting up software parks, warehouses, cold storages, depots etc.

16. Steps can be taken to increase revenues from services sector by focused study on sectors such as Banking, Telecom, insurance etc and supporting them to setup their businesses. Sample studies could be undertaken to ascertain the correctness of the tax liabilities discharged by them.

17. As Puducherry is geographically small, systematic efforts such as outreach programmes, meetings with trade bodies and publishing advertisements to educate the taxpayers by both the Tax Administrations will yield good results in terms of improving compliance, including the return filing percentage which should ideally be at least 5% more than the national average.

18. Data analytics should be extensively used to identify the tax evaders and carry on enforcement exercise based on risk assessment and data available in GSTR-3B/GSTR-1 and GSTR-2A. Cross verification of data for payments made to work contactors, details of service providers viz. security services, housekeeping services, vehicle registration and permit details etc. from sources such as PWD/Electricity Dept./Municipalities, Government treasuries, Transport Dept. and other Government bodies should also be used to plug the revenue leakages.

19. e-Way bill checking, particularly with respect to inter-State movement of goods, should be conducted at the State borders through the joint teams of State Tax and Central Tax administration.
20. The top 100-200 taxpayers that pay bulk of the taxes should be monitored regularly with regard to the return filing and cash to ITC payments as well as of those who are identified as prone to revenue risk.
21. The Tax administrations should conduct physical verification of premises of at least 10% of the new registrants based on risk assessment parameters so that fly-by-night operators are checked.
22. By way of better enforcement, enhanced compliance and expansion of tax base, the UT and the Central tax administration should progressively try to narrow the revenue shortfall percentage of UT *vis-à-vis* the national average which at present is approximately around 29%. Effort should be to narrow this gap progressively in next 4 years so as to reach closer to the national average.

## **Agenda Item 7: Status report on Anti-profiteering measures under GST for information of the Council**

In the last Council meeting held on 4 August, 2018 (29th Meeting), while discussing Agenda Item 1 on "Confirmation of the Minutes of 28th GST Council Meeting held on 28 July, 2018", the Council briefly discussed the efficacy of the anti-profiteering measures. It was thereafter decided that the National Anti-profiteering Authority would give a report regarding the action taken under the National Anti-profiteering law in the next meeting of the Council. As per the discussion, the report would focus on the investigations done, number of notices issued, recoveries made etc. Accordingly, this Status Report is submitted for the information of the Council and directions, if any.

### **2. Scope and administrative framework of anti-profiteering provisions**

2.1. Anti-profiteering provisions contained in Section 171 of the CGST Act, 2017 read with Rules 122 to 137 of the CGST Rules, 2017 get applied if the benefit of reduction in rate of tax on any supply of goods or services or the benefit of input tax credit is not passed on to the recipient by way of commensurate reduction in price.

2.2. An application to invoke anti-profiteering provisions can be made by an interested party or a Commissioner or any other person.

2.3. The administrative framework comprises the National Anti-profiteering Authority (NAA), the Standing Committee on Anti-profiteering and 31 State Screening Committees. The anti-profiteering investigation is entrusted to the Directorate General of Anti-profiteering (DGAP), CBIC.

### **3. Some milestones**

- i. 08.09.2017: Standing Committee on Anti-profiteering constituted.
- ii. 01.12.2017: Chairman, National Anti-profiteering Authority assumes office.
- iii. Aug. to Oct. 2017: State Screening Committees constituted.
- iv. 15.09.2017 to 13.06.2018: Rules governing anti-profiteering amended - Rule 122 (on 15.09.2017); Rule 124 (on 15.09.2017, 15.11.2017 and 23.03.2018); Rule 125 (on 23.03.2018 and 06.07.2018); Rule 127 (on 15.09.2017 and 23.03.2018); Rule 129 (on 23.03.2018 and 06.07.2018); Rules 130, 131, 132 (on 06.07.2018); Rule 133 (on 23.03.2018, 13.06.2018 and 06.07.2018); Rule 134 (on 23.03.2018); Rule 137 (on 23.03.2018).
- v. 13.11.2017: Monthly Report prescribed for Screening Committees.
- vi. 26.03.2018: Simplified application form issued.
- vii. 26.03.2018: Guidelines issued for State Screening Committees and Standing Committee.
- viii. 27.08.2018: NAA's consumer Helpline launched.

### **4. Process flow of anti-profiteering cases**

4.1. Applications of local nature are examined by the State Screening Committees and then sent to the Standing Committee for further action. Other applications having All India impact are directly examined by the Standing Committee. If claim of profiteering is *prima facie* established, the Standing Committee refers it to the DGAP for investigation. The DGAP submits its investigation report to the NAA within 3 months (extendable by another 3 months by the NAA). The NAA may direct the supplier to reduce the prices, refund profited amount to the consumer, deposit the profited amount in the Consumer Welfare Fund. The NAA may also penalise the supplier and cancel his registration.

5. **Efficacy of anti-profiteering measures (upto15.09.2018)**

5.1 Applications dealt with by Standing Committee: 1,289

5.2 Applications pending:

- With Screening Committees: 33
- With Standing Committee: 156

5.3 Investigations with DGAP:

- Pending investigations: 289  
[incl. 248 referred by Kerala in July 2018]
- Completed investigations: 31
- Sectoral analysis of investigations:

Construction	FMCG	Restaurants	Others	Total
31	269	6	14	320

- Important investigations completed:

Company	Profiteering Amount
Hindustan Unilever Ltd.	Rs. 495.71 Crores
Jubilant Food Works Ltd. (Dominos)	Rs. 41.43 Crores
Himalaya Drugs Company	Rs. 19.27 Crores
Hardcastle Restaurant Pvt. Ltd. (McDonalds)	Rs. 7.49 Crores
Puri Constructions	Rs. 3.42 Crores

5.4. **Disposal by National Anti-profiteering Authority:**

Opening Balance	No. of investigation Reports received from DGAP during the quarter	*Disposal of Cases {Upto 20th September, 2018}				Closing Balance
		Total Disposal	No. of cases Where Profiteering established	No. of cases where profiteering not established	No. of cases referred back to DGAP	
-	25	6	3	2	1	19

5.5 Deposit of profiteered amount in Consumer Welfare Fund:

- Hindustan Unilever Ltd.: Rs.160.23 Crores (on 21.06.2018)
- Nestle India Ltd.: Rs.16.57 Crores (on 05.07.2018 and 20.08.2018)

6. **Anti-profiteering outreach**

- Consumer Helpline: 011-21400643
- 11 advertisements in English, Hindi and total 15 vernacular languages have been published in major print media across the country.



## 7. Anti-profiteering activity in States (Jan. to July 2018 – 7 months)

### 7.1 Applications handled by State Screening Committees (SSCs) in last 7 months:

- 9 SSCs handled applications in 4 or more months
- 8 SSCs handled applications in 1 to 3 months
- 14 SSCs handled Nil applications in 7 months

Regularly (9 SSCs) (4 Months or more)	Not Regularly (8 SSCs) (1 to 3 Months)	None (14 SSCs) (0 Month)	
Andhra Pradesh	Haryana	Jammu & Kashmir	Mizoram
Delhi	Nagaland	Punjab	Manipur
Rajasthan	Assam	Himachal Pradesh	Goa
Maharashtra	Gujarat	Madhya Pradesh	Tripura
Uttar Pradesh	Tamil Nadu	Bihar	Puducherry
Jharkhand	Meghalaya	Chhattisgarh	
Karnataka	Uttarakhand	Odisha	
Telangana	Kerala	Sikkim	
West Bengal		Arunachal Pradesh	

### 7.2 Reports received from State Screening Committees (SSCs) in last 7 months:

- 20 SSCs submitted 5 to 7 reports
- 10 SSCs submitted 1 to 4 reports
- 1 SSC submitted no report (sent minutes of meetings in June & July 2018)

Regularly (20 SSCs) (5 to 7 Reports)	Not Regularly (10 SSCs) (1 to 4 Reports)	None (1 SSC)
Andhra Pradesh	Assam	Haryana
Arunachal Pradesh	Goa	
Bihar	Himachal Pradesh	
Chhattisgarh	Kerala	
Gujarat	Meghalaya	
Jammu and Kashmir	Mizoram	
Jharkhand	Nagaland	
Karnataka	Odisha	
Madhya Pradesh	Rajasthan	
Maharashtra	Sikkim	
Manipur		
Delhi		
Puducherry		
Punjab		
Tamil Nadu		
Telangana		
Tripura		
Uttar Pradesh		
Uttarakhand		
West Bengal		

8. The status report on Anti-profiteering measures under GST is placed before the Council for information.

## **Agenda Item 8: Proposal of State of Kerala for imposition of Cess on SGST for rehabilitation and flood affected works**

The Hon'ble Finance Minister of Kerala has requested Hon'ble Union Finance Minister for considering levy of 10% Cess on SGST of all commodities consumed in Kerala as a special revenue mobilization by the State for rehabilitation and flood affected works to be kept outside the Compensation to State of Kerala as per GST (Compensation to States) Act, 2017.

2. The Hon'ble Finance Minister of Kerala has requested that the aforesaid proposal may be included as an agenda to be discussed in the next GST Council meeting. He has also proposed to develop an appropriate mechanism for mobilization of revenue in case such a calamity occurs anywhere in the country.

3. Article 246A of the Constitution of India relates to Special provision with respect to goods and services tax, which provides for: -

*246A (1) Notwithstanding anything contained in articles 246 and 254, Parliament, and, subject to clause (2), the Legislature of every State, have power to make laws with respect to goods and services tax imposed by the Union or by such States.*

*(2) Parliament has exclusive power to make laws with respect to goods and services tax where the supply of goods, or of services, or both takes place in the course of inter-State trade or commerce.*

4. The first issue that needs consideration is power to levy cess. It is clear from the above provision that Centre and State can make laws with respect to Goods and Services Tax drawing the powers/authority from clause (1) of Article 246A. Since cess is a levy in the nature of tax, levied for a specific purpose by the legislature, it is evident that Centre and States have power to levy cess on supply of goods and services.

5. However, in a recent proposal to levy cess on supply of sugar, the Council constituted a Group of Ministers (GoM) headed by the Hon'ble Finance Minister of Assam. The Chairman of the GoM directed the Department of Revenue that, before a decision is taken in this regards, legal opinion from Department of Legal Affairs, Ministry of Law and Justice (MoL&J), Government of India be sought. Since a similar matter of levy of compensation cess on supply of goods and services is under challenge in the Hon'ble Supreme Court of India in Union of India Vs M/s Mohit Minerals and the issue is *sub judice*, MoL&J referred the matter for the opinion of the Attorney General of India. The opinion on this matter is still awaited.

6. Levy of 10% cess on Kerala GST would fetch around ₹ 60-70 crore per month. Since this cess would only be on the State GST, it will only apply to intra-State transaction leading to a difference in tax payable between intra-State supplies and supplies from other States into Kerala and from Kerala to other States as cess will not be applicable to such supplies.

7. Other issues like availability of credit of cess paid on inward supplies and refund on cess paid in respect to supplies that are destined outside Kerala need to be decided. If such a cess is levied, it can be kept outside the ambit of compensation as it would not be covered under section 7 (4) of the Compensation Act.

8. Since this would be an additional cess which would be applicable on all commodities, it will have to be collected through the GSTN challan and return. This would require a change in the format



for challan and return, development of cash ledger and credit ledger, mechanism for refund of cess, mechanism for demand and recovery etc. and would, therefore, require substantial change in the GSTN software. GSTN has preliminarily indicated that this may require development efforts of about six months.

9. The proposal for Kerala for levy of 10% Cess on all intra-State supplies in the State of Kerala is accordingly submitted for consideration of the GST Council.

**Agenda Item 9: Proposal of State of Punjab to address difficulties arising out of recent amendment to rule 96 of the CGST/SGST Rules relating to exports**

Sh. Manpreet Singh Badal, Hon'ble Minister for Finance, Planning, Programme Implementation and Governance Reforms, Government of Punjab vide D.O. No. PS/FM/2018/1047 dated 18.09.2018 addressed to the Hon'ble Union Finance Minister has observed that the recent amendment carried out in Rule 96 withdrawing the benefit of refund of IGST paid on exports even when a small import has been done against EPCG has introduced an avoidable complexity for exporters. Other representations have also been received stating that the recent amendment carried out retrospectively in rule 96(10) of the Central Goods and Services Tax Rules, 2017 (CGST Rules for short) vide notification No. 39/2018- Central Tax dated 04.09.2018, is causing hardship to exporters, especially those who have imported capital goods/machinery under the Export Promotion Capital Goods Scheme (EPCG). It has also been represented that it was not clear whether rule 96(10) of the CGST Rules, as it existed before the amendment introduced vide notification No. 39/2018- Central Tax dated 04.09.2018, prevented an exporter, who was importing capital goods/machinery under the EPCG scheme, from claiming refund of IGST paid on export of goods. Several exporters availing benefits of the EPCG scheme have already received refunds of IGST paid on export of goods. On the other hand, several other similar exporters are being denied similar refund.

2. It has been represented that most of the exporters under the EPCG scheme use duty paid inputs along with the machinery/capital goods imported under the said scheme to manufacture their export supplies. It is unreasonable to prevent such exporters from utilising their accumulated ITC availed on duty paid inputs, which have been used to manufacture export goods, for paying IGST on their export supplies and claim refund of the same.

3. The matter was examined in the Law Committee in its meeting held on 20.09.2018 and they have proposed that the reference to *notification No. 79/2017-Customs, dated the 13th October, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R 1299 (E), dated the 13th October, 2017* may be omitted from rule 96(10) of CGST Rules. It is further proposed that rule 89(4B) of the CGST Rules may also be suitably amended to make it consistent with the proposed changes in rule 96(10) of the CGST Rules. It is proposed that the said amendments may be carried out retrospectively with effect from 23.10.2017 in the CGST Rules. The suggested formulations for the said amendments (proposed deletions in strikethrough and new additions in italics-underlined), as proposed by the Law Committee are enclosed as **Annexure 1**.

4. Accordingly, the approval of the GST Council is sought for amending rules 96(10) and 89(4B) of the CGST Rules. The exact wordings of the amendments shall be finalised in consultation with the Legislative Department, Union Law Ministry. *Pari materia* changes would be carried out in the respective SGST Rules also.

## Annexure 1

### **Suggested formulation for rule 96(10) of the CGST Rules (proposed deletions in strikethrough and new additions in italics-underlined)**

“(10) The persons claiming refund of integrated tax paid on exports of goods or services should not have -  
(a) received supplies on which the benefit of the Government of India, Ministry of Finance notification No. 48/2017-Central Tax, dated the 18th October, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R 1305 (E), dated the 18th October, 2017 or notification No. 40/2017-Central Tax (Rate), dated the 23rd October, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R 1320 (E), dated the 23rd October, 2017 or notification No. 41/2017-Integrated Tax (Rate), dated the 23rd October, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R 1321 (E), dated the 23rd October, 2017 has been availed; or

(b) availed the benefit under notification No. 78/2017-Customs, dated the 13th October, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R 1272(E), dated the 13th October, 2017 ~~or notification No. 79/2017 Customs, dated the 13th October, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R 1299 (E), dated the 13th October, 2017.~~”

### **Suggested formulation for rule 89(4B) of the CGST Rules**

(4A) In the case of supplies received on which the supplier has availed the benefit of the Government of India, Ministry of Finance, notification No. 48/2017-Central Tax dated the 18th October, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Subsection (i), *vide* number G.S.R 1305 (E) dated the 18th October, 2017, refund of input tax credit, availed in respect of other inputs or input services used in making zero-rated supply of goods or services or both, shall be granted.

(4B) ~~In the case of supplies received on which the~~ *Where the person claiming refund of unutilized input tax credit on account of zero-rated supplies without payment of tax has –*

*(a) received supplies on which the* supplier has availed the benefit of the Government of India, Ministry of Finance, notification No. 40/2017-Central Tax (Rate) dated the 23rd October, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R 1320 (E) dated the 23rd October, 2017 or notification No. 41/2017-Integrated Tax (Rate) dated the 23rd October, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R 1321(E) dated the 23rd October, 2017; or

*(b) has availed the benefit of* notification No. 78/2017-Customs dated the 13th October, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R 1272(E) dated the 13th October, 2017 ~~or notification No. 79/2017 Customs dated the 13th October, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R 1299(E) dated the 13th October, 2017, or all of them,~~

*the* refund of input tax credit, availed in respect of inputs received under the said notifications for export of goods and the input tax credit availed in respect of other inputs or input services to the extent used in making such export of goods, shall be granted.

**Agenda Item 10: IGST exemption to imported goods supplied for relief and rehabilitation of people affected by floods in the State of Kerala for information of the Council**

In view of the large-scale devastation caused by heavy rainfall and unprecedented floods in the State of Kerala, it was decided to grant exemption from the basic customs duty (BCD) and IGST for the consignments being despatched or imported from abroad for the supply of aid and relief materials to the affected people in Kerala. The said exemption was granted vide notification No. 59/2018-Customs dated 21<sup>st</sup> August, 2018 (copy enclosed), subject to certain safeguards. This exemption shall be effective till 31<sup>st</sup> December, 2018.

2. During the 26<sup>th</sup> GST council meeting held on 10/3/2018, the Union Finance Minister was granted powers to grant ad hoc exemption under section 25(2) of the Customs Act, 1962, from IGST on imports of goods and services or both on which tax is leviable, based on the recommendations of the GST Council, by special order in each case, under circumstances of an exceptional nature to be stated in such order. It was also proposed that each such *ad hoc* exemption order would be placed before the Council after issue of such order.

3. Further, while the instant case merits grant of *ad hoc* exemption as the circumstances are of exceptional nature, issuance of an *ad hoc* exemption order on case to case basis for each of the relief consignment and monitoring and giving effect to such large number of *ad hoc* exemptions would be counter-productive. Hence, a general exemption notification no 59/2018 – Customs dated 21<sup>st</sup> August 2018 (attached as **Annexure 1**) has been issued, subject to safeguards. This notification satisfies the ingredients of *ad hoc* exemptions and is in the spirit of the approval of the GST Council empowering the Union Finance Minister to issue an *ad hoc* exemption from IGST and keeping in view the gravity of the situation, exemption from BCD and IGST has been granted. Similar exemptions were issued earlier (exempting BCD and CVD) in the wake of massive devastation caused by the earthquake in Bhuj and the floods in the states of Bihar and Jammu and Kashmir.

4. The notification is placed before the GST Council for information.

## Annexure 1

3[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART II, SECTION 3, SUB-SECTION (i)]

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
(DEPARTMENT OF REVENUE)**

**Notification No. 59/2018 – Customs**

New Delhi dated the 21<sup>st</sup> August, 2018

G.S.R. (E).- In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts all goods falling under the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) when imported into India and intended for donation for the relief and rehabilitation of the people affected by the recent floods in the State of Kerala from -

- (a) the whole of the duty of customs leviable thereon under the First Schedule to the said Customs Tariff Act; and
- (b) the whole of integrated tax leviable thereon under sub-section (7) of section 3 of the said Customs Tariff Act,

subject to the following conditions, namely:-

- (i) that it is certified by the importer on the relevant clearance documents that the goods are intended to be donated for the relief and rehabilitation of the people affected by the floods in the said State free of cost;
- (ii) that the said imported goods are sent to the Central Government, the Government of Kerala; or as the case may be, the relief agencies of the Central Government, the Government of Kerala including the relief agencies duly approved by the Central Government or the Government of Kerala for the purpose; and
- (iii) that the importer produces before the Deputy Commissioner or the Assistant Commissioner of Customs, as the case may be, within six months from the date of importation of the said goods or within such extended period as the said officer may allow, a certificate from the District Magistrate of the affected area in the State of Kerala that the said goods have been donated for use for the aforesaid purpose.

2. This notification shall remain in force upto and inclusive of the 31<sup>st</sup> December, 2018.

[F.No. 354/311/2018-TRU]

(Gunjan Kumar Verma)  
Under Secretary to the Government of India



# **Additional agenda for 30<sup>th</sup> GST Council Meeting**

**28 September 2018**





**File No: 580/30<sup>th</sup> GSTCM/GSTC/2018**  
**GST Council Secretariat**

Room No.275, North Block, New Delhi  
Dated: 07<sup>th</sup> September 2018

**Notice for the 30<sup>th</sup> Meeting of the GST Council scheduled on 28<sup>th</sup> September 2018**

The undersigned is directed to refer to the subject cited above and to say that the 30<sup>th</sup> Meeting of the GST Council will be held on **28<sup>th</sup> September 2018 (Friday)** as follows:

- Friday, 28<sup>th</sup> September 2018: 11:00 hours onwards (Through Video Conference)
- 2. In addition, an Officer's Meeting will be held as follows:
  - Thursday, 27<sup>th</sup> September 2018: 11:00 hours onwards (Through Video Conference)
- 3. The Agenda Items for the 30<sup>th</sup> Meeting of the GST Council will be communicated in due course of time.
- 4. Respective State NIC units may be contacted for details regarding the Video Conference.
- 5. Please convey the invitation to the Hon'ble Members of the GST Council to attend the meeting.

-sd-

**(Dr. Hasmukh Adhia)**

**Secretary to the Govt. of India and ex-officio Secretary to the GST Council**

**Tel: 011 23092653**

Copy to:

1. PS to the Hon'ble Minister of Finance, Government of India, North Block, New Delhi with the request to brief Hon'ble Minister about the above said meeting.
2. PS to Hon'ble Minister of State (Finance), Government of India, North Block, New Delhi with the request to brief Hon'ble Minister about the above said meeting.
3. The Chief Secretaries of all the State Governments, Delhi and Puducherry with the request to intimate the Minister in charge of Finance/Taxation or any other Minister nominated by the State Government as a Member of the GST Council about the above said meeting.
4. Chairperson, CBIC, North Block, New Delhi, as a permanent invitee to the proceedings of the Council.
5. Chairman, GST Network



### **Agenda Items for the 30<sup>th</sup> Meeting of the GST Council on 28<sup>th</sup> September 2018**

1. Confirmation of the Minutes of 29<sup>th</sup> GST Council Meeting held on 04<sup>th</sup> August 2018
2. Deemed ratification by the GST Council of Notifications, Circulars and Orders issued by the Central Government
3. Decisions of the GST Implementation Committee (GIC) for information of the GST Council
4. Decisions/recommendations of the IT Grievance Redressal Committee for information of the Council
5. Review of Revenue position
6. Analysis of Revenue Gap of select States and Union Territory of Puducherry for information of the Council
7. Status report on Anti-profiteering measures under GST for information of the Council
8. Proposal of State of Kerala for imposition of Cess on SGST for rehabilitation and flood affected works
9. Proposal of State of Punjab to address difficulties arising out of recent amendment to rule 96 of the CGST/SGST Rules relating to exports
10. IGST exemption to imported goods supplied for relief and rehabilitation of people affected by floods in the State of Kerala for information of the Council
11. Any other agenda item with the permission of the Chairperson
12. Date of the next meeting of the GST Council

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# Discussion on Agenda Items

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## **Agenda Item 11: Any other agenda item with the permission of the Chairperson**

### **Agenda Item 11(i): Addendum to Agenda Item 6 (Analysis of Revenue Gap of select States and Union Territory of Puducherry for information of the Council) – Report on Bihar**

In the Agenda Item 6 of the main volume of the Detailed Agenda Notes for the 30<sup>th</sup> GST Council Meeting, the Reports on revenue gap study of Jammu & Kashmir, Punjab, Himachal Pradesh and UT of Puducherry has been placed before the Council. The Finance Secretary visited Patna on 21<sup>st</sup> September 2018 for conducting the Revenue Gap analysis of Bihar.

2. Accordingly, the reasons for the shortfall and the steps suggested for addressing the revenue gap for the State of Bihar is placed at Annexure 1.
3. This is placed before the Council for information and consideration.

## Annexure 1

### I. Bihar

#### A. Background

Bihar is among the top 5 States in terms of the percentage of revenue shortfall against the all-India revenue shortfall figure. For the 8 months of GST collection during the financial year 2017-18 (August, 2017 to March, 2018), the average revenue shortfall of Bihar is 38% as against the national average shortfall of 16%. In the first five months of the financial year 2018-19 (April to August, 2018), the revenue shortfall of Bihar is 20%, as against the national average revenue shortfall of around 13%.

2. Revenue of Bihar to be protected for the base year 2015-16 is Rs.12,620.56 crore. The breakup of the revenue to be protected is at **Table 1** below (revenue from subsumed tax):

**Table 1**

Revenue from subsumed tax 2015-16			Revenue from Non-Subsumed Tax 2015-16		
Sl. No.	Particulars	Rs in crore	Sl. No.	Particulars	Rs in crore
1	Value Added Tax (VAT)	6340.87	1	VAT on Petrol, Diesel, ATF, Natural Gas, IMFL and Country Liquor	4394.94
2	Central Sales Tax (CST)	59.22		-	
3	Advertisement Tax	0.71			
	Entertainment Tax	66.09			
4	Lottery, Betting & Gambling				
	Luxury Tax		2	CST on Petrol, Diesel, ATF, Natural Gas, IMFL and Country Liquor	0.77
5	Entry Tax	6153.67			
6	Cesses & surcharges	0.00	3	Bihar Electricity Duty	297.33
7	Duties of Excise on Medicinal & Toilet Preparations	0.00	4	Professional Tax	65.46
	Total	12620.56		Total	4758.50
			Grand Total of Revenue – Rs. 17379.06		

(Source: Department of Revenue and Commercial Tax Deptt., Bihar)

3. The trend of revenue collection for the last five years and the percentage growth of revenue is summarised in **Table 2** below:

**Table 2**

Year	Amount collected (Rs. crore)	Growth Percentage
2012-13	7670.67	
2013-14	9496.19	23.80%
2014-15	9874.81	3.99%
2015-16	12620.56	27.81%
2016-17	14573.71	15.48%
<b>Average growth rate</b>		<b>17.77%</b>

(Source: Commercial Tax Deptt., Bihar)

4. As can be seen from Table 2 above, the average growth rate of revenue of the last four years for Bihar is 17.77%, which is about 4% more than the assured growth rate of 14% for first five years of implementation of GST. The State enjoyed a higher than the 14% assured growth rate in 2015-16 (27.81%) and in 2016-17 (15.48%). This was largely on account of increase in VAT rate by 1% with effect from January, 2016 of their standard VAT rate (from 13.5% to 14.5%) and imposition of VAT at the rate of 5% on some categories of textiles (textiles sold at more than Rs.500 per metre and *saree* sold at more than Rs.2,500 per piece) preparatory to imposition of Prohibition in the State from April 2016. In August 2016, the standard VAT rate was further increased by 0.5% (from 14.5% to 15%) and the lower VAT rate was increased from 5% to 6%. Another reason for very high growth of tax collection during 2015-16 is reported to be recovery of Rs.985 crore of Entry Tax following the settlement of the legal dispute regarding the Constitutional validity of Entry Tax.

5. The ratio of subsumed to non-subsumed taxes for 2015-16 for Bihar is 2.65 (**Table 3**) which is approximately double the national figure of 1.61. This implies that Bihar has more dependence on the subsumed revenue. It is also interesting to note that unlike other States such as Himachal Pradesh and Punjab, where export taxes like CST and Purchase Tax constituted a substantial percentage of the revenue subsumed, the share of CST in Bihar's revenue collection for 2015-16 is only 0.47%. This indicates that revenue shortfall is not due to any major structural reasons.

**Table 3**

State/National	Subsumed (Rs in crore)	Non-Subsumed (Rs in crore)	Ratio
	A	B	C = A/B
Bihar	12620.56	4758.50	2.65
All States/UTs with Legislatures	396882	246264	1.61

Source: Department of Revenue and information collected from States/UTs

#### **B. Reasons for shortfall in revenue**

6. **Loss due to Entry Tax:** The Entry Tax collection in 2015-16 constituted 48.76% of the total subsumed taxes. It is reported that Entry Tax was levied on 35 goods at the rates varying from 4%, 5%, 12% and 16%. However, for most of the goods, the amount paid as Entry Tax could be used as Input Tax Credit for payment of VAT when goods were sold within the State. So, this was also largely not a cascaded tax except for Entry Tax paid by some sectors where the final product was not liable to pay VAT, such as power utilities and telecom companies. It is reported that out of about Rs.6,154 crore of Entry Tax collected in 2015-16, approximately Rs.5,000 crore went towards setting off the VAT liability and only Rs.1,100 crore (i.e. 8.72%) was actual collection from Entry Tax.

7. **Slow Settlement Process:** The loss of revenue on account of Entry Tax could be made good through settlement process. However, settlement of IGST has not been regular due to various reasons, like non-filing of returns and non-furnishing of information in the return regarding ineligible input tax credit and the reversal thereof. As Bihar is a consuming State, larger settlement of IGST credit will lead to improvement in its revenue collection. Information of ineligible/reverse credit would become available in the Annual Return.

8. **Effect of increase in VAT Rate due to Prohibition:** Due to introduction of Prohibition in the State from April 2016, there was increase in VAT rate as also levy of VAT on textiles effective from January 2016. Further, in 2015-16, there was collection of huge amount of arrears of Entry Tax (Rs. 985 crore) following settlement of legal dispute regarding Constitutional validity of Entry Tax. This led to a gain of Rs.2,746 crore of VAT revenue to Bihar in 2015-16 and the State has reaped its advantage by getting 14% assured growth rate on this base revenue. Due to high growth rate in the base year of 2015-

16, there is high shortfall in revenue of Bihar in the first 8 months of implementation of GST in 2017-18 (August 2017 to March, 2018) (38%) *vis-à-vis* the national average of 16%. However, this gap has since narrowed down to 20% in the first five months of 2018-19 (April to August, 2018) *vis-à-vis* the average national revenue gap of about 13%.

9. **Reduction in effective rate of tax on goods:** It is reported that there has been loss of revenue due to reduction in rate of tax in GST as compared to the earlier prevailing VAT rate in the State. For instance, there was reduction in the effective rate of tax on some of the major revenue earning commodities like cement, consumer durables and FMCG from 16.88% during VAT regime (15% VAT plus embedded Central Excise Duty) to 14% in the GST regime, and on automobiles from effective VAT rate of 18.7% to 14%. Several other goods in the slab of 6% and 15% under VAT now attract GST at the rates of 2.5% / 6% / 9%. It is reported that loss in tax collection due to rate reduction on goods during the period July, 2017 to March, 2018 as compared to the period July, 2016 to March, 2017 is Rs.1,064 crore whereas gain from rise in tax rate on some commodities like iron and steel (6% to 9%) and a few others is only Rs.388 crore. This has led to a net loss of about Rs.676 crore. This loss has not been offset by gains from Service Tax.

10. **Poor Collection from Service Tax:** It is reported that as a normal pattern, approximately 91% of outward supply in Bihar is intra-State and only about 9% is inter-State supply. However, the major services sectors are reporting a much larger percentage as inter-State supply and paying IGST on them. This includes Railways (31%), Airlines (30% out of which 65% is accounted for by Air India), Telecom (27%) and Banks (11%). On the basis of tax payment data for Telecom, Banks/Financial Services and Railways in the State, their taxable base in Bihar works out to Rs.8,100 crore whereas based on data from other sources, such as Indian Brand Equity Foundation, NIPFP and Railway Budget (2016-17), the taxable base of these sectors in Bihar works out to around Rs.11,775 crore. This is likely due to improper application of place of supply rules by these service sectors within the State, leading to loss of revenue.

11. **Poor Return Filing:** There is substantial loss in revenue due to poor return filing in the State. There is a consistent gap of about 8% to 10% in GSTR-3B filing in the State as compared to the national average. The situation is worse in respect of GSTR-1 filing, where the gap is almost 20%.

12. **Below Par Enforcement for e-Way Bill:** The percentage of e-Way bill registrants *vis-à-vis* GST registrants in Bihar is very low (10.12%) as compared to the national average of 21.29%. This leaves a big gap of 11.1%. Also, the percent of e-Way bill generated in Bihar is only 0.56% of the total number of e-Way Bill generated in the country whereas Bihar accounts for 3.17% of the all-India revenue subsumed in GST in 2015-16. These gaps signify below par enforcement environment for e-Way bill in the State.

13. **Poor revenue contribution from new registrants:** It is reported that 92% of taxes paid in the State is being contributed by the migrated taxpayers. Only 8% tax comes from the newly registered taxpayers. This points to a possible low compliance level by the newly registered taxpayers.

14. **Non-implementation of TDS provision:** Keeping TDS in abeyance has impacted revenue collection. It is reported that revenue collected through TDS in 2015-16 was Rs.1,233 crore and in 2016-17, it was Rs.1,579 crore. For 2016-17, it is reported that out of Rs.1,579 crore collected as TDS, Rs.910 crore was a net gain to the State as this was neither set off as a VAT liability nor claimed as a refund. Directorate General of GST Intelligence (DGGI) of the State has also reported that Government contractors are not paying taxes unless there is proper follow up by the Tax Department.

### **C. Steps suggested to address the Revenue Gap**

15. It is seen that the revenue gap of Bihar *vis-à-vis* the national shortfall percentage was 22% during the period August, 2017 to March, 2018 and this has reduced to 7% during the period April to August, 2018. As Bihar does not have significant structural reasons for revenue shortfall, the revenue gap can be easily bridged through better compliance and enforcement action.
16. The shortfall in revenue from Service Tax needs to be addressed on priority. DG Audit under CBIC should urgently take up systems audit of the centralised accounting software of Railways, Airlines, Banks, Insurance and Telecom sectors to ascertain that they are recording their output supplies in various States in accordance with the place of supply rules applicable to services.
17. Monitoring of return filing needs to be given special attention, with particular focus on the top 1,000 taxpayers of both the State and the Central Tax Administrations. Workshops and public outreach programmes should be organised for taxpayers, trade bodies and tax consultants to motivate the non-filers to file their returns. It should be highlighted during the outreach programmes that late fee for GSTR-1 has been waived if the same is filed by 31<sup>st</sup> October 2018 and that this last chance should be availed to file GSTR-1s.
18. Non-filers of returns are reported to be around 23%. Data analytics should be carried out (such as their tax behaviour in the VAT regime and e-Way Bill generation) to identify those non-filers who have good revenue potential and they should be persuaded vigorously to file returns.
19. Input tax credit taken in GSTR-3B should be verified *vis-à-vis* the corresponding GSTR-2A. TRAN-1 and TRAN-2 verification should also be carried out by the Tax Administrations based on risk assessment parameters. Against a detection of Rs. 41.72 crore as TRAN-1 related discrepancy, recovery is reported to be only Rs. 3 crore. Recovery needs to be improved.
20. It seems that a large portion of transaction in the value chain is going unreported because of payment of tax in cash at the wholesale/distributor level, which makes it difficult to track the transaction further down at the retail level where value addition is the highest. In order to curb this practice, the GST authorities should bring such cash transactions to the notice of the Income Tax Authorities. The Law Committee should also examine to amend the GST Rules relating to invoice to provide that if there is a sale/transfer in commercial quantity, an invoice must be issued.
21. In Bihar, on an average, about 26% of the tax is paid in cash and the rest by utilising input tax credit. This ratio is by and large matching with the national average. However, the bigger taxpayers whose tax payment by cash is not in this range, need to be identified and audited.
22. There are several reported cases of tax evasion by issuance of invoices without making any supplies. To curb the menace of bogus invoices, the Tax Administrations should conduct physical verification of premises of 10% of new registrants, based on risk assessment.
23. E-Way bill checking, particularly for goods coming into the State, should be conducted in co-ordination with the Central Tax officers at the State borders through mobile squads. The checks should be done on random basis and by surprise. e-Way Bill data should also be verified with the data declared for payment of IGST. Also, to improve compliance, the present value limit of Rs. 2 lakh for issuing intra-State e-Way bill should be reduced to Rs. 1 lakh.
24. Data analytics should be undertaken in a big way to identify risk prone taxpayers as gradually more data and MIS reports are being made available by GSTN to Model 2 States. The newly registered taxpayers need to be subjected to risk analysis to ascertain that they are paying the tax due.
25. Senior officers should conduct regular meetings with officers at the Division, Circle and Range levels to clear their doubts and monitor progress of various items of work.

26. Annual Return under GST should be rolled out in time.
27. Introduction of TDS from 1<sup>st</sup> October 2018 would improve revenue collection.



**Agenda Item 11(ii): Minutes of 10<sup>th</sup> Meeting of Group of Ministers (GoM) on IT Challenges in GST Implementation for information of the Council and discussion on GSTN issues**

The 10<sup>th</sup> Meeting of the GoM on IT Challenges in GST Implementation was held on 22<sup>nd</sup> September 2018 in Bengaluru which was attended by the Hon'ble Ministers from Bihar and Karnataka namely Shri Sushil Kumar Modi and Shri Krishna Byregowda. The Minutes of the Meeting is attached at **Annexure A**.

2. The Minutes of the 10<sup>th</sup> Meeting of the GoM held on 22<sup>ND</sup> September 2018 is placed before the Council for information as **Annexure A**.

## **Annexure A**

### **Minutes of the 10<sup>th</sup> Meeting of GoM held on 22<sup>nd</sup> September 2018 at Bengaluru, Karnataka**

In pursuance of decision taken in the 21<sup>st</sup> Meeting of GST council held on 9<sup>th</sup> September 2017 at Hyderabad, a Group of Ministers (GoM), was constituted to monitor and resolve the IT challenges faced in implementation of GST.

The first meeting of GoM was held on September 16, 2017 where the GoM had identified 47 items for time bound resolution. In the 3<sup>rd</sup> meeting, 8 more items were added to this list, followed by 3 more items getting added in the meeting convened on 17<sup>th</sup> Jan 2018. Out of these, 8 have been put on hold on account of decisions of GST Council leading to 51 items. These items were reviewed by the GoM in its 10<sup>th</sup> meeting held on 22<sup>nd</sup> Sept 2018, at ITC Windsor, Bengaluru.

The tenth meeting, was attended by the following Hon'ble Members of GoM.

Sl. No.	Name	Designation	Group of Members
1	Shri Sushil Kumar Modi	Hon'ble Deputy Chief Minister, Bihar	Convener of GoM
2	Shri Krishna Byregowda	Hon'ble Minister for Rural Development, Karnataka	Member, GoM

Shri Shashi Bhushan Behera, Hon'ble Minister for Finance, Odisha, Shri Amar Agarwal, Hon'ble Minister for Commercial Taxes, Government of Chhattisgarh and Shri Etela Rajendar, Hon'ble Minister of Finance, Telangana could not attend due to other pressing engagements.

The list of officers who attended from GST Council, CBIC/ States, GSTN and Infosys is mentioned in Annexure 1.

A detailed presentation was made covering status of implementation of functionalities identified by the GoM as well as status of remaining functionalities of GST System including that of e-Way Bill System. Live demo of Commissioner's dashboard for Model-2 States and new Dashboard of e-way bill were also presented before The GoM. Highlights of presentation as well as observations and advice of Hon'ble Members of GoM are given below.

#### **(A) GST System: Overall Statistics and Status of return filing:**

1. **Overall statistics** of registration, payment of taxes and return filing was presented before the GoM. Since 1<sup>st</sup> July 2017 till date, more than 15.71 Crore returns have been filed on GST Portal along with 5.34 Crore payment transactions. During this period 50.60 Lakh new taxpayers have registered on the Portal where 62.92 Lakh taxpayers (net of Cancelled) have been migrated from the pre-GST regime taking the total taxpayer to 1.13 Crore. Out of this, 17.65 Lakh taxpayers have opted for Composition scheme.

#### **2. Return Filing**

- a. The GSTR 3B Returns filed for July 2018 as on September 20, 2018 are 70.40 Lakh which is 74.35% of total eligible taxpayers. For August 2018, out of 96.15 Lakh eligible taxpayers, the GSTR3B Returns are filed by 57.02 Lakh taxpayers (59.31%).

- b. The gap between eligible taxpayers for filing GSTR 1 and actual GSTR1 filers is increasing. The GSTR 1 filing since July 2017 is gradually declining and the data was presented before the GoM. Gradual decline in percentile of filing by due date was presented before the GoM.
- c. The percentile of filing of GSTR-1 is generally 10% behind that of GSTR-3B but lately this difference has started becoming wider and now it has become about 25%. At present, there is no mechanism to impose late fee on GSTR-1 in the system, as late fee was to be computed at the time of filing of GSTR-3 as envisaged in the original design, where GSTR-1, 2 and 3 were to be filed. **Hon'ble Convener suggested to explore the possibility of auto-population of outward supply table in GSTR 3B from GSTR 1.** [Action: GSTN]

### 3. Refund related issues

- a. The refund for exports with IGST paid statistics was discussed and it is stated that data was transmitted to ICEGATE for Rs 43404/- Crore IGST and RS. 370.45 Crore for cess. The GoM was informed that this process has been fully automated.
  - b. For the manual processing of RFD-01, the percentage of amount sanctioned as percentage of applications received at Tax office, for States is at 76.22% and for Centre is at 80.22%.
  - c. Status of Refund application RFD-1A and RFD-1B and its integration with States and CBIC was presented before the GoM. Hon'ble Convener asked Model-1 States, which have not yet integrated their refund system, to complete refund application integration with GST System on priority.
- [Action: GSTN]

### 4. Updates on GOM Prioritized Functionalities

Total of 50 out of 51 identified functionalities have been developed and deployed on GST System. Remaining one case along with functionalities of few applications deployed partly earlier, are under development, as per details given below:

- a. **Native App for field visits by tax officers:** The web-based module of field visit by tax officers has been implemented. However, mobile based application is at final stage of User Acceptance Testing by GSTN and is likely to be deployed by end of September 2018. [Action: GSTN]
- b) For refund processing by Tax officers (BO processing) the RFD 01, the workaround and interim solution are already in production and full solution is also ready. However, full solution cannot be deployed till all Model I States have completed the development and integrated their refund processing application with GST Systems. [Action: Model-1 States].
- c) The composition forms GST CMP 05, 06 and 07 are under development and will be ready by Mid-October. [Action: GSTN]
- d) Payment form GST PMT 03 (Order for re-credit of the amount to cash or credit ledger on rejection of refund claim) is ready but deployment is on hold due to dependency on Model-1 States for completion of Refund processing and integration by them. [Action: Model-1 States].
- e) The Registration Forms GST REG-08 (Order of Cancellation for registration as Tax Deductor at source or Tax Collector at source), GST REG-14 (Application for Amendment in Registration Particulars) and GST REG-15 (Order of Amendment) are under various stages of development. The Hon'ble Convener directed to complete all registration related issues on Priority by end of October 2018. [Action: GSTN/Infosys team]

#### **4.2 Annual Return and Audit Forms (GSTR -9, GSTR-9A and GSTR -9C)**

Status of annual returns and audit form, notified in Sept 2018, was presented before the GoM, as given below:

- i. The Annual Return for Regular taxpayers (GSTR-9) was notified on 4<sup>th</sup> September 2018. The SRS for the same has been completed and development has started. By mid-October, it is expected to be in UAT and full deployment is estimated to be by 18<sup>th</sup> December 2018.
- ii. The Annual Return for compounding taxpayers (GSTR-9A) was also notified on 4<sup>th</sup> Sept and is under development. The completion date given by Infosys was 18<sup>th</sup> February 2019.
- iii. The Audit Form (GSTR-9C) was notified on 13<sup>th</sup> September 2018 and SRS is yet to be completed. On completion of SRS, the likely date of deployment could be worked out.

As last date for filing Annual Return is 31<sup>st</sup> December 2018, Hon'ble Convener directed to complete development of GSTR-9/9A and 9C on priority and make it available to taxpayers by November 15, 2018. The CEO, GSTN suggested to develop GSTR-9 and GSTR 9A in parallel so that it can be developed before November 15, 2018 and GSTR-9C may be taken as pdf as that will be prepared by the CA. During the course of discussion, it was pointed out that it may not be feasible to get the Form GSTR-9C uploaded in pdf since this will then have to be processed manually and system-based validation will not be possible. On this, Hon'ble Convener suggested that the matter relating to GSTR-9C may be taken up with Law Committee but this Form too, along with Forms GSTR-9 and 9A, should be provided by 15<sup>th</sup> November, 2018. [**Action: GSTN/Infosys team**]

#### **5. GST Portal performance during peak time**

- i. It was pointed out by CEO, GSTN that slowness of GST portal is observed on the last date of filing of GSTR 3B and this trend is observed from last many months. It was suggested that Infosys should ensure that all GSTR 3B returns are filed flawlessly even on last day.
- ii. The Convener expressed displeasure over this issue which led to extension of due date of filing of GSTR 3B three times. He directed that required steps in terms of review of architecture, software and hardware be taken to ensure that taxpayers are able to file returns without any difficulty from October 2018 onwards.
- iii. The Chairman GSTN, suggested to add proxy server if required to resolve issues.
- iv. CEO, GSTN informed that a workshop with experts for review of architecture and software is planned in the first week of October 2018 where issues observed during filing of returns on the last date will be discussed in detail and action taken by Infosys.

[**Action: GSTN/Infosys team**]

#### **6. Data from CBIC for processing of refund applications**

- i. Non-receipt of data on invoices which have been processed for payment by Customs was brought before the GoM. This data is crucial to lock the invoices for which refund application has been processed, so that taxpayer is not able to edit the same on GST portal.
- ii. The data on IGST paid on import is required by GST System to match the same with ITC claimed by taxpayers in summary return GSTR-3B. In absence of its flow from Customs, this crucial validation is not being done.
- iii. Hon'ble Convener directed the DG Systems, CBIC to expedite the integration to enable free flow of information from Customs to GST Systems. [**Action: DG Systems CBIC**]

## **7. Slow progress of Infrastructure change requests**

- i. Slow progress of implementation by Infosys of Infrastructure related change request made by States was presented before the GoM. Convener, GoM directed Infosys to coordinate with Airtel and other vendors to resolve issues on priority. **[Action: GSTN/Infosys team]**

## **8. Status of E-Way Bill and demo of New Dashboard**

Detailed presentation was made on E-way Bill system, which was made operational on 1<sup>st</sup> April 2018. The highlights of the presentation are as given below:

- i. Till Sept 17<sup>th</sup> 2018, 23.61 Crore e-way bills were generated by the users, out of which, count of inter-State e-way bills stood at 11.38 Crore (48.21%) and that of intra-State e-way bills at 12.22 Crore (51.78%).
- ii. During week days, 18 to 19 lakh E-Way Bills are generated every day. The highest number of e-way bills generated on single day is at 21.77 Lakh and total number of taxpayers registered with e-way Bill system as on 17<sup>th</sup> September, 2018 stood at 24.13 lakh.
- iii. Around 69.02% taxpayers use website of e-way bill system for generation of e-way bill whereas 25.13% taxpayers used excel tools and rest of 5.85% used Mobile apps, API and SMS for generation of e-way bills.
- iv. While Maharashtra generated maximum e-way bills (inter and intra put together), Gujarat stands on first position as far as generation of inter-state e-way bills are concerned. Maharashtra, on the other hand, generated maximum number of Intra-state e-way bills.

Thereafter, a demo of newly developed dashboard of E-way Bill Systems having analytics was presented before the GoM. Reports on HSN, inter-State, intra-state movement of goods etc. were shown at State and all-India levels.

Following remarks were made by Hon'ble Convener:

- a) He asked tax officials to study reasons for low registration of taxpayers on e-way Bill system and requested them to make efforts to increase the taxpayer registration on E-way bill system.
- b) The data of e-way bills generation and usage will be useful for analysis about consumption of commodities and for decision making and identification of tax evaders.
- c) The beta version of dashboard should be made available to officers at the earliest. DDG, NIC informed that the dashboard access will be provided to officers by Monday 24<sup>th</sup> Sept.
- d) The Convener asked the tax officers to provide inputs for improving the analytical models to make the reports more relevant to find out tax evaders.

Hon'ble Minister of Karnataka suggested that the Commissioners should provide inputs for improving analytical reports.

Issue of movement of goods in multiple vehicles on one challan without invoice number being mentioned in the es-Way Bill was discussed in detail. CEO GSTN informed that mentioning of invoice number on e-way bill is very important to generate intelligence. The convener directed that the issue may be discussed by the Law Committee in its next meeting.

**[Action: Tax Authorities/GSTN/NIC]**

## **9. Presentation of Commissioner Dashboard for Registration, Return and collection**

Hon'ble GoM was informed about the release of 34 MIS reports and Dashboard for Commissioners, which is also available for mid-level officers and lowest level officers for their jurisdiction. The dashboard currently covers registration, Returns and collection and same was presented using credentials of Bihar officers. The dashboard shows graphical representation of information most sought after like new registration, pendency of registration, cancellation applications and its pendency, details of collection of tax, comparison with same date and month of previous year, YTD figures, returns filed, return defaulters etc. Following suggestions were made on the dashboard:

- i. In registration dash board, data on new registrations should be shown separately for Centre and States.
- ii. Officer from Bihar pointed out mismatch in data shown in MIS vis-à-vis that shared through Secure File Transfer Protocol (SFTP). CEO, GSTN informed that MIS reports are still in beta stage and steps are under way to correct the bugs, which lead to mismatch in data.
- iii. On the response of MIS report (rendering of data on the dashboard), Infosys team pointed out that multiple filters available to users impact the performance of MIS reports and suggested that filters like date range needs to be removed. The pre-can reports will be available to users and this will improve MIS reports system. The convener asked to change accordingly for improving MIS for use by Officers.
- iv. The Convener asked GSTN to develop Business Intelligence reports on priority for use by officers. He stressed that this will help to identify tax evaders and act against them. On this, CEO, GSTN informed that three BI reports are likely to be made available to officers by end of October 2018. [**Action: GSTN/Infosys team**]

## **10. Suggestions from State officers**

- i. West Bengal Additional Commissioner, suggested that Enforcement officers of States should be able to see data of taxpayers of other States related to GSTINs under investigation in the State. CEO, GSTN informed that the work on this has been started and this functionality will be made available in 6 weeks.
- ii. Chhattisgarh Officer pointed out that after a vehicle belonging to taxpayer assigned to Centre, is intercepted by State officers, they are not able to raise demand (DRC) in system. CEO, GSTN informed this is issue of cross empowerment and is being looked into by the IT Teams of GSTN, CBIC and all Model-1 Staes.
- iii. Bihar officer raised issue that taxpayers are not able to appeal against demand generated on temp ID and error is shown that authorized signatory details are not available. CEO, GSTN informed that a solution could be to add details of authorized signatory in TEMP ID Form.
- iv. Odisha officer raised issue about closure of tickets without resolution of issues. It was suggested that the details may be shared with GSTN and further action will be taken accordingly. [**Action: GSTN**]

## **11. Closing Remarks by Hon'ble members of GoM.**

- i. Hon'ble Karnataka Minister remarked that now focus should be on development of new requirements like Annual Return (GSTR -9, 9A and 9C] within time.
- ii. He also remarked that State /CBIC officers should provide inputs for improvement of analytical system of e-way bill and GST system. This will help to improve governance and compliance. He appreciated work done for E-way bill system by NIC and GSTN.
- iii. Hon'ble Convener remarked as below.

- a. NIC has developed good e-way bill system and work done by NIC and GSTN is appreciated.
- b. The focus should be to identify implications of e-way bill use on revenue generation.
- c. The system should be improved for filing of GSTR 3B and taxpayers should be able to file GSTR 3B without any difficulty for October 2018 and onwards on the last date of filing.
- d. GSTR 9, GSTR 9A and GSTR 9C should be developed on priority and be made available latest by 15<sup>th</sup> November, 2018 so that taxpayers get sufficient time to file them before the due date of 31<sup>st</sup> Dec 2018.
- e. BI reports should be developed on priority and they should provide good insights to increase revenue. The inputs of State officers should be taken to improve analytics and suggest actionable points.
- f. New Return should be developed by Infosys on priority.

The meeting ended with Vote of Thanks to Chair.

**List of Participants for Tenth GoM held on September 22, 2018 at Bengaluru**

1. GST Council: The following officers attended the meeting from GST Council

Sl. No.	Name	Designation
1	Shri Dheeraj Rastogi	Joint Secretary
2	Shri Arjun Meena	DC GST Council

2. CBIC: The following officers attended the meeting from CBIC:

Sl. No.	Name	Designation
1	Shri Basavaraj Nalegave	ADG (Systems), CBIC, Bengaluru
2	S. Thirunavukkarasu	ADG (systems), CBIC, Chennai

3. States: The following officers attended the meeting from States:

Sl. No.	Name	Designation
1	Shri MS Srikar	CCT, Karnataka
2	Shri Arun Mishra	Addl. Secretary, CT, Bihar.
3	Shri Atanu Majumdar	Additional Commissioner, West Bengal
4	Sri U Srinivasulu	Additional Commissioner, Telangana
5	Shri B V Ravi	Additional Commissioner, Karnataka
6	Shri K. S. Basavaraj	Joint Commissioner, Karnataka
7	Shri Ramesh Kumar	Joint Commissioner, Karnataka
8	Shri Harshal Nikam	Joint Commissioner, Maharashtra
9	Shri N Sai Kishore	Joint Commissioner, Telangana
10	Shri Dipankar Sahu	Joint Commissioner, Odisha
11	Shri Narendra Verma	Dy. Commissioner, Chhattisgarh
12	Shri Mukesh Kumar	Assistant Commissioner, Bihar

4. NIC

Sl. No.	Name	Designation
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1	Shri P V Bhat	DDG, NIC
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5. GSTN: The following officers attended the meeting from GSTN:

Sl. No.	Name	Designation
1	Shri Ajay Bhushan Pandey	Chairman
2	Shri Prakash Kumar	CEO
3	Ms. Kajal Singh	EVP (Services)
4	Shri Abhishek Gupta	EVP (Support)
5	Shri Nitin Mishra	EVP(Technology)
6	Shri Pankaj Dixit	SVP (Infrastructure)
7	Shri Nirmal Kumar	SVP (Software)
8	Shri Bhagwan Patil	VP (Services)
9	Shri Shashank Shekhar	AVP (PM)

6. Infosys: The following officers attended the meeting from Infosys:

Sl. No.	Name	Designation
1	Shri Binod Hampapur	EVP
2	Shri C N Raghupati	SVP
3	Shri. Indrasis Dasgupta	Program Manager
4	Shri Venkat Narayan	VP
5	Shri. P.N. Moorthy	AVP
6	Shri Debapriya Ghosh	Delivery Manager
7	Shri Akhil Gandhi	Principal Consultant
8	Shri Abhishek Kumar	Principal Consultant