**Confidential**




# Agenda for

# 31st GST Council Meeting

**22nd December 2018**

## Volume – 1

माल और सेवा कर परिषद
GOODS AND SERVICES TAX COUNCIL

**File No: 800/31st GSTCM/GSTC/2018**
**GST Council Secretariat**

Room No.275, North Block, New Delhi
Dated: 06th December, 2018

**Notice for the 31st Meeting of the GST Council scheduled on 22nd December 2018**

The undersigned is directed to refer to the subject cited above and to say that the 31st Meeting of the GST Council will be held on 22nd December 2018 at Hall No 2-3, Vigyan Bhawan, New Delhi. The schedule of the meeting is as follows:

- Saturday, 22nd December 2018 : 10:30 AM to 1:30 PM

2. In addition, an Officer's Meeting will be held on 21st December 2018 at Hall No 2-3, Vigyan Bhawan, New Delhi as follows:

- Friday, 21st December 2018 : 10:30 AM to 4:30 PM

3. The agenda items for the 31st Meeting of the GST Council will be communicated in due course of time.

4. Please convey the invitation to the Hon'ble Members of the GST Council to attend the Meeting.

***-sd-***
**(Dr. Ajay Bhushan Pandey)**
**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 31st Meeting of the GST Council on 22nd December 2018**

1. Confirmation of the Minutes of 30th GST Council Meeting held on 28 September, 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 Council
4. Decisions/recommendations of the IT Grievance Redressal Committee (ITGRC) for information of the Council
5. Review of Revenue position
6. Issues recommended by the Fitment Committee for the consideration of the GST Council
7. Issues recommended by the Law Committee for the consideration of the GST Council
    i. Extension of the due date for furnishing the statement in FORM GSTR-8 by electronic commerce operator for the months of October, November and December, 2018
    ii. Extension of last date for allowing migration of taxpayers who received Provisional Identification Number (PID) till 31st December, 2017
    iii. FAQ on Banking, Insurance and Stock Brokers Sector
    iv. Amending SOP issued on TDS - Issues on furnishing of return in FORM GSTR-7 by registered persons required to deduct tax at source under section 51 of the CGST Act for period during which the deductor was not registered
    v. Update on the implementation status of the issues referred to the Law Committee by the GST Council
    vi. Request for exemption from provisions relating to Tax Deduction at Source (TDS) in case of taxable supplies between Government Authority to another Government Authority or to PSU and *vice versa*
    vii. Amendments to the CGST Rules, 2017
    viii. IGST Rules for determination of Place of Supply
    ix. Circular to clarify certain issues under GST
    x. Circular to clarify denial of composition option by tax authorities and effective date thereof
    xi. Clarification on refund related issues
    xii. Clarification on export of services under GST
    xiii. Requirement of submission of invoices for processing of refund claims of unutilised Input Tax Credit (ITC) in FORM GST RFD-01A
    xiv. Proposal for centralized Authority for Advance Ruling and centralized Appellate Authority for Advance Ruling under GST
    xv. Suggestions made for allowing quarterly payment by small taxpayers
    xvi. Issuance of a Circular to clarify taxability of medicines and consumables supplied to in-patients in hospitals during the course of treatment
    xvii. Amendments to the CGST Rules, 2017, consequential to notifying the provisions of the CGST (Amendment) Act, 2018, SGST (Amendment) Act, 2018 and IGST (Amendment) Act, 2018
    xviii. Proposal to extend the due date for availing ITC on the invoices or debit notes relating to such invoices issued during the FY 2017-18 under section 16(4) of CGST Act, 2017 till the due date for furnishing of return for the month upto March, 2019
    xix. Extension of the due date for furnishing of annual returns in FORM GSTR-9, FORM GSTR-9A and reconciliation statement in FORM GSTR-9C for the Financial Year 2017 – 2018
    xx. Proposal for amendment of Section 50 of CGST Act, 2017 to allow payment of interest on net cash liability

xxi. Reduction in amount of late fees leviable on account of delayed furnishing of FORM GSTR-1, FORM GSTR-3B and FORM GSTR-4 for the months/quarters from July, 2017 to September, 2018

xxii. Proposal to extend benefit of composition levy for small service providers

xxiii. Proposal to introduce the new return system on trial basis from 01.04.2019 and on mandatory basis from 01.07.2019

xxiv. Single interface for disbursal of refund amounts

xxv. Rationalisation of cash ledgers in GST

8. Approval of modifications in Articles of Association (AOA) and Memorandum of Association (MOA) of Goods and Services Tax Network (GSTN) based on decision of the GST Council to convert it into a 100% Government-owned entity
9. Status report of work of GoM on Revenue Mobilisation
10. Status report of passage of SGST (Amendment) Bill, 2018 in various States and Union Territories with Legislatures
11. Reconstitution of membership of the Law Committee, Fitment Committee and IT Committee for information of the Council
12. Any other agenda item with the permission of the Chairperson
13. Date of the next meeting of the GST Council

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# Discussion on Agenda Items

**Agenda Item 1: Confirmation of the Minutes of 30th GST Council Meeting held on 28th September 2018**

**Draft Minutes of the 30th GST Council Meeting held on 28th September, 2018**

The thirtieth Meeting of the GST Council (hereinafter referred to as 'the Council') was held on 28th September 2018 through video conferencing under the Chairpersonship of the Hon'ble Union Finance Minister, Shri Arun Jaitley (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 30th Meeting of the Council:

1. Confirmation of the Minutes of 29th GST Council Meeting held on 04th 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
    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
    ii. Minutes of 10th Meeting of Group of Ministers (GoM) on IT Challenges in GST Implementation for information of the Council and discussion on GSTN issues
12. Date of the next meeting of the GST Council

3. The Hon'ble Chairperson welcomed all the Hon'ble Ministers and the officers to the Council Meeting. He remarked that although he had missed the last two meetings of the Council, he had gone through the proceedings and noted that significant decisions were taken during these two Council Meetings. With these preliminary remarks, he invited 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.

**Discussion on Agenda items**

**Agenda Item 1: Confirmation of the Minutes of 29th GST Council Meeting held on 04th August 2018**

4. The Secretary stated that the Minutes of the 29th Council Meeting had been circulated well in advance of this Council Meeting which gave adequate time to the Hon'ble Members and the officers to examine it. No written comments on the Minutes had been received so far. He invited comments, if any, from the Hon'ble Members. No Hon'ble Member gave any comments.

5. **For Agenda item 1,** the Council decided to adopt the Minutes of the 29th GST Council Meeting without any change.

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

6. Introducing the Agenda item, the Secretary proposed that the notifications, circulars and orders issued by the Central Government after 21st July, 2018 and till 20th September, 2018 under the GST law, as mentioned in the agenda notes and the two additional notifications namely Notification Nos. 24/2018 - Integrated Tax (Rate) and 23/2018 – Union Territory Tax (Rate) as mentioned in the presentation circulated to all States (attached as **Annexure 3** to the Minutes), may be ratified. The Council approved the same.

7. **For Agenda item 2,** the Council approved the deemed ratification of the following notifications, circulars and orders, which are available on the website, www.cbic.gov.in:

| 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 24 of 2018 |
| UTGST Act | Union territory Tax (Rate) | 13 to 23 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 |

7.1. The notifications, circulars and orders issued by the Member States, which are *pari materia* with the above notifications, circulars and orders were also deemed to have been ratified.

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

8. The Secretary stated that the GST Implementation Committee (GIC) took certain decisions between 21st July, 2018 (when the 28th Council Meeting was held) and 17th September, 2018 (before the 30th Council Meeting scheduled on 28th September, 2018). He stated that due to urgency, certain decisions were also taken by obtaining approval of the GIC by circulation amongst the GIC Members. He stated that this Agenda item was also discussed during the Officers meeting held on 27th September, 2018 and there were no comments from the officers on the subject (presentation covering the issues is attached as **Annexure 3** to the Minutes). He invited comments, if any, from the Hon'ble Members of the Council.

8.1. Shri Manpreet Singh Badal, Hon'ble Minister from Punjab stated that the role of GIC was to mostly issue clarifications on procedural issues and it should avoid approving amendment to Rules with retrospective effect. He stated that the notification regarding Rule 96 (10) and such other decisions involving retrospective amendments should have been brought before the Council and it was only about 10 days before the Council Meeting that the notifications were issued. He cautioned that GIC should not subsume the role of the Council.

8.2. The Secretary explained that amendment to Rule 96(10) of the CGST Rules was brought before the GIC, as double benefit was being taken by the exporters in the form of import of goods on advance license in addition to claiming IGST refund. Hence, it was an urgent matter on which decision had to be taken quickly by the GIC in order to plug the revenue leakage. He also pointed out that once the Hon'ble Minister from Punjab highlighted certain concerns regarding amendment to Rule 96 of the CGST Rules, an Agenda note was now placed before the Council to rectify the inadvertent mistake and to permit refund of IGST paid on export goods made from capital goods imported under the EPCG scheme. He added that the GIC decisions were circulated to all the States before it is implemented and the mistakes could be pointed out by any of the States. The Hon'ble Minister from Punjab stated that they would send a written communication on this matter.

9. **For Agenda item 3,** the Council took note of the decisions taken by the GIC during the period from 21st July, 2018 to 17th September, 2018.

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

10. The Secretary informed that this Agenda item related to decisions of the IT Grievance Redressal Committee for information of the Council. He stated that this item had also been discussed during the Officers meeting held on 27th September, 2018 and was being placed before the Council for information (Presentation covering the issues is attached as **Annexure 3** to the Minutes). The Council took note of the decisions/recommendations of the I.T. Grievance Redressal Committee.

11. **For Agenda item 4,** the Council took note of the decisions taken during the second meeting of the IT Grievance Redressal Committee held on 21st August, 2018.

**Agenda Item 5: Review of Revenue position**

12. Introducing this Agenda item, the Secretary informed that during the Officers meeting held on 27th September, 2018, a detailed State-wise review of revenue situation was undertaken. It was noted that all-India total revenue collection under CGST, SGST, IGST and Compensation Cess for the month of July, 2018 was Rs.96,483 crore and for August, 2018, it had come down to Rs.93,960 crore. He stated that approximately Rs.49,000 crore was being collected in terms of IGST Revenue out of which, normally, every month Rs.35,000 crore went into settlement and about Rs.5,000 crore went as refund leaving a balance of approximately Rs. 10, 000 crore. He stated that in accordance with the decision of the Council, the practice of provisional settlement of the IGST amount lying in balance would continue in the current year, which would help to bring down the revenue shortfall. As could be seen from the Agenda notes, the average revenue shortfall for the country as a whole during the period August, 2017 and March, 2018 was 16% and it had reduced to 13% during the period April, 2018 to August, 2018. He noted that except one State, no State's shortfall had increased during this period. He added that 6 States, namely, Mizoram, Arunachal Pradesh, Manipur, Nagaland, Sikkim and Andhra Pradesh had gained more in terms of revenue than the amount to be protected. He noted that the State of Mizoram had gained50% more than the protected revenue amount. He stated that even a big State like Andhra Pradesh had also gained more revenue than the amount of revenue to be protected. After these States, there was a category of middling States, namely, Telangana, Maharashtra, Uttar Pradesh, Tamil Nadu, Assam, West Bengal and Rajasthan, whose revenue collection shortfall was less than the national

average (between 3% to 12%) and were thus doing relatively well in terms of low revenue gap. Thereafter, there was a category of States, namely, Gujarat, Rajasthan, Haryana, Meghalaya, Madhya Pradesh, Jharkhand, Kerala, Tripura and Delhi, which had suffered a marginally higher revenue shortfall as compared to the national average (14% to 19%). Further, there was a category of States, which had suffered high revenue shortfall of 20% or more than the national shortfall average and these States were Bihar, Karnataka, Odisha, Goa, Chhattisgarh, Jammu & Kashmir, Uttarakhand, Himachal Pradesh, Punjab and UT of Puducherry. He stated that he would discuss the reasons for revenue shortfall of the highest deficit States during discussion on the next Agenda item.

13. **For Agenda item 5,** the Council took note of the revenue position of the States.

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

14. Introducing this Agenda item, the Secretary informed that it was decided during the 28th Council Meeting held on 21st July, 2018, that a study would be conducted regarding the large revenue gap as compared to the national average of the States of Punjab, Himachal Pradesh, Uttarakhand, Jammu & Kashmir, Puducherry and Bihar. He informed that he had visited five of the top six revenue losing States and his report was presented before the Council. He stated that reports on the revenue gap analysis of the States of Jammu & Kashmir, Punjab, Himachal Pradesh and UT of Puducherry was in the main Agenda notes whereas the report on Bihar was part of Additional Agenda notes [Agenda Item 11(i) of the Additional Agenda Notes]. He broadly summarised the main reasons for the shortfall.

14.1. The Secretary stated that for Punjab and Puducherry, the pre-GST rate of growth of VAT collection was only about 6%, and therefore, the assured growth rate of 14% during GST would cause a persistent shortfall of 8% unless this gap was bridged through extra effort of revenue collection. For Jammu & Kashmir and Himachal Pradesh, the average growth rate of VAT revenue was about 11%, which would lead to a gap of about 3%. Bihar had a higher than the assured 14% growth rate (about 18%). This was due to certain specific reasons, namely increase in VAT rate by one per cent preparatory to introduction of Prohibition in the State during 2016-17. He further stated that there were certain State specific reasons for revenue shortfall. For instance, Punjab got about Rs.3,000 crore revenue from tax on food grains by way of Purchase Tax and Infrastructure Development Fee, and this constituted 27% of their subsumed revenue in 2015-16. He stated that he had given certain suggestions to augment revenue, such as to increase tax collection in services sector and to promote certain industries. He stated that the industry base of Punjab was low, as indicated by the fact that as against average 8% share of CST in the total subsumed revenue of all States in 2015-16, Punjab's share of CST in its total subsumed revenue for 2015-16 was 3.9%. He suggested that Punjab should try to set up more industries and devise policies to give boost to services sector, such as tourism, Information Technology etc.

14.2. The Secretary further informed that Bihar's share of CST in its total subsumed revenue was only 0.5% as against the national average of 8%. This indicated that it had a low industrial base. The State of Jammu & Kashmir had power to levy Service Tax and it levied tax on works contract services at the rate of 12.6% on which no input tax credit was available for goods or services. Now, the tax rate on works contract had come down to 12% of which the State's share was 6% and input tax credit was also available on it. This accounted for a big share of revenue loss to Jammu & Kashmir amounting to Rs.800 crore, which was 17% of the taxable base. Tax compliance in the works contract sector was also very low but this was expected to improve with the introduction of TDS with effect from 1st October, 2018.

14.3. On Himachal Pradesh, he stated that about 14% of the subsumed revenue came from CST, which was more than the national average of 8%. There was also withholding tax on stock transfer at

the rate of 4%, which was gone in the GST regime. These two were the main causes of revenue shortfall. He added that focus on services sector would help to improve revenue collection of the State.

14.4. As regards the UT of Puducherry, the Secretary stated that it had a low VAT rate on many items as compared to neighbouring States, which encouraged a lot of purchases by buyers from neighbouring States. For example, on items like cement and other construction materials, the VAT rate in Puducherry was 8% while in the neighbouring State of Tamil Nadu, it was 14.5%. As against the national share of 8% of CST in the subsumed taxes, Puducherry had 27% share of CST in the subsumed taxes. Products used in IT hardware industries for manufacture of Computers was manufactured in the UT which were mostly getting exported to other States which added to their CST income. Now, the CST income was gone. The revenue base of the UT was also low. He had given specific suggestions for improving the revenue position.

14.5. He stated that Bihar had certain advantage because of a peculiar reason that during 2015-16, preparatory to imposition of Prohibition in 2016-17, there was increase in the rate of VAT by one per cent on all items. This gave them a revenue growth rate of about 28% in 2015-16 but otherwise, the average growth rate of Bihar was about 18%. Due to this higher revenue base, the shortfall of GST collection for Bihar was initially very high (38%) as compared to the national average (16%), but in the current year, it had narrowed to 20%, as against the national average of 13%. He further stated that once the IGST settlement went up, revenue accruing to consuming States would increase, which would benefit not only Bihar but also States like Odisha and Chhattisgarh. He added that during VAT, one of the big sources of revenue for Bihar was Entry Tax to the tune of Rs.1100 crore, for which no input tax credit had been availed. He observed that Bihar's revenue would improve over a period of time.

14.6. The Secretary also highlighted some common reasons for low revenue growth in these States. He observed that in the States that he visited except Punjab and Himachal Pradesh, the percentage of return filing was lower as compared to the national average and e-Way bill compliance was also not up to the mark *vis-à-vis* the national average. He added that some States like Bihar and Punjab had given concessions for intra-State e-Way bills and withdrawal of such concessions given during the initial roll out of e-Way Bill would help in boosting revenue. Further, it appeared that Service Tax income was not being accounted for correctly in the States. For instance, it appeared that in Bihar, the tax relating to railway ticketing was being charged as IGST even when passengers boarded the train from railway stations in Bihar. He informed that he had instructed the DG Audit in CBIC to carry out audit of accounting systems of railways, telecoms and Banks to ensure that there was correct accounting of SGST in their system and software. He added that in order to improve the return filing percentage, he had suggested to insert a provision in the GST Rules that the taxpayers who did not file GSTR-3B return for two consecutive tax periods, should be barred from generating e-Way bills. He informed that this issue was discussed during the Officers meeting and there was unanimity to introduce such a provision in the GST Rules. He suggested that the Council could approve this proposal and the Law Committee could work on a suitable draft. The Council approved this proposal.

14.7. The Hon'ble Chairperson invited comments from the Members on the revenue gap analyses of the States visited by the Secretary.

14.8. The Hon'ble Minister from Punjab thanked the Secretary for his visit to Punjab. He stated that a key determinant of the revenue performance of a State was its share of the all-India GDP *vis-à-vis* its share of all-India GST collected. He stated that as per Government of India's statistics, Punjab's share in country's GDP was 2.9% while its share in GST collection was much lower. He stated that a State with high per capita income like Punjab (which was amongst the top 10 States in terms of per capita income) should collect more tax than its share in GDP as Punjab is largely a consuming State and this was an area of concern. He requested for a deeper study on this aspect. He stated that he was not entirely satisfied with the Study Report and one needed to dive deeper into the subject to understand the reasons

for the high revenue shortfall for Punjab. He further pointed out that in paragraph 3 at page 134 of the Detailed Agenda Notes, it was indicated that *"some other reasons for revenue shortfall are natural and structural factors such as geographical location, size of economy, endowments of natural resources…."* He raised a question whether these observations in the agenda note could be passed on to the 15th Finance Commission, which has been mandated to look at, *inter alia*, these factors for finalising the devolution of resources. He requested the Hon'ble Chairperson to bring this to the notice of the 15th Finance Commission. The Hon'ble Chairperson stated that sometime back he read a study of different States and how they were rated in terms of their performance on various social and other indicators. He added that the five States namely Kerala, Punjab, Sikkim, Delhi and Himachal Pradesh were right on top based on these indicators. As Punjab ranked high on various indicators, the question was why there was high non-compliance of tax.

14.9. Shri Shashi Bhusan Behera, Hon'ble Minister from Odisha, stated that as a consuming State, they had a revenue shortfall of 24% as against the national average of 13%. He stated that improvement in return filing had narrowed the gap in revenue shortfall. He added that there was also revenue loss to the tune of Rs. 500-600 crore due to loss of tax revenue from consumer goods like food grains, atta, *maida*, etc. which was taxed at the rate of 5% during the VAT regime. Minerals were taxed at the rate of 5% during VAT in addition to 5% as entry tax but the SGST revenue accruing to the State at the rate of 2.5%. The VAT rate of 14.5% on goods had also been reduced to SGST rate of 9% and the revenue from CST was also lost. He added that Entry Tax constituted about 15% of their total revenue, which was now subsumed in GST and it was a loss to the State. He informed that his State was trying to improve revenue collection through other means and the revenue shortfall had narrowed down from 31% to 24%. Shri Tuhin Kanta Pandey, Additional Chief Secretary (ACS), (Finance), Odisha, stated that revenue loss was on account of some structural factors which were likely to persist. He stated that on minerals they were getting substantial amount of revenue during VAT regime in the form of Entry Tax but now revenue from minerals were accruing to the extent of amount left after utilisation of input tax credit in the value chain for the finished goods. He added that they would need to analyse as to how to tackle the structural factors.

14.10. Shri Sushil Kumar Modi, Hon'ble Deputy Chief Minister of Bihar, thanked the Secretary for going into details and giving a correct assessment of the reasons for revenue shortfall of Bihar. He fully supported the proposal to block the facility of issuing e-Way bills for those taxpayers who had not filed their GSTR-3B returns for two consecutive tax periods. He further stated that the proposal made in the Secretary's report that the DG Audit under CBIC, should audit the centralised accounting software of service providers, like Railways, Airlines, Banks, Telecom and Insurance sectors should be implemented early and audit should be completed within a period of three months. If it was found during audit that the revenue had gone to other States during the last 18 months, it should be restored to Bihar. He suggested that RFID (Radio Frequency Identification) tag should be made mandatory, as it was implemented successfully in the State of Uttar Pradesh. He also suggested that there should be provisional IGST settlement every two months, which would help to boost the revenue of consuming States and narrow the gap between the revenue collected and the revenue to be protected. He added that they had done a detailed analysis of the report of the Secretary and would take steps as suggested by him.

14.11. Shri Suresh Bhardwaj, Hon'ble Minister from Himachal Pradesh, thanked the Secretary for his analysis of the revenue situation in his State. He stated that for the period April, 2018 to August, 2018, they had a revenue gap of 36% despite performing higher than the national average in return filing. He stated that they were taking steps, as suggested in the Report of the Secretary. He added that since Himachal Pradesh was not a consuming State, the goods manufactured in Himachal Pradesh were largely going out and so was the revenue. He further stated that some of the measures suggested in the

Report, like boosting tourism, building retail outlets and convention centres were long term measures. He added that increasing tourism was also their priority and they were trying to find new tourist destinations and would try to also increase retail sales in these destinations. However, as these were long term measures, he suggested that a team from the office of the Chief Economic Advisor should be sent to Himachal Pradesh to suggest how to get the revenue due in the short term. He added that during VAT regime, they gained in terms of revenue by encouraging setting up of industries but now major revenue from those industries flowed out because Himachal Pradesh was a small State with small consumption base. There should be a detailed study of his State as otherwise after 2022, the revenue situation would be a matter of worry for them.

14.12. The Secretary stated that four years were still left before the provision of compensation to the States expired and this gave them adequate time to take long term measures to improve services sector, tourism etc. He suggested to take up some mega project to build convention centres and retail centres. The Hon'ble Minister from Himachal Pradesh responded that measures like building convention centres and malls could not be done within four years. He stated that they had submitted memorandum to the 15th Finance Commission and requested that the Central Government could also make a reference the 15th Finance Commission to address the structural factors for bridging the revenue shortfall, which would help their State. With regard to tourism sector, he added that they had experienced unusual heavy rains during the last two to three days in Himachal Pradesh including the regions of Lahaul-Spiti district where almost 5-feet snowfall was witnessed which had affected tourism and whitewashed the roads connecting to major tourism centres such as Kullu and Manali. Therefore, it was doubtful to consider tourism as a constant source of revenue especially in hilly States such as Himachal Pradesh. In this background he requested for a study by a committee on issues particularly associated with hilly States to suggest ways and means of augmenting revenue for the State in long term as well.

14.13. Shri D. Jayakumar, Hon'ble Minister from Tamil Nadu, stated that he did not agree with the views of the Hon'ble Ministers from Punjab and Himachal Pradesh to convey views to the 15th Finance Commission through the GST Council. He observed that the GST Council and the Finance Commission were separate bodies and specific suggestions to the Finance Commission should be sent to it by the individual States and not through the GST Council.

14.14. Shri Prakash Pant, Hon'ble Minister from Uttarakhand, stated that, as could be seen from the Agenda notes, they suffered a revenue shortfall of 35% as compared to the national average of 13% during April to August, 2018. He stated that Uttarakhand is largely an exporting State and for the period August, 2017 – August, 2018, the total revenue accrued to the State was Rs. 4,028 crore, of which the SGST component was Rs 3,888 crore and IGST settlement was Rs. 140 crore. The IGST settlement was approximately 3% of the State's total revenue which was low as compared to other major revenue shortfall States. He observed that Puducherry accounted for 42%, Jammu & Kashmir 53% and Himachal Pradesh 49% of their revenue by way of IGST settlement. He stated that a comparative analysis for pre-GST regime and GST regime collections indicated that the revenue collected during April to July, 2017 was Rs.9,290 crore whereas after GST implementation, for the period April to July 2018, they had collected revenue of Rs.16,543 crore, which showed that they had collected adequate amount but not getting the proportionate gains in terms of IGST settlement and their revenue shortfall was still high. He added that their return filing percentage was 69.5% in July, 2018 and they accounted for 11% of the country's e-Way bill verification. Hence, they were doing well on the parameters of return filing and e-Way bill but they were still not able to arrest the revenue shortfall. He stated that their revenue shortfall situation was even more difficult as compared to that of Himachal Pradesh. He added that as mentioned by the Secretary to boost investment in services sector, they had recently organised investors summit. They were concentrating on improving services sector but they felt that they might not gain substantially from the same because of load on the government to incentivise the services sector and requested to

support the State through alternate means. The Secretary informed that he would be visiting Uttarakhand shortly to discuss in detail the reasons for revenue shortfall.

14.15. Dr. T.M. Thomas Isaac, Hon'ble Minister from Kerala, congratulated the Secretary for his insightful studies and welcomed Secretary to conduct a revenue analysis study of his State too as they were equally worried. He stated that Kerala had the highest rate of consumption and 18% of consumer products were imported from other States. He stated that, taking this into view, their IGST settlement should be double the SGST collection but it was only 20% higher than the SGST revenue. He observed that the revenue position of consuming States would improve in due course by continuous allocations from IGST settlement. He added that it was important to ensure that cross border movement of goods was accompanied by e-Way bills and these did not under-declare the quantity and value of the goods under movement. He added that it was important to prepare for the annual return, which was due in December, 2018 as this would give access to lot of data and information which was presently not available. He stated that a framework should be developed as to what parameters were to be examined and cross validated in the annual returns. He suggested that GSTN could generate State-wise report and associated annexures of the data available in the annual returns. He added that in the services sector, historically they had been concentrating on big service providers only but there was a scope for expansion of the base. He added that the services sector needed to be analysed more systematically and closely to see how their revenue was getting apportioned and allocated across the States.

14.16. Shri Alok Sinha, ACS (Commercial Tax), Uttar Pradesh, stated that in addition to the blocking of e-Way Bill generation in case of non-filing of returns, there should also be option with the tax administration to block the facility of issuing e-Way bills when misuse of the e-Way bill was seen. He added that the revenue shortfall of his State was only 5% but they were not getting equivalent compensation. Shri Ritvik Pandey, Joint Secretary, Department of Revenue (DoR), explained that the State of Uttar Pradesh had been demanding that the arrears of VAT that they had collected should be kept aside for calculation of compensation whereas it was earlier decided that compensation would be calculated after taking into account all collections of State taxes including arrears of VAT.

14.17. Capt. Abhimanyu, Hon'ble Minister from Haryana, stated that, as could be seen from page 133 of the Agenda notes, Tamil Nadu and Andhra Pradesh were not performing very well in return filing but they were doing well in revenue collection. Therefore, return filing performance might not be directly linked to revenue generation. He stated that, as suggested by Punjab, deeper analysis of the reasons for revenue shortfall was needed. He appreciated the report of the Secretary in analysing the revenue position of high shortfall States and suggested that the Secretary should also analyse the five best performing States in terms of collection of revenue so as to find what better they were doing such as steps taken by them to improve compliance, data analytics and other good practices, which the rest of the States could emulate. He also expressed concern regarding shortfall in revenue faced by Centre and suggested that the Council should also review shortfall in revenue collections of the Central Government.

14.18. Shri Mauvin Godinho, Hon'ble Minister from Goa, stated that he was looking forward to welcoming the Council in Goa and would wait for an opportunity for the same. He stated that as per the data shown in the agenda notes they suffered a revenue shortfall of 25%. He informed that a major reason for revenue shortfall in his State was stoppage of mining activity which was the mainstay of the State's economy. He observed that mining work should start as soon as possible to improve revenue collection. He added that they also lost 15% of the revenue which earlier came in the form of Entry Tax. Added to this was reduction of tax in restaurant sector to 5%. He stated that taking all this into account, revenue shortfall of his State could have been around 35% but due to their efforts, shortfall was only 25%. He stated that they were trying to improve the revenue situation through various means which

should improve from November, 2018 onwards. He observed that the Secretary had done a good analysis of revenue gap of the States. He suggested clubbing of smaller, tourism-based States such as Himachal Pradesh and Goa which were experiencing the same kind of problems for a study by the Secretary and this would help in taking steps to generate more revenue. He again requested to consider holding a meeting of the Council in Goa.

14.19. Shri Somesh Kumar, Principal Secretary (Revenue), Telangana, stated that presently, provisional IGST settlement was being given based on the proportion of the State in revenue to be protected but now the time had come to change the same. He suggested two approaches for the same. The first could be based on where the material was going based on which a proportionate revenue could be distributed between the States and the second could be based on the percentage of IGST settlement going to the various States in the previous year rather than the guaranteed growth rate of 14%. He stated that either of the two would be a better approach rather than giving the provisional IGST amount on the basis of guaranteed 14% growth rate, which was related to VAT period.

15. **For Agenda item 6,** the Council:

(i) took note of the report of the Secretary on the revenue gap analysis of the States of Jammu & Kashmir, Punjab, Himachal Pradesh, Bihar and the UT of Puducherry; and

(ii) approved that the Law Committee shall frame a proposal to deny the facility of generation of e-Way bills to taxpayers who had not filed returns for two consecutive tax periods.

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

16. The Secretary invited Shri B.N. Sharma, Chairman of the National Anti-Profiteering Authority (NAA) to give an overview of the action taken so far by the NAA. The Chairman, NAA, stated that from 1st December, 2017, they had issued 9 orders, out of which profiteering was proved in 3 cases and not proved in 6 cases. He informed that investigations of cases were pending with other layers of the hierarchy of the NAA, namely 140 cases were pending with the Standing Committee and 290 cases with the Directorate General of Anti-Profiteering (DG-AP), CBIC. 19 cases had been referred by DG-AP to the NAA, which were in different stages of hearing. He informed that the sectors from which the maximum complaints had been received related to FMCG (Fast-Moving Consumer Goods), construction and restaurant services. He also informed that some State Screening Committees were not as functional as was desirable, which was highlighted in paragraph 7 of the Agenda note. It was indicated in this paragraph that the State Screening Committees of 14 States had not sent a single anti-profiteering complaint which was a cause of worry if there was profiteering happening in those States but not being reported.

16.1. Chairman, NAA referred to Rule 128 of the CGST/SGST Rules under which an interested party or the Commissioner or any other person could also file application against profiteering. He informed that based on review of Finance Secretary on anti-profiteering, he had written to the Commissioners of CGST/SGST to be more watchful to see that profiteering was checked at the first stage of B2B supplies by carefully examining the invoices to ascertain whether the benefit of rate reduction had been passed on. If this was done, then profiteering could easily be plugged in the subsequent stages of supply. He added that a SOP could be considered by the Law Committee regarding action to be taken whenever rate rationalisation took place so that the field officers were little clearer regarding the profiteering. He also stated that he had personally visited Chennai, Mumbai, Lucknow and Chandigarh for detailed regional meeting with the trade and industries and

for sensitisation of tax officers in issues relating to anti-profiteering work. He also informed that the website of NAA was functional and 293 cases of profiteering came directly from the website. Another 40-50 cases came through the helpline, which was also functional. He informed that Rs.176.90 crore had been deposited in the Consumer Welfare Fund mainly from the two cases of alleged profiteering.

16.2. The Hon'ble Deputy Chief Minister of Bihar observed that the application form for filing anti-profiteering complaint was complicated, which required filling of HSN code, maximum retail price and tax rate, pre and post rate reduction, etc. He suggested to have a more simplified form for filing application against profiteering. The Secretary stated that even if an anti-profiteering complaint was received in a plain paper, the instruction was that the officer concerned would sit with the complainant and help him to fill up the prescribed form. However, the Law Committee could also examine if any further simplification could be done in the application relating to complaint against profiteering.

17. **For Agenda item 7,** the Council:

(i) took note of the work done till date by the National Anti-Profiteering Authority; and

(ii) approved that the Law Committee shall examine further simplification of the application form for filing anti-profiteering complaints.

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

18. The Hon'ble Chairperson invited the Hon'ble Minister from Kerala to speak on this Agenda item. The Hon'ble Minister from Kerala stated that the recent floods in his State was a calamity that could also happen in any other State. The FRBM (Fiscal Responsibility and Budget Management) Act placed a limit on the expenditure of the State *vis-à-vis* its revenue receipts, and therefore, flexibility was needed in the GST for the States to collect additional resources for short period. He observed that the States had surrendered most of their elastic sources of revenue to be subsumed in GST and, therefore, it was important to consider how to provide for additional resource mobilisation in times of natural calamities. He stated that his initial proposal was to allow Kerala to collect cess on SGST for all commodities consumed in Kerala. This could have implication on GST software but not on inter-State trade. He stated that in paragraph 7 of the Agenda notes, other issues were raised like availability of credit of cess paid on inward supplies and refund of cess paid in respect of supplies destined outside Kerala and these would need to be decided. He added that such a cess should be kept outside the ambit of compensation as it would not be covered under Section 7(4) of the Compensation Act.

18.1. He suggested that the States should be given flexibility for raising additional resources as such a calamity could happen in other States too. He recalled that earlier there was a thinking to levy cess on sugar at the national level. He suggested that a national cess could be imposed to generate additional resources for natural calamities for a limited period and on limited number of commodities with certain norms as to how much resources could be generated in this account. He stated that this might require change in law. He observed that levy of additional 1% tax was permitted by the Law and this could be levied on certain commodities to raise additional revenue. He stated that these were the possibilities that could be discussed. He also thanked all the States for their kindness and solidarity in extending support, both monetary and in kind, to meet the needs of his State. He stated that now his State was in the stage of reconstruction where money was required to pay compensation and for repair and maintenance of various infrastructure. This could not be done from borrowed funds. He stated that the present funds

could be used for payment of compensation and the revenue coming later could be used for reconstruction. He requested the Council to decide on this issue.

18.2. The Hon'ble Deputy Chief Minister of Bihar stated that the proposal of the State of Kerala to levy additional cess was examined during the 10th meeting of the GoM on IT Challenges in GST held on 22nd September 2018 in Bengaluru. It had then transpired that about six months' time would be required to change the GST software. Invoice module and challan module, GSTR-1 and GSTR-3B etc. would need to be changed in order to distinguish the current Compensation Cess and the proposed levy. He stated that it might be difficult for GSTN to make such a drastic change in the software. He pointed out that Article 279A (4) (f) of the Constitution permitted levy of any rate or special rate for a specified period to raise additional resources during any natural calamity or disaster. He raised a question as to why the people of Kerala should pay additional tax who were already in distress. This burden should be shared by the whole country. He suggested two options: First to raise the rate of cess by amending Section 8 of the Compensation Act i.e. raising the rate of cess on existing commodities and secondly by bringing other luxury items under its ambit. He suggested that the incremental amount so collected could be deposited in a separate Fund. He stated that earlier, the issue of relief to cane growers of Uttar Pradesh was discussed in the context of levy of a sugar cess. He stated that there should be a permanent fund for calamities based on severity and Council could lay criteria and guidelines regarding its disbursal to the States. He recalled that there was severe flood in Bihar in 2017 in which 649 people had died and the State had spent Rs.1,754 crore from its own kitty in addition to the help received from the Centre. This permanent Fund could be used to disburse money to those States which suffered a natural calamity. He also suggested that once the Fund was created, the States which had faced calamities since the GST rollout, should be compensated through this Fund. He also placed on record the solidarity of the State of Bihar with the suffering of the people of Kerala and informed that Bihar was among the first State to donate Rs.10 crore for flood relief to Kerala.

18.3. The Hon'ble Chairperson observed that changes were possible in an ordinary legislation. However, it would be difficult to amend the Constitution and the suggestion of the Hon'ble Deputy Chief Minister of Bihar regarding creation of a permanent Fund might not be permissible within the existing provision of Article 279A (4) (f) of the Constitution which provided for levying any special rate or rates for a specified period, to raise additional resources during any natural calamity or disaster. He stated that under this provision, there has to be a special rate, imposed only for a specified period and for a specified calamity or disaster. Amending the Constitution would not be easy to implement the proposal of the Hon'ble Deputy Chief Minister of Bihar.

18.4. Dr. Himanta Biswa Sarma, Hon'ble Minister from Assam, stated that he was a Member of the GoM working on Cess on Sugar. A reference had been sent to the Attorney General (AG) of India for clarification whether it was legally permissible under GST to impose additional Cess or any Cess. The comment from the AG had not yet been received as the issue was also under challenge before the Hon'ble Supreme Court. He stated that the proposal of the State of Kerala would have a bearing on a matter which was presently *sub judice*. He stated that even lower Assam was in the grip of flood as of today also. He stated that it was not clear whether law allowed to levy additional Cess or not but if Cess has to be levied for helping in case of calamity or disaster, then it should be levied only on the commodities which attracted Cess and not for all the commodities. He wondered whether one could also increase some percentage of Cess already being levied on certain commodities to create a separate Fund for calamities or disasters. He stated that they supported the proposal in principle and expressed his solidarity with the State of Kerala in its hour of crisis and stated that it should be helped in every possible way. However, he wondered whether, in the absence of opinion of AG, any cess could be imposed.

18.5. The Hon'ble Minister from Tamil Nadu stated that the Hon'ble Chairperson had mentioned regarding the Constitutional provision for levy of additional tax by the Centre and the State on the

recommendation of the Council during natural calamity or disaster and that too temporarily. He supported the proposal of the Kerala Government to impose cess in the State of Kerala. However, he did not support the proposal of the Hon'ble Deputy Chief Minister of Bihar to create a separate disaster Fund at national level by imposing a levy of Cess on all States. He further added that there was already a separate Disaster Fund at national level and any State in times of such calamity or disaster could approach for additional fund.

18.6. Shri Yanamala Ramakrishnudu, Hon'ble Minister from Andhra Pradesh, stated that he supported the proposal of the Government of Kerala to levy cess in the State of Kerala. He observed that the issue of imposing cess on sugar at national level was a separate matter but the present question related to natural disaster and distress in Kerala. The issue raised by Bihar was also a separate matter. He stated that in situations of crop failure, no cess could be imposed throughout the Country. He stated that the proposal of Kerala could be supported on humanitarian ground.

18.7. Shri Sudhir Mungantiwar, Hon'ble Minister from Maharashtra stated that the issue of sugar cess was not finalised because the legality of cess was *sub judice* in the Hon'ble Supreme Court in the case of M/s Mohit Minerals. He added that there was a need to help the State of Kerala and this could be done by increasing cess by 1% or 2% on the products on which cess was already applied. He stated that due to roll-out of GST, number of people filing Income Tax Returns had increased substantially and suggested that a surcharge could be imposed on income-tax return filers to help the State of Kerala. He observed that help for Kerala was needed now but any change in the software by GSTN would take time.

18.8. The Hon'ble Minister from Punjab raised the question whether it was legally feasible to impose cess and, if so, under what law it could be imposed. He observed that Hon'ble Deputy Chief Minister of Bihar had stated that it would take about six months to change the GST software. He also observed that if higher tax was imposed in Kerala, then trade could shift from that State. He stated that while new provision could be enacted later to make compensation available in case of natural calamities and disaster, as an immediate act, for Kerala, tax waiver should be granted on damaged goods which the insurance companies were not compensating. He added that Kerala should be compensated and rehabilitated quickly through National Disaster Response Fund (NDRF) or any other way by the Centre.

18.9. Dr. P.D. Vaghela, CCT, Gujarat, stated that Kerala should be helped. He added that though Compensation Act was under legal challenge, the Council had power under Article 279A for levy of any special rate or rates for a specified period during any natural calamity or disaster. This provision was preferable compared to the option of cess. He suggested to have a separate IT system for Kerala by allowing increase of 1% tax on SGST component in the State of Kerala. He observed that for supply made from Kerala, the cost would be passed on to the consumers of other States which would make the supply from Kerala less attractive, but this was the case even in the earlier regime. The ACS, Uttar Pradesh, stated that the issue of sugar cess had been referred to a GoM and this issue should also be referred to the same GoM.

18.10. The Hon'ble Minister from Uttarakhand stated that his State suffered a calamity in the year 2013-14 which was also declared as a national calamity and more than 12,000 lives were lost and additional funds were received from the Central Government. He observed that Article 279A (4) (f) permitted to impose tax for a brief period in the case of natural calamity. He stated that his State often suffered such calamities. He further stated that during the period January-September, 2018, due to climatic factors, 1805 roads were destroyed, 1577 water-based projects were affected, 5064 electricity related projects were affected, 2715 houses were destroyed and 100 lives were lost. He stated that this had not been declared as a calamity. He stated that his State suffered very heavy rainfall and frequent landslides and there should be a mechanism within States to raise additional resources even if it were

not declared as national disaster and this should be done even if Constitutional amendment was required for it.

18.11. Shri V. Narayanasamy, Hon'ble Chief Minister of Puducherry stated that all the States and Central Government stood by Kerala during this unprecedented natural calamity and disaster. Two things emerged from discussion in the Council. First was an explanation by the Hon'ble Chairperson that changes to be done in GST software would take about 5 to 6 months and second that creation of a Disaster Fund under Article 279A (4) of the Constitution would require Constitutional amendment. He observed that Article 279 A (4) (f) could be used to help the State of Kerala. He stated that proposal for imposing sugar cess had seen lots of opposition from various quarters in view of legal issues and that levy of various cesses was totally removed in GST regime. He also observed that some Members had pointed out that NDRF was the right forum for such support. However, Kerala needed support for re-building and the support of the Government of India was not enough as reported by the State of Kerala. Hence, the issue was whether they could raise resources through levy of cess and this needed to be examined legally. He expressed that instead of going into technicality, the Council should find a mechanism to help Kerala by the Central Government and the State Governments.

18.12. Shri Manish Sisodia, Hon'ble Deputy Chief Minister of Delhi, stated that there were two options emerging from the ensuing discussion. One was that all States should contribute to Kerala by an increase in the rate of tax and consequent changes in the rules should be carried out. The second option was to increase the rate of SGST in Kerala only. He supported the proposal as proposed by Hon'ble Minister from Kerala to increase the rate of tax in Kerala only.

18.13. Summarising the discussion, the Hon'ble Chairperson stated that five issues arose out of the discussion in the Council on this issue. First issue, which was supported by the Hon'ble Minister from Tamil Nadu and the Hon'ble Deputy Chief Minister of Delhi, was that the State of Kerala may be allowed to levy a special cess. The second issue, which was supported by the Hon'ble Deputy Chief Minister of Bihar and some other States, was that the State of Kerala had already suffered and whether a further special tax should be imposed on the people of Kerala. The third issue was raised by the Hon'ble Minister from Punjab that trade might shift from Kerala due to increase in taxation if the special tax was levied only in Kerala and this could have a spiral effect on increasing the suffering of the people of Kerala. The fourth issue was raised by the Hon'ble Minister of Tamil Nadu that the funding to States in times of natural calamity was already available under SDRF (State Disaster Response Fund) and NDRF. The Central team assesses and then grants the NDRF fund. The fifth issue was that under Article 279A, the States and the Centre had surrendered their sovereignty and the question was whether States fully lost their right to impose additional tax or did they possess this right to be exercised with the approval of the Council.

18.14. The Hon'ble Chairperson further observed that the State of Kerala would get funding from NDRF but if it also started getting funding from GST, then the issue was what proportion should be paid from NDRF and what should go from GST. The other issue was how to distinguish between a major calamity and a lesser calamity and whether one has to levy special tax on each count or only in the case of major calamity. In the past, there were cyclones in Odisha, Tsunami in Tamil Nadu and Andaman & Nicobar Islands, tragedy in Kedarnath, flooding in Srinagar and similar calamity could happen in future. The question was how to reconcile the disbursement from NDRF and GST. He stated that as per the existing Constitutional provision, GST could be levied for each natural calamity but then the question was it should be for what period and what quantum. The other issue was whether this increase in rate of tax should apply to all States or only to the State in which natural calamity occurred. Earlier, the practice was that money was given from NDRF and additional resources were generated through VAT to meet the contingency. Another issue to be considered would be as to on what items tax could be increased for this purpose. He observed that two obvious items were tobacco and luxury vehicles. He suggested that

keeping in view the fact that there were regular natural calamities occurring in the coastal States, in the Hill States and North-eastern States, a small Group of Ministers (GoM) could deliberate on this issue in more detail and then come to the Council with their recommendations within a reasonable period of time. He stated that all the States could give their views to this GoM. He sought the view of the Hon'ble Minister from Kerala whether the issue should be decided now or after consideration by the proposed GoM.

18.15. The Hon'ble Minister from Kerala stated that discussion in the Council showed bonding of the States. Everyone was very considerate during the discussion. He stated that raising additional 1% cess at all-India level could raise issues as highlighted by the Hon'ble Chairperson and therefore in his view levying special tax in Kerala would have been the easier approach. But, looking at the Constitutional provision and the spirit of discussion in the Council, one could consider levy of all-India tax for a limited period after considering all the views expressed by the Council Members. He supported the proposal to have a small Group of Ministers to take a considered view on this issue and bring it to the next Council meeting. The Hon'ble Chairperson stated that rescue and relief in Kerala was almost over and it was in a state of rehabilitation which could take several months and the funding would keep coming from various sources. So, the funding through GST route would be an addition and a little delay would not make much of a difference. He observed that the coastal States, Hill States and North-eastern States often faced calamity. He added that keeping this in view, he suggested to constitute a Seven-Member GoM instead of traditional five-member GoM, where representation could be from the coastal States, Hill States and North-eastern States plus some other States having senior Ministers. The Hon'ble Minister from Kerala agreed to this suggestion. The Hon'ble Minister from Andhra Pradesh observed that if cess was imposed on sin products including tobacco, then farmers growing tobacco would be in distress and the GoM should also look into this issue. After deliberation, the Council agreed to constitute a Seven-Member GoM for which names would be approved by the Hon'ble Chairperson.

19. **For Agenda Item 8**, the Council agreed to constitute a seven-member GoM to examine the issue of imposition of cess on SGST or increase in rate of SGST for rehabilitation and flood affected works of Kerala and to submit its report in the next meeting of the 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**

20. Introducing the Agenda item, the Secretary stated that this issue was discussed during the Officers meeting held on 27th September 2018 and some further amendment was proposed in this Agenda item. He invited Shri Upender Gupta, Commissioner (GST Policy Wing), CBIC, to explain the Agenda item. Giving a background of this issue, Commissioner (GST Policy Wing), CBIC, explained that Rule 96(9) of CGST/SGST Rules was inserted in October 2017 to enable claim of refund of IGST on export of permitted goods and no conditions were attached in the Rule. However, some exporters started misusing the provision and started claiming refund of input tax credit in respect of inputs which were not used for exports. In view of this, provision under Rule 96(9) and 96(10) of CGST/SGST Rules was reintroduced/introduced with retrospective effect from October 2017 on 23rd January 2018. This amendment was meant to block the refund of IGST when inputs were received at nil or lower rate of tax. In view of representation from trade bodies and with a view to bring more clarity, it was further amended with retrospective effect on 4th September 2018. The Hon'ble Minister from Punjab sent a letter raising the issue particularly regarding entitlement of refund of IGST paid on goods exported which are manufactured from capital goods imported under EPCG Scheme. This Agenda was discussed in the Law Committee and it was decided to delete the reference to Notification No.79/2017-Customs with retrospective effect i.e. from 23rd October 2017.

20.1. The Commissioner (GST Policy), CBIC, further stated that after the circulation of the Agenda notes, the issue had been re-examined in consultation with the Law Committee. It is seen that Notification No.79/2017-Customs which was proposed to be deleted in the Agenda note placed before the Council covers not only import of capital goods under EPCG licence but also import of inputs under Advance Authorization (Annual requirement), Special Advance Authorization and Advance Authorization (Export of prohibited goods). If reference to Notification No.79/2017-Customs was removed completely, as proposed in the original Agenda notes, it would make all those exporters eligible to pay IGST and claim refund on goods exported where inputs were imported without payment of IGST under any of the above-mentioned schemes. In view of this, he stated that the Agenda note was proposed to be modified to make only those exporters eligible to claim refund of IGST paid on exported goods who are importing capital goods under the EPCG Scheme. He informed that this issue was discussed in the Officers meeting held on 27th September 2018 and the proposed amendment was approved, keeping in view the fact that excluding the entire Notification No.79/2017-Customs would also exclude capital goods imported under EPCG Scheme and used in manufacture of goods exported, whereas the intention was to only block IGST refund for exporters who had imported inputs under Advance Authorization Scheme. He further explained that such exporters could make exports under the LUT route and claim refund of unutilised ITC.

20.2. He stated that in view of this, the Agenda placed before the Council was proposed to be modified and in the new formulation, it was proposed not to delete reference to Notification No.79/2017-Customs but to only provide that restriction in the Rule will not apply to exported goods manufactured out of the capital goods imported under EPCG Scheme. Rule 96(10) of CGST/SGST Rules was proposed to be re-worded to give effect to the desired intention to the extent it relates to amendment of Rule 96(10) of the CGST Rules, 2017.

20.3. He further stated that it was also possible for an EPCG licence holder, under an Authorization, to procure capital goods/machinery from a domestic supplier. Such supplies obtained from a domestic supplier by the EPCG licence holder had been given the status of deemed exports vide entry at S.No.2 of Notification No.48/2017-Central Tax dated 18.10.2017. Since Rule 96(10) of CGST/SGST Rules also restricted refund of IGST on exported goods if they had received supplies on which benefit of Notification No.48/2017-Central Tax had been availed, the proposed amendment to the CGST Rules would lead to an artificial distinction between those EPCG licence holders who were importing capital goods and those EPCG licence holders who were procuring capital goods domestically, with only the former being eligible to claim refund of IGST paid on exported goods. Hence, to negate this differential treatment, the Rule was proposed to be further amended.

20.4. He further stated that as the field formations had followed differing practices during the past period and export refunds had been granted in many cases, it would be better not to re-open the earlier sanctioned refunds and the proposed amendment could be done only with prospective effect. It was, therefore, proposed that Notification No.39/2018-Central Tax dated 04.09.2018 be rescinded to then extent it is related to the amendment of Rule 96 (10) of the CGST Rules, 2017.

20.5. Keeping in view the above proposals, the revised formulation of Rule 96(10) of CGST Rules and Rule 89(4B) of the CGST Rules is reproduced as below: -

**Suggested formulation for Rule 96(10) of the CGST Rules (proposed deletion in strike through mode and proposed addition in italics and 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 *except so far it relates to receipt of capital goods by such person against Export Promotion Capital Goods Authorisation* 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 *except so far it relates to receipt of capital goods by such person against Export Promotion Capital Goods Authorisation*."

**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) *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.

20.6. The Secretary stated that the issue was discussed in detail during the Officers meeting held on 27th September, 2018 and all had agreed to this amendment. The Hon'ble Minister from Punjab thanked the Secretary for a very quick response to his letter. The Council agreed to the changes as proposed above.

21. **For Agenda item 9**, the Council agreed to amend Rule 96(10) of CGST Rules and Rule 89(4B) of CGST Rules, as indicated in para 20.5. above. The exact wording of the amendment shall be finalised in consultation with the Legislative Department, Union Law Ministry. *Pari materia* changes would also

be carried out in the SGST Rules. Further, the Council also agreed to rescind that part of Notification No 39/2018 – Central Tax dated 04.09.2018 which relates to amendment of Rule 96(10) of the CGST Rules, 2017 and the State notifications corresponding to this Central notification.

**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**

22. Introducing this Agenda item, the Secretary stated that it was a formal item, placing before the Council, Notification No. 59/2018 – Customs dated 21st August 2018 issued to exempt basic Customs duty and IGST for the consignments imported for the supply of aid and relief materials to the affected people in Kerala to be effective till 31st December, 2018. He explained that notification exempted IGST for imported goods supplied for relief and rehabilitation of people affected by floods in the State of Kerala. He stated that this was only for the information of the Council. The Council took note of the Notification.

23. **For Agenda item 10**, the Council took note of the general exemption Notification No.59/2018-Customs dated 21st August, 2018.

**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**

24. This issue was discussed along with Agenda Item 6 relating to analysis of revenue gap of select States and the discussion therein covered the revenue gap analysis of the State of Bihar. The Council took note of this report along with the reports of the other States and Union Territory of Puducherry.

25. **For Agenda Item 11(i)**, the Council took note of the Report on Bihar along with the reports of the States of Jammu & Kashmir, Punjab, Himachal Pradesh and Union Territory of Puducherry.

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

26. The Secretary invited the Hon'ble Deputy Chief Minister of Bihar to brief the Council on this Agenda item. The Hon'ble Deputy Chief Minister of Bihar stated that the details of the 10th meeting of the GoM held on 22nd September, 2018 at Bengaluru was contained in the minutes and placed as an Agenda note. However, he wanted to highlight one issue concerning the date of making available the software for Annual Returns. He stated that during the 10th meeting of GoM, Infosys informed that they would be able to make the software ready for Annual Return for regular taxpayer (GSTR-9) by 18th December, 2018, the Annual Return for composition taxpayers (GSTR-9A) by 18th February, 2019 and the Reconciliation Statement (GSTR-9C) for normal taxpayers with turnover exceeding Rs. 2 crore would be made available after the finalisation of the SRS (Software Requirements Specification). He stated that the time-line for filing these returns was 31st December 2018 but it appeared that Infosys would not be able to develop this software by 15th November, 2018. He stated that the Council would need to consider whether the date for filing the annual return for normal taxpayers and composition taxpayers should be extended. He further informed that during the meeting of the GoM, it was also explored whether the Form GSTR-9C could be uploaded in .pdf form but it transpired that it would then have to be processed manually and system-based validation would not be possible. He observed that the Council would need to decide whether the date should be extended now or it should be discussed in the Council at a later date.

26.1. The Secretary stated that the GSTN should ensure that the preparation of software was expedited. He observed that the annual return contained several data elements which would facilitate final settlement of IGST. He suggested that the GSTN should engage with the Law Committee to expedite the issue.

26.2. The Hon'ble Minister from Kerala stated that he had been emphasising on furnishing of annual return during the last four meetings of the Council as scrutiny and enforcement actions were dependant on them. He observed that introducing these returns could not be put off indefinitely and there must be a deadline by which these returns should come into force. He suggested that at least annual return for taxpayers with turnover above Rs.1.5 crore should be made available by the stipulated date. The Secretary suggested that GSTN and the Law Committee could look at all the issues involved. Shri Prakash Kumar, CEO, GSTN stated that the Forms GSTR-9 and GSTR-9A (Annual Returns for regular taxpayers and compounding taxpayers respectively) were notified on 4th September, 2018 and the Reconciliation Statement (GSTR-9C) was notified on 13th September, 2018. He stated that the delay in development of software was on account of forms being made available to them very late but they would try to develop the software as early as possible.

27. **For Agenda item 11(ii)**, the Council:

(i) took note of the Minutes of the 10th Meeting of GoM on IT Challenges in GST Implementation; and

(ii) agreed that the GSTN would engage with the Law Committee to explore ways of expediting completion of software development for Forms GSTR-9 (Annual Return for regular taxpayers), GSTR-9A (Annual Return for compounding taxpayers) and GSTR-9C (Reconciliation Statement).

**Other Issues:**

28. The Secretary stated that the provisions of Tax Collection at Source (TCS) for e-commerce suppliers and Tax Deduction at Source (TDS) for Government supplies were ready for implementation and FAQs on TCS and Standard Operating Procedure (SOP) for TDS were finalised during the Officers meeting on 27th September, 2018. He requested the Council to approve the same so that these could be forwarded to all the States. The Council approved the FAQs on TCS and SOP for TDS, for circulation to the States.

28.1. The Hon'ble Minister from Uttarakhand stated that under Section 13 of the CGST/SGST Act, 2017, the time of supply of works contract services was when the contractor raised the bill and hence they were liable to pay the tax after issuing the bill. However, it took quite a long time for them to get the payment for the same. He stated that this was causing difficulties to the contractors. He observed that small contractors with annual turnover of less than Rs.1.5 crore should be given benefit of composition scheme for the works contract services so that they could get benefited as well. The Secretary stated that this problem had been raised from many quarters. He suggested that one solution could be for the Government to take a policy decision to expedite payments to Government contractors. Second option could be to examine the possibility of raising quarterly bill or raising the invoice only when Government was ready to make payment. He observed that the same provision of law relating to works contract was in force during the Service Tax regime. He added that the Law Committee could also look into all the possibilities to see whether small contractors could be given some relief. The Council agreed to this suggestion.

29. **For Other Issues**, the Council approved the following: -

i) To circulate FAQs on TCS and SOP for TDS to all States; and

ii) Law Committee to examine the problem of small contractors executing works contract for the Government due to time of supply provisions under GST.

**Agenda Item 12: Date of the next meeting of the GST Council**

30. The Hon'ble Chairperson stated that 5 States were going to polls and the Council could possibly meet after the polling was over. The Hon'ble Deputy Chief Minister of Delhi stated that the Council would need to meet earlier to discuss the issue relating to Kerala. The Hon'ble Chairperson stated that Kerala issue as well as any other issue of urgent nature could be discussed earlier in a short meeting of the Council. He stated that the date of the meeting would be fixed in due course and communicated to the Members.

31. The meeting ended with a vote of thanks to the Chair.

**Annexure 1**

| List of Ministers who attended the 30th GST Council Meeting on 28th September 2018 | | | |
|---|---|---|---|
| **Sl No** | **State/Centre** | **Name of Hon'ble Minister** | **Charge** |
| 1 | Govt. of India | Shri Arun Jaitley | 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, Commercial Taxes and Legislative Affairs |
| 4 | Assam | Dr Himanta Biswa Sarma | Finance Minister |
| 5 | Bihar | Shri Sushil Kumar Modi | Deputy Chief Minister |
| 6 | Delhi | Shri Manish Sisodia | Deputy Chief Minister |
| 7 | Goa | Shri Mauvin Godinho | Minister for Panchayats |
| 8 | Haryana | Capt. Abhimanyu | Minister for Excise & Taxation |
| 9 | Himachal Pradesh | Shri Suresh Bhardwaj | Minister for Education |
| 10 | Jharkhand | Shri C.P. Singh | Minister for Urban Development, Housing and Transport |
| 11 | Karnataka | Shri Krishna Byre Gowda | Minister of Rural Development, Law & Parliamentary affairs |
| 12 | Kerala | Dr. T.M. Thomas Issaac | Finance Minister |
| 13 | Maharashtra | Shri Sudhir Mungantiwar | Finance Minister |
| 14 | Mizoram | Shri Lalsawta | Finance Minister |
| 15 | Odisha | Shri Shashi Bhusan Behera | Minister for Finance & Excise |
| 16 | Puducherry | Shri V. Narayanasamy | Chief Minister |
| 17 | Punjab | Shri Manpreet Singh Badal | Finance Minister |
| 18 | Tamil Nadu | Shri D. Jayakumar | Minister for Fisheries and Personnel & Administrative Reforms |
| 19 | Tripura | Shri Jishnu Dev Varma | Deputy Chief Minister |
| 20 | Uttarakhand | Shri Prakash Pant | Finance Minister |

**Annexure 2**

| List of Officers who attended the 30th GST Council Meeting on 28th September 2018 | | | |
|---|---|---|---|
| **Sl No** | **State/Centre** | **Name of the Officer** | **Charge** |
| 1 | Govt. of India | Dr. Hasmukh Adhia | Finance Secretary |
| 2 | Govt. of India | Shri S Ramesh | Chairman, CBIC |
| 3 | Govt. of India | Dr. John Joseph | Member (Budget), CBIC |
| 4 | Govt of India | Dr. A B Pandey | Chairman, GSTN |
| 5 | Govt. of India | Shri B. N. Sharma | Chairman, National Anti-profiteering Authority |
| 6 | Govt. of India | Shri J.P.S. Chawla | Pr. CCA, CBIC |
| 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 G.D. Lohani | Joint Secretary, TRU I, DoR |
| 10 | Govt. of India | Shri Ritvik Pandey | Joint Secretary, DoR |
| 11 | Govt. of India | Shri Upender Gupta | Commissioner (GST), CBIC |
| 12 | Govt. of India | Shri S.K. Rehman | ADG, GST, CBIC |
| 13 | Govt. of India | Shri Manish Saxena | ADG, DG-Systems, CBIC |
| 14 | Govt. of India | Shri Samanjasa Das | ADG, DG (Anti-profiteering) |
| 15 | Govt. of India | Shri Rajesh Malhotra | ADG, (Media), MoF |
| 16 | Govt. of India | Shri Manoj Sethi | CCA, CBIC |
| 17 | Govt. of India | Shri Sanjeev Sanyal | Pr. Economic Adviser |
| 18 | Govt. of India | Shri N. K. Vidhyarthi | Director, TRU-II, DoR |
| 19 | Govt. of India | Shri Pramod Kumar | Deputy Secretary, TRU-II, DoR |
| 20 | Govt. of India | Shri Ravneet Singh Khurana | Joint Comm., GST Policy Wing |
| 21 | Govt. of India | Ms Himani Bhayana | Joint Comm., GST Policy Wing |
| 22 | Govt. of India | Shri Darpan Amrawanshi | Deputy Commissioner, GST Policy Wing |
| 23 | Govt. of India | Shri Paras Sankhla | OSD to Union Finance Minister |
| 24 | Govt. of India | Shri Mahesh Tiwari | PS to MoS (Finance) |
| 25 | Govt. of India | Shri Debashis Chakraborty | OSD to Finance Secretary |
| 26 | Govt. of India | Shri Anurag Sehgal | OSD to Chairman, CBIC |
| 27 | Govt. of India | Shri Nagendra Goel | Advisor, CBIC |
| 28 | GST Council | Shri Shashank Priya | Joint Secretary |
| 29 | GST Council | Shri Dheeraj Rastogi | Joint Secretary |
| 30 | GST Council | Shri Rajesh Kumar Agarwal | Addl. Commissioner |
| 31 | GST Council | Shri Jagmohan | Joint Commissioner |
| 32 | GST Council | Shri Arjun Kumar Meena | Dy. Commissioner |
| 33 | GST Council | Shri Rakesh Agarwal | Dy. Commissioner |
| 34 | GST Council | Shri Rahul Raja | Under Secretary |
| 35 | GST Council | Shri Mukesh Gaur | Superintendent |
| 36 | GST Council | Shri Sandeep Bhutani | Superintendent |
| 37 | GST Council | Shri Vipul Sharma | Superintendent |
| 38 | GST Council | Shri Sarib Sahran | Superintendent |
| 39 | GST Council | Shri Amit Soni | Superintendent |
| 40 | GST Council | Shri Anis Alam | Superintendent |

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| 41 | GSTN | Shri Prakash Kumar | CEO |
| 42 | GSTN | Ms Kajal Singh | EVP (Services) |
| 43 | GSTN | Shri Vashistha Chaudhary | SVP (Services) |
| 44 | GSTN | Shri Jagmal Singh | VP (Services) |
| 45 | GSTN | Shri Sarthak Saxena | OSD to CEO |
| 46 | Govt. of India | Shri C K Jain | Commissioner, Jaipur Zone, CBIC |
| 47 | Govt. of India | Shri B Hareram | Pr. Commissioner, Vishakhapatnam Zone, CBIC |
| 48 | Govt. of India | Shri Sanjay Mahendru | Commissioner, Mumbai Zone, CBIC |
| 49 | Govt. of India | Shri Kishori Lal | Commissioner, Chandigarh Zone, CBIC |
| 50 | Govt. of India | Shri Neerav Kumar Mallick | Commissioner, Bhopal Zone, CBIC |
| 51 | Govt. of India | Shri Pradeep Kumar Goel | Commissioner, Meerut Zone, CBIC |
| 52 | Govt. of India | Shri G V Krishna Rao | Pr. Commissioner, Bengaluru Zone, CBIC |
| 53 | Govt. of India | Shri Nitin Anand | Commissioner, Ranchi Zone, CBIC |
| 54 | Govt. of India | Shri M. Srinivas | Commissioner, Hyderabad Zone, CBIC |
| 55 | Andhra Pradesh | Dr D.Sambasiva Rao | Special Chief Secretary, Revenue |
| 56 | Andhra Pradesh | Shri J. Syamala Rao | Chief Commr, CT |
| 57 | Andhra Pradesh | Shri T. Ramesh Babu | CCT |
| 58 | Andhra Pradesh | Shri D. Venkateswara Rao | OSD to Spcl Chief Secretary, Revenue |
| 59 | Arunachal Pradesh | Shri Anirudh S Singh | Commissioner (Tax & Excise) |
| 60 | Arunachal Pradesh | Shri Tapas Dutta | SNO |
| 61 | Assam | Shri Anurag Goel | Commissioner, CT |
| 62 | Assam | Shri Kailash Kartik N | Jt. Secretary, Finance |
| 63 | Assam | Shri Shakeel Saadullah | Jt. Commissioner, CT |
| 64 | Assam | Shri Gautam Dasgupta | Jt. Commissioner, CT |
| 65 | Bihar | Ms Sujata Chaturvedi | Principal Secretary, Finance and CTD |
| 66 | Bihar | Dr Pratima | Commissioner cum Secretary, CTD |
| 67 | Bihar | Shri Arun Kumar Mishra | Additional Secretary, CTD |
| 68 | Bihar | Shri Ajitabh Mishra | Dy. Commissioner, CTD |
| 69 | Chhattisgarh | Smt Sangeetha P | Commissioner, CT |
| 70 | Chhattisgarh | Shri S L Agrawal | Special Commissioner, CT |
| 71 | Chhattisgarh | Smt. Nimisha Jha | Joint Commissioner, CT |
| 72 | Delhi | Ms Renu Sharma | Pr. Secretary, Finance |
| 73 | Delhi | Shri H. Rajesh Prasad | Commissioner, State Tax |
| 74 | Delhi | Smt. Sonika Singh | Special Commissioner, CT |
| 75 | Delhi | Shri Rajesh Goyal | Addl. Commissioner (Policy), CT |
| 76 | Delhi | Shri Sadanand Sah | Asst. Commissioner (Policy), CT |
| 77 | Delhi | Shri L S Yadav | Asst. Commissioner (Policy), CT |
| 78 | Goa | Shri Dipak Bandekar | Commissioner, CT |
| 79 | Goa | Shri Ashok Rane | Addl. Commissioner, CT |

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| 80 | Gujarat | Dr. P.D. Vaghela | ACS/CCT |
| 81 | Gujarat | Shri. Sanjeev Kumar | Secretary (Economic Affairs) Finance Department |
| 82 | Gujarat | Shri Ajay Kumar | Special Commissioner, CT |
| 83 | Haryana | Shri Sanjeev Kaushal | Addl Chief Secretary, E & T Dept |
| 84 | Haryana | Ms Ashima Brar | E&T Commissioner |
| 85 | Himachal Pradesh | Shri J C Sharma | Principal Secretary (Finance) |
| 86 | Himachal Pradesh | Shri Rajeev Sharma | Commissioner of State Tax and Excise |
| 87 | Himachal Pradesh | Shri Sanjay Bhardwaj | Addl Comm., State Tax & Excise |
| 88 | Jammu & Kashmir | Shri Navin K. Choudhary | Pr. Secretary, Finance Dept. |
| 89 | Jammu & Kashmir | Shri M Raju | Commissioner, CT |
| 90 | Jammu & Kashmir | Shri P K Bhatt | Addl Comm., CT Tax Planning |
| 91 | Jharkhand | Shri K K Khandelwal | ACS, CTD |
| 92 | Jharkhand | Shri Rahul Sharma | Commissioner, CT |
| 93 | Jharkhand | Shri Ajay Kumar Sinha | Addl. Commissioner of State Taxes |
| 94 | Jharkhand | Shri Brajesh Kumar | State Tax officer |
| 95 | Karnataka | Shri Srikar M.S. | Commissioner, CT |
| 96 | Kerala | Dr. Rajan Khobragade | Pr. Secretary & Commissioner, State GST Dept. |
| 97 | Madhya Pradesh | Shri Pawan Kumar Sharma | Commissioner, CT |
| 98 | Madhya Pradesh | Shri Sudip Gupta | Jt. Commissioner, CT |
| 99 | Madhya Pradesh | Shri Manoj Kumar Choube | Dy. Comm, CT |
| 100 | Maharashtra | Shri Rajiv Jalota | Commissioner, State Tax |
| 101 | Maharashtra | Shri Dhananjay Akhade | Jt. Commissioner, State Tax |
| 102 | Manipur | Smt Mercina R. Panmei | Commissioner, CT |
| 103 | Manipur | Shri R K Khurkishor Singh | Jt. Commissioner, CT |
| 104 | Manipur | Shri Y. Indrakumar Singh | Asst. Commissioner, CT |
| 105 | Meghalaya | Shri H Marwein | ACS, Taxation Department |
| 106 | Meghalaya | Shri L Khongsit | Jt. Commissioner, State Tax |
| 107 | Meghalaya | Shri G G Marbaniang | Asst. Commissioner, State Tax |
| 108 | Meghalaya | Shri K War | Asst. Commissioner, State Tax |
| 109 | Meghalaya | Shri B Wallang | Asst. Commissioner, State Tax |
| 110 | Mizoram | Shri Vanlalchhuanga | Commissioner & Secretary, Taxation Department |
| 111 | Mizoram | Shri L H Rosanga | Commissioner, State Tax |
| 112 | Mizoram | Shri Kailiana Ralte | Addl. Commissioner, State Tax |
| 113 | Mizoram | Shri K H Lalhawngliana | Jt. Commissioner, State Tax |
| 114 | Nagaland | Shri Mhathung Murry | Addl. Commr, State Tax |
| 115 | Odisha | Shri Tuhin Kanta Pandey | ACS, Finance |
| 116 | Odisha | Shri Saswat Mishra | Commissioner, CT |

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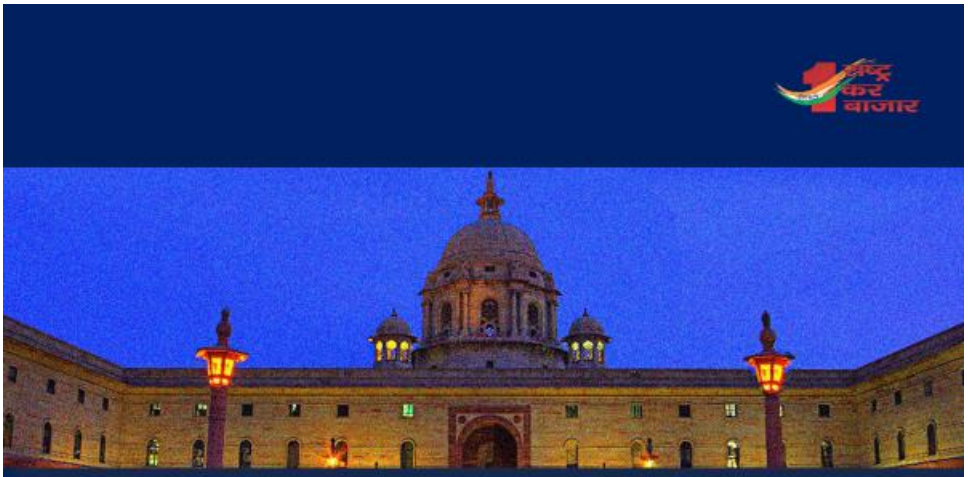
| 117 | Odisha | Shri N K Rautray | Additional Secretary, Finance |
| 118 | Odisha | Shri Sahadev Sahoo | Addl. Commissioner, CT |
| 119 | Puducherry | Shri G. Srinivas | Commissioner, CT |
| 120 | Punjab | Shri M. P Singh | Addl. Chief Secretary-cum-Financial Commissioner (Taxation) |
| 121 | Punjab | Shri V. K. Garg | Advisor (Financial Resources) to CM |
| 122 | Punjab | Shri Vivek Pratap Singh | Excise & Taxation Commissioner |
| 123 | Punjab | Shri Pawan Garg | Dy. Excise & Taxation Commissioner |
| 124 | Rajasthan | Shri Praveen Gupta | Secretary Finance (Revenue) |
| 125 | Rajasthan | Shri Alok Gupta | Commissioner, State Tax |
| 126 | Rajasthan | Ms Meenal Bhosle | OSD, Finance |
| 127 | Rajasthan | Shri Ketan Sharma | Addl. Commissioner, GST, State Tax Dept |
| 128 | Sikkim | Smt. Dipa Basnet | Secretary-cum-Commissioner, CT |
| 129 | Sikkim | Shri Manoj Rai | Addl. Commissioner, CT |
| 130 | Tamil Nadu | Dr. T.V Somanathan | ACS/CCT |
| 131 | Tamil Nadu | Shri K Gnanasekaran | Additional Commissioner, CT |
| 132 | Tamil Nadu | Shri C. Palani | Jt. Commissioner (Taxation) |
| 133 | Telangana | Shri Somesh Kumar | Principal Secretary (Finance) |
| 134 | Telangana | Shri Anil Kumar | Commissioner of State Tax |
| 135 | Telangana | Shri Laxminarayan Jannu | Addl. Commissioner, State Tax |
| 136 | Tripura | Shri Nagesh Kumar B | Chief Commr, CT |
| 137 | Tripura | Shri Ashin Barman | Superintendent of State Tax |
| 138 | Uttar Pradesh | Shri Alok Sinha | ACS, CT |
| 139 | Uttar Pradesh | Smt. Kamini Chauhan Ratan | Commissioner, CT |
| 140 | Uttar Pradesh | Shri Ajit Kumar Shukla | Addl. Commr. (vidhi, CT |
| 141 | Uttar Pradesh | Shri Vivek Kumar | Addl. Commissioner, CT |
| 142 | Uttar Pradesh | Shri K P Verma | Addl. Commissioner, CT |
| 143 | Uttar Pradesh | Shri C P Mishra | Joint Commissioner, CT |
| 144 | Uttar Pradesh | Shri D K Sachan | Joint Commissioner, CT |
| 145 | Uttar Pradesh | Shri Sanjay Kumar Pathak | Joint Commissioner, CT |
| 146 | Uttarakhand | Ms. Sowjanya | Commissioner, State Tax |
| 147 | Uttarakhand | Shri Piyush Kumar | Addl. Commissioner State Tax |
| 148 | Uttarakhand | Shri Vipin Chand | Addl. Commr., State Tax |
| 149 | Uttarakhand | Shri Rakesh Verma | Jt Comm., State Tax |
| 150 | West Bengal | Shri Khalid A Anwar | Senior Joint Commissioner, CT |

**Annexure 3**



## Decisions of GIC and Status update on IT-GRC for 30th Meeting of Hon'ble GST Council

## Agenda

- Deemed Ratification of Notification / Circulars issued post 28th meeting of GST Council
- Decisions taken by GIC post 28th meeting of GST Council
- Status update on IT Grievance Redressal (IT-GRC)

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## Ratification of Notifications, Circulars & Orders

- Ratification of following notifications, circulars & orders issued post 28th meeting of GST Council:

| Act/Rules | Type | Notification / Circular / Order 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 24 of 2018 |
| UTGST Act | Union territory Tax (Rate) | 13 to 23 of 2018 |
| GST (Compensat-ion 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 |

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## Decisions of GIC post 28th meeting of GST Council (1/12)

**Decision by Circulation (25.07.2018)**

- Extension of 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

  ✓ Notification No 30/2018 – Central Tax dated 30th July 2018 issued

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## Decisions in 21st meeting of GIC (21.08.2018) (2/12)

**I. Implementing the recommendations of the IT Grievance Redressal Committee (IT-GRC):**

- Waiver of late fee paid for delayed filing of returns by following classes of registered persons:

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 (556 cases)

iii. Where late fee for filing of **FORM GSTR-6** was paid by the registered persons between 01.01.2018 & 23.01.2018, i.e., between the notified last due date & due date of issuance of subsequent notification for further extension of due date (608 cases)

- Extension of 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
  - ✓ Notification No 41/2018 – Central Tax dated 4th September 2018 issued
  - ✓ Notification No 42/2018 – Central Tax dated 4th September 2018 issued

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## Decisions in 21st meeting of GIC (21.08.2018) (3/12)

**II. Notifying the annual return FORM GSTR-9 for normal taxpayers and FORM GSTR-9A for composition taxpayers:**

- ✓ Notification No 39/2018 – Central Tax dated 4th September 2018 issued

**III. Waiver of recording of UIN on invoices for UN Organisations/Foreign Diplomatic Missions:**

- 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
  - ✓ Circular No. 63/37/2018-GST dated 14th September 2018 issued

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## Decisions in 21st meeting of GIC (21.08.2018) (4/12)

### IV. Changes in FORM GST ITC-04:

✓ Notification No 39/2018 – Central Tax dated 4th September 2018 issued

### V. Changes in the CGST Rules, 2017:

- **Rule 22 and FORM GST REG-20:** To provide for option 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 and corresponding amendment in **FORM GST REG-20**
- **Rule 36(2):** To allow that input tax credit should not be denied for minor technical lapses with respect to the particulars mentioned in the invoices
- **Rule 55(5) and FORM GST EWB-01:** To allow for variation in value of goods mentioned in the e-way bill from that mentioned in the bill of entry where the imported goods were transported in batches and consequential changes in the **FORM GST EWB-01**

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## Decisions in 21st meeting of GIC (21.08.2018) (5/12)

### V. Changes in the CGST Rules, 2017 (contd..) :

- **Rule 89 (4):** To introduce a revised formulation so as to ensure that in the formula for calculating maximum refund amount admissible, the 'turnover of zero rated supply of services' (i.e. the numerator) and the 'adjusted total turnover' (i.e. the denominator) are defined in the same manner so as to ensure proper refunds
- **Rule 96 (10):** To remove doubts on whether export of 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
- **Rule 138 A (1):** To specify the "bill of entry" as one of the documents required to be carried by a person in charge of a conveyance

✓ Notification No 39/2018 – Central Tax dated 4th September 2018 issued

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## Decisions in 21st meeting of GIC (21.08.2018) (6/12)

**VI. Extension of due date for filing of FORM ITC-04:**

- ✓ Notification No 40/2018 – Central Tax dated 4th September 2018 issued

**VII. Clarification on refund related issues:**

- ✓ Circular No 59/33/2018 – GST dated 04th September 2018 issued

**VIII. Clarification on e-Way bill related related issues:**

- ✓ Circular No 61/35/2018 – GST dated 04th September 2018 issued

**IX. Scope of Principal agent relationship in the context of Schedule I under CGST Act, 2017:**

- ✓ Circular No 57/31/2018 – GST dated 04th September 2018 issued

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## Decisions in 21st meeting of GIC (21.08.2018) (7/12)

**X. Corrigendum to Circular No. 23/23/2017-GST dated 21st December 2017:**

- ✓ Corrigendum dated 4th September 2018 issued

**XI. Circular detailing the procedure for recovery of wrongly availed CENVAT credit under the existing law:**

- ✓ Circular No 58/32/2018 – GST dated 04th September 2018 issued

**XII. Circular on procedure for filing and processing of refund claims by CSD:**

- ✓ Circular No 60/34/2018 – GST dated 04th September 2018 issued

**XIII. Introduction of a new return regarding growth of CENVAT credit in pre-GST regime under CGST Act only:**

- ✓ Implementing notification yet to be issued

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## Decisions in 21st meeting of GIC (21.08.2018) (8/12)

**XIV. Exemption from GST on sale of development rights by Gujarat International Finance Tech-City Company Limited (GIFTCL):**

- ✓ Notification No 23/2018- Central Tax (Rate), 24/2018- Integrated Tax (Rate) & 23/2018- Union Territory (Rate) all dated 20th September 2018 issued

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

- ✓ Circular No 62/36/2018 – GST dated 12th September 2018 issued

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## Decisions in 21st meeting of GIC (21.08.2018) (9/12)

**XVI. 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:**

- ✓ Notifications No 36/2018 to 38/2018 – Central Tax all dated 24th August 2018 issued

**XVII. extend the due date for filing of the return in FORM GSTR-3B for the month of July, 2018 until 24.08.2018:**

- ✓ Notification No. 35/2018 – Central Tax dated 21st August, 2018 issued

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## Decisions of GIC post 28th meeting of GST Council (10/12)

**Decision by Circulation (27.08.2018)**

- To settle an additional IGST amount of Rs. 12, 000 crore, 50% to Centre and 50% to States, on ad hoc basis
  - ✓ Order *vide* F.No. S.31013/16/2017-ST-I-DoR Part I dated 29th August 2018 issued

**Decision by Circulation (05.09.2018)**

- Changes in the CGST Rules, 2017

i. Insertion of a new sub-rule (1A) rule 117(1) and insertion of a proviso in rule 117 (4) (b) (iii) in order to extend the due date for filing the said FORMS by those taxpayers who faced technical glitches

ii. Insertion of reference to section 125 (which provides for general penalty) in Rule 142

- ✓ Notification No 48/2018 – Central Tax dated 10th September 2018 issued

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## Decisions of GIC post 28th meeting of GST Council (11/12)

**Decision by Circulation (05.09.2018) contd..**

- 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 13th April 2018 and 49/23/2018-GST dated 21st June 2018
  - ✓ Circular No 64/38/2018 – GST dated 14th September 2018 issued
- Extending the due date for furnishing **FORM GSTR-1** by all registered persons for the period from July, 2017 to September, 2018 till 31st October 2018
- 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 06th August 2018 (for whom migration window was opened one more time)
  - ✓ Notifications No 43/2018 to 47/2018 – Central Tax all dated 10th September 2018 issued

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## Decisions of GIC post 28th meeting of GST Council (12/12)

**Decision by Circulation (05.09.2018) contd..**

- Extension of time for finalising the e-wallet scheme by six months i.e. upto 31st Mrach 2019
- Extension of duty exemptions from IGST and cess, etc. on imports made by holders of AA / EPCG licences / 100% EOUs
  - ✓ Notification No 65/2018- Customs dated 24th September 2018 issued
  - ✓ Notification No 66/2018- Customs dated 26th September 2018 issued

**Decision by Circulation (06.09.2018)**

- To notify the reconciliation statement in **FORM GSTR-9C**
  - ✓ Notification No 49/2018 – Central Tax dated 13th September 2018 issued

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## IT grievance redressal process (1/3)

- Government issued circular 39/13/2018-GST dated 03.04.2018 prescribing the procedure for taxpayers for lodging their grievance on account of technical glitch in the common portal
- It was also decided that the GIC will act as IT Grievance Redressal Committee for resolving problems of the taxpayers who have not been able to file their documents such as TRAN-1, GSTR-3B/GSTR-1 or registration/ migration etc. due to the technical glitches at common portal
- Taxpayers are required to submit their grievance application on account of technical glitch to the designated field nodal officer of State /Centre along with evidences
- Field nodal officer would examine such cases and if it is prima facie found to be a case of technical glitch then send the issues after collating with their remarks/ recommendation to the GSTN Nodal officer by email
- In pursuance of this circular, GSTN sent a Standard Operating Procedure (SOP) on 12.04.2018 which is to be followed by the Nodal officers of the States/Centre while referring the technical glitches to GSTN

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## Meetings of ITGRC (2/3)

- 1150 cases of TRAN 1 / TRAN 2 have been received till 25.09.2018 from tax officers at GSTN
- In the first meeting of ITGRC held on 22.06.2018, GSTN presented 170 cases for decision
- 122 cases were approved and the taxpayers were permitted to file their TRAN 1 / TRAN 2 where evidence of technical glitch/system error was there
- Second meeting of ITGRC was held on 21.08.2018 in which GSTN had presented 340 cases of TRAN 1 for decision. Further, 258 cases of TRAN 2 were presented
- 213 cases were approved and the taxpayers were permitted to file their TRAN 1 / TRAN 2 where evidence of technical glitch/system error was there
- Total of 335 cases out of 510 cases have been approved in the two meetings for filing TRAN 1 / TRAN 2. These 510 cases include cases where Writ petitions have been filed
- 258 cases of TRAN 2 were also approved for filing.
- ITGRC also directed the Law Committee to map the consequential issues related to such filing of TRAN 1 / TRAN 2 and suggest ways to handle such situations, wherever required

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## Implementation of the Decisions of ITGRC & examination of further Lots (3/3)

- Functionality for enabling select taxpayers to complete their TRAN 1 filing is ready
- E-mails have been sent to 315 taxpayers asking them to file TRAN 1
- Another lot of around 300 cases of TRAN 1 have been examined by GSTN and will be presented to the ITGRC for decision shortly
- Rest of the cases are under investigation with respect to the cause and checking of logs in system

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

In the 22nd meeting of the GST Council held at New Delhi on 06th 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 30th Meeting held on 28th September, 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 28th September, 2018 (date of the 30th GST Council Meeting), till 13th December, 2018, under the GST laws by the Central Government, as available on www.cbic.gov.in, are placed before the Council for information and deemed ratification: -

| Act/Rules | Type | Notification Nos. |
|---|---|---|
| CGST Act/CGST Rules | Central Tax | 53 to 66 of 2018 |
| IGST Act | Integrated Tax | 3 of 2018 |
| UTGST Act | Union territory Tax | 12 to 15 of 2018 |
| Circulars | Under the CGST Act | 66 to 74 of 2018 |
| Removal of Difficulty Orders | Under the CGST Act | 1 of 2018 |

3. The GST Council may grant deemed ratification to the Notifications, Circulars and Orders 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 28th September 2018 (when the 30th GST Council Meeting was held) and 13th December 2018 (before the 31st GST Council Meeting scheduled on 22nd December 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:

**22nd GIC Meeting – 10th October 2018**

2. The 22nd Meeting of the GIC was held on 10th October 2018. The following agenda items were discussed and decided:

**Agenda Item 1: Extension of due date for filing of FORM ITC-04**

3. Shri Upender Gupta (Commissioner, GST Policy Wing, CBIC) introduced the agenda and stated that as per rule 45 (3) of the Central Goods and Services Tax Rules, 2017 (CGST Rules for short), 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.

3.1. The revised format of the **FORM GST ITC-04** was notified by notification No. 39/2018- Central Tax dated 04.09.2018. Further, the last date of submission of the said FORM was extended to 30.09.2018 vide notification No. 40/2018-Central Tax dated 04.09.2018. The development of the new amended format incorporating all the changes as made vide notification No. 39/2018- Central Tax dated 04.09.2018 by GSTN was expected to take time. He further stated that the trade had represented that there were technical issues being faced by the taxpayers while filing the said FORM. He informed that the Law Committee in its meeting held on 19th and 20th September, 2018 had recommended that the last date for filing of the FORM may be extended for the period from July, 2017 to the quarter ending June, 2018 till 31.12.2018, in exercise of the power under section 168 of CGST Act, 2017 and rule 45(3) of the CGST Rules, 2017. He further mentioned that as per the said rule, the last date for the quarter July-September, 2018 was 25th October, 2018 and therefore the same also needed to be extended till 31.12.2018.

3.2. The GIC approved the proposal for the extension of due date, by way of notification, for furnishing of **FORM GST ITC-04** for the period from July, 2017 to September, 2018 till 31.12.2018. Accordingly, the implementing notification No. 59/2018 – Central Tax dated 26th October 2018 was issued.

**Agenda Item 2: Extension of last date of filing of final return in FORM GSTR-10 up to 31st December, 2018**

4. Commissioner, GST Policy Wing, CBIC stated that Section 45 of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the CGST Act) mandated that every taxpayer whose registration had been cancelled was required to furnish a final return within three months of the date of cancellation or date of order of cancellation. Further, rule 81 of the CGST Rules provides that the final return has to be filed in **FORM GSTR-10**.

4.1. He stated that **FORM GSTR-10** was notified by the Government vide notification No. 21/2018 – Central Tax dated 18.04.2018 and the documentation and development work started thereafter. The said form had been made available to taxpayers by GSTN with effect from 16th September, 2018. Those taxpayers who got their registration cancelled but could not file final return within three months due to unavailability of the form were required to pay late fees and interest without any fault of their own. He informed that the Law Committee had recommended that those taxpayers whose registrations got cancelled up to 30th September, 2018 may be provided a period of three months for filing **FORM GSTR-10** so that late fee and interest may not be levied on such filing. Since there was no power to extend the date of such return in the CGST Act, the provisions of Section 148 of the CGST Act were proposed to be used.

4.2. The GIC approved the proposal for the extension of due date for furnishing of **FORM GSTR-10** till 31.12.2018 for those taxpayers who got their registration cancelled on or before 30.09.2018. It also decided that the implementing notification could be issued after legal vetting by the Union Law Ministry and the *pari materia* notification would also be issued under the respective State Goods and Services Tax Act, 2017. Accordingly, the implementing notification No. 58/2018 – Central Tax dated 26th October 2018 was issued.

**Agenda Item 3: Standard Operating Procedure (SOP) for Processing of Applications for Cancellation of Registration submitted in FORM GST REG-16**

5. Commissioner, GST Policy Wing, CBIC introduced the agenda and stated that as per the data made available by GSTN, approximately 1,62,000 applications were pending for cancellation with the Central Tax and the State Tax administrators. He stated that generally such people were migrated taxpayers not requiring to have GST registrations for reasons such as annual turnover being below Rs. 20 lakh. He added that many in this category had not filed their returns. He further added that the issue was also being monitored by Prime Minister's Office. He mentioned that the GST Council Secretariat had issued a letter in this regard to quickly reduce the pendency in processing of applications for cancellation of registration.

5.1. He further stated that various representations seeking clarification on various issues were received in relation to processing of the applications for cancellation of registration filed by taxpayers in **FORM GST REG-16**. He stated that the Law Committee proposed to issue a SOP in the form of a Circular in order to ensure a uniform procedure for processing of such applications.

5.2. Commissioner, GST Policy Wing, CBIC stated that the State of Gujarat had suggested to qualify the requirement of issuance of notice in circumstances where a registered person had made no supply during the period from the date of registration to the date of application for cancellation. In case the applicant furnished an undertaking to this effect, then registration could be cancelled without issuing a show cause notice and where such an undertaking was not furnished, a show cause notice would need to be issued. GIC agreed to suitably incorporate this clarification in paragraph 10 of the circular.

5.3. Dr. Rajeev Ranjan, Special Secretary, GST Council suggested that the generic observation in the second sentence in paragraph 3 ("There is no gainsaying the fact that it might be difficult to exactly identify or pinpoint the day on which such an event occurs") should be made more specific by amending the above sentence as follows: ~~There is no gainsaying the fact that~~ It might be difficult ***in some cases*** to exactly identify or pinpoint the day on which such an event occurs. GIC agreed to the suggestion.

5.4. Shri Khalid Anwar, Senior Joint Commissioner, Commercial Taxes, West Bengal suggested that the SOP under this circular should also apply to those who had taken voluntary registration under

section 29(1)(c) of the CGST/SGST Act. Commissioner, GST Policy Wing stated that since the clause of not permitting cancellation for one year for the voluntary registrants had been deleted earlier, this SOP would apply to those who had taken registration voluntarily but now wanted to cancel the same and the same could be clearly stated in paragraph 2(d) of the Circular. GIC agreed to the suggestion.

5.5. Senior Joint Commissioner, Commercial Taxes, West Bengal further stated that the reference to paragraph 3 in paragraph 5 (a) should be read as paragraph 4. He also stated that in regard to paragraph 5 (b), for a new entity, it would be desirable to make Table-7 of **FORM GST REG-16** mandatory. Commissioner, GST Policy Wing, CBIC stated that the suggestion could be accepted. GIC agreed to the suggestion.

5.6. Senior Joint Commissioner, Commercial Taxes, West Bengal further suggested that the condition stated in of the draft SOP that in case of death of sole proprietor, *cancellation application will have to be submitted manually before the proper officer by the legal heir/successor* should not be insisted upon and he should also be allowed to file application online. GIC agreed to this suggestion.

5.7. Dr. P.D. Vaghela, CCT, Gujarat suggested that in regard to paragraph 4 (e), in case of transfer, merger of business etc., the GSTIN registration of the new entity may not be immediately available and therefore, the details of the Order of the Hon'ble High Court or the Transfer Deed (in cases where the unit is not a company) should be accepted for the cancellation application. Commissioner, GST Policy Wing, stated that the requirement suggested by CCT, Gujarat may be incorporated in the Circular which would also accommodate the suggestion from West Bengal regarding making Table-7 of **FORM REG-16** mandatory. GIC agreed to the suggestion.

5.8. The GIC approved the proposal to issue the Circular detailing SOP for processing of applications for cancellation of registration submitted **in FORM GST REG-16** with the changes suggested above. It was also decided that the States may issue similar Circular. Accordingly, the implementing Circular No. 69/43/2018-GST dated 26th October 2018 was issued.

**Agenda Item 4: Clarification on certain issues related to Refund**

6. Commissioner, GST Policy Wing, CBIC introduced the agenda and stated that the Law Committee proposed to clarify two issues related to refund, namely: (i) Status of refund claim after issuance of deficiency memo and re-credit of electronic credit ledger; and (ii) Allowing exporters who have received capital goods under EPCG to claim refund of IGST paid on exports.

6.1. He stated that post issuance of Circular No. 59/33/2018-GST dated 4th September, 2018, it had been represented that in cases where deficiency memo had been issued for a refund application, the taxpayers were not able to file a fresh application of refund for the same period on the common portal. As per the extant rule, in case of deficiency memo, the taxpayer had to file a fresh application for refund with new Acknowledgement Reference Numbers (ARNs). It was expected that after issuance of deficiency memo there should be re-credit of the claimed amount in the electronic credit ledger through **FORM GST RFD-01 B**. However, currently, the facility to file a fresh application for refund for the same tax period did not exist on the common portal. He informed that keeping in view the limitation of the software, the Law Committee had proposed that re-credit of the claimed amount in the electronic credit ledger using **FORM GST RFD-01B** shall not be carried out where deficiency memo had been issued in **FORM GST RFD-03**. For the cases where re-credit of input tax credit had already been carried out in the ITC ledger, GSTN would take steps to resolve these cases after getting the details of the same.

6.2. He added that representations were also received requesting that exporters who had procured capital goods under the EPCG scheme should be allowed to claim refund of the IGST paid on exports. Such exporters were currently restricted from claiming refund of IGST paid on exports by rule 96(10) of the CGST Rules. Accordingly, the GST Council, in its 30th Meeting held at New Delhi on 28.09.2018, accorded approval to the proposal to suitably amend rule 96(10) and 89(4B) of the CGST Rules, with prospective effect and rescinding the relevant provisions of notification No. 39/2018- Central Tax dated 04.09.2018. The Council's decision has already been implemented vide notification Nos. 53/2018- Central Tax and 54/2018- Central Tax both dated 09th October 2018. It was proposed that this matter could also be further clarified by way of a Circular.

6.3. CCT, Gujarat asked GSTN about the tentative date by when the facility of re-crediting of the claimed amount of input tax credit in the electronic credit ledger using **FORM GST RFD-01B** once the deficiency memo was issued would be made available enabling the taxpayer to file a fresh refund application. He added that the Law Committee was earlier informed that such facility was available and it was then that the notification was issued. Ms. Kajal Singh, EVP (Services), GSTN stated that as of now, there was no facility for this purpose since the system was not able to capture the details of deficiency memo which was currently being issued manually. She added that they had requested Gujarat to send the list of such cases to GSTN so that the same could be looked into and some solution could be worked in the backend on case to case basis. EVP (Services), GSTN stated that APIs specifications had already been given and once **FORM GST RFD-01** was integrated by all Model-1 States, then the facility could be brought in. Commissioner, GST Policy Wing, CBIC stated that it was not the question of integration but as of today, the procedure followed for refund module under **FORM GST RFD-01 A** was a semi-automatic process and it appeared that GSTN could bring in this facility for new refund applications once there was a switchover from **FORM GST RFD-01 A** to **FORM GST RFD-01** process. Senior Joint Commissioner, CT, West Bengal informed that in view of the refund Circulars issued earlier, they too had similar cases where deficiency memo was issued and the amount were recredited. EVP (Services), GSTN stated that the details of such cases may be sent to GSTN so that they could be re-worked at the back end. Commissioner, GST Policy Wing, CBIC summarised that, as informed by GSTN, the facility of re-credit of amount rejected through deficiency memo through **FORM GST RFD-03** and re-credit thereof would be made available only when one moved from **FORM GST RFD-01 A** system to **FORM GST RFD-01** system. The GIC agreed to the proposal.

6.4. The GIC approved the draft Circular on refund clarifying the two issues relating to: (i) Status of refund claim after issuance of deficiency memo and re-credit of electronic credit ledger, and (ii) Allowing exporters who have received capital goods under EPCG to claim refund of IGST paid on exports. It was also decided that the States may issue similar Circular. The implementing Circular No. 70/44/2018-GST dated 26th October 2018 was issued.

**Agenda Item 5: Clarification on issues pertaining to registration as a casual taxable person and recovery of excess Input Tax Credit distributed by an Input Service Distributor**

7. Commissioner, GST Policy Wing, CBIC introduced the agenda and stated that various representations were received from trade for clarification on the range of issues concerning Casual Taxable Person (CTP) like amount of advance tax liability to be deposited and for extension of period of registration as a casual taxable person beyond the period mandated as per law. Further, concerns had been expressed by field formations regarding the manner of recovery of excess Input Tax Credit (ITC) distributed by an Input Service Distributor (ISD) in contravention of the provisions contained in section 20 of CGST Act, 2017. He informed that issue regarding the payment of advance tax by CTPs was also raised by Punjab during the discussions related to GST Law amendment.

7.1. He further informed that the Law Committee had noted that the CTP while obtaining registration was required to deposit the advance tax. It suggested that this may be clarified by way of a Circular that the said amount may be calculated after considering the due eligible ITC which might be available to such taxable person. It was pointed out that the application for registration as a CTP i.e. the **FORM GST REG-1** sought information regarding the ***"estimated net tax liability***" only and not the gross tax liability. Further with regard to extension of registration period of the CTP beyond the mandated period as per law, it was proposed to be clarified that in case of long running exhibitions (more than 6 months), the taxable person cannot be treated as a CTP and thus such persons would be required to obtain registration as a normal taxable person. He can surrender such registration once the exhibition was over. In such cases he would not be required to pay advance tax while obtaining registration. While applying for normal registration, the said person should upload a copy of the allotment letter granting him permission to use the premises for the exhibition and the said allotment letter/consent letter shall be treated as the proper document as a proof of his place of business. With regard to the issue of recovery of excess ITC distributed by an ISD, it was proposed by the Law Committee that the said excess credit shall be paid back by the recipient units and if they fail to pay, necessary proceedings may be initiated under Section 73 and Section 74 through **FORM DRC-03** in case of voluntary payment and through **FORM DRC-07** in case of demand raised by tax officials.

7.2. CCT, Gujarat stated that in as per Section 122 (ix) of the CGST ACT, 2017, the person who takes or distributes the ITC in contravention of Section 20 of the CGST ACT, 2017 or the rules made thereunder shall be liable to pay the penalty of ten thousand rupees or ITC availed of or passed on or distributed irregularly, or the refund claimed fraudulently, whichever is higher. Commissioner, GST Policy Wing, CBIC stated that it could be suitably clarified that the ISD would be liable to penalty under Section 122 (ix) of the CGST, Act, 2017. GIC agreed to this suggestion.

7.3. Special Secretary, GST Council suggested that the header of the Circular should be re-phrased clearly as "Clarifications on issues relating to Casual Taxable Persons and Input Service Distributors under GST.". Senior Joint Commissioner, CT, West Bengal informed that in the Column 3 of the Sl. No 2 of the Table in the draft Circular the words "for a period more than six months" should be reworded as "for a period more than 180 days" as this expression had been used in other parts of the draft Circular. GIC agreed to these suggestions.

7.3. The GIC approved the draft Circular clarifying the issues pertaining to registration as a casual taxable person and recovery of excess Input Tax Credit distributed by an Input Service Distributor with the suggestions above. It was also decided that the States may issue similar Circular. Accordingly, the implementing Circular No. 71/45/2018-GST dated 26th October 2018 was issued.

**Agenda Item 6: Circular to clarify the procedure in respect of return of time expired drugs or medicines**

8. Commissioner, GST Policy Wing, CBIC introduced the agenda and stated that various representations had been received seeking clarification on the procedure to be followed in respect of return of time expired drugs or medicines under the GST laws. He added that the agenda was brought before the GIC earlier but the same was referred back to the Law Committee to re-examine. He informed that under VAT regime, the facility to adjust the tax liability was available if such goods were returned within six months while no such facility was available under Central Excise laws. He informed that GST Laws were comparatively more liberal. Section 34 of the CGST/SGST Act, 2017 specifically provides that Credit Note could be issued upto September of the next Financial Year or date of furnishing of the relevant annual return whichever is earlier and thus tax liability could be adjusted till this time. He informed that there was confusion in trade that one cannot issue Credit Note after 30th September.

Therefore, it was being proposed to clarify by way of Circular that there would be an option to the retailer or the wholesaler to return the goods, either by way of reverse supply i.e. by issuing an invoice or a bill of supply or a delivery challan, depending upon whether it is a normal registered taxable person or a composition taxpayer or an unregistered person and the value in such cases could be equal to the value of original supply. The recipient unit (till manufacturer) could then take the re-credit of the eligible ITC of such amount. He informed that, as per the Pharmacy Act, 1948, it is the responsibility of the manufacturer to destroy the expired drugs and he had to bear the loss. He also added that, it was also proposed to clarify alternately that the manufacturer to wholesaler to retailer can issue a Credit Note and that if it pertained to supply of the last Financial Year, then the tax liability could be adjusted till the month of September of the next Financial Year, but not thereafter.

8.1. Commissioner, GST Policy Wing, CBIC stated that CCT, Gujarat had raised a point in this regard that after September, the Credit Note could be issued by the manufacturer but without adjustment of the tax amount as the manufacturer would not be able to adjust the liability whereas the wholesaler or the retailer would have received the goods on payment of full tax. Therefore, as the liability of the supplier was not getting reduced, there would be instances where the wholesaler or the retailer would be paying less amount to the manufacturer or to the whole seller, as the case may be, but yet it would take full credit on the basis of invoice issued earlier. So, in this case, because of the limitation in the Pharmacy Act, 1948 and the limitation in CGST Act, 2017, the draft Circular clarifying certain aspects was proposed and the issue raised by Gujarat could be handled separately in the Law Committee to find a solution to those cases where people are issuing invoices for a higher amount and are in the habit of issuing a Credit Note and thus passing higher credit to the recipient. CCT, Gujarat agreed to this suggestion.

8.2. Dr. T. V. Somanathan, CCT, Tamil Nadu enquired whether the Pharma Industry had been consulted in this regard. Member (GST), CBIC stated that a detailed discussion was held with the Trade representatives and they were agreeable to the proposed procedure.

8.3. The GIC approved the draft Circular clarifying the procedure in respect of return of time expired drugs or medicines. It was also decided that the States may issue similar Circular. Accordingly, the implementing Circular No 72/46/2018-GST dated 26th October 2018 was issued.

**Agenda Item 7: Circular to clarify the taxability of medicines, consumables and implants supplied to in-patients during the course of medical treatment in hospitals**

9. Commissioner, GST Policy Wing, CBIC introduced the agenda and stated that currently health care services were exempted under GST. As a matter of practice, the corporate hospitals bundle medicines along with the health services provided by them but charge the patients separately for medicines at the Maximum Retail Price (MRP) which includes GST. Therefore, it was proposed to clarify that, if the health services providers were billing the medicines separately and at MRP (which includes the tax component), they are exempted under GST for providing health services but are liable to pay GST on the value of medicines, consumables and implants supplied to in-patients and billed separately and ITC would be available to them.

9.1. CCT, Tamil Nadu stated that there were certain corporate hospitals which offered a package deal for certain treatment and health services which included medicines and other consumables as well without any separate breakup of the cost. He enquired whether they would remain exempted under GST and if so, would it not encourage more and more hospitals to offer package deal and thus create a tax arbitrage. Shri P. K Jain, Pr. DG, DG-Audit, CBIC stated that the Tax Department has to consider the prevalent trade practices and if need be, it could examine and classify the nature of supply if a party

followed certain practise to avoid payment of tax. He stated that the Law in United Kingdom permitted Officers to allow practices which were normal for the trade but not those which was done to avoid payment of tax. CCT, Tamil Nadu observed that such a provision would leave window for exercise of excessive discretionary power in the hands of the tax officers and could also lead to differing opinions in different tax jurisdictions. CCT, Gujarat observed that if there was no clarity on this point, then the hospitals could shift more towards the package deal treatment. He suggested that one should insist that when the invoice is prepared for the patient, breakup cost of all components of the services being provided to the patient for the treatment should be furnished. CCT, Tamil Nadu stated that the suggestion of CCT, Gujarat could be a solution if the law permits it. Pr. DG, DG-Audit observed that one had to keep in mind that one cannot discard the concept of composite supply altogether in this case as well. Shri Shashank Priya, Joint Secretary, GST Council, cautioned that it was a very sensitive issue and it would be prudent for the GST Council to take decision in this regard. ACS, Haryana observed that the issue needed to be examined more elaborately as it could affect the health services and the related institutions. He added that one would also need to keep in mind as to how much of the price components of the medicines and implants would normally be in such a composite supply. He suggested that the health services industry should be consulted and the issue should be further examined in the Law Committee while covering all the aspects. He also agreed with the suggestion that the matter should be placed before the GST Council for decision.

9.2. The GIC decided to refer the issue back to the Law Committee for a more detailed examination of the issue in line with the suggestions and views expressed by the Members of the GIC. It also decided that thereafter, the issue should be taken to the GST Council for decision.

**Agenda Item 8: Proposal for exempting authorities incurring expenditure subject to post audit under Ministry of Defence from TDS compliance**

10. Commissioner, GST Policy Wing, CBIC introduced the agenda and stated that vide letter DO. No. 30(10)/GS-II/1297-F/RM/18 dated 27th April, 2018, received from the Hon'ble Union Minister of Defence, a request was made to exempt authorities incurring expenditure subject to post audit under the Ministry of Defence from the requirement of TDS under Section 51 of CGST Act, 2017. It was further stated in the letter that once Section 51 is enforced, all IN (Indian Navy) ships/units or formations of the Defence Ministry undertaking payment of more than Rs. 2.5 lakh would be required to deduct tax at source, thereby making them liable to comply with all the procedural requirements under GST like registration, returns, payment etc. It had been stated that the Army unit, Aircrafts, IN ships/units are operational assets, which do not have the wherewithal to comply with such cumbersome procedures. Furthermore, by taking unit-wise registration, the name, strength and locations of the units of army, navy, air force, Coast Guard, DRDO labs as well as details of the entire supply in terms of weapons, equipment, stores etc. would be disclosed. Mapping of such security details on the open network would be extremely prejudicial to national security.

10.1. He informed that under the Ministry of Defence, matters relating to allocation, booking, payment against the expenditure for revenue and capital budget on pre-audit basis was looked after by a unique organisation headed by the CGDA (Controller General Defence Accounts). Replenishment spares, maintenance spares and services, recurring expenses like the salaries and the entire capital budget were paid through the CDA (Controllers of Defence Accounts) offices, that function under the CGDA. The Ships/ Units and the Command/ Area headquarters were authorised to incur certain expenditure to meet urgent/ operational/ emergency requirements which was subject to post-audit controls. Such flexibility was provided in view of the operational nature of requirements and to meet contingencies. The total cumulative volume of such post-audit funds was less than 2% of the total expenditure. Thus, approximately 98% of the expenditure incurred by the Ministry of Defence was paid through the CDA

and is subject to pre-audit verifications. Defence Authorities had no issues in PCDA/CDA Authority registering for TDS for pre-audit funds of capital expenditure or revenue expenditure.

10.2. He stated that the matter was discussed in the Law committee and it was noted that the intention of deducting TDS was to have audit trail. Secondly, it was a mechanism of part collection of tax. The due tax liability otherwise was of supplier. Hence absolving certain class of registered persons from the liability of deduction of TDS did not, *per se*, impact the revenue. Therefore, the Law Committee requested CCT, Maharashtra to examine the issue and submit report on the matter. After examination of the issue, the CCT, Maharashtra observed that after having understood the business process, the amount of revenue involved and the unique nature of working of Defence in the country, it was felt that the TDS provisions may be looked into differently for the Defence. Secrecy was a matter of concern for the country as a whole. The Army unit, Aircrafts, IN ships/units were more vulnerable to the security issues and hence the post audit authorities may be exempted from the TDS mandate.

10.3. He informed that the said recommendation was discussed by the Law Committee and it recommended that under Ministry of Defence, all the expenditures done by PCDA/CDA which were subject to pre-audit controls may be kept under TDS and the expenditure which was subject to post-audit verifications may be kept out of the purview of Section 51 of the CGST Act.

10.4. He further mentioned that notification No. 50/2018-Central Tax dated 13th September, 2018 had already been issued to enforce Section 51 of CGST Act, 2017 from 01st October, 2018. Under the said Notification, there was no exemption available to post audit authorities under Ministry of Defence (MoD). Therefore, to carve out an exemption from Section 51 of CGST Act, 2017 for post audit authorities under MoD, a notification to amend the above notification was required to be issued.

10.5. ACS, Haryana stated that given the importance and urgency of the proposal, he was willing to go along with it. However, this waiver from TDS requirement should not be cited as a precedent for other paramilitary forces.

10.6. The GIC approved the proposal for exempting authorities incurring expenditure subject to post audit under Ministry of Defence from TDS compliance and noted that this decision should not be cited as a precedent for other paramilitary forces to seek a similar waiver. It was also decided that the implementing notification could be issued after legal vetting by the Union Law Ministry and the *pari materia* notification would also be issued by the States under the respective SGST Act, 2017. Accordingly, the notification No. 57/2018 – Central Tax dated 23rd October 2018 was issued.

**Agenda Item 9: Changes in the CGST Rules, 2017**

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

**Amendment in FORM GST REG-16**

11.1. He stated that in view of the proposed issuance of Circular in relation to procedure for processing of applications for cancellation of registration submitted in **FORM GST REG-16**, certain changes in rules and relevant forms were required to simplify the cancellation procedure. The instructions contained in **FORM GST REG-16** mandated that in case of death of sole proprietor, application shall be made by the legal heir / successor **manually** before the concerned tax authorities. It was further mandated that the tax return due for the tax period in which the effective date of surrender of registration falls was required to be filed before applying for cancellation. Further, as per the **FORM GST REG-16**, the GSTIN of newly constituted entity was not mandatory in case of change in

constitution leading to a change in PAN No. In order to address these issues and to further simplify the process, the Law Committee had proposed the following:

i. Removal of requirement of filing return for the period in which the effective date of cancellation lies.
ii. Removal of requirement of manual filing of cancellation application in case of death of sole proprietor.
iii. Introduction of requirement of mentioning GSTIN of newly constituted entity in case of change in constitution leading to change in PAN and a field of the relevant section number be made available in the said form.

11.2. Commissioner, GST Policy Wing, CBIC further added that since the agenda item 3 and 9 were interlinked, as per the suggestion made during discussion on the agenda item 3, an undertaking has to be given for those who made no supplies from the date of registration to the date of application for cancellation and the same would be brought in the FORM. Those who did not furnish such an undertaking would need to file the returns.

11.3. He informed that the above recommendations were proposed to be carried out by making following changes in **FORM GST REG-16**:

i. In sl. no. 7 of **FORM GST REG-16**, the entry may be amended as follows:

*"In case of transfer, merger of business, and change in constitution leading to change in PAN particulars of registration of entity in which merged, amalgamated, transferred, etc."*.

ii. In the instructions for filing of Application for Cancellation, the entry may be amended as follows:

*"In case of death of sole proprietor, application shall be made by the legal heir / successor ~~manually~~ before the concerned tax authorities. The new entity in which the applicant proposes to amalgamate itself shall register with the tax authority before submission of the application for cancellation. This application shall be made only after that the new entity is registered.*

*Before applying for cancellation, please file **your tax return due** for the tax period in which the effective date of surrender of registration falls or furnish an application to the effect that no taxable supplies have been made during the intervening period (i.e. from the date of registration to the date of application for cancellation of registration).~~"~~*

11.4. The GIC approved the proposal to carry out the above amendment in **FORM GST REG-16** in the CGST Rules, 2017. It also decided the implementing notification could be issued after legal vetting by the Union Law Ministry and the *pari materia* changes would be required to be carried out by the States in the respective SGST Rules. Accordingly, the implementing notification No. 60/2018 – Central Tax dated 30th October 2018 was issued.

**Decisions by Circulation – 21st October 2018**

12. A proposal for approval of the GIC was received from GST Policy Wing, CBIC regarding extension of due date for filing **FORM GSTR-3B** for the month of September, 2018 upto 25.10.2018. The last date for filing of **FORM GSTR-3B** for the month of September, 2018 was 20.10.2018 through which ITC could have been availed.

12.1. The GIC approved the proposal to extend the due date for filing of **FORM GSTR-3B** for the month of September, 2018 upto 25.10.2018. Accordingly, the implementing notification No. 55/2018 – Central Tax dated 21st October 2018 was issued.

**23rd GIC Meeting – 26th October 2018**

13. The 23rd Meeting of the GIC was held on 26th October 2018. The following agenda items were discussed and decided:

**Agenda item 1: Clarification on scope and ambit of principal and agent relationship under Schedule I of CGST Act in the context of del-credere agent (DCA)**

14. Commissioner, GST Policy Wing, CBIC informed that keeping in view references received from the Trade and field formations, a Circular was proposed to be issued to clarify the relationship between a principal and a del-credere agent. Sh. Shashank Priya, Joint Secretary, GST Council Secretariat stated that since the proposed Circular was to be issued by the States as well, a decision to that effect may be recorded in the Minutes. Ms. Smaraki Mahapatra, CCT, West Bengal suggested that an index for Circulars may be maintained such that the States can issue the corresponding Circulars on time. Sh. Shashank Priya, Joint Secretary, GST Council informed that a letter had already been sent to the GST Policy Wing, CBIC with the approval of the Union Finance Secretary, requesting for a master list of circulars issued so far, along with remarks as to which circulars were not required to be issued by the States. Upon receipt of this Master list, it would be sent to all the States as a check list for issuing the corresponding Circulars. States shall also send a copy of all the circulars issued to the GST Council Secretariat for hosting it on its website.

14.1. Sh. Sanjeev Kaushal, ACS, Haryana stated that to avoid a situation where different States issue the Circulars on different dates, there should be a prescribed due date on which the Centre and all the States may issue the Circular simultaneously. Sh. Shashank Priya, Joint Secretary, GST Council Secretariat stated that issuing Circulars simultaneously would be a challenge as there could be default by some States, delaying the whole process. He suggested that instead, an understanding could be arrived at that till the time a particular State has not issued a Circular, the Central Government's circular, *mutatis mutandi* would be valid for the State administration. Commissioner, GST Policy Wing, CBIC suggested that the GIC may take a decision to the effect that the Centre's Circulars may be applicable to the State authorities as well. Ms. Smaraki Mahapatra, CCT, West Bengal stated that the Law Departments of the States might not be agreeable to such an arrangement.

14.2. The GIC approved the draft Circular clarifying the scope and ambit of principal and agent relationship under Schedule I of CGST Act in the context of del-credere agent. It also approved that all Circulars approved by the GIC will be issued by both the Central Government as well as the State Governments (except those which are expressly indicated as not required to be issued by the States). Till such time, a particular State had not issued a Circular, the Central Government's circular, *mutatis mutandi*, shall be valid for the State administration. Further, an index of all Circulars issued till date shall be circulated to all States by the GST Council Secretariat, to enable the States to update and issue any missing Circulars (except those which are explicitly indicated as not required to be issued by the States). States shall also send a copy of all the circulars issued to the GST Council Secretariat for hosting it on its website. Accordingly, the implementing Circular No. 73/47/2018-GST dated 05th November 2018 was issued.

**Agenda item 2: Corrigendum to Circular No. 57/31/2018-GST dated 4th September, 2018 issued vide F. No. CBEC/20/16/4/2018-GST**

15. Commissioner, GST Policy Wing, CBIC stated that a Corrigendum to Circular No. 57/31/2018 dated 04th September, 2018 was proposed to be issued to clarify that in cases where a commission agent makes supplies on behalf of an agriculturist who is not a taxable person, he need not be registered under GST. Shri Khalid Anwar, Sr. Joint Commissioner, Commercial Taxes, West Bengal stated that a proviso may be added to cover the cases of agricultural products like cashew nut which attract GST on reverse

charge. In such cases, the commission agent must take registration even when he was making supply on behalf of an agriculturist.

15.1. Commissioner, GST Policy Wing, CBIC suggested that the GIC may approve the draft circular and the addition as proposed above. The formulation regarding the proposed addition could be discussed and approved by the Law Committee on the basis of a draft to be prepared by CCT, West Bengal.

15.2. The GIC approved the draft Circular including the proviso to be added regarding commission agent to compulsorily take registration when he was making supply on behalf of an agriculturist of an agricultural product that attracted GST on reverse charge. It also agreed that a similar Circular will be issued by the States. Accordingly, the implementing corrigendum to Circular No. 57/31/2018-GST dated 05th November 2018 was issued.

**Agenda Item 3: Collection of tax at source by Tea Board of India (under Ministry of Commerce and Industry, Government of India)**

16. Commissioner, GST Policy Wing, CBIC stated that a representation was received from the Tea Board, seeking clarification whether they should collect TCS under Section 52 of the CGST Act from tea producers or from the auctioneers of tea or from both. He stated that a Circular was proposed to be issued to clarify that the Tea Board should collect TCS from tea producers on the net value of supply of goods and from auctioneers on the net value of supply of brokerage services. CCT, West Bengal observed that similar clarification may be needed for other commodity Boards like the Coffee Board in case they followed a similar system of auction. Commissioner, GST Policy Wing, CBIC stated that it would be examined if any such representations were received.

16.1. The GIC agreed to issue the Circular. It also agreed that a similar Circular will be issued by the States. Accordingly, the implementing Circular No. 74/48/2018-GST dated 05th November 2018 was issued.

**Agenda Item 4: Exempting supply from PSU to PSU from applicability of provisions relating to TDS**

17. Commissioner, GST Policy Wing, CBIC stated that various representations were received from PSUs stating that the requirements of TDS under Section 51 of CGST Act placed them at a disadvantage compared to the private companies in the same line of business who were not required to deduct TDS. He further stated that after discussion, Law Committee had suggested only a limited exemption for PSUs, namely, supplies by one PSU to another may be exempted from TDS provisions.

17.1. ACS, Haryana stated that the proposal appeared to be a departure from the basic principles of GST. He also wondered regarding the value of such a limited exemption from the TDS requirement. He added that such relaxation might attract other requests from banks, airlines, etc. Commissioner, GST Policy Wing, CBIC stated that TDS provisions were originally in VAT laws only and that they were generally limited to works contracts. ACS, Haryana stated that a decision may be taken to include other sectors also instead of considering a limited proposal regarding supply only by one PSU to another PSU. Dr. P.D. Vaghela, CCT, Gujarat suggested that the private sector may also be brought under the TDS provisions at a later date.

17.1. The GIC approved the Notification. It also agreed that a similar Notification will be issued by the States. Accordingly, the implementing notification No. 61/2018 -Central Tax dated 05th November 2018 was issued.

**Agenda Item 5: Amendments in the CGST Rules, 2017**

18. Commissioner, GST Policy Wing, CBIC stated that the Law Committee had agreed to certain changes in CGST Rules and these were placed before the GIC for approval. He informed that after circulation of the agenda, CCT Gujarat had sent some proposals for amendments to the draft Rules, mostly in Rule 83A, namely, to replace the expression National Academy of Customs, Excise and Narcotics used at different places in the Rule with its abbreviated version, NACIN. He added that similarly the expression Goods and Services Tax Network (GSTN) was proposed to be replaced with the expression Common Portal. This would also require deletion of Explanation (A) defining 'Goods and Services Tax Network'. In sub-rule 9 (ii) (d) of Rule 83A, CCT Gujarat had proposed to add the expression 'or practices' after the word 'unfair means'. He further stated that since the first examination for GST Practitioners was proposed to be conducted on 31.10.2018, the amendments may be approved.

18.1. In respect of draft Rule 83A, Sh. T. V. Somanathan, CCT, Tamil Nadu stated that the draft rules appeared to be suggesting that Chartered Accountants and Lawyers were also required to undertake the examination to be conducted by NACIN, a proposal that would not be acceptable to Tamil Nadu. He stated that the drafting should be clear to indicate that the examination was only for sales tax practitioners and tax return preparers enrolled under the existing law and not for chartered accountants, cost accountants, lawyers, commerce graduates etc. CCT, West Bengal suggested that to address this concern, in the proposed Rule 83A (1), a reference may be made to Rule 83(1)(b) instead of Rule 83(2).

18.2. Sh. Shashank Priya, Joint Secretary, GST Council stated that proposed Rule 83A(6)(iv) should clearly specify that it would apply to persons who having registered for the examination, could not appear in it due to unforeseen circumstances, like critical illness, etc. Sh. Sandeep M. Bhatnagar, Director General, DG-Systems, CBIC in relation to the same rule suggested that the time limit available for the practitioners to request for granting of additional attempt may be kept as 30 days instead of the proposed 15 days. CCT, Gujarat suggested that inclusion of jurisdictional Commissioner in Rule 83 A (12) as one of the authorities to handle representations relating to the result of the examination should be reconsidered as he would not be having any details regarding conduct of examination. Sh. Dheeraj Rastogi, Joint Secretary, GST Council stated that a reference to the website of the GST Council may be included in the proposed Rule 83A (3) and 83A (11). In Rule 83(A)(7), the pattern and syllabus of the examination is specified as per Appendix A.

18.3. In respect of draft Rule 142A of the CGST Rules, CCT, Gujarat stated that a reference to recovery made under existing laws should be added in proposed Rule 142A (2). He further stated that the reference to amnesty scheme at serial no. 23 of **FORM GST DRC-08A** must be deleted as the Union Law Ministry had given an opinion that such amnesty schemes could not be introduced now because the State VAT Acts stood repealed. Shri Jagmal Singh, VP (Services), GSTN stated that the title of the **FORM GST DRC-07A** should be changed to 'summary of the order creating demand under existing laws'. As regards changes in FORM GSTR-4, CCT, Gujarat stated that the MIS from GSTN should capture these details and also the supplies received by a composition dealer. CCT, West Bengal suggested that at serial no. 16 of **FORM GST DRC-07A** and serial no. 18 of **FORM GST DRC-08A**, the existing entry should be changed to "Whether demand is stayed: Yes/No". She further suggested that at serial nos. 19, 20, 21 of **FORM GST DRC-07A** and serial nos. 22 and 24 of **FORM GST DRC-08A**, a new row specifying CST Act should be added to distinguish it from the other two specified categories, namely Central Act and State Act in view of the fact that it was a Central Act administered by the State authorities.

18.4. The GIC agreed to insert new Rules 83A and 142A and new FORM DRC-7A and DRC-8A in the CGST Rules and to amend, as proposed, Rule 109A and FORM GSTR-4 and GST APL-04, after incorporating the suggestions as recorded above. It also agreed that *pari materia* change shall be carried out in the SGST Rules of the States except the proposed change in Rule 109A which shall be carried out only in the CGST Rules. Accordingly, the implementing notification No. 60/2018 – Central Tax dated 30th October 2018 was issued.

**Decisions by Circulation – 30th October 2018**

19. A proposal for approval of the GIC was received from Commissioner, GST Policy Wing, CBIC regarding settlement of an additional IGST amount of Rs. 30, 000 crore on *ad hoc* basis.

19.1. It was mentioned that the agenda note had been received from Department of Revenue for approval of the GIC. It had been stated that depending on the amount of IGST remaining unapportioned, provisional settlement was being done from time to time on an *ad hoc* basis. Accordingly, Rs. 35,000 crore was apportioned in February, 2018, Rs. 50,000 crore was apportioned in June, 2018 and Rs. 12,000 crore in August, 2018. These amounts were settled in a ratio of 50:50 to Centre and States and the amount apportioned to States was divided in the ratio of subsumed/ protected revenue.

19.2. Further, 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 has been proposed to do provisional settlement of another Rs. 30,000 crore, 50% to Centre and 50% to States. This will reduce the revenue gap of States and therefore, the compensation required.

19.3. The GIC agreed to the proposal to settle an additional IGST amount of Rs. 30, 000 crore, 50% to Centre and 50% to States, on *ad hoc* basis. Accordingly, the implementing Order. No. F.No. S-34011/21/2018-ST-I DoR dated 31st October 2018 was issued.

**Decisions by Circulation – 22nd November 2018**

20. Following proposals was received from GST Policy Wing for the approval of the GIC:

**Agenda Item 1: Extending the due date for filing of returns by taxpayers registered in the district of Srikakulam in Andhra Pradesh and 11 districts of Tamil Nadu**

21. It was stated that due to the impact of natural calamities in the district of Srikakulam in Andhra Pradesh (Cyclone Titli) and eleven districts of Tamil Nadu namely, Cuddalore, Thiruvarur, Puddukottai, Dindigul, Nagapatinam, Theni, Thanjavur, Sivagangai, Tiruchirappalli, Karur and Ramanathapuram (Cyclone Gaza), extension of due dates for filing the returns and details of outward supplies in **FORM GSTR-3B/ FORM GSTR-1/FORM GSTR-4** were proposed as detailed below.

21.1 Based on the request made by the Hon'ble Finance Minister of Andhra Pradesh, it was proposed to extend the due dates for filing the returns/details of outward supplies in **FORM GSTR-3B, FORM GSTR-1** and **FORM GSTR-4** for the month of September 2018/quarter of July-September 2018 for the registered persons whose principal place of business is in the district of Srikakulam of Andhra Pradesh. It had been mentioned that due to the disruption of power and internet connection as a result of cyclone Titli, the details and returns could not be filed within the stipulated time in the Srikakulam district of Andhra Pradesh.

21.2. The Law Committee had proposed the extension of the dates. The details of the proposed extension of the due dates are as follows:

| Sl.No. | FORM | Period | Due date | Proposed due date |
|---|---|---|---|---|
| 1 | **GSTR-3B** | Sep, 2018 | 25th Oct, 2018 | 30th Nov, 2018 |
| 2 | **GSTR-1** (for registered persons having aggregate turnover of more than 1.5 crore rupees) | Sep, 2018 | 31st Oct, 2018 | 30th Nov, 2018 |
| 3 | **GSTR-1** (for registered persons having aggregate turnover of upto 1.5 crore rupees) | July - Sep, 2018 | 31st Oct, 2018 | 30th Nov, 2018 |
| 4 | **GSTR-4** | July - Sep, 2018 | 18th Oct, 2018 | 30th Nov, 2018 |

21.3. Further, it was mentioned that the last date for filing the return in **FORM GSTR-3B** and the details of outward supplies by taxpayers having aggregate turnover of more than Rs. 1.5 crore in **FORM GSTR-1** for the month of October, 2018 is 20th November, 2018 and 11th November, 2018 respectively. Since it was proposed to extend the last dates for filing the said FORMS for the month of September, 2018 till 30th November, 2018, it was prudent to extend the last date for the month of October, 2018 for filing the return in **FORM GSTR-3B** and the details of outward supplies by taxpayers having aggregate turnover of more than Rs. 1.5 crore in **FORM GSTR-1** for the registered persons whose principal place of business is in the district of Srikakulam of Andhra Pradesh also to **30th November, 2018**.

21.4. Commissioner of State Taxes, Tamil Nadu vide email received on 20th November, 2018 had stated that Cyclone Gaza has severely affected eleven districts namely, Cuddalore, Thiruvarur, Puddukottai, Dindigul, Nagapatinam, Theni, Thanjavur, Sivagangai, Tiruchirappalli, Karur and Ramanathapuram which had resulted in infrastructure being badly damaged causing disruption in providing electricity and internet connectivity. It had been requested to extend the due date for filing the return in **FORM GSTR-3B** for the month of October, 2018 from 20th November, 2018 to 20th December, 2018 for the registered persons whose principal place of business is in the said eleven districts of Tamil Nadu. Further, it was prudent to also extend the due date for filing the details of outward supplies in **FORM GSTR-1** by such taxpayers for the month of October, 2018. Hence, it was proposed to extend the due date for filing the details in **FORM GSTR-1** by taxpayers having aggregate turnover of more than Rs. 1.5 crore and whose principal place of business is in the said eleven districts of Tamil Nadu for the month of October, 2018 till 20th December, 2018. Since the request had been received on 20th November, 2018, this proposal was not discussed in the Law Committee.

21.5. The GIC approved the proposals for extending the due dates for filing the returns and details of outward supplies by the taxpayers registered in the district of Srikakulam of Andhra Pradesh as contained in the Table at paragraphs 21.2 and 21.3 above and for the taxpayers registered in the eleven districts of Tamil Nadu as detailed in paragraph 21.4 above. Accordingly, the implementing notification Nos. 62/2018 – Central Tax dated 29th November 2018, 63/2018 – Central Tax dated 29th November 2018, 64/2018 – Central Tax dated 29th November 2018, 65/2018 – Central Tax dated 29th November 2018 were issued.

**Agenda Item 2: Clarifying issues related to challenges faced by e-Commerce operators after implementation of the provisions of Tax Collection at Source**

22. It had been stated that as per Law, the e-Commerce operators were required to get registered in each State or Union Territory where their buyers and suppliers exist. But e-Commerce operators did not have physical presence in each State/UT. Therefore, several representations had been received to exempt the requirement of physical presence in each State or Union Territory. In this regard, clarification was

issued after approval of the GST Council on 28th Sept 2018 (FAQ no.7) based on the recommendations of the Law Committee:

22.1. The relevant FAQ is reproduced below for easy reference:

**"*As per the extant law, registration for TCS would be required in each State / UT as the obligation for collecting TCS would be there for every intra-State or inter-State supply. In order to facilitate the obtaining of registration in each State / UT, the e-commerce operator may declare the Head Office as its place of business for obtaining registration in that State / UT where it does not have physical presence.*"**

22.2. This required system changes in registration module wherein e-Commerce operator taking registration in **FORM GST REG-07** could declare its Head office address for the States where it did not have physical presence. Various representations had been received from e-Commerce operators wherein they stated their inability to put their head office address as their principal place of business in the States or Union Territories where they did not have physical presence. Further it had also come to notice that in many cases, notices had been issued or applications had been rejected.

22.3. GSTN had informed the Law Committee that change request to make necessary changes in the software was issued to the MSP in the last week of September 2018. This was a fundamental change in the way registration form is designed as data contained therein is used by various applications. Simple removal would not suffice because of the tight linkage between State of registration, address and other applications and thus would lead to data inconsistencies. Also, one had to handle amendment of the application filed and that also had to be changed. Change Request (Application) had now been developed and it was under UAT. It is likely to be deployed by 15th November 2018.

22.4. GSTN further informed to either wait for deployment of changes or to advise the taxpayers to choose a District of the State and a Jurisdiction of the chosen district. (Many TCS applicants have chosen some random district and jurisdiction). The table below shows the registrations already approved as on 7th November, 2018:

| State Name | Tax Collector at Source |
|---|---|
| Jammu and Kashmir | 24 |
| Himachal Pradesh | 31 |
| Punjab | 67 |
| Chandigarh | 22 |
| Uttarakhand | 62 |
| Haryana | 190 |
| Delhi | 368 |
| Rajasthan | 97 |
| Uttar Pradesh | 255 |
| Bihar | 66 |
| Sikkim | 11 |
| Arunachal Pradesh | 11 |
| Nagaland | 13 |
| Manipur | 20 |
| Mizoram | 9 |
| Tripura | 18 |
| Meghalaya | 13 |
| Assam | 43 |
| West Bengal | 162 |
| Jharkhand | 53 |
| Odisha | 51 |

| | |
|---|---|
| Chhattisgarh | 37 |
| Madhya Pradesh | 94 |
| Gujarat | 155 |
| Daman and Diu | 13 |
| Dadra and Nagar Haveli | 10 |
| Maharashtra | 401 |
| Karnataka | 249 |
| Goa | 15 |
| Lakshadweep | 4 |
| Kerala | 123 |
| Tamil Nadu | 176 |
| Puducherry | 20 |
| Andaman and Nicobar Islands | 10 |
| Telangana | 143 |
| Andhra Pradesh | 65 |
| Other Territory | 0 |
| Centre | 0 |
| **Total** | **3,101** |

22.5. It was also informed that for many applications for registration where TCS operator did not have any place of business, SCNs have been issued and in few cases, application has been rejected. Even when the required changes were deployed, the problem of selection of jurisdiction would continue as the application will have to be processed by the officer of chosen jurisdiction.

22.6. Following the above issue at hand, GSTN made certain suggestions before the law Committee. They are listed as follows:

a) States may choose one ward/range where all such applications (TCS applications) would land. This way issue of notice on account of disconnect between address (principal address) and State where application has been made, would be resolved. Only a set of officers would handle TCS applications, who would be duly trained and informed.
b) In case of applications assigned to Centre, there should not be a problem as all applications go to CPC and then get assigned to officers. In that case also, one Range may be identified in each Commissionerate for TCS Applications.

22.7. After discussion in the Law Committee, the Committee had given following recommendations:

a) Each State/UT to indicate one jurisdiction where all e-Commerce operators having business (but not having physical presence) in the State/UT shall register. Further, the said jurisdictional officer to be directed by the State/UT not to reject the application only on the ground of a different States' address. The State/UT to also notify such officer as the proper officer for purposes of registration of ECOs.
b) GSTN to indicate to every such applicant to select the above jurisdiction while applying for registration in the State/UT.
c) GSTN to issue advisory to all ECOs whose application was rejected on grounds of a different address to apply afresh.

22.8. Further, an issue was discussed in relation to certain e-Commerce operators who have been unable to obtain registration in the month of October, 2018 but have already collected TCS for the said month. They had expressed challenges in relation to the filing of such details in **FORM GTSR-8** and required confirmation as to the manner in which such details were to be furnished on the common portal. It was decided in the Law Committee that such details would be furnished by such e-commerce operators in the first return in **FORM GTSR-8** to be filed after obtaining registration.

22.9. Another issue that was discussed in the Law Committee was in relation to the requirement of collection of TCS by e-Commerce operators on supply of services by unregistered suppliers through their portal. It was decided in the Law Committee that vide notification No. 65/2017-Central Tax dated 15th November, 2017, a person supplying services, other than supplier of services under Section 9 (5) of the CGST Act, 2017, through an e-Commerce platform were exempted from obtaining compulsory registration provided their aggregate turnover does not exceed INR 20 lakhs (or INR 10 lakhs in case of specified special category States) in a financial year. Since such suppliers are not liable for registration, e-Commerce operators are not required to collect TCS on supply of services being made by such suppliers through their portal.

22.10. Shri T.V. Somanathan, CCT, Tamil Nadu while approving the proposal observed that the FAQ on TCS issued by Law Committee provides for registration of Tax Collector at source in every State based on the address of head office / registered office, notwithstanding the provisions of the GST Act that taxpayer should register in every State with reference to place of business in each States. It may be noted that viewed in strictly legal terms, the recent Council decision may not be in conformity with the law, a point not perhaps discussed by the Council. This would need to be set right in due course to avoid any legal complications. The proposal by GSTN to register without fixed place of business, for the time being, specifically for tax collectors are agreeable. However, Tamil Nadu is opposed to any extension of such relaxation to any other taxpayers. It should be confined to TCS only.

22.11. The GIC approved the proposal to clarify issues related to challenges faced by e-Commerce operators after implementation of the provisions of Tax Collection at Source as proposed. The revised FAQs were issued on 30th November, 2018.

**Agenda Item 3: Extending the due date for filing of return for Tax Deduction at Source in FORM GSTR-7 for the months of October to December, 2018**

23. The Law Committee proposed to extend the due dates for filing **FORM GSTR-7** as detailed below.

23.1. It had been brought to notice that in case the return in **FORM GSTR-7** was being filed after the due date and without payment of late fee, the system was calculating the amount of late fee payable and the said return could not be filed on the common portal till the payment of the late fee. In this regard, it had already been proposed by the Law Committee that no late fee would be payable for late filing of **FORM GSTR-7** by the deductors in the initial period.

23.2. In order to obviate this issue, the Law Committee had proposed the extension of the due date for filing of the return for tax deduction at source in **FORM GSTR-7**. This shall facilitate the deductors to adjust to the new TDS provisions which have been enforced with effect from 1st October, 2018.

23.3. The details of the proposed extension of the due dates were as below:

| Sl.No. | FORM | Period | Due date | Proposed extension of due date |
|---|---|---|---|---|
| 1 | GSTR-7 | October, 2018 | 10th November, 2018 | 31st January, 2019 |
| | | November, 2018 | 10th December, 2018 | |
| | | December, 2018 | 10th January, 2018 | |
| | | November, 2018 | 10th December, 2018 | |
| | | December, 2018 | 10th January, 2018 | |

23.4. The notification was proposed to be issued after vetting by the Legislative Department of the Union Law Ministry.

23.5. The GIC approved the proposal for extending the due date for filing **FORM GSTR-7** as detailed in paragraph 23.3. and 23.4. above. Accordingly, the implementing notification No. 66/2018 -Central Tax dated 29th November 2018 was issued.

**Decisions by Circulation – 27th November 2018**

24. A proposal for approval of the GIC was received from Tax Research Unit – II for clarifying the nature of supply of Priority Sector Lending Certificates (PSLC) traded between banks on the e-Kuber portal of RBI.

24.1. It was mentioned in the proposal that the request was made by RBI to levy GST on PSLC trading under reverse charge on the ground that the trading of PSLC is done anonymously on e-Kuber portal of the RBI. The details of the buying and selling banks are not known and the invoice cannot be issued containing the GST number of the selling banks without compromising the anonymous nature of the PSLC trading. The buying banks cannot avail the ITC without invoice. RBI was also of the view that compromising on the anonymous nature of PSLC trading may result in diluting the end objective of the instrument.

24.2. Subsequently, notification No. 11/2018-Central Tax (Rate) dated 28th May, 2018 had been issued levying GST on PSLC under reverse charge basis. After the approval of GIC, Circular No. 62/36/2018-GST dated 12.09.2018 was issued clarifying that GST on PSLCs for the period 1.7.2017 to 27.05.2018 would be paid by the seller bank on forward charge basis and GST rate of 12% will be applicable on the supply.

24.3. Other issues raised on PSLC trading were taken to Fitment Committee Meeting held on 11.07.2018. The Committee decided on the matter as follows: -

*"The following requests of the IBA relating to supply of PSLC may be referred to Law Committee with recommendation on the issue at Sl. No. (iv) that the supply may be declared as inter-State supply based on residual clause in IGST Law. The other issues at (i) to (iii) may be considered favourably by the Law Committee.*

*(i) Issue of invoice by the buyer of PSLC.*

*(ii) Changes in relevant CGST Rules for permitting issue of single invoice per month covering all transaction done during the month by the buyer.*

*(iii) Waiver of penalty for late filing of return due to rate and procedure related issues faced in the payment of GST.*

*(iv) Clarification on nature of supply whether inter or intra state and whether CGST/SGST or IGST payable on the supply.*

*RBI may be requested to examine if the information of the buyer and seller may be disclosed post PSLC transaction."*

24.4. Following issues were referred to Law Committee by TRU vide OM F. No. 354/124/2018-TRU dated 13.07.2018.

***Issue No. 1- Removal of difficulty in enabling PSLC purchaser bank to issue invoice for payment of tax and availing of ITC:*** *To facilitate the ITC claim and report transactions, Buyer bank may be permitted to issue a single invoice for the aggregate sum traded in a month, which may be facilitated by suitably amending relevant provisions of the CGST Rules, 2017.*

***Issue No. 2 - One-time waiver of penalty for late/incorrect filing of return:*** *The delay in payment of tax is due to lack of clarity in levy of GST on trading of PSLC, its classification, rate applicable and place and nature of supply i.e. whether inter or intra state and accordingly whether CGST/SGST or IGST is payable. Accordingly, a one-time dispensation/waiver of penalty may be granted to seller banks for depositing the GST for the period 1st July, 2017 to 31st March, 2018 by 20th April 2018.*

***Issue No. 3 - To clarify the place of supply and whether IGST or CGST/ SGST is payable in respect of PSLC trading:*** *Since seller of PSLC is not known, the transaction may be treated as inter-State supply of goods to resolve any potential dispute between the States as the buyer banker is known in these transactions. This would also be tenable under the residuary clause to identify whether the supply is inter-State.*

24.5 Law Committee decided on the issues as follows: -

*Issue no. 1: Allowed only when tax is paid on RCM*

*Issue no. 2: Rejected as interest for late payment of tax cannot be waived and Banks are expected to have already filed their return.*

*Issue no. 3: IGST to be paid*

24.6 The above clarification of Law Committee on the nature of supply of PSLC trading was proposed to be issued through a circular.

**Proposal**

24.7. Nature of supply of PSLC between banks may be treated as a supply of goods in the course of inter-State trade or commerce. Accordingly, IGST shall be payable on the supply of PSLC traded over e-Kuber portal of RBI.

24.8. The GIC approved the proposal to clarify the nature of supply of PSLC traded between banks on the e-Kuber portal of RBI as above at paragraph 24.7. The implementing Circular is yet to be issued.

**Decisions by Circulation – 03rd December 2018**

25. A proposal for approval of the GIC was received from GST Policy Wing, CBIC for extension of the due date for filing of returns in FORM GSTR-9, 9A and 9C for the part of the Financial Year from July, 2017 to March, 2018 from the 31st December, 2018 to the 31st March, 2019.

25.1. It was mentioned that Section 44(1) of the CGST Act read with rule 80(1) of the CGST Rules, provide for furnishing an annual return electronically in **FORM GSTR-9/FORM GSTR-9A** for every financial year on or before the thirty-first day of December following the end of such financial year. Section 44(2) of the CGST Act read with rule 80(3) of the CGST Rules provides for furnishing electronically an annual return in **FORM GSTR-9** along with a copy of the audited annual accounts and a reconciliation statement in **FORM GSTR-9C** by those registered persons whose turnover during a financial year exceeds two crore rupees.

25.2. **FORM GSTR-9** and **FORM GSTR-9A** had been notified vide notification No. 39/2018-Central Tax, dated 04.09.2018 while **FORM GSTR-9C** had been notified vide notification No. 49/2018-Central Tax, dated 13.09.2018 as part of the CGST Rules.

25.3. Various suggestions for minor modifications in the notified FORMs had been received from trade and industry. Further, GSTN had also suggested certain changes to be made in the said FORMS. The Law Committee finalized all such proposed changes and informed GSTN to carry out the said changes.

25.4. GSTN had informed that the development of the said forms was at an advanced stage and they would be made operational (both off-line and on-line utilities) only by 31st January, 2019.

25.5. It was added that, in light of the above, it was imperative to extend the last date of furnishing **FORM GSTR-9, FORM GSTR-9A and FORM GSTR-9C.** The Law Committee proposed to extend the due date for filing of **FORM GSTR-9, FORM GSTR-9A and FORM GSTR-9C** till 31st March, 2019.

25.6. The GIC approved the proposal to extend the due date for filing **FORM GSTR-9, FORM GSTR-9A and FORM GSTR-9C** till 31st March, 2019, and that a notification may be issued in exercise of the powers under sections 148 or 172 or under any other provision of the law in consultation with the Law Ministry. Accordingly, the implementing Removal of Difficulty Order No. 1/2018 - Central Tax dated 11th December 2018 was issued.

**Decisions of GIC by Circulation – 05th December 2018**

26. A proposal for approval of the GIC was received from the Directorate General of Export Promotion regarding decisions taken by the Committee on Exports in its meeting held on 02.11.2018 pertaining to removal of pre-import condition on imports made under Advance Authorization (AA) and extension of the exemption from IGST and Compensation cess to goods imported under AA for making specified deemed export supplies.

26.1. It was mentioned that the Committee on Exports noted that post-GST, imports under the DGFT's Advance Authorization (AA) scheme were subjected to payment of IGST and Compensation Cess which led to cash blockage of exporters. This was remedied by the Council exempting these levies as per decision taken in its 22nd meeting held on 06.10.2017. This decision was implemented by DGFT vide Notification No. 33/2018 dated 13.10.2017 and by DoR vide Notification No. 79/2018-Customs dated 13.10.2017. However, these two notifications imposed two conditions for availing the exemption. First condition was that the goods must be pre-imported i.e. imported prior to exports and the second condition was that the export obligation shall be discharged only through physical exports and not deemed exports. These conditions were not in place prior to GST. It was mentioned that the Hon'ble Finance Minister of Punjab and DGFT had recommended that these two conditions should be done away as import and export was a continuous cycle without distinction between inputs imported prior to export and inputs imported as replenishment after export. Also, there was justification to treat deemed exports recognized under GST as per Notification No. 48/2017-Central Tax dated 18.10.2017 at par with physical exports for granting the exemption.

26.2. As regards removing the condition of physical exports and allowing deemed exports, the Committee observed that the present dispensation discriminates against domestic suppliers and recognizing "deemed exports" would be in tune with the Government's "Make in India" policy. Moreover, this condition was not present before GST and the earlier position merited restoration

26.3. It was added that the Committee on Exports further decided that the decision of the Committee along with the agenda point would be circulated to all States with a request to provide their views to enable GIC to quickly take a final decision in the matter. Accordingly, the concerned agenda points along with minutes of the meeting relating to the said agenda point were circulated by GST Council Secretariat to all State Governments/UTs on 16.11.2018 requesting for inputs by 20.11.2018 with

reminder on 20.11.2018. Till 27.11.2018, inputs from 4 States viz. Bihar, Rajasthan, Himachal Pradesh and NCT of Delhi had been received which are detailed below:

| **States** | **Comments on** | |
|---|---|---|
| | **Issue 1: removal of the pre-import condition.** | **Issue 2: extension of exemption from IGST and Compensation Cess to goods imported under AA for making specified deemed export supplies.** |
| Rajasthan | We agree with the proposal if it does not negatively impact the State tax revenue | We agree with the proposal if it does not negatively impact the State tax revenue. |
| Bihar | Agreed | Agreed |
| Himachal Pradesh | The safeguard proposed to be inserted in the exemption notification is adequate. Therefore, the pre-import condition may be removed. | There should be no differentiation between physical and deemed exports. Therefore, the deemed exports may be recognized under GST, for the grant of the exemption on the goods imported under the AA |
| Delhi | Nil | Nil |

26.4. The approval of GIC was sought for the decisions of the Committee on Exports regarding the removal of the following two conditions through suitable changes in the FTP and respective notifications as follows-

(i) The pre-import condition on imports under AA may be removed subject to condition that the replenishment material imported under AA shall be used only for supply of taxable goods (other than nil rated or fully exempt supplies).

(ii) The exemption from IGST and Compensation Cess to goods imported under AA may be extended even if supplies, which are specified as deemed export vide Sr. Nos. 1, 2 and 3 of the Table given in Notification No. 48/2017-Central Tax dated 18.10.2017 are made.

26.5. The GIC approved the decisions taken by the Committee on Exports pertaining to removal of pre-import condition on imports made under Advance Authorization (AA) and extension of the exemption from IGST and Compensation cess to goods imported under AA for making specified deemed export supplies as mentioned in paragraph 26.4 above. The implementing notifications are yet to be issued.

27. 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 third Meeting of the IT Grievance Redressal Committee (ITGRC) was held on 26th October 2018 (Minutes of the Meeting is attached as **Annexure A** of this agenda item).

2. Ms. Kajal Singh, EVP (Services), GSTN apprised that out of 1150 TRAN-1 cases analysed by the GSTN till 16.10.2018, 268 TRAN-1 cases were placed before the ITGRC in its 3rd Meeting for consideration. Out of these, 252 cases had been forwarded by nodal officers and 16 cases pertain to writ petitions filed by taxpayers in various High Courts. These cases were categorized broadly reason-wise and then further grouped into two major categories as **'A' and 'B'**. **Category 'A'** included cases in which the taxpayer could not apparently file TRAN-1 because of technical glitches whereas **Category 'B'** included cases where detailed analysis at GSTN revealed that no technical issues were there in filing TRAN-1 as per the system logs.

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

**Annexure A**

**Minutes of the 3rd IT Grievance Redressal Committee (ITGRC) Meeting held on 26th October 2018**

The 3rd meeting of the IT Grievance Redressal Committee (IT-GRC) was held in Kalpavriksha in North Block, New Delhi on 26th October 2018. The list of officers who attended the meeting is attached as **Annexure-3**. The Convener welcomed the members of the IT Grievance Redressal Committee and requested EVP (Services) GSTN to present the agenda points**.**

2. Ms. Kajal Singh, EVP (Services), GSTN apprised the background that total 1150 cases of TRAN-1 had been received from nodal officers till 16.10.2018. The details are as follows:

**Table 1: Details of TRAN 1 cases presented before IT-GRC**

| S. No. | Meeting Reference | No of TRAN-1 Cases | | | Cases Considered | Cases Not Considered |
|---|---|---|---|---|---|---|
| | | Nodal Officer | Court Cases | Total | | |
| 1 | 2 | 3 | 4 | 5 (3+4) | 6 | 7 |
| 1 | 1st IT-GRC on 22.06.2018 | 161 | 9 | 170 | 122 | 48 |
| 2 | 2nd IT-GRC on 21.08.2018 | 262 | 78 | 340 | 213 | 127 |
| 3 | 3rd IT-GRC on 26.10.2018 (Current meeting) | 252 | 16 | 268 | To be discussed | |
| 4 | Sub Total | | | 778 | | |
| 5 | Total TRAN-1 cases received till 16.10.2018 | | | 1150 | | |
| 6 | Pending Cases (S. No. 5 - S. No. 4) | | | 372 | | |

3. EVP (Services) explained that an analysis of further total 268 TRAN-1 cases were before ITGRC for consideration. Out of these, 252 cases had been forwarded by nodal officers and 16 cases pertained to Writ Petitions filed by taxpayers in various High Courts. Summary of cases presented before the Committee is as under: -

**Table-2: Summary of TRAN-1 cases examined and placed before 3rd IT-GRC**

| S. No. | State of Taxpayer | Received from Nodal Officer | | Writs filed in High Courts | Total |
|---|---|---|---|---|---|
| | | Centre | State | | |
| 1 | Andhra Pradesh | 1 | 0 | 0 | 1 |
| 2 | Chhattisgarh | 2 | 0 | 0 | 2 |
| 3 | Daman | 1 | 0 | 0 | 1 |
| 4 | Goa | 1 | 2 | 0 | 3 |
| 5 | Gujarat | 3 | 2 | 0 | 5 |
| 6 | Haryana | 0 | 2 | 1 | 3 |
| 7 | Jammu & Kashmir | 0 | 1 | 0 | 1 |
| 8 | Jharkhand | 0 | 1 | 0 | 1 |
| 9 | Karnataka | 1 | 10 | 0 | 11 |
| 10 | Kerala | 1 | 0 | 4 | 5 |

| | | | | | |
|---|---|---|---|---|---|
| 11 | Madhya Pradesh | 3 | 0 | 0 | 3 |
| 12 | Maharashtra | 49 | 18 | 0 | 67 |
| 13 | New Delhi | 4 | 6 | 1 | 11 |
| 14 | Odisha | 1 | 0 | 0 | 1 |
| 15 | Punjab | 0 | 2 | 1 | 3 |
| 16 | Rajasthan | 1 | 1 | 1 | 3 |
| 17 | Tamil Nadu | 0 | 128 | 4 | 132 |
| 18 | Uttar Pradesh | 6 | 2 | 1 | 9 |
| 19 | West Bengal | 3 | 0 | 3 | 6 |
| | **Total** | **77** | **175** | **16** | **268** |

Further, the detailed list of 252 cases received from Nodal officers is at **Annexure 1** of Agenda and list of 16 cases pertaining to Writs is at **Annexure 2** of Agenda for ready reference.

4. EVP, GSTN further explained that all the above cases had been examined by the GSTN team and were categorized broadly reason-wise and then further grouped into two major categories as **'A' and 'B'**. **Category 'A'** included cases in which the taxpayer could not apparently file TRAN-1 because of technical glitches whereas **Category 'B'** included cases where detailed analysis at GSTN revealed that no technical issues were there in filing TRAN-1 as per the system logs.

5. 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 05 sub-categories and numbers pertaining to each sub-category were as per **column 3 and 4 of Table 3** below:-

i. **Cases where the taxpayer received the error "Processed with Error"** and could not claim transitional credit. The line items requiring declarations of earlier existing Law registration numbers, were processed with error since the taxpayer had not added them in his registration details.

ii. **Cases where TRAN-1 filing was attempted** by taxpayer for the first time on or before 27.12.2017, however the taxpayer could not file due to errors. **The taxpayer in these cases received messages such as "system error", "upload in progress", "save in progress" etc.**

iii. **Cases where TRAN-1 revision was attempted** by taxpayer on or before 27.12.2017, however the taxpayer could not file due to errors. **The taxpayer in these cases received messages such as "system error", "upload in progress", "save in progress" etc.**

iv. **TRAN-1 not attempted as per logs - due to Registration Issues**. As per GST system logs the taxpayer was not enabled to file TRAN-1 till its due date due to registration/migration issues.

v. **Incorrect Validation in Table 11**. The deployed TRAN-1 erroneously restricted details of invoices more than one year old.

**Table-3: Cases having Technical Glitch**

| S. No. | Category of cases | Cases received from Nodal Officers | Writ Petition Cases |
|---|---|---|---|
| 1 | 2 | 3 | 4 |
| 1 | Processed with Error | 41 (S. No 01 to 41 of Annexure 1) | 08 (S. No 01 to 08 of Annexure 2) |
| 2 | TRAN-1 attempted before 27.12.2017 & System error, upload in progress, save in progress | 10 (S. No 42 to 51 of Annexure 1) | NIL |
| 3 | TRAN-1 revision attempted before 27.12.2017 & System error, upload in progress, save in progress | 02 (S. No 52 and 53 of Annexure 1) | NIL |

| | | | |
|---|---|---|---|
| 4 | TRAN-1 not attempted due to registration issue | 08 (S. No 54 to 61 of Annexure 1) | NIL |
| 5 | Incorrect validation in Table 11-Invoice more than 01-year-old | 01 (S. No 62 of Annexure 1) | NIL |
| | **Sub Total** | **62** | **08** |

6. Category B had cases where no technical issues have been observed in TRAN-1 filing. 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 in 7 categories and number of cases pertaining to each sub-category had been mentioned in **column 3 & 4 of Table 4** below: -

i. Cases in which as per GST system log, **there were no evidences of error or submission/filing of TRAN-1.**
ii. **Incorrect declaration of stock** leading to problem in filing TRAN-2. Incorrect declaration in TRAN-1 of stock not evidencing payment of taxes and duty restricted TRAN-2 filing.
iii. **TRAN-1 was found successfully** filed as per GST system logs and no technical errors were found after examination. These also included cases where the taxpayer was unable to file as they were in submit stage but were subsequently filed. Further, in some of these cases, the error had been made by taxpayer in filling up the details or they wanted to revise for the third time.
iv. **TRAN-1 was filed but credit was not received**: The taxpayer had filed TRAN-1 once successfully but no credit had been posted in ledger and at the same time, no error had been observed in logs.
v. **TRAN-1 was filed twice as permitted under Law** but credit was not received. No error had been observed in logs.
vi. TRAN-1 could not be filed because the taxpayer was composition taxpayer at the time of filing TRAN-1 and hence not allowed.
vii. Tax payer was not entitled to TRAN-1 credit as per Law being an ISD (Input Service Distributor) taxpayer.

**Table-4: Cases Not having Technical Glitch**

| S.No. | Category of cases | Cases received from Nodal Officers | Writ Petition Cases |
|---|---|---|---|
| 1 | 2 | 3 | 4 |
| 1. | Successfully filed his TRAN-1 and no technical error but some error while filling the FORM TRAN-1 | 122 (S. No 63 to 184 of Annexure 1) | 04 (S.No 09 to 12 of Annexure 2) |
| 2. | Incorrect declaration of stock in TRAN-1, Not evidencing payment of taxes and duty | 3 (S. No 185 to 187 of Annexure 1) | NIL |
| 3. | No evidences of error or submission/filing of TRAN-1 | 43 (S. No 188 to 230 of Annexure 1) | NIL |
| 4. | TRAN-1 is filed but credit not received | 12 (S. No 231 to 242 of Annexure 1) | 03 (S.No 13 to 15 of Annexure 2) |
| 5. | Filed TRAN-1 twice but no credit has been received | 08 (S. No 243 to 250 of Annexure 1) | 01 (S.No 16 of Annexure 2) |
| 6. | TRAN-1 not filed as Composition taxpayer | 01 (S. No 251 of Annexure 1) | NIL |
| 7. | ISD Taxpayer, not entitled to TRAN 1 | 01 (S. No 252 of Annexure 1) | NIL |
| | **Sub Total** | **190** | **08** |

7. Considering the above submissions, Committee discussed the cases of technical glitch of category 'A' and found that fifth subcategory reported by EVP, GSTN i.e. of cases where due to "incorrect validation in Table 11", invoice more than 01-year-old was restricted from addition was a newly added category of IT glitch which was not there in last two IT-GRC. After detailed discussion on the issue, the case under this category was also accepted by the Committee to be covered under technical glitch. After further elaboration and discussion, 70 cases pertaining to technical glitch categories as per Table 3 above were considered for allowing filing of TRAN-1 subject to Law Committee recommendations regarding consequential benefits related to filing of TRAN-1 and TRAN-2.

8. Further, during discussion on cases in category 'B', it emerged that for non-IT glitch cases, Committee prima facie had no mandate and needed further discussion to address various concerns. Sh. T. V. Somanathan, CCT, Tamil Nadu submitted regarding the final orders of Hon'ble High Court of Madras in 3 cases wherein court had given specific directions to take up the cases as per grievance redressal mechanism. Further, he also pointed out that taxpayers had made some clerical mistakes apparent from records while filing TRAN-1 whereas GSTN and tax administration did not consider it as technical glitch and was of the view that such cases needed to be resolved. But it was felt that these could not be resolved in this forum since IT-GRC was empowered to take decisions in respect of technical glitch cases only. However, the claim of taxpayers seemed genuine and State Commissioner was therefore of the view that some SOP for dealing with such issues where Hon'ble High Courts had passed orders needed to be evolved.

9. Dr. Rajeev Ranjan, Special Secretary, GST Council also supported these views and stated that if a taxpayer had committed some clerical mistake and courts had given them relief to follow the grievance mechanism then some mechanism ought to be there. Further, he stated that the benefit in such cases where the error was of non-technical nature could not be considered by this Committee technically. Thus, there was a need to take up this issue to the Council with an agenda point for addressing the non-IT glitch cases in the proper spirit rather than addressing the technical glitch cases only. Sh. Dheeraj Rastogi, Joint Secretary, GST Council submitted that in last two IT-GRC meetings, this Committee had allowed re-filing of TRAN-1 in technical glitch cases and other cases of non-IT glitch nature were not given any relief. The Council had also approved the findings of both IT-GRC meetings. Thus, to maintain the uniformity, the past cases rejected in earlier meetings would also need to be reviewed and included if non-IT glitch cases were also to be considered.

10. Sh. P.K. Jain, Pr. Director General had mentioned that while considering non-IT glitch cases distinction shall not be maintained between taxpayer who had approached court and those who had not approached the court but represented through nodal officer by following the Circular No. 39/13/2018-GST dated 03.04.2018. Sh. Shashank Priya, Joint Secretary, GST Council stated that there was scope for subjectivity if the non-IT glitch cases were considered and some uniform criteria would need to be worked out.

11. Ms. Smaraki Mahapatra, CCT, West Bengal added that TRAN-1/TRAN-2 were unique as no appeal mechanism was available under GST Act, hence more and more taxpayers were approaching Courts and obtaining favourable orders. She was of the view that bona fide mistakes of taxpayer should be considered to minimise the litigation in the larger interest of GST implementation. Thus, she agreed that the matter should be referred to Council to reach some conclusion on this issue. Sh. Sanjeev Kaushal, ACS, Haryana also supported the above view point that an agenda for non-IT glitch cases should be forwarded to Council to reach on some conclusion where Council may empower this Committee to decide non-IT glitch cases also.

12. Convener of the Committee proposed that meeting may be concluded stating that category 'A' cases (as per details in Table-3) having technical issue were allowed. He further suggested that a reference to GST Council be made for evolving the process to consider the non-IT glitch cases presented

before the instant meeting and the past meetings for detailed discussion and further action to which all members agreed.

13. **Decision:**

13.1. After detailed discussion considering the above facts, the IT-GRC decided to allow filing of TRAN-1 in total 70 cases of category- 'A' as per column No. 3 and 4 of **Table-3** on account of technical/system issues as explained at para 5 above, subject to Law Committee recommendations regarding consequential benefits related to filing of TRAN 1. Further, the IT-GRC decided not to allow remaining 198 cases of category- 'B' as per Annexures indicated in column No. 3 and 4 of **Table-4** in absence of any evidence of technical/system errors in these cases as explained at para 6 above, as was decided in similar cases in past two meetings.

13.2. An agenda item should be taken to the GST Council regarding cases where errors may have been committed by taxpayers due to typographical reasons or lack of understanding of what was required to be filled in various tables of TRAN 1. An agenda point is therefore required for further discussion in the Council and decision thereupon in view of the following: -

a. Vide Circular no 39/13/2018 dated 03.04.2018 IT Grievance Redressal Mechanism was put in place by the GST Council to address the grievances of taxpayers due to **technical glitches** on GST Portal. However, GSTN is receiving various references through nodal officers and writs in High Courts where non-technical issues were involved as per findings of GSTN and the same were put up before IT-GRC for discussion and decision. As of now IT-GRC had held its three meetings and such cases were not recommended by IT-GRC, as IT-GRC had been empowered to take decisions in the technical glitch cases only.
b. Further, TRAN-1/TRAN-2 cases are unique in nature as no appeal mechanism is available under GST act, hence more and more taxpayers were approaching courts and obtaining favourable orders in view of the fact that Hon'ble courts were sympathetic and were of the view that bona fide mistakes of taxpayer should be considered by Government.
c. In some cases, Hon'ble High Courts had given specific directions to take up the cases as per grievance redressal mechanism due to the fact that taxpayer had made some clerical mistakes apparent from records while filing TRAN-1. Prima facie, the claim of taxpayers seemed genuine and members of the ITGRC were of the view that some SOP for dealing with such issues where Hon'ble High Courts had passed orders needed to be evolved.
d. In last two IT-GRC meetings, IT-GRC in non-IT glitch cases had not given any relief. Council had also approved the findings of both IT-GRC meetings. Now, to maintain the uniformity, the cases rejected earlier would also need to be considered as per the SOP that may be recommended by GST Council along with fresh non-IT glitch cases.
e. Hence the matter be referred to Council for discussion on this issue or Council may empower IT Grievance Redressal Committee (IT-GRC) to consider and decide non-IT glitch cases also. Further, it has been requested by GSTN that they should be recused from the decision-making process on non-IT glitch cases.

**Annexure 1**

**A. Category 1: Cases where the taxpayer received the error '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 | Constitution of business | Nodal Officer jurisdiction Name | Nodal officers' Govt. |
|---|---|---|---|---|---|---|
| 1 | 26AAACT1735C1ZT | TEMA INDIA LIMITED (Tema india pvt ltd) | Daman | Public Limited Company | Joint Commissioner, GST Commissionerate, Daman | Centre |
| 2 | 30AACCS6611E1ZY | SONESTA-INNS-PVT. LTD (SONESTA INNS PVT LTD) | Goa | Private Limited Company | Sarita. S Gadgil, Deputy Commissioner of State Taxes, Office of the Commissioner of Commercial Taxes, Panaji | State |
| 3 | 30AABCA6065B1ZF | AVERINA INTERNATIONAL RESORTS PRIVATE LIMITED (Averina International Resorts Pvt Ltd) | Goa | Private Limited Company | Dr. Raghavendra P., Assistant Commissioner, CGST Commissionerate, Margao | Centre |
| 4 | 24AACCN5773A1ZR | ATC TIRES PRIVATE LIMITED (ATC TIRES PVT LTD) | Gujarat | Private Limited Company | Jaykant S Dave, Deputy Commissioner, Range Bharuch | State |
| 5 | 06AAGFT8822P1ZI | TECHNO RTM INDIA (Deepak Kachroo) | Haryana | Partnership | Siddhartha Bhatti, Superintendent, Office of the Commissioner, GST, Gurugram | Centre |
| 6 | 06AAGCM7782A1ZH | MITSUBISHI ELECTRIC INDIA PRIVATE LIMITED (Mitsubishi electirc india pvt ltd) | Haryana | Private Limited Company | Abhishek Batra, Excise & Taxation Officer, Office of Dy. Excise and Taxation Commissioner, Gurugram (East) | State |
| 7 | 29AAACE6233G1ZR | ESSAE ELECTRONICS PRIVATE LIMITED (ESSAE ELECTRONICS PRIVATE LIMITED) | Karnataka | Private Limited Company | K S Basavaraj, Joint Commissioner of Commercial Taxes, Karnataka | State |
| 8 | 29AABCP2354A1ZT | BRILLIO TECHNOLOGIES PRIVATE LIMITED | Karnataka | Private Limited Company | K. Ramakrishana, Assistant Commissioner, South | Centre |

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| | | (BRILLIO TECHNOLOGIES PRIVATE LIMITED) | | | Division – 1, CGST Commissionerate, Bengaluru South. | |
| 9 | 29AAAAH5296C1ZN | HASSAN DISTRICT CENTRAL CO-OPERATIVE BANK LIMITED | Karnataka | Bank/Co Operative Bank | K S Basavaraj, Joint Commissioner of Commercial Taxes, Karnataka | State |
| 10 | 23AAACT1968P1ZX | TPL PLASTECH LIMITED (TPL plastech ltd) | Madhya Pradesh | Public Limited Company | K.S Yadav, Assistant Commissioner, CGST Division, Ratlam | Centre |
| 11 | 27AABCP3899C1Z9 | PRIDE TRAVELS PRIVATE LIMITED (Pride Travels pvt ltd) | Maharashtra | Private Limited Company | Divish N.Shetty, Superintendent, CGST Commissionerate, Mumbai East | Centre |
| 12 | 27AAACW0929P1ZV | WRITER LIFESTYLE PRIVATE LIMITED (Writer Lifestyle Private Limited) | Maharashtra | Private Limited Company | Divish N.Shetty, Superintendent, CGST Commissionerate, Mumbai East | Centre |
| 13 | 27AAACA3874D1ZW | ZENITH INDUSTRIAL RUBBER PRODUCTS PRIVATE LIMITED (Zenith industrial rubber products ltd) | Maharashtra | Private Limited Company | Rahul Raichur, Assistant Commissioner, CGST Commissionerate Mumbai South | Centre |
| 14 | 27AAECP0062G1ZP | PAYMATE INDIA PRIVATE LIMITED (PAYMATE india pvt ltd) | Maharashtra | Private Limited Company | Jayshankar Upadhyay, Deputy Commissioner, CGST Commissionerate, Mumbai West | Centre |
| 15 | 27AAECS3350C1ZP | SAMBE ELECTRONICS PVT LTD (Sambe Electronics pvt ltd) | Maharashtra | Private Limited Company | Amol Ket, Joint Commissioner, CGST Commissionerate, Nashik | Centre |
| 16 | 27AAACD4361N1ZG | DELUXE PETRO CHEM PVT LTD (Deluxe petrochem pvt ltd) | Maharashtra | Private Limited Company | Pankaj Kumar, Joint Commissioner, CGST Commissionerate, Mumbai Central | Centre |
| 17 | 27AAACK8450F1ZK | KAY NITROXYGEN PRIVATE LI MITED (KAY NITROXYGEN PVT LTD) | Maharashtra | Private Limited Company | Shri V.N. Thete, Commissioner, CGST Commissionerate, Kolhapur | Centre |
| 18 | 27AAVFM1501D1ZH | MAHENDRA READY MIX CONCRETE PLANT (MAHENDRA READY MIX CONCRETE PLANT) | Maharashtra | Partnership | Shri V.N. Thete, Commissioner, CGST Commissionerate, Kolhapur | Centre |

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| 19 | 27AAACP6133A1ZX | DP WORLD PRIVATE LIMITED (DP World Private Limited) | Maharashtra | Private Limited Company | Rahul Raichur, Assistant Commr, CGST Commissionerate, Mumbai South | Centre |
| 20 | 27AAQFM6664E1ZU | METALLICA INDUSTRIES (Metallica Industries) | Maharashtra | Partnership | Dr. R.K. Verma, Addl. Commr, CGST Commissionerate, Palghar, Mumbai | Centre |
| 21 | 27AACCV0100D1Z4 | VAKO SEALS PRIVATE LIMITED (Vako sales) | Maharashtra | Private Limited Company | Divish N.Shetty, Superintendent, CGST Commissionerate, Mumbai East | Centre |
| 22 | 27AABCT7886R1Z7 | TAKSHI AUTO COMPONENTS PRIVATE LIMITED (Takshi Auto Components Pvt Ltd) | Maharashtra | Private Limited Company | Shri Milind Gawai, Commissioner, CGST Commissionerate, Pune-I | Centre |
| 23 | 27AAACT2328K1ZB | THE BOMBAY DYEING AND MANUFACTURING COMPANY LTD (The Bombay Dyeing and Manufacturing Co Limited) | Maharashtra | Public Limited Company | Dr. Sunil Bodhgire, Deputy Commissioner State Tax, Mazgaon, Mumbai | State |
| 24 | 27AADCG2450N1ZG | LEELA LIFESTYLE SERVICES PRIVATE LIMITED (Leela lifestyle services pvt ltd) | Maharashtra | Private Limited Company | Rahul Raichur, Assistant Commr, CGST Commissionerate, Mumbai South | Centre |
| 25 | 27AAACN9074G1Z9 | NEW ALLIANCE DYE CHEM PVT LTD (New Alliance Dye Chem Private Limited) | Maharashtra | Private Limited Company | Dr. Sunil Bodhgire, Deputy Commissioner State Tax, Mazgaon, Mumbai | State |
| 26 | 27AABCU5321Q1ZY | ULTRAFINE PRODUCTS PRIVATE LIMITED (ULTRAFINE PRODUCTS PVT LTD) | Maharashtra | Private Limited Company | Dr. Sunil Bodhgire, Deputy Commissioner State Tax, Mazgaon, Mumbai | State |
| 27 | 27AAFCV7278R1Z7 | VJ JINDAL COCOA PRIVATE LIMITED (VJ JINDAL COCOA PVT LTD) | Maharashtra | Private Limited Company | Dr. Sunil Bodhgire, Deputy Commissioner State Tax, Mazgaon, Mumbai | State |
| 28 | 27AAICS8681C1Z1 | SHREEKRIPA AUTOMOBILES PRIVATE LIMITED | Maharashtra | Private Limited Company | Dr. Sunil Bodhgire, Deputy Commissioner | State |

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| | | (SHREEKRIPA AUTOMOBILE PVT LTD) | | | State Tax, Mazgaon, Mumbai | |
| 29 | 27BRRPS9638H1ZS | RAMGOPAL WASUDEO SHAHU (RAMGOPAL WASUDEO SHAHU) | Maharashtra | Proprietorship | Dr. Sunil Bodhgire, Deputy Commissioner State Tax, Mazgaon, Mumbai | State |
| 30 | 27AACPK9036G1ZP | SUNDEEP SHASHIKANT KARKHANIS (SPACE FORTE) | Maharashtra | Proprietorship | Dr. Sunil Bodhgire, Deputy Commissioner State Tax, Mazgaon, Mumbai | State |
| 31 | 27AABCW3107G1ZL | WELCARE LOGISTICS PRIVATE LIMITED (Welcare Logistics) | Maharashtra | Private Limited Company | Divish N.Shetty, Superintendent, CGST Commissionerate, Mumbai East | Centre |
| 32 | 27AABCN4424D1ZU | NUMEX BLOCKS (I) PVT LTD (NUMEX BLOCKS I PVT LTD) | Maharashtra | Private Limited Company | Divish N.Shetty, Superintendent, CGST Commissionerate, Mumbai East | Centre |
| 33 | 27AADCS2099B1ZG | SAMANTA ORGANICS PRIVATE LIMITED (Samanta Organics pvt ltd) | Maharashtra | Private Limited Company | Dr. R.K. Verma, Addl. Commr, CGST Commissionerate, Palghar, Mumbai | Centre |
| 34 | 07AAGCC4572J1ZG | CASAINTERNI CONCEPTS PRIVATE LIMITED (CASAINTERNI CONCEPTS PRIVATE LTD) | New Delhi | Private Limited Company | Pramod Kumar, Commissioner, CGST Commissionerate Delhi East | Centre |
| 35 | 07AAACZ3743L1Z0 | ZOLIJNS DESIGNS PRIVATE LIMITED (ZOLIJNS DESIGNS PVT LTD) | New Delhi | Proprietorship | Pramod Kumar, Commissioner, CGST Commissionerate Delhi East | Centre |
| 36 | 03AALCS1861K1Z7 | SOOD STUDIO PRIVATE LIMITED ( Sood studio Pvt ltd ) | Punjab | Private Limited Company | Pawan Garg, Deputy Commissioner of State Tax, Office of the Deputy Excise and Taxation Commissioner, Ludhiana | State |
| 37 | 09AFLPM5811K1Z2 | KAVIT MANCHANDA (Kvit Manchanda) | Uttar Pradesh | Proprietorship | Harish Kumar, Assistant Commissioner, CGST Commissionerate, Greater Noida | Centre |
| 38 | 09AADCR5660D1ZE | REAL CHEMSYS PRODUCTS PRIVATE LIMITED | Uttar Pradesh | Private Limited Company | Harish Kumar, Assistant Commissioner, CGST | Centre |

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| | | (M s Real Chemsys Products Private Limited) | | | Commissionerate, Greater Noida | |
| 39 | 09AAACJ3418Q1Z6 | J S AUTO PRIVATE LIMITED (J S Auto pvt ltd) | Uttar Pradesh | Private Limited Company | Commissioner, CGST Commissionerate Kanpur | Centre |
| 40 | 09AAMCS9941D1ZW | SPARSH INDUSTRIES PRIVATE LIMITED (Sparsh Packaging pvt ltd) | Uttar Pradesh | Private Limited Company | Commissioner, CGST Commissionerate Kanpur | Centre |
| 41 | 19AABCK3219P1Z6 | KISWOK INDUSTRIES PVT LTD (Kiswok Industries) | West Bengal | Private Limited Company | Ajeet Kumar, Deputy Commissioner, CGST Commissionerate, Kolkata North | Centre |

**A Category 2: Cases where the taxpayer received the error 'TRAN-1 attempted but could not be filed. ' As per GST system logs the taxpayer has attempted to submit fresh or revise 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 officers' Govt. |
|---|---|---|---|---|---|---|
| **42** | 30AAACG4447J1ZV | GUALA CLOSURES INDIA PRIVATE LIMITED (GUALA CLOSURES INDIA PRIVATE LIMITED) | Goa | Private Limited Company | Sarita. S Gadgil, Deputy Commissioner, Office of the Commissioner, State Taxes, Panaji | State |
| **43** | 01ABBFS0338R1Z5 | SUNSHINE TRADERS (M S Sunshine Traders) | J&k | Partnership | Wajahat Mehamood, State Admn., Commercial Taxes, State Govt, J&K | State |
| **44** | 20AAECT7269F1ZE | TEKRIWAL MOTORS PRIVATE LIMITED (Tekriwal Motors Pvt Ltd) | Jharkhand | Private Limited Company | Sheo Sahai Singh, Joint Commissioner, Of State Tax, Ranchi | State |
| **45** | 27AAACA4856B1Z0 | ASIAN STAR COMPANY LTD (Asian star company pvt ltd) | Maharashtra | Public Limited Company | Rahul Raichur, Assistant Commissioner, CGST Commissionerate Mumbai South | Centre |
| **46** | 27AACPM3191L1ZG | PARAG AMICHAND MADHANI (Parag &co) | Maharashtra | Proprietorship | Pankaj Kumar, Joint Commissioner, CGST Commissionerate, Mumbai Central | Centre |

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| **47** | 27AAFCD0546A1Z7 | DUCATI INDIA PRIVATE LIMITED (M s DUCATI INDIA PVT LTD) | Maharashtra | Private Limited Company | Dr. Sunil Bodhgire, Deputy Commissioner State Tax, Mazgaon, Mumbai | State |
| **48** | 27AAACI1198L1ZA | INDUSIND MEDIA AND COMMUNICATIONS LIMITED (INDUSIND MEDIA & COMMUNICATIONS LTD) | Maharashtra | Public Limited Company | Divish N.Shetty, Superintendent, CGST Commissionerate, Mumbai East | Centre |
| **49** | 07AAACE8177D1ZO | ELDECO INFRASTRUCTURE & PROPERTIES LIMITED (ELDECO INFRASTRUCTURE & PROPERTIES LIMITED) | New Delhi | Public Limited Company | Pramod Kumar, Commissioner, CGST Commissionerate Delhi East | Centre |
| **50** | 09AAACK9621Q1ZW | KTL PVT LTD (KTL PVT LTD) | Uttar Pradesh | Private Limited Company | Commissioner, CGST Commissionerate Kanpur | Centre |
| **51** | 19AABCG1667P1Z2 | GTZ (INDIA) PRIVATE LIMITED (GTZ India Private Limited) | West Bengal | Private Limited Company | Shri Bhavan Lal Meena, Deputy Commissioner, CGST Commissionerate, Kolkata south | Centre |

**A Category 3: Cases where the taxpayer received the error 'TRAN-1 revision attempted but could not be filed. ' As per GST system logs the taxpayer has attempted to submit 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 officers' Govt.** |
|---|---|---|---|---|---|---|
| 52 | 27AABAL1677J1ZE | L&T STEC JV MUMBAI (Larsen and turbo) | Maharashtra | Society/ Club/ Trust/ AOP | Divish N.Shetty, Superintendent, CGST Commissionerate, Mumbai East | Centre |
| 53 | 09AAACL0140P4ZE | LARSEN & TOUBRO LIMITED (Larsen and turbo) | Uttar Pradesh | Public Limited Company | Joint Commissioner (I.T.) Commercial Taxes, Head Quarter Lucknow | State |

**A Category 4: Cases where the taxpayer received the error 'Trans-1 not attempted as per logs - due to Registration Issue ' As per GST system logs the taxpayer was not enabled to file TRAN1 till its due date due to registration/migration issues.**

| 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. |
|---|---|---|---|---|---|---|
| 54 | 27AAACU0564G4ZE | UNION BANK OF INDIA (Union bank of india ) | Maharashtra | Credit Card Related Services | Rahul Raichur, Assistant Commissioner, CGST Commissionerate Mumbai South | Centre |
| 55 | 27AAECP2288G1Z9 | PRABHAT TELECOMS (INDIA) LIMITED (PRABHAT TELECOMS INDIA LIMITED) | Maharashtra | Public Limited Company | Gurtesh Matharu, Asst Commissioner, Div-1, CGST Commissionerate Thane | Centre |
| 56 | 27AAGCA2156C1Z3 | AMGEN TECHNOLOGY PRIVATE LIMITED (Amgen Technology Private Limited) | Maharashtra | Private Limited Company | Divish N.Shetty, Superintendent, CGST Commissionerate, Mumbai East | Centre |
| 57 | 33AVBPV8366N1ZT | VIGNESHWARI (VIGNESHWARI) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 58 | 33CMJPM1637E1Z9 | MUTHUSELVI (MUTHUSELVI) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 59 | 33GOCPS0901G1Z9 | MANICKAM SIRUMANI SAGAYARAJ (MANICKAM SIRUMANI SAGAYARAJ) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 60 | 33AADFO1675L1Z4 | OPPILIAPPA AUTOMOBILES (OPPILIAPPA AUTOMOBILES) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 61 | 33AQZPM2313B1Z2 | DURAI MUTHAIAH (DURAI MUTHAIAH) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the | State |

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| | | | | | Commissioner, State Tax, Chennai | |

**A Category 5: Cases where the taxpayer received the error 'Incorrect validation of Date not more than 1 years old for invoice in Table 11'**

| 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. |
|---|---|---|---|---|---|---|
| 62 | 27AABCG7955Q1ZS | RAHEJA UNIVERSAL PVT LIMITED (Raheja Universal pvt ltd) | Maharashtra | Private Limited Company | Divish N.Shetty, Superintendent, CGST Commissionerate, Mumbai East | Centre |

**B Category 1: Cases where the taxpayer received the error 'As per GST system log, there are no evidences of error or submission/filing of TRAN1. ' As per GST system log, there are no evidences of error or submission/filing of TRAN1.**

| 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. |
|---|---|---|---|---|---|---|
| 63 | 22AACHA2320M1ZW | ARUN KUMAR JAIN & SONS (Arun kumar jain & sons) | Chhattisgarh | Hindu Undivided Family | Shri Sumit Kumar Agrawal, Assistant Commissioner, CGST Commissionerate, Raipur | Centre |
| 64 | 29AAHFB3538R1ZS | BANGALORE WHEELS (BANGALORE WHEELS) | Karnataka | Partnership | K S Basavaraj, Joint Commissioner of Commercial Taxes, (eAudit), Gandhinagar | State |
| 65 | 29AAEFS9508B1Z5 | SRI VENKATESHWARA CERAMICS (Sri Venkateshwara ceramics) | Karnataka | Partnership | K S Basavaraj, Joint Commissioner of Commercial Taxes, (eAudit), Gandhinagar | State |
| 66 | 32ADYPK7183K1ZT | NAUSHAD SAIDU KUNJU (Alpha Trading co) | Kerala | Proprietorship | Dr Pravin Gavaskar, Asst Commissioner, CGST Division, Alappuzha | Centre |
| 67 | 23AHXPK2673B1ZB | NILESH RAMESHCHAND KABARA (Nilesh Kabra) | Madhya Pradesh | Proprietorship | Shri Neerav Kumar Mallick, Commissioner, CGST Commissionerate, Indore | Centre |
| 68 | 23AANFA5890R1ZO | ALSTONE INTERNATIONAL (Alstone international) | Madhya Pradesh | Partnership | Shri Neerav Kumar Mallick, Commissioner, CGST Commissionerate, Indore | Centre |
| 69 | 27AAICS9449L1ZI | SAI POINT AUTOMOBILES PRIVATE LIMITED (M s Sai Point Automobiles Private Limited) | Maharashtra | Private Limited Company | Sruti Vijayakumar, Assistant Commissioner, CGST Commissionerate, Thane | Centre |
| 70 | 27AAAPP8840R1ZX | JIGNESH JASWANTRAI PARKEH (INTERLINK TRADES) | Maharashtra | Proprietorship | Dr. Sunil Bodhgire, Deputy Commissioner State Tax, Mazgaon, Mumbai | State |

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| 71 | 27AALPJ4766D1ZK | JANVHI JIGNESH PAREKH (J n K Composites) | Maharashtra | Proprietorship | Dr. Sunil Bodhgire, Deputy Commissioner State Tax, Mazgaon, Mumbai | State |
| 72 | 27AABFC7908E1ZM | C ABHAYKUMAR & CO (M s C Abhaykumar & Co) | Maharashtra | Partnership | Archana Nayak, Deputy Commissioner, CGST Commissionerate, Navi Mumbai | Centre |
| 73 | 27AAACA9289L1Z2 | MUTHA RESOURCES PRIVATE LIMITED (Mutha resoures pvt ltd) | Maharashtra | Private Limited Company | Rahil Raichur, Assistant Commissioner, CGST Commissionerate Mumbai South | Centre |
| 74 | 27AABFE1263G1ZS | ECONOMIC LAWS PRACTICE (Economic law practice) | Maharashtra | Partnership | Rahul Raichur, Assistant Commissioner, CGST Commissionerate Mumbai South | Centre |
| 75 | 27AASFA3430C1ZQ | ARIHANT DEVELOPERS (Arihant Developers) | Maharashtra | Partnership | Amol Ket, Joint Commissioner, CGST Commissionerate, Nashik | Centre |
| 76 | 27AAMFS9485R1ZS | SWASTIK FOUNDRY AND MACHINE WORKS (Swastic foundery and Machine works) | Maharashtra | Partnership | Amol Ket, Joint Commissioner, CGST Commissionerate, Nashik | Centre |
| 77 | 27ABXPM5087B1Z7 | CHANDRAKANT MANOHAR MACHALE (Mahalaxmi Enterprises) | Maharashtra | Proprietorship | Amol Ket, Joint Commissioner, CGST Commissionerate, Nashik | Centre |
| 78 | 27AABCO3758P1ZT | OMAN INDIA JOINT INVESTMENT FUND-MANAGEMENT COMPANY PRIVATE LIMITED (Oman India joint investment fund management co pvt ltd) | Maharashtra | Private Limited Company | Pankaj Kumar, Joint Commissioner, CGST Commissionerate, Mumbai Central | Centre |

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| 79 | 27AABCI7436A1ZV | INDIRA CONTAINER TERMINAL PRIVATE LIMITED (INDIRA CONTAINER TERMINAL PRIVATE LIMITED) | Maharashtra | Private Limited Company | Rahul Raichur, Assistant Commr, CGST Commissionerate, Mumbai South | Centre |
| 80 | 27AANCA3504D1Z0 | AMITY POWER PRODUCTS PRIVATE LIMITED (Amity power product pvt ltd) | Maharashtra | Private Limited Company | Dr. Sunil Bodhgire, Deputy Commissioner State Tax, Mazgaon, Mumbai | State |
| 81 | 27ADBFS1079D1Z8 | SANDESH KRUSHI SEVA KENDRA (SANDESH KRUSHI SEVA KENDRA) | Maharashtra | Partnership | Dr. Sunil Bodhgire, Deputy Commissioner State Tax, Mazgaon, Mumbai | State |
| 82 | 27AADFF5299D1ZB | FERRO PACK INDUSTRIES (FERRO PACK INDUSTRIES) | Maharashtra | Partnership | Dr. Sunil Bodhgire, Deputy Commissioner State Tax, Mazgaon, Mumbai | State |
| 83 | 27AFGPD4351L1ZF | HEMANT VASANT DOSHI (JALWARSHA ENTERPRISES) | Maharashtra | Proprietorship | Dr. Sunil Bodhgire, Deputy Commissioner State Tax, Mazgaon, Mumbai | State |
| 84 | 07AADPT7723N1Z4 | DEEPA TALWAR | New Delhi | Proprietorship | Dushyant Kumar, State Trade & Taxes Department, Delhi | State |
| 85 | 07AAACO5641A1ZX | ORANGE OVERSEAS PRIVATE LIMITED (Orange Overseas pvt ltd) | New Delhi | Private Limited Company | Pramod Kumar, Commissioner, CGST Commissionerate Delhi East | Centre |
| 86 | 07AIJPG5629C1ZG | ANKUR GUPTA (ANKUR GUPTA) | New Delhi | Proprietorship | Dushyant Kumar, State Trade & Taxes Department, Delhi | State |
| 87 | 03AABFM2816M1ZG | MODERN MOTOR WORKS (MODERN MOTOR WORKS) | Punjab | Partnership | Pawan Garg, Deputy Commissioner of State Tax, Office of the Deputy Excise and Taxation Commissioner, Ludhiana | State |
| 88 | 08ADHPJ9672R1ZI | RAJENDRA JAIN (Gaurav Industries) | Rajasthan | Proprietorship | Jitendra P Nawal, Superintendent, CGST Commissionerate, Jodhpur | Centre |

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| 89 | 33AAMFK4087H1Z4 | KUMAR AUTO AGENCY (KUMAR AUTO AGENCY) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 90 | 33ADQPK5912J2ZB | MUTHUVEERAN CHETTIAR KRISHNASWAMY (MUTHUVEERAN CHETTIAR KRISHNASWAMY) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 91 | 33AACFI0974R1ZZ | INNOVATIVE MOTORS (INNOVATIVE MOTORS) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 92 | 33AAIFA5709N1ZA | ARJUN FOUNDRY (ARJUN FOUNDRY) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 93 | 33AAEFA9454C1ZR | ALPHA CASTINGS (ALPHA CASTINGS) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 94 | 33ABFFA8377E1ZG | ALPHA INDUSTRIES (ALPHA INDUSTRIES) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 95 | 33AAAFM0916H1ZS | MAYURA'S INDUSTRIAL SERVICES (MAYURA’S INDUSTRIAL SERVICES) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 96 | 33AAGCM0617A1Z8 | MAYURA AUTOMATION & ROBOTIC SYSTEMS PRIVATE LIMITED (MAYURA AUTOMATION & ROBOTIC SYSTEMS PRIVATE LIMITED) | Tamil Nadu | Private Limited Company | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 97 | 33ACVFS1230R1ZJ | SRI SHUBHTEJ EXPORTS (SRI SHUBHTEJ EXPORTS) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the | State |

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| | | | | | Commissioner, State Tax, Chennai | |
| 98 | 33ADAFS2496K1ZU | SRI SABARI TRADERS (SRI SABARI TRADERS) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 99 | 33APBPS1159L1ZR | VADIVEL SELVASEKARAN (VADIVEL SELVASEKARAN) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 100 | 33ACQPG6226J1ZH | DESAPPA GOPAL (DESAPPA GOPAL) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 101 | 33ACCPR5287N1Z1 | GOPAL RAJINI (GOPAL RAJINI) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 102 | 33FFGPS2834C1ZL | VELU SUDHAKAR (VELU SUDHAKAR) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 103 | 33APOPP6378K1Z4 | PAVAN KUMAR (PAVAN KUMAR) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 104 | 33ALOPA1793P1ZO | KULANDAI MANICKAM AROCKIASAMY (KULANDAI MANICKAM AROCKIASAMY) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 105 | 33AZJPC3170H1ZP | CHELLAPANDI (CHELLAPANDI) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 106 | 33AYEPJ0419N1ZI | ANIFA JAHEERHUSSAIN (ANIFA JAHEERHUSSAIN) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |

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| 107 | 33BWTPK1004L1ZI | KANNADASAN (KANNADASAN) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 108 | 33AQAPS1724R1ZJ | PAULPANDIAN SEETHALAKSHMI (PAULPANDIAN SEETHALAKSHMI) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 109 | 33BBYPV3264M1ZP | MANIMARAN TIMBER DEPOT (NAGARAJ VELRATHI) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 110 | 33CUKPK9032L1ZA | VARATHARAJ KARTHICK (VARATHARAJ KARTHICK) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 111 | 33ECSPK9544R1ZG | KANNAN NAGULUNARAYANASAMY (NARAYANASAMY KANNAN NAGULU) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 112 | 33ANKPT6827H1ZL | THIYAGARAJAN (THIYAGARAJAN) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 113 | 33ASPPJ8709A1ZT | JOTHI (JOTHI) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 114 | 33ARBPA8119Q1ZP | SEENIVASHAGAN ALANGUDIAN (SRI RAJAMANI JEWELLERY) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 115 | 33ASQPV5237Q1ZQ | KANAGARAJ VINAYAGAMOORTHY (KANAGARAJ VINAYAGAMOORTHY) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 116 | 33AXCPM9458M1ZW | GANESAN MURUGAN (GANESAN MURUGAN) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the | State |

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| | | | | | Commissioner, State Tax, Chennai | |
| 117 | 33ATQPV7231B1ZL | JEGANANTHAN ARAVINDHAN (JEGANANTHAN ARAVINDHAN) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 118 | 33BMCPM8178C1Z3 | MURUGESAN MAHESWARI (MURUGESAN MAHESWARI) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 119 | 33CNCPM4072R1ZK | MAHADEVAN (MAHADEVAN) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 120 | 33ADAFS5841A1ZK | S M P DAIRY FARM (S M P DAIRY FARM) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 121 | 33AHUPA4585D1ZC | SELVARAJ ANDREWS (SELVARAJ ANDREWS) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 122 | 33FYYPS3542C1Z1 | SRI MURUGAN FILLING STATION (SRI MURUGAN FILLING STATION) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 123 | 33CQNPP6738F1ZG | SANKARAN PARTHIBAN (SANKARAN PARTHIBAN) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 124 | 33FKUPS4022M1ZJ | SAHUL HAMEED SEYED ABUTHAHEER (SAHUL HAMEED SEYED ABUTHAHEER) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 125 | 33BSWPP1103L1ZI | PANDIAN (PANDIAN) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |

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| 126 | 33AAIFG1477H1ZG | GOLDEN CNC (GOLDEN CNC) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 127 | 33ABZPV4230D1ZG | KANAGARAJ VANAJA (KANAGAJOTHI ELECTRONICS) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 128 | 33BYXPS6929N1Z6 | SURESH KUMAR (SURESH KUMAR) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 129 | 33AACPB3582A1ZI | PRITHVIRAJ BAGRECHA (PRITHVIRAJ BAGRECHA) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 130 | 33AADPM6215E1Z6 | MANJU DEVI BAGRECHA (MANJU DEVI BAGRECHA) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 131 | 33AAFPJ8628L2ZE | LALIT KUMAR JAIN (LALIT KUMAR JAIN) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 132 | 33AAHPR7681M1Z0 | JUTHMALJI RAJESHKUMAR JAIN (JUTHMALJI RAJESHKUMAR JAIN) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 133 | 33ALCPJ3812G1ZM | PRIYAL JUMANI (PRIYAL JUMANI) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 134 | 33AAAPN3739R1ZA | HUKAMCHAND NANDLAL (HUKAMCHAND NANDLAL) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 135 | 33AAIFB2889E1ZH | BHAVA TRADE LINK (BHAVA TRADE LINK) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the | State |

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| | | | | | Commissioner, State Tax, Chennai | |
| 136 | 33AABFR9561J1ZY | R KRISHNAMURTHY & CO. ( R KRISHNAMURTHY & CO ) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 137 | 33AAPFP8596D1ZQ | PNC ENTERPRISE (PNC ENTERPRISE) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 138 | 33AAAAT2058C1Z0 | THE TIRUCHANGODE AGRICULTURAL PRODUCERS CO-OP MARKETING SOCIETY LTD (THE TIRUCHANGODE AGRICULTURAL PRODUCERS CO OP MARKETING SOCIETY LTD) | Tamil Nadu | Society/ Club/ Trust/ AOP | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 139 | 33AALCS7439R1ZG | SRTC TECH SOLUTIONS PRIVATE LIMITED (SRTC TECH SOLUTIONS PRIVATE LIMITED) | Tamil Nadu | Private Limited Company | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 140 | 33AACCM3174A1Z2 | MOTHER DAIRY FRUIT & VEGETABLE PRIVATE LIMITED (MOTHER DAIRY FRUIT & VEGETABLE PRIVATE LIMITED) | Tamil Nadu | Private Limited Company | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 141 | 33DBCPM5650N1ZE | VELUSAMY MUTHUVIJAYAN (VELUSAMY MUTHUVIJAYAN) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 142 | 33AQKPK8709J1ZI | KIRUTHIGASUBANTHI (KIRUTHIGASUBANTHI) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 143 | 33AHFPS7103J1ZC | KASTHURI SUBBAREDDIAR | Tamil Nadu | Proprietorship | S. Ramaswamy, | State |

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| | | (KASTHURI SUBBAREDDIAR) | | | Joint Commissioner, Office of the Commissioner, State Tax, Chennai | |
| 144 | 33DMXPS0361E1ZT | SANKAR (SANKAR) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 145 | 33DAEPS7326Q1Z1 | MOHAMED MUZAFAR SAHUL HAMEED (RAIN BIRD PIPES) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 146 | 33AEOPV2621J1Z9 | AYYAMAL MASILAMANI VIJAYARAJMOHAN (AYYAMAL MASILAMANI VIJAYARAJMOHAN) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 147 | 33AAXPK1336Q1Z3 | RAMALINGAM KRISHNAN (RAMALINGAM KRISHNAN) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 148 | 33GWSPS4884L1ZC | SYED ABUTHAHIRSAGAPUDEEN (SYED ABUTHAHIR) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 149 | 33ADVPN4340A1ZR | KANDASAMY NAGASUBRAMANIAN (KANDASAMY NAGASUBRAMANIAN) (presently cancelled) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 150 | 33ABHFA8639B1ZN | ARR STEEL TRADERS (ARR STEEL TRADERS) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 151 | 33DRXPS1963M1ZS | SELLARAMU (SELLARAMU) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 152 | 33AISPH7931D1Z8 | HAMEETHABANUSHIEKMOHAMMED | Tamil Nadu | Proprietorship | S. Ramaswamy, | State |

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| | | (SHIEKMOHAMMED HAMEETHABANU) | | | Joint Commissioner, Office of the Commissioner, State Tax, Chennai | |
| 153 | 33BMBPM3104M1ZB | KATTUBHAVA MOHAMED ISMAIL ABDULAJEES MOHAMED MEERAN (DEEN MEERAN FIRE WORKS) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 154 | 33CLJPK6152P1ZM | NATARASAKAVUNDER KUBENDRAN (NATARASAKAVUNDER KUBENDRAN) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 155 | 33BKUPM1045C1ZD | MOHAMED AMIR (K P N HARDWARES) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 156 | 33BIRPS4157G1ZV | SANKARAGANESAN SANKARAPANDIAN (SANKARAGANESAN SANKARAPANDIAN) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 157 | 33BCYPS9544Q1Z7 | SAHULHAMEED SAHILABANU (NEELAM INDUSTRIES) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 158 | 33AAJFK5473C1ZH | K R S MEENATCHI SUNDARA NADAR & SONS (K R S MEENATCHI SUNDARA NADAR & SONS) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 159 | 33AQYPV9440R1ZF | NANJAI VELMURUGAN VIJAY (NANJAI VELMURUGAN VIJAY) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 160 | 33BVNPS1765H1Z7 | ATHIMOOLAM SEETHALAKSHMI (ATHIMOOLAM SEETHALAKSHMI) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the | State |

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| | | | | | Commissioner, State Tax, Chennai | |
| 161 | 33DCUPS6983P1Z6 | SEETHALAKSHMI (LAKSHMI MARBLES) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 162 | 33ADIPJ5760F1ZO | VELLAICHAMY JEYARAJ (VELLAICHAMY JEYARAJ) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 163 | 33AABFP1482E1ZN | PREMIER ENTERPRISES (PREMIER ENTERPRISES) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 164 | 33AUAPR6471N1Z6 | RAJAPPAN RAGHAVAN (RAJAPPAN RAGHAVAN) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 165 | 33AAUFS2921E1Z7 | SRI ALAGU PHARMA (SRI ALAGU PHARMA) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 166 | 33AABCR7588J1ZX | SPICA MODULAR SOLUTIONS LIMITED (SPICA MODULAR SOLUTIONS LIMITED) | Tamil Nadu | Public Limited Company | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 167 | 33AAKCA6027C1Z4 | ASCENT ENGINEERS & INFRASTRUCTURES INDIA PRIVATE LIMITED (ASCENT ENGINEERS & INFRASTRUCTURES INDIA PRIVATE LIMITED) | Tamil Nadu | Private Limited Company | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 168 | 33AAQPJ1109D1Z7 | ALAGU JAYABALAN (ALAGU JAYABALAN) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 169 | 33ACKPS1387A1ZQ | JEYABALAN SELVARANI | Tamil Nadu | Proprietorship | S. Ramaswamy, | State |

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| | | (JEYABALAN SELVARANI) | | | Joint Commissioner, Office of the Commissioner, State Tax, Chennai | |
| 170 | 33AACFA3885F1ZO | ALAGU PHARMACY C (ALAGU PHARMACY C) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 171 | 33AAIFA9015F1ZS | ALAGU PHARMACY K (ALAGU PHARMACY K) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 172 | 33AARFR1781Q1ZE | RAYLUN LEATHERS (RAYLUN LEATHERS) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 173 | 33AASPR3950J1Z7 | PERSOLLI SAMY RAJA VELAYUTHA RAJA (PERSOLLI SAMY RAJA VELAYUTHA RAJA) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 174 | 33AACCH3922K1ZQ | HYDROMASS TECHNOLOGY INDIA PRIVATE LIMITED (HYDROMASS TECHNOLOGY INDIA PRIVATE LIMITED) | Tamil Nadu | Private Limited Company | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 175 | 33AAWPS0071P1Z0 | RAMU SHYAMSUNDAR (RAMU SHYAMSUNDAR) | Tamil Nadu | Private Limited Company | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 176 | 33ADGPS8822H1ZC | NEELAMEGAM SWARNIER SETHURAMAN (NEELAMEGAM SWARNIER SETHURAMAN) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 177 | 33AIJPB9597Q1ZE | NEELAMEGAM SETHURAMAN BALAJJI (NEELAMEGAM SETHURAMAN BALAJJI) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |

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| 178 | 33AMSPK9501E1Z1 | NEELAMEGAM SETHURAMAN RAMJI (NEELAMEGAM SETHURAMAN RAMJI) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 179 | 33AABCA9256E1ZW | AUTO SYNDICATE PRIVATE LIMITED (AUTO SYNDICATE PRIVATE LIMITED) | Tamil Nadu | Private Limited Company | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 180 | 33AASFM1038N1ZY | MADURAI MEENAKSHI AUTOS (MADURAI MEENAKSHI AUTOS) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 181 | 33AAGFC9527Q1ZW | CONSOLIDATED PREMIUM RETAILERS (CONSOLIDATED PREMIUM RETAILERS) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 182 | 33AGRPA0143K1ZO | ANGAMUTHU AMUTHAVEL (ANGAMUTHU AMUTHAVEL) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 183 | 09AAFFG0398C1ZI | GOLDEN TRADING AGENCIES (Golden trading agencies) | Uttar Pradesh | Partnership | Joint Commissioner (I.T.) Commercial Taxes, Head Quarter Lucknow | State |
| 184 | 29AABCG2219B2Z3 | GRANT INVESTRADE LIMITED (Grant investrade ltd) | Maharashtra | Public Limited Company | Divish N.Shetty, Superintendent, CGST Commissionerate, Mumbai East | Centre |

**B Category 2: Cases where the taxpayer received the error 'Incorrect declaration of stock. Problem in filing TRAN-2. 'Incorrect declaration in TRAN1 of Stock not evidencing payment of taxes and duty.**

| 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. |
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| 185 | 29ADCPN4630Q1Z1 | VIDHURASWATHA NANJUNDA RAO (VIDHURASWATHA NANJUDA RAO) | Karnataka | Proprietorship | K S Basavaraj, Joint Commissioner of Commercial Taxes, Karnataka | State |
| 186 | 07AAAFJ5441N2Z6 | JAKSON & COMPANY (Jakson and company) | New Delhi | Partnership | Additional Commissioner, GST, Delhi North | Centre |
| 187 | 07AAACI3163P1ZB | INDIAN OPTICS PRIVATE LIMITED (INDIAN OPTICS PVT LTD) | New Delhi | Private Limited Company | Dushyant Singh, State Trade & Taxes Department, Delhi | State |

**B Category 3: Cases where the taxpayer received the error 'Successfully Filed as Per Logs ' The taxpayer has successfully filed TRAN1 and no technical errors has been found. This include cases in which the taxpayer was unable to file as they were stuck in submit and have subsequently filed**

| 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. |
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| 188 | 22AADCI5761L1ZG | ICON SOLAR-EN POWER TECHNOLOGIES PRIVATE LIMITED (M s Icon Solar en Power Technologies Pvt Ltd) | Chhattisgarh | Private Limited Company | Shri Sumit Kumar Agrawal, Assistant Commissioner, CGST Commissionerate, Raipur | Centre |
| 189 | 24AAKCS6948Q1ZE | PRECISION GASIFICATION SERVICES PRIVATE LIMITED (Precision Gasification services) | Gujarat | Private Limited Company | Lalit Prasad, Commissioner, CGST Commissionerate, Rajkot | Centre |
| 190 | 24AAVPT3280C1ZH | MAHESHKUMAR RAMANLAL THAKKAR (Maheshkumar Ramanlal Thakkar) | Gujarat | Proprietorship | Kamleshkumar L. Hadula, Deputy Commissioner, Range-5, Ahmedabad | State |
| 191 | 24AAGCA3693Q1Z4 | ANS STEEL TUBES LIMITED (M s Ans Steel Tubes Ltd) | Gujarat | Public Limited Company | J.A Khan, Commissioner, CGST Commissionerate, Ahmedabad (North) | Centre |

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| 192 | 24AAACU0224D1Z4 | UNIPRODUCTS (INDIA) LIMITED (Uniproducts India Ltd) | Gujarat | Public Limited Company | J.A Khan, Commissioner, CGST Commissionerate, Ahmedabad (North) | Centre |
| 193 | 29AAFFE1033J1ZL | EXELON NETWORKS ( Excelon Networks ) | Karnataka | Partnership | K S Basavaraj, Joint Commissioner of Commercial Taxes, (eAudit), Gandhinagar | State |
| 194 | 29AJEPJ0921G1ZH | NIKHIL KUMAR RAMESH JAIN (Mahaveer Marketing) | Karnataka | Proprietorship | K S Basavaraj, Joint Commissioner of Commercial Taxes, (eAudit), Gandhinagar | State |
| 195 | 29AAECB2822J1ZO | BHARATH VEHICLE WORKS PRIVATE LIMITED (M s Bharath Vehicles Works Private Limited) | Karnataka | Private Limited Company | K S Basavaraj, Joint Commissioner of Commercial Taxes, (eAudit), Gandhinagar | State |
| 196 | 29AABCA9292J1Z6 | ASHOKA BUILDCON LIMITED (ASHOK BUILDCON LIMITED) | Karnataka | Public Limited Company | K S Basavaraj, Joint Commissioner of Commercial Taxes, (eAudit), Gandhinagar | State |
| 197 | 27AAACT4033H1ZK | VERTIV ENERGY PRIVATE LIMITED (M s Vertiv Energy Private Limited) | Maharastra | Private Limited Company | Sruti Vijayakumar, Assistant Commissioner, CGST Commissionerate, Thane | Centre |
| 198 | 27AAEFJ9574A1ZA | JITENDRA'S AUTOWORLD (Jitendra’s Auto World) | Maharashtra | Partnership | Dr. Sunil Bodhgire, Deputy Commissioner State Tax, Mazgaon, Mumbai | State |
| 199 | 27AADCD4200F1Z8 | DALMIA DECORUS PRVIATE LIMITED (DALMIA DECORUS PRVIATE LIMITED) | Maharashtra | Private Limited Company | Dr. Sunil Bodhgire, Deputy Commissioner State Tax, Mazgaon, Mumbai | State |
| 200 | 27AAACI6561R1ZX | IFB INDUSTRIES LTD (M s IFB Industries Limited) | Maharashtra | Public Limited Company | Archana Nayak, Deputy Commissioner, CGST Commissionerate, Navi Mumbai | Centre |
| 201 | 27AADCC2991E1ZP | CHAIPERTECH ELECTRONICS PRIVATE LIMITED (M s Chaipertech Electronics private Limited) | Maharashtra | Private Limited Company | Archana Nayak, Deputy Commissioner, CGST Commissionerate, Navi Mumbai | Centre |

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| 202 | 27AAACH7557G1ZF | HIDUSTHAN NATIONAL GLASS & INDUSTRIES LTD (Hindustan national glass and industries ltd) | Maharashtra | Public Limited Company | Amol Ket, Joint Commissioner, CGST Commissionerate, Nashik | Centre |
| 203 | 27AHUPK6979P1ZW | KIRAN JAIPRAKASH KARWA (Vivanta Energy Resources ltd) | Maharashtra | Proprietorship | Amol Ket, Joint Commissioner, CGST Commissionerate, Nashik | Centre |
| 204 | 27AAAFR2368E1ZC | REGAL SHOES (Regal shoes) | Maharashtra | Partnership | Pankaj Kumar, Joint Commissioner, CGST Commissionerate, Mumbai Central | Centre |
| 205 | 27AACCC6016B1Z8 | CLEARTRIP PRIVATE LIMITED (Cleartrip ltd) | Maharashtra | Private Limited Company | Pankaj Kumar, Joint Commissioner, CGST Commissionerate, Mumbai Central | Centre |
| 206 | 27AADCE7528F1ZM | ANAX INDUSTRIES PRIVATE LIMITED (Anax Industries Private Limited) | Maharashtra | Private Limited Company | Shri V.N. Thete, Commissioner, CGST Commissionerate, Kolhapur | Centre |
| 207 | 27AACCR3973J1Z0 | DSM NUTRITIONAL PRODUCTS INDIA PRIVATE LIMITED (DSM Nutritional Products India Private Limited) | Maharashtra | Private Limited Company | Divish N.Shetty, Superintendent, CGST Commissionerate, Mumbai East | Centre |
| 208 | 07AAACT4033H1ZM | VERTIV ENERGY PRIVATE LIMITED (VERTIV ENERGY PRIVATE LIMITED) | New Delhi | Private Limited Company | Dushyant Kumar, State Trade & Taxes Department, Delhi | State |
| 209 | 21AABCB2140C1ZR | B & A PACKAGING INDIA LIMITED (B&A Packaging ltd) | Odisha | Public Limited Company | J.Sateesh Chandar, Joint Commissioner, Office of the Principal Commissioner, CGST, Bhubaneshwar | Centre |
| 210 | 33AAECB1213B1ZP | BMP STEELS PRIVATE LIMITED (BMP STEELS PRIVATE LIMITED) | Tamil Nadu | Private Limited Company | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 211 | 33AAECK1422B1ZD | KARISMAA FOUNDATIONS PRIVATE LIMITED (KARISMAA | Tamil Nadu | Private Limited Company | S. Ramaswamy, Joint Commissioner, Office of the | State |

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| | | FOUNDATIONS PRIVATE LIMITED) | | | Commissioner, State Tax, Chennai | |
| 212 | 33ANCPS8280K1ZK | PRADEEPKUMAR SOMANI (PRADEEPKUMAR SOMANI) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 213 | 33AFVPS5462G1ZX | SANJEEV KUMAR SOMANI (SANJEEV KUMAR SOMANI) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 214 | 33BVIPS8918P1ZM | SHANMUGAM (SHANMUGAM) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 215 | 33AABFL9616J1Z8 | LAKSHMI ELECTRONICS (LAKSHMI ELECTRONICS) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 216 | 33AABCJ1087G1ZU | JOYALUKKAS INDIA PRIVATE LIMITED (JOYALUKKAS INDIA PRIVATE LIMITED) | Tamil Nadu | Private Limited Company | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 217 | 33AADCK2098J1ZF | KHIVRAJ VAHAN PRIVATE LIMITED (KHIVRAJ VAHAN PRIVATE LIMITED) | Tamil Nadu | Private Limited Company | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 218 | 33ADIPR4187L1Z0 | JAIN BHAWARLAL RESHMA (JAIN BHAWARLAL RESHMA) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 219 | 33ABTPN3846M1ZZ | PONNUSAMY NATARAJAN (PONNUSAMY NATARAJAN) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 220 | 33AAFFM6786L1ZQ | MAHALAXMI JEWELLERY (MAHALAXMI JEWELLERY) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |

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| 221 | 33ABYPH8451P1ZR | MOHAMMEDIBRAHIM HAMEETHA (MOHAMMEDIBRAHIM HAMEETHA) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 222 | 33ACHFS4544A1ZH | SREE CHAKRAVARTHI TYRES (SREE CHAKRAVARTHI TYRES) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 223 | 33AABCP3805G1ZU | POPULAR VEHICLES AND SERVICES LIMITED (POPULAR VEHICLES AND SERVICES PRIVATE LIMITED) | Tamil Nadu | Public Limited Company | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 224 | 33AAACC4175D1Z5 | CANON INDIA PRIVATE LIMITED (CANON INDIA PRIVATE LIMITED) | Tamil Nadu | Private Limited Company | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 225 | 33BETPS7242J1ZV | NARAYANASAMY SENTHILKUMAR (SHRI JANANI TRADERS) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 226 | 33AAQFP9780L1ZC | PAGE3 (PAGE) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 227 | 33ABZFS0195A1Z2 | SWALTIK SOLUTIONS (SWALTIK SOLUTIONS) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 228 | 33AADCS3665F1ZH | SUSEE PREMIUM AUTOMOBILES PRIVATE LIMITED (SUSEE PREMIUM AUTOMOBILES PRIVATE LIMITED) | Tamil Nadu | Private Limited Company | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 229 | 33ACSFS6297D1ZM | SRI MUTHUMARIAMMAN TRADERS (SRI MUTHUMARIAMMAN TRADERS) | Tamil Nadu | Partnership | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |

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| 230 | 19AACCH3669M1Z0 | HAZEMAG INDIA PRIVATE LIMITED (Hazemag india pvt ltd) | West Bengal | Private Limited Company | Ajeet Kumar, Deputy Commissioner, CGST Commissionerate, Kolkata North | Centre |

**B Category 4: Cases where the taxpayer received the error 'TRAN-1 filed but credit not received. ' The taxpayer has filed Tran-1 once successfully but no credit has been posted in ledger and no errors has been observed in logs.**

| 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. |
|---|---|---|---|---|---|---|
| 231 | 27ABCFM3025A1ZX | DEEPA TALWAR (M/s MAG ENTERPRISES) | Maharashtra | Partnership | Dr. Sunil Bodhgire, Deputy Commissioner State Tax, Mazgaon, Mumbai | State |
| 232 | 27AACPC0733G1ZB | SHAILESH LAKHAMSHI CHHEDA (M/s Shubham Hardware) | Maharashtra | Proprietorship | Archana Nayak, Deputy Commissioner, CGST Commissionerate, Navi Mumbai | Centre |
| 233 | 27AAJCS0760R1ZP | SOLO HARDWARE PRIVATE LIMITED (M s Solo Hardware private limited) | Maharashtra | Private Limited Company | Archana Nayak, Deputy Commissioner, CGST Commissionerate, Navi Mumbai | Centre |
| 234 | 27ALZPS0600G1ZV | VIKRAM BHAGWANRAO SALUNKHE (Ideal Agencies) | Maharashtra | Proprietorship | Shri V.N. Thete, Commissioner, CGST Commissionerate, Kolhapur | Centre |
| 235 | 27AFRPK6035R1ZK | NITIN SAMPATRAO KADAM (DHANANJAY AUTOMOBILES) | Maharashtra | Proprietorship | Shri V.N. Thete, Commissioner, CGST Commissionerate, Kolhapur | Centre |
| 236 | 07ACQPG0182R2Z0 | VIKAS GUPTA (SHREE BALAJI TUBES) | New Delhi | Proprietorship | Dushyant Singh, State Trade & Taxes Department, Delhi | State |
| 237 | 33AADCH6649E1ZO | HEPTAGON TECHNOLOGIES PRIVATE LIMITED (HEPTAGON TECHNOLOGIES PRIVATE LIMITED) | Tamil Nadu | Private Limited Company | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 238 | 33CGIPS0058Q1ZV | RAGHAV SOMANI (RAGHAV SOMANI) | Tamil Nadu | Proprietorship | S. Ramaswamy, | State |

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| | | | | | Joint Commissioner, Office of the Commissioner, State Tax, Chennai | |
| 239 | 33AABCK1651R1ZC | KODAI AUTOMOBILES LIMITED (KODAI AUTOMOBILES LTD) | Tamil Nadu | Public Limited Company | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 240 | 33AEHPG9620F2ZQ | SAMUVEL GNANADHAS (SAMUVEL GNANADHAS) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 241 | 33AGZPJ2898Q1Z5 | RENGASAMY JEYACHANDRAN (RENGASAMY JEYACHANDRAN) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 242 | 09AAACE3307P1ZH | ENVIRAD PROJECTS P LTD (Envirad Projects) | Uttar Pradesh | Private Limited Company | V.Valte, Commissioner, CGST Commissionerate, Kanpur | Centre |

**B Category 5: Cases where the taxpayer received the error 'TRAN-1 Filed twice but credit not received ' TRAN1 Filed twice 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 officers' Govt. |
|---|---|---|---|---|---|---|
| 243 | 37AACCV8009M1ZW | VENSHIV PHARMACHEM PRIVATE LIMITED (VENSHIV PHARMACHEM PRIVATE LIMITED) | Andhra Pradesh | Private Limited Company | G. Gopala Krishna Rao, Assistant Commissioner, CGST Commissionerate, Kadapa | Centre |
| 244 | 29ADOPH8438G1Z2 | HALE GOWDA (Sri Manjunatha Designers Tiles) | Karnataka | Proprietorship | K S Basavaraj, Joint Commissioner of Commercial Taxes, Karnataka | State |
| 245 | 27AUNPS8490D1ZZ | SURESH CHANDRAKANT SHUKLA (SURESH CHANDRAKANT SHUKLA) | Maharashtra | Proprietorship | Dr. Sunil Bodhgire, Deputy Commissioner State Tax, Mazgaon, Mumbai | State |
| 246 | 27ABGPJ9649D1ZF | SUJEET MANIKRAO JAGDHANE | Maharashtra | Proprietorship | Shri V.N. Thete, Commissioner, CGST | Centre |

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| | | (HARSHVARDHAN INDUSTRIAL SUPPLIERS) | | | Commissionerate, Kolhapur | |
| 247 | 08AEMPB0368N1Z8 | TAHER SAIFUDDIN (M/s Ahmed & Co) | Rajasthan | Proprietorship | Vijai Pal Singh, Joint Commissioner, State Govt, Jodhpur | State |
| 248 | 33AADCB1093N1ZN | FUTURE RETAIL LIMITED (FUTURE RETAIL LIMITED) | Tamil Nadu | Public Limited Company | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 249 | 33AACCT7854L1ZX | TRIMAX UMBRELLA PRIVATE LIMITED (TRIMAX UMBRELLA PRIVATE LIMITED) | Tamil Nadu | Private Limited Company | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |
| 250 | 33AHVPB5878R1ZB | NATTANMAI RAMANATHAN BALAKUMAR (NATTANMAI RAMANATHAN BALAKUMAR) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |

**B Category 6: Cases where the taxpayer received the error 'Composition Taxpayer- During Trans-1 Filling Period'**

| 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. |
|---|---|---|---|---|---|---|
| 251 | 33ERFPS8753G1ZC | SAMSUBANU (SAMSUBANU) | Tamil Nadu | Proprietorship | S. Ramaswamy, Joint Commissioner, Office of the Commissioner, State Tax, Chennai | State |

**B Category 7: ISD Taxpayer: The taxpayer is an ISD taxpayer and hence not entitled to Transition Credit**

| 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. |
|---|---|---|---|---|---|---|
| 252 | 27AAACJ3213B2Z9 | JYOTHY LABORATORIES LIMITED (Jyothy Laboratories Ltd) | Maharashtra | Public Limited Company | Divish N.Shetty, Superintendent, CGST Commissionerate, Mumbai East | Centre |

## Annexure 2

**Writ Petition Cases of TRAN 1.**

**A Category 1: 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 | Name reported by the Taxpayer in Writ Petition | State | Constitution of business | Status |
|---|---|---|---|---|---|
| 1 | 32BKGPR1200J1ZK | 23117/2018-BM Reeja v. STO & Ors | Kerala | Proprietorship | The matter has been disposed of vide judgment dated 16.07.2018. The Hon'ble Court has directed that the process in terms of the circular dated 3.4.2018 be followed. |
| 2 | 19AAECK9094M1ZO | 11519/2018-Goenka Real v. UOI | West Bengal | Private Limited Company | The matter is pending. The next date of hearing in the matter is 13.12.2018. |
| 3 | 19AAACO3439Q1ZV | 1229/2018-OSCAR EQUIPMENTS PVT. LTD. | West Bengal | Private Limited Company | The matter is pending. The next date of hearing in the matter is 13.12.2018. |
| 4 | 19AABCK3219P1Z6 | 11227/2018-M/s Kiswok Industries Pvt. Ltd. | West Bengal | Private Limited Company | The matter is pending. The next date of hearing in the matter is 13.12.2018. |
| 5 | 09AABFI6700N1Z7 | 869/2018-Industrial and Building Glass Industries v. UOI | Uttar Pradesh | Partnership | The matter has been disposed vide order dated 5.07.2018. The Hon'ble Court has directed as follows: -<br>The Respondents are directed to reopen the portal within two weeks from today. In the event they do not do so, they will entertain the application of the Petitioner manually and pass orders on it after due verification of the credits as claimed by the Petitioner. They will also ensure that the Petitioner is allowed to pay its taxes on the regular electronic system also which is being maintained for use of the credit likely to be considered for the Petitioner. |
| 6 | 33AACCK8026D1ZX | WPC 12986-12987/2018-M/s Surin Automotive Pvt. Ltd. | Tamil Nadu | Private Limited Company | The matter is pending. The next date of hearing in this matter is not known since matters in Madras High Court are listed one day prior to the date of hearing. |
| 7 | 07AABCR6667C1ZD | WPC 8590 of 2018-Rajesh Projects (India) Pvt Ltd. Vs. Commissioner, Central GST & Anr. | Delhi | Private Limited Company | The next date of hearing in this matter is 25.09.2018. |
| 8 | 09AAGCS0395D6Z7 | Writ Tax No. 884/2018 M/s Fidelity Information Services India Ltd v. Union of India | Uttar Pradesh | Private Limited Company | Hon'ble Allahabad High Court vide interim order dated 23.07.2018 has directed to reopen the portal within two weeks from today. In the event they do not do so, they will entertain the GST TRAN-1 of the Petitioner manually and pass |

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| | | | | | orders on it after due verification of the credits as claimed by the petitioner. They will also ensure that the Petitioner is allowed to pay its taxes on the regular electronic system also which is being maintained for use of the credit likely to be considered for the petitioner. |

**B Category 1: As per GST system log, there are no evidences of error or submission/filing of TRAN1: There is no evidence of submission, filing or error before the due date.**

| S.No. | GSTIN/ Provisional id | Name reported by the Taxpayer in Writ Petition | State | Constitution of Business | Issue | Status |
|---|---|---|---|---|---|---|
| 9 | 03ACNPK1767B1ZW | 15045/2018-M/s Gaina Trading Company v. UOI | Punjab | Proprietorship | **Allegation in the Writ Petition:** -The Petitioner was unable to file TRAN-1 due to technical glitches and bad health condition of the father.<br><br>**Further investigation by GSTN: -** An email was sent on 24.08.2018 to the taxpayers requesting for the following: -<br>i. Exact technical glitch faced by them while filing TRAN-1<br>ii. Nature of error noticed<br>iii. Screen-shots of technical error/emails sent to help-desk along with ticket numbers.<br>The taxpayers were requested to provide the above-mentioned details by end of day 28.08.2018.<br><br>**No response has been received from the Petitioner in response to GSTN's email dated 24.08.2018.** | The matter has been disposed of vide order dated 20.07.2018. The Hon'ble Court granted the Petitioner the liberty to approach his nodal officer in terms of the circular dated 3.4.2018. |
| 10 | 06AABCC1509J1Z0 | 14640/2018-CONTINENTAL CORRUGATORS PRIVATE LIMITED v. UOI | Haryana | Private Limited Company | **Allegation in the Writ Petition:** -The Petitioner tried to file Tran-1 on 27.12.2017 but due to non-functioning of GST Portal, data could not be uploaded.<br><br>**Further investigation by GSTN: -** An email was sent on 24.08.2018 to the taxpayers requesting for the following: -<br>i. Exact technical glitch faced by them while filing TRAN-1<br>ii. Nature of error noticed | The matter has been disposed of vide order dated 20.07.2018. The Hon'ble Court granted the Petitioner the liberty to approach his nodal officer in terms of the circular dated 3.4.2018. |

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| | | | | | iii. Screen-shots of technical error/emails sent to help-desk along with ticket numbers.<br>The taxpayer was requested to provide the abovementioned details by end of day 28.08.2018.<br><br>**No response has been received from the Petitioner in response to GSTN's email dated 24.08.2018.** | |
| 11 | 32ABLFS5991G1ZS | 22275/2018-Sevenseas Exporter | Kerala | Partnership | **Allegation in the Writ Petition:** -The Petitioner could not file TRAN-1 but GST Portal was non-responsive.<br><br>**Further investigation by GSTN:** - An email was sent on 24.08.2018 to the taxpayers requesting for the following: -<br>i. Exact technical glitch faced by them while filing TRAN-1<br>ii. Nature of error noticed<br>iii. Screen-shots of technical error/emails sent to help-desk along with ticket numbers.<br>The taxpayers were requested to provide the above-mentioned details by end of day 28.08.2018.<br><br>**Response provided by the Petitioner:** -The Petitioner in response to GSTN's email dated 24.08.2018 has stated that: while trying to log into www.gst.gov.in they could not even enter/ log into the particular site/page. Screen was just blank; not even loaded. | The matter has been disposed of vide order dated 05.07.2018 with the direction to follow the procedure prescribed under circular dated 3.4.2018. |
| 12 | 32AADFC8423G1ZT | W.P. 24610/2018-Cee Pee Marble & Granite | Kerala | Partnership | **Allegation in the Writ Petition:** - The Petitioner has successfully filed GST TRAN-1 however credit of Rs. 5,17,704 which ought to have been credited to his electronic credit ledger has not been credited.<br><br>**Further investigation by GSTN:** - An email was sent on 24.08.2018 to the taxpayers requesting for the following: - | The matter has been disposed of on 24.07.2018 with the direction to follow the process prescribed under circular dated 3.4.2018. |

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| | | | | | i. Exact technical glitch faced by them while filing TRAN-1<br>ii. Nature of error noticed<br>iii. Screen-shots of technical error/emails sent to help-desk along with ticket numbers.<br>The taxpayer was requested to provide the above-mentioned details by end of day 28.08.2018.<br><br>**No response has been received from the Petitioner in response to GSTN's email dated 24.08.2018.** | |

**B Category 4: TRAN-1 filed but credit not received. TRAN-1 filed but credit not received. There was no error logged in filing for TRAN-1.**

| S.No. | **GSTIN/ Provisional id** | **Name reported by the Taxpayer in Writ Petition** | **State** | **Constitution of business** | **Issue** | **Status** |
|---|---|---|---|---|---|---|
| 13 | 33AAGCM0518C1Z4 | 21321/2018 Tvl.M.S.R. Iron and Steel Industries India Pvt. Ltd v. UOI & Ors | Tamil Nadu | Private Limited Company | The Petitioner had wrongly declared the stock value in column 7(d) due to which the credit had not been reflected in his Electronic Credit Ledger. To avail the excise duty on stock, the same had to be declared in column 7(a).<br><br>The taxpayer has made a mistake in filing TRAN-1 form and no technical glitch was found. | The matter has been disposed of vide order dated 21.08.2018. The Hon'ble Court has directed that the procedure prescribed under circular dated 3.4.2018 be followed. |
| 14 | 33AAMFB6860B1ZO | 21322/2018 Balu Iron and Steel Company | Tamil Nadu | Partnership | The Petitioner had wrongly declared the stock value in column 7(d) due to which the credit had not been reflected in his Electronic Credit Ledger. To avail the excise duty on stock, the same had to be declared in column 7(a). | The matter has been disposed of vide order dated 21.08.2018. The Hon'ble Court has directed that the procedure prescribed under circular dated 3.4.2018 be followed. |

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| | | | | | The taxpayer has made a mistake in filing TRAN-1 form and no technical glitch was found. | |
| 15 | 33AAECR3728H1ZH | 21323/2018 Ramesh Iron and Steel Company India Pvt. Ltd. | Tamil Nadu | Private Limited Company | The Petitioner had wrongly declared the stock value in column 7(d) due to which the credit had not been reflected in his Electronic Credit Ledger. To avail the excise duty on stock the same had to be declared in column 7(a).<br><br>The taxpayer has made a mistake in filing TRAN-1 form and no technical glitch was found. | The matter has been disposed of vide order dated 21.08.2018. The Hon'ble Court has directed that the procedure prescribed under circular dated 3.4.2018 be followed. |

**B Category 5: TRAN1 Filed twice but credit not received**

| S.No. | **GSTIN/ Provisional id** | **Name reported by the Taxpayer in Writ Petition** | **State** | **Constitution of business** | **Issue** | **Status** |
|---|---|---|---|---|---|---|
| 16 | 32AAMFG0190P1Z5 | WP(C) 20287/2018 filed by G & C Infra Innovations | Kerala | Partnership | **Allegation in the Writ Petition: -** The Petitioner while filing TRAN-2 is getting the following error "You have not declared in Part 7B of table 7(a) of TRAN-1, so you are not permitted to fill any details in table 4 of TRAN-2.<br>In these cases also considering the fact that the taxpayer has made an effort to file a Writ Petition alleging technical glitches further investigation was carried out by GSTN.<br><br>**Further investigation by GSTN: -** An email was sent on 24.08.2018 to the taxpayer requesting for the following: -<br>i. Exact technical glitch faced by THEM while filing TRAN-1<br>ii. Nature of error noticed<br>iii. Screen-shots of technical error/emails sent to help-desk along with ticket numbers.<br><br>**No response was received from the taxpayer.** | The matter has been disposed of vide judgment dated 22.06.2018. The Hon'ble Court has directed to follow the procedure as prescribed under circular dated 3.4.2018. |

## Annexure 3

**Members (Centre)**

- Sh. Mahender Singh, Member (GST), CBIC
- Dr. Rajeev Ranjan, Special Secretary, GSTC
- 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. T. V. Somanathan, CCT, Tamil Nadu
- Sh. P.D. Vaghela, CCT, Gujarat
- Ms. Smaraki Mahapatra, CCT, West Bengal

**Special Invitees**

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

**Others**

- Sh. Gauri Shankar Sinha, Additional 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. Mahesh Kumar, Under Secretary, GST Council

**Agenda Item 5: Review of Revenue Position**

In the 30th GST Council Meeting held on 28th September, 2018, revenue collection figures for July and August, 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 September, 2018 to November, 2018 including the details of funds transferred to the Centre and States on account of settlement of funds.

**Table 1*: GST revenue for September-November, 2018**

**(Figures in Rs. crore)**

| Month | September'18 | October'18 | November'18 |
|---|---|---|---|
| CGST | 15,318 | 16,464 | 16,812 |
| SGST | 21,061 | 22,826 | 23,070 |
| IGST | 50,070 | 53,419 | 49,726 |
| Domestic | 24,762 | 26,511 | 25,593 |
| Imports | 25,308 | 26,908 | 24,133 |
| Comp Cess | 7,993 | 8,000 | 8,031 |
| Domestic | 7,224 | 7,045 | 7,189 |
| Imports | 769 | 955 | 842 |
| **Total** | **94,442** | **100,710** | **97,637** |

*Figures rounded to nearest whole number

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

**Table 2**: IGST Collection/Settlement/Apportionment/Refund from September'18-November'18**

**(Figures in Rs. crore)**

| Month | September'18 | October'18 | November'18 |
|---|---|---|---|
| IGST Collections | 50,070 | 53,419 | 49,729 |
| IGST Refunds | 6,514 | 5,657 | 7,813 |
| IGST Settlement | 29,210 | 62,597 | 33,966 |
| CGST | 15,255 | 17,490 | 18,262 |
| SGST | 13,954 | 15,107 | 15,704 |
| CGST ad hoc | | 15,000 | |
| SGST ad hoc | | 15,000 | |
| **Net** | **14,346** | **-14,835** | **7,950** |

**Figures rounded to nearest whole number

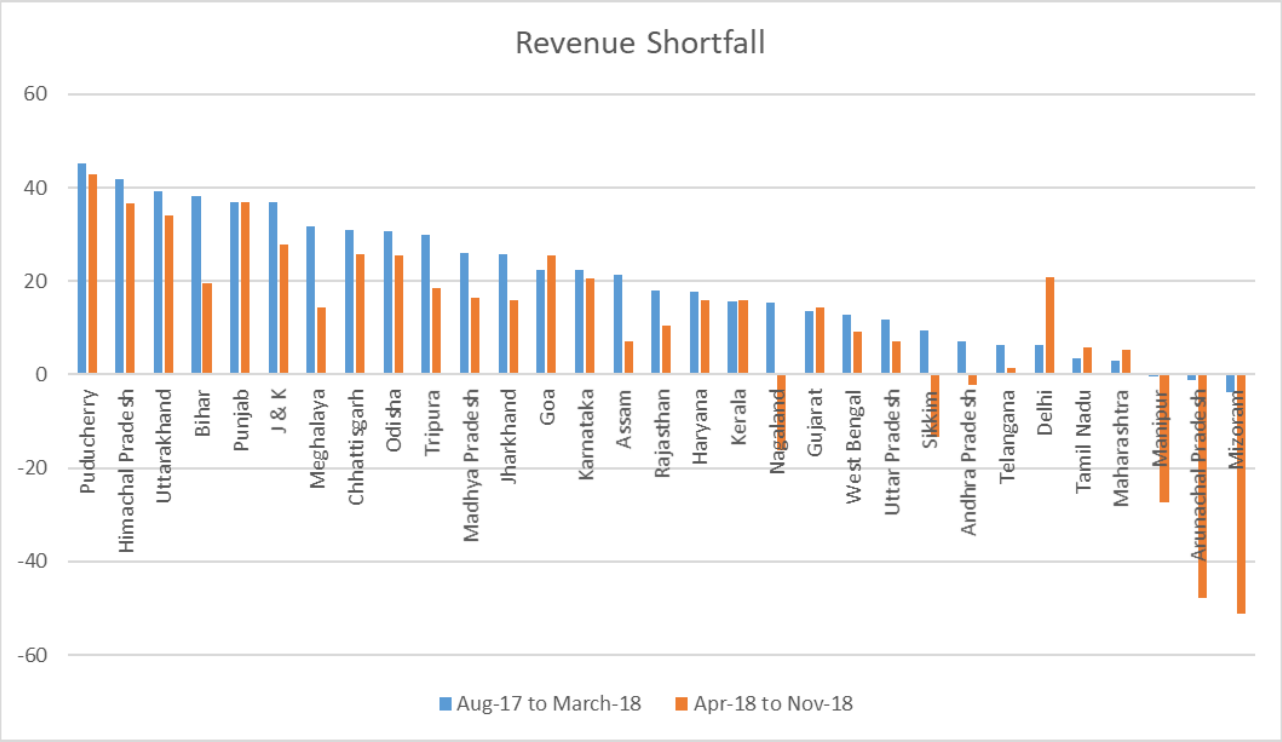
The balance IGST carried forward from the previous months is Rs. 9801 crore. Therefore, the balance IGST available with the Centre after settlement/provisional settlement/refund as on 1st December 2018 is Rs. 17,262 crore.

**Revenue Trends**

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

**Table 3**

| S. No. | State | Aug-17 to March-18 | Apr-18 to Nov-18 |
|---|---|---|---|
| 1 | Puducherry | 45% | 43% |
| 2 | Himachal Pradesh | 42% | 37% |
| 3 | Uttarakhand | 39% | 34% |
| 4 | Bihar | 38% | 20% |
| 5 | Punjab | 37% | 37% |
| 6 | Jammu & Kashmir | 37% | 28% |
| 7 | Meghalaya | 32% | 14% |
| 8 | Chhattisgarh | 31% | 26% |
| 9 | Odisha | 31% | 25% |
| 10 | Tripura | 30% | 19% |
| 11 | Madhya Pradesh | 26% | 17% |
| 12 | Jharkhand | 26% | 16% |
| 13 | Goa | 23% | 25% |
| 14 | Karnataka | 22% | 21% |
| 15 | Assam | 21% | 7% |
| 16 | Rajasthan | 18% | 10% |
| 17 | Haryana | 18% | 16% |
| 18 | Kerala | 16% | 16% |
| 19 | Nagaland | 15% | -16% |
| 20 | Gujarat | 14% | 14% |
| 21 | West Bengal | 13% | 9% |
| 22 | Uttar Pradesh | 12% | 7% |
| 23 | Sikkim | 9% | -13% |
| 24 | Andhra Pradesh | 7% | -2% |
| 25 | Telangana | 6% | 1% |
| 26 | Delhi | 6% | 21% |
| 27 | Tamil Nadu | 4% | 6% |
| 28 | Maharashtra | 3% | 5% |
| 29 | Manipur | 0% | -27% |
| 30 | Arunachal Pradesh | -1% | -48% |
| 31 | Mizoram | -4% | -51% |
| | **Grand Total** | **20%** | **10%** |

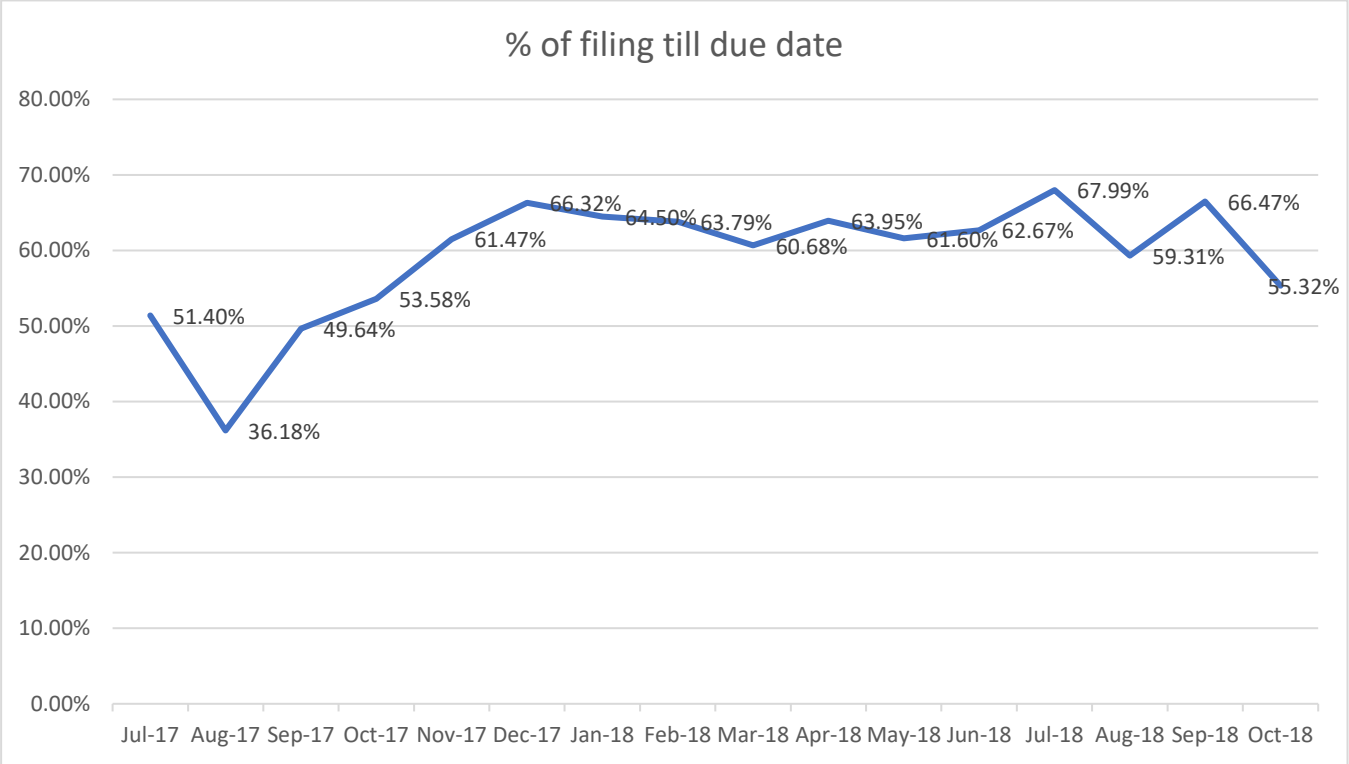



**Trends in Return Filing**

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

**Table 4**

| Tax Period | Taxpayers eligible to file | Filed till due date | % till due date of filing | Filed till date 13th Dec., 2018 | % till date 13th Dec., 2018 |
|---|---|---|---|---|---|
| Jul-17 | 74,61,214 | 38,34,877 | 51.40% | 70,76,360 | 93.94% |
| Aug-17 | 75,32,807 | 27,25,183 | 36.18% | 74,00,449 | 93.37% |
| Sep-17 | 79,25,831 | 39,34,256 | 49.64% | 71,35,996 | 87.51% |
| Oct-17 | 81,54,303 | 43,68,711 | 53.58% | 71,70,724 | 89.72% |
| Nov-17 | 79,92,517 | 49,13,065 | 61.47% | 72,27,719 | 88.33% |
| Dec-17 | 81,82,277 | 54,26,278 | 66.32% | 73,10,247 | 87.41% |
| Jan-18 | 83,63,437 | 53,94,018 | 64.50% | 73,98,778 | 86.58% |
| Feb-18 | 85,45,661 | 54,51,004 | 63.79% | 74,60,566 | 85.67% |
| Mar-18 | 87,08,493 | 52,83,962 | 60.68% | 74,29,626 | 84.26% |
| Apr-18 | 88,17,798 | 56,38,813 | 63.95% | 75,17,863 | 82.41% |
| May-18 | 91,22,309 | 56,18,925 | 61.60% | 75,55,632 | 81.10% |
| Jun-18 | 93,16,710 | 58,39,034 | 62.67% | 75,59,211 | 79.82% |
| Jul-18 | 94,70,282 | 64,39,259 | 67.99% | 75,45,416 | 78.47% |
| Aug-18 | 96,15,273 | 57,02,349 | 59.31% | 74,52,775 | 77.17% |
| Sep-18 | 96,57,239 | 64,19,403 | 66.47% | 72,04,912 | 73.84% |
| Oct-18 | 97,57,664 | 53,98,369 | 55.32% | 70,76,360 | 93.94% |




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 5:** Return filling on due date

| State Code | State/UT Name | Apr 18 | May 18 | Jun 18 | Jul 18 | Aug 18 | Sep 18 | Oct 18 |
|---|---|---|---|---|---|---|---|---|
| 1 | Jammu and Kashmir | 60% | 59% | 59% | 64% | 59% | 63% | 59% |
| 2 | Himachal Pradesh | 69% | 67% | 65% | 72% | 63% | 70% | 66% |
| 3 | Punjab | 80% | 78% | 76% | 82% | 74% | 79% | 75% |
| 4 | Chandigarh | 75% | 73% | 73% | 79% | 69% | 78% | 73% |
| 5 | Uttarakhand | 59% | 58% | 57% | 63% | 56% | 63% | 57% |
| 6 | Haryana | 70% | 69% | 68% | 73% | 63% | 71% | 64% |
| 7 | Delhi | 64% | 64% | 63% | 68% | 59% | 66% | 59% |
| 8 | Rajasthan | 68% | 67% | 65% | 71% | 63% | 71% | 64% |
| 9 | Uttar Pradesh | 71% | 70% | 68% | 73% | 66% | 73% | 67% |
| 10 | Bihar | 55% | 54% | 53% | 60% | 54% | 58% | 52% |
| 11 | Sikkim | 55% | 54% | 54% | 62% | 54% | 58% | 52% |
| 12 | Arunachal Pradesh | 30% | 30% | 30% | 36% | 31% | 35% | 32% |
| 13 | Nagaland | 30% | 33% | 34% | 41% | 37% | 41% | 36% |
| 14 | Manipur | 34% | 33% | 31% | 44% | 38% | 43% | 37% |
| 15 | Mizoram | 42% | 42% | 42% | 47% | 44% | 48% | 43% |
| 16 | Tripura | 56% | 56% | 56% | 64% | 58% | 61% | 59% |
| 17 | Meghalaya | 48% | 49% | 51% | 57% | 53% | 57% | 54% |
| 18 | Assam | 41% | 42% | 42% | 48% | 41% | 44% | 42% |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 19 | West Bengal | 67% | 65% | 65% | 70% | 62% | 67% | 64% |
| 20 | Jharkhand | 59% | 58% | 58% | 66% | 58% | 63% | 57% |
| 21 | Odisha | 58% | 54% | 54% | 62% | 52% | 59% | 56% |
| 22 | Chhattisgarh | 52% | 51% | 52% | 62% | 51% | 59% | 51% |
| 23 | Madhya Pradesh | 60% | 61% | 61% | 69% | 60% | 67% | 61% |
| 24 | Gujarat | 72% | 72% | 71% | 76% | 68% | 75% | 67% |
| 25 | Daman and Diu | 62% | 63% | 62% | 69% | 58% | 67% | 59% |
| 26 | Dadra and Nagar Haveli | 61% | 61% | 61% | 66% | 56% | 65% | 57% |
| 27 | Maharashtra | 62% | 61% | 61% | 67% | 56% | 65% | 59% |
| 29 | Karnataka | 62% | 62% | 62% | 67% | 60% | 65% | 61% |
| 30 | Goa | 56% | 56% | 56% | 61% | 52% | 60% | 55% |
| 31 | Lakshadweep | 25% | 22% | 22% | 22% | 21% | 24% | 20% |
| 32 | Kerala | 59% | 58% | 58% | 55% | 40% | 62% | 52% |
| 33 | Tamil Nadu | 59% | 59% | 59% | 63% | 57% | 62% | 57% |
| 34 | Puducherry | 58% | 57% | 58% | 63% | 54% | 63% | 55% |
| 35 | Andaman and Nicobar Islands | 23% | 24% | 27% | 32% | 25% | 30% | 25% |
| 36 | Telangana | 56% | 55% | 54% | 60% | 49% | 57% | 54% |
| 37 | Andhra Pradesh | 60% | 61% | 60% | 67% | 57% | 63% | 61% |
| 97 | Other Territory | 54% | 55% | 65% | 71% | 60% | 77% | 68% |

**Table 6:** Return filling till date

| State Code | State/UT Name | Apr 18 | May 18 | Jun 18 | Jul 18 | Aug 18 | Sep 18 | Oct 18 |
|---|---|---|---|---|---|---|---|---|
| 1 | Jammu and Kashmir | 83% | 81% | 80% | 78% | 77% | 75% | 71% |
| 2 | Himachal Pradesh | 87% | 84% | 83% | 82% | 81% | 79% | 77% |
| 3 | Punjab | 92% | 90% | 89% | 89% | 88% | 87% | 85% |
| 4 | Chandigarh | 89% | 88% | 88% | 88% | 88% | 87% | 85% |
| 5 | Uttarakhand | 80% | 79% | 77% | 76% | 74% | 73% | 70% |
| 6 | Haryana | 87% | 86% | 85% | 83% | 82% | 80% | 77% |
| 7 | Delhi | 84% | 83% | 81% | 79% | 78% | 77% | 73% |
| 8 | Rajasthan | 86% | 84% | 82% | 81% | 80% | 80% | 76% |
| 9 | Uttar Pradesh | 87% | 86% | 84% | 83% | 82% | 81% | 78% |
| 10 | Bihar | 79% | 77% | 75% | 73% | 72% | 70% | 66% |
| 11 | Sikkim | 83% | 82% | 79% | 78% | 76% | 73% | 67% |
| 12 | Arunachal Pradesh | 62% | 60% | 57% | 55% | 52% | 48% | 42% |
| 13 | Nagaland | 64% | 63% | 61% | 59% | 57% | 54% | 49% |
| 14 | Manipur | 65% | 64% | 62% | 60% | 57% | 54% | 49% |
| 15 | Mizoram | 71% | 69% | 67% | 65% | 63% | 60% | 54% |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 16 | Tripura | 79% | 78% | 76% | 75% | 74% | 72% | 69% |
| 17 | Meghalaya | 75% | 74% | 73% | 71% | 70% | 67% | 63% |
| 18 | Assam | 68% | 66% | 64% | 62% | 60% | 58% | 54% |
| 19 | West Bengal | 86% | 84% | 82% | 81% | 80% | 78% | 74% |
| 20 | Jharkhand | 84% | 82% | 81% | 79% | 78% | 76% | 72% |
| 21 | Odisha | 79% | 76% | 74% | 73% | 72% | 70% | 66% |
| 22 | Chhattisgarh | 84% | 81% | 81% | 80% | 78% | 75% | 70% |
| 23 | Madhya Pradesh | 87% | 85% | 84% | 84% | 82% | 81% | 77% |
| 24 | Gujarat | 90% | 88% | 87% | 86% | 85% | 84% | 81% |
| 25 | Daman and Diu | 86% | 85% | 84% | 82% | 81% | 78% | 74% |
| 26 | Dadra and Nagar Haveli | 86% | 84% | 83% | 81% | 79% | 76% | 71% |
| 27 | Maharashtra | 83% | 81% | 80% | 78% | 77% | 75% | 71% |
| 29 | Karnataka | 83% | 81% | 80% | 78% | 77% | 75% | 72% |
| 30 | Goa | 80% | 78% | 76% | 75% | 73% | 71% | 66% |
| 31 | Lakshadweep | 38% | 37% | 35% | 34% | 32% | 29% | 27% |
| 32 | Kerala | 87% | 86% | 84% | 83% | 81% | 79% | 75% |
| 33 | Tamil Nadu | 79% | 77% | 76% | 75% | 74% | 73% | 71% |
| 34 | Puducherry | 81% | 79% | 77% | 77% | 75% | 73% | 70% |
| 35 | Andaman and Nicobar Islands | 57% | 55% | 52% | 49% | 47% | 43% | 37% |
| 36 | Telangana | 82% | 80% | 78% | 77% | 75% | 73% | 70% |
| 37 | Andhra Pradesh | 84% | 82% | 81% | 80% | 80% | 79% | 76% |
| 97 | Other Territory | 81% | 80% | 82% | 82% | 81% | 79% | 76% |

6. The revenue position from the months of September, 2018 to November, 2018 under GST is placed for information of the Council.

**Agenda Item 7: Issues recommended by the Law Committee for the consideration of the GST Council**

**Agenda Item 7(i): Extension of the due date for furnishing the statement in FORM GSTR-8 by electronic commerce operator for the months of October, November and December, 2018**

The provisions related to tax collected at source (TCS) by electronic commerce operators (ECOs) contained in section 52 of the Central Goods and Services Tax Act, 2017 (CGST Act for short) have been brought into effect from 01st October, 2018 vide notification No. 51/2018 -Central Tax dated 13.09.2018.

2. Several representations were received from the ECOs on the issues being faced by them related to registration in States where they do not have any physical presence. Accordingly, based on the proposal of the Law Committee and approved by GIC, it was clarified in the revised FAQs on TCS issued on 30th November, 2018 that *in order to facilitate the obtaining of registration in each State/UT, the e-commerce operator may declare the Head Office as its place of business for obtaining registration in that State/UT where it does not have physical presence. It may be noted that each State/UT has indicated one administrative jurisdiction where all e-commerce operators having business (but not having physical presence) in that State/UT shall register. The proper officer for the purpose of registration of ECOs has also been notified by each State/UT.*

3. Further, certain ECOs who were unable to obtain registration in the month of October, 2018 because of the above-mentioned issue but collected TCS for the said month were unable to furnish the details in the statement in **FORM GTSR-8**. This issue was also clarified in the revised FAQs on TCS issued on 30th November, 2018 to the effect that *the ECOs who have been unable to obtain registration in the month of October, 2018 but have already collected TCS for the said month, may furnish the details of TCS collected in the month of October, 2018 in the first return in FORM GTSR-8 to be filed after obtaining registration.*

4. In this regard, it is submitted that the due date for furnishing the statement in **FORM GSTR-8** for the month of October, 2018 was 10th November, 2018. The ECOs who could not furnish the statement by the due date are now liable to pay interest under section 52(6) of the CGST Act along with penalty under section 122(1)(vi) of the CGST Act.

5. Accordingly, the Law Committee has proposed extending the due date for furnishing the statement in **FORM GSTR-8** for the months of October, November and December, 2018 as detailed below:

| Period | Due date | Proposed due date |
|---|---|---|
| October, 2018 | 10th November, 2018 | 31st January, 2019 |
| November, 2018 | 10th December, 2018 | |
| December, 2018 | 10th January, 2019 | |

6. It is stated that the last dates for furnishing the return in **FORM GSTR-7** by TDS deductors for the months of October, November & December, 2018 were also extended till 31st January, 2019 vide notification No. 66/2018 dated 29.11.2018.

7. Accordingly, approval of the GST Council is sought for extending the due date for furnishing the statement in **FORM GSTR-8** by ECOs for the months of October, November and December, 2018 till 31st January, 2019. The requisite notification shall be issued by the Central and State Governments.

**Agenda Item 7(ii): Extension of last date for allowing migration of taxpayers who received Provisional Identification Number (PID) till 31st December, 2017**

The GST Council in its 28th meeting held on 21st July, 2018 had allowed migration of persons who did not file the complete **FORM GST REG-26** of the Central Goods and Services Tax Rules, 2017 (hereinafter referred to as "CGST Rules") but received only a Provisional Identification Number (PID) (hereinafter referred to as "such taxpayers") till 31st December, 2017. Such taxpayers were required to furnish certain details to the jurisdictional nodal officer of the Central Government or State Government on or before the 31st August, 2018. The detailed guidelines for the migration of such taxpayers was specified vide notification No. 31/2018-CT dated 6th August, 2018. The entire process of migration was required to be completed by 30th September, 2018.

2. In this regard, GSTN has informed that out of 7390 valid PIDs, they have completed the migration of 2252 GSTINs who have activated their profile and complied. Emails for the 7390 cases have already been triggered and on receipt of the compliance mail from the eligible taxpayers, GSTN shall complete the process of migration for the remaining valid PIDs (5138) also.

3. Further, GSTN has stated that they have received details of 529 taxpayers (as on 11th November, 2018) from the nodal officers of the States/Centre for allowing migration. These applications have been received by the nodal officers after the due date viz., 31st August, 2018. State wise break –up of the requests received is given below: -

| State | Request from State | Request from Centre |
|---|---|---|
| Andhra Pradesh | 10 | 4 |
| Assam | 2 | 7 |
| Bihar | 1 | 1 |
| Chandigarh | 0 | 5 |
| Chhattisgarh | 19 | 0 |
| Daman and Diu | 0 | 1 |
| Dadar Nagar and Haveli | 1 | 1 |
| Goa | 2 | 1 |
| Gujarat | 30 | 1 |
| Haryana | 3 | 1 |
| Himachal Pradesh | 13 | 0 |
| Karnataka | 34 | 0 |
| Kerala | 28 | 4 |
| Madhya Pradesh | 11 | 4 |
| Maharashtra | 26 | 5 |
| New Delhi | 21 | 16 |
| Punjab | 2 | 4 |
| Tamil Nadu | 197 | 36 |
| Telangana | 1 | 7 |
| Uttar Pradesh | 3 | 2 |
| West Bengal | 4 | 4 |
| Odisha | 0 | 15 |
| Rajasthan | 0 | 1 |

| State | Request from State | Request from Centre |
|---|---|---|
| Sikkim | 0 | 1 |
| **Total** | **408** | **121** |

4. The Law Committee in its meeting held on 10th and 11th December, 2018 has proposed that one more opportunity may be given to such taxpayers who had received only a PID till 31st December, 2017 (including these 529 taxpayers) to complete the migration process.

5. Further, as informed by GSTN, only 2252 GSTINs out of 7390 valid PIDs have activated their profile and completed the migration process so far as per the procedure laid down vide notification No. 31/2018-CT dated 6th August, 2018. Whereas, the last date for furnishing the return in **FORM GSTR-3B** and the details of outward supplies in **FORM GSTR-1** for the period July, 2017 to November, 2018 by such taxpayers has been notified to be 31st December, 2018 vide notifications No. 47/2018-CT, No. 43/2018-CT and 44/2018-CT, all dated 10th September, 2018 respectively.

6. In this regard, it is proposed that the migration window may be extended for all persons who did not file the complete **FORM GST REG-26** but received only a PID till 31st December, 2017. This would include such taxpayers who have applied to the nodal officers of the States/Centre after the stipulated last date viz., 31st August, 2018. It is proposed that such taxpayers should be required to furnish the requisite details to the jurisdictional nodal officer of the Central Government or State Government on or before **31st January, 2019** and the requisite details by email to GSTN by **28th February, 2019.** Such taxpayers shall be deemed to have been registered with effect from the 1st July, 2017. In this regard, it is proposed to amend notification No. 31/2018-CT dated 6th August, 2018 accordingly. The State Governments would also be required to issue the requisite notification.

7. Further, it is proposed that the last date for furnishing the return in **FORM GSTR-3B** and the details of outward supplies in **FORM GSTR-1** for the period July, 2017 to February, 2019/quarters July, 2017 to December, 2018 by such taxpayers should be extended till **31st March, 2019**.

8. It is further proposed to extend the benefit of the extension of the due date for furnishing the return in **FORM GSTR-3B** and the details of outward supplies in **FORM GSTR-1** to all such taxpayers who have migrated to GST pursuant to the procedure laid down vide notification No. 31/2018-CT dated 6th August, 2018 as amended in light of para 6 above. This shall ensure parity in terms of furnishing the return in **FORM GSTR-3B** and the details of outward supplies in **FORM GSTR-1** for the period July, 2017 to February, 2019/quarters July, 2017 to December, 2018 by all such taxpayers who could not complete the migration process that is, who did not file the complete **FORM GST REG-26** but received only a PID till 31st December, 2017.

9. Accordingly, approval of the GST Council is sought for the following:

(i) allowing migration of persons who did not file the complete **FORM GST REG-26** but received only a PID till 31st December, 2017 to furnish the requisite details to the jurisdictional nodal officer of the Central Government or State Government on or before **31st January, 2019** and the requisite details by email to GSTN by **28th February, 2019;**

(ii) Further, extending the last date for furnishing the return in **FORM GSTR-3B** and the details of outward supplies in **FORM GSTR-1** for the period July, 2017 to February, 2019/quarters July, 2017 to December, 2018 by such taxpayers till **31st March, 2019.**

10. Requisite notifications would be issued by the Central and State Governments.

**Agenda Item 7(iii): FAQ on Banking, Insurance and Stock Brokers Sector**

Representations were received from the Association of National Exchange Members of India and the BSE broker's forum on question No. 80 in the FAQ released on "Banking, Insurance and Stock Brokers Sector". The said question and its reply is as below:

| Sl. No. | Question | Answer |
|---|---|---|
| 80. | Is GST leviable on interest/ delayed payment charges charged to clients for debit for settlement obligations/ margin trading facility? | Any interest/ delayed payment charges charged for delay in payment of brokerage amount/settlement obligations/margin trading facility shall be leviable to GST. |

2. Whereas, it has been represented that the interest earned by the brokers on providing margin trading facility is covered by entry No. 27 of notification No. 12/2017 – Central Tax (Rate) dated 28.06.2017 and not by the provisions of section 15(2)(d) of the Central Goods and Services Tax Act, 2017 (CGST Act for short). The said entry under Heading 9971 of the notification reads as below:

*Services by way of –*

*(a) Extending deposits, loans, or advances in so far as the consideration is represented by way of interest or discount (other than interest involved in credit card services).*

Whereas, section 15 (2)(d) of the CGST Act reads as below:

*Section 15(2) - The value of supply shall include -*

*(d) interest or late fee or penalty for delayed payment of any consideration for any supply.*

3. The Law Committee has discussed this issue and proposed that since settlement obligations/margin trading facilities are transactions which are in the nature of extending loans or advances, the same are covered by entry No. 27 of notification No.12/2017-CT dated 28.06.2017. Accordingly, it is proposed to amend the reply to the question No. 80 in the FAQs as below:

| Sl. No. | Question | Answer |
|---|---|---|
| 80. | Is GST leviable on interest/ delayed payment charges charged to clients for debit for settlement obligations/ margin trading facility? | Any interest/ delayed payment charges charged for delay in payment of brokerage amount/ settlement obligations/ margin trading facility shall *not* be leviable to GST *since settlement obligations/ margin trading facilities are transactions which are in the nature of extending loans or advances and are covered by entry No. 27 of notification No.12/2017- Central Tax (Rate) dated 28th June, 2017.* |

4. Accordingly, approval of the GST Council is sought for amending the said answer in the FAQ released on "Banking, Insurance and Stock Brokers Sector".

**Agenda Item 7(iv): Amending SOP issued on TDS - Issues on furnishing of return in FORM GSTR-7 by registered persons required to deduct tax at source under section 51 of the CGST Act for period during which the deductor was not registered**

The provisions of section 51 of the Central Goods and Services Tax Act, 2017 (CGST Act for short) were brought into force from 01st October, 2018 vide notification No. 50/2018 - Central Tax dated 13.09.2018. According to sub-rule (1) of rule 66 of the Central Goods and Services Tax Rules, 2017 (CGST Rules for short), every registered person required to deduct tax at source under section 51 of the CGST Act, 2017 is required to furnish a return in **FORM GSTR-7**. There have been certain cases where persons required to deduct tax at source have obtained registration after 01st October, 2018. Doubts have been raised whether such persons should report the details of tax deducted during the intervening period (i.e. from 01st October, 2018 till the date of registration) while filing their first return in **FORM GSTR-7**.

2. The Law Committee, in its meeting held from 14th to 16th November, 2018, had discussed this issue and proposed that furnishing of the return in **FORM GSTR-7** should be allowed for a period prior to registration by condoning the delay in obtaining registration. It was decided that all such deductions made on or after 1st October, 2018 but before the date of registration may be included in the first return to be furnished by the deductor after obtaining registration.

3. Accordingly, the SOP (Standard Operating Procedure) on TDS (Tax Deduction at Source) issued on 28th September, 2018 is proposed to be suitably modified in order to clarify the same. The draft changes in the SOP on TDS are as follows:

**a. Insertion of Para 10.3 after Para 10.2:**

| |
|---|
| ***"10. 3 Filing of TDS Return for period during which there was no registration:*** |
| *All deductions made on or after 1st October, 2018 but before the date of registration may be included in the first return to be furnished after obtaining registration."* |

**b. Insertion of FAQ No. 68 after FAQ No. 67**

| ***FAQ no. 68*** | | |
|---|---|---|
| *S.No.* | *Question* | *Answer* |
| *1.* | *"What needs to be done if I have taken registration for TDS on 1st November, 2018 but was required to deduct TDS from 1st October, 2018?* | *All deductions made earlier must be included while furnishing the first return. In other words, while furnishing the return for the month of November, 2018, TDS deducted for the months of October and November, 2018 shall be included in the said return."* |

4. Accordingly, approval of the GST Council is sought for amending the SOP on TDS as detailed in paragraph 3 above.

**Agenda Item 7(v): Update on the implementation status of the issues referred to the Law Committee by the GST Council**

The GST Council in its various meetings from time to time had referred various issues to the Law Committee (LC for short) for examination. The LC has examined the issues and the proposals of the LC on the issues are as follows.

**Issue No. 1:**

2. **The Law Committee to suggest a method to ensure that taxpayers availing the benefit of filing quarterly tax return pay the correct estimated amount of tax every month and to charge interest where tax paid in any month was less than the value of supply declared in that month (28th GST Council Meeting held on 21st July 2018).**

2.1. Proposal of LC: The GST law should have a provision to the effect that the payment of tax would be made on a monthly basis on self-assessment basis accompanied by a monthly payment statement wherein the monthly credit availed and output liability is declared. In case of any short payment during any month *vis-a-vis* the actual liability, the taxpayer would, at the time of filing the quarterly return, pay the differential amount along with the tax for the third month with interest. In case the tax administration, during audit or otherwise, detects that payment liability declared was less than his actual output tax liability and/ or excess ITC was availed, then, interest would be leviable and all the other provisions of the Act would apply.

**Issue No. 2:**

3. **The Law Committee to examine to introduce a provision in the GST Law to allow a buyer to pay tax for the supplies received from a new or unknown supplier (28th GST Council Meeting held on 21st July 2018).**

3.1. Proposal of LC: In the new return design, the input tax credit can be availed upon uploading of invoices by the supplier and this is not contingent upon the payment of tax by the said supplier. Accordingly, the recipient has the option of not making payment of the tax amount involved to the supplier if the invoice is not uploaded. In view of this, LC is of the opinion that no new provision is required to be introduced. Further, in the event of the tax in respect of invoices uploaded not being paid by the supplier, the same has to be recovered first from the defaulting supplier. Besides, introducing an option for the recipient to pay the tax, instead of the supplier, would require large-scale changes to the return design, software and the Law/rules. This would also require introduction of a new provision of refund on account of accumulated ITC at the hands of the supplier because the tax liability has been discharged by the recipient while the ITC keeps accruing in the hands of the supplier. Even if the said provision were to be introduced, this would lead to increase in the working capital requirement of both the supplier (on account of accumulation of ITC) and the recipient (on account of having to pay the tax, in cash, on supplies received by him).

**Issue No. 3:**

4. **The Law Committee may consider the issue of exclusion of Brick Kilns, Menthol and Sand Mining activities from the benefit of Composition scheme (28th GST Council Meeting held on 21st July 2018).**

4.1. Proposal of LC: The GST Council Secretariat, vide their OM dated 6.11.2018, had written to the States to send their details/ inputs in respect of brick kilns, menthol and sand mining activities in a prescribed format. It is seen from the GST Council Secretariat's mail dated 20.11.2018 addressed to the States that the details/inputs have been received from only 17 States. The matter would be examined on receipt of the details/inputs from the remaining States.

**Issue No. 4:**

5. **The Law Committee to examine the feasibility of introducing MRP-based and capacity-based tax assessment under GST (29th GST Council Meeting held on 04th August 2018).**

5.1. Proposal of LC: It is not advisable to adopt capacity based levy/MRP based levy as GST is a value added tax and tax is levied on the supply of goods. Further, if such capacity based/MRP based levy is introduced, it would not be possible to collect tax at the subsequent stage in the value chain in case it is a single point levy. Further, in case the levy is limited to the first point of supply, the tax would not flow to the consuming State and the self-policing nature of GST would be defeated as there would be a greater incentive to evade tax at the first stage of supply.

5.2. In case MRP based levy is introduced as a multi-point levy, the compliance burden would remain the same as tax would be collected at each stage of supply. This would also increase the working capital requirement for every taxpayer in the value chain because the taxable value would be artificially high. Further, taxation on the basis of MRP will create inequity in the market as a large number of goods are sold below the MRP/on discounted price during off-season sales but consumer would end up paying tax on the MRP thereof rather than on the transaction value.

**Issue No. 5:**

6. **The Law Committee shall frame a proposal to deny the facility of generation of e-way bills to taxpayers who had not filed returns for two consecutive tax periods (30th GST Council Meeting held on 28th September 2018).**

6.1. Proposal of LC: The Law Committee in its meeting held on 29th – 31st October 2018 has recommended insertion of a new rule 138 E in the Central Goods and Services Tax Rules, 2017 (CGST Rules for short) to provide, *inter alia*, that no person (including a consignor, consignee, transporter, an e-commerce operator or a courier agency) shall be allowed to furnish the information in **Part A** of **FORM GST EWB-01** in respect of a registered person, whether as a supplier or a recipient, who—

(a) being a person paying tax under section 10, has not furnished returns for two consecutive tax periods, or
(b) being a person other than a person specified in clause (a), has not furnished returns for a consecutive period of two months.

6.2. The rule shall be notified as part of the CGST Rules but shall come into force only after the system application for the same has been developed by GSTN and NIC.

**Issue No. 6:**

7. **The Law Committee shall examine further simplification of the application form for filing anti-profiteering complaints (30th GST Council Meeting held on 28th September 2018).**

7.1. Proposal of LC: CCT, Maharashtra shall formulate a draft and the Form would be simplified in consultation with National Anti-profiteering Authority (NAA).

**Issue No. 7:**

8. **GSTN would engage with the Law Committee to explore ways of expediting completion of software development for Forms GSTR-9 (Annual Return for regular taxpayers), GSTR-9A (Annual Return for compounding taxpayers) and GSTR-9C (Reconciliation Statement) (30th GST Council Meeting held on 28th September 2018).**

8.1. Proposal of LC: GSTN has informed that software development process is at an advanced stage.

**Issue No. 8:**

9. **Law Committee to examine the problem of small contractors executing works contract for the Government due to time of supply provisions under GST (30th GST Council Meeting held on 28th September 2018).**

9.1. Proposal of LC: During the visit of the Finance Secretary to Uttarakhand to review the revenue gap of State, a point was raised as to how to ameliorate the plight of small works contractors with annual turnover up to Rs. 50 lakhs who become liable to pay tax on issuing an invoice but get their payment after a delay of 3 to 4 months.

9.2. The matter was considered by the LC in its meeting held on 14th-16th November 2018. It was felt that it is not advisable to make a special dispensation for works contractors, to the exclusion of other similarly placed small taxpayers. If the facility is extended to works contractors, there would be demands to extend similar facility to other small taxpayers. This will entail deferment of revenue. It was noted that the GST provisions in this regard are similar to the practice under the erstwhile Central Excise and VAT regimes. The erstwhile service tax regime had, however, a special dispensation for small service providers who were proprietors or partnership concerns.

9.3. Further, providing the facility being demanded would require large scale amendments to the GST Acts viz., sections 12, 13, 16, 37, 38, 39, 42, 43, 43A of the CGST Act, et al. Even after amendment of the GST Acts, the following complications may arise:

> **A**. As per the proposed return system (which has already been approved by the GST Council), the tax liability of the supplier is created on the system upon uploading of the invoice by him and such upload also entitles the recipient to avail input tax credit. If, in order to defer the tax liability of the supplier, the law were to provide for uploading of invoices by him only on receipt of consideration, then the credit to the recipient too will get deferred because the credit is linked to the uploading of the invoice by the supplier.
>
> Alternatively, even if the law were to be amended to provide that the invoice can be uploaded without receipt of consideration but the tax liability on such invoices will be required to be discharged by the supplier only on receipt of consideration, extensive changes in the new return

system (which has already been finalized by the GST Council in its 28th Meeting held on 21st July 2018) would be required. In such cases:-

a) the supplier will have to indicate invoices in respect of which consideration has not been received from the recipient;

b) the system has to flag such invoices;

c) the supplier will have to subsequently indicate the invoices uploaded in respect of which payment has been received in the return period; and

d) the system will have to maintain records of all such events.

**B**. It may be noted that a safeguard has been built in the present system whereby credit availed by the recipient will have to be reversed if the consideration to the supplier is not paid within 180 days from the date of the invoice. This induces the recipient to make payment to the supplier within 180 days otherwise he risks losing the credit.

9.4. In view of the complications discussed aforesaid, the proposal is not acceptable.

10. The status of the issues referred to the Law Committee by the GST Council, as above, is placed before the GST Council for information and consideration.

**Agenda Item 7(vi): Request for exemption from provisions relating to Tax Deduction at Source (TDS) in case of taxable supplies between Government Authority to another Government Authority or to PSU and *vice versa***

The provisions of section 51 of Central Goods and Services Tax Act, 2017 (Tax deduction at source) have been brought into force with effect from 01st October, 2018 vide notification No. 50/2018-Central Tax dated 13.09.2018.

2. Various representations have been received from different Government departments and Ministries including Ministry of Railways seeking exemption from TDS provisions. The primary issues raised in their representation are as follows:

i. Indian Railways (IR) is part of the Central government and primarily engaged in providing services relating to transportation of goods and passengers by rail. The users of the transportation services provided by IR are not only individual passengers, but also businesses. These include various governmental undertakings, public sector undertakings etc. like NTPC, Coal India, SAIL etc. who avail goods transportation services provided by Railways. When TDS is to be deducted by the PSUs availing Railway transportation services, money flowing in directly to the Consolidated Fund of India would stand reduced to that extent. The TDS amount deducted remains outside the Consolidated Fund of India until the said amount is deposited into the Government Account by the PSUs. The average delay in crediting the amount of TDS to the Government Account works out to 25 days (as the TDS will be credited by the 10th of the subsequent month).

ii. A similar situation would arise when Railways Departmental Manufacturing Units make sales of rolling stock to Indian Railway Finance Corporation (IRFC), under the lease arrangement or sell wheelsets to PSUs for manufacture of wagons.

3. The issue was discussed in the Law Committee meeting held on 29th and 30th October, 2018. The Law Committee has recommended grant of exemption from the requirement of TDS in respect of supplies made from one Government authority to another Government authority or from one Government authority to a PSU and vice versa. It may be mentioned that supply from one PSU to another PSU has already been exempted from requirement of TDS vide notification No. 61/2018-Central Tax dated 05.11.2018. Similar exemption will have to be granted under the respective SGST Acts also.

4. The above proposal of grant of exemption from the requirement of TDS is submitted for approval by the GST Council. Requisite notifications would be issued by the Central and State Governments.

**Agenda Item 7(vii): Amendments to the CGST Rules, 2017**

The Law Committee, in its meetings held from 29th October to 31st October, 2018, 14th to 16th November, 2018 and 29th to 30th November, 2018 had proposed various changes in the Central Goods and Services Tax Rules, 2017 (hereinafter referred to as the "CGST Rules"), as detailed below:

1. **Amendment to Rule 12:**

1.1 It has been represented that a number of e-commerce operators do not necessarily have a physical presence in all the States. Depending on the supplies made through the e-commerce operator, they might be required to register in States where they do not have a physical presence as per the provisions of section 52 read with section 22 and section 24(x) of the Central Goods and Services Tax Act, 2017 (CGST Act for short). In order to facilitate e-commerce operators to comply with the provisions of section 52 of the CGST Act, they may be given the option to provide the address of their head office (which may be located in a different State) while applying for registration in those States where they do not have a physical presence. Accordingly, the following sub-rule (1A) may be inserted after sub-rule (1) of rule 12 of the CGST Rules:

| ***Rule 12 (1A)*** |
| --- |
| *"(1A) - A person applying for registration to collect tax in accordance with the provisions of section 52, in a State where he does not have a physical presence, shall mention the name of the State or Union territory in **PART A** of the application in **FORM GST REG-07** and mention the name of the State or Union territory in **PART B** thereof in which the principal place of business is located which may be different from the State or Union territory mentioned in **PART A.**"* |

2. **Amendment to Rule 41:**

2.1 It was observed that for the apportionment of unutilized ITC consequent to a demerger, in the ratio of assets between new entities, the proviso to rule 41(1) does not clarify whether the value of all assets is to be included or only value of those assets is to be included on which ITC has been availed.

2.2 In this regard, the following Explanation may be added after rule 41(1) of the CGST Rules:

| **Explanation to Rule 41(1)** |
| --- |
| *Explanation.- For the purposes of this clause, it is hereby clarified that the 'value of assets' means the 'value of the entire assets of the business whether or not input tax credit has been availed thereon.'* |

3. **Amendment to rule 45:**

3.1 It has been represented that a principal sending his goods for job work is facing difficulty in entering the details of challans issued by the job worker(s) while sending the goods to another job worker for further processing. As per the provisions of rule 45(3) of the CGST Rules, the details of the 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 have to be mentioned in **FORM GST ITC-04**.

3.2 In order to obviate this problem of the principal not having the information regarding the details of subsequent challans issued by the job-workers and to align the rule with the FORM GST ITC-04 amended vide notification No. 39/2018 – Central Taxes dated

04.09.2018, it is proposed that sub-rule (3) of rule 45 of the CGST Rules may be amended as follows:

| **Rule 45(3)** |
|---|
| "(3) 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 included in FORM GST ITC-04 furnished for that period 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:" |

4. **Amendment to Rule 46:**

4.1 The Law Committee in its meeting held on the 11th and 12th October, 2018 had proposed inserting a proviso to rule 46 to prescribe that computer-generated invoices may not be mandated to have signature or digital signature. The said proposal was not implemented as it was felt that inconsistencies in rules 49, 54(2) and 54 (4) need to be addressed before inserting the said proviso.

4.2 It is now proposed to insert a fifth proviso to rule 46 of the CGST Rules as detailed below:

| **5th proviso to Rule 46** |
|---|
| 46. Tax invoice- Subject to rule 54, a tax invoice referred to in section 31 shall be issued by the registered person containing the following particulars, namely, -<br><br>(a) …<br><br>(p) …; and<br><br>(q) signature or digital signature of the supplier or his authorised representative:<br><br>Provided that …:<br><br>Provided further that …:<br><br>Provided also that …:<br><br>Provided also that …;<br><br>*Provided also that the signature or digital signature of the supplier or his authorised representative shall not be required in the case of issuance of an electronic invoice in accordance with the provisions of the Information Technology Act, 2000*. |

5. **Amendment to rules 49, 54(2) and 54 (4):**

5.1 It was observed that the proposed insertion of the 5th proviso to rule 46 (as detailed in sl. No. 4 above in case of invoices) creates inconsistencies in few other rules relating to bill of supply, consolidated tax invoices and tickets etc.

5.2 It is therefore, proposed that provisos may be added in rules 49, 54(2) and 54 (4) of the CGST Rules so as to make them consistent with the proposed amendment in rule 46 of the CGST Rules as per the details below:

| **3rd proviso may be inserted in rule 49** |
|---|
| "*Provided also that the signature or digital signature of the supplier or his authorised representative shall not be required in the case of issuance of an electronic bill of supply in accordance with the provisions of the Information Technology Act, 2000*." |
| **1st proviso may be inserted in Rule 54(2)** |

| |
|---|
| *"Provided that the signature or digital signature of the supplier or his authorised representative shall not be required in the case of issuance of a consolidated tax invoice or any other document in lieu thereof in accordance with the provisions of the Information Technology Act, 2000."* |
| **1st proviso may be inserted in Rule 54(4)** |
| *"Provided that the signature or digital signature of the supplier or his authorised representative shall not be required in the case of issuance of ticket in accordance with the provisions of the Information Technology Act, 2000."* |

6. **Amendment to rule 89:-**

6.1 Under rule 89 (5) relating to refund of unutilized ITC on account of inverted duty structure, the term "relevant period" for which refund can be filed has not been defined. Accordingly, it is proposed that "relevant period", under rule 89(5) of the CGST Rules may be defined so as to have the same meaning as assigned to "relevant period" in rule 89 (4) of the CGST Rules.

6.2 Accordingly, the proposed amendment in explanation (b) to sub-rule (5) of rule 89 of the CGST Rules is as follows:

| **Explanation (b) to rule 89(5)-** |
|---|
| For the purposes of this sub-rule, the expressions-<br>(a) …..<br>(b) "Adjusted Total turnover" *and "relevant period"* shall have the same meaning as assigned to ~~*it*~~ *them* in sub-rule (4). |

7. **Amendment to rule 96**: -

7.1 It is felt that after the issuance of the Sea Cargo Manifest and Transshipment Regulations, 2018, certain provisions of the CGST Rules are required to be aligned with the said regulations.

7.2 Clause 2(1)(h) of notification No. 38/2018-Customs (N.T.) dated 11.05.2018 (vide which the above-mentioned regulations were notified), defines "departure manifest" to mean integrated declaration required to be delivered by an authorized carrier before departure of a vessel or train or truck for imported goods, export goods and coastal goods.

7.3 To align both the laws, it is proposed that the same may be included in rule 96 of the CGST Rules that provides for refund of IGST paid on goods or services exported out of India. Accordingly, clause (a) of sub-rule (1) of rule 96 of the CGST Rules is sought to be amended as below:

| **Rule 96 (1) (a)** |
|---|
| (a) the person in charge of the conveyance carrying the export goods duly files *a departure manifest or* an export manifest or an export report covering the number and the date of shipping bills or bills of export; and |

8. **Amendment to rule 101(1):**

8.1 It was observed that there is an inherent contradiction in the law as far as "period" for which proceedings can be initiated for evasion (i.e. under section 73 & 74 of the CGST Act); and the period for which audit (i.e. under section 65 of the CGST Act) can be undertaken.

8.2 It appears that proceedings under section 73 or 74 of the CGST Act can be taken up for a tax period or multiple tax periods in a financial year; whereas audit under section 65 of the CGST Act is mandatorily for a financial year and multiples thereof.

8.3 It is proposed that "period" for which proceedings may be initiated under all these sections may be harmonized. Accordingly, the following amendments in rule 101 of the CGST Rules is proposed:

| **Rule 101(1)** |
|---|
| "101. Audit. -(1) The period of audit to be conducted under sub-section (1) of section 65 shall be a financial year *or part thereof* or multiples thereof." |

9. **Insertion of Rule 109B:**

According to section 108 of the CGST Act, the Revisional Authority can order revision of any order of a subordinate officer after giving the person concerned an opportunity of being heard. However, there is no corresponding rule in the CGST Rules, 2017 to operationalize the said provision. Therefore, it is proposed to insert rule 109B of the CGST Rules, as below:

| **Rule 109B** |
|---|
| ***109B. Notice to person and order of revisional authority in case of revision.***<br>*(1) Where the Revisional Authority decides to pass an order in revision under section 108 which is likely to affect the person adversely, the Revisional Authority shall serve on him a notice in **FORM GST RVN-01** and shall give him a reasonable opportunity of being heard.*<br>*(2) The Revisional Authority shall, along with its order under sub-section (1) of section 108, issue a summary of the order in **FORM GST APL-04** clearly indicating the final amount of demand confirmed.* |

10. **Amendment to rule *Explanation 1* to sub-section (1) of section 138:**

Due to supersession of the notification No. 32/2017 – Central Tax, dated the 15th September, 2017 after the issuance of notification No. 56/2018 – Central Tax dated 23rd October, 2018, it is proposed to amend the *Explanation 1* to sub-rule (1) of rule 138 of the CGST Rules as follows:

| **Explanation 1 to sub-rule (1) rule (138)** |
|---|
| Explanation 1. – For the purposes of this rule, the expression "handicraft goods" has the meaning as assigned to it in the Government of India, Ministry of Finance, notification No.~~*32/2017*~~ *56/2018*-Central Tax dated the ~~*15th September, 2017*~~ *23rd October, 2018* published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R 1158 (E) dated the 15th September, 2017 as amended from time to time. |

11. **Insertion of rule 138E after rule 138D:**

11.1 Instances have been observed where a taxpayer has not filed returns, but he has been issuing e-way bills as required for transportation of goods under rule 138 of the CGST Rules.

11.2 Presently, there are no provisions in the CGST Rules which restrict such taxpayers from generating e-way bills.

11.3 Accordingly, it is proposed to insert provisions for restricting such taxpayers from generating e-way bills in case they have not filed their returns by inserting a new rule 138E in the CGST Rules as detailed below:

| ***Rule 138E*** |
|---|
| ***"138E. Restriction on furnishing of information in PART A of FORM GST EWB-01.-*** *Notwithstanding anything contained in sub-rule (1) of rule 138, no person (including a consignor, consignee, transporter, an e-commerce operator or a courier* |

| |
|---|
| *agency) shall be allowed to furnish the information in **PART A** of **FORM GST EWB-01** in respect of a registered person, whether as a supplier or a recipient, who,—*<br>*(a) being a person paying tax under section 10, has not furnished the returns for two consecutive tax periods, or*<br>*(b) being a person other than a person specified in clause (a), has not furnished the returns for a consecutive period of two months:*<br><br>*Provided that the Commissioner may, on sufficient cause being shown and for reasons to be recorded in writing, by order, allow furnishing of the said information in **PART A** of **FORM GST EWB 01**, subject to such conditions and restrictions as may be specified by him:*<br><br>*Provided further that no order rejecting the request of such person to furnish the information in **PART A** of **FORM GST EWB 01** under the first proviso shall be passed without affording the said person a reasonable opportunity of being heard:*<br><br>*Provided also that the permission granted or rejected by the Commissioner of State tax or Commissioner of Union territory tax shall be deemed to be granted or, as the case may be, rejected by the Commissioner.*<br><br>*Explanation: – For the purposes of this rule the expression "Commissioner" shall mean the jurisdictional Commissioner in respect of the persons specified in clauses (a) and (b)."* |

Since GSTN and NIC have to develop the functionalities, it is proposed to notify this rule for the time being but to bring it into effect from a date to be notified later when GSTN and NIC informs that the functionality has been developed and is ready to be deployed.

12. **Amendment to sub-rule (5) of rule 142**

12.1 While self-assessed tax is posted in the Liability Register on filing of return, interest liability which has not been declared in the return or paid by the registered person is not posted to the ledger. Whereas, sub-section (12) of section 75 of the CGST Act provides for recovery of interest due on the unpaid self-assessed tax, if any. Further, in cases where the taxpayer makes payment of due tax and interest as per an adjudication order, further interest is also liable to be paid for the period from the date of order till the date of actual payment. In order to post the interest liability in the Liability Register, an order is required to be issued.

12.2 Thus, it is proposed to amend sub-rule (5) of rule 142 of the CGST Rules in order to mention sub-section (12) of section 75 therein for enabling the officers to issue an order in **FORM GST DRC-07** for posting the interest liability in cases detailed above. The proposed change is as below:

| **Rule 142(5)** |
|---|
| (5) A summary of the order issued under sub-section (9) of section 73 or sub-section (9) of section 74 *or sub-section (12) of section 75* 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. |

13. **Amendment of FORM RFD-01A to include additional types of refunds**

13.1 GSTN has informed that the following types of refunds have been made available on the common portal and therefore these types of refunds may be notified in the FORM GST RFD-01A: -

| | |
|---|---|
| 1 | Refund on account of Assessment/Provisional Assessment/Appeal/Any Other Order |
| 2 | Tax paid on an intra-state supply which is subsequently held to be inter-state supply and *vice-versa* |
| 3 | Excess payment of Tax, if any |
| 4 | Any Other |

13.2 Rule 89 (5) of the CGST Rules was amended vide notification No. 21/2018 – Central Taxes dated 18.04.2018 so as to align the same with the provisions of section 54(3) of the CGST Act. However, the relevant statements in FORM GST RFD-01A were not amended. It is, therefore, proposed to amend Statement 1 and Statement 1A accordingly.

13.3 Law Committee, in its meeting held on 12th October, 2018 has decided that in Statement 1A of FORM GST RFD-01A, it may be specified that for imports or supplies received under reverse charge mechanism, the GSTIN of supplier shall mean GSTIN of applicant (recipient).

13.4 As the refund on account of inverted duty structure can be claimed in case of B2B as well as B2C supplies, it is proposed to add a Column in Statement 1A to indicate the type of invoice.

13.5 In view of the above, following amendments are proposed to be carried out in FORM GST RFD-01A: -

i. The various types of refunds mentioned at 13.1 above need to be included in S .No. 7 of FORM GST RFD-01A.

ii. In statement 1 regarding refund on account of inverted duty structure, column 1 may be read as "turnover of inverted rated supply of goods *and services"* and column 2 as "tax payable on such inverted rated supply of goods *and services".*

iii. Changes in statement 1A:- "details of invoices of inward supplies *of inputs* received" and "tax paid on inward supplies *of inputs".*

iv. In respect of column 2 ("GSTIN of the supplier") of statement 1A, it may be mentioned that *"In case of imports or supplies received under reverse charge mechanism [sub-section (3) of CGST Act or sub-section (3) of section 5 of IGST Act], the GSTIN of supplier will mean GSTIN of applicant (recipient)."*

v. *Invoice type (B2B/B2C)* is proposed to be inserted as Column *12* in Statement-1A.

vi. Statement 6 for '*Refund type: On account of change in POS (inter-State to intra-State and vice versa)'* may be inserted; and

vii. Statement 7 for *'Refund type: Excess payment of tax, if any in case of last return filed'* may be inserted.

Accordingly, the amended version of FORM GST RFD-01A is placed at ANNEXURE-I.

14. **Amendment of FORM GST RFD-01**

On account of changes suggested in FORM GST RFD-01A above at S.No.11, the following changes are proposed in FORM GST RFD-01 so as to align the two Forms:

i. In S.No. 7 (d) (ii), the words *"finalization of"* may be added before "provisional assessment"

ii. In statement 1 regarding refund on account of inverted duty structure, column 1 may be read as "turnover of inverted rated supply of goods *and services"* and column 2 as "tax payable on such inverted rated supply of goods *and services".*

iii. Changes in statement 1A:- "details of invoices of inward supplies *of inputs* received" and "tax paid on inward supplies *of inputs".*

*iv.* In respect of column 2 (GSTIN of the supplier) of statement 1A, it may be mentioned that *"In case of imports or supplies received under reverse charge mechanism [sub-section (3) of CGST Act or sub-section (3) of section 5 of IGST Act], the GSTIN of supplier will mean GSTIN of applicant (recipient)."*

v. *Invoice type (B2B/B2C)* is proposed to be inserted as Column *12* in Statement-1A.

vi. The following changes are proposed to be made in statement 6:

- The heading of statement 6 may be read as 'Refund Type: On account of change in POS ~~*of the supplies*~~ (inter-State to intra-State and *vice versa*)'.
- The heading of column 1 of Statement 6 may be read as '*Recipient's* GSTIN/UIN Name (in case of B2C).
- The present heading for Column 2 – 10 of Statement 6 may be amended as 'Details of *tax paid* ~~*invoices covering*~~ *on* transaction considered as intra –State / inter-State transaction earlier'. Also, this amended heading may be applicable for Column 6 – 10 only. The heading in respect of column 2-5 may continue to remain "Invoice details".
- The heading for Column 11 – 15 of Statement 6 may be read as *'Taxes re-assessed on* ~~*T*~~*t*ransaction which were held inter-State / intra-State supply subsequently'.

Accordingly, the amended version of FORM GST RFD-01 is placed at ANNEXURE-II.

15. **Amendment to be made in the annual return furnished in FORM GSTR-9 and FORM GSTR-9A and insertion of instructions**

15.1 Following instructions are proposed to be added to **FORM GSTR-9, FORM GSTR-9A and FORM GSTR-9C (as applicable):**

- The return in FORM GSTR-9 and FORM GSTR-9A would be in respect of supplies etc. 'made during the year' and not 'as declared in returns filed during the year'.
- All returns in FORM GSTR-1 and FORM GSTR-3B have to be filed before filing of FORM GSTR-9 and FORM GSTR-9C. Also, all returns in FORM GSTR-4 have to be filed before filing of FORM GSTR-9A.
- Payments allowed through DRC-03 without acknowledgement by proper officer – navigation table, reasons for payment, tax period to be mentioned as FY 2017-18.
- Such payments will be allowed only in cash
- ITC cannot be availed through the annual return or the reconciliation Statement. Applicable ITC not availed earlier, can only be availed through return in FORM GSTR-3B for upto the month of September 2018 and not through FORM GSTR-9, FORM GSTR-9A or FORM GSTR-9C.
- If the payment of tax for a supply has been made in the return for FY 2017-18, then supply is required to be declared in Part II of FORM GSTR-9. If payment

for a supply has been made between April to September, 2018, then supply related to such payment shall be declared in Part V of FORM GSTR-9.

- HSN code may be declared only for those inward supplies whose value independently accounts for 10% or more of the total value of inward supplies.
- However, in cases where the value in Table 8D of FORM GSTR-9 is negative, then the total of 8E and 8F may not be equal to the value declared in Table 8D. The "out of D" portion of label may be removed.
- If amount stated in table 4D of FORM GSTR-3B was not included in table 4A of FORM GSTR-3B, then no entry may be added in table 7E of FORM GSTR-9. However, if amount mentioned in table 4D of GSTR-3B was included in table 4A of FORM GSTR-3B, then entry will come in 7E of FORM GSTR-9. Label in GSTR-9 to be amended accordingly.
- All Invoices pertaining to previous FY (irrespective of month in which such invoice is reported in GSTR-1) would be auto-populated in Table 8A of GSTR-9.
- ITC for a particular year will be the year in which the recipient avails the ITC even if reversed due to non-payment by recipient in FY 2017-18 but the same was reclaimed in FY 2018-19. In such cases, ITC would be reflected in GSTR-2A of FY 2017-18 and reversed in FY 2017-18 and then reclaimed in FY 2018-19. Such ITC would be availed in FY 2018-19 and will not be considered in GSTR-9 for FY 2017-18.
- The value of "non-GST supply" shall also include the value of "no supply" and may be reported in Table 5D, 5E and 5F of FORM GSTR-9.
- In Table 7F of FORM GSTR-9C, it is proposed to clarify that taxable turnover would not include the turnover on which tax is payable on reverse charge basis and that it will be net of debit and credit notes.

15.2 The following changes in headings in FORM GSTR-9 and FORM GSTR-9C have also been proposed:

- In FORM GSTR-9, in Table 5F, the words "non-GST supply" shall be followed by words *"(includes 'no supply')"*
- In FORM GSTR-9C, in Part II, in S.No. 5E, the figures and brackets "(+)" shall be replaced with figures and brackets *"(-)".*
- In FORM GSTR-9C, in Part II, in S.No. 5J, the figure "(-)" shall be replaced with *"(+)".*

15.3 A verification statement by the registered person who is uploading the Reconciliation Statement in FORM GSTR-9C is proposed to be added.

15.4 Accordingly, the amended versions of FORM GSTR-9, FORM GSTR-9A and FORM GSTR-9C are placed at ANNEXURE-III, ANNEXURE-IV and ANNEXURE-V respectively.

16. **Insertion of FORM GST RVN-01**

On account of the proposed insertion of rule 109B of the CGST Rules as discussed at S.No. 9 above, FORM GST RVN-01 may be inserted after FORM GST APL-03. It would enable the Revisional Authority to revise the order passed by a subordinate officer and issue notice to the concerned person. The draft of the FORM GSTR RVN-01 is placed below:

***FORM GST RVN-01***

*[See rule 109B]*

*Reference No.* *Date -*

*To,*

*……..*

*……..*

*……..*

*GSTIN:……..*

*Order No. –*

*Date -*

***Notice under section 108***

*Whereas it has come to the notice of the undersigned that decision/order passed under this Act/ the << Name of the State>> Goods and Services Tax Act, 2017/the Integrated Goods and Services Tax Act, 2017/ the Goods and Services Tax (Compensation to States) Act, 2017 by ……..(Designation of officer)is erroneous in so far as it is prejudicial to the interest of revenue and is illegal or improper or has not taken into account certain material facts, and therefore, I intend to pass an order in revision under section 108 on grounds specified in the document attached herewith.*

*You are hereby directed to furnish a reply to this notice within seven working days from the date of service of this notice.*

☐

*You are hereby directed to appear before the undersigned on DD/MM/YYYY at HH/MM*

*If you fail to furnish a reply within the stipulated date or fail to appear for personal hearing on the appointed date and time, the case will be decided ex parte on the basis of available records and on merits*

*Place:* *Signature:*

*Date:* *Designation:*

*Jurisdiction / Office –*

17. **Amendment to FORM GST APL-04**

On account of the proposed insertion of rule 109B of the CGST Rules as discussed at S.No. 9 above, changes need to be made in FORM GST APL-04 so that the Revisional Authority can indicate the amount confirmed and include the summary of its order in FORM GST APL-04. The proposed changes in FORM GST APL-04 are as mentioned below:

**Form GST APL-04**

[*See* rules *109B,* 113 (1), 115]

***SUMMARY OF THE DEMAND AFTER ISSUE OF ORDER BY THE APPELLATE AUTHORITY, REVISIONAL AUTHORITY, TRIBUNAL OR COURT***

*Reference ~~Order~~* no. - Date *~~of order~~* -

1. GSTIN/ Temporary ID/UIN -
2. Name of the appellant */ person* -
3. Address of the appellant / *person*-
4. Order appealed against *or intended to be revised* - Number- Date-
5. Appeal no. Date-
6. Personal Hearing –
7. Order in brief-
8. Status of order- Confirmed / Modified / Rejected
9. Amount of demand *~~confirmed~~ after appeal / revision*:

| Particulars | Central tax | | State / UT tax | | Integrated tax | | Cess | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | *~~Disputed~~ ~~Amount~~ Amount in dispute / earlier order* | Determined Amount | *~~Disputed~~ ~~Amount~~ Amount in dispute / earlier order* | Determined Amount | *~~Disputed~~ ~~Amount~~ Amount in dispute / earlier order* | Determined Amount | *~~Disputed~~ ~~Amount~~ Amount in dispute / earlier order* | Determined Amount | *~~Disputed~~ ~~Amount~~ Amount in dispute / earlier order* | Determined Amount |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| a) Tax | | | | | | | | | | |
| b) Interest | | | | | | | | | | |
| c) Penalty | | | | | | | | | | |
| d) Fees | | | | | | | | | | |
| e) Others | | | | | | | | | | |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| f) Refund | | | | | | ; | | | | |

10. Place of supply wise details of IGST demand

| Place of Supply (Name of State / UT) | Demand | Tax | Interest | Penalty | Other | Total |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | ~~*Disputed amount*~~ *Amount in dispute / earlier order* | | | | | |
| | Determined Amount | | | | | |
| | | | | | | |

Place:
Date:

Signature:

Name of the Appellate Authority / *Revisional Authority/* Tribunal / Jurisdictional Officer
Designation:
Jurisdiction:

18. Accordingly, approval of the GST Council is sought so that the above detailed amendments in the CGST Rules, 2017 may be carried out. *Pari materia* changes would also be required to be carried out in the respective SGST Rules. The notification carrying out the said amendments shall be issued after due vetting by the Union Law Ministry.

**Annexure – I**

**FORM-GST-RFD-01 A**

[See rules 89(1) and 97A]

Application for Refund (Manual)

(Applicable for casual taxable person or non-resident taxable person, tax deductor, tax collector and other registered taxable person)

<table>
<tr><td>1.</td><td>GSTIN / Temporary ID</td><td colspan="8"></td></tr>
<tr><td>2.</td><td>Legal Name</td><td colspan="8"></td></tr>
<tr><td>3.</td><td>Trade Name, if any</td><td colspan="8"></td></tr>
<tr><td>4.</td><td>Address</td><td colspan="8"></td></tr>
<tr><td>5.</td><td>Tax period<br>(if applicable)</td><td colspan="8">From <Year><Month> To <Year><Month></td></tr>
<tr><td rowspan="6">6.</td><td rowspan="6">Amount of Refund Claimed (Rs.)</td><td>Act</td><td>Tax</td><td>Interest</td><td>Penalty</td><td>Fees</td><td>Others</td><td>Total</td></tr>
<tr><td>Central tax</td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>State / UT tax</td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Integrated tax</td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Cess</td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Total</td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td rowspan="9">7.</td><td rowspan="9">Grounds of Refund Claim (select from drop down)</td><td>(a)</td><td colspan="7">Excess balance in Electronic Cash Ledger</td></tr>
<tr><td>(b)</td><td colspan="7">Exports of services- with payment of tax</td></tr>
<tr><td>(c)</td><td colspan="7">Exports of goods / services- without payment of tax (accumulated ITC)</td></tr>
<tr><td>(d)</td><td colspan="7">ITC accumulated due to inverted tax structure [under clause (ii) of first proviso to section 54(3)]</td></tr>
<tr><td>(e)</td><td colspan="7">On account of supplies made to SEZ unit/ SEZ developer (with payment of tax)</td></tr>
<tr><td>(f)</td><td colspan="7">On account of supplies made to SEZ unit/ SEZ developer (without payment of tax)</td></tr>
<tr><td>(g)</td><td colspan="7">Recipient of deemed export supplies/ Supplier of deemed export supplies</td></tr>
<tr><td>(h)</td><td colspan="7">On account of order</td></tr>
<tr><td colspan="2">Sr. No.</td><td>Type of order</td><td>Order no.</td><td>Order date</td><td>Order Issuing Authority</td><td>Payment reference no., if any</td></tr>
</table>

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | *(i)* | *Assessment* | | | | |
| | | | *(ii)* | *Finalization of Provisional assessment* | | | | |
| | | | *(iii)* | *Appeal* | | | | |
| | | | *(iv)* | *Any other order (specify)* | | | | |
| | | *(i)* | *Tax paid on an intra-State supply which is subsequently held to be inter-State supply and vice versa (change of POS)* | | | | | |
| | | *(j)* | *Excess payment of tax, if any* | | | | | |
| | | *(k)* | *Any other (specify)* | | | | | |

**[DECLARATION [second proviso to section 54(3)]**

I hereby declare that the goods exported are not subject to any export duty. I also declare that I have not availed any drawback of central excise duty/service tax/central tax on goods or services or both and that I have not claimed refund of the integrated tax paid on supplies in respect of which refund is claimed.

Signature

Name –

Designation / Status].

**DECLARATION [section 54(3)(ii)]**

I hereby declare that the refund of ITC claimed in the application does not include ITC availed on goods or services used for making 'nil' rated or fully exempt supplies.

Signature

Name –

Designation / Status

**DECLARATION [rule 89(2)(f)]**

I hereby declare that the Special Economic Zone unit /the Special Economic Zone developer has not availed of the input tax credit of the tax paid by the applicant, covered under this refund claim.

Signature

Name –

Designation / Status

**DECLARATION [rule 89(2)(g)]**

(For recipient/supplier of deemed export)

In case refund claimed by recipient ☐

I hereby declare that the refund has been claimed only for those invoices which have been detailed in statement 5B for the tax period for which refund is being claimed and the amount does not exceed the amount of input tax credit availed in the valid return filed for the said tax period.I also declare that the supplier has not claimed refund with respect to the said supplies.

In case refund claimed by supplier ☐

I hereby declare that the refund has been claimed only for those invoices which have been detailed in statement 5B for the tax period for which refund is being claimed and the recipient shall not claim any refund with respect of the said supplies and also, the recipient has not availed any input tax credit on such supplies.

Signature

Name –

Designation / Status

**UNDERTAKING**

I hereby undertake to pay back to the Government the amount of refund sanctioned along with interest in case it is found subsequently that the requirements of clause (c) of sub-section (2) of section 16 read with sub-section (2) of section 42 of the CGST/SGST Act have not been complied with in respect of the amount refunded.

Signature

Name –

Designation / Status

**SELF- DECLARATION [rule 89(2)(l)]**

I/We _____ (Applicant) having GSTIN/ temporary Id -------, solemnly affirm and certify that in respect of the refund amounting to Rs. ---/ with respect to the tax, interest, or any other amount for the period from----to----, claimed in the refund application, the incidence of such tax and interest has not been passed on to any other person.

Signature

Name –

Designation / Status

*(This Declaration is not required to be furnished by applicants, who are claiming refund under clause (a) or clause (b) or clause (c) or clause (d) or clause (f) of sub-section (8) of section 54.)*

8. Verification

I/We<*Taxpayer Name*> hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my/our knowledge and belief and nothing has been concealed therefrom.

I/We declare that no refund on this account has been received by me/us earlier.

Place — Signature of Authorised Signatory

Date — (Name)

Designation/ Status

**Annexure-1**

**Statement -1 [rule 89(5)]**

Refund Type: ITC accumulated due to inverted tax structure [clause (ii) of first proviso to section 54(3)]

(Amount in Rs.)

| Turnover of inverted rated supply of goods *and services* | Tax payable on such inverted rated supply of goods *and services* | Adjusted total turnover | Net input tax credit | Maximum refund amount to be claimed [(1×4÷3)-2] |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 |
| | | | | |

**Statement 1A [rule 89(2)(h)]**

Refund Type: ITC accumulated due to inverted tax structure [clause (ii) of first proviso to section 54(3)]

| Sl. No. | Details of invoices of inward supplies *of inputs* received | | | | Tax paid on inward supplies *of inputs* | | | Details of invoices of outward supplies issued | | | | Tax paid on outward supplies | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | GSTIN of the supplier * | No. | Date | Taxable Value | Integrated Tax | Central Tax | State Tax /Union territory Tax | No. | Date | Taxable Value | *Invoice type (B2B/ B2C)* | Integrated Tax | Central Tax | State Tax /Union territory Tax |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | *12* | *~~12~~3* | *~~13~~4* | *~~14~~5* |
| | | | | | | | | | | | | | | |

** In case of imports or supplies received under reverse charge mechanism [sub-section (3) of CGST Act or sub-section (3) of section 5 of IGST Act], the GSTIN of supplier will mean GSTIN of applicant (recipient).*

**Statement- 2 [rule 89(2)(c)]**

Refund Type: Exports of services with payment of tax

(Amount in Rs.)

| Sr. No. | Invoice details | | | Integrated tax | | Cess | BRC/ FIRC | | Integrated tax and cess involved in debit note, if any | Integrated tax and cess involved in credit note, if any | Net Integrated tax and cess (6+7+10 - 11) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | No. | Date | Value | Taxable value | Amt. | | No. | Date | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| | | | | | | | | | | | |

**Statement- 3 [rule 89(2)(b) and 89(2)(c)]**

Refund Type: Export without payment of tax (accumulated ITC)

(Amount in Rs.)

| Sr. No. | Invoice details | | | Goods/ Services (G/S) | Shipping bill/ Bill of export | | | EGM Details | | BRC/ FIRC | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | No. | Date | Value | | Port code | No. | Date | Ref No. | Date | No. | Date |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| | | | | | | | | | | | |

**Statement- 3A [rule 89(4)]**

Refund Type: Export without payment of tax (accumulated ITC) – calculation of refund amount

(Amount in Rs.)

| Turnover of zero rated supply of goods and services | Net input tax credit | Adjusted total turnover | Refund amount (1×2÷3) |
|---|---|---|---|

| 1 | 2 | 3 | 4 |
|---|---|---|---|
| | | | |

**Statement-4 [rule 89(2)(d) and 89(2)(e)]**

Refund Type: On account of supplies made to SEZ unit or SEZ Developer (on payment of tax)

(Amount in Rs.)

| GSTIN of recipient | Invoice details | | | Shipping bill/ Bill of export/ Endorsed invoice by SEZ | | Integrated Tax | | Cess | Integrated tax and cess involved in debit note, if any | Integrated tax and cess involved in credit note, if any | Net Integrated tax and cess (8+9+10–11) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | No. | Date | Value | No. | Date | Taxable Value | Amt. | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| | | | | | | | | | | | |

**Statement-5A [rule 89(4)]**

Refund Type: On account of supplies made to SEZ unit / SEZ developer without payment of tax (accumulated ITC) – calculation of refund amount

(Amount in Rs.)

| Turnover of zero rated supply of goods and services | Net input tax credit | Adjusted total turnover | Refund amount (1×2÷3) |
|---|---|---|---|
| 1 | 2 | 3 | 4 |
| | | | |

**Statement 5B** [rule 89(2)(g)]

Refund Type: On account of deemed exports

(Amount in Rs)

| Sl. No. | Details of invoices of outward supplies in case refund is claimed by supplier/Details of invoices of inward supplies in case refund is claimed by recipient | | | | Tax paid | | | |
|---|---|---|---|---|---|---|---|---|
| | GSTIN of the supplier | No. | Date | Taxable Value | Integrated Tax | Central Tax | State Tax /Union Territory Tax | Cess |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| | | | | | | | | |

***Statement-6 [rule 89(2)(j)]***

*Refund Type: On account of change in POS (inter-State to intra-State and vice versa)*

*Order Details (issued in pursuance of sections 77 (1) and (2), if any:*

*Order No:* *Order Date:*

*(Amount in Rs.)*

| *Recipients' GSTIN/ UIN Name (in case B2C)* | *Invoice details* | | | | *Details of tax paid on transaction considered as intra –State / inter-State transaction earlier* | | | | | *Taxes re-assessed on transaction which were held inter State / intra-State supply subsequently* | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | *No.* | *Date* | *Value* | *Taxable Value* | *Integrated tax* | *Central tax* | *State/ UT tax* | *Cess* | *Place of Supply* | *Integrated tax* | *Central tax* | *State/ UT tax* | *Cess* | *Place of Supply* |
| *1* | *2* | *3* | *4* | *5* | *6* | *7* | *8* | *9* | *10* | *11* | *12* | *13* | *14* | *15* |
| | | | | | | | | | | | | | | |

***Statement-7 [rule 89(2)(k)]***

*Refund Type: Excess payment of tax, if any in case of last return filed.*

*(Amount in Rs.)*

| *Tax period* | *ARN of return* | *Date of filing return* | *Tax Paid in Excess* | | | |
|---|---|---|---|---|---|---|
| | | | *Integrated tax* | *Central tax* | *State/ UT tax* | *Cess* |
| *1* | *2* | *3* | *4* | *5* | *6* | *7* |
| | | | | | | |

**Annexure – II**

**FORM-GST-RFD-01**

*[See rule 89(1)]*

**Application for Refund**

(Applicable for casual or non-resident taxable person, tax deductor, tax collector, un-registered person and other registered taxable person)

<table>
<tr><td>1.</td><td>GSTIN / Temporary ID</td><td colspan="8"></td></tr>
<tr><td>2.</td><td>Legal Name</td><td colspan="8"></td></tr>
<tr><td>3.</td><td>Trade Name, if any</td><td colspan="8"></td></tr>
<tr><td>4.</td><td>Address</td><td colspan="8"></td></tr>
<tr><td>5.</td><td>Tax period<br>(if applicable)</td><td colspan="8">From <Year><Month> To <Year><Month></td></tr>
<tr><td rowspan="6">6.</td><td rowspan="6">Amount of Refund Claimed<br>(Rs.)</td><td>Act</td><td>Tax</td><td>Interest</td><td>Penalty</td><td>Fees</td><td>Others</td><td>Total</td></tr>
<tr><td>Central tax</td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>State / UT tax</td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Integrated tax</td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Cess</td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Total</td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td rowspan="7">7.</td><td rowspan="7">Grounds of refund claim (select from drop down)</td><td>(a)</td><td colspan="7">Excess balance in Electronic Cash Ledger</td></tr>
<tr><td>(b)</td><td colspan="7">Exports of services- with payment of tax</td></tr>
<tr><td>(c)</td><td colspan="7">Exports of goods / services- without payment of tax (accumulated ITC)</td></tr>
<tr><td rowspan="4">(d)</td><td colspan="7">On account of order</td></tr>
<tr><td>Sr. No.</td><td>Type of order</td><td>Order no.</td><td>Order date</td><td>Order Issuing Authority</td><td>Payment reference no., if any</td></tr>
<tr><td>(i)</td><td>Assessment</td><td></td><td></td><td></td><td></td></tr>
<tr><td>(ii)</td><td>Finalization of Provisional assessment</td><td></td><td></td><td></td><td></td></tr>
</table>

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | (iii) | Appeal | | | | |
| | | | (iv) | Any other order (specify) | | | | |
| | | (e) | ITC accumulated due to inverted tax structure<br>[clause (ii) of first proviso to section 54(3)] | | | | | |
| | | (f) | On account of supplies made to SEZ unit/ SEZ developer<br>(with payment of tax) | | | | | |
| | | (g) | On account of supplies made to SEZ unit/ SEZ developer<br>(without payment of tax) | | | | | |
| | | (h) | Recipient of deemed export supplies/ Supplier of deemed export supplies | | | | | |
| | | (i) | Tax paid on a supply which is not provided, either wholly or partially, and for which invoice has not been issued (tax paid on advance payment) | | | | | |
| | | (j) | Tax paid on an intra-State supply which is subsequently held to be inter-State supply and vice versa(change of POS) | | | | | |
| | | (k) | Excess payment of tax, if any | | | | | |
| | | (l) | Any other *(specify)* | | | | | |
| 8. | Details of Bank account | Name of bank | Address of branch | IFSC | Type of account | Account No. | | |
| | | | | | | | | |
| 9. | Whether Self-Declaration filed by Applicant u/s 54(4), if applicable | | ☐ Yes | | ☐ No | | | |

**[DECLARATION [second proviso to section 54(3)]**

I hereby declare that the goods exported are not subject to any export duty. I also declare that I have not availed any drawback of central excise duty/service tax/central tax on goods or services or both and that I have not claimed refund of the integrated tax paid on supplies in respect of which refund is claimed.

Signature

Name –

Designation / Status"]

**DECLARATION [section 54(3)(ii)]**

I hereby declare that the refund of input tax credit claimed in the application does not include ITC availed on goods or services used for making 'nil' rated or fully exempt supplies.

Signature
Name –
Designation / Status

**DECLARATION [rule 89(2)(f)]**

I hereby declare that the Special Economic Zone unit /the Special Economic Zone developer has not availed of the input tax credit of the tax paid by the applicant, covered under this refund claim.

Signature
Name –
Designation / Status

**DECLARATION [rule 89(2)(g)]**

(For recipient/supplier of deemed export)

In case refund claimed by recipient ☐

I hereby declare that the refund has been claimed only for those invoices which have been detailed in statement 5B for the tax period for which refund is being claimed and the amount does not exceed the amount of input tax credit availed in the valid return filed for the said tax period. I also declare that the supplier has not claimed refund with respect to the said supplies.

In case refund claimed by supplier ☐

I hereby declare that the refund has been claimed only for those invoices which have been detailed in statement 5B for the tax period for which refund is being claimed. I also declare that the recipient shall not claim any refund with respect of the said supplies and also, the recipient has not availed any input tax credit on such supplies.

Signature

Name –

Designation / Status

**UNDERTAKING**

I hereby undertake to pay back to the Government the amount of refund sanctioned along with interest in case it is found subsequently that the requirements of clause (c) of sub-section (2) of section 16 read with sub-section (2) of section 42 of the CGST/SGST Act have not been complied with in respect of the amount refunded.

Signature

Name –

Designation / Status

**SELF- DECLARATION [rule 89(2)(l)]**

I _____ (Applicant) having GSTIN/ temporary Id -------, solemnly affirm and certify that in respect of the refund amounting to Rs. ---/ with respect to the tax, interest, or any other amount for the period from---to----, claimed in the refund application, the incidence of such tax and interest has not been passed on to any other person.

Signature
Name –

Designation / Status

*(This Declaration is not required to be furnished by applicants, who are claiming refund under clause (a) or clause (b) or clause (c) or clause (d) or clause (f) of sub-section (8) of section 54.)*

10. Verification

I/We <*Taxpayer Name*> hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my/our knowledge and belief and nothing has been concealed therefrom.

I/We declare that no refund on this account has been received by me/us earlier.

Place — Signature of Authorised Signatory

Date — (Name)

Designation/ Status

**Annexure-1**

**Statement -1 [rule 89(5)]**

Refund Type: ITC accumulated due to inverted tax structure [clause (ii) of first proviso to section 54(3)]

(Amount in Rs.)

| Turnover of inverted rated supply of goods *and services* | Tax payable on such inverted rated supply of goods *and services* | Adjusted total turnover | Net input tax credit | Maximum refund amount to be claimed [(1×4÷3)-2] |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 |
| | | | | |

**Statement 1A [rule 89(2)(h)]**

Refund Type: ITC accumulated due to inverted tax structure [clause (ii) of first proviso to section 54(3)]

| Sl. No. | Details of invoices of inward supplies *of inputs* received | | | | Tax paid on inward supplies *of inputs* | | | Details of invoices of outward supplies issued | | | | Tax paid on outward supplies | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | GSTIN of the supplier * | No. | Date | Taxable Value | Integrated Tax | Central Tax | State Tax /Union territory Tax | No. | Date | Taxable Value | *Invoice type (B2B/ B2C)* | Integrated Tax | Central Tax | State Tax /Union territory Tax |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | *12* | *123* | *134* | *145* |
| | | | | | | | | | | | | | | |

** In case of imports or supplies received under reverse charge mechanism [sub-section (3) of CGST Act or sub-section (3) of section 5 of IGST Act], the GSTIN of supplier will mean GSTIN of applicant (recipient).*

**Statement- 2 [rule 89(2)(c)]**

Refund Type: Exports of services with payment of tax

(Amount in Rs.)

| Sr. No. | Invoice details | | | Integrated tax | | Cess | BRC/ FIRC | | Integrated tax and cess involved in debit note, if any | Integrated tax and cess involved in credit note, if any | Net Integrated tax and cess (6+7+10 - 11) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | No. | Date | Value | Taxable value | Amt. | | No. | Date | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| | | | | | | | | | | | |

**Statement- 3 [rule 89(2)(b) and 89(2)(c)]**

Refund Type: Export without payment of tax (accumulated ITC)

(Amount in Rs.)

| Sr. No. | Invoice details | | | Goods/ Services (G/S) | Shipping bill/ Bill of export | | | EGM Details | | BRC/ FIRC | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | No. | Date | Value | | Port code | No. | Date | Ref No. | Date | No. | Date |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| | | | | | | | | | | | |

**Statement- 3A [rule 89(4)]**

Refund Type: Export without payment of tax (accumulated ITC) – calculation of refund amount

(Amount in Rs.)

| Turnover of zero rated supply of goods and services | Net input tax credit | Adjusted total turnover | Refund amount (1×2÷3) |
|---|---|---|---|
| 1 | 2 | 3 | 4 |
| | | | |

**Statement-4 [rule 89(2)(d) and 89(2)(e)]**

Refund Type: On account of supplies made to SEZ unit or SEZ Developer (on payment of tax)

(Amount in Rs.)

| GSTIN of recipient | Invoice details | | | Shipping bill/ Bill of export/ Endorsed invoice by SEZ | | Integrated Tax | | Cess | Integrated tax and cess involved in debit note, if any | Integrated tax and cess involved in credit note, if any | Net Integrated tax and cess (8+9+10 – 11) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | No. | Date | Value | No. | Date | Taxable Value | Amt. | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| | | | | | | | | | | | |

**Statement-5 [rule 89(2)(d) and 89(2)(e)]**

Refund Type: On account of supplies made to SEZ unit or SEZ Developer (without payment of tax)

(Amount in Rs.)

| Sr. No. | Invoice details | | | Goods/ Services (G/S) | Shipping bill/ Bill of export/ Endorsed invoice no. | |
|---|---|---|---|---|---|---|
| | No. | Date | Value | | No. | Date |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

**Statement-5A [rule 89(4)]**

Refund Type:On account of supplies made to SEZ unit / SEZ developer without payment of tax (accumulated ITC) – calculation of refund amount

(Amount in Rs.)

| Turnover of zero rated supply of goods and services | Net input tax credit | Adjusted total turnover | Refund amount (1×2÷3) |
|---|---|---|---|
| 1 | 2 | 3 | 4 |
| | | | |

**Statement 5B** [rule 89(2)(g)]

Refund Type: On account of deemed exports

(Amount in Rs)

| Sl. No. | Details of invoices of outward supplies in case refund is claimed by supplier/Details of invoices of inward supplies in case refund is claimed by recipient | | | | Tax paid | | | |
|---|---|---|---|---|---|---|---|---|
| | GSTIN of the supplier | No. | Date | Taxable Value | Integrated Tax | Central Tax | State Tax /Union Territory Tax | Cess |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| | | | | | | | | |

**Statement-6 [rule 89(2)(j)]**

Refund Type: On account of change in POS ~~*of the supplies*~~ (inter-State to intra-State and vice versa)

Order Details (issued in pursuance of sections 77 (1) and (2), if any: Order No: Order Date:

(Amount in Rs.)

| *Recipient's* GSTIN/ UIN Name (in case B2C) | Invoice details | | | | Details of *tax paid* ~~*invoices covering*~~ *on* transaction considered as intra –State / inter-State transaction earlier | | | | | *Taxes re-assessed on* ~~*T*~~*t*ransaction which were held inter State / intra-State supply subsequently | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | No. | Date | Value | Taxable Value | Integrated tax | Central tax | State / UT tax | Cess | Place of Supply | Integrated tax | Central tax | State / UT tax | Cess | Place of Supply |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| | | | | | | | | | | | | | | |

**Statement-7 [rule 89(2)(k)]**

Refund Type: Excess payment of tax, if any in case of last return filed.

(Amount in Rs.)

| Tax period | ARN of return | Date of filing return | Tax Payable | | | |
|---|---|---|---|---|---|---|
| | | | Integrated tax | Central tax | State/ UT tax | Cess |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | | | | | | |

**Annexure-2**

**Certificate [rule 89(2)(m)]**

This is to certify that in respect of the refund amounting to Rs.<<>> ---------- (in words) claimed by M/s---------- (Applicant's Name) GSTIN/ Temporary ID------- for the tax period < ---->, the incidence of tax and interest, has not been passed on to any other person. This certificate is based on the examination of the books of account and other relevant records and returns particulars maintained/ furnished by the applicant.

Signature of the Chartered Accountant/ Cost Accountant:

Name:

Membership Number:

Place:

Date:

**Note - This Certificate is not required to be furnished by the applicant, claiming refund under clause (a) or clause (b) or clause (c) or clause (d) or clause (f) of sub-section (8) of section 54 of the Act.**

**Instructions –**

1. Terms used:
    a. B to C: From registered person to unregistered person
    b. EGM: Export General Manifest
    c. GSTIN: Goods and Services Tax Identification Number
    d. IGST: Integrated goods and services tax
    e. ITC: Input tax credit
    f. POS: Place of Supply (Respective State)
    g. SEZ: Special Economic Zone
    h. Temporary ID: Temporary Identification Number
    i. UIN: Unique Identity Number

2. Refund of excess amount available in electronic cash ledger can also be claimed through return or by filing application.

3. Debit entry shall be made in electronic credit or cash ledger at the time of filing the application.

4. Acknowledgement in **FORM GST RFD-02**will be issued if the application is found complete in all respects.

5. Claim of refund on export of goods with payment of IGST shall not be processed through this application.

6. Bank account details should be as per registration data. Any change in bank details shall first be amended in registration particulars before quoting in the application.

7. Declaration shall be filed in cases wherever required.

8. 'Net input tax credit' means input tax credit availed on inputs during the relevant period for the purpose of Statement-1 and will include ITC on input services also for the purpose of Statement-3A and 5A.

9. 'Adjusted total turnover' means the turnover in a State or a Union territory, as defined under clause (112) of section 2 excluding the value of exempt supplies other than zero-rated supplies, during the relevant period.

10. For the purpose of Statement-1, refund claim will be based on supplies reported in GSTR-1 and GSTR-2.

11. BRC or FIRC details will be mandatory where refund is claimed against export of services details of shipping bill and EGM will be mandatory to be provided in case of export of goods.

12. Where the invoice details are amended (including export), refund shall be allowed as per the calculation based on amended value.

13. Details of export made without payment of tax shall be reported in Statement-3.

14. Availability of refund to be claimed in case of supplies made to SEZ unit or SEZ developer without payment of tax shall be worked out in accordance with the formula prescribed in rule 89(4).

15. 'Turnover of zero rated supply of goods and services' shall have the same meaning as defined in rule 89(4).

## Annexure – III

## FORM GSTR - 9

*[See rule 80]*

## Annual Return

| Pt. I | Basic Details | | | | | |
|---|---|---|---|---|---|---|
| 1 | Financial Year | | | | | |
| 2 | GSTIN | | | | | |
| 3A | Legal Name | | | | | |
| 3B | Trade Name (if any) | | | | | |
| Pt. II | Details of Outward and inward supplies ~~declared~~ *made* during the financial year | | | | | |
| | | | (Amount in ₹ in all tables) | | | |
| | Nature of Supplies | Taxable Value | Central Tax | State Tax / UT Tax | Integrated Tax | Cess |
| | 1 | 2 | 3 | 4 | 5 | 6 |
| **4** | **Details of advances, inward and outward supplies on which tax is payable ~~as declared in returns filed~~ *made* during the financial year** | | | | | |
| A | Supplies made to un-registered persons (B2C) | | | | | |
| B | Supplies made to registered persons (B2B) | | | | | |
| C | Zero rated supply (Export) on payment of tax (except supplies to SEZs) | | | | | |
| D | Supply to SEZs on payment of tax | | | | | |
| E | Deemed Exports | | | | | |
| F | Advances on which tax has been paid but invoice has not been issued (not covered under (A) to (E) above) | | | | | |
| G | Inward supplies on which tax is to be paid on reverse charge basis | | | | | |
| H | Sub-total (A to G above) | | | | | |
| I | Credit Notes issued in respect of transactions specified in (B) to (E) above (-) | | | | | |
| J | Debit Notes issued in respect of transactions specified in (B) to (E) above (+) | | | | | |
| K | Supplies / tax declared through Amendments (+) | | | | | |
| L | Supplies / tax reduced through Amendments (-) | | | | | |
| M | Sub-total (I to L above) | | | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| N | Supplies and advances on which tax is to be paid (H + M) above | | | | | |
| **5** | **Details of Outward supplies on which tax is not payable *~~as declared in returns filed~~ made* during the financial year** | | | | | |
| A | Zero rated supply (Export) without payment of tax | | | | | |
| B | Supply to SEZs without payment of tax | | | | | |
| C | Supplies on which tax is to be paid by the recipient on reverse charge basis | | | | | |
| D | Exempted | | | | | |
| E | Nil Rated | | | | | |
| F | Non-GST supply *(includes 'no supply')* | | | | | |
| G | Sub-total (A to F above) | | | | | |
| H | Credit Notes issued in respect of transactions specified in A to F above (-) | | | | | |
| I | Debit Notes issued in respect of transactions specified in A to F above (+) | | | | | |
| J | Supplies declared through Amendments (+) | | | | | |
| K | Supplies reduced through Amendments (-) | | | | | |
| L | Sub-Total (H to K above) | | | | | |
| M | Turnover on which tax is not to be paid (G + L above) | | | | | |
| N | Total Turnover (including advances) (4N + 5M - 4G above) | | | | | |

| Pt. III | Details of ITC *~~as declared in returns filed during~~ for* the financial year | | | | | |
|---|---|---|---|---|---|---|
| | Description | Type | Central Tax | State Tax / UT Tax | Integrated Tax | Cess |
| | 1 | 2 | 3 | 4 | 5 | 6 |
| **6** | **Details of ITC availed *~~as declared in returns filed~~* during the financial year** | | | | | |
| A | Total amount of input tax credit availed through FORM GSTR-3B (sum total of Table 4A of FORM GSTR-3B) | | <Auto> | <Auto> | <Auto> | <Auto> |
| B | Inward supplies (other than imports and inward supplies liable to reverse charge but includes services received from SEZs) | Inputs | | | | |
| | | Capital Goods | | | | |
| | | Input Services | | | | |
| C | Inward supplies received from unregistered persons liable to reverse charge (other than B above) on which tax is paid & ITC availed | Inputs | | | | |
| | | Capital Goods | | | | |
| | | Input Services | | | | |
| D | Inward supplies received from registered persons liable to reverse charge (other than B above) on which tax is paid and ITC availed | Inputs | | | | |
| | | Capital Goods | | | | |
| | | Input Services | | | | |
| E | | Inputs | | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| | Import of goods (including supplies from SEZs) | Capital Goods | | | | |
| F | Import of services (excluding inward supplies from SEZs) | | | | | |
| G | Input Tax credit received from ISD | | | | | |
| H | Amount of ITC reclaimed (other than B above) under the provisions of the Act | | | | | |
| I | Sub-total (B to H above) | | | | | |
| J | Difference (I - A above) | | | | | |
| K | Transition Credit through TRAN-I (including revisions if any) | | | | | |
| L | Transition Credit through TRAN-II | | | | | |
| M | Any other ITC availed but not specified above | | | | | |
| N | Sub-total (K to M above) | | | | | |
| O | Total ITC availed (I + N above) | | | | | |
| **7** | **Details of ITC Reversed and Ineligible ITC ~~as declared in returns filed for during~~ the financial year** | | | | | |
| A | As per Rule 37 | | | | | |
| B | As per Rule 39 | | | | | |
| C | As per Rule 42 | | | | | |
| D | As per Rule 43 | | | | | |
| E | As per section 17(5) | | | | | |
| F | Reversal of TRAN-I credit | | | | | |
| G | Reversal of TRAN-II credit | | | | | |
| H | Other reversals (pl. specify) | | | | | |
| I | Total ITC Reversed (*Sum of* A to H above) | | | | | |
| J | Net ITC Available for Utilization (6O - 7I) | | | | | |
| **8** | **Other ITC related information** | | | | | |
| A | ITC as per GSTR-2A (Table 3 & 5 thereof) | <Auto> | <Auto> | <Auto> | <Auto> | |
| B | ITC as per sum total of 6(B) and 6(H) above | <Auto> | | | | |
| C | ITC on inward supplies (other than imports and inward supplies liable to reverse charge but includes services received from SEZs) received during 2017-18 but availed during April to September, 2018 | | | | | |
| D | Difference [A-(B+C)] | | | | | |
| E | ITC available but not availed ~~*(out of D)*~~ | | | | | |
| F | ITC available but ineligible ~~*(out of D)*~~ | | | | | |
| G | IGST paid on import of goods (including supplies from SEZ) | | | | | |
| H | IGST credit availed on import of goods (as per 6(E) above) | <Auto> | | | | |
| I | Difference (G-H) | | | | | |
| J | ITC available but not availed on import of goods (Equal to I) | | | | | |
| K | Total ITC to be lapsed in current financial year (E + F + J) | <Auto> | <Auto> | <Auto> | <Auto> | |
| Pt. IV | Details of tax paid as declared in returns filed during the financial year | | | | | |
| | Description | | | Paid through ITC | | |

| 9 | | Tax Payable | Paid through cash | Central Tax | State Tax / UT Tax | Integrated Tax | Cess |
|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | Integrated Tax | | | | | | |
| | Central Tax | | | | | | |
| | State/UT Tax | | | | | | |
| | Cess | | | | | | |
| | Interest | | | | | | |
| | Late fee | | | | | | |
| | Penalty | | | | | | |
| | Other | | | | | | |

| Pt. V | Particulars of the transactions for the previous FY declared in returns of April to September of current FY or upto date of filing of annual return of previous FY whichever is earlier | | | | | |
|---|---|---|---|---|---|---|
| | Description | Taxable Value | Central Tax | State Tax / UT Tax | Integrated Tax | Cess |
| | 1 | 2 | 3 | 4 | 5 | 6 |
| 10 | Supplies / tax declared through Amendments (+) (net of debit notes) | | | | | |
| 11 | Supplies / tax reduced through Amendments (-) (net of credit notes) | | | | | |
| 12 | Reversal of ITC availed during previous financial year | | | | | |
| 13 | ITC availed for the previous financial year | | | | | |

| 14 | Differential tax paid on account of declaration in 10 & 11 above | | |
|---|---|---|---|
| | Description | Payable | Paid |
| | 1 | 2 | 3 |
| | Integrated Tax | | |
| | Central Tax | | |
| | State/UT Tax | | |
| | Cess | | |
| | Interest | | |

| Pt. VI | Other Information | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 15 | Particulars of Demands and Refunds | | | | | | | |
| | Details | Central Tax | State Tax / UT Tax | Integrated Tax | Cess | Interest | Penalty | Late Fee / Others |
| | 1 | 2 | 3 | 4 | 5 | | | |
| A | Total Refund claimed | | | | | | | |
| B | Total Refund sanctioned | | | | | | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| C | Total Refund Rejected | | | | | | | |
| D | Total Refund Pending | | | | | | | |
| E | Total demand of taxes | | | | | | | |
| F | Total taxes paid in respect of E above | | | | | | | |
| G | Total demands pending out of E above | | | | | | | |

| 16 | Information on supplies received from composition taxpayers, deemed supply under section 143 and goods sent on approval basis | | | | | |
|---|---|---|---|---|---|---|
| | Details | Taxable Value | Central Tax | State Tax / UT Tax | Integrated Tax | Cess |
| | 1 | 2 | 3 | 4 | 5 | 6 |
| A | Supplies received from Composition taxpayers | | | | | |
| B | Deemed supply under Section 143 | | | | | |
| C | Goods sent on approval basis but not returned | | | | | |

| 17 | HSN Wise Summary of outward supplies | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| HSN Code | UQC | Total Quantity | Taxable Value | Rate of Tax | Central Tax | State Tax / UT Tax | Integrated Tax | Cess |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| | | | | | | | | |

| 18 | HSN Wise Summary of Inward supplies | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| HSN Code | UQC | Total Quantity | Taxable Value | Rate of Tax | Central Tax | State Tax / UT Tax | Integrated Tax | Cess |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| | | | | | | | | |

| 19 | Late fee payable and paid | | |
|---|---|---|---|
| | Description | Payable | Paid |
| | 1 | 2 | 3 |
| A | Central Tax | | |
| B | State Tax | | |

Verification:

I hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my knowledge and belief and nothing has been concealed there from and in case of any reduction in output tax liability the benefit thereof has been/will be passed on to the recipient of supply.

Signature

Place | Name of Authorised Signatory

Date | Designation / Status

**Instructions: –**

2. Terms used:
    j. GSTIN: Goods and Services Tax Identification Number
    k. UQC: Unit Quantity Code
    l. HSN: Harmonized System of Nomenclature Code

3. *It is mandatory to file all your FORM GSTR-1 and FORM GSTR-3B for the FY 2017-18 before filing this return.* The details for the period between July 2017 to March 2018 are to be provided in this return.

4. *It may be noted that additional liability for the FY 2017-18 not declared in FORM GSTR-1 and FORM GSTR-3B may be declared in this return. However, taxpayers cannot claim input tax credit unclaimed during FY 2017-18 through this return.*

5. Part II consists of the details of all outward supplies & advances received during the financial year for which the annual return is filed. ~~*The details filled in Part II is a consolidation of all the supplies declared by the taxpayer in the returns filed during the financial year.*~~ *It may be noted that all the supplies for which payment has been made through FORM GSTR-3B between July 2017 to March 2018 shall be declared in this part*. The instructions to fill Part II are as follows:

| Table No. | Instructions |
|---|---|
| 4A | Aggregate value of supplies made to consumers and unregistered persons on which tax has been paid shall be declared here. These will include details of supplies made through E-Commerce operators and are to be declared as net of credit notes or debit notes issued in this regard. Table 5, Table 7 along with respective amendments in Table 9 and Table 10 of FORM GSTR-1 may be used for filling up these details. |
| 4B | Aggregate value of supplies made to registered persons (including supplies made to UINs) on which tax has been paid shall be declared here. These will include supplies made through E-Commerce operators but shall not include supplies on which tax is to be paid by the recipient on reverse charge basis. Details of debit and credit notes are to be mentioned separately. Table 4A and Table 4C of FORM GSTR-1 may be used for filling up these details. |
| 4C | Aggregate value of exports (except supplies to SEZs) on which tax has been paid shall be declared here. Table 6A of FORM GSTR-1 may be used for filling up these details. |
| 4D | Aggregate value of supplies to SEZs on which tax has been paid shall be declared here. Table 6B of GSTR-1 may be used for filling up these details. |
| 4E | Aggregate value of supplies in the nature of deemed exports on which tax has been paid shall be declared here. Table 6C of FORM GSTR-1 may be used for filling up these details. |
| 4F | Details of all unadjusted advances i.e. advance has been received and tax has been paid but invoice has not been issued in the current year shall be declared here. Table 11A of FORM GSTR-1 may be used for filling up these details. |

| | |
|---|---|
| 4G | Aggregate value of all inward supplies (including advances and net of credit and debit notes) on which tax is to be paid by the recipient (i.e.by the person filing the annual return) on reverse charge basis. This shall include supplies received from registered persons, unregistered persons on which tax is levied on reverse charge basis. This shall also include aggregate value of all import of services. Table 3.1(d) of FORM GSTR-3B may be used for filling up these details. |
| 4I | Aggregate value of credit notes issued in respect of B to B supplies (4B), exports (4C), supplies to SEZs (4D) and deemed exports (4E) shall be declared here. Table 9B of FORM GSTR-1 may be used for filling up these details. |
| 4J | Aggregate value of debit notes issued in respect of B to B supplies (4B), exports (4C), supplies to SEZs (4D) and deemed exports (4E) shall be declared here. Table 9B of FORM GSTR-1 may be used for filling up these details. |
| 4K & 4L | Details of amendments made to B to B supplies (4B), exports (4C), supplies to SEZs (4D) and deemed exports (4E), credit notes (4I), debit notes (4J) and refund vouchers shall be declared here. Table 9A and Table 9C of FORM GSTR-1 may be used for filling up these details. |
| 5A | Aggregate value of exports (except supplies to SEZs) on which tax has not been paid shall be declared here. Table 6A of FORM GSTR-1 may be used for filling up these details. |
| 5B | Aggregate value of supplies to SEZs on which tax has not been paid shall be declared here. Table 6B of GSTR-1 may be used for filling up these details. |
| 5C | Aggregate value of supplies made to registered persons on which tax is payable by the recipient on reverse charge basis. Details of debit and credit notes are to be mentioned separately. Table 4B of FORM GSTR-1 may be used for filling up these details. |
| 5D,5E and 5F | Aggregate value of exempted, Nil Rated and Non-GST supplies shall be declared here. Table 8 of FORM GSTR-1 may be used for filling up these details.<br><br>The value of "no supply" shall ~~*also*~~ be declared *under Non-GST ~~here~~ supply (5F).* |
| 5H | Aggregate value of credit notes issued in respect of supplies declared in 5A, 5B, 5C, 5D, 5E and 5F shall be declared here. Table 9B of FORM GSTR-1 may be used for filling up these details. |
| 5I | Aggregate value of debit notes issued in respect of supplies declared in 5A, 5B, 5C, 5D, 5E and 5F shall be declared here. Table 9B of FORM GSTR-1 may be used for filling up these details. |
| 5J & 5K | Details of amendments made to exports (except supplies to SEZs) and supplies to SEZs on which tax has not been paid shall be declared here. Table 9A and Table 9C of FORM GSTR-1 may be used for filling up these details. |
| 5N | Total turnover including the sum of all the supplies (with additional supplies and amendments) on which tax is payable and tax is not payable shall be declared here. This shall also include amount of advances on which tax is paid but invoices have not been issued in the current year. However, this shall not include the aggregate value of |

| | |
|---|---|
| | inward supplies on which tax is paid by the recipient (i.e. by the person filing the annual return) on reverse charge basis. |

6. Part III consists of the details of all input tax credit availed and reversed in the financial year for which the annual return is filed. The instructions to fill Part III are as follows:

| Table No. | Instructions |
|---|---|
| 6A | Total input tax credit availed in Table 4A of FORM GSTR-3B for the taxpayer would be auto-populated here. |
| 6B | Aggregate value of input tax credit availed on all inward supplies except those on which tax is payable on reverse charge basis but includes supply of services received from SEZs shall be declared here. It may be noted that the total ITC availed is to be classified as ITC on inputs, capital goods and input services. Table 4(A)(5) of FORM GSTR-3B may be used for filling up these details.<br><br>This shall not include ITC which was availed, reversed and then reclaimed in the ITC ledger. This is to be declared separately under 6(H) below. |
| 6C | Aggregate value of input tax credit availed on all inward supplies received from unregistered persons (other than import of services) on which tax is payable on reverse charge basis shall be declared here. It may be noted that the total ITC availed is to be classified as ITC on inputs, capital goods and input services. Table 4(A)(3) of FORM GSTR-3B may be used for filling up these details. |
| 6D | Aggregate value of input tax credit availed on all inward supplies received from registered persons on which tax is payable on reverse charge basis shall be declared here. It may be noted that the total ITC availed is to be classified as ITC on inputs, capital goods and input services. Table 4(A)(3) of FORM GSTR-3B may be used for filling up these details. |
| 6E | Details of input tax credit availed on import of goods including supply of goods received from SEZs shall be declared here. It may be noted that the total ITC availed is to be classified as ITC on inputs and capital goods. Table 4(A)(1) of FORM GSTR-3B may be used for filling up these details. |
| 6F | Details of input tax credit availed on import of services (excluding inward supplies from SEZs) shall be declared here. Table 4(A)(2) of FORM GSTR-3B may be used for filling up these details. |
| 6G | Aggregate value of input tax credit received from input service distributor shall be declared here. Table 4(A)(4) of FORM GSTR-3B may be used for filling up these details. |
| 6H | Aggregate value of input tax credit availed, reversed and reclaimed under the provisions of the Act shall be declared here. |
| 6J | The difference between the total amount of input tax credit availed through FORM GSTR-3B and input tax credit declared in row B to H shall be declared here. Ideally, this amount should be zero. |

| | |
|---|---|
| 6K | Details of transition credit received in the electronic credit ledger on filing of FORM GST TRAN-I including revision of TRAN-I (whether upwards or downwards), if any shall be declared here. |
| 6L | Details of transition credit received in the electronic credit ledger after filing of FORM GST TRAN-II shall be declared here. |
| 6M | Details of ITC availed but not covered in any of heads specified under 6B to 6L above shall be declared here. Details of ITC availed through FORM ITC-01 and FORM ITC-02 in the financial year shall be declared here. |
| 7A, 7B, 7C, 7D, 7E, 7F, 7G and 7H | Details of input tax credit reversed due to ineligibility or reversals required under rule 37, 39, 42 and 43 of the CGST Rules, 2017 shall be declared here. This column should also contain details of any input tax credit reversed under section 17(5) of the CGST Act, 2017 and details of ineligible transition credit claimed under FORM GST TRAN-I or FORM GST TRAN-II and then subsequently reversed. Table 4(B) of FORM GSTR-3B may be used for filling up these details. Any ITC reversed through FORM ITC -03 shall be declared in 7H. *If the amount stated in Table 4D of FORM GSTR-3B was not included in table 4A of FORM GSTR-3B, then no entry should be made in table 7E of FORM GSTR-9. However, if amount mentioned in table 4D of GSTR-3B was included in table 4A of FORM GSTR-3B, then entry will come in 7E of FORM GSTR-9.* |
| 8A | The total credit available for inwards supplies (other than imports and inwards supplies liable to reverse charge but includes services received from SEZs) ~~*received during*~~ *pertaining to FY* 2017-18 and reflected in FORM GSTR-2A (table 3 & 5 only) shall be auto-populated in this table. This would be the aggregate of all the input tax credit that has been declared by the corresponding suppliers in their FORM GSTR-I. |
| 8B | The input tax credit as declared in Table 6B and 6H shall be auto-populated here. |
| 8C | Aggregate value of input tax credit availed on all inward supplies (except those on which tax is payable on reverse charge basis but includes supply of services received from SEZs) received during July 2017 to March 2018 but credit on which was availed between April to September 2018 shall be declared here. Table 4(A)(5) of FORM GSTR-3B may be used for filling up these details. |
| 8D | *Aggregate value of the input tax credit which was available in FORM GSTR-2A (table 3 & 5 only) but not availed in FORM GSTR-3B returns shall be computed based on values of 8A, 8B and 8C.*<br><br>*However, there may be circumstances where the credit availed in FORM GSTR-3B was greater than the credit available in FORM GSTR-2A. In such cases, the value in row 8D shall be negative.* |
| 8E & 8F | ~~*Aggregate value of the input tax credit which was available in FORM GSTR-2A (table 3 & 5 only) but not availed in any of the FORM GSTR-3B returns shall be declared here.*~~ The credit ~~*shall be classified as credit*~~ which was available and not availed *in FORM GSTR-3B* ~~*or*~~ *and* the credit was not availed *in FORM GSTR-3B* as the same was ineligible *shall be declared here*. ~~*The sum total of both the rows should be equal to difference in 8D.*~~ *Ideally, if 8D is positive, the sum of 8E and 8F shall be equal to 8D.* |

| | |
|---|---|
| 8G | Aggregate value of IGST paid at the time of imports (including imports from SEZs) during the financial year shall be declared here. |
| 8H | The input tax credit as declared in Table 6E shall be auto-populated here. |
| 8K | The total input tax credit which shall lapse for the current financial year shall be computed in this row. |

7. Part IV is the actual tax paid during the financial year. Payment of tax under Table 6.1 of FORM GSTR-3B may be used for filling up these details.

8. Part V consists of particulars of transactions for the previous financial year but ~~*declared in*~~ *paid in* the *FORM GSTR-3B* ~~*returns*~~ of April to September of current FY or date of filing of Annual Return for previous financial year (for example in the annual return for the FY 2017-18, the transactions declared in April to September 2018 for the FY 2017-18 shall be declared), whichever is earlier. The instructions to fill Part V are as follows:

| Table No. | Instructions |
|---|---|
| 10 & 11 | Details of additions or amendments to any of the supplies already declared in the returns of the previous financial year but such amendments were furnished in Table 9A, Table 9B and Table 9C of FORM GSTR-1 of April to September of the current financial year or date of filing of Annual Return for the previous financial year, whichever is earlier shall be declared here. |
| 12 | Aggregate value of reversal of ITC which was availed in the previous financial year but reversed in returns filed for the months of April to September of the current financial year or date of filing of Annual Return for previous financial year, whichever is earlier shall be declared here. Table 4(B) of FORM GSTR-3B may be used for filling up these details. |
| 13 | Details of ITC for goods or services received in the previous financial year but ITC for the same was availed in returns filed for the months of April to September of the current financial year or date of filing of Annual Return for the previous financial year whichever is earlier shall be declared here. Table 4(A) of FORM GSTR-3B may be used for filling up these details. *However, any ITC which was reversed in the FY 2017-18 as per second proviso to sub-section (2) of section 16 but was reclaimed in FY 2018-19, the details of such ITC reclaimed again shall be furnished in the annual return for FY 2018-19.* |

9. Part VI consists of details of other information. The instructions to fill Part VI are as follows:

| Table No. | Instructions |
|---|---|
| 15A, 15B, 15C and 15D | Aggregate value of refunds claimed, sanctioned, rejected and pending for processing shall be declared here. Refund claimed will be the aggregate value of all the refund claims filed in the financial year and will include refunds which have been sanctioned, rejected or are pending for processing. Refund sanctioned means the aggregate value of all refund sanction orders. Refund pending will be the aggregate amount in all refund application for which acknowledgement has been received and will exclude provisional refunds received. These will not include details of non-GST refund claims. |
| 15E, 15F and 15G | Aggregate value of demands of taxes for which an order confirming the demand has been issued by the adjudicating authority shall be declared here. Aggregate value of taxes paid out of the total value of confirmed demand as declared in 15E above shall |

| | |
|---|---|
| | be declared here. Aggregate value of demands pending recovery out of 15E above shall be declared here. |
| 16A | Aggregate value of supplies received from composition taxpayers shall be declared here. Table 5 of FORM GSTR-3B may be used for filling up these details. |
| 16B | Aggregate value of all deemed supplies from the principal to the job-worker in terms of sub-section (3) and sub-section (4) of Section 143 of the CGST Act shall be declared here. |
| 16C | Aggregate value of all deemed supplies for goods which were sent on approval basis but were not returned to the principal supplier within one eighty days of such supply shall be declared here. |
| 17 & 18 | Summary of supplies effected and received against a particular HSN code to be reported only in this table. It will be optional for taxpayers having annual turnover upto ₹ 1.50 Cr. It will be mandatory to report HSN code at two digits level for taxpayers having annual turnover in the preceding year above ₹ 1.50 Cr but upto ₹ 5.00 Cr and at four digits' level for taxpayers having annual turnover above ₹ 5.00 Cr. UQC details to be furnished only for supply of goods. Quantity is to be reported net of returns. Table 12 of FORM GSTR-1 may be used for filling up details in Table 17. *It may be noted that this summary details are required to be declared only for those inward supplies which in value independently account for 10 % or more of the total value of inward supplies.* |
| 19 | Late fee will be payable if annual return is filed after the due date. |

*9. Towards the end of the return, taxpayers shall be given an option to pay any additional liability declared in this form, through FORM DRC-03. Taxpayers shall select "Annual Return" in the drop down provided in FORM DRC-03. It may be noted that such liability can be paid through electronic cash ledger only.*

**Annexure – IV**

**FORM GSTR – 9A**

*[See rule 80]*

## Annual Return (For Composition Taxpayer)

| Pt. I | Basic Details | | | | | | |
|---|---|---|---|---|---|---|---|
| 1 | Financial Year | | | | | | |
| 2 | GSTIN | | | | | | |
| 3A | Legal Name | <Auto> | | | | | |
| 3B | Trade Name (if any) | <Auto> | | | | | |
| 4 | Period of composition scheme during the year (From ---- To ----) | | | | | | |
| 5 | Aggregate Turnover of Previous Financial Year | | | | | | |

(Amount in ₹ in all tables)

| Pt. II | Details of outward and inward supplies ~~declared in returns filed~~ made during the financial year | | | | | | |
|---|---|---|---|---|---|---|---|
| | Description | Turnover | Rate of Tax | Central Tax | State / UT Tax | Integrated tax | Cess |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| **6** | Details of Outward supplies ~~on which tax is payable as declared in returns filed~~ made during the financial year | | | | | | |
| A | Taxable | | | | | | |
| B | Exempted, Nil-rated | | | | | | |
| C | Total | | | | | | |

| **7** | Details of inward supplies on which tax is payable on reverse charge basis (net of debit/credit notes) ~~declared in returns filed during~~ for the financial year | | | | | |
|---|---|---|---|---|---|---|
| | Description | Taxable Value | Central Tax | State Tax / UT Tax | Integrated Tax | Cess |
| | 1 | 2 | 3 | 4 | 5 | 6 |
| A | Inward supplies liable to reverse charge received from registered persons | | | | | |
| B | Inward supplies liable to reverse charge received from unregistered persons | | | | | |
| C | Import of services | | | | | |
| D | Net Tax Payable on (A), (B) and (C) above | | | | | |

| **8** | Details of other inward supplies ~~as declared in returns filed during~~ for the financial year | | | | | |
|---|---|---|---|---|---|---|
| A | Inward supplies from registered persons (other than 7A above) | | | | | |
| B | Import of Goods | | | | | |

| Pt. III | Details of tax paid as declared in returns filed during the financial year | | | |
|---|---|---|---|---|
| **9** | Description | Total tax payable | Paid | |
| | 1 | 2 | 3 | |

| | | | | | | |
|---|---|---|---|---|---|---|
| | Integrated Tax | | | | | |
| | Central Tax | | | | | |
| | State/UT Tax | | | | | |
| | Cess | | | | | |
| | Interest | | | | | |
| | Late fee | | | | | |
| | Penalty | | | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| Pt. IV | Particulars of the transactions for the previous FY declared in returns of April to September of current FY or upto date of filing of annual return of previous FY whichever is earlier | | | | | |
| | Description | Turnover | Central Tax | State Tax / UT Tax | Integrated Tax | Cess |
| | 1 | 2 | 3 | 4 | 5 | 6 |
| **10** | Supplies / tax (outward) declared through Amendments (+) (net of debit notes) | | | | | |
| **11** | Inward supplies liable to reverse charge declared through Amendments (+) (net of debit notes) | | | | | |
| **12** | Supplies / tax (outward) reduced through Amendments (-) (net of credit notes) | | | | | |
| **13** | Inward supplies liable to reverse charge reduced through Amendments (-) (net of credit notes) | | | | | |

| | | | |
|---|---|---|---|
| 14 | Differential tax paid on account of declaration made in 10, 11, 12 & 13 above | | |
| | Description | Payable | Paid |
| | 1 | 2 | 3 |
| | Integrated Tax | | |
| | Central Tax | | |
| | State/UT Tax | | |
| | Cess | | |
| | Interest | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Pt. V | Other Information | | | | | | | |
| 15 | Particulars of Demands and Refunds | | | | | | | |
| | Description | Central Tax | State Tax / UT Tax | Integrated Tax | Cess | Interest | Penalty | Late Fee / Others |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| A | Total Refund claimed | | | | | | | |
| B | Total Refund sanctioned | | | | | | | |
| C | Total Refund Rejected | | | | | | | |
| D | Total Refund Pending | | | | | | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| E | Total demand of taxes | | | | | | | |
| F | Total taxes paid in respect of E above | | | | | | | |
| G | Total demands pending out of E above | | | | | | | |

| 16 | Details of credit reversed or availed | | | | |
|---|---|---|---|---|---|
| | Description | Central Tax | State Tax / UT Tax | Integrated Tax | Cess |
| | 1 | 2 | 3 | 4 | 5 |
| A | Credit reversed on opting in the composition scheme (-) | | | | |
| B | Credit availed on opting out of the composition scheme (+) | | | | |

| 17 | Late fee payable and paid | | |
|---|---|---|---|
| | Description | Payable | Paid |
| | 1 | 2 | 3 |
| A | Central Tax | | |
| B | State Tax | | |

Verification:

I hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my knowledge and belief and nothing has been concealed there from and in case of any reduction in output tax liability the benefit thereof has been/will be passed on to the recipient of supply.

Place

Signature

Name of Authorised Signatory

Date

Designation / Status

**Instructions: –**

1. *It is mandatory to file all your FORM GSTR-4 for the FY 2017-18 before filing this return.* The details for the period between July 2017 to March 2018 shall be provided in this return.
2. *It may be noted that additional liability for the FY 2017-18 not declared in FORM GSTR-4 may be declared in this return.*
3. Part I consists of basic details of taxpayer. The instructions to fill Part I are as follows :

| Table No. | Instructions |
|---|---|
| 5 | Aggregate turnover for the previous financial year is the turnover of the financial year previous to the year for which the return is being filed. For example for the annual return for FY 2017-18, the aggregate turnover of FY 2016-17 shall be entered into this table. It is the sum total of turnover of all taxpayers registered on the same PAN. |

4. Part II consists of the details of all outward and inward supplies in the financial year for which the annual return is filed. The instructions to fill Part II are as follows:

| Table No. | Instructions |
|---|---|
| 6A | Aggregate value of all outward supplies net of debit notes / credit notes, net of advances and net of goods returned for the entire financial year shall be declared here. Table 6 and Table 7 of FORM GSTR-4 may be used for filling up these details. |
| 6B | Aggregate value of exempted, Nil Rated and Non-GST supplies shall be declared here. |
| 7A | Aggregate value of all inward supplies received from registered persons on which tax is payable on reverse charge basis shall be declared here. Table 4B, Table 5 and Table 8A of FORM GSTR-4 may be used for filling up these details. |
| 7B | Aggregate value of all inward supplies received from unregistered persons (other than import of services) on which tax is payable on reverse charge basis shall be declared here. Table 4C, Table 5 and Table 8A of FORM GSTR-4 may be used for filling up these details. |
| 7C | Aggregate value of all services imported during the financial year shall be declared here. Table 4D and Table 5 of FORM GSTR-4 may be used for filling up these details. |
| 8A | Aggregate value of all inward supplies received from registered persons on which tax is payable by the supplier shall be declared here. Table 4A and Table 5 of FORM GSTR-4 may be used for filling up these details. |
| 8B | Aggregate value of all goods imported during the financial year shall be declared here. |

5. Part IV consists of the details of amendments made for the supplies of the previous financial year in the returns of April to September of the current FY or date of filing of Annual Return for previous financial year (for example in the annual return for the FY 2017-18, the transactions declared in April to September 2018 for the FY 2017-18 shall be declared), whichever is earlier. The instructions to fill Part V are as follows:

| Table No. | Instructions |
|---|---|
| | Details of additions or amendments to any of the supplies already declared in the returns of the previous financial year but such amendments were furnished in Table 5 (relating to inward supplies) or Table 7 (relating to outward supplies) of FORM |

| | |
|---|---|
| 10,11,12,13 and 14 | GSTR- 4 of April to September of the current financial year or upto the date of filing of Annual Return for the previous financial year, whichever is earlier shall be declared here. |

6. Part V consists of details of other information. The instruction to fill Part V are as follows:

| Table No. | Instructions |
|---|---|
| 15A, 15B, 15C and 15D | Aggregate value of refunds claimed, sanctioned, rejected and pending for processing shall be declared here. Refund claimed will be the aggregate value of all the refund claims filed in the financial year and will include refunds which have been sanctioned, rejected or are pending for processing. Refund sanctioned means the aggregate value of all refund sanction orders. Refund pending will be the aggregate amount in all refund application for which acknowledgement has been received and will exclude provisional refunds received. These will not include details of non-GST refund claims. |
| 15E, 15F and 15G | Aggregate value of demands of taxes for which an order confirming the demand has been issued by the adjudicating authority has been issued shall be declared here. Aggregate value of taxes paid out of the total value of confirmed demand in 15E above shall be declared here. Aggregate value of demands pending recovery out of 15E above shall be declared here. |
| 16A | Aggregate value of all credit reversed when a person opts to pay tax under the composition scheme shall be declared here. The details furnished in FORM ITC-03 may be used for filling up these details. |
| 16B | Aggregate value of all the credit availed when a registered person opts out of the composition scheme shall be declared here. The details furnished in FORM ITC-01 may be used for filling up these details. |
| 17 | Late fee will be payable if annual return is filed after the due date.”; |

7. *Towards the end of the return, taxpayers shall be given an option to pay any additional liability declared in this form, through FORM DRC-03. Taxpayers shall select “Annual Return” in the drop down provided in FORM DRC-03. It may be noted that such liability shall be paid through electronic cash ledger only.*

**Annexure – V**
**FORM GSTR-9C**

See rule 80(3)
PART – A - Reconciliation Statement

| Pt. I | Basic Details | | |
|---|---|---|---|
| 1 | Financial Year | | |
| 2 | GSTIN | | |
| 3A | Legal Name | < Auto> | |
| 3B | Trade Name (if any) | <Auto> | |
| 4 | Are you liable to audit under any Act? | <<Please specify>> | |
| | | (Amount in ₹ in all tables) | |
| Pt. II | **Reconciliation of turnover declared in audited Annual Financial Statement with turnover declared in Annual Return (GSTR9)** | | |
| 5 | **Reconciliation of Gross Turnover** | | |
| A | Turnover (including exports) as per audited financial statements for the State / UT (For multi-GSTIN units under same PAN the turnover shall be derived from the audited Annual Financial Statement) | | |
| B | Unbilled revenue at the beginning of Financial Year | (+) | |
| C | Unadjusted advances at the end of the Financial Year | (+) | |
| D | Deemed Supply under Schedule I | (+) | |
| E | Credit Notes issued after the end of the financial year but reflected in the annual return | (+-) | |
| F | Trade Discounts accounted for in the audited Annual Financial Statement but are not permissible under GST | (+) | |
| G | Turnover from April 2017 to June 2017 | (-) | |
| H | Unbilled revenue at the end of Financial Year | (-) | |
| I | Unadjusted Advances at the beginning of the Financial Year | (-) | |
| J | Credit notes accounted for in the audited Annual Financial Statement but are not permissible under GST | (-+) | |
| K | Adjustments on account of supply of goods by SEZ units to DTA Units | (-) | |
| L | Turnover for the period under composition scheme | (-) | |
| M | Adjustments in turnover under section 15 and rules thereunder | (+/-) | |
| N | Adjustments in turnover due to foreign exchange fluctuations | (+/-) | |
| O | Adjustments in turnover due to reasons not listed above | (+/-) | |
| P | Annual turnover after adjustments as above | | <Auto> |
| Q | Turnover as declared in Annual Return (GSTR9) | | |
| R | Un-Reconciled turnover (Q - P) | | **AT1** |
| 6 | **Reasons for Un - Reconciled difference in Annual Gross Turnover** | | |
| A | Reason 1 | <<Text>> | |
| B | Reason 2 | <<Text>> | |

| | | |
|---|---|---|
| C | Reason 3 | <<Text>> |
| 7 | **Reconciliation of Taxable Turnover** | |
| A | Annual turnover after adjustments (from 5P above) | **<Auto>** |
| B | Value of Exempted, Nil Rated, Non-GST supplies, No-Supply turnover | |
| C | Zero rated supplies without payment of tax | |
| D | Supplies on which tax is to be paid by the recipient on reverse charge basis | |
| E | Taxable turnover as per adjustments above (A-B-C-D) | <Auto> |
| F | Taxable turnover as per liability declared in Annual Return (GSTR9) | |
| G | Unreconciled taxable turnover (F-E) | **AT 2** |
| 8 | **Reasons for Un - Reconciled difference in taxable turnover** | |
| A | Reason 1 | <<Text>> |
| B | Reason 2 | <<Text>> |
| C | Reason 3 | <<Text>> |
| Pt. III | **Reconciliation of tax paid** | |
| 9 | **Reconciliation of rate wise liability and amount payable thereon** | |

| | | | Tax payable | | | |
|---|---|---|---|---|---|---|
| | Description | Taxable Value | Central tax | State tax / UT tax | Integrated Tax | Cess, if applicable |
| | 1 | 2 | 3 | 4 | 5 | 6 |
| A | 5% | | | | | |
| B | 5% (RC) | | | | | |
| C | 12% | | | | | |
| D | 12% (RC) | | | | | |
| E | 18% | | | | | |
| F | 18% (RC) | | | | | |
| G | 28% | | | | | |
| H | 28% (RC) | | | | | |
| I | 3% | | | | | |
| J | 0.25% | | | | | |
| K | 0.10% | | | | | |
| L | Interest | | | | | |
| M | Late Fee | | | | | |
| N | Penalty | | | | | |
| O | Others | | | | | |
| P | *Total amount to be paid as per tables above* | | <Auto> | <Auto> | <Auto> | <Auto> |
| Q | *Total amount paid as declared in Annual* | | | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| | *Return (GSTR 9)* | | | | | |
| R | *Un-reconciled payment of amount **(PT1)*** | | | | | |
| 10 | **Reasons for un-reconciled payment of amount** | | | | | |
| A | Reason 1 | <<Text>> | | | | |
| B | Reason 2 | <<Text>> | | | | |
| C | Reason 3 | <<Text>> | | | | |
| 11 | **Additional amount payable but not paid (due to reasons specified under Tables 6,8 and 10 above)** | | | | | |
| | | | To be paid through Cash | | | |
| | Description | Taxable Value | Central tax | State tax / UT tax | Integrated tax | Cess, if applicable |
| | 1 | 2 | 3 | 4 | 5 | 6 |
| | 5% | | | | | |
| | 12% | | | | | |
| | 18% | | | | | |
| | 28% | | | | | |
| | 3% | | | | | |
| | 0.25% | | | | | |
| | 0.10% | | | | | |
| | Interest | | | | | |
| | Late Fee | | | | | |
| | Penalty | | | | | |
| | Others (please specify) | | | | | |
| Pt. IV | **Reconciliation of Input Tax Credit (ITC)** | | | | | |
| 12 | **Reconciliation of Net Input Tax Credit (ITC)** | | | | | |
| A | ITC availed as per audited Annual Financial Statement for the State/ UT (For multi-GSTIN units under same PAN this should be derived from books of accounts) | | | | | |
| B | ITC booked in earlier Financial Years claimed in current Financial Year | **(+)** | | | | |
| C | ITC booked in current Financial Year to be claimed in subsequent Financial Years | **(-)** | | | | |
| D | ITC availed as per audited financial statements or books of account | <Auto> | | | | |
| E | ITC claimed in Annual Return (GSTR9) | | | | | |
| F | Un-reconciled ITC | **ITC 1** | | | | |
| 13 | **Reasons for un-reconciled difference in ITC** | | | | | |
| A | Reason 1 | <<Text>> | | | | |
| B | Reason 2 | <<Text>> | | | | |
| C | Reason 3 | <<Text>> | | | | |

| | | | | |
|---|---|---|---|---|
| 14 | **Reconciliation of ITC declared in Annual Return (GSTR9) with ITC availed on expenses as per audited Annual Financial Statement or books of account** | | | |
| | Description | Value | Amount of Total ITC | Amount of eligible ITC availed |
| | 1 | 2 | 3 | 4 |
| A | Purchases | | | |
| B | Freight / Carriage | | | |
| C | Power and Fuel | | | |
| D | Imported goods (Including received from SEZs) | | | |
| E | Rent and Insurance | | | |
| F | Goods lost, stolen, destroyed, written off or disposed of by way of gift or free samples | | | |
| G | Royalties | | | |
| H | Employees' Cost (Salaries, wages, Bonus etc.) | | | |
| I | Conveyance charges | | | |
| J | Bank Charges | | | |
| K | Entertainment charges | | | |
| L | Stationery Expenses (including postage etc.) | | | |
| M | Repair and Maintenance | | | |
| N | Other Miscellaneous expenses | | | |
| O | Capital goods | | | |
| P | Any other expense 1 | | | |
| Q | Any other expense 2 | | | |
| R | *Total amount of eligible ITC availed* | | | <<Auto>> |
| S | *ITC claimed in Annual Return (GSTR9)* | | | |
| T | *Un-reconciled ITC (**ITC 2**)* | | | |
| 15 | **Reasons for un - reconciled difference in ITC** | | | |
| A | Reason 1 | <<Text>> | | |
| B | Reason 2 | <<Text>> | | |
| C | Reason 3 | <<Text>> | | |
| 16 | **Tax payable on un-reconciled difference in ITC (due to reasons specified in 13 and 15 above)** | | | |
| | Description | Amount Payable | | |
| | Central Tax | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| | State/UT Tax | | | | | |
| | Integrated Tax | | | | | |
| | Cess | | | | | |
| | Interest | | | | | |
| | Penalty | | | | | |
| Pt. V | **Auditor's recommendation on additional Liability due to non-reconciliation** | | | | | |
| | | | To be paid through Cash | | | |
| | Description | Value | Central tax | State tax / UT tax | Integrated tax | Cess, if applicable |
| | 1 | 2 | 3 | 4 | 5 | 6 |
| | 5% | | | | | |
| | 12% | | | | | |
| | 18% | | | | | |
| | 28% | | | | | |
| | 3% | | | | | |
| | 0.25% | | | | | |
| | 0.10% | | | | | |
| | Input Tax Credit | | | | | |
| | Interest | | | | | |
| | Late Fee | | | | | |
| | Penalty | | | | | |
| | Any other amount paid for supplies not included in Annual Return (GSTR 9) | | | | | |
| | Erroneous refund to be paid back | | | | | |
| | Outstanding demands to be settled | | | | | |
| | Other (Pl. specify) | | | | | |

Verification:

I hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my knowledge and belief and nothing has been concealed there from.

**(Signature and stamp/Seal of the Auditor)

Place: ……

Name of the signatory ……

Membership No……

Date: ……

Full address ……

*Verification of registered person:*

*I hereby solemnly affirm and declare that I am uploading the reconciliation statement in FORM GSTR-9C prepared and duly signed by the Auditor and nothing has been tampered or altered by me in the statement. I am also uploading other statements, as applicable, including financial statement, profit and loss account and balance sheet etc.*

*Signature*

*Place:*

*Date:*

*Name of Authorized Signatory*

*Designation/status*

**Instructions: –**

1. Terms used:
   (a) GSTIN: Goods and Services Tax Identification Number
2. *It is mandatory to file all your FORM GSTR-1, FORM GSTR-3B and FORM GSTR -9 for the FY 2017-18 before filing this return*. The details for the period between July 2017 to March 2018 are to be provided in this statement for the financial year 2017-18. The reconciliation statement is to be filed for every GSTIN separately.
3. The reference to current financial year in this statement is the financial year for which the reconciliation statement is being filed for.
4. Part II consists of reconciliation of the annual turnover declared in the audited Annual Financial Statement with the turnover as declared in the Annual Return furnished in FORM GSTR-9 for this GSTIN. The instructions to fill this part are as follows :-

| Table No. | Instructions |
|---|---|
| 5A | The turnover as per the audited Annual Financial Statement shall be declared here. There may be cases where multiple GSTINs (State-wise) registrations exist on the same PAN. This is common for persons / entities with presence over multiple States. Such persons / entities, will have to internally derive their GSTIN wise turnover and declare the same here. This shall include export turnover (if any). It may be noted that reference to audited Annual Financial Statement includes reference to books of accounts in case of persons / entities having presence over multiple States. |
| 5B | Unbilled revenue which was recorded in the books of accounts on the basis of accrual system of accounting in the last financial year and was carried forward to the current financial year shall be declared here. In other words, when GST is payable during the financial year on such revenue (which was recognized earlier), the value of such revenue shall be declared here.<br><br>(For example, if rupees Ten Crores of unbilled revenue existed for the financial year 2016-17, and during the current financial year, GST was paid on rupees Four Crores of such revenue, then value of rupees Four Crores rupees shall be declared here) |
| 5C | Value of all advances for which GST has been paid but the same has not been recognized as revenue in the audited Annual Financial Statement shall be declared here. |
| 5D | Aggregate value of deemed supplies under Schedule I of the CGST Act, 2017 shall be declared here. Any deemed supply which is already part of the turnover in the audited Annual Financial Statement is not required to be included here. |
| 5E | Aggregate value of credit notes which were issued after 31st of March for any supply accounted in the current financial year but such credit notes were reflected in the annual return (GSTR-9) shall be declared here. |
| 5F | Trade discounts which are accounted for in the audited Annual Financial Statement but on which GST was leviable (being not permissible) shall be declared here. |
| 5G | Turnover included in the audited Annual Financial Statement for April 2017 to June 2017 shall be declared here. |
| 5H | Unbilled revenue which was recorded in the books of accounts on the basis of accrual system of accounting during the current financial year but GST was not payable on such revenue in the same financial year shall be declared here. |
| 5I | Value of all advances for which GST has not been paid but the same has been recognized as revenue in the audited Annual Financial Statement shall be declared here. |

| | |
|---|---|
| 5J | Aggregate value of credit notes which have been accounted for in the audited Annual Financial Statement but were not admissible under Section 34 of the CGST Act shall be declared here. |
| 5K | Aggregate value of all goods supplied by SEZs to DTA units for which the DTA units have filed bill of entry shall be declared here. |
| 5L | There may be cases where registered persons might have opted out of the composition scheme during the current financial year. Their turnover as per the audited Annual Financial Statement would include turnover both as composition taxpayer as well as normal taxpayer. Therefore, the turnover for which GST was paid under the composition scheme shall be declared here. |
| 5M | There may be cases where the taxable value and the invoice value differ due to valuation principles under section 15 of the CGST Act, 2017 and rules thereunder. Therefore, any difference between the turnover reported in the Annual Return (GSTR 9) and turnover reported in the audited Annual Financial Statement due to difference in valuation of supplies shall be declared here. |
| 5N | Any difference between the turnover reported in the Annual Return (GSTR9) and turnover reported in the audited Annual Financial Statement due to foreign exchange fluctuations shall be declared here. |
| 5O | Any difference between the turnover reported in the Annual Return (GSTR9) and turnover reported in the audited Annual Financial Statement due to reasons not listed above shall be declared here. |
| 5Q | Annual turnover as declared in the Annual Return (GSTR 9) shall be declared here. This turnover may be derived from Sr. No. 5N, 10 and 11 of Annual Return (GSTR 9). |
| 6 | Reasons for non-reconciliation between the annual turnover declared in the audited Annual Financial Statement and turnover as declared in the Annual Return (GSTR 9) shall be specified here. |
| 7 | The table provides for reconciliation of taxable turnover from the audited annual turnover after adjustments with the taxable turnover declared in annual return (GSTR-9). |
| 7A | Annual turnover as derived in Table 5P above would be auto-populated here. |
| 7B | Value of exempted, nil rated, non-GST and no-supply turnover shall be declared here. This shall be reported net of credit notes, debit notes and amendments if any. |
| 7C | Value of zero rated supplies (including supplies to SEZs) on which tax is not paid shall be declared here. This shall be reported net of credit notes, debit notes and amendments if any. |
| 7D | Value of reverse charge supplies on which tax is to be paid by the recipient shall be declared here. This shall be reported net of credit notes, debit notes and amendments if any. |
| 7E | The taxable turnover is derived as the difference between the annual turnover after adjustments declared in Table 7A above and the sum of all supplies (exempted, non-GST, reverse charge etc.) declared in Table 7B, 7C and 7D above. |
| 7F | Taxable turnover as declared in Table *(4N – 4G) + (10-11)* ~~*4N*~~ of the Annual Return (GSTR9) shall be declared here. |

| | |
|---|---|
| 8 | Reasons for non-reconciliation between adjusted annual taxable turnover as derived from Table 7E above and the taxable turnover declared in Table 7F shall be specified here. |

5. Part III consists of reconciliation of the tax payable as per declaration in the reconciliation statement and the actual tax paid as declared in Annual Return (GSTR9). The instructions to fill this part are as follows: -

| Table No. | Instructions |
|---|---|
| 9 | The table provides for reconciliation of tax paid as per reconciliation statement and amount of tax paid as declared in Annual Return (GSTR 9). Under the head labelled "RC", supplies where tax was paid on reverse charge basis by the recipient (i.e. the person for whom reconciliation statement has been prepared) shall be declared. |
| 9P | The total amount to be paid as per liability declared in Table 9A to 9O is auto populated here. |
| 9Q | The amount payable as declared in Table 9 of the Annual Return (GSTR9) shall be declared here. It should also contain any differential tax paid on Table 10 or 11 of the Annual Return (GSTR9). |
| 10 | Reasons for non-reconciliation between payable / liability declared in Table 9P above and the amount payable in Table 9Q shall be specified here. |
| 11 | Any amount which is payable due to reasons specified under Table 6, 8 and 10 above shall be declared here. |

6. Part IV consists of reconciliation of Input Tax Credit (ITC). The instructions to fill Part IV are as under: -

| Table No. | Instructions |
|---|---|
| 12A | ITC availed (after reversals) as per the audited Annual Financial Statement shall be declared here. There may be cases where multiple GSTINs (State-wise) registrations exist on the same PAN. This is common for persons / entities with presence over multiple States. Such persons / entities, will have to internally derive their ITC for each individual GSTIN and declare the same here. It may be noted that reference to audited Annual Financial Statement includes reference to books of accounts in case of persons / entities having presence over multiple States. |
| 12B | Any ITC which was booked in the audited Annual Financial Statement of earlier financial year(s) but availed in the ITC ledger in the financial yearfor which the reconciliation statement is being filed for shall be declared here. This shall include transitional credit which was booked in earlier years but availed during Financial Year 2017-18. |
| 12C | Any ITC which has been booked in the audited Annual Financial Statement of the current financial year but the same has not been credited to the ITC ledger for the said financial year shall be declared here. |
| 12D | ITC availed as per audited Annual Financial Statement or books of accounts as derived from values declared in Table 12A, 12B and 12C above will be auto-populated here. |

| | |
|---|---|
| 12E | Net ITC available for utilization as declared in Table 7J of Annual Return (GSTR9) shall be declared here. |
| 13 | Reasons for non-reconciliation of ITC as per audited Annual Financial Statement or books of account (Table 12D) and the net ITC (Table12E) availed in the Annual Return (GSTR9) shall be specified here. |
| 14 | This table is for reconciliation of ITC declared in the Annual Return (GSTR9) against the expenses booked in the audited Annual Financial Statement or books of account. The various sub-heads specified under this table are general expenses in the audited Annual Financial Statement or books of account on which ITC may or may not be available. Further, this is only an indicative list of heads under which expenses are generally booked. Taxpayers may add or delete any of these heads but all heads of expenses on which GST has been paid / was payable are to be declared here. |
| 14R | Total ITC declared in Table 14A to 14Q above shall be auto populated here. |
| 14S | Net ITC availed as declared in the Annual Return (GSTR9) shall be declared here. Table 7J of the Annual Return (GSTR9) may be used for filing this Table. |
| 15 | Reasons for non-reconciliation between ITC availed on the various expenses declared in Table 14R and ITC declared in Table 14S shall be specified here. |
| 16 | Any amount which is payable due to reasons specified in Table 13 and 15 above shall be declared here. |

7. Part V consists of the auditor's recommendation on the additional liability to be discharged by the taxpayer due to non-reconciliation of turnover or non-reconciliation of input tax credit. The auditor shall also recommend if there is any other amount to be paid for supplies not included in the Annual Return. Any refund which has been erroneously taken and shall be paid back to the Government shall also be declared in this table. Lastly, any other outstanding demands which is recommended to be settled by the auditor shall be declared in this Table.

~~*Towards, the end of the reconciliation statement taxpayers shall be given an option to pay their taxes as recommended by the auditor.*~~

8. *Towards the end of the return, taxpayers shall be given an option to pay any additional liability declared in this form, through FORM DRC-03. Taxpayers shall select "Reconciliation Statement" in the drop down provided in FORM DRC-03. It may be noted that such liability shall be paid through electronic cash ledger only.*

## PART – B- CERTIFICATION

### I. Certification in cases where the reconciliation statement (FORM GSTR-9C) is drawn up by the person who had conducted the audit:

* I/we have examined the—

(a) balance sheet as on ……

(b) the *profit and loss account/income and expenditure account for the period beginning from ……..…to ending on ……., and

(c) the cash flow statement for the period beginning from ……..…to ending on ……, —attached herewith, of M/s …… (Name), ……..…… (Address), ..……(GSTIN).

2. Based on our audit I/we report that the said registered person—

*has maintained the books of accounts, records and documents as required by the IGST/CGST/<<>>GST Act, 2017 and the rules/notifications made/issued thereunder

*has not maintained the following accounts/records/documents as required by the IGST/CGST/<<>>GST Act, 2017 and the rules/notifications made/issued thereunder:

1.

2.

3.

3. (a) *I/we report the following observations/ comments / discrepancies / inconsistencies; if any:

…….

…….

3. (b) *I/we further report that, -

(A) *I/we have obtained all the information and explanations which, to the best of *my/our knowledge and belief, were necessary for the purpose of the audit/ information and explanations which, to the best of *my/our knowledge and belief, were necessary for the purpose of the audit were not provided/partially provided to us.

(B) In *my/our opinion, proper books of account *have/have not been kept by the registered person so far as appears from*my/ our examination of the books.

(C) I/we certify that the balance sheet, the *profit and loss/income and expenditure account and the cash flow Statement are *in agreement/not in agreement with the books of account maintained at the Principal place of business at ……and ** ……additional place of business within the State.

4. The documents required to be furnished under section 35 (5) of the CGST Act and Reconciliation Statement required to be furnished under section 44(2) of the CGST Act is annexed herewith in Form No. GSTR-9C.

5. In *my/our opinion and to the best of *my/our information and according to explanations given to *me/us, the particulars given in the said Form No.GSTR-9C are true and correct subject to following observations/qualifications, if any:

(a) ……

(b) ……

(c) ……

……

……

**(Signature and stamp/Seal of the Auditor)

Place: ……

Name of the signatory ……

Membership No……

Date: ……

Full address ……

**II. <u>Certification in cases where the reconciliation statement (FORM GSTR-9C) is drawn up by a person other than the person who had conducted the audit of the accounts:</u>**

*I/we report that the audit of the books of accounts and the financial statements of M/s. …….....……. (Name and address of the assessee with GSTIN) was conducted by M/s. ……..…… (full name and address of auditor along with status), bearing membership number in pursuance of the ……. Act, and *I/we annex hereto a copy of their audit report dated …… along with a copy of each of:-

(a) balance sheet as on ……

(b) the *profit and loss account/income and expenditure account for the period beginning from ……..…to ending on ……..,

(c) the cash flow statement for the period beginning from ……..…to ending on ……, and

(d) documents declared by the said Act to be part of, or annexed to, the *profit and loss account/income and expenditure account and balance sheet.

2. I/we report that the said registered person—

*has maintained the books of accounts, records and documents as required by the IGST/CGST/<<>>GST Act, 2017 and the rules/notifications made/issued thereunder

*has not maintained the following accounts/records/documents as required by the IGST/CGST/<<>>GST Act, 2017 and the rules/notifications made/issued thereunder:

1.

2.

3.

3. The documents required to be furnished under section 35 (5) of the CGST Act and Reconciliation Statement required to be furnished under section 44(2) of the CGST Act is annexed herewith in Form No.GSTR-9C.

4. In *my/our opinion and to the best of *my/our information and according to examination of books of account including other relevant documents and explanations given to *me/us, the particulars given in the said Form No.9C are true and correct subject to the following observations/qualifications, if any:

(a) ……..……..……

(b) ……..……..……

(c) ……..……..……

……

**(Signature and stamp/Seal of the Auditor)

Place: ……

Name of the signatory ……

Membership No……

Date: ……

Full address ……”.

**Agenda Item 7(viii): IGST Rules for determination of Place of Supply**

The law Committee has proposed to notify the rules for determination of place of supply in case of inter-State supply under sections 10(2), 12(3), 12(7), 12(11) and 13(7) of the Integrated Goods and Services Tax Act, 2017. The draft rules also propose to correct a typographical error in sub-rule (h) of rule 3 of the Integrated Goods and Services Tax Rules, 2017. The draft notification for notifying the rules is placed as Annexure A.

2. The GST Council may approve notifying the said rules.

**ANNEXURE - A**

[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)
[Central Board of Indirect Taxes and Customs]

Notification No. /2018 – Integrated Tax

New Delhi, the January, 2019

,1939Saka

G.S.R. (E). - In exercise of the powers conferred by sub section (14) of section 12 read with section 22 of the Integrated Goods and Services Tax Act , 2017 (13 of 2017), the Central Government hereby makes the following rules to further amend the Integrated Goods and Services Tax Rules, 2017, namely:-

1. Short title and commencement.- (1) These rules may be called the Integrated Goods and Services Tax (Amendment) Rules, 2018.

(2) They shall be deemed to have come into force on the 1st day of July, 2017.

(3) Rule 3 shall be renumbered as rule 7.

(4) Before rule 3, as so renumbered, the following shall be inserted namely:-

" 3. --- (Left vacant for future use)

4. The supply of services attributable to different States or Union territories, in the case of:

(a) services directly in relation to an immovable property, or
(b) lodging accommodation by a hotel, inn, guest house, homestay, club or campsite, by whatever name called and including a house boat or any other vessel , or
(c) accommodation in any immovable property for organizing any marriage or reception or matters related thereto, official, social, cultural, religious or business function including services provided in relation to such function at such property or
(d) any services ancillary to the services in clauses (a), (b) and (c),

where such immovable property or boat or vessel is located in more than one State or Union territory shall, in the absence of any contract or agreement between the supplier of services and recipient of services for apportioning the value of the services, be determined in accordance with the provisions of sub-section (3) of section 12 of the Integrated Goods and Services Tax Act, 2017 in the following manner namely:-

(1) In case of services provided by way of lodging accommodation by a hotel, inn, guest house, club or campsite, by whatever name called (except in cases where such property is a single property located in two or more contiguous States and/or Union territories) and services ancillary to such services, the supply of services shall be treated as made in each of the respective States or Union territories in proportion to the number of nights stayed in such accommodation.

(2) In case of all other services in relation to immovable property including services by way of accommodation in any immovable property for organizing any marriage or reception etc. (including cases of supply of accommodation by a hotel, inn, guest house, club or campsite, by whatever name called, where such property is a single property located in two or more

contiguous States and/or Union territories) and services ancillary to such services, the supply of services shall be treated as made in each of the respective States or Union territories in proportion to the area of the property lying in each State/Union territory.

(3) In case of services provided by way of lodging accommodation by a house boat or any other vessel and services ancillary to such services, the supply of services shall be treated as made in each of the respective States or Union territories in proportion to the time spent by the boat or vessel in each such State or Union territory, which shall be determined on the basis of a declaration made to the effect by the service provider.

*Illustration 1: A hotel chain X charges a consolidated sum of Rs.30,000/- for stay in its two establishments in Delhi and Agra where the stay in Delhi is for 2 nights and the stay in Agra is for 1 night. The place of supply in this case is both in the Union territory of Delhi and in the State of Uttar Pradesh and the service shall be deemed to have been provided in the Union territory of Delhi and in the State of Uttar Pradesh in the ratio 2:1 respectively. The value of services provided will thus be apportioned as Rs.20,000/- in the Union territory of Delhi and Rs.10,000/- in the State of Uttar Pradesh and tax liability shall be calculated accordingly.*

*Illustration 2: There is a piece of land measuring 20,000 square feet which is partly in State S1, say 12,000 square feet, and partly in State S2, say 8000 square feet. Site preparation work has been entrusted to T. The ratio of land in the two States works out to 12:8 or 3:2 (simplified). The place of supply is in both S1 and S2. The service shall be deemed to have been provided in the ratio of 12:8 or 3:2 (simplified) in the States S1 and S2 respectively.*

*Illustration 3: A company C provides the service of 24 hours accommodation in a houseboat, which is situated in Kerala and Karnataka inasmuch as the guests board the house boat in Kerala and stay there for 22 hours but it also moves into Karnataka for 2 hours (as declared by the service provider). The place of supply of this service is in the States of Kerala and Karnataka. The service shall be deemed to have been provided in the ratio of 22:2 or 11:1 (simplified) in the States of Kerala and Karnataka, respectively.*

5. The supply of services attributable to different States or Union territories, in the case of services provided by way of organisation of a cultural, artistic, sporting, scientific, educational or entertainment event , including supply of services in relation to a conference, fair, exhibition, celebration or similar events and services ancillary to the organisation of any such events or assigning of sponsorship to such events , where the services are supplied to a person other than a registered person and the event is held in more than one State or Union territory for which a consolidated amount is charged for supply of such services, shall, in the absence of any contract or agreement between the supplier of services and recipient of services for apportioning the value of the services, be determined in accordance with the provisions of sub-section (7) of section 12 of the Integrated Goods and Services Tax Act, 2017 by treating the supply of services as made in each of the respective States or Union territories in the proportion as arrived at by application of the generally accepted accounting principles.

*Illustration: An event management company E has to organise some promotional events in states S1 and S2 for a recipient R. 3 events are to be organised in S1 and 2 in S2. They charge a consolidated amount of Rs.10,00,000 from R. The place of supply of this service is in both the States S1 and S2. Say the ratio of expenditure arrived at by the application of generally accepted accounting principles to the available data is 3:2. The service shall be deemed to have been provided in the ratio 3:2 in S1 and S2 respectively. The value of services provided will thus be apportioned as Rs. 6,00,000/- in S1 and Rs. 4,00,000/- in S2 and tax liability shall be calculated accordingly.*

6. The supply of services attributable to different States or Union territories, in the case of supply of services relating to a leased circuit where the leased circuit is installed in more than one State or Union territory and a consolidated amount is charged for supply of such services, shall, in the absence of any contract or agreement between the supplier of services and recipient of services for apportioning

the value of the services, be determined in accordance with the provisions of sub-section (11) of section 12 of the Integrated Goods and Services Tax Act, 2017 in the following manner namely:-

(1) The number of points in a circuit shall first be determined in the following manner:

(a) in the case of a circuit between two points or places, the starting point or place of the circuit, and concomitantly the State or Union territory in which it is located, and the end point or place of the circuit, and concomitantly the State or Union territory in which it is located, will invariably constitute two points;

(b) any intermediate point or place in the circuit and concomitantly the State or Union territory in which it is located will also constitute a point provided that the benefit of the leased circuit is also available at that intermediate point;

(2) The supply of services shall be treated as made in each of the respective States or Union territories in proportion to the number of points lying in the State or Union territory.

*Illustration 1: A company T installs a leased circuit between the Delhi and Mumbai offices of a company C. The starting point of this circuit is in Delhi and the end point of the circuit is in Mumbai. Hence one point of this circuit is in Delhi and another in Maharashtra. The place of supply of this service is in the States of Delhi and Maharashtra. The service shall be deemed to have been provided in the ratio of 1:1 in the States of Delhi and Maharashtra, respectively.*

*Illustration 2: A company T installs a leased circuit between the Chennai, Bengaluru and Mysuru offices of a company C. The starting point of this circuit is in Chennai and the end point of the circuit is in Mysuru. The circuit also connects Bengaluru. Hence one point of this circuit is in Tamil Nadu and two points in Karnataka. The place of supply of this service is in the States of Tamil Nadu and Karnataka. The service shall be deemed to have been provided in the ratio of 1:2 in the States of Tamil Nadu and Karnataka, respectively.*

*Illustration 3: A company T installs a leased circuit between the Kolkata, Patna and Guwahati offices of a company C. There are 3 points in this circuit in Kolkata, Patna and Guwahati. One point each of this circuit is, therefore, in West Bengal, Bihar and Assam. The place of supply of this service is in the States of West Bengal, Bihar and Assam. The service shall be deemed to have been provided in the ratio of 1:1:1 in the states of West Bengal, Bihar and Assam, respectively."*

(5) In rule 7, as renumbered, in sub rule (h), for the words *"in the case of advertisements over internet"*, the words *"in the case of advertisements over internet, the service shall be deemed to have been provided all over India"* shall be substituted.

(6) After rule 7, as renumbered, the following shall be inserted, namely;-

"8. The proportion of value attributable to different States or Union territories, in the case of supply of services in more than one State or Union territory under sub section (3) of section 13 of the Integrated Goods and Services Tax Act, 2017, shall, in the absence of any contract or agreement between the supplier of services and recipient of services for apportioning the value of the services, be determined in accordance with the provisions of sub-section (7) of the said section 13 in the following manner:-

(1) in the case of services supplied on the same goods, by equally dividing the value of the service in each of the States and Union territories where the service is performed;
(2) in the case of services supplied on different goods, by dividing the value of the service in the ratio of the invoice value of goods in each of the States and Union territories on which the service is performed;
(3) costing principle

(4) in the case of services supplied to individuals, by applying the generally accepted accounting principles.

*Illustration-1: A company C which is located in Kolkata is providing the services of testing of a machine and the testing service on the machine is carried out in Orissa and Andhra Pradesh. The place of supply is in Orissa and Andhra Pradesh and the value of the service in Orissa and Andhra Pradesh will be ascertained by dividing the value of the service equally between these two States.*

*Illustration-2: A company C which is located in Delhi is providing the service of servicing of two cars belonging to Mr. X. One car is of manufacturer J and is located in Delhi and is serviced by its Delhi workshop. The other car is of manufacturer A and is located in Gurugram and is serviced by its Gurugram workshop. The value of service attributable to the Union Territory of Delhi and the State of Haryana shall be calculated by applying the ratio of the value of car J and the value of car A, to the total value of the service.*

*Illustration-3: A makeup artist M has to provide make up services to an actor A. A is shooting some scenes in Mumbai and some scenes in Goa. M provides the makeup services in Mumbai and Goa. The services are provided in Maharashtra and Goa and the value of the service in Maharashtra and Goa will be ascertained by applying the generally accepted accounting principles.*

9. The proportion of value attributable to different States or Union territories, in the case of supply of services in more than one State or Union territory under sub section (4) of section 13 of the Integrated Goods and Services Tax Act, 2017, shall, in the absence of any contract or agreement between the supplier of services and recipient of services for apportioning the value of the services, be determined in accordance with the provisions of sub-section (7) of the said section 13 by applying the provisions of rule 4 *mutatis mutandis*.

10. The proportion of value attributable to different States or Union territories, in the case of supply of services in more than one State or Union territory under sub section (5) of section 13 of the Integrated Goods and Services Tax Act, 2017, shall, in the absence of any contract or agreement between the supplier of services and recipient of services for apportioning the value of the services, be determined in accordance with the provisions of sub-section (7) of the said section 13 by applying the provisions of rule 5 *mutatis mutandis*.

[F. No. xx/xx/2018-GST]

Under Secretary to the Government of India

Note: The principal rules were published in the Gazette of India Extraordinary vide number G.S.R-699(E) dated 28th June, 2017 and were last amended by notification 12/2017-Integrated tax dated 15th November 2017 , which was published in the Gazette of India Extraordinary vide number G.S.R- (E) dated 15th November, 2017.

**Agenda Item 7(ix): Circular to clarify certain issues under GST**

Various representations have been received seeking clarification on certain issues under the GST laws. The Law Committee in its various meetings has proposed to clarify the following issues:

a) Whether the supply of used vehicles, seized and confiscated goods, old and used goods, waste and scrap by Government departments are taxable under GST?
b) Whether penalty in accordance with section 73 (11) of the Central Goods and Services Tax Act, 2017 (CGST Act for short) should be levied in cases where the return in **FORM GSTR-3B** has been filed after the due date of furnishing such return?
c) In case a debit note is to be issued under section 142(2)(a) of the CGST Act or a credit note under section 142(2)(b) of the CGST Act, what will be the tax rate applicable – the rate in the pre-GST regime or the rate applicable under GST?
d) Applicability of the provisions of section 51 of the CGST Act related to TDS in the context of notification No. 50/2018-Central Tax dated 13.09.2018.
e) What is the correct valuation methodology for ascertainment of GST on account of Tax collected at source (TCS) under Income Tax Act, 1961?
f) Who will be considered as the 'owner of the goods' for the purposes of section 129(1) of the CGST Act?

2. It is proposed to issue a Circular to clarify the above issues. Accordingly, a draft Circular clarifying these issues is enclosed to this agenda as **Annexure A**.

3. Accordingly, the approval of the GST Council is sought for the issuance of the said Circular. Similar Circular would be issued by States also.

**Annexure A**

**Circular No. / /2018-GST**

**F. No. CBEC-20/16/03/2017-GST**
**Government of India**
**Ministry of Finance**
**Department of Revenue**
**Central Board of Indirect Taxes and Customs**
**GST Policy Wing**
*********

New Delhi, Dated the , 2018

To,

The Principal Chief Commissioners/ Chief Commissioners/Principal Commissioners/ Commissioners of Central Tax (All)/ The Principal Directors General/ Directors General (All)

Madam/Sir,

**Subject: Clarification on certain issues (sale by government departments to unregistered person; leviability of penalty under section 73(11) of the CGST Act; rate of tax in case of debit notes / credit notes issued under section 142(2) of the CGST Act; applicability of notification No. 50/2018-Central Tax; valuation methodology in case of TCS under Income Tax Act and definition of owner of goods) related to GST-Reg.**

Various representations have been received seeking clarification on certain issues under the GST laws. In order to clarify these issues and to ensure uniformity of implementation across field formations, the Board, in exercise of its powers conferred under section 168 (1) of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the "CGST Act") hereby clarifies the issues as below:

| Sl. No | Issue | Clarification |
|---|---|---|
| 1. | Whether the supply of used vehicles, seized and confiscated goods, old and used goods, waste and scrap by Government departments are taxable under GST? | 1. It may be noted that intra-State and inter-State supply of used vehicles, seized and confiscated goods, old and used goods, waste and scrap made by the Central Government, State Government, Union territory or a local authority is a taxable supply under GST.<br>2. Vide notification No. 36/2017-Central Tax (Rate) and notification No. 37/2017- Integrated Tax (Rate) both dated 13.10.2017, it has been notified that intra-State and inter-State supply respectively of used vehicles, seized and confiscated goods, old and used goods, waste and scrap by the Central Government, State Government, Union territory or a local authority to any ***registered person***, would be subject to GST on reverse charge basis as per which tax is payable by the recipient of such supplies.<br>3. A doubt has arisen about taxability of intra-State and inter-State supply of used vehicles, seized and |

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| | | confiscated goods, old and used goods, waste and scrap made by the Central Government, State Government, Union territory or a local authority to an ***unregistered person***.<br>4. It was noted that such supply to an unregistered person is also a taxable supply under GST but is not covered under notification No. 36/2017-Central Tax (Rate) and notification No. 37/2017- Integrated Tax (Rate) both dated 13.10.2017.<br>5. In this regard, it is clarified that the respective Government departments (i.e. Central Government, State Government, Union territory or a local authority) shall be liable to get registered and pay GST on intra-State and inter-State supply of used vehicles, seized and confiscated goods, old and used goods, waste and scrap made by them to an ***unregistered person*** subject to the provisions of sections 22 and 24 of the CGST Act. |
| 2. | Whether penalty in accordance with section 73 (11) of the CGST Act should be levied in cases where the return in **FORM GSTR-3B** has been filed after the due date of filing such return? | 1. As per the provisions of section 73(11) of the CGST Act, penalty is payable in case self-assessed tax or any amount collected as tax has not been paid within a period of thirty days from the due date of payment of such tax.<br>2. It may be noted that a show cause notice (SCN for short) is required to be issued to a person where it appears to the proper officer that any tax has not been paid or short paid or erroneously refunded or where input tax credit has been wrongly availed or utilised for any reason under the provisions of section 73(1) of the CGST Act. The provisions of section 73(11) of the CGST Act can be invoked only when the provisions of section 73 are invoked.<br>3. The provisions of section 73 of the CGST Act are generally not invoked in case of delayed filing of the return in **FORM GSTR-3B** because tax alongwith applicable interest has already been paid but after the due date for payment of such tax. It is accordingly clarified that penalty under the provisions of section 73(11) of the CGST Act is not payable in such cases. It is further clarified that since the tax has been paid late in contravention of the provisions of the CGST Act, a general penalty under section 125 of the CGST Act may be imposed after following the due process of law. |
| 3. | In case a debit note is to be issued under section 142(2)(a) of the CGST Act or a credit note under section 142(2)(b) of the CGST Act, what will be the tax rate applicable – the rate in the pre-GST regime or the rate applicable under GST? | 1. It may be noted that as per the provisions of section 142(2) of the CGST Act, in case of revision of prices of any goods or services or both on or after the appointed day (i.e., 01.07.2017), a supplementary invoice or debit/credit note may be issued which shall be deemed to have been issued in respect of an outward supply made under the CGST Act.<br>2. It is accordingly clarified that in case of revision of prices, after the appointed date, of any goods or services supplied before the appointed day thereby requiring issuance of any supplementary invoice, debit note or credit note, the rate as per the provisions of the |

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| | | GST Acts (both CGST and SGST or IGST) would be applicable. |
| 4. | Applicability of the provisions of section 51 of the CGST Act (TDS) in the context of notification No. 50/2018-Central Tax dated 13.09.2018. | 1. A doubt has arisen about the applicability of long line mentioned in clause (a) of notification No. 50/2018-Central Tax dated 13.09.2018.<br>2. It is clarified that the long line written in clause (a) in notification No. 50/2018-Central Tax dated 13.09.2018 is applicable to both the items (i) and (ii) of clause (a) of the said notification. Thus, an authority or a board or any other body whether set up by an Act of Parliament or a State Legislature or established by any Government with fifty-one per cent. or more participation by way of equity or control, to carry out any function would only be liable to deduct tax at source.<br>3. In other words, the provisions of section 51 of the CGST Act are applicable only to such authority or a board or any other body set up by an Act of Parliament or a State legislature or established by any Government in which fifty one per cent. or more participation by way of equity or control is with the Government. |
| 5. | What is the correct valuation methodology for ascertainment of GST on Tax collected at source (TCS) under the provisions of the Income Tax Act, 1961? | 1. Section 15(2) of CGST Act specifies that the value of supply shall include "any taxes, duties cesses, fees and charges levied under any law for the time being in force other than this Act, the SGST Act, the UTGST Act and the GST (Compensation to States) Act, if charged separately by the supplier."<br>2. It is clarified that as per the above provisions, taxable value for the purposes of GST shall include the TCS amount collected under the provisions of the Income Tax Act since the value to be paid to the supplier by the buyer is inclusive of the said TCS. |
| 6. | Who will be considered as the 'owner of the goods' for the purposes of section 129(1) of the CGST Act? | It is hereby clarified that if the invoice or any other specified document is accompanying the consignment of goods, then either the consignor or the consignee should be deemed to be the owner. If the invoice or any other specified document is not accompanying the consignment of goods, then in such cases, the proper officer should determine who should be declared as the owner of the goods. |

2. It is requested that suitable trade notices may be issued to publicize the contents of this Circular.

3. Difficulty if any, in the implementation of this Circular may be brought to the notice of the Board. Hindi version will follow.

Commissioner (GST)

**Agenda Item 7(x): Circular to clarify denial of composition option by tax authorities and effective date thereof**

Various representations have been received seeking clarification on certain issues under the GST laws. The Law Committee in its meeting held on 29th -30th November, 2018 has proposed to clarify the following issues relating to composition scheme under GST:

a) the date from which withdrawal from the composition scheme shall take effect in a case where the composition taxpayer has exercised such option;
b) the effective date of denial of the option to pay tax under the composition scheme where action has been initiated by the tax authorities to deny such option to the composition taxpayer; and
c) the follow up action to be taken by the tax authorities when the composition option is denied to the taxpayer retrospectively.

2. It is proposed to issue a Circular to clarify the above issues. Accordingly, a draft Circular clarifying these issues is enclosed to this agenda as **Annexure A**.

3. Accordingly, the approval of the GST Council is sought for the issuance of the Circular. Similar Circular would be issued by the States also.

**Annexure A**

**Circular No. --/--/2018-GST**

**F. No. CBEC/--/--/--/2018-GST**
**Government of India**
**Ministry of Finance**
**Department of Revenue**
**Central Board of Indirect Taxes and Customs**
**GST Policy Wing**
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New Delhi, Dated the –th December, 2018

To,

The Principal Chief Commissioners/Chief Commissioners/Principal Commissioners/ Commissioners of Central Tax (All) /The Principal Directors General/Directors General (All)

**Subject: Denial of composition option by tax authorities and effective date thereof - Reg.**

Madam/Sir,

Rule 6 of the Central Goods and Services Tax Rules, 2017 (hereinafter referred to as the "CGST Rules") deals with the validity of the composition levy. As per the said rule, the option exercised by a registered person to pay tax under the composition scheme shall remain valid so long as he satisfies the conditions mentioned in section 10 of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the "CGST Act") and the CGST Rules. The rule lays down the procedure for withdrawal from the composition scheme by a taxpayer who intends to withdraw from the said scheme and also the procedure for denial of option to the taxpayer to pay tax under the said scheme where he has contravened the provisions of the CGST Act or the CGST Rules.

2. In this connection, doubts have been raised as to the date from which withdrawal from the composition scheme shall take effect in a case where the composition taxpayer has exercised such option to withdraw. Doubts have also been raised regarding the effective date of denial of the option to pay tax under the composition scheme where action has been initiated by the tax authorities to deny such option to the composition taxpayer. Further, clarification has been sought regarding the follow up action to be taken by the tax authorities when the composition option is denied to the taxpayer retrospectively. In order to clarify these issues and to ensure uniformity in the implementation of the provisions of the law across field formations, the Board, in exercise of its powers conferred by section 168 (1) of the CGST Act, hereby clarifies the issues raised as below.

3. Sub-rule (2) of rule 6 of the CGST Rules provides that the composition taxpayer shall pay tax under sub-section (1) of section 9 of the CGST Act as a normal taxpayer from the day he ceases to satisfy any of the conditions of the composition scheme and shall issue tax invoice for every taxable supply made thereafter. Sub-rule (3) of rule 6 of the CGST Rules provides that the registered person who intends to withdraw from the composition scheme shall, before the date of such withdrawal, file an application in **FORM GST CMP-04** on the common portal. He shall file intimation for withdrawal from the scheme in **FORM GST CMP-04** within seven days of the occurrence of such event.

4. As per sub-rule (4) of rule 6 of the CGST Rules, where the proper officer has reasons to believe that the registered person was not eligible to pay tax under section 10 of the CGST Act or has contravened the provisions of the CGST Act or the CGST Rules, he may issue a notice to such person in **FORM GST CMP-05** to show cause as to why the option to pay tax under section 10 of the CGST Act shall not be denied. Upon receipt of the reply to the show cause notice from the registered person in **FORM GST CMP-06**, the proper officer shall, in accordance with the provisions of sub-rule (5) of rule 6 of the CGST Rules, issue an order in **FORM GST CMP-07** within a period of thirty days of the receipt of such reply, either accepting the reply, or denying the option to pay tax under section 10 of the CGST Act from the date of the option or from the date of the event concerning such contravention, as the case may be.

5. It is clarified that in a case where the taxpayer has sought withdrawal from the composition scheme, the effective date shall be the date indicated by him in his intimation/application filed in **FORM GST CMP-04** but such date may not be prior to the commencement of the financial year in which such intimation/application for withdrawal is being filed**.** If at any stage it is found that he has contravened any of the provisions of the CGST Act or the CGST Rules, action may be initiated for recovery of tax, interest and penalty. In case of denial of option by the tax authorities, the effective date of such denial shall be from a date, including any retrospective date as may be determined by tax authorities, but shall not be prior to the date of contravention of the provisions of the CGST Act or the CGST Rules. In such cases, as provided under sub-section (5) of section 10 of the CGST Act, the proceedings would have to be initiated under the provisions of section 73 or section 74 of the CGST Act for determination of tax, interest and penalty for the period starting from the date of contravention of provisions till the date of issue of order in **FORM GST CMP-07.** It is also clarified that the registered person shall be liable to pay tax under section 9 of the CGST Act from the date of issue of the order in **FORM GST CMP-07**. Provisions of section 18(1)(c) of the CGST Act shall apply for claiming credit on inputs held in stock, inputs contained in semi-finished or finished goods held in stock and on capital goods on the date immediately preceding the date of issue of the order.

6. It is requested that suitable trade notices may be issued to publicize the contents of this circular.

7. Difficulties, if any, faced in implementation of the above instructions may be brought to the notice of the Board at an early date. Hindi version would follow.

Commissioner (GST)

**Agenda Item 7(xi): Clarification on refund related issues**

Due to the non-availability of the complete electronic refund module, a work around was prescribed vide Circular No. 17/17/2017-GST dated 15.11.2017 and Circular No. 24/24/2017-GST dated 21.12.2017, wherein a taxpayer was required to file **FORM GST RFD-01A** on the common portal, generate the Acknowledgement Receipt Number (ARN), take print-outs of the same, and submit it physically in the office of the jurisdictional proper officer, along with all the supporting documents.

2. It has been learnt that this requirement of physical submission of documents in the tax office is causing undue hardship to the taxpayers. Therefore, in order to further simplify the refund process, a process was devised in consultation with GSTN to automate the submission of the refund application, so that the need for a taxpayer to visit a jurisdictional tax office for submission of the refund claim would be obviated. The said process has been elaborated in a draft Circular which, after certain modifications, was approved by the Law Committee.

3. The said Circular also contains clarification on certain other refund related issues which have been raised before CBIC, viz. the manner in which the amount of refund permissible on account of inverted duty structure is to be calculated, the delay in disbursal of refunds after issuance of sanction order, processing of those refund applications that have been generated on the common portal but have not yet been received in the jurisdictional tax offices, refund of accumulated input tax credit of compensation cess, non-consideration of ITC of GST paid on invoices of earlier tax period availed in subsequent tax period, some common mis-interpretations of the meaning of inputs and refund of accumulated ITC of input services and capital goods arising on account of inverted duty structure, etc.

4. A draft Circular clarifying all these points, duly recommended by the Law Committee in its meeting held on 30th November, 2018 and 11th December, 2018, is enclosed as **Annexure-A** for approval of the GST Council. Similar circular would be issued by the States also.

**ANNEXURE-A**

**DRAFT**

**Circular No. …/…/2018-GST**

**F. No…./…/…-GST**
**Government of India**
**Ministry of Finance**
**Department of Revenue**
**Central Board of Indirect Taxes and Customs**
**GST Policy Wing**
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New Delhi, Dated the …., 2018

To,

The Principal Chief Commissioners/Chief Commissioners/Principal Commissioners/ Commissioners of Central Tax (All) / The Principal Directors General/ Directors General (All) / The Principal Chief Controller of Accounts (CBIC)

Madam/Sir,

**Subject: Clarification on refund related issues- regarding**

Various representations have been received seeking clarification on various issues relating to refund. In order to clarify these issues and to ensure uniformity in the implementation of the provisions of law across field formations, the Board, in exercise of its powers conferred by section 168 (1) of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as "CGST Act"), hereby clarifies the issues detailed hereunder:

**Physical submission of refund claims with jurisdictional proper officer:**

2. Due to the non-availability of the complete electronic refund module, a work around was prescribed vide Circular No. 17/17/2017-GST dated 15.11.2017 and Circular No. 24/24/2017-GST dated 21.12.2017, wherein a taxpayer was required to file **FORM GST RFD-01A** on the common portal, generate the Acknowledgement Receipt Number (ARN), take print-outs of the same, and submit it physically in the office of the jurisdictional proper officer, along with all the supporting documents. It has been learnt that this requirement of physical submission of documents in the jurisdictional tax office is causing undue hardship to the taxpayers. Therefore, in order to further simplify the refund process, the following instructions, in partial modification of the aforesaid circulars, are issued:

a) All documents/undertaking/statements to be submitted along with the claim for refund in **FORM GST RFD-01A** shall be uploaded on the common portal at the time of filing of the refund application. Circular No. 59/33/2018-GST dated 04.09.2018 specified that instead of providing copies of all invoices, a statement of invoices needs to be submitted in a prescribed format and copies of only those invoices need to be submitted the details of which are not found in **FORM GSTR-2A** for the relevant period. It is now clarified that the said statement and these invoices, instead of being submitted physically, shall be electronically uploaded on the common portal at the time of filing the claim of refund in **FORM GST RFD-01A**. Neither the application in **FORM GST RFD-01A**, nor any of the supporting documents, shall be required to be submitted physically in the office of the jurisdictional proper officer.

b) However, the taxpayer will still have the option to physically submit the refund application to the jurisdictional proper officer in **FORM GST RFD-01A**, along with supporting documents, if he so chooses. A taxpayer who still remains unallocated to the Central or State Tax Authority

will necessarily have to submit the refund application physically. They can choose to do so before the jurisdictional proper officer of either the State or the Central tax authority as was earlier clarified vide Circular No. 17/17/2017 dated 15.11.2017.

c) The ARN will be generated only after the claimant has completed the process of filing the refund application in **FORM GST RFD-01A**, and has completed uploading of all the supporting documents/undertaking/statements/invoices and, where required, the amount has been debited from the electronic credit/cash ledger.

d) As soon as the ARN is generated, the refund application along with all the supporting documents shall be transferred electronically to the jurisdictional proper officer who shall be able to view it on the system. The application shall be deemed to have been filed under rule 90(2) of the Central Goods and Services Tax Rules, 2017 (hereinafter referred to as "CGST Rules") on the date of generation of the said ARN and the time limit of 15 days to issue an acknowledgement shall be counted from that date. This will obviate the need for a claimant to visit the jurisdictional tax office for the submission of the refund application. Accordingly, the acknowledgement for the complete application or deficiency memo, as the case may be, would be issued by the jurisdictional tax officer based on the documents so received electronically from the common portal. However, the said acknowledgement or deficiency memo shall continue to be issued manually for the time being.

e) If a refund application is electronically transferred to the wrong jurisdictional officer, he/she shall reassign it to the correct jurisdictional officer electronically within a period of three days. In such cases, the application shall be deemed to have been filed under rule 90(2) of the CGST Rules only after it has been so reassigned. Deficiency memos shall not be issued in such cases merely on the ground that the applications were received electronically in the wrong jurisdiction. Where the facility of electronic re-assignment is not available, the present arrangement shall continue.

f) It has already been clarified vide Circular No. 70/44/2018-GST dated 26.10.2018 that after the issuance of a deficiency memo, taxpayers would be required to submit the rectified refund application under the earlier Application Reference Number (ARN) only**.** It is further clarified that the rectified application, which is to be treated as a fresh refund application, will be submitted manually in the office of the jurisdictional proper officer.

3. It may be noted that the documents/statements/undertakings/invoices to be submitted along with the refund application in **FORM GST RFD-01A** are the same as have been prescribed under the CGST Rules and various Circulars issued on the subject from time to time. Only the method of submission of these documents/statements/undertakings/invoices is being changed from the physical mode to the electronic mode. It may also be noted that the other stages of processing of a refund claim submitted in **FORM GST RFD-01A** by the jurisdictional tax officer shall continue to be carried out manually for the time being, as is being presently done.

**Calculation of refund amount for claims of refund of accumulated Input Tax Credit (ITC) on account of inverted duty structure:**

4. Representations have been received stating that while processing the refund of unutilized ITC on account of inverted tax structure, the departmental officers are denying the refund of ITC of GST paid on those inputs which are procured at equal or lower rate of GST than the rate of GST on outward supply, by not including the amount of such ITC while calculating the maximum refund amount as specified in rule 89(5) of the CGST Rules. The matter has been examined and the following issues are clarified:

a) Refund of unutilized ITC in case of inverted tax structure, as provided in section 54(3) of the CGST Act, is available where ITC remains unutilized even after setting off of available ITC for the payment of output tax liability. Where there are multiple inputs attracting different rates of tax, in the formula provided in rule 89(5) of the CGST Rules, the term 'Net ITC' covers the ITC availed on all inputs in the relevant period, irrespective of their rate of tax.

b) The calculation of refund of accumulated ITC on account of inverted tax structure, in cases where several inputs are used in supplying the final product/output, can be clearly understood with help of the following example:

i. Suppose a manufacturing process involves the use of an input A (attracting 5 per cent GST) and input B (attracting 18 per cent GST) to manufacture output Y (attracting 12 per cent GST).
ii. The refund of accumulated ITC in the situation at (i) above, will be available under section 54(3) of the CGST Act read with rule 89(5) of the CGST Rules, which prescribes the formula for the maximum refund amount permissible in such situations.
iii. Further assume that the claimant supplies the output Y having value of Rs. 3,000/- during the relevant period for which the refund is being claimed. Therefore, the turnover of inverted rated supply of goods and services will be Rs. 3,000/-. Since the claimant has no other outward supplies, his adjusted total turnover will also be Rs. 3,000/-.
iv. If we assume that Input A, having value of Rs. 500/- and Input B, having value of Rs. 2,000/-, have been purchased in the relevant period for the manufacture of Y, then Net ITC shall be equal to Rs. 385/- (Rs. 25/- and Rs. 360/- on Input A and Input B respectively).
v. Therefore, multiplying Net ITC by the ratio of turnover of inverted rated supply of goods and services to the adjusted total turnover will give the figure of Rs. 385/-.
vi. From this, if we deduct the tax payable on such inverted rated supply of goods or services, which is Rs. 360/-, we get the maximum refund amount, as per rule 89(5) of the CGST Rules which is Rs. 25/-.

**Disbursal of refund amounts after sanction:**

5. Section 56 of the CGST Act clearly states that if any tax ordered to be refunded is not refunded within 60 days of the date of receipt of application, interest at the rate of 6 per cent (notified vide notification No. 13/2017-Central Tax dated 28.06.2017) on the refund amount starting from the date immediately after the expiry of sixty days from the date of receipt of application (ARN) till the date of refund of such tax shall have to be paid to the claimant. It may be noted that any tax shall be considered to have been refunded only when the amount has been credited to the bank account of the claimant. Therefore, interest will be calculated starting from the date immediately after the expiry of sixty days from the date of receipt of the application till the date on which the amount is credited to the bank account of the claimant. Accordingly, all tax authorities are advised to issue the final sanction orders in **FORM GST RFD-06** within 45 days of the date of generation of ARN, so that the disbursement is completed within 60 days by both Central and State Tax Authorities for CGST / IGST / UTGST / Compensation Cess and SGST respectively.

**Refund applications that have been generated on the portal but not physically received in the jurisdictional tax offices:**

6. There are a large number of applications for refund in **FORM GST RFD-01A** which have been generated on the common portal but have not yet been physically received in the jurisdictional tax offices. With the implementation of electronic submission of refund application, as detailed in para 2 above, this problem is expected to reduce. However, for the applications (except those relating to refund of excess balance in the electronic cash ledger) which have been generated on the common portal before the issuance of this Circular and which have not yet been physically received in the jurisdictional offices (list of all applications pertaining to a particular jurisdictional office which have been generated on the common portal, if not already available, may be obtained from DG-Systems), the following guidelines are laid down:

a) All refund applications in which the amount claimed is less than the statutory limit of Rs. 1,000/- should be rejected and the amount re-credited to the electronic credit ledger of the applicant through the issuance of **FORM GST RFD-01B**.
b) For all applications wherein an amount greater than Rs. 1000/- has been claimed, a list of applications which have not been received in the jurisdictional tax office within a period of 60 days starting from the date of generation of ARN may be compiled. A communication may be sent to all such claimants on their registered email ids, informing that the application needs to be physical submitted to the jurisdictional tax office within 15 days of the date of the email. The contact details and the address of the jurisdictional officer may also be provided in the said communication. The claimant may be further informed that if he/she fails to physically submit the application within 15 days of the date of the email, the application shall be summarily rejected and the debited amount, if any, shall be re-credited to the electronic credit ledger.

7. For the applications generated on the common portal before the issuance of this Circular in relation to refund of excess balance from the electronic cash ledger which have not yet been received in the jurisdictional office, the amount debited in the electronic cash ledger in such applications may be re-credited through **FORM GST RFD-01B** provided that there are no liabilities in the electronic liability register. The said amount shall be re-credited even though the return in **FORM GSTR-3B**, as the case may be for the relevant period has not been filed.

8. For the refund applications generated on the common portal after the issuance of this Circular, and for the refund applications generated on the common portal before the issuance of this Circular and which have been physically received in the jurisdictional tax offices before the issuance of this Circular, the existing guidelines, as modified by this Circular may be followed.

**Issues related to refund of accumulated Input Tax Credit of Compensation Cess:**

9. Several representations have been received requesting clarifications on certain issues related to refund of accumulated input tax credit of compensation cess on account of zero-rated supplies made under Bond/Letter of Undertaking. These issues have been examined and are clarified as below:

a) **Issue:** A registered person uses inputs on which compensation cess is leviable (E.g. coal) to export goods on which there is no levy of compensation cess (E.g. aluminum). For the period July, 2017 to May, 2018, no ITC is availed of the compensation cess paid on the inputs received during this period. ITC is only availed of the CGST, SGST/UTGST or IGST charged on the invoices for these inputs. This ITC is utilized for payment of IGST on export of goods. Vide Circular No. 45/19/2018-GST dated 30.05.2018, it was clarified that refund of accumulated ITC of compensation cess on account of zero-rated supplies made under Bond/Letter of Undertaking is available even if the exported product is not subject to levy of cess. After the issuance of this Circular, the registered person decides to start exporting under bond/LUT without payment of tax. He also decides to avail (through the return in **FORM GSTR-3B**) the ITC of compensation cess, paid on the inputs used in the months of July, 2017 to May, 2018, in the month of July, 2018. The registered person then goes on to file a refund claim for ITC accumulated on account of exports for the month of July, 2018 and includes the said accumulated ITC for the month of July, 2018. How should the amount of compensation cess to be refunded be calculated?
**Clarification:** In the instant case, refund on account of compensation cess is to be recomputed as if the same was available in the respective months in which the refund of unutilized credit of CGST/SGST/UTGST/IGST was claimed on account of exports made under LUT/Bond. If the aggregate of these recomputed amounts of refund of compensation cess is less than or equal to the eligible refund of compensation cess calculated in respect of the month in which the same has actually been claimed, then the aggregate of the recomputed refund of compensation cess of the respective months would be admissible. Further, the recomputed amount of eligible refund (of compensation cess) in respect of past periods, as aforesaid, would not be admissible

in respect of consignments exported on payment of IGST. This process would be applicable for application for refund of compensation cess (not claimed earlier) in respect of the past period.

b) **Issue:** A registered person uses coal for the captive generation of electricity which is further used for the manufacture of goods (say aluminium) which are exported under Bond/Letter of Undertaking without payment of duty. Refund claim is filed for accumulated Input Tax Credit of compensation cess paid on coal. Can the said refund claim be rejected on the ground that coal is used for the generation of electricity which is an intermediate product and not the final product which is exported and since electricity is exempt from GST, the ITC of the tax paid on coal for generation of electricity is not available?
**Clarification:** There is no distinction between intermediate goods or services and final goods or services under GST. Inputs have been clearly defined to include any goods other than capital goods used or intended to be used by a supplier in the course or furtherance of business. Since coal is an input used in the production of aluminium, albeit indirectly through the captive generation of electricity, which is directly connected with the business of the registered person, input tax credit in relation to the same cannot be denied.

c) **Issue:** A registered person avails ITC of compensation cess (say, of Rs. 100/-) paid on purchases of coal every month. At the same time, he reverses a certain proportion (say, half i.e. Rs. 50/-) of the ITC of compensation cess so availed on purchases of coal which are used in making zero rated outward supplies. Both these details are entered in the **FORM GSTR-3B** filed for the month as a result of which an amount of Rs. 50/- only is credited in the electronic credit ledger. The reversed amount (Rs. 50/-) is then shown as a 'cost' in the books of accounts of the registered person. However, the registered person declares Rs. 100/- as 'Net ITC' and uses the same in calculating the maximum refund amount which works out to be Rs. 50/- (assuming that export turnover is half of total turnover). Since both the balance in the electronic credit ledger at the end of the tax period for which the claim of refund is being filed and the balance in the electronic credit ledger at the time of filing the refund claim is Rs. 50/- (assuming that no other debits/credits have happened), the system will proceed to debit Rs. 50/- from the ledger as the claimed refund amount. The question is whether the proper officer should sanction Rs. 50/- as the refund amount or Rs. 25/- (i.e. half of the ITC availed after adjusting for reversals)?

**Clarification:** ITC which is reversed cannot be held to have been 'availed' in the relevant period. Therefore, the same cannot be part of refund of unutilized ITC on account of zero-rated supplies. Moreover, the reversed ITC has been accounted as a cost which would have reduced the income tax liability of the claimant. Therefore, the same amount cannot, at the same time, be refunded to him/her in the ratio of export turnover to total turnover. However, if the said reversed amount is again availed in a later tax period, subject to the restriction under section 16(4) of the CGST Act, it can be refunded in the ratio of export turnover to total turnover in that tax period in the same manner as detailed in para 9(a) above. This is subject to the restriction that the accounting entry showing the said ITC as cost is also reversed.

**Non-consideration of ITC of GST paid on invoices of earlier tax period availed in subsequent tax period:**

10. Presently, ITC is reflected in the electronic credit ledger on the basis of the amount of the ITC availed on self declaration basis in **FORM GSTR-3B** for a particular tax period. It may happen that the goods purchased against a particular tax invoice issued in a particular month, say August 2017, may be declared in the **FORM GSTR-3B** filed for a subsequent month, say September 2017. This is inevitable in cases where the supplier raises an invoice, say in August, 2017, and the goods reach the recipient's premises in September, 2017. Since GST law mandates that ITC can be availed only after the goods are received, the recipient can only avail the ITC on such goods in the **FORM GSTR-3B** filed for the month

of September, 2017. However, it has been observed that field officers are excluding such invoices from the calculation of refund of unutilized ITC filed for the month of September, 2017.

11. In this regard, it is clarified that 'Net ITC' as defined in rule 89(4) of the CGST Rules means input tax credit availed on inputs and input services during the relevant period. Relevant period means the period for which the refund claim has been filed. Input tax credit can be said to have been 'availed' when it is entered into the electronic credit ledger of the registered person. Under the current dispensation, this happens when the said taxable person files his/her monthly return in **FORM GSTR-3B.** Further, section 16(4) of the CGST Act stipulates that ITC may be claimed on or before the due date of filing of the return for the month of September following the financial year to which the invoice pertains or the date of filing of annual return, whichever is earlier. Therefore, the input tax credit of invoices issued in August, 2017, 'availed' in September, 2017 cannot be excluded from the calculation of the refund amount for the month of September, 2017.

**Misinterpretation of the meaning of the term "inputs":**

12. It has been represented that on certain occasions, departmental officers do not consider ITC on stores and spares, packing materials, materials purchased for machinery repairs, printing and stationery items, as part of Net ITC on the grounds that these are not directly consumed in the manufacturing process and therefore, do not qualify as input. There are also instances where stores and spares charged to revenue are considered as capital goods and therefore the ITC availed on them is not included in Net ITC, even though the value of these goods has not been capitalized in his books of account by the claimant.

13. In relation to the above, it is clarified that the input tax credit of the GST paid on inputs shall be available to a registered person as long as he/she uses or intends to use such inputs for the purposes of his/her business and there is no specific restriction on the availment of such ITC anywhere else in the GST Act. The GST paid on inward supplies of stores and spares, packing materials etc. shall be available as ITC as long as these inputs are used for the purpose of the business and/or for effecting taxable supplies, including zero-rated supplies, and the ITC for such inputs is not restricted under section 17(5) of the CGST Act. Further, capital goods have been clearly defined in section 2(19) of the CGST Act as goods whose value has been capitalized in the books of account and which are used or intended to be used in the course or furtherance of business. Stores and spares, the expenditure on which has been charged as a revenue expense in the books of account, cannot be held to be capital goods.

**Refund of accumulated ITC of input services and capital goods arising on account of inverted duty structure:**

14. Section 54(3) of the CGST Act provides that refund of any unutilized ITC may be claimed where the credit has accumulated on account of rate of tax on **inputs** being higher than the rate of tax on output supplies (other than nil rated or fully exempt supplies). Further, section 2(59) of the CGST Act defines **inputs** as any **goods other than capital goods** used or intended to be used by a supplier in the course or furtherance of business. Thus, inputs do not include services or capital goods. Therefore, clearly, the intent of the law is not to allow refund of tax paid on input services or capital goods as part of refund of unutilized input tax credit. Accordingly, in order to align the CGST Rules with the CGST Act, notification No. 26/2018-Central Tax dated 13.06.2018 was issued wherein it was stated that the term Net ITC, as used in the formula for calculating the maximum refund amount under rule 89(5) of the CGST Rules, shall mean input tax credit availed on **inputs** during the relevant period other than the input tax credit availed for which refund is claimed under sub-rules (4A) or (4B) or both. In view of the

above, it is clarified that both the law and the related rules clearly prevent the refund of tax paid on input services and capital goods as part of refund of input tax credit accumulated on account of inverted duty structure.

15. All previous Circulars/Instructions issued on the subject stand modified accordingly. It is requested that suitable trade notices may be issued to publicize the contents of this circular.

16. Difficulty, if any, in implementation of this Circular may please be brought to the notice of the Board. Hindi version would follow.

Commissioner (GST)

**Agenda Item 7(xii): Clarification on export of services under GST**

Representations have been received seeking clarification on certain issues related to export of services under the GST laws wherein an exporter of services outsources a portion of the services contract to another person located outside India and does not receive the full consideration for the outsourced services in India.

2. The Law Committee has proposed to clarify the issues regarding taxability and availability of export benefit by way of an example for greater clarity.

3. A draft Circular is annexed as Annexure-A to this Agenda Note clarifying the doubts being raised on the above subject.

4. Accordingly, approval of the GST Council is sought for the issuance of the Circular. Similar Circular would be issued by States also.

**Annexure-A**

**Draft Circular No. __/__/2018-GST**

**F. No. …/…./…../-GST**
**Government of India**
**Ministry of Finance**
**Department of Revenue**
**Central Board of Indirect Taxes and Customs**
**GST Policy Wing**
*******

New Delhi, Dated the December, 2018

To,

The Principal Chief Commissioners/ Chief Commissioners/Principal Commissioners/ Commissioners of Central Tax (All)/ The Principal Directors General/ Directors General (All)

Madam/Sir,

**Subject: Clarification on export of services under GST– regarding**

Representations have been received seeking clarification on certain issues relating to export of services under the GST laws. The same have been examined and the clarifications on the same are as below:

| Sl. No. | Issue | Clarification |
|---|---|---|
| 1. | In case an exporter of services outsources a portion of the services contract to another person located outside India, what would be the tax treatment of the said portion of the contract at the hands of the exporter? There may be instances where the full consideration for the outsourced services is not received by the exporter in India. | 1. Where an exporter of services located in India is supplying certain services to a recipient located outside India, either wholly or partly through any other supplier of services located outside India, the following two supplies are taking place:-<br>(i) Supply of services from the exporter of services located in India to the recipient of services located outside India for the full contract value;<br>(ii) Import of services by the exporter of services located in India from the supplier of services located outside India with respect to the outsourced portion of the contract.<br><br>Thus, the total value of services as agreed to in the contract between the exporter of services located in India and the recipient of services located outside India will be considered as export of services if all the conditions laid down in section 2(6) of the Integrated Goods and Services Tax Act, 2017 (IGST Act for short) read with section 13(2) of the IGST Act are satisfied. |

| | | |
|---|---|---|
| | | 2. It is clarified that the supplier of services located in India would be liable to pay integrated tax on reverse charge basis on the import of services on that portion of services which has been provided by the supplier located outside India to the recipient of services located outside India. Furthermore, the said supplier of services located in India would be eligible for taking input tax credit of the integrated tax so paid.<br><br>3. Thus, even if the full consideration for the services as per the contract value is not received in convertible foreign exchange in India due to the fact that the recipient of services located outside India has directly paid to the supplier of services located outside India (for the outsourced part of the services), that portion of the consideration shall also be treated as receipt of consideration for export of services in terms of section 2(6)(iv) of the IGST Act, provided the:<br><br>(i) integrated tax has been paid by the supplier located in India for import of services on that portion of the services which has been directly provided by the supplier located outside India to the recipient of services located outside India; and<br>(ii) RBI by general instruction or by specific approval has allowed that a part of the consideration for such exports can be retained outside India.<br><br>*Illustration*: ABC Ltd. India has received an order for supply of services amounting to $ 5,00,000/- to a US based client. ABC Ltd. India is unable to supply the entire services from India and asks XYZ Ltd. Mexico (who is not merely an establishment of a distinct person viz. ABC Ltd. India, in accordance with the Explanation 1 in Section 8 of the IGST Act) to supply a part of the services (say 40% of the total contract value). ABC Ltd. India shall be the exporter of services for the entire value if the invoice for the entire amount is raised by ABC Ltd. India. The services provided by XYZ Ltd. Mexico to the US based client shall be import of services by ABC Ltd. India and it would be liable to pay integrated tax on the same under reverse charge and also be eligible to take input tax credit of the integrated tax so paid. Further, if the provisions contained in section 2(6) of the IGST Act are not fulfilled with respect to the realization of convertible foreign exchange, say only 60% of the consideration is received in India and the remaining |

| | | |
|---|---|---|
| | | amount is directly paid by the US based client to XYZ Ltd. Mexico, even in such a scenario, 100% of the total contract value shall be taken as consideration for the export of services by ABC Ltd. India provided integrated tax on import of services has been paid on the part of the services provided by XYZ Ltd Mexico directly to the US based client and RBI (by general instruction or by specific approval) has allowed that a part of the consideration for such exports can be retained outside India. In other words, in such cases, the export benefit will be available for the total realization of convertible foreign exchange by ABC Ltd. India and XYZ Ltd. Mexico. |

2. It is requested that suitable trade notices may be issued to publicize the contents of this Circular.

3. Difficulty if any, in the implementation of this Circular may be brought to the notice of the Board.

**Commissioner (GST)**

**Agenda Item 7(xiii): Requirement of submission of invoices for processing of refund claims of unutilised Input Tax Credit (ITC) in FORM GST RFD-01A**

As per the initial conceptualization of returns and refund under GST, refund of unutilized ITC could be given only when the inward and the outward supplies were matched (through filing of returns in **FORM GSTR-1, GSTR-1A, GSTR-2, GSTR-2A**) and tax on the same was paid (through filing of return in **FORM GSTR-3** or **FORM GSTR-3B**). However, since system-based matching did not work as envisaged, it was proposed to take an undertaking from the claimant as part of refund application itself that the amount of refund would be paid back to the Government in case it was subsequently found that the tax had not been paid on the supply as required under Section 16(2)(c) of the CGST Act/SGST Act, 2017 or the inward and the outward supply involving the refund claim did not match (requirements under Sections 41 and 42 of CGST/SGST Act, 2017). Accordingly, it was proposed to allow the following refunds (both provisional and final), without matching and without excluding the amount of provisionally accepted input tax credit:

a) Unutilised input tax credit in case of zero-rated supplies (exports and supplies to SEZs) of goods or services or both;
b) Unutilised input tax credit in case of inverted duty structure in case of goods (including supply of goods to merchant exporters);
c) IGST paid on zero rated supplies (exports and supplies to SEZs) of services; and
d) IGST or CGST/SGST/UTGST paid on deemed export of goods

subject to furnishing an undertaking as part of refund application itself that the amount of refund would be paid back to the Government in case it is found subsequently that the requirement of Section 16(2)(c) read with Section 42 (2) of the CGST/SGST Act,2017 have not been complied with. **This proposal was accepted in the 24th Meeting of the GST Council held via video-conference on 16th December, 2017** (Para 9 of the minutes of the said meeting refers)**.**

2. Accordingly, in exercise of the powers conferred under section 168 (1) of the Central Goods and Services Tax Act, 2017, Circular No. 24/24/2017-GST dated 21.12.2017 was issued wherein it was clarified that since the date of furnishing of **FORM GSTR 1** from July, 2017 onwards has been extended while the dates of furnishing of **FORM GSTR 2** and **FORM GSTR 3** for such period are yet to be notified, it has been decided to allow sanction of refund of provisionally accepted input tax credit at this juncture. However, the registered persons applying for refund must give an undertaking to the effect that the amount of refund sanctioned would be paid back to the Government with interest in case it is found subsequently that the requirements of clause (c) of sub-section (2) of section 16 read with sub-section (2) of sections 42 of the CGST Act, 2017 have not been complied with in respect of the amount refunded.

3. However, after issuance of the above clarification, several representations were received regarding the differing practices being followed in respect of verification of invoices on which the refund of input tax credit was being claimed through **FORM GST RFD-01A**. In order to ensure uniformity in implementation of the provisions relating to GST refund, it was clarified vide Circular No. 37/11/2018-GST dated 15.03.2018 that in a completely electronic environment, the information of the recipients' invoices would be dependent upon the suppliers' information, thus putting an in-built check-and-balance in the system. However, as the refund claims are being filed by the recipient in a semi-electronic environment and is completely based on the information provided by them, **it is necessary that invoices are scrutinized.**

4. It was subsequently represented by various trade bodies and businesses that the requirement to submit all invoices on the basis of which refund of input tax credit is being claimed was proving too cumbersome. In order to facilitate refund claimants in this aspect, it was clarified, vide Circular No.

59/33/2018-GST dated 04.09.2018 that the refund claim shall be accompanied by a print-out of **FORM GSTR-2A** of the claimant for the relevant period for which the refund is claimed. The proper officer shall rely upon **FORM GSTR-2A** as an evidence of the accountal of the supply by the corresponding supplier in relation to which the input tax credit has been availed by the claimant. It was also clarified that in situations in which **FORM GSTR-2A** does not contain the details of all the invoices relating to the input tax credit availed, possibly because the supplier's **FORM GSTR-1** was delayed or not filed, the proper officer may call for the hard copies of such invoices if he deems it necessary for the examination of the claim for refund. It was emphasized, in the same Circular, that the proper officer shall not insist on the submission of an invoice (either original or duplicate) the details of which are present in **FORM GSTR-2A** of the relevant period submitted by the claimant.

5. The issue was also examined in the meeting of the Law Committee held from 14th to 16th November, 2018 where it was informed that certain State tax administrations are denying refund in respect of those invoices which are not reflected in **FORM GSTR-2A** of the relevant period of the claimant. In this regard, it is stated that there may be some invoices pertaining to certain inward supplies on which Input Tax Credit (ITC) has been availed by the claimant, on self-declaration basis in **FORM GSTR-3B**, which might not appear in **FORM GSTR-2A** of the relevant period because of the delay in filing the details of outward supply in **FORM GSTR-1** by the corresponding supplier. It has been clarified vide Circular No. 59/33/2018-GST dated 04.09.2018 that self-certified copies of such invoices may be submitted by the claimant along with the refund claim, on the basis of which the refund claim may be processed by the jurisdictional proper officer.

6. It may be mentioned that mere appearance of invoices in **FORM GSTR-2A** does not ensure that the tax on such invoices has been paid by the corresponding suppliers as wide gap has been seen in the number of **FORM GSTR-1** (based on which **FORM GSTR-2A** is auto-populated) and **FORM GSTR-3B** (through which GST is paid) filed by suppliers as well as the output tax liability as per **FORM GSTR-1** and **FORM GSTR-3B.**

7. It may also be noted in this regard that the utilization of input tax credit for payment of taxes is also currently being done without any scrutiny of the invoices on which the said input tax credit has been availed. The refund of IGST paid on export of goods is also being disbursed without any such scrutiny. In such a situation, imposing the requirement of scrutiny of invoices in case of refunds of accumulated input tax credit on account of zero rated supplies or on account of inverted duty structure might lead to differential treatment of the same input tax credit, when used towards different purposes.

8. In view of the differences between the practices being followed by the various tax authorities, it is proposed that the GST Council may take a view on whether applications for refund of input tax credit submitted in **FORM GST RFD-01A**, including all classes of refunds specified in para 1 above, can be processed on the basis of self-certified copies of invoices submitted by the claimant in case the invoices do not appear in **FORM GSTR-2A** of the relevant period or refund would be allowed only to the extent of those invoices which appear in **FORM GSTR-2A**.

**Agenda Item 7(xiv): Proposal for centralized Authority for Advance Ruling and centralized Appellate Authority for Advance Ruling under GST**

## I. Advance Ruling under GST: Legal Framework

Chapter XVII of the Central Goods and Services Tax Act, 2017 (hereafter referred to as the CGST Act) contains the provisions for advance ruling under GST. An Authority for Advance Ruling (AAR) and Appellate Authority for Advance Ruling (AAAR) have been constituted in every State under the provisions of the respective SGST Acts. According to sub-section (2) of section 97 of the CGST Act, any registered person or a person desirous of obtaining registration can seek advance ruling in respect of the following:

a) classification of any goods or services or both;
b) applicability of a notification issued under the provisions of this Act;
c) determination of time and value of supply of goods or services or both;
d) admissibility of input tax credit of tax paid or deemed to have been paid;
e) determination of the liability to pay tax on any goods or services or both;
f) whether applicant is required to be registered;
g) whether any particular thing done by the applicant with respect to any goods or services or both amounts to or results in a supply of goods or services or both, within the meaning of that term.

2. The concerned officer, the jurisdictional officer or an applicant aggrieved by any advance ruling may appeal to the AAAR. Further, the advance ruling pronounced by AAR or the AAAR shall be binding only on the applicant who had sought it and on the concerned officer or the jurisdictional officer in respect of the applicant.

## II. Need for a Central Authority for Advance Ruling

3. It has been observed that AARs in various States are pronouncing different decisions on similar issues involving similar facts. Conflicting decisions by AAR in different States on similar issue is causing confusion among taxpayers as well as tax officials. To overcome these challenges, two models of AAR are proposed, as follows:

a. MODEL - I: A Central AAR may be established with members both from Central taxes and State taxes. The State members shall be nominated on a rotation basis. Various benches of the Central AAR shall be established at different places across the country. The decision of the Central AAR and its benches shall have validity throughout the territory of India wherever the applicant is registered (on same PAN) and shall not be limited to the State where the bench of AAR is located. This shall ensure uniformity in decisions in respect of distinct persons registered in various States (on same PAN) engaged in the same activity and reduce confusion among all stakeholders.

b. MODEL - II: The existing mechanism where each State has a separate AAR and AAAR may be continued with the following additional features:

   i) For the registered persons/entities having presence in more than one State but having the same PAN and carrying out similar business activity, such registered person/entity may approach the AAR of that State in which their head office is situated.

   ii) The decision of the AAR, as discussed above at point (i), shall be binding on all such registered persons/entities in all the States where such registered persons/entities are located. It shall also be binding on the tax officers under whose jurisdiction such registered persons/entities are located.

## III. Alternate Model suggested by the Trade

4. It has been observed that the benches of AAR in States have been providing conflicting rulings on issues of similar nature. Also, AAR and AAAR have not been constituted in some States. As the AAR consists only of tax officials, it has been represented that its decisions are based on a revenue centric approach. Thus, it is imperative to ensure that AAR remains independent and judicious in its approach. It has been proposed that the State level benches of AAR should work under the guidance of a Central AAR comprising of two retired judges, chartered accountant, advocate and one officer from the tax department. State benches of the Central AAR should also have at least one judicial member, one accountant and one tax official.

## IV. Proposal of the Law Committee

5. The Law Committee in its meeting held on 29th November and 30th November, 2018 had proposed to continue with the existing mechanism for advance ruling in so far as the applications seeking rulings before the Authority for Advance Ruling (AAR) is concerned.

6. However, in respect of appeals against rulings of AAR, it has been proposed to constitute a National Bench along with various regional benches of the AAAR. The structure shall be similar to the Appellate Tribunal, except in so far as its composition is concerned. Such regional benches of the AAAR shall exercise jurisdiction in respect of AAR rulings emanating from the States located in the specified region. In case the issue emanates from two or more regions, such appeals may be assigned by the National Bench of AAAR to a particular Regional Bench. In such cases, the order of the Regional Bench shall be binding on the applicant in respect of all his registrations all over India having the same PAN engaged in the same activity as well as on all the respective jurisdictional authorities of the registrations of the applicant having the same PAN.

## V. Proposal for consideration

7. It is proposed to establish a centralized Authority of Advance Ruling (AAR) with regional benches to replace the existing State-specific AARs. There would be a National Bench along with various regional benches of the AAR. This would address the problems being faced by the taxpayers in terms of conflicting rulings given by AAR in different States on similar issue to a large extent.

8. Further, in respect of appeals against the rulings of AAR, it is proposed to constitute a National Bench along with various regional benches of the AAAR as proposed by the Law Committee and detailed in para 6 above.

9. This proposal would require amendments to Chapter XVII (Advance Ruling) of the CGST Act, 2017 and the respective State GST Acts.

10. Accordingly, in-principle approval of the GST Council is sought for re-structuring the AAR and AAAR as proposed in paragraph 7 and 8 above. Law Committee may be directed to draft the legal provisions accordingly which may be brought before the GST Council for final approval.

**Agenda Item 7(xv): Suggestions made for allowing quarterly payment by small taxpayers**

Representations have been received regarding the working capital crunch faced by small and medium businesses owing to the requirement under GST law to deposit their GST liability every month even when payments (especially from Government agencies) remain pending for much longer. Accordingly, it has been suggested that such businesses may be allowed to make payments on a quarterly basis. This suggestion has been made on the following grounds:

a) Small and medium businesses are suffering because of the requirement under GST to pay taxes on a monthly basis. This is because the payments to these businesses are often made after 60-90 days and in many cases (especially from Government departments) the payments are even further delayed or not made at all. Forcing these businesses to pay taxes on a monthly basis in such a scenario leads to a debilitating shortage of working capital.
b) The cost of capital for the Government of India (3-month bond yield) is around 6.8 per cent while the cost of capital for small businesses for a quarter is around 15 to 18 per cent. Therefore, it makes sense for the Government to take off at least some of the burden of the working capital shortage from the small and medium businesses.
c) A scheme wherein both the return filing and the payment of taxes could be made by small taxpayers on a quarterly basis would greatly mitigate this problem. At the same time, the small taxpayers should be allowed to upload invoices continually on which the purchasers should be able to take input tax credit, even if the payment of taxes is made at the end of the quarter.

2. In this regard, it is submitted that under the new return model (approved by the GST Council) monthly payment is to be done by small taxpayers after self-assessing both the input tax credit and the outward tax liability for that month. It is to be done through an extremely simple form which does not require any other details apart from the self-assessed input tax credit and the outward tax payable. Notwithstanding this facility in the new return model, it has been represented that small taxpayers must be given the facility to make quarterly payment along with quarterly return filing.

3. The GST Council, while discussing this issue earlier, had agreed to allow quarterly filing for small taxpayers but did not agree to allow quarterly payment. This issue was also placed before the Law Committee for its consideration in its meeting held on 30.11.2018. The Law Committee discussed the issue in depth and concluded that there would arise the following difficulties in agreeing to the proposal of quarterly payment by small taxpayers:

a) It would adversely affect the liquidity position of the States, particularly the smaller States through:
    i. Lower SGST cash collections, and
    ii. Lower IGST settlement
b) It is liable to be misused

4. Accordingly, the matter is now placed before the GST Council for taking a view on the matter i.e. whether the taxpayers having turnover upto Rs. 5 crore may be allowed to pay tax on quarterly basis while the buyers from them should be allowed to take input tax credit at the time of purchases i.e. even before the tax is due to be paid by the supplier.

**Agenda Item 7(xvi): Issuance of a Circular to clarify taxability of medicines and consumables supplied to in-patients in hospitals during the course of treatment**

Representations have been received seeking clarification on certain issues related to the taxability of medicines and consumables supplied to in-patients in hospitals during the course of treatment. This issue was placed before the GST Implementation Committee (GIC) in its 22nd meeting held on 10.10.2018 wherein it was decided to refer the matter back to the Law Committee for detailed examination and thereafter, place the same before the GST Council.

2. Accordingly, the issue was discussed by the Law Committee in its meeting held on 29th and 30th November, 2018.

3. A draft Circular is annexed as Annexure-A to this Agenda Note clarifying the doubts being raised on the above subject.

4. Accordingly, approval of the GST Council is sought for the issuance of the Circular. Similar Circular would be issued by States also.

**ANNEXURE A**

**Circular No. / /2018-GST**

**F. No. 349/43/2017-GST (Vol. I)**
**Government of India**
**Ministry of Finance**
**Department of Revenue**
**Central Board of Indirect Taxes and Customs**
**GST Policy Wing**
*******

New Delhi, Dated the December, 2018

To,

The Principal Chief Commissioners/ Chief Commissioners/Principal Commissioners/ Commissioners of Central Tax (All) / The Principal Directors General/ Directors General (All)

Madam/Sir,

**Subject: Circular to clarify taxability of medicines, consumables and implants supplied to in-patients in hospitals during the course of medical treatment – Reg.**

During the course of medical treatment of in-patients in the hospitals, various medicines, consumables and implants are utilized. Doubts have been raised on the issue of taxability of medicines and consumables, etc. supplied to in-patients in the hospitals during the course of medical treatment. The supply of health care services classifiable under chapter heading 9993 are exempt from GST vide Sl. No. 74 of notification No. 12/2017- Central Tax (Rate) dated 28th June, 2017 as amended. Whereas, some of these items are billed to the in-patients at MRP (Maximum Retail Price) which is inclusive of all taxes, the patients are being charged separately for various items where component-wise break-up is shown in the invoice. At times, the hospitals may offer a package deal where the invoice issued to the patients mentions only the total package cost which is inclusive of the price of the medicines, consumables and implants *without a detailed break-up* of the individual components. Even in this case, hospitals have component-wise break-up available with them and the same is maintained by them for their accounting purposes.

2. In this regard, it is noted that the supply of health care services and the supply of medicines, consumables and implants to the in-patients appear to be two separate supplies. The in-patients are charged separately for the supply of medicines, consumables and implants. Even in those cases where a package deal is offered and where the invoice mentions only the total package cost, the break-up of the individual components is very much available with the hospitals since the total package cost can be arrived at only after adding the cost of the individual items viz., medicines, consumables and implants which have been supplied to the in-patients.

3. Further, the Government declares the ceiling price for essential and life-saving medicines by issuing Drug Pricing Control Order (DPCO for short) from time to time. The maximum retail price for such drugs is fixed on the basis of a ceiling price plus local taxes, as applicable which are required to be adhered to even by the hospitals. As per the provisions of the Drugs and Cosmetics Act, 1940, hospitals are categorized as retailers since they are engaged in retail sale of drugs, medicines and medical devices. It may be noted that the in-house pharmacies of these hospitals are already paying GST on the sale of medicines, consumables and implants to the out-patients because the over-the-counter sale of such items

is a taxable supply of goods under GST. It is seen that even in those cases where the pharmacy supplies items to the in-patients during the course of medical treatment, it has to comply with the provisions of DPCO and the Drugs and Cosmetics Act, 1940 referred to above which mandates maintenance of a separate cash or credit memo of every item-wise sale or supply of medicines and consumables by the pharmacy. Thus, the hospitals maintain break-up of the values of the medicines, consumables and implants separately even in case of package deal but do not show it separately on the invoices issued to the in-patients.

4. Since the value of health care services and the medicines, consumables and implants, etc. supplied to the in-patients is known separately, therefore, such supply of medicines, consumables and implants and health-care services does not constitute a composite supply as defined in section 2(30) of the Central Goods and Services Tax Act, 2017 (CGST Act for short). It is important to note that supply of two or more '***taxable***' supplies only can be regarded as a composite supply in terms of section 2(30) of the CGST Act. It is an admitted fact that the supply of health care services has already been exempted vide Sl. No. 74 of notification No. 12/2017- Central Tax (Rate) dated 28th June, 2017 as amended. The said notification has been issued in exercise of the powers conferred by sub-section (1) of section 11 of the CGST Act. Since health care services qualify to be an exempt supply in terms of section 2(47) of the CGST Act, thus the supply of health care services (which is a exempted supply) and supply of the medicines, consumables and implants, etc. (for which there is no exemption and hence, a taxable supply) do not satisfy the definition of composite supply as defined in section 2(30) of the CGST Act.

5. Further, it is stated that the medicines, consumables and implants are billed to the in-patients at MRP (Maximum Retail Price) which is inclusive of all taxes. As MRP is inclusive of GST, it appears that the hospitals have collected GST from the in-patients, and thus, are required to deposit the same to the Government as per the provisions of section 76 of the CGST Act.

6. It has also been noted that the sale of medicines, consumables and implants, etc. both to in-patients and out-patients was subject to payment of VAT in accordance with the provisions contained in DPCO and the Drugs and Cosmetics Act, 1940.

7. In a similar context, the Board, with the approval of the GST Council, has already clarified vide Circular No. 47/21/2018-GST dated 08th June, 2018 that in case of servicing of cars involving both supply of goods (spare parts) and services (labour), where the value of goods and services are shown separately, the goods and services would be liable to tax at the rates as applicable to such goods and services separately.

8. In the light of the above, it is clarified that in cases where hospitals are billing certain items such as medicines, consumables and implants separately to the in-patients, they shall be liable to pay GST on the supply of such items to the in-patients. It is further clarified that even in the case of package deals where the detailed break-up of such items is not mentioned in the invoice, since the hospitals are required to comply with the provisions of DPCO and the Drugs and Cosmetics Act, 1940 and maintain / show the break-up of the cost of such items in their accounts, they shall be liable to pay GST accordingly. However, there would be no liability to pay GST on the supply of health care services which is exempted vide Sl. No. 74 of notification No. 12/2017- Central Tax (Rate) dated 28th June, 2017 as amended.

9. Since the hospitals would be engaged in the supply of both exempt and taxable supply, the hospitals would be eligible to avail input tax credit on the inward supply of capital goods, inputs and input services to them which are used or intended to be used in the course or furtherance of their business in accordance with the provisions contained in Chapter V of the CGST Act read with Chapter V of the Central Goods and Services Tax Rules, 2017.

10. It is requested that suitable trade notices may be issued to publicize the contents of this Circular.

11. Difficulty if any, in the implementation of this Circular may be brought to the notice of the Board. Hindi version will follow.

(Commissioner (GST)

**Agenda Item 7(xvii): Amendments to the CGST Rules, 2017, consequential to notifying the provisions of the CGST (Amendment) Act, 2018, SGST (Amendment) Act, 2018 and IGST (Amendment) Act, 2018**

It may be recalled that the CGST (Amendment) Act, 2018 (31 of 2108) (hereinafter referred to as the "**CGST Amendment Act**") and the IGST (Amendment) Act, 2018 (32 of 2108) (hereinafter referred to as the "**IGST Amendment Act**") had received the assent of the Hon'ble President of India on the 29th August, 2018, and published in the Gazette of India, Extraordinary, Part II on 30th August, 2018. The Law Committee, in its meeting held from 29th October to 31st October, 2018 had proposed various changes in the Central Goods and Services Tax Rules, 2017 (hereinafter referred to as the CGST Rules) consequential to such amendments. These may be notified once the provisions of the CGST (Amendment) Act, 2018; SGST (Amendment) Act, 2018 and IGST (Amendment) Act, 2018 are brought into force. The proposed amendments are summarized in the below Table and detailed in a point-wise manner below:

| **Sl. No.** | **Amendment in CGST Act, 2017 (section)** | **Consequential amendment in Rules and FORMS** |
|---|---|---|
| **1** | 10 | Amendment in heading of Chapter-II |
| **2** | 10 | Amendment in Rule 7 and FORM GSTR-4 |
| **3** | 25 | Amendment in Rule 8(1) |
| **4** | 2(18), 25 | Amendment in Rule 11 |
| **5** | 29 | Insertion of Rule 21A |
| **6** | 25 | Insertion of Rule 41A |
| **7** | 20, 54 of the CGST Act, 2017 & 2(6) of the IGST Act, 2017 | Amendment to Rule 42 and 43 |
| **8** | 34 | Insertion of sub-rule (1A) in rule 53 |
| **9** | 35 | Amendment to sub-rule (3) of rule 80 |
| **10** | Renaming of CBEC to CBIC vide Finance Act, 2018 | Amendment to clause (a) of sub-rule (1) of rule 83 |
| **11** | 48 | Amendment to sub-rule (8) of rule 83 |
| **12** | Insertion of 49A and 49B | Amendment to Rule 85 |
| **13** | Insertion of 49A and 49B | Amendment to Rule 86 |
| **14** | Sub-section (8) of section 54 | Amendment to clause (f) of sub-rule (2) of rule 89 |
| **15** | 54 of the CGST Act, 2017 & 2(6) of IGST Act, 2017 | Amendment to Rule 96A |
| **16** | 2(18) | Amendment to **FORM GST REG-01** |
| **17** | 29 | Amendments to **FORM GST REG-17** and **FORM GST REG-20** |

| | | |
|---|---|---|
| **18** | 25 | **Insertion of FORM GST ITC-02A** |
| **19** | 48 | Amendments to **FORM GST PCT-05** |
| **20** | 107 | Amendments to **FORM GST APL-01** |
| **21** | 112 | Amendments to **FORM GST APL-05** |

***1.*** **Changes in heading of Chapter-II:** It has been proposed that the heading of Chapter-II of the CGST Rules may be amended as Composition ~~*Rules*~~ *Levy i.e. the word "Rules" may be amended as the word "Levy".*

**2. Changes in Rule 7 and FORM GSTR-4**: On account of changes in section 10 vide CGST (Amendment) Act 2018 so as to allow composition taxpayer to supply services of value not exceeding ten per cent. of turnover in a State or Union Territory in the preceding financial year or five lakh rupees, whichever is higher, it is proposed that in column (3) "Rate of Tax", in sl. no. (3) of the Table appended to rule 7, shall be amended so as to read as "half per cent. of the turnover of taxable supplies of goods *and services* in the State or Union territory.". Further, Table 6 and Table 7 of **FORM GSTR-4** shall be amended to include the turnover of services, as follows:

**FORM GSTR-4**

6. Tax on outward supplies made (Net of advance and goods returned)

| Rate of tax | Total Turnover | *Out of turnover reported in (2), turnover of services* | Composition tax amount | |
|---|---|---|---|---|
| | | | Central Tax | State/UT Tax |
| 1 | 2 | *3* | 4 | 5 |
| | | | | |
| | | | | |

7. Amendments to Outward Supply details furnished in returns for earlier tax periods in Table No. 6

| Quarter | Rate | Original details | | | | Revised details | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Total Turnover | *Out of turnover reported in (3), turnover of services* | Central Tax | State/UT Tax | Total Turnover | *Out of turnover reported in (7), turnover of services* | Central Tax | State/UT Tax |
| 1 | 2 | 3 | *4* | 5 | 6 | 7 | *8* | 9 | 10 |
| | | | | | | | | | |
| | | | | | | | | | |

**3. Amendment to Rule 8(1):** 2nd proviso to section 25(1) inserted vide CGST (Amendment) Act, 2018 provides for compulsory separate registration of a SEZ Unit or SEZ developer. Since this

requirement flows from the Act now, the first proviso to rule 8 requiring a SEZ unit/SEZ developer to obtain separate registration for units located outside the SEZ is not relevant anymore. Accordingly, rule 8 (1) of the CGST Rules is proposed to be amended as below:

| **Rule 8(1)** |
| --- |
| ~~*Provided that a person having a unit(s) in a Special Economic Zone or being a Special Economic Zone developer shall make a separate application for registration as a business vertical distinct from his other units located outside the Special Economic Zone:*~~<br><br>Provided ~~*further*~~ that every person being an Input Service Distributor shall make a separate application for registration as such Input Service Distributor. |

4. **Amendment to Rule 11:** As the concept of "business vertical" has been omitted and provision for granting a separate registration for multiple places of business in a State / Union Territory inserted vide proviso to section 25(2) of the CGST (Amendment) Act, 2018, it is proposed to substitute the words "business verticals" with "places of business". Accordingly, the following changes to rule 11 of the CGST Rules are proposed:

| **Rule 11** |
| --- |
| **Separate registration for multiple ~~*business verticals*~~ *places of business* within a State or a Union territory**.-(1) Any person having multiple ~~*business verticals*~~ *places of business* within a State or a Union territory, requiring a separate registration for any *such place of business* ~~*of its business verticals*~~ under subsection (2) of section 25 shall be granted separate registration in respect of each *such place of business* ~~*of the verticals*~~ subject to the following conditions, namely:-<br><br>(a) such person has more than *one* ~~*business vertical*~~ *place of business as defined in clause (85) of section 2* ~~*as defined in clause (18) of section 2*~~;<br><br>(b) ~~*the business vertical of a taxable person shall not be granted registration to pay tax under section 10 if any one of the other business verticals of the same person is paying tax under section 9*~~ *such person shall not be granted registration to pay tax under section 10 for any of his places of business if he is paying tax under section 9 for any other place of business;*<br><br>(c) all separately registered ~~*business verticals*~~ *places of business* of such person shall pay tax under the Act on supply of goods or services or both made to another registered ~~*business vertical*~~ *places of business* of such person and issue a tax invoice *or a bill of supply, as the case may be,* for such supply.<br><br>Explanation.- For the purposes of clause (b), it is hereby clarified that where any ~~*business vertical*~~ *place of business* of a registered person that has been granted a separate registration becomes ineligible to pay tax under section 10, all other ~~*business verticals*~~ *registered places of business* of the said person shall become ineligible to pay tax under the said section.<br><br>(2) A registered person ~~*eligible*~~ *opting* to obtain separate registration for ~~*business verticals*~~ *a place of business* ~~*may*~~ *shall* submit a separate application in FORM GST REG-01 in respect of ~~*each*~~ such ~~*vertical*~~ *place of business*. |

5. **Insertion of Rule 21A**: There may be time lag between the filing of application for cancellation of registration by taxpayer and issuance of order of cancellation by the proper officer. During this period, taxpayer has to comply with various provisions of the Act such as timely filing of returns. Therefore, in order to facilitate taxpayers and to reduce compliance burden while the process of cancellation is underway, a provision of "deemed suspension" has been introduced vide section 29(1) and 29(2) of the CGST (Amendment) Act, 2018 wherein the registration shall be deemed to be suspended from the date of submission of application for cancellation of registration by the taxpayer. Accordingly, the following rule 21A is proposed to be inserted in the CGST Rules:

| **Rule 21A** |
|---|
| ***"Rule 21A. Suspension of registration.- (1)*** *Where a registered person has applied for cancellation of registration under rule 20, the registration shall be deemed to be suspended from the date of submission of the application or the date from which the cancellation is sought, whichever is later, pending the completion of proceedings for cancellation of registration under rule 22.*<br>***(2)*** *Where the proper officer has reasons to believe that the registration of a person is liable to be cancelled under section 29 or under rule 21, he may, after affording the said person a reasonable opportunity of being heard, suspend the registration of such person with effect from a date to be determined by him, pending the completion of the proceedings for cancellation of registration under rule 22.*<br>***(3)*** *A registered person, whose registration has been suspended under sub-rule (1) or sub-rule (2), shall not make any taxable supply during the period of suspension and shall not be required to furnish any return under section 39 or the statement under section 52.*<br>***(4)*** *The suspension of registration under sub-rule (1) or sub-rule (2) shall be deemed to be revoked upon completion of the proceedings by the proper officer under rule 22 and such revocation shall be effective from the date on which the suspension had come into effect."* |

6. **Insertion of rule 41A after rule 41**: If a registered person obtains separate registration for multiple places of business within a State/Union Territory in terms of section 25(2) of the CGST (Amendment) Act, 2018, there needs to be a provision for apportionment of unutilized ITC available with the unit already registered as a single unit in a State / Union Territory between the newly registered units. Therefore, it is proposed to insert rule 41A in the CGST Rules, as below:

| **Rule 41A** |
|---|
| ***"Rule 41A. Transfer of Credit on obtaining separate registration for multiple places of business within a State or a Union territory.-***<br>*(1) A registered person who has obtained separate registration for multiple places of business in accordance with the provisions of rule 11 and who intends to transfer, either wholly or partly, the unutilized input tax credit lying in his electronic credit ledger to any or all of the newly registered entities, shall furnish within a period of thirty days from obtaining such registrations, the details in* ***FORM GST ITC-02A*** *electronically on the common portal, either directly or through a Facilitation Centre notified in this behalf by the Commissioner:*<br><br>*Provided that input tax credit shall be transferred to the newly registered entities in the ratio of the value of assets held by them at the time of registration.* |

| |
|---|
| *Explanation.- For the purposes of this clause, it is hereby clarified that the 'value of assets' means the 'value of entire assets of the business whether or not input tax credit has been availed thereon.'*<br>*(2) The transferee shall, on the common portal, accept the details so furnished by the transferor and, upon such acceptance, the unutilized credit specified in* ***FORM GST ITC-02A*** *shall be credited to his electronic credit ledger."* |

7. **Amendment to rule 42 and rule 43:** Entry 92A of the Union List of the Seventh Schedule is "Central Sales Tax". Consequent to the addition of "Entry 92A" in clause (c) of the *Explanation* to section 20 vide CGST (Amendment) Act, 2018 , the term "turnover" shall exclude any duty or tax levied under Entry 92A. Further section 2(6) has been amended vide IGST (Amendment) Act, 2018 so as to provide that the supply of service would be treated as export of services if the payment for the said services has been received even in indian rupees whereever permitted by the RBI. In consonance with the said changes vide CGST (Amendment) Act, 2018 and the IGST (Amendment) Act, 2018 it is proposed to amend the *Explanation* to rules 42 and 43 of the CGST Rules, as follows:

| |
|---|
| Explanation to sub-clause (i) of sub-rule (1) of rule 42 may be amended as follows: |
| "Explanation: For the purposes of this clause, it is hereby clarified that the aggregate value of exempt supplies and the total turnover shall exclude the amount of any duty or tax levied under entry 84 *and 92A* of List I of the Seventh Schedule to the Constitution and entry 51 and 54 of List II of the said Schedule;" |
| Explanation to sub-clause (g) of sub-rule (1) of rule 43 may be amended as follows: |
| "Explanation.- For the purposes of this clause, it is hereby clarified that the aggregate value of exempt supplies and the total turnover shall exclude the amount of any duty or tax levied under entry 84 *and 92A* of List I of the Seventh Schedule to the Constitution and entry 51 and 54 of List II of the said Schedule;" |
| Explanation (a) sub-rule (2) of rule 43 may be omitted : |
| For the purposes of rule 42 and this rule, it is hereby clarified that the aggregate value of exempt supplies shall exclude: -<br>~~*(a) the value of supply of services specified in the notification of the Government of India in the Ministry of Finance, Department of Revenue No. 42/2017-IntegratedTax (Rate), dated the 27th October, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number GSR 1338(E) dated the 27th October, 2017;*~~ *omitted*<br>(b) the value of services by way of accepting deposits, ……<br>(c) the value of supply of services..... |

8. **Insertion of sub-rule (1A) in rule 53**: Presently, a revised tax invoice referred to in section 31 and credit/debit notes referred to in section 34 are required to contain particulars as stated in rule 53(1) of the CGST Rules. As section 34 (1) & Section 34(3) of the CGST Act, 2017 have been amended to provide for issuance of credit and debit note for more than one tax invoice also, it is suggested to insert a new sub-rule exclusively for credit and debit note. The existing sub-rule (1) of rule 53 of the CGST Rules will remain for revised invoice only and rule 53 of the CGST Rules would be accordingly amended. Accordingly, rule 53(1) of the CGST Rules is proposed to be amended and in rule 53 of the CGST Rules, after sub-rule (1), the following sub-rule is proposed to be inserted, namely:

| **Rule 53(1A)** |
|---|
| (1) A revised tax invoice referred to in section 31 ~~*and credit or debit notes referred to in section 34*~~ shall contain the following particulars, namely,-<br>(a)……<br>(b)……<br>. *"(1A) A credit or debit note referred to in section 34 shall contain the following particulars, namely, -*<br>*(a) name, address and Goods and Services Tax Identification Number of the supplier;*<br>*(b) nature of the document;*<br>*(c) a consecutive serial number not exceeding sixteen characters, in one or multiple series, containing alphabets or numerals or special characters-hyphen or dash and slash symbolised as "-" and "/" respectively, and any combination thereof, unique for a financial year;*<br>*(d) date of issue of the document;*<br>*(e) name, address and Goods and Services Tax Identification Number or Unique Identity Number, if registered, of the recipient;*<br>*(f) name and address of the recipient and the address of delivery, along with the name of State and its code, if such recipient is un-registered;*<br>*(g) serial number(s) and date(s) of the corresponding tax invoice(s) or, as the case may be, bill(s) of supply;*<br>*(h) value of taxable supply of goods or services, rate of tax and the amount of the tax credited or, as the case may be, debited to the recipient; and*<br>*(i) signature or digital signature of the supplier or his authorised representative."* |

9. **Amendment to sub-rule (3) of rule 80**: On account of change in section 35(5) vide CGST (Amendment) Act, 2018, rule 80(3) of the CGST Rules is required to be amended to exclude "any Department of the Central Government or a State Government or a local authority, whose books of account are subject to audit by the Comptroller and Auditor-General of India or an auditor appointed for auditing the accounts of local authorities under any law for the time being in force." Accordingly, rule 80(3) of the CGST Rules is proposed to be amended as follows:

| **Rule 80(3)** |
|---|
| "Every registered person, *other than those referred to in the proviso to sub-section (5) of section 35,* whose aggregate turnover during a financial year exceeds two crore rupees shall get his accounts audited as specified under sub-section (5) of section 35 and he 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." |

10. **Amendment to clause (a) of sub-rule (1) of rule 83:** CBEC as defined in section 2(16) has been renamed as CBIC vide the Finance Act, 2016. Accordingly Rule 83(1)(a) of the CGST Rules is proposed to be amended as follows:

| **Rule 83(1)(a)** |
|---|
| "that he is a retired officer of the Commercial Tax Department of any State Government or of the Central Board of ~~*Excise*~~ *Indirect Taxes* and Customs, Department of Revenue, Government of India, who, during his service under the Government, had worked in a post not lower than the rank of a Group-B gazetted officer for a period of not less than two years" |

11. **Amendment to sub-rule (8) of rule 83:** Section 48(2) has been amended vide CGST (Amendment) Act, 2018 so as to provide that GST practitioner may now perform such other functions as may be prescribed. Accordingly Rule 83(8) of the CGST Rules is proposed to be amended as follows:

| **Rule 83(8)** |
|---|
| **Rule 83** (8) A goods and services tax practitioner can undertake any or all of the following activities on behalf of a registered person, if so authorised by him to-<br>(a) furnish the details of outward and inward supplies;<br>(b) furnish monthly, quarterly, annual or final return;<br>(c) make deposit for credit into the electronic cash ledger;<br>(d) file a claim for refund; ~~and~~<br>(e) file an application for amendment or cancellation of registration~~:~~**;**<br>*(f) furnish information for generation of e-way bill;*<br>*(g) furnish details of challan in **FORM GST ITC-04**;*<br>*(h) file an application for amendment or cancellation of enrolment under rule 58; and*<br>*(i) file an intimation to pay tax under the composition scheme or withdraw from the said scheme:*<br>Provided that where any application relating to a claim for refund or an application for amendment or cancellation of registration *or where an intimation to pay tax under composition scheme or to withdraw from such scheme* has been submitted by the goods and services tax practitioner authorised by the registered person, a confirmation shall be sought from the registered person and the application submitted by the said practitioner shall be made available to the registered person on the common portal and such application shall not be proceeded with further until the registered person gives his consent to the same. |

12. **Amendment to rule 85:-** Consequent to the insertion of section 49A and 49B vide CGST (Amendment) Act, 2018 which stipulate the conditions for utilization of ITC and order of utilization of ITC respectively, it is proposed that debit from the Electronic Liability Register should also be subjected to the provisions of these two sections. Accordingly, sub-rule (3) of rule 85 of the CGST Rules is proposed to be amended, as below:

| **Rule 85(3)** |
|---|
| (3) Subject to the provisions of section 49, *section 49A and section 49B,* payment of every liability by a registered person as per his return shall be made by debiting the electronic credit ledger maintained as per rule 86 or the electronic cash ledger maintained as per rule 87 and the electronic liability register shall be credited accordingly. |

13. **Amendment to rule 86**: Consequent to the insertion of section 49A and 49B vide CGST (Amendment) Act, 2018 that stipulate the conditions for utilization of ITC and order of utilization of ITC respectively, it is proposed that debit from Electronic Credit Ledger should also be subjected to the provisions of these two sections. Accordingly, the following amendments are proposed in rule 86 (2) of the CGST Rules:

| **Rule 86 (2)** |
|---|
| (2) The electronic credit ledger shall be debited to the extent of discharge of any liability in accordance with the provisions of section 49 *or section 49A or section 49B.* |

**14. Amendment to Rule 89**

14.1 According to the provisions of clause (f) of the sub-rule (2) of rule 89 of the CGST Rules, it is not clear whether SEZ unit or the supplier to SEZ has to submit the declaration regarding non-availment of ITC of the tax paid by the supplier. It may be clearly specified that the SEZ unit or SEZ developer has to submit the declaration. Accordingly, the proposed amendment to clause (f) of the sub-rule (2) of rule 89 of the CGST Rules is detailed below:

| **Clause (f) of the sub-rule (2) of rule 89** |
|---|
| (f) a declaration ~~*to the effect*~~ *by* the Special Economic Zone unit or the Special Economic Zone developer *to the effect that it* has not availed the input tax credit of the tax paid by the supplier of goods or services or both, in a case where the refund is on account of supply of goods or services made to a Special Economic Zone unit or a Special Economic Zone developer; |

**15. Amendment to rule 96A:**

15.1 It was observed that for ease of reference, the heading of rule 96A of the CGST Rules is required to be amended. Further, consequent to the addition of the words "or in Indian rupees wherever permitted by RBI" in the Explanation (2)(c)(i) under section 54 vide CGST (Amendment) Act, 2018 and section 2(6)(iv) vide IGST (Amendment) Act, 2018, it is proposed to amend Rule 96A of the CGST Rules that provides for export of goods/services under LUT or bond.

15.2 In light of the above, the Law Committee has recommended following formulation and amendments to rule 96A of the CGST Rules:

| **Rule 96A** |
|---|
| 96A. ~~*Refund of integrated tax paid on e-E*~~xport of goods or services under bond or Letter of Undertaking.<br>(1) Any registered person availing the option to supply goods or services for export without payment of integrated tax shall furnish, prior to export, a bond or a Letter of Undertaking in<br>FORM GST RFD-11to the jurisdictional Commissioner, binding himself to pay the tax due along with the interest specified under sub-section (1) of section 50 within a period of —<br>(a) fifteen days after the expiry of three months, or such further period as may be allowed by the Commissioner, from the date of issue of the invoice for export, if the goods are not exported out of India; or<br>(b) fifteen days after the expiry of one year, or such further period as may be allowed by the Commissioner, from the date of issue of the invoice for export, if the payment of such services is not received by the exporter in convertible foreign exchange *or in Indian rupees, wherever permitted by the Reserve Bank of India*. |

**16. Amendment to FORM GST REG-01:** In view of the amendment relating to doing away with the concept of "business vertical" vide CGST (Amendment) Act, 2018, it is proposed to substitute the words "business verticals" with "places of business". Accordingly, instruction 12 of the FORM GST REG-01 is proposed to be amended, as follows:

| **FORM GST REG-01** |
|---|
| 12. Any person having multiple *places of business ~~business verticals~~* within a State, requiring a separate registration for any of its *places of business ~~business verticals~~* shall need to apply separately in respect of each such place of business. |

17. **Amendments to FORM GST REG-17 and FORM GST REG-20:** With the insertion of proviso to sub-section (1) of section 29 and sub-section (2) of section 29 relating to suspension of registration vide CGST (Amendment) Act, 2018, the relevant FORMS need to be amended to provide for the administrative capability and facility of suspension in the system. Accordingly, it is proposed to insert "Note" at the end of **FORM GST REG-17** and **FORM GST REG-20**, as detailed below:

| **FORM GST REG-17** |
|---|
| *"Note: - Your registration stands suspended with effect from ---------- (date)."* |
| **FORM GST REG-20** |
| "Suspension of the registration stands revoked with effect from ---------- (date)." |

18. **Insertion of FORM GST ITC-02A:** In view of the amendment doing away with the concept of "business vertical" vide CGST (Amendment) Act, 2018, scenarios may exist wherein a taxpayer has obtained a single registration in a State or Union Territory, but may want to avail the facility of taking multiple registrations in the same State after coming into effect of the said amendment. In such cases, provisions for transfer of ITC from a single GSTIN to multiple GSTINs in the same State or Union Territory may be effected through the proposed **FORM GST ITC-02A**. It is proposed to insert the said form as per details below:

## *FORM GST ITC-02A*

*[See rule – 41A]*

***Declaration for transfer of ITC pursuant to registration under sub-section (2) of section 25***

| | | |
|---|---|---|
| *1.* | *GSTIN of transferor* | |
| *2.* | *Legal name of transferor* | |
| *3.* | *Trade name of transferor, if any* | |
| *4.* | *GSTIN of transferee* | |
| *5.* | *Legal name of transferee* | |
| *6.* | *Trade name of transferee, if any* | |

*7. Details of ITC to be transferred*

| *Tax* | *Amount of matched ITC available* | *Amount of matched ITC to be transferred* |
|---|---|---|
| *1* | *2* | *3* |
| *Central Tax* | | |
| *State Tax* | | |
| *UT Tax* | | |
| *Integrated Tax* | | |
| *Cess* | | |

*8. Verification*

*I _____ hereby solemnly affirm and declare that the information given hereinabove is true and correct to the best of my knowledge and belief and nothing has been concealed there from.*

*Signature of authorized signatory _____*

*Name*

*_____*

*Designation/Status _____*

*Date---dd/mm/yyyy*

*Instructions:*

1) *Transferor refers to the registered person who has a single registration in a State or Union territory.*

*Transferee refers to the place of business for which a separate registration has been obtained under rule 11.*

19. **Amendments to FORM GST PCT-05:** Section 48 has been amended vide CGST (Amendment) Act, 2018 so as to enable GST Practitioner to carry out few more functions. Accordingly Rule 83(8) of the CGST Rules is proposed to be amended as per details in point no. 11 above. In the Table appended to **FORM GST PCT-05**, after sl. no. 5, the following entries are proposed to be inserted:

| **FORM GST PCT-05** | | | | |
|---|---|---|---|---|
| | *6* | *To furnish information for generation of e-way bill* | | |
| | *7* | *To furnish details of challan in FORM GST ITC-04* | | |
| | *8* | *To file an application for amendment or cancellation of enrolment under rule 58* | | |
| | *9* | *To file an intimation to pay tax under the composition scheme or withdraw from the said scheme* | | |

20. **Amendments to FORM GST APL-01**:- In view of the amendment to sub-section (6) of section 107 vide CGST (Amendment) Act, 2018, the Law Committee, in its meeting held from 29th October to 31st October had proposed to include the details of PoS (Place of Supply) in **FORM GST APL-01** if the admitted amount paid by the appellant is IGST. Accordingly, it is proposed to insert Table 18 with heading "Place of supply wise details of the integrated tax paid (admitted amount only) in table 15(a), Part (a), if any" after S.No. 17 in the said Form. Also, a cap has been put on the amount of pre-deposit. Accordingly, the following amendments are proposed in **FORM GST APL-01**:

| Table 15(a)(b): |
|---|
| The words "(10% of disputed tax)" may be substituted by the words:<br>"Pre-deposit (10% of disputed tax */cess but not exceeding Rs.25 Crore each in respect of CGST, SGST or Cess, or not exceeding Rs. 50 Crore in respect of IGST and Rs.25 Crore in respect of Cess)"* |
| Table 15(a) Part (b): |
| The words "(pre-deposit 10% of the disputed tax and Cess)" may be substituted by the words:<br>Details of payment of admitted amount and pre-deposit "(pre-deposit 10% of the disputed tax and Cess *but not exceeding Rs. 25 Crore each in respect of CGST, SGST or Cess or not exceeding Rs. 50 Crore in respect of IGST and Rs.25 Crore in respect of Cess*)" |

| **Insertion of Table 18 after S.No. 17** | | | | | | |
|---|---|---|---|---|---|---|
| *18. Place of supply wise details of the integrated tax paid (admitted amount only) in table 15(a), Part (a), if any* | | | | | | |
| *Place of Supply (Name of State/UT)* | *Demand* | *Tax* | *Interest* | *Penalty* | *Other* | *Total* |

| 1 | 2 | 3 | 4 | 5 | 6 | | 7 |
|---|---|---|---|---|---|---|---|
| | Admitted amount [table 15(a), part (a)] | | | | | | |
| | | | | | | | |

21. **Amendments to FORM GST APL-05:-** In view of the amendment to sub-section (6) of section 107 vide CGST (Amendment) Act, 2018, the Law Committee, in its meeting held from 29th October to 31st October had proposed to include the details of PoS (Place of Supply) in **FORM GST APL-05** if the admitted amount paid by the appellant is IGST. Accordingly, it is proposed to insert Table 15 with heading "Place of supply wise details of the integrated tax paid (admitted amount only) in table 14(a), Part (a), if any" after Table 14 in the said Form. Also, a cap has been put on the amount of pre-deposit. Accordingly, the following amendments are proposed in **FORM GST APL-05**:

| **Table 14(a)(b):** |
|---|
| The words "(20% of disputed tax)" may be substituted by the words:<br>"Pre-deposit (20% of disputed tax*/cess but not exceeding Rs.50 Crore each in respect of CGST, SGST or Cess or not exceeding Rs.100 Crore in respect of IGST and Rs.50 Crore in respect of Cess)"* |
| **Table 14(a) Part (b):** |
| The words "(pre-deposit of 20% of the disputed admitted tax and Cess)" may be substituted by the words:<br>Details of payment of admitted amount and pre-deposit "(pre-deposit of 20% of the disputed admitted tax and Cess *but not exceeding Rs. 50 Crore each in respect of CGST, SGST or Cess or not exceeding Rs.100 Crore in respect of IGST and Rs. 50 Crore in respect of Cess)"* |

| **Insertion of Table 15 after Table 14** | | | | | | |
|---|---|---|---|---|---|---|
| *15. Place of supply wise details of the integrated tax paid (admitted amount only) in table 14(a), Part (a), if any* | | | | | | |
| *Place of Supply (Name of State/UT)* | *Demand* | *Tax* | *Interest* | *Penalty* | *Other* | *Total* |
| *1* | *2* | *3* | *4* | *5* | *6* | *7* |
| | *Admitted amount [table 14(a), part (a)]* | | | | | |
| | | | | | | |

22. Accordingly, the approval of the GST Council is sought so that the above detailed amendments in the CGST Rules, 2017 may be carried out once the provisions of CGST (Amendment) Act, 2018, IGST (Amendment) Act, 2018 and SGST (Amendment) Act, 2018 come into force. *Pari materia* changes would also be required to be carried out in the respective SGST Rules. The notification carrying out the said amendments shall be issued after due vetting by the Union Law Ministry. It is also requested that the GIC may be authorized to approve any further changes, if required, in the Rules.

**Agenda Item 7(xviii): Proposal to extend the due date for availing ITC on the invoices or debit notes relating to such invoices issued during the FY 2017-18 under section 16(4) of CGST Act, 2017 till the due date for furnishing of return for the month upto March, 2019**

The Agenda note is in regard to the due date for availment of input tax credit (ITC) on the invoices or debit notes relating to such invoices issued during the FY 2017-18 (hereinafter referred to as "the said documents")**.** In this regard, the relevant provision is sub-section (4) of Section 16 of the CGST Act, 2017 (hereinafter referred to as the "CGST Act") reads as follows:

*"A registered person shall not be entitled to take input tax credit in respect of any invoice or debit note for supply of goods or services or both after the due date of furnishing of the return under section 39 for the month of September following the end of financial year to which such invoice or invoice relating to such debit note pertains or furnishing of the relevant annual return, whichever is earlier."*

2. It may be noted that the last date for furnishing return for the month of September, 2018 was 25.10.2018 and the last date for furnishing annual return for FY 2017-18, as extended on 11.12.2018, is 31.03.2019 (this is also proposed to be extended to 30.06.2019 vide separate agenda). Hence, ITC on the said documents was required to be availed by earlier of these two dates i.e. ITC was to be availed by 25.10.2018.

3. It was clarified, vide press release dated 18.10.2018, that the furnishing of outward details in **FORM GSTR-1** by the corresponding supplier(s) and the facility to view the same in **FORM GSTR-2A** by the recipient is in the nature of taxpayer facilitation and does not impact the ability of the taxpayer to avail ITC on self-assessment basis in consonance with the provisions of section 16 of the CGST Act. The apprehension that ITC can be availed only on the basis of reconciliation between **FORM GSTR-2A** and **FORM GSTR-3B** carried out before the due date for filing of return in **FORM GSTR-3B** for the month of September, 2018 is unfounded as the said exercise can be carried out thereafter also.

4. In spite of the said clarification, various representations have been received requesting to extend the due date of claiming ITC on the said documents. It is pertinent to mention that FY 2017-18 was the first year of implementation of GST and taxpayers were still in the process of familiarising themselves with the new taxation system. Moreover, the return process, as envisaged, was not implemented. **FORM GSTR-2** and **FORM GSTR-3** were kept in abeyance. A simplified return in **FORM GSTR-3B** was to be furnished along with the details of outward supply in **FORM GSTR-1**. Trade and industry have represented that since **FORM GSTR-2** is in abeyance, they are facing problem in reconciling their purchases with the details declared by their corresponding suppliers in **FORM GSTR-1**. Many suppliers have not furnished details of outward supplies in **FORM GSTR-1** and therefore **FORM GSTR-2A** does not reflect the complete picture of inward supply as many entries are missing from the same. It may also be noted that the due date for furnishing **FORM GSTR-1** for the months of July, 2017 to September, 2018 was extended till 31.10.2018 vide notification No. 43/2018- Central Tax and 44/2018- Central Tax both dated 10.09.2018 in order to provide some more time to the taxpayers to comply with the new taxation system. In view of all these, various representations have been received to extend the due date for availment of ITC on the said documents.

5. It is pertinent to mention that while drafting the law, it was expected that the taxpayer would reconcile his inward supplies for a given FY and avail ITC accordingly. After that, he may furnish his annual return. He could have done the same simultaneously and therefore earlier of the two dates were prescribed. It was expected that with the finalisation of annual statements, a registered person would be able to finalise his claim for ITC also. But now various representations have been received wherein it has been stated that trade and industry has not been able to reconcile ITC on the said documents for FY

2017-18 and this exercise would get completed before the last date for furnishing annual return for FY 2017-18 i.e. 31.03.2019 (which is also proposed to be extended to 30.06.2019 vide a separate agenda).

6. The issue was deliberated by the Law Committee in its meeting held on 15.12.2018. The Committee discussed the issues involved in detail and observed that the only reason the extension in period is being sought is that the recipient had not availed the input tax credit on the said documents as the corresponding suppliers had not uploaded the said documents in their **FORM GSTR-1**.

7. Accordingly, the Law Committee has recommended that the proposal to allow input tax credit beyond 25.10.2018 may be agreed to, as a onetime measure and in consultation with the Union Law Ministry, subject to the conditions that :

i. the recipient would avail credit during the extended period (i.e. after 25.10.2018 till 20.04.2019) only on said documents which are uploaded by the corresponding suppliers in their statement in **FORM GSTR-1** upto the month of March, 2019/quarter January-March, 2019, in relaxation of the proviso to section 37(3) of the CGST Act;

ii. the recipient would avail the credit on the said documents so uploaded in his return in **FORM GSTR-3B** upto the month of March, 2019.

8. Accordingly, approval of the GST Council is sought for approving the proposal as contained in para 7 above. The decision would be implemented by way of a notification in exercise of the powers under sections 148 or 172 or under any other provision of the law in consultation with the Union Law Ministry. A similar notification would be issued by States also.

**Agenda Item 7(xix): Extension of the due date for furnishing of annual returns in FORM GSTR-9, FORM GSTR-9A and reconciliation statement in FORM GSTR-9C for the Financial Year 2017 - 2018**

As approved by GIC, the due date for filing of annual return in **FORM GSTR-9, FORM GSTR-9A** and reconciliation statement in **FORM GSTR-9C** as per section 44(1) of the Central Goods and Services Tax Act, 2017 (CGST Act for short) was extended till **31.03.2019** vide removal of difficulty order No. 1/2018 – Central Tax, dated 11.12.2018. The said section read with rule 80(1) of the Central Goods and Services Tax Rules, 2017 (CGST Rules for short), provided for furnishing an annual return electronically in **FORM GSTR-9/FORM GSTR-9A** for every financial year on or before the thirty-first day of December following the end of such financial year. Section 44(2) of the CGST Act read with rule 80(3) of the CGST Rules provides for furnishing electronically an annual return in **FORM GSTR-9** along with a copy of the audited annual accounts and a reconciliation statement in **FORM GSTR-9C** by those registered persons whose turnover during a financial year exceeds two crore rupees on or before the thirty-first day of December following the end of such financial year.

2. Various representations have been received from the trade and industry to further extend the due date for filing the annual return and the reconciliation statement under section 44 as this is the first year of implementation of the GST regime and this return / reconciliation statement has to be filed for the first time. Further it has been represented that the annual return is more detailed and the taxpayers require more time to comply with the requirements.

3. It may also be submitted that even though the said forms have been notified in the month of September, 2018 and are in public domain, the system utilities for the same are yet to be made available on the common portal. Further, various taxpayers have represented that the time period for availing credit in respect of invoices or debit notes related to such invoices issued during July, 2017 to March, 2018 (this is also proposed to be extended to 20.04.2019 vide separate agenda). If the availment of such credit is allowed for an additional time period, it may be prudent that the due date for filing of annual return/reconciliation statement be extended for a suitable time period beyond such date.

4. The issue was deliberated by the Law Committee in its meeting held on 15.12.2018. The Committee observed that the last date for furnishing the annual return for FY 2017-18 has already been extended till 31st March, 2019. In view of the fact that date for availment of credit is proposed to be extended till the furnishing of the return in **FORM GSTR-3B** upto the month of March, 2019, the due date for filing of annual return / reconciliation statement for FY 2017-18 may be extended till 30th June, 2019.

5. Accordingly, approval of the GST Council is sought for extending the due date for furnishing of annual returns in **FORM GSTR-9, FORM GSTR-9A** and reconciliation statement in **FORM GSTR-9C** for the Financial Year 2017-2018 till 30th June, 2019. The said return/statement would be available for furnishing on common portal latest from 1st April, 2019. It may be recalled that in consultation with the Union Law Ministry, extension of due date for furnishing of annual return/ reconciliation statement has already been extended vide a removal of difficulty order under section 172 of the CGST Act. Further extension would also be carried out by issuance of a removal of difficulty order in consultation with Union Law Ministry. States would be required to issue similar order.

**Agenda Item 7(xx): Proposal for amendment of Section 50 of CGST Act, 2017 to allow payment of interest on net cash liability**

The liability to pay interest in case of non-payment of tax arises out of the provisions contained in Section 50 (1) of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the "CGST Act") which reads as follows:

> *"Every person who is liable to pay tax in accordance with the provisions of this Act or the rules made thereunder, but fails to pay the tax or any part thereof to the Government within the period prescribed, shall for the period for which the tax or any part thereof remains unpaid, pay, on his own, interest at such rate, not exceeding eighteen per cent., as may be notified by the Government on the recommendations of the Council."*

It may be seen from the above provision that interest is applicable on the amount of tax that has not been paid by the registered person.

2 Various other sections related to payment of tax are as follows:

i. Section 49(2) of the CGST Act provides that the input tax credit as self-assessed in the return (not necessarily be a valid return) of a registered person shall be credited to his electronic credit ledger.
ii. Section 49(3) and 49(4) of the CGST Act provides that the amount available in the electronic cash ledger may be used for payment towards tax, interest, penalty, fees or any other amount whereas the amount available in the electronic credit ledger may be used for payment towards output tax. The term "tax dues" has been defined, as per Explanation (b) to section 49 of the CGST Act so as to mean the tax payable under the CGST Act and does not include interest, fee and penalty.
iii. Section 39(7) of the CGST Act provides that the tax payable as per the return is required to be paid not later than the last date on which the return is required to be furnished.
iv. Section 2(117) of the CGST Act provides that a valid return means a return furnished under section 39(1) of the CGST Act on which self-assessed tax has been paid in full.

3. A perusal of above provisions indicate that the law permits furnishing of a return without payment of full tax as self-assessed as per the said return but the said return would be regarded as an invalid return. The said return, however, would not be used for the purposes of matching of ITC and settlement of funds. Thus, although the law permits part payment of tax but no such facility has been yet made available on the common portal. This being the case, a registered person cannot even avail his eligible ITC as he cannot furnish his return unless he is in a position to deposit his entire tax liability as self-assessed by him. This inflexibility of the system increases the interest burden. The same is illustrated as below:

> *Suppose a registered person has self-assessed his tax liability as Rs. 100/- for a particular tax period. He has an amount of Rs. 10/- as balance in his electronic credit ledger and he is eligible to avail Rs. 80/- as input tax credit (which would be credited to his electronic credit ledger only on furnishing of return). He is, therefore, required to pay only Rs. 10/- from his electronic cash ledger. The IT system will not allow the said registered person to furnish his return (and therefore the ITC of Rs. 80/- will not be credited in his electronic credit ledger) until he is in a position to discharge his complete self-assessed liability of Rs. 100/-. He would be liable to pay interest on the entire self-assessed tax liability of Rs. 100/- as he is not able to pay Rs. 10/- or part thereof from his electronic cash ledger.*

It may be seen from the above that if the facility for part payment, as permitted under law, was available, the registered person would have been required to pay interest only on Rs. 10/- but presently he is liable for interest on entire tax liability of Rs. 100/-.

4. It is also pertinent to mention that the liability of any registered person is related to the value addition made by him since GST is leviable only on value addition. Accordingly, input tax credit is allowed to the registered person in respect of the tax paid by him on his inward supplies. And, while making the outward supplies, the input tax credit so allowed is permitted to be utilised for discharging his output tax liability. The remaining part which is generally equivalent to the tax on value addition is discharged through electronic cash ledger. Hence, by this mechanism the registered person effectively pays tax only on the value addition made by him. If this concept is applied for interest payable, then, it appears that the interest should also be charged on the tax payable on the value addition only, i.e. the amount of tax which is required to be paid through electronic cash ledger.

5. Presently the interest is not calculated by the IT system. The registered person himself calculates the said interest and deposits the same. It appears, therefore, that any change would not pose any IT related challenge.

6. The issue was deliberated by the Law Committee in its meeting held on 15.12.2018. The Committee observed that the proposal to charge interest only on the net liability of the taxpayer, after taking into account the admissible credit, may be accepted in principle. Accordingly, the interest would be charged on the delayed payment of the amount payable through the electronic cash ledger. However, where invoices/debit notes have been uploaded in statements pertaining to the period subsequent to the period in which they should have been uploaded, the interest shall be calculated on the amount of tax calculated on the taxable value from the date on which the tax on such invoices was due. This would require amendment to the Law.

7. Accordingly, in-principle approval of the GST Council is sought for carrying out the amendment in CGST/SGST Act as per the proposal contained in para 6 above. Law Committee may be directed to frame suitable amendments in the law. Similar amendments would be required in the respective SGST Acts also.

**Agenda Item 7(xxi): Reduction in amount of late fees leviable on account of delayed furnishing of FORM GSTR-1, FORM GSTR-3B and FORM GSTR-4 for the months/quarters from July, 2017 to September, 2018**

Reference is invited to the information sheet (**Annexure A**) regarding furnishing of details of outward supplies in **FORM GSTR-1,** and the returns in **FORM GSTR-3B** and **FORM GSTR-4** for the months/quarters from July, 2017 to September, 2018. It may be seen from that percentage of furnishing for:

i) **FORM GSTR-1** was around 80% till March 2018 and has fallen to around 50% to 60% post March 2018;

ii) **FORM GSTR-3B** was around 85% to 90% till June 2018 and has reduced to around 75% post June 2018; and

iii) **FORM GSTR-4** has been around 75% to 80%.

2. Various representations have been received from the trade and industry to further extend the due date for furnishing the details of outward supplies in **FORM GSTR-1,** and the returns in **FORM GSTR-3B** and **FORM GSTR-4.** There have been various requests to waive the late fees, especially for small taxpayers, as in many cases, the amount of late fees, especially in case of taxpayers with nil/minimal tax liability, is more than the total tax liability. It has also been represented that in many cases such delays have been due to ignorance; system related issues and /or due to difficulty of compliance, and a lenient view may be taken by the Government.

3. Presently, the due date for furnishing the details of outward supplies in **FORM GSTR-1**, as specified *vide* notification Nos. 43/2018 – Central Tax (for taxpayers with turnover upto Rs. 1.5 crore), 44/2018 – Central Tax (for taxpayers with turnover above Rs. 1.5 crore), both dated 10.09.2018 and returns in **FORM GSTR-3B** & **FORM GSTR-4** , is as follows:

**Quarterly GSTR-1 (Taxpayers with turnover up to Rs. 1.5 crore)**

| Sl. No. | Period | Normal Tax payers | Migrated Taxpayers* |
|---|---|---|---|
| 1 | July, 17 to Sept, 18 | 31/10/18 | 31/12/18 |
| 2 | Oct, 18 to Dec, 18 | 31/01/19 | 31/01/19 |
| 3 | Jan, 19 to Mar, 19 | 30/04/19 | 30/04/19 |

*** those availing benefit of Not. 31/2018-Central Tax dated 06.08.2018**

**Monthly GSTR-1 (Taxpayers with turnover above Rs. 1.5 crore)**

| Sl. No. | Period | Normal Tax payers | Migrated Taxpayers* |
|---|---|---|---|
| 1 | July, 17 to Sept, 18 | 31/10/18 | 31/12/18 |
| 2 | Oct, 18 to Nov, 18 | 11th of succeeding month | 31/12/18 |
| 3 | Dec, 18 to Mar, 19 | -do- | 11th of succeeding month |

*** those availing benefit of Not. 31/2018-Central Tax dated 06.08.2018**

**Monthly GSTR-3B**

| Sl. No. | Period | Normal Tax payers | Migrated Taxpayers |
|---|---|---|---|
| 1 | July, 17 to June, 18 | Already Over***1** | 31/12/18 |
| 2 | July, 18 | Already Over***2** | 31/12/18 |
| 3 | Aug, 18 | Already Over | 31/12/18 |
| 4 | Sept, 18 to Nov, 18 | 20th of succeeding month | 31/12/18*3 |
| 5 | Dec, 18 to Mar, 19 | 20th of succeeding month | 20th of succeeding month |

***1** - Date for **July, 2017 extended to 25.08.2018 and 28.08.2018** for certain categories of taxpayers (depending on whether taxpayers have not opted or opted to file **FORM GST TRAN-1** on or before the 28th August, 2017 respectively) *vide* Notification No. 23/2017 – Central Tax dated 17.08.2018 further amended by Notification No. 24/2017 – Central Tax dated 21.08.2018

- Date for **December, 2017 extended to 22.01.2018** *vide* Notification No. 2/2018 – Central Tax dated 20.01.2018

- Date for **April, 2018 extended to 22.05.2018** *vide* Notification No. 23/2018 – Central Tax dated 18.05.2018

***2** - Date for **July, 2018 extended to 24.08.2018** *vide* Notification No. 35/2018 – Central Tax dated 21.08.2018

***3** - Date for migrated taxpayers for **July, 2017 to November, 2018 extended to 31.12.2018** *vide* Notification No. 45 to 47/2018 – Central Tax dated 10.09.2018

Filing of **GSTR-4** for the quarter of July to September, 2017 was extended till 15.11.2017 *vide* Notification No. 41/2017 – Central Tax dated 13.10.2017.

**Remarks: Some alternate dates have been prescribed for taxpayers whose principal place of business was located in State of Kerala, Kodagu district of State of Karnataka, Mahe in UT of Puducherry, Srikakulam district in State of Andhra Pradesh and 11 districts of Tamil Nadu vide various notifications issued from time to time.**

4. Section 44 of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the "CGST Act") provides for levy of late fees for non-furnishing of **FORM GSTR-1**, **FORM GSTR-3** or **FORM GSTR-4** of one hundred rupees for every day. Presently late fees for delay in furnishing of **FORM GSTR – 3B** by the due date is twenty rupees (Rs. 10/- under CGST Act plus Rs 10/- under SGST Act) for NIL filers and fifty rupees (Rs. 25/- under CGST Act plus Rs 25/- under SGST Act) for others (prescribed vide notification No. 64/2017 – Central Tax dated 15.11.2017). Similar reduction was allowed in case of late furnishing of **FORM GSTR-4** vide notification No.73/2017- Central tax dated 29.12.2017 and that for late furnishing of details of outward supplies in **FORM GSTR-1** vide notification No. 4/2018- Central tax dated 23.01.2018.

5. It may be mentioned that the last date for furnishing of details of outward supplies in **FORM GSTR-1** for the months of July 2017 to September 2018 was extended vide notification Nos. 43/2018-

Central Tax and 44/2018- Central Tax both dated 10.09.2018. It has been seen that the reduction in / waiver of late fees generally result in increased voluntary compliance in furnishing of returns thereby resulting in more auto-population of **FORM GSTR-2A** and /or increased tax payments.

6. Keeping in view the above facts, it was proposed that, as a one time measure, the late fees may be completely waived in case the details of outward supplies in **FORM GSTR-1** and/or returns in **FORM GSTR-3B** and **FORM GSTR-4** for the months / quarters July, 2017 to September, 2018, if the said details/returns are furnished latest by 31st March, 2019. It was also proposed that no refund of late fees may be granted to those taxpayers who have already furnished such details /returns.

7. The issue was deliberated by the Law Committee in its meeting held on 15.12.2018. Views were expressed that the late fees payable by such taxpayers may be reduced if the requisite return/statements are filed by 31st March, 2019 subject to the condition that the late fees payable by taxpayers with NIL tax liability may be limited to Rs.500/- + Rs.500/- per return (instead of present limit of Rs.5000/- + Rs.5000/- per return) and by other taxpayers may be reduced to Rs.1000/- + Rs.1000/- per return. It was also stated that this reduction may be available only in respect of returns/statements (**FORM GSTR-1/FORM GSTR-3B/FORM GSTR-4**) for the period July, 2017 to September, 2018. The late fees already deposited shall not, however, be refunded.

8. Accordingly, the matter is placed before the GST Council for deliberations and approval of the proposal enumerated in paragraph 6 or paragraph 7 above. Relevant notifications would be issued accordingly in consultation with the Union Law Ministry. Similar notifications would be issued by the States also.

**Return Filing Summary (Financial Year: 2018-19)** **13.12.2018**

| Return Type | Particulars | July'17 | August'17 | Septemeber'17 | October '17 | November '17 | December '17 |
|---|---|---|---|---|---|---|---|
| GSTR 1 | Eligibility | 74,61,214 | 32,60,937 | 79,25,831 | 34,38,891 | 31,26,495 | 81,82,277 |
| | Returns Filed | 58,50,872 | 24,60,874 | 66,19,102 | 25,29,318 | 25,59,013 | 66,59,340 |
| | Return Filing % | 78.42% | 75.47% | 83.51% | 73.55% | 81.85% | 81.39% |
| GSTR 3B | Eligibility | 74,61,214 | 75,32,807 | 79,25,831 | 81,54,303 | 79,92,517 | 81,82,277 |
| | Returns Filed | 63,96,140 | 69,65,932 | 73,00,358 | 70,82,884 | 71,36,997 | 72,05,680 |
| | Return Filing % | 85.73% | 92.47% | 92.11% | 86.86% | 89.30% | 88.06% |
| GSTR 4 | Eligibility | | | 11,41,565 | | | 17,24,344 |
| | Returns Filed | | | 9,69,016 | | | 14,47,839 |
| | Return Filing % | | | 84.88% | | | 83.96% |

| Return Type | Particulars | January'18 | February '18 | March'18 | April'18 | May'18 | June'18 |
|---|---|---|---|---|---|---|---|
| GSTR 1 | Eligibility | 32,29,377 | 32,74,028 | 87,08,493 | 44,96,316 | 46,82,345 | 93,16,710 |
| | Returns Filed | 25,43,039 | 25,37,513 | 67,01,316 | 26,17,108 | 26,26,342 | 66,65,595 |
| | Return Filing % | 78.75% | 77.50% | 76.95% | 58.21% | 56.09% | 71.54% |
| GSTR 3B | Eligibility | 83,63,437 | 85,45,661 | 87,08,493 | 88,17,798 | 91,22,309 | 93,16,710 |
| | Returns Filed | 72,95,346 | 73,86,980 | 74,48,374 | 74,29,626 | 75,17,863 | 75,55,632 |
| | Return Filing % | 87.23% | 86.44% | 85.53% | 84.26% | 82.41% | 81.10% |
| GSTR 4 | Eligibility | | | 19,31,061 | | | 17,66,630 |
| | Returns Filed | | | 14,81,504 | | | 14,21,231 |
| | Return Filing % | | | 76.72% | | | 80.45% |

| Return Type | Particulars | July'18 | August'18 | Septemeber'18 | October '18 | November '18 |
|---|---|---|---|---|---|---|
| GSTR 1 | Eligibility | 47,75,626 | 47,26,891 | 96,57,239 | 46,09,444 | 45,72,118 |

| | | | | | | |
|---|---|---|---|---|---|---|
| | Returns Filed | 25,81,669 | 25,15,289 | 62,83,013 | 21,87,048 | 13,35,796 |
| | Return Filing % | 54.06% | 53.21% | 65.06% | 47.45% | 29.22% |
| GSTR 3B | Eligibility | 94,70,282 | 96,15,273 | 96,57,239 | 97,57,664 | 98,46,645 |
| | Returns Filed | 75,59,211 | 75,45,416 | 74,52,775 | 72,04,912 | 14,75,811 |
| | Return Filing % | 79.82% | 78.47% | 77.17% | 73.84% | 14.99% |
| GSTR 4 | Eligibility | | | 17,74,379 | | |
| | Returns Filed | | | 13,11,073 | | |
| | Return Filing % | | | 73.89% | | |

**Agenda Item 7(xxii): Proposal to extend benefit of composition levy for small service providers**

Section 10 of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the "CGST Act") provides for the provisions in respect of the composition levy. It states that a registered person, whose aggregate turnover in the preceding financial year did not exceed one crore rupees, may opt to pay, in lieu of the tax payable by him, an amount of tax calculated at such rate as may be prescribed. Presently the manufacturers who have opted for composition levy are required to pay @ 1% of the turnover, suppliers of restaurant services at the rate of 5% of the turnover and others @ 1% of the taxable turnover.

2. Further, Section 10(2) of the CGST Act lays down certain restrictions relating to the availability of the benefits of the composition levy which are as follows:

(a) He is not engaged in the supply of services other than supplies referred to in clause (b) of paragraph 6 of Schedule II;

(b) He is not engaged in making any supply of goods which are not leviable to tax under this Act;

(c) He is not engaged in making any inter-State outward supplies of goods;

(d) He is not engaged in making any supply of goods through an electronic commerce operator who is required to collect tax at source under section52; and

(e) He is not a manufacturer of such goods as may be notified by the Government on the recommendations of the Council:

Hence, presently the composition scheme is not available to the exclusive service providers except to the suppliers of restaurant services.

3. Consequent to the CGST (Amendment) Act, 2018, with effect from a date yet to be notified, Section 10 of CGST Act has been amended wherein, the following proviso would be inserted after proviso to sub-section (1), namely:

*"Provided further that person who opt to pay tax under clause (a) or clause (b) or clause (c) may supply services (other than those referred to in clause (b) of paragraph 6 of Schedule II), of value not exceeding ten per cent. of turnover in a State or Union territory in the preceding financial year or five lakh rupees, whichever is higher."*

Amendment has also been carried out in clause (a) of sub-section (2) for effecting the above change.

4. By virtue of the above-mentioned law amendment, a provision has already been made to extend the benefit of composition levy to the manufacturers and other suppliers of goods who are also supplying services to the extent of value not exceeding 10% of their turnover in a State or Union Territory in the preceding Financial Year or five lakh rupees, whichever is higher. However, composition levy is still not available to the exclusive service providers. Various representations, including from Chamber of Small Industry Associations, have been received stating that the supplier of services should also be placed at equal footing with that of the supplier of goods and they should also be allowed the benefit of opting for composition levy.

5. It is submitted that there is no distinction between manufacturer, trader or service provider in the GST regime. All the taxpayers are regarded as suppliers and they obtain registration as such supplier. As per the latest data (based on the extrapolated turnover for the month of April 2018 to September 2018) made available by the GSTN, there are about 58.70 lakh registered persons whose turnover is upto Rs. 50 lakhs out of total registered persons numbering about 87.26 lakhs (who are non-composition

taxpayers). Further there are about 17.74 lakh composition taxpayers. The supplier of goods, out of 58.70 lakh registered persons, though eligible for composition levy, have not opted for the said scheme.

6. In view of the above facts, it was proposed that the benefit of composition levy may be extended to those exclusive service providers whose aggregate turnover in the preceding financial year did not exceed fifty lakh rupees. They may be liable to pay an amount @ 5 % of the aggregate turnover in the State/ Union territory without any input tax credit. The proposal would require suitable amendments in the law.

7. The proposal was discussed at length by the Law Committee in its meeting held on 15.12.2018. Views were expressed that the composition taxpayers not being entitled to input tax credit implies that the tax at the full rate on a substantial part of the value of their supplies was already realised and only the value addition made by them was, in effect, compounded. Further, by and large, creditable supplies form a comparatively smaller part of the total value of the supplies of exclusive service providers and that the value addition in such cases was, consequently, of a much higher order and different for different services thereby rendering the prescription of a single rate of composition tax for services very difficult. It was also stated that exclusive service providers may not be allowed to opt for composition as it will substantially distort the level-playing field between service providers who opt for composition in comparison to the service providers with marginally higher turnover who are not eligible for composition levy. There was also a view that possibly the only benefit that such service providers stand to gain by being entitled to composition would be in the form of lower compliance burden which, in any case, stands ameliorated by their being entitled to file quarterly returns.

8. Accordingly, the issue of extending the benefit of composition levy for small service providers is placed before the GST Council for further deliberation. The proposal would require amendment in law.

**Agenda Item 7(xxiii): Proposal to introduce the new return system on trial basis from 01.04.2019 and on mandatory basis from 01.07.2019**

GST Council in its 28th Meeting held on 21.07.2018 approved the features and formats of the proposed new returns. It also directed that these features and formats may be put in the public domain for one month to seek comments. Thereafter, based on feedback, the finalisation of features and formats of the return may be done and the same may be approved by GIC. The Council also approved that the new return system may be implemented from 01.01.2019 on best effort basis. The relevant extract of the minutes is reproduced below: -

*"19. For Agenda Item 6(iii), the Council approved the following:*

*i) The return design and format of monthly and quarterly returns including the SAHAJ and the SUGAM as contained in Presentation at Annexure 5 of the Minutes;*

*…….*

*iv) To put the key features and the formats of the new returns in the public domain for one month to seek comments;*

*v) Final features of the return formats to be finalized with any minor amendments due to inputs received from various stakeholders with the approval of the GIC;*

*vi) The final provision in the Law in relation to Returns to be finalized in consultation with the Ministry of Law and on the basis of other inputs received to be finally approved by GIC;*

*vii) The new return format will be implemented from 1st January 2019 on best effort basis;*

*….."*

2. Accordingly, incorporating the various feedbacks and suggestions of trade and industry, field formations and GSTN, the Law Committee has finalised the new return system in its meeting held on 10.12.2018 & 11.12.2018. The finalised document will now be placed before GIC for final approval. GSTN has been fully associated in finalisation work and has started the development of same.

3. In light of the same and taking into consideration the time required by GSTN to develop the new system, the Law Committee, in its meeting held on 15.12.2018, has proposed that the new return system may be implemented on a trial basis from 01.04.2019 and on mandatory basis from 01.07.2019.

4. Accordingly, approval of the GST Council is sought for implementing the proposal as mentioned in paragraph 3 above.

**Agenda Item 7(xxiv): Single interface for disbursal of refund amounts**

As per procedure for refunds approved by the Council, the refund for IGST, CGST, SGST and Cess is ordered by a single authority depending upon the tax authority to which the taxpayer is assigned based on the division of the tax payer base. However, for the actual payment of the refund amount, the refund order is being forwarded to the respective authorities and it gets paid separately. For this purpose, it has been decided that each authority shall nominate a nodal officer to receive the refund orders issued by the other tax authority. The nodal officers should send it for payment of the amount and after the amount is credited to the taxpayer's account, the tax authorities shall inform their other counterpart.

2. This system has been in operation for some time now and there have been representations that this system requires taxpayers to interface with two authorities most of the time. This is causing delay in getting full refund and goes against the spirit of single interface, which is one of the core features of the GST design. This issue has been discussed in past as to whether the refund can be paid by a single authority and the amounts can be settled between the Centre and the States later so that the taxpayer gets his refund in time without delay.

3. It is, therefore, proposed that all refund orders in FORM GST RFD-04/06 should be issued on GSTN without any exception by both authorities and the orders shall be transmitted to the Public Finance Management System (PFMS), the payment system of the Central Government and the payment of all taxes viz. CGST, IGST, SGST and Compensation Cess shall be done by Pay and Accounts Officer(s) of the Central Government by debiting the cash account of the Centre and crediting the bank account of the tax payer.

4. The net amount of the SGST refund paid from the cash account of Central Government for the period from 21$^{st}$ of previous month to 20$^{th}$ of the current month can be adjusted alongwith the IGST apportionment that happens around 26$^{th}$ of every month. While CGST and IGST refunds can be debited directly to the respective heads, SGST refunds disbursed through PFMS from the Centre's cash account can initially be debited to the suspense head. The suspense head can be credited from the IGST portion that will be released alongside and the State SGST account shall be debited accordingly. This would complete the account requirement and will also ensure that the entire refund amount is transferred to the taxpayer in one go.

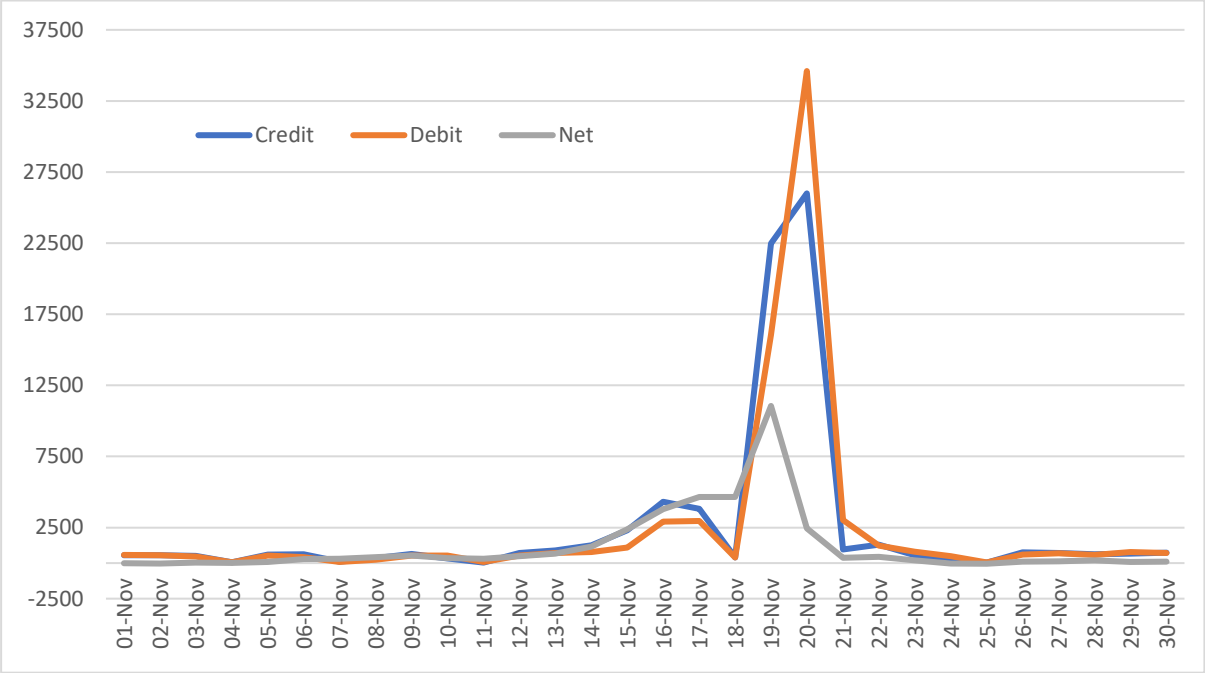
5. There are a few pre-requisites for this proposal to be implemented. Firstly, the refund process from **FORM GST RFD-01** to **FORM GST RFD-06** shall have to be fully done on the GSTN Portal (for Model 2 States) or should be fully integrated with the IT system of tax administration. Unless all refund orders in **FORM GST RFD-04/06** are on the portal, this system cannot function. Secondly, the GSTN system should be fully integrated with PFMS and should be able to push the data relating to refund orders on to PFMS. It should also be able to fetch the details of successful and unsuccessful payments from PFMS. Once this integration is complete, the proposed system can be operationalized. It is expected that this system will smoothen refund process to a large extent.

6. This issue was deliberated in detail by the Law Committee in its meeting held on 15.12.2018. Since the issue relates to receipts and payments and treasury procedures, it was felt that the views of the State Governments may be sought. The views of the States have been sought separately by the GST Council Secretariat by email on 15.12.2018. The matter is placed before the Council for discussion. The views as received from States till 20$^{th}$ December 2018 will be placed before the Council during discussion.

**Agenda Item 7(xxv): Rationalisation of cash ledgers in GST**

Section 49 of the CGST and SGST Act provide that any amount paid by the taxpayer through the GST Challan shall get credited in the cash ledger. Any amount that needs to be paid through cash, is paid from the cash ledger. Section 54 separately provides for refund of balance from the cash ledger. Currently, there are five ledgers, namely, tax, interest, penalty, fine and others for each of the four taxes, namely, IGST, CGST, SGST and cess. This requires twenty ledgers in which taxpayers are required to make deposit.

2. Many demands have come from various quarters that there should be one cash ledger from which all components of each tax should be allowed to be paid. This will ensure that the taxpayers can optimally utilise the balances in cash ledger. In many cases, taxpayers have deposited cash into wrong ledger and then they have been compelled to take refund later. They have represented that instead they should be allowed to use the balance for payment of any component of any tax. The daily credit and debit into the cash ledger for the month of November, 2018 can be seen in the figure below.




3. It may be noted that any amount that is deposited through challan into the ledger gets credited directly to the Consolidated Fund of India or the State and gets classified depending on the ledger in which the amount is credited at the time when the amount is deposited. Therefore, if the cash ledgers are rationalized in a manner that there is one cash ledger from which all components of each respective tax should be allowed to be paid, a mechanism for classification needs to be devised to ensure that the amounts credited gets accounted based on the returns filed by the taxpayers.

4. This issue was deliberated in detail by the Law Committee in its meeting held on 15.12.2018and it was felt that this proposal needs to be examined in detail not only for operational details but also in the light of the accounting treatment. It was observed that the amount being deposited in a single ledger would nevertheless have to be credited to the Consolidated Fund of either the Centre or that of the State and transfer of a part of the said sum from one Fund to the other would tantamount to withdrawal from the Consolidated Fund in which it was originally deposited. Once a mechanism has been devised to effect such a transfer, the operational details have to be sorted out. Accordingly, it was felt that a Committee of Officers from the Central and State Governments, Central and State Accounting authorities, C&AG and GSTN can be set up to work out the modalities. In principle approval of GST

Council is sought on this proposal of rationalization of cash ledger as contained in paragraph 3 and constitution of a Committee for working out the modalities.

**Agenda Item 8: Approval of modifications in Articles of Association (AOA) and Memorandum of Association (MOA) of Goods and Services Tax Network (GSTN) based on decision of the GST Council to convert it into a 100% Government-owned entity**

The GST Council in its 27th Meeting held on 04th May 2018 decided that GSTN will be converted into a 100% Government-owned entity by transferring 51% equity shares held by the Non-Government institutions to the Centre and States equally.

2. The Union Cabinet in its Meeting held on 26th September 2018 has approved the proposal to convert GSTN into a fully-owned Government company with 50% equity of the company to be held by the Central Government and the balance 50% to be held by various States and Union Territories. Letter of Department of Revenue conveying the decision of the Union Cabinet is at **Annexure-1**.

3. In order to implement change in shareholding pattern of GSTN, AOA & MOA of GSTN are required to be changed as per the provisions of the Companies Act, 2013 and Rules made thereunder. Required changes in provisions, reasons for the change is at **Annexure-2**.

4. The proposed shareholding pattern would be as per **Annexure-3** post conversion of GSTN into 100% Government-owned Entity. The total number of shares are 1 crore, 50% of which i.e. 50 lakh will go to Central Government. The remaining 50 lakh shares when divided equally amongst 31 States comes to 1,61,290.32. After allocating 1,61,290 to each State, 10 shares are left.

5. These left over 10 shares are miniscule percentage of the total number of 1 crore shares. These 10 shares cannot be distributed equally among 32 stakeholders. In the erstwhile GSTN shareholding pattern, the Empowered Committee had 80000 shares. On this analogy, these 10 shares may be allotted to the GST Council, which represents the Centre as well as the States.

6. Accordingly, it is proposed to allot the shares as per **Annexure-3** with balance 10 shares to be allotted to the GST Council. Further, the modified AOA and MOA of GSTN are placed before the Council for in-principle approval and GIC may be authorised to go through the in detail and finalise the same.

**Annexure-1**

No. S-31011/5/2018-ST-I

Government of India
Ministry of Finance
Department of Revenue
(State Taxes-I Section)
*****

North Block, New Delhi,
Dated 25th October, 2018

To,

The Chairman
Goods and Service Tax Network
4th Floor, Worldmark 1, East Wing, Asset 11,
Hospitality District Aerocity, New Delhi.

**Subject: Increasing of Government Ownership in Goods and Services Tax Network (GSTN) and change in the existing structure with transitional Plan– Decision of the Cabinet -reg.**

Sir,

I am directed to refer to subject mentioned above and to State that a Cabinet Note for restructuring of GSTN was sent to Cabinet for consideration and approval. The Cabinet in its meeting held on 26-09-2018, has approved the proposal mooted by Department of Revenue. The proposal approval by the Cabinet is as under: -

(i) Acquisition of entire 51% of equity held by the Non-Governmental Institutions in GSTN equally by the Centre and the States governments and allow GSTN Board to initiate process for acquisition of equity held by the private Companies.

(ii) Allow change in the existing composition of the Board of GSTN by inducting three Directors from the Centre and the States and three other Independent Directors to be nominated by the Board of Directors and one Chairman and the CEO. Thus, the total number of Directors is 11.

(iii) Review Article of Association and Bye laws of GSTN by GSTN Board and incorporate suitable changes as per the provisions of the Companies Act, 2013. Restructured GSTN will hold the assets and liabilities of the Company and inform lenders accordingly.

(iv) Since the current staff are hired on market driven salaries as regular employees of GSTN, their continuation at the current terms and conditions may not be possible after change in the ownership structure of GSTN. Therefore, for ensuring continuity of operation without any disruption, existing regular employees may be allowed to be continued for a period up to 5 years on the same terms and conditions on which they were appointed. For these five years, GSTN may be given the flexibility of hiring people through contract on the terms and conditions similar to those used by GSTN earlier while hiring regular employees.

Contd.....2/-

(v) The existing employees on deputation may be continued on the same terms and conditions till the completion of their tenure. Also, for the next five years, new employees on deputation will be continued to be hired on the terms and conditions similar to those earlier used by GSTN.

(vi) Flexible hiring and appropriate remuneration policy may be evolved by GSTN considering criticality of the IT manpower, prevailing market compensation etc. and placed before the GST council for its approval in due course.

(vii) Allow continuation of existing mechanism of payment of the operating charges to GSTN through user charges of restructured GSTN by CBIC and the States.

2. It is requested to initiate the process inter-alia that acquisition of entire 51% equity held by the Non-Government Institution in GSTN, equally by the Centre and States as per the above decision of the Cabinet.

Yours Sincerely,

(Rajendra Kumar)
US(ST-I)
Ph. No. 23092976

**Annexure-2**

**Proposed changes in Article of Association**
**of**
**Goods and Services Tax Network**

| Article | Existing Articles | Proposed Articles | Reason for Change |
|---|---|---|---|
| | The Companies Act, 1956 | **The Companies Act, 2013** | Replacement of Companies Act, 1956 by Companies Act, 2013. |
| | Company Not For Profit<br><br>(Section 25 Company) | No Change<br><br>**(Section 8 Company)** | Substitution of Section 8 (in place of Section 25) under Companies Act, 2013. |
| | Articles of Association of Goods and Services Tax Network | No Change | |
| | Definitions | No Change | |
| 1 | In the interpretation of these Articles, the following expressions shall have the following meanings, unless there be in the subject or context anything inconsistent or repugnant thereto: - | No Change | |
| a) | "Act" means the Companies Act, 1956 and includes any statutory modification or re-enactment thereof for the time being in force and all rules made there under. | ***"Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force and all rules made there under.*** | Enactment of Companies Act, 2013. |
| b) | "Board" means the Board of Directors of the Company. | ***"Board of Directors" or "Board", in relation to the Company, means the collective body of the directors of the company.*** | ***"Board of Directors" or "Board*** as used and defined under Section 2(10) of the Companies Act, 2013. |
| c) | "Capital" means the capital raised or authorized to be raised for the purpose of the Company. | No Change | |
| d) | "Central Government" means the Government of India and includes any organization, agency, institution, body or department under it. | No Change | |
| e) | "Chairman" means the Chairman of the Board or the person elected or appointed to preside over the Board or/and General meetings of the Company. | No Change | |
| f) | "Chief Executive Officer" means Chief Executive Officer of the Company. | ***"Chief Executive Officer" (CEO) means an officer of the company, who has been*** | ***"Chief Executive Officer"*** as defined under Section 2(18) of the Companies Act, |

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| | | ***designated as such by it.*** | 2013. |
| g) | "Committee" means a committee duly constituted under these Articles. | No Change | |
| h) | "Company" means GOODS AND SERVICES TAX NETWORK, registered under the Act. | ***"Company" means GOODS AND SERVICES TAX NETWORK, registered under the Companies Act 1956.*** | Company was incorporated under the Companies Act 1956. |
| i) | "Director" means a Director of the Company for the time being. | ***"Director" means a director appointed to the Board of the Company.*** | ***"Director"*** as defined under Section 2(34) of the Companies Act, 2013. |
| j) | "EC" means the Empowered Committee of State Finance Ministers constituted as a society under the Societies Registration Act, 1860 for the time being and includes its successors and for the purposes of the Company and these Articles, represents all State Governments in the Company. | **Deleted** | Replacement of EC by GST Council. Refer Article 1(l) as mentioned below. |
| k) | "Financial Year" or "Year" means the period in respect of which any income and expenditure account of the Company is laid before it in its Annual General Meeting is made up, whether that period is a year or not. | ***"Financial Year" or "Year" means the period ending on the 31st day of March every year, in respect whereof financial statement of the company is made up.*** | ***"Financial Year"*** as defined under Section 2(41) of the Companies Act, 2013. |
| l) | Insertion of new definition. | ***"Goods & Services Tax Council" or "GST Council" means the joint forum of the Centre and the States constituted as per Article 279A of the amended Constitution of India for the time being and includes its successors and for the purposes of the Company and these Articles, represents the Centre and the States in the Company, which shall consist of the following members:***<br><br>***a) Union Finance Minister - Chairperson***<br><br>***b) The Union Minister of State, in-charge of*** | Replacement of EC by GST Council. |

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| | | ***Revenue of finance - Member***<br>***c) The Minister in-charge of finance or taxation or any other Minister nominated by each State Government - Members*** | |
| l) | "Government" means the Central Government and the State Governments. | No Change | |
| m) | "Member" means any person who agrees in writing to become a member of the Company and whose name is registered in the Register of Members. | ***"member", in relation to the company, means—***<br><br>***(i) the subscriber to the memorandum of the company who shall be deemed to have agreed to become member of the company, and on its registration, shall be entered as member in its register of members;***<br><br>***(ii) every other person who agrees in writing to become a member of the company and whose name is entered in the register of members of the company;***<br><br>***(iii) every person holding shares of the company and whose name is entered as a beneficial owner in the records of a depository;*** | ***"Member"*** as defined under Section 2(55) of the Companies Act, 2013. |
| n) | "Member(s) of Group A, Group B and Group C" means the Member(s) of respective Group mentioned in Table I of Article 6. | No Change | |
| o) | "Non-Government Institutions" means those institutions/ entities/ body corporates that do not come under the definition of Government above and do not constitute Government Company under the Act. | No Change | |
| p) | "Office" means the Registered Office of the Company. | No Change | |
| q) | "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto | "Ordinary Resolution" and "Special Resolution" | Reference of new Section under the |

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| | respectively be Section 189 of the Act. | shall have the meanings assigned thereto respectively be **Section 114** of the Act. | Companies Act, 2013. |
| r) | "Register" means the register of Members to be kept pursuant to the Act. | No Change | |
| s) | "Seal" means the common seal of the Company approved by the Board from time to time. | No Change | |
| t) | "Secretary" means the secretary of the Company. | **"Secretary" or "Company Secretary" means a company secretary as defined in clause (c) of sub-section (1) of section 2 of the Company Secretaries Act, 1980, (56 of 1980) who is appointed by the company to perform the functions of a company secretary under this Act.** | "Secretary" or "Company Secretary" as used and defined under the Companies Act, 2013. |
| u) | "Share(s)" means the share(s) or stock into which the Capital is divided. | "**Share**" means a share(s) in the share capital of the company and includes stock. | **"Share**" as defined under Section 2(84) of the Companies Act, 2013. |
| v) | "Shareholders' Agreement" means the agreement in the format attached as Annexure A to these Articles and which is to be entered by and amongst every person or entity who intends to be a shareholder of the Company and such agreement forms integral part of the Articles. | No change | |
| w) | "State Government(s)" means the Government of the State(s) in the Union of India and the Union Territories and includes any organization, agency, institution, body or department under it/them. | No change | |
| x) | "Union Territories" means the Union Territories of Puducherry and the National Capital Territory of Delhi and includes any organization, agency, institution, body or department under it/them. | No change | |

**INTERPRETATION**

2. In these Articles, subject to the aforesaid and unless the context otherwise requires:

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| i) | Words or expressions contained in these Articles shall bear the same meanings as in Act; | No change | |

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| ii) | References to Articles are to articles of this Articles of Association as originally framed and as amended from time to time; | No change | |
| iii) | Headings to Articles are for convenience only and are to be ignored in construing this Articles of Association; | No change | |
| iv) | References to a "entities" are to be construed so as to include any firm, company, Government or any joint venture, association, proprietorship or partnership (whether or not having a separate legal personality); | No change | |
| v) | References to a "company", are to be construed so as to include any company, corporation, or other body corporate, wherever and however established; | No change | |
| vi) | References to a "nominee" or "proxy" are to be construed to mean as a duly appointed nominee or proxy as the case may be and the term proxy and nominee are used interchangeably; | References to a "nominee" or "proxy" are to be construed to mean as a duly appointed nominee or proxy as the case may be. | The Term Nominee and Proxy can't be change interchangeably |
| vii) | Words denoting the singular include the plural and vice versa and words importing the masculine gender include feminine and neuter genders and vice versa; | No change | |
| viii) | The word "month" wherever used shall mean the period of time which ends on the same date as it commenced in the previous month but if there is no numerically corresponding date in the following month then the period shall end on the last day of the month; | No change | |
| ix) | References to "Rs." or "Rupees" or "INR" are references to lawful currency of India. | No change | |

| | **PRIVATE SECTION 25 COMPANY** | **PRIVATE SECTION 8 COMPANY** | Reference of new Section under the Companies Act, 2013. |
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| 3. | The Company is a private company within the meaning of Section 2 (35) and 3 (1) (iii) of the Act and accordingly: | **The Company is a private company within the meaning of Section 2 (68) of the Act and accordingly:** | Reference of new Section under the Companies Act, 2013. |
| a) | the rights to transfer its Shares is restricted; | **a) restricts the right to transfer its shares;** | As referred under Companies Act, 2013. |
| b) | the number of its Members is limited to fifty (50) not including: | b) limits the number of its members to **two** | As referred under Companies Act, |

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| | i. persons who are in the employment of the Company; and<br>ii. persons who, having been formerly in the employment of the Company, were members of Company while in that employment and have continued to be Members after the employment ceased. Provided that for the purpose of this Article, where two (2) persons or entities hold one or more Shares in the Company jointly, they shall be treated as a single Member; | **hundred**, not including:<br>i. persons who are in the employment of the Company; and<br>ii. persons who, having been formerly in the employment of the Company, were members of Company while in that employment and have continued to be Members after the employment ceased. Provided that for the purpose of this Article, where two (2) persons or entities hold one or more Shares in the Company jointly, they shall be treated as a single Member; | 2013. |
| c) | no invitation shall be issued to the public to subscribe for any Shares in, or debentures of the Company; and | **c) prohibits any invitation to the public to subscribe for any securities of the company;** | As referred under Companies Act, 2013. |
| d) | no invitations or acceptance of deposits shall be made from persons other than its Members and Directors. | **d) Deleted** | No reference under Companies Act, 2013. |

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| 4 | The Company intends to apply its profits, if any, or other income in promoting its objects, and to prohibit the payment of any dividends to its Members. Table A of Schedule I of the Act shall apply except as otherwise provided in these Articles. | No change | |

**COMPANY TO BE GOVERNED BY THESE ARTICLES**

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| 5 | The management of the Company will be as per these Articles. | No change | |

**SHARE CAPITAL**

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| 6 | The authorized share capital of the Company shall be Rs. 10,00,00,000/- (Rs. Ten (10) Crores only) divided into 1,00,00,000 (One Crore) equity shares of Rs. 10/- (Rs. Ten only) each which can be increased or reduced subject to the provisions of the Act. | The authorized share capital of the Company shall be Rs. 10,00,00,000/- (Rs. Ten (10) Crores only) divided into 1,00,00,000 (One Crore) equity shares of Rs. 10/- (Rs. Ten only) each which can be increased or reduced subject to the provisions of the Act. | Articles revised in order to give the effect of transfer by |

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| | The paid up share capital of the Company shall at all times be owned and maintained in the proportion mentioned in Table I below.<br><br>**Table I**<br><br>**Sr. No.** / **Name of the entities** / **Percentage of paid up capital**<br>1. Group A- Central Government — 24.5%<br>2. Group B- State Governments and the EC collectively — 24.5%<br>3. Group C- Non-Government Institution collectively — 51%<br><br>The percentage of holdings mentioned against each Group in Table I above shall not exceed the specific percentage against their respective Group.<br><br>In Group C in Table I above, no individual Non-Government Institution shall hold more than 10% equity in the Company except that one Non-Government Institution may hold a maximum of 21% equity in the Company. | ~~The paid up share capital of the Company shall at all times be owned and maintained in the proportion mentioned in Table I below.~~<br><br>**Table I**<br><br>**Sr. No.** / **Name of the entities** / **Percentage of paid up capital**<br>1. Group A- Central Government — 24.5%<br>2. Group B- State Governments, **Union Territories** and the EC collectively — 24.5%<br>3. Group C- Non-Government Institution collectively* — 51%<br><br>***Consequent upon conversion of company into 100% Government Company after t*he transfer of Group C shareholding to Group A & Group B, t**he paid up share capital of the Company shall at all times be owned and maintained in the proportion mentioned in Table I below.<br><br>**Sr. No.** / **Name of the entities** / **Percentage of paid up capital**<br>1. Group A- Central Government — 50%<br>2. Group B- State Governments, **Union Territories** and the EC collectively — 50%<br><br>~~In Group C in Table I above, no individual Non-Government Institution shall hold more than 10% equity in the Company except that one Non-Government Institution may hold a maximum of 21% equity in the Company.~~ | Non-Government Institutions. |

**ISSUE AND TRANSFER OF COMPANY'S SHARES**

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| 7 | In addition to the procedure for transfer of any Shares by any Member mentioned in Article 38 and 39, the consent of the Board shall also be taken. | No Change | |

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| 7A | Notwithstanding anything contained in these Articles but subject to Article 6, no Shares shall be issued or transferred by the Company to any person or entity unless and until:<br><br>(a) such person or entity has duly executed the Shareholders' Agreement (or the deed of adherence to the Shareholders' Agreement); and<br><br>(b) such person or entity submits a certified true copy of the duly executed Shareholders' | Notwithstanding anything contained in these Articles but subject to Article 6, no Shares shall be issued or transferred by the Company to any person or entity unless and until:<br><br>(a) such person or entity has duly executed the Shareholders' Agreement (or the deed of adherence to the Shareholders' Agreement); and<br><br>(b) such person or entity submits a certified | Clause (c) added as per the provisions of the Companies Act, 2013. |

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| | Agreement to the Board. | true copy of the duly executed Shareholders' Agreement to the Board.<br><br>**(c) under the provisions of Sec 56 of the Act, A proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificates relating to the shares or debentures or if no such certificate is in existence, along with the letter of allotment of the shares or debentures provided that the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof.** | |

**SHARE CERTIFICATE**

| | | | |
|---|---|---|---|
| 8 (a) | Every person whose name is entered as Member in the Register of Members shall be entitled to receive within three (3) months after allotment or within two (2) months of application for registration of transfer one certificate for all his Shares without payment or several certificates for one or more of his Shares, upon payment of the face value of the Share. | Every person whose name is entered as Member in the Register of Members shall be entitled to receive within **two (2) months** after allotment or within **one (1) month** of application for registration of transfer one certificate for all his Shares without payment or several certificates for one or more of his Shares, upon payment of the face value of the Share. | As referred in the Companies Act, 2013. |
| 8 (b) | Every certificate shall be under the Seal and shall specify the number and distinctive number of Shares to which it relates and amount paid up thereon. | No change | |

**ISSUE OF NEW SHARE CERTIFICATE**

| | | | |
|---|---|---|---|
| 9 | If any certificate be worn out, defaced, mutilated, or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and the on execution of such indemnity as the Company deem adequate, being given, and in a lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the Articles shall be issued without payment of fees if the Board so decide, or on payment of such fees (not exceeding Rs. 2/- for each certificate) as the Board shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is | If any certificate be worn out, defaced, mutilated, or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and the on execution of such indemnity as the Company deem adequate, being given, and in a lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the Articles shall be issued without payment of fees if the Board so decide, or on payment of such fees (not | As referred in the Companies Act, 2013. |

| | | | |
|---|---|---|---|
| | no further space on the back thereof for endorsement of transfer. | exceeding **Rs. 50**/- for each certificate) as the Board shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. | |

**TRANSFER AND TRANSMISSION OF SHARES**

10. The right of Members to transfer their Shares shall be restricted as follows:-

| | | | |
|---|---|---|---|
| (a) | Subject to Article 3, Article 6 and Article 7, the Share(s) in the Company can be transferred only to those entities approved by the Members in accordance with Article 38 and Article 39 and by the Board. | Subject to Article 3, Article 6, Article 7**and Article 7A**, the Share(s) in the Company can be transferred only to those entities approved by the Members in accordance with Article 38 and Article 39 and by the Board. | Inserted Article 7A in order to give more clarity on transfer of shares. |
| (b) | Subject to Section 111 of the Act and these Articles, no transfer of any Share in the Capital of the Company shall be made or registered without the previous sanction of the Board, who may without assigning any reason thereof but in accordance with these Articles, decline to give any such sanction. The Board shall have power to decline transfer of any Shares which would contravene Article 3, Article 6 and Article 7A hereto. | Subject to **Section 58** of the Act and these Articles, no transfer of any Share in the Capital of the Company shall be made or registered without the previous sanction of the Board, who may without assigning any reason thereof but in accordance with these Articles, decline to give any such sanction. The Board shall have power to decline transfer of any Shares which would contravene Article 3, Article 6 and Article 7A hereto. | Reference of new Section under the Companies Act, 2013. |
| | The registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine not exceeding thirty (30)days in any Year. The right of the Members to transfer, sell or renounce all or any of their Shares shall be restricted as follows: | No Change | |
| i | The Member desirous of transferring, selling or renouncing Shares ("Selling Party") shall give notice in writing ("Transfer Notice") to the other Members ("Continuing Parties") and the proposed price ("Transfer Price"); | **The Member desirous of transferring, selling or renouncing Shares ("Selling Party") shall give notice in writing ("Transfer Notice") to the prospective Buyer(s) and the proposed price ("Transfer Price");** | Revised in order to facilitate transfer of shares to the State of Telangana (Non members) by Non Govt. Institutions. |
| ii | Within thirty (30) days from the receipt of the Transfer Notice, any one or more of the Continuing Parties shall have the right by notice in writing ("Purchase Notice") to inform the Selling Party whether it elects to purchase the Shares mentioned in the Transfer Notice ("Sale Shares") at Transfer | **Within thirty (30) days from the receipt of the Transfer Notice, any one or more prospective Buyer(s) shall have the right by notice in writing ("Purchase Notice") to inform the Selling Party whether it** | Revised in order to facilitate transfer of shares to the State of Telangana (Non |

| | | | |
|---|---|---|---|
| | Price or not. | **elects to purchase the Shares mentioned in the Transfer Notice ("Sale Shares") at Transfer Price or not.** | members) by Non Govt. Institutions. |
| iii | If any one (1) or more of the Continuing Parties serve a Purchase Notice within thirty (30) days of receipt of the Transfer Notice that it elects to purchase the Sale Shares on the Transfer Price, then pursuant to such offer, the transfer of the Sale Shares shall be completed accordingly. However, in case no Purchase Notice is received by the Selling Party within the stipulated period of thirty (30) days, then, the Selling Party shall be entitled to sell the Sale Shares at not less than the Transfer Price to a third party purchaser within a period of sixty (60) days from the expiry of thirty (30) days within which Continuing Parties had the right to purchase the Sale Shares, but not otherwise. Such transfer should be completed within a period of one hundred and twenty (120) days from the exercise of the right prescribed in this Article. | If any one (1) or more of **prospective Buyer(s)** serve a Purchase Notice within thirty (30) days of receipt of the Transfer Notice that it elects to purchase the Sale Shares on the Transfer Price, then pursuant to such offer, the transfer of the Sale Shares shall be completed accordingly. ~~However, in case no Purchase Notice is received by the Selling Party within the stipulated period of thirty (30) days, then, the Selling Party shall be entitled to sell the Sale Shares at not less than the Transfer Price to a third party purchaser within a period of sixty (60) days from the expiry of thirty (30) days within which Continuing Parties had the right to purchase the Sale Shares, but not otherwise.Such transfer should be completed within a period of one hundred and twenty (120) days from the exercise of the right prescribed in this Article.~~ | Revised in order to facilitate transfer of shares to the State of Telangana (Non members) by Non Govt. Institutions. |
| iv | Notwithstanding the foregoing, a Selling Party can transfer, sell or renounce the Shares in accordance with these Articles only and within its respective Group mentioned in Table I of Article 6 above and without contravening the provisions of Article 3 and 6 above. | Notwithstanding the foregoing, a Selling Party can transfer, sell or renounce the Shares in accordance with these Articles only ~~and within its respective Group mentioned in Table I of Article 6 above and without contravening the provisions of Article 3 and 6 above~~. | Revised in order to facilitate transfer of shares by Non Govt. Institutions. |
| v | No Member shall deal or attempt to deal with the beneficial interest in any Share of the Company except by transfer of its shareholding permitted in accordance with this Article. | No change | |

**POWER TO INCREASE CAPITAL**

| | | | |
|---|---|---|---|
| **11** | The Board may, in accordance with these Articles, increase the Capital of the Company by such sum, to be divided into Shares of such amount, as it may deem fit, without affecting the percentage shareholding as mentioned in Article 6 above. | No change | |

**CONDITIONS ON WHICH NEW SHARES MAY BE ISSUED**

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| **12** | New Shares may be issued upon such terms and conditions and with such rights and privileges annexed thereto as in general meeting resolving upon the creation thereof shall direct, and if no direction is given, then as Board may determine. | No change | |

**RANKING OF NEW SHARES WITH SHARES IN ORIGINAL CAPITAL**

| | | | |
|---|---|---|---|
| **13** | Except so far as provided by the conditions of issue, or by these Articles, any capital raised by the creation of new share shall be considered part of the original capital and shall be subject to the provision herein contained with reference to the payment of calls and installments, transfer and transmission, lien, voting, surrender and otherwise. | No change | |

**REDUCTION OF CAPITAL**

| | | | |
|---|---|---|---|
| 14 | Subject to the provisions of sections 100 to 104 of the Act and Article 6 and Article 38 and Article 39, the Company may, from time to time, reduce its Capital by paying off Capital or cancelling Capital, which has been lost or is unrepresentative by available assets, or is superfluous, or by reducing the liability on the Shares or otherwise as may seem expedient and Capital may be paid off upon the footing that it may be called up again or otherwise, and the Board may, subject to the provisions of the Act and these Articles, accept surrender of Shares. However, post reduction of the Capital, the shareholding percentage mentioned in Article 6 shall be maintained. | **Subject to provisions of section 66 of the Act and** Article 6 and Article 38 and Article 39, the Company may, from time to time, reduce its Capital by paying off Capital or cancelling Capital, which has been lost or is unrepresentative by available assets, or is superfluous, or by reducing the liability on the Shares or otherwise as may seem expedient and Capital may be paid off upon the footing that it may be called up again or otherwise, and the Board may, subject to the provisions of the Act and these Articles, accept surrender of Shares. However, post reduction of the Capital, the shareholding percentage mentioned in Article 6 shall be maintained. | Reference of new Section under the Companies Act, 2013. |

**SUB DIVISION AND CONSOLIDATION OF SHARES**

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|---|---|---|---|
| **15** | The Company in general meeting may, from time to time, sub-divide or consolidate its Shares or any of them and exercise any of the other powers conferred by section 94 of the Act and shall file with the Registrar of Companies (as defined in the Act) such notice of exercise of such power as required by the Act. | The Company in general meeting may, from time to time, sub-divide or consolidate its Shares or any of them and exercise any of the other powers conferred by **Section 61** of the Act and shall file with the Registrar of Companies (as defined in the Act) such notice of exercise of such power as required by the Act. | Reference of new Section under the Companies Act, 2013. |

**BORROWING POWERS**

| | | | |
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| **16** | Subject to the provisions of clause (1) of section 293 of the Act and these Articles, the Board may from time to time at their discretion, raise or borrow or secure the repayment of any sum or sums of money for purposes of the Company from such entities approved by the Board and from Directors.<br><br>Subject to these Articles, the Board may raise and secure the payments of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by mortgage and charge upon the whole or any part of the assets and property of the Company (both present and future) including its uncalled or un-issued Capital for the time being or by issue of debentures or bonds of the Company or by creation of debenture stock charged upon the whole or any part of the assets and property of the Company as aforesaid or not so charged. | Subject to the provisions of **clause (1) of section 180** of the Act and these Articles, the Board may from time to time at their discretion, raise or borrow or secure the repayment of any sum or sums of money for purposes of the Company from such entities approved by the Board and from Directors.<br><br>Subject to these Articles, the Board may raise and secure the payments of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by mortgage and charge upon the whole or any part of the assets and property of the Company (both present and future) including its uncalled or un-issued Capital for the time being or by issue of debentures or bonds of the Company or by creation of debenture stock charged upon the whole or any part of the assets and property of the Company as aforesaid or not so charged. | Reference of new Section under the Companies Act, 2013. |

**ANNUAL GENERAL MEETINGS**

| | | | |
|---|---|---|---|
| **17** | The Company shall in each year hold, in addition to any other meeting, a general meeting as its annual general meeting and not more than fifteen (15) months shall elapse between the two annual general meetings of the Company.<br><br>The first annual general meeting of the Company shall be held within eighteen (18) months from the date of incorporation of the Company and thereafter, subject to the provisions of section 166 of the Act read with section 210 of the Act, the annual general meeting of the Company shall be held within six (6) months after the expiry of each Financial Year. | No Change<br><br>The first annual general meeting of the Company shall be held within eighteen (18) months from the date of incorporation of the Company as per the provisions of the Companies Act 1956 and thereafter, subject to the provisions of **Section 96 of the Act read with Section 129 of the Act**, the annual general meeting of the Company shall be held within six (6) months after the expiry of each Financial Year. | Reference of new Section under the Companies Act, 2013. |

**EXTRAORDINARY GENERAL MEETING**

| | | | |
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| **18** | All general meetings other than the annual general meetings shall be called extra ordinary general meetings. | No change | |

**BOARD TO CALL EXTRAORDINARY GENERAL MEETING**

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| **19** | The Board may, whenever it thinks fit, call an extraordinary general meeting. | No change | |

**EXTRAORDINARY GENERAL MEETING ON REQUISITION**

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| **20.** | The Board shall call an extraordinary general meeting whenever a requisition in writing is received in accordance with section 169 of the Act. | The Board shall call an extraordinary general meeting whenever a requisition in writing is received in accordance with **Section 100** of the Act. | Reference of new Section under the Companies Act, 2013. |

**WHEN REQUISITIONISTS CAN HOLD EXTRAORDINARY GENERAL MEETING**

| | | | |
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| **21.** | If the Board does not duly proceed to call a general meeting on a date not later than forty five (45) days from the date of such deposits, within twenty one (21) days from date of requisition being so deposited, then the Members who have requisitioned such meeting (**requisitionists**) under Article 20 or the majority of them, in value or as permitted by sub-clause (b) of sub-section (6) of section 169 of the Act, may themselves call the meeting, but any meeting so called shall not be held after three (3) months from the date of such requisition. Any meeting convened under this Article by the requisitionists shall be convened in the same manner as far as possible as that in which meetings are to be convened by the Board. | If the Board does not duly proceed to call a general meeting on a date not later than forty five (45) days from the date of such deposits, within twenty one (21) days from the date of requisition being so deposited, then the Members who have requisitioned such meeting (**requisitionists**) under Article 20 or the majority of them, in value or as permitted by **sub-section (4) of Section 100** of the Act, may themselves call the meeting, but any meeting so called shall not be held after three (3) months from the date of such requisition. Any meeting convened under this Article by the requisitionists shall be convened in the same manner as far as possible as that in which meetings are to be convened by the Board. | Reference of new Section under the Companies Act, 2013. |

**PROCEEDING AT GENERAL MEETING**

**QUORUM**

| | | | |
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| **22 (a)** | No business shall be transacted at any general meeting unless a quorum of Members is present at the time when the general meeting proceeds to transact business. | No change | |

| | | | |
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| **22 (b)** | Save as otherwise provided herein, the quorum for the general meetings including the annual general meetings shall be:<br><br>(i) One representative of the Members of Group A;<br><br>(ii) Such number of representatives of the Members of Group B as constitute a majority of the total shareholding assigned to Members of Group B collectively; and<br><br>(iii) One representative of the Member of Group C. | Save as otherwise provided herein, the quorum for the general meetings including the annual general meetings shall be:<br><br>(i) One representative of the Members of Group A;<br><br>(ii) Such number of representatives of the Members of Group B as constitute a majority of the total shareholding assigned to Members of Group B collectively; and<br><br>(iii) One representative of the Member of Group C.<br><br>***Consequent upon conversion of company into 100% Government Company after the* Group C shareholding will be transferred to Group A & Group B, the quorum** for the general meetings including the annual general meetings shall be:<br><br>(i) One representative of the Members of Group A;<br><br>(ii) Such number of representatives of the Members of Group B as constitute a majority of the total shareholding assigned to Members of Group B collectively; and | Since the company will become a government company therefore Group C to be deleted. |
| **22 (c)** | A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act. | A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with **Section 113** of the Act. | Reference of new Section under the Companies Act, 2013. |
| **22 (d)** | (i) The Member of Group A, as long it is a shareholder of the Company may, from time to time, appoint one or more persons (who need not be a Member or Members of the Company) as a nominee to represent it at all or any general meetings of the Company and such nominee shall be deemed to represent the Member of Group A.<br><br>(ii) Only one of the persons appointed under sub – clause (i) of this Article who is personally present at the general meeting shall be deemed to be a Member entitled to vote and be present and exercise the same rights and powers (including the right to vote by proxy) as he could exercise as a Member of the Company.<br><br>(iii) The Member of Group A may, from time to time, cancel any appointment made under sub – clause (i) of this Article and make fresh | No Change<br><br>No Change<br><br>No Change | |

| | | | |
|---|---|---|---|
| | appointments. | | |
| **22 (e)** | The provisions of Article 22 (d) above shall *mutatis mutandis* apply to the Members of Group B. | No Change | |

**NOTICE OF GENERAL MEETING**

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| **23** | Notice of the general meeting specifying the place, the day and the hour of the meeting and in case of special business, the general nature of the business accompanied by an explanatory Statement under section 173 of the Act, shall be given to all Members at least fourteen (14) days prior to the appointed date of the meeting. Notices to Members shall be sent by mail or telefax or email, in the latter case a letter confirming the notice in writing shall be sent to the Members. Provided, however, that any general meeting may be called by giving to the Members notice of seven (7) days or a shorter notice if consent thereto is given by at least three (3) Members or their nominees including one (1) Member or its nominee from each Group mentioned in Table I of Article 6. | Notice of the general meeting specifying the place, the day and the hour of the meeting and in case of special business, the general nature of the business accompanied by an explanatory Statement **under section 102** of the Act, shall be given to all Members at least fourteen (14) days prior to the appointed date of the meeting. Notices to Members shall be sent by mail or telefax or email, in the latter case a letter confirming the notice in writing shall be sent to the Members. ***however, any Annual general meeting may be called after giving shorter notice if consent is attained in writing or electronic mode by not less than ninety five present of members entitled to vote at such meeting.*** ***Further, any General Meeting other than Annual General Meeting may be called after giving shorter notice if consent is received from majority in number of members entitled to vote and who represent not less than 95% of such part of paid up share capital of the company as gives right to vote at the company .*** | Reference of new Section under the Companies Act, 2013.And this Article is aligned as per the new Section amended under The Companies (Amendment) Act, 2017 |

**PROCEEDINGS OF GENERAL MEETING AND BUSINESS OF GENERAL MEETING**

| | | | |
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| **24** | In case of an annual general meeting, all business to be transacted at the meeting shall be deemed special, with the exception of business relating to (i) receive and consider the income and expenditure account, the balance sheet and the report of the Board and of the auditor and (ii) appointment of and fixing of remuneration of the auditor and all business transacted at an extraordinary general meetings shall be deemed special. | No Change | |

**CHAIRMAN OF GENERAL MEETING**

| | | | |
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| **25 (a)** | The Chairman appointed as per the procedure mentioned in Article 42 shall, subject to this Article 25, preside as Chairman of every general meeting of the Company. | No Change | |

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| **25 (b)** | If there is no such Chairman, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairman of the meeting, any Director so nominated by the Chairman referred in sub-clause (a) of this Article 25 shall preside as the Chairman of the meeting. | No Change | |
| **25 (c)** | If there is no such Chairman as mentioned in sub-clause (a) and (b) of this Article 25, or if such Chairman is not present within fifteen (15) minutes after the time appointed for holding the meeting or is unwilling to act as Chairman of the meeting, the Members or their nominees present shall elect one of the Directors nominated by Group A and Group B, to be the Chairman of the meeting. | No Change | |
| **25 (d)** | If at any meeting, no Director as stated in sub-clause (a), (b) and (c) of this Article 25 is willing to act as Chairman of the meeting or is not present within fifteen (15) minutes after the time appointed for holding the meeting, the Members or their nominees present at such meeting shall choose one of the Members or their nominees present in such meeting to be the Chairman only of such meeting. | No Change | |

**WHEN IF QUORUM NOT PRESENT, MEETING TO BE ADJOURNED**

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| **26** | If within half an hour from the time appointed for the general meeting a quorum is not present, the meeting if convened upon such requisition under Article 21 as aforesaid, shall stand dissolved but in any other case it shall adjourn to the same day in the next week at the same time and place or such other day and at such other time and place as the Board may determine and, if at such adjournment meeting, a quorum is not present, the meeting shall be adjourned further following the same foregoing procedure till the time quorum is complete. | No Change | |

**POWER TO ADJOURN GENERAL MEETING**

| | | | |
|---|---|---|---|
| **27 (a)** | The Chairman in a general meeting may, with the consent of the meeting at which quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. | No Change | |
| **27 (b)** | No business shall be transacted at any adjourned general meeting other than the business left unfinished at the meeting from which the adjournment took place. | No Change | |
| **27 ©** | When a general meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. | No Change | |
| **27 (d)** | Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. | No Change | |
| **27 (e)** | Any poll demanded on the election of the chairman of the general meeting or any question of adjournment shall be taken at the meeting forthwith and without adjournment. | No Change | |

**HOW QUESTIONS TO BE DECIDED AT GENERAL MEETING**

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| **28** | Every question submitted to the meeting shall be decided in the first instance by raising of hands and in the case of an equality of votes, the Chairman shall, both on a raising of hands and at a poll (if any), in case the Chairman is a Member, have casting vote in addition to the vote or votes to which he may be entitled to as a Member. In case of voting by show of hands, every Member while voting through raising of hands shall represent one vote for every share held by him and every nominee or proxy of a Member while voting by show of hands shall represent one vote for every share held by the Member who has appointed such nominee or proxy and their votes shall be counted accordingly. | No Change | |
| **29** | Any business other than that on which a poll is demanded may be proceeded with, pending the taking of the poll. | No Change | |
| **30** | At any general meeting, a resolution put to vote of the meeting, shall be decided on raising of hands, unless a poll is, before or on the declaration of the result of raising of hands, demanded by a Member present in person or by a proxy or by nominee, and unless a poll is so demanded, a declaration by the Chairman that a resolution has, on raising of hands, been carried unanimously or by a particular majority, or lost, an entry to that effect in the book of proceedings of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favor or against that resolution. | No Change | |
| **31** | If a poll is duly demanded, it shall be taken in such a manner and at such time and place as the Chairman of the meeting directs, either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the meeting at which poll was demanded. The demand of the poll may be withdrawn. | No Change | |
| **32** | The Chairman of any general meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. | No Change | |

**VOTES OF MEMBERS**

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| **33** | Only Members who have paid all sums for the time being due and payable to the Company in respect of their shares shall be entitled to vote on any question either personally or by proxy or nominee at any general meeting. | No Change | |
| **34** | Upon the raising of hands or upon poll, every Member present in person shall have one vote for every share held by him and every proxy or nominee representing a Member shall have one vote for every share held by the Member who has appointed such proxy or nominee. | No Change | |
| **35 (a)** | A Member who is not personally present shall be entitled to vote on raising of hands through proxy or nominee. On a Poll, votes may be given either personally or by proxy or by nominee. | No Change | |

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| **35 (b)** | A Member may appoint another person (whether a Member or not) as his proxy or nominee to attend a general meeting and vote on poll. No Member shall appoint more than one (1) proxy or nominee to attend on the same occasion. A proxy shall not be entitled to speak at such general meeting, but shall be entitled to vote whether on raising of hands or on a poll. The instrument appointing a proxy or a nominee shall be in writing and be signed by the appointer or his attorney duly authorized in writing or if the appointer is a body corporate, be under its seal or be signed by an attorney duly authorized by it. | No Change | |
| **35 (c)** | The instrument appointing a proxy or a nominee and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power of authority, shall be deposited at the Office of the Company not less than forty eight (48) hours before the time for holding the meeting at which the person named in the instrument proposed to vote, and in default, the instrument of proxy or nominee, shall not be treated as valid. | No Change | |
| **35 (d)** | A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous revocation of the proxy provided no intimation in writing of the revocation shall have been received at the office of the Company before the meeting. | No Change | |
| **36** | Where there are joint registered Members of a Share, any one of them may vote at any general meeting, either personally or by proxy, in respect of such Share as if he were solely entitled thereto, and if more than one of the said persons present, whose name stands first on the Register in respect of such Share, shall alone be entitled to vote in respect thereof. Several executors or administrators of deceased Member in whose name any Share stands, shall for the purpose of this clause be deemed to be joint holder thereof. | No Change | |

**TIME FOR OBJECTION OF VOTE**

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| **37** | No objection shall be raised to the qualification of any voter except at the general meeting or adjourned general meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive. | No Change | |

**SPECIAL RESOLUTION**

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| **38** | The matters specified below and any other matters that are required to be decided through Special Resolution by a public company under the Act, shall be decided upon by the Company through a Special Resolution:<br><br>(a) Rescinding of any contract, memorandum of understanding, agreement etc. entered into with the Government; | The matters specified below and any other matters that are required to be decided through Special Resolution by a public company under the Act, shall be decided upon by the Company through a Special Resolution:<br><br>(a) Rescinding of any contract, memorandum of understanding, agreement etc. entered into with the Government; | |

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| | (b) | Formation of a policy for disclosure of the confidential and sensitive information to any person outside the Company and Government; | (b) Formation of a policy for disclosure of the confidential and sensitive information to any person outside the Company and Government; | |
| | (c) | Amendment of the Memorandum of Association or Articles of Association of the Company; | (c) Amendment of the Memorandum of Association or Articles of Association of the Company; | |
| | (d) | Any reorganization or change in the nature of the business or scope of business or the activities undertaken pursuant to the Memorandum of Association of the Company; | (d) Any reorganization or change in the nature of the business or scope of business or the activities undertaken pursuant to the Memorandum of Association of the Company; | |
| | (e) | Purchasing or taking on lease or otherwise acquiring for the Company, property right or privilege which the Company is authorized to acquire in excess of a sum to be previously specified by the Ordinary Resolution; | (e) Purchasing or taking on lease or otherwise acquiring for the Company, property right or privilege which the Company is authorized to acquire in excess of a sum to be previously specified by the Ordinary Resolution; | |
| | (f) | Appointment or change in the auditors, except as contemplated by these Articles; | (f) Appointment or change in the auditors, except as contemplated by these Articles;<br>(consequent upon the conversion of company into Govt Company, the provisions mentioned in Article No. 90 will be operative | |
| | (g) | Formation of subsidiary companies; | (g) Formation of subsidiary companies; | |
| | (h) | Any merger, restructuring, sale, divestment, amalgamation, demerger, reorganization or consolidation of the Company or any of the subsidiaries; | (h) Any merger, restructuring, sale, divestment, amalgamation, demerger, reorganization or consolidation of the Company or any of the subsidiaries; | |
| | (i) | Any liquidation, winding up, deregistration or dissolution; | (i) Any liquidation, winding up, deregistration or dissolution; | |
| | (j) | Change in name of the Company; | (j) Change in name of the Company; | |
| | (k) | Change in status of the Company from private limited company to public limited company or vice-versa or from a company under Section 25 of the Act to a company not under Section 25 of the Act; | (k) Change in status of the Company from private limited company to public limited company or vice-versa or from a company under Section 8 of the Act to a company not under Section 8 of the Act; | |
| | (l) | Redemption of capital and/or any buy back of Shares; | (l) Redemption of capital and/or any buy back of Shares; | |
| | (m) | Change in capital structure, ownership or debt structure of the Company; | (m) Change in capital structure, ownership or debt structure of the Company; | |
| | (n) | Any transfer of Shares by any shareholder of the Company; | (n) Any transfer of Shares by any shareholder of the Company; | |
| | (o) | Divestment or sale of assets of the | (o) Divestment or sale of assets of the Company; | |

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| | Company; and<br><br>(p) Any license, transfer, assignment, sale or grant of all or any of the intellectual property rights of the Company. | and<br><br>(p) Any license, transfer, assignment, sale or grant of all or any of the intellectual property rights of the Company. | |
| **39** | Notwithstanding the foregoing, if any matter(s) mentioned in Article 38 above do not get passed in accordance with the procedure mentioned in Article 38 and the Members of Group A and Group B, or their nominees, present in such meeting, decide by majority, that such matter(s) shall be decided upon through a resolution passed by a majority of Members of Group A and Group B (or their nominees) present in such meeting along with an overall majority of Members (or their nominees) present in such meeting, then such matter(s) shall be decided upon accordingly. | No Change | |
| | **EXCLUSION OF SECTION 171 TO SECTION 186 OF THE ACT** | **EXCLUSION OF SECTION 101 TO SECTION 107 & 109 OF THE ACT** | Reference of new Section under the Companies Act, 2013. |
| **40** | Except as otherwise provided in these Articles, nothing contained in sections 171 to 186 of the Act shall apply to the Company. | Except as otherwise provided in these Articles, nothing contained in sections 101 to 107& 109 of the Act shall apply to the Company. | Reference of new Section under the Companies Act, 2013. |

**DIRECTORS**

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| **41** | The number of Directors on Board including any additional or alternate Director for the time being, shall not be less than two (2) and not more than fourteen (14) at any time. | The number of Directors on Board including any additional or alternate Director, shall at all times be 11 (Eleven). | |
| **42** | The Members of Group A and Group B shall be entitled to appoint up to three (3) Directors each. In addition, the Chairman shall be nominated through a joint approval mechanism of Central Government and State Governments. Subject to filling of the positions of Directors during the initial period post incorporation of the Company and subject to filling of a casual vacancy in accordance with Article 52 (a) and Article 52 (b), at any point of time, the Directors (including the Chairman) on the Board appointed by the Members of Group A and Group B, collectively, shall not exceed fifty percent (50%) of the total number of Directors present on the Board. The Members of Group A and Group B shall have the power to remove and replace the Directors appointed by them. Subject to filling of a casual vacancy in accordance with Article 52 (a) and Article 52 (b), the number of Directors on the Board to be nominated by Members of Group A and Group B shall always be equal. | The Members of Group A and Group B shall be entitled to appoint up to three (3) Directors each. Further in case of casual vacancy occurred, the same will be nominated by the respective Group A and B.<br><br>In addition, the Chairman shall be nominated through a joint approval mechanism of Central Government and State Governments. Subject to filling of the positions of Directors during a casual vacancy in accordance with Article 52 (a) and Article 52 (b), at any point of time, the Directors (including the Chairman) on the Board be appointed by the Members of Group A and Group B collectively. Also The Members of Group A and Group B shall have the power to remove and replace the Directors appointed by them. | |

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| **43** | (a) The Members of the Group C shall be entitled to appoint up to three (3) Directors on the Board. The Non-Government Institution which holds maximum equity amongst Member of Group C shall always have the right to appoint one Director and if such Non-Government Institution holds 21% equity in the Company, the Director appointed by such Non-Government Institution shall be a permanent Director on the Board. Subject to the foregoing, the first two Non-Government Institutions that become Members of the Company shall have the right to appoint one (1) Director each in the Company. The Members of the Group C shall have the right to replace their appointed Directors with any other person.<br><br>(b) In case any one or more of the first two Non-Government Institutions that become Members of the Company do not wish to appoint a Director, or fail to appoint a Director, within fifteen (15) days of their becoming a Member, then the Non-Government Institution that subsequently becomes a Member shall have the right to appoint one (1) Director. The process shall be repeated till two (2) Directors are appointed by the Members of the Group C.<br><br>© The Non-Government Institutions (Group C of Table I in Article 6) that subsequently become Members of the Company and have not got the right to appoint a Director shall be authorized to appoint a member each in the Advisory Committee or the IT Advisory Committee, if any, constituted under these Articles.<br><br>(d) The appointees of the Members from the Non-Government Institutions (Group C of Table I in Article 6) on the Board and in Committees, as stated in the sub-clause (a) to (c) of this Article 43, may be rotated inter-se the Board and said Committees if, and in accordance with the terms and procedure, decided by the Board. | No Change<br><br>No Change<br><br>No Change<br><br>No Change<br><br>***Consequent upon conversion of company into 100% Government Company,* this clause will become redundant** | |
| **44** | The person who holds the position of Chief Executive Officer of the Company shall be one of the Directors. The Chief Executive Officer shall be selected through an open selection process. | No Change | |

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| **45** | Notwithstanding the foregoing, the Directors in Article 42 - 44 above may, by majority, nominate up to three (3) persons of eminence having technical, legal, accountancy or any other professional qualification as Directors. Further, if any or all of the Members of Group C fail to nominate a requisite number of Directors as per the Articles above, the Board shall have the power to appoint any person as Director till the time such Director is appointed by Member of Group C, provided such Directors do not represent Members of Group A and Group B. | Notwithstanding the foregoing, the Directors in Article 42 - 44 above may, by majority, nominate up to three (3) persons of eminence having technical, legal, accountancy or any other professional qualification as Directors. Further, if any or all of the Members of Group C fail to nominate a requisite number of Directors as per the Articles above, the Board shall have the power to appoint any person as Director till the time such Director is appointed by Member of Group C, provided such Directors do not represent Members of Group A and Group B.<br><br>*Consequent upon conversion of company into 100% Government Company the clause will be read as under*<br>Notwithstanding the foregoing, the Directors in Article 42 - 44 above may, by majority, nominate up to three (3) persons of eminence having technical, legal, accountancy or any other professional qualification as Directors. | |
| **46** | If a Member who has nominated a Director as per these Articles transfers its Shares, the Director so appointed by such Member, shall cease to be a Director on the Board from the effective date of such transfer of Shares. If a Member of Group C transfers its Shares, then the other Members of Group C shall immediately nominate a person as the Director in his stead. If a Member of Group C transfers its Shares, the vacancy shall be immediately filled by the other Members of Group C in consultation with the other Directors on the Board. | If a Member who has nominated a Director as per these Articles transfers its Shares, the Director so appointed by such Member, shall cease to be a Director on the Board from the effective date of such transfer of Shares. If a Member of Group C transfers its Shares, then the other Members of Group C shall immediately nominate a person as the Director in his stead. If a Member of Group C transfers its Shares, the vacancy shall be immediately filled by the other Members of Group C in consultation with the other Directors on the Board.<br>*Consequent upon conversion of company into 100% Government Company the clause will be read as under.*<br>If a Member who has nominated a Director as per these Articles transfers its Shares, the Director so appointed by such Member, shall cease to be a Director on the Board from the effective date of such transfer of Shares. | |
| **47** | One of the Directors to be appointed by the Member(s) of Group A shall always be Ex-officio Member, CBEC. The other Directors to be appointed by the Member(s) of Group A shall as far as possible be as under:<br><br>(a) Ex-officio Additional Secretary, Department of Revenue, Ministry of | No Change | |

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| | Finance; and<br><br>(b) Ex-officio Financial Advisor, Department of Revenue, Ministry of Finance | | |
| **48** | The Directors to be appointed by the Member(s) of Group B shall as far as possible be as under:<br><br>(a) Ex-officio Member Secretary, EC;<br><br>(b) One person nominated by the Group B; and<br><br>(c) One person nominated by the Group B. | The Directors to be appointed by the Member(s) of Group B **shall be nominated by the GST Council** and shall as far as possible be as under:<br><br>**(a) Ex – Officio Additional Secretary, GST Council; and**<br><br>(b) One person nominated by the Group B; and<br><br>(c) One person nominated by the Group B. | Replacement of EC by GST Council and GST Council shall nominate Directors for Group B, clarity inserted. |
| **49** | The first Directors of the Company shall be:<br><br>1. Smt. Jane Mary Shanti Sundharam, Member (Computerisation), CBEC<br><br>2. Rashmi Verma, Additional Secretary, Department of Revenue, Ministry of Finance<br><br>3. Shri. Satish Chandra, Member Secretary, EC<br><br>4. Dr. Hasmukh Adhia, Principal Secretary (Finance), Government of Gujarat | No Change | |
| **50** | The Directors shall not be required to hold any qualification shares in the Company. | No Change | |
| **51** | The tenure of Directors appointed in accordance with Article 45 shall be for such period as shall be determined by the Board. | No Change | |
| **52** | (a) If a Director (other than a Director appointed according to Article 45) vacates office as a Director before his term of office for any reasons whatsoever or expires in the normal course, the resulting vacancy shall be deemed to be a causal vacancy and shall be filled immediately by the Board in the next Board meeting, or as soon as possible from the date of occasion of such casual vacancy. Such person so appointed shall retain his office so long only as the vacating director would have retained the same if the vacancy had not occurred. The new Director shall be the representative / nominee of the Member(s) of Group A, Group B or Group C, whose Director has | (a) If a Director (other than a Director appointed according to Article 45) vacates office as a Director before his term of office for any reasons whatsoever or expires in the normal course, the resulting vacancy shall be deemed to be a causal vacancy and shall be filled immediately by the Board in the next Board meeting, or as soon as possible from the date of occasion of such casual vacancy. Such person so appointed shall retain his office so long only as the vacating director would have retained the | |

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| | vacated such office and may be reappointed as a Director.<br><br>(b) If a Director appointed according to Article 45 vacates office as a Director before his term of office for any reasons whatsoever or expires in the normal course, the resulting vacancy shall be deemed to be a causal vacancy and shall be filled immediately by the Board in the next Board meeting, or as soon as possible from the date of occasion of such casual vacancy, in the same manner as mentioned in Article 45 and the tenure of such new Director shall be the full term commencing his appointment as determined by Board under Article 51. | same if the vacancy had not occurred. The new Director shall be the representative / nominee of the Member(s) of Group A, Group B or Group C, whose Director has vacated such office and may be reappointed as a Director.<br><br>***Consequent upon conversion of company into 100% Government Company, the directors will be appointed by Group A & Group B only and in case of vacation of directors, the same will be replaced by the respective Group A & Group B .***<br><br>(b) If a Director appointed according to Article 45 vacates office as a Director before his term of office for any reasons whatsoever or expires in the normal course, the resulting vacancy shall be deemed to be a causal vacancy and shall be filled immediately by the Board in the next Board meeting, or as soon as possible from the date of occasion of such casual vacancy, in the same manner as mentioned in Article 45 and the tenure of such new Director shall be the full term commencing his appointment as determined by Board under Article 51. | |

**CHAIRMAN OF THE BOARD**

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| **53** | After the finalization of the process of the nomination of the Chairman through a joint approval mechanism of Central Government and State Governments, the Secretary in the Department of Revenue, Ministry of Finance, Government of India, shall communicate the name and other details of such nominated person to the Company. On receipt of such communication by the Company, the named functionary shall be deemed to be the Chairman of the Board of Directors without any further act or deed. The Company shall intimate about such appointment to the Registrar of Companies. Till such time, any communication is not received from the Secretary in the Department of Revenue, Ministry of Finance, Government of India, the Directors on the Board shall choose one of the Directors nominated by the Member of Group A or Group B to preside over each meeting of the Board. | After the finalization of the process of the nomination of the Chairman through a joint approval mechanism of Central Government and State Governments, the Secretary in the Department of Revenue, Ministry of Finance, Government of India, shall communicate the name and other details of such nominated person to the Company. On receipt of such communication by the Company, the named functionary shall be deemed to be the Chairman of the Board of Directors without any further act or deed. The Company shall intimate about such appointment to the Registrar of Companies. Till such time, any communication is not received from the Secretary in the Department of Revenue, Ministry of Finance, Government of India, the Directors on the Board shall choose one of the Directors nominated by | Modified for the purpose of clarity for appointment of Chairman in future. |

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| | | the Member of Group A or Group B to preside over each meeting of the Board.<br><br>**The process of nomination of the Chairman through a joint mechanism of Central Government and State Governments shall also be followed in future**. | |

**FEES OF DIRECTORS**

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| **54** | The fees of each Director shall be such fees for each meeting of the Board or of a Committee thereof attended by the Director as may be determined by the Board. The Board may allow and pay to the Director who has to travel on Company's business or for the purpose of attending a meeting in relation to the business of the Company, such sums as the Board may consider fair for travelling, boarding, lodging and other expenses in addition to his fees for attending such meeting as may be specified. | No Change | |

**POWERS OF THE BOARD**

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| **55 (a)** | Subject to the provisions of the Act and these Articles, the Board shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorized to exercise and do. | No Change | |
| **55 (b)** | Provided that the Board shall not exercise any power or do any act or thing which is required by the Act or by the extant law of India or by the Memorandum or Articles of Association of the Company or otherwise, to be exercised or done by the Company in a general meeting. | No Change | |
| **55 (c)** | Provided further, that while exercising any such power or doing any such act or thing, the Board shall be subject to the provisions contained in that behalf in the Act or any other extant law in India, or in the Memorandum and Articles of the Company or in the regulations of the Company not inconsistent therewith and duly made there under including regulations made by the Company in general meeting. | No Change | |
| **55 (d)** | No regulations made by the Company in general meeting shall invalidate any prior act of the Board, which would have been valid if those regulations had not been made. | No Change | |
| **55 (e)** | The Board may pay all expenses incurred in setting up and registering the Company. | No Change | |

**SPECIFIC POWERS OF BOARD**

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| **56** | Without prejudice to the powers conferred by preceding Article 55 and the other powers conferred by these Articles and subject to the provisions of the Act, the Board shall have the following powers: | No Change | |
| | (a) Authorize the undertaking of work of a capital nature. | No Change | |
| | (b) Pay for any property, right or privileges acquired by or services rendered to the Company either wholly or partially in cash or in bonds, debentures, or other securities (except Shares) of the Company and any such bonds, debentures etc. may be issued either as fully paid up or with such amount credited as paid up, as may be agreed upon and any such bonds, debentures or other securities (except Shares) may be either specifically charged upon, or not so charged. | No Change | |
| | (c) Create posts of officers and staff for the Company from time to time and take all necessary steps to induct officers from Government on deputation in the Company. Appoint and remove or suspend such officers and staff, permanent, temporary or special services as it may from time to time think fit and to determine its powers and duties. On this subject, fix salaries and emoluments of employees and officers who are not on deputation from Government and in case of officers on deputation, to fix salaries and emoluments for employees and officers for such employees and officers in accordance with the extant deputation guidelines, and to require security in such instances and to such amount as it thinks fit. | No Change | |
| | (d) Appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purpose and to execute and do all such deeds and other things as may be requisite in relation to any such trust and to provide for remuneration of such trustee or trustees. | No Change | |
| | (e) Institute, conduct, defend or abandon any legal proceeding by or against the Company or its officers, or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any claims or demands by or against the Company. | No Change | |
| | (f) Refer any claim or demand by or against the Company to arbitration and observe and perform awards. | No Change | |
| | (g) Make and give receipts, release and other discharges for money payable to the Company and for the claims and demands of the Company. | No Change | |
| | (h) Provide from time to time, for the management of the affairs of the Company in such manner as it thinks fit, and in particular to appoint any person to be an attorney or agent of the Company (power to sub delegate) and upon such terms as they | No Change | |

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| | think fit.<br><br>(i) Subject to the provisions of these Articles, invest money that is not immediately required, subject to such general or special directives, if any, given by appropriate governmental authority in this behalf, in securities or in any scheduled bank or banks or their subsidiaries and in government companies or otherwise, to be decided by the Board and to deposit and open saving/current accounts and deal with any of the money of the Company upon such investment authorized by the Memorandum of Association of the Company (not being Shares in this company) and in such manner as it thinks fit, and from time to time to vary or release such investment.<br><br>(j) To make, vary and repeal bye-laws for the regulation of the business of the Company, of its officer and servants.<br><br>(k) Delegate to the Chief Executive Officer or other officers of the Company, all or any of the powers, authorities and discretion for the time being vested in it, subject, however, to the ultimate control and authority being retained by it.<br><br>(l) Subject to Section 313 of the Act, the Board may appoint an alternate Director recommended for such appointment by the Director (**OriginalDirector**) in whose place such person is being appointed during hisabsence for a period of not less than three (3) months from the State (in the Union of India) in which the meetings of the Boards are ordinarily held. An alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to the State (in the Union of India). Such appointment shall have effect and such appointee whilst he holds office as an alternate Director, shall be entitled to notice of meetings of the Board and to attend and vote thereat accordingly. However, such person shall be the nominee of the entity which was represented by the Original Director. | No Change<br><br>No Change<br><br>No Change<br><br>l) Subject to **Section 161(2)** of the Act, the Board may appoint an alternate Director recommended for such appointment by the Director (Original Director) in whose place such person is being appointed during his absence for a period of not less than three (3) months from India. An alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director **returns to India**Such appointment shall have effect and such appointee whilst he holds office as an alternate Director, shall be entitled to notice of meetings of the Board and to attend and vote thereat accordingly. However, such person shall be the nominee of the entity which was represented by the Original Director. | Reference of new Section under the Companies Act, 2013. |

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| **57** | The Company may exercise the powers conferred by section 50 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Board. | The Company may exercise the powers conferred by **Section 22** of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Board. | Reference of new Section under the Companies Act, 2013. |
| **58** | All cheques, promissory notes, drafts, hundies, bill exchange and other negotiable instrument, and all receipts for moneys paid to the Company, shall be singed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine. | No Change | |

**APPOINTMENT OF CHIEF EXECUTIVE OFFICER**

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| **59** | The Board shall appoint a Chief Executive Officer for such period and upon such terms as it may think fit, for the conduct of management of the business of the Company subject to the control and supervision of the Board. The Chief Executive Officer so appointed may be authorized by the Board to exercise such powers and discretion in relation to the affairs of the Company as are specifically delegated to him by the Board provided such authorization shall be limited to those powers that are not required by the Act or by the extant law of India or by the Memorandum or Articles of Association of the Company or otherwise, to be exercised or done by the Company in a general meeting. The Chief Executive Officer shall be paid such remuneration as may be determined by the Board. The Chief Executive Officer shall be selected through an open selection process. | No Change | |

**PROCEEDINGS OF THE BOARD**
**MEETINGS OF THE BOARD**

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| **60** | (a) The Board may meet for the dispatch of business, adjourn and otherwise regulate its meetings, as it thinks fit. A meeting of the Board of Directors and/or Committee of the Company shall be held at least once in every three (3) calendar months.<br><br>(b) A Director or Secretary on the requisition of a Director may, at any time, summon a meeting of the Board.<br><br>(c) The Chairman may, at any time convene a meeting of the Board. | No Change | |

**NOTICE OF THE BOARD MEETING**

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| **61** | The notice of the Board meeting shall be given in accordance with the provisions of Section 286 of the Act. | The notice of the Board meeting shall be given in accordance with the provisions of Section **173** of the Act. | Reference of new Section under the Companies Act, 2013. |
| **62** | Every notice convening a meeting of the Board or Committee shall set out the agenda of the business to be transacted thereat in | No Change | |

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| | full and sufficient detail, provided that with the unanimous consent of all the Directors present, any item of business not included in the agenda can be transacted at the meeting. | | |

**QUORUM FOR BOARD MEETING**

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| **63** | The quorum for a meeting of the Board shall be four (4) Directors. Provided, the quorum for a meeting of the Board shall not be complete unless one (1) Director nominated by the Members of Group A, one (1) Director nominated by the Members of Group B and one (1) Director other than the Directors nominated by members of Group A and Group B, are present. Provided further that the quorum for a meeting of the Board shall not be complete unless fifty percent (50%) of the Directors present in any meeting of the Board are Directors nominated by the Members of Group A and Group B. | No Change | |

**CHAIRMAN OF BOARD MEETING**

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| **64** | When the Chairman referred in Article 53 is not present within fifteen minutes after the time appointed for holding the meeting of the Board, the Directors present at the meeting may choose one of the Directors nominated by the Member of Group A or Member of Group B as Chairman of its meeting only for conducting the business for that meeting. | No change | |

**HOW MATTERS TO BE DECIDED IN BOARD MEETING**

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| **65** | Questions arising at any meeting of the Board shall be decided by the majority of the votes. In case of equality of votes, the Chairman shall have a second or casting vote. | No change | |

**RESOLUTIONS**

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| **66** | **Resolution by Circulation**: A resolution not being a resolution required by theAct or by these Articles to be passed only at a meeting of the Board or a Committee of the Board, may be passed without the meeting of the Board or the Committee of the Board provided that the resolution has been circulated in draft together with necessary papers ( through any mode including through electronic communication), if any, to all the Directors or to all the members of the Committee of the Board then in India (not less than the quorum fixed for a meeting of the Board or a Committee of the Board, as in case may be) and to other Directors as then | **Resolution by Circulation**: **A resolution not being a resolution required by theAct or by these Articles to be passed only at a meeting of the Board or a Committee of the Board, may be passed without the meeting of the Board or the Committee of the Board provided that the resolution has been circulated in draft together with necessary papers (through any mode including through electronic communication), if any, to all the Directors or to all the members of the Committee of the Board then in India and has been approved by a majority of the directors or members, who are entitled to vote on the resolution.** | The language aligned as per Section 175 of the Companies Act, 2013. |

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| | in India or by a majority of such of time as are entitled to resolution to vote on the resolution. | | |
| **67** | **Meetings of the Board through Electronic Communications**: Subject to provisions of section 285 & 287 of the Act and as and when and in the manner permitted and prescribed by the Act, a Director may participate in and vote at a meeting of the Board or Committee of the Board by means of telephone, video conferencing or similar communications equipment which allows all persons participating in the meeting to hear each other and record the deliberations. Where any Director participates in a meeting of the Board or Committee of the Board by any of the means above, the Company shall ensure such Director is provided with copy of all documents referred to during such Board meeting at least two (2) days prior to the commencement of this Board meeting. The quorum requirements for meeting of the Board as provided in these Articles shall be applicable to any meeting of the Board in terms of this Article 67. | **Meetings of the Board through Electronic Communications**: Subject to provisions of **section 173, 174 read with Rule 3 & 4 of Companies (Meetings of Board and its powers) Rules, 2014** of the Act and as and when and in the manner permitted and prescribed by the Act, a Director may participate in and vote at a meeting of the Board or Committee of the Board by means of telephone, video conferencing or similar communications equipment which allows all persons participating in the meeting to hear each other and record the deliberations. Where any Director participates in a meeting of the Board or Committee of the Board by any of the means above, the Company shall ensure such Director is provided with copy of all documents referred to during such Board meeting at least two (2) days prior to the commencement of this Board meeting. The quorum requirements for meeting of the Board as provided in these Articles shall be applicable to any meeting of the Board in terms of this Article 67. | Reference of new Section under the Companies Act, 2013. |
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| **68** | Upon the discussions being held by audio conferencing, video conferencing, or net conferencing, as the case may be, the Chairman or the Secretary shall get recorded the deliberations and get confirmed the view expressed, pursuant to a circular regulation or by a subsequent meeting of the Directors, to reflect the decision of all the Directors participating in such discussions. | No Change | |
| **69** | Unless overridden by a resolution approved by a majority of the total strength of the Board at a subsequent meeting of the Board or by a resolution by circulation, any decision taken by a majority of the Directors participating in the discussions held be audio conferencing, video conferencing, or net conferencing, as the case may be, shall not be reversed by the Board. | No Change | |
| **70** | Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or a Committee of the Board, shall be as valid and effectual as if it had been passed at a meeting of the Board or Committee, duly convened and held. | No Change | |

**MINUTES**

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| **71** | The Directors shall cause minutes to be made in books in accordance with the provisions of section 193 of the Act for:<br><br>(a) All appointments of officers made by the Directors;<br>(b) The names of the Directors present at each meeting of the Directors and of any Committee of the Board;<br>(c) All resolutions and proceedings at the meetings of the Company, and of the Directors, and of the Committee of Board and other Committees. | The Directors shall cause minutes to be made in books in accordance with the provisions of **Section 118** of the Act<br><br>No Change | Reference of new Section under the Companies Act, 2013. |
| **72** | Any such minutes signed by the Chairman shall be presumed correct evidence as to the matters therein contained and all resolutions and proceedings of which minutes have been so made are presumed to have been duly passed. | | |
| **73** | Every Director present at a meeting of the Board or of a Committee thereof shall sign his name in a book to be kept for that purpose. | | |

**COMMITTEE**

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| **74** | The Board may, subject to the provisions of the Act, delegate any of its power to Committee consisting of such member or members of its body as it thinks fit. | No Change | |
| **75** | Any Committee so formed shall, in the exercise of powers delegated, conform to any regulations that may be imposed on it by the Board. | No Change | |
| **76** | Proceedings of Committees shall be placed before the Board at the next meeting of the Board. | No Change | |
| **77** | The Board shall, more soon as practically possible, but no later than six (6) months from the date of incorporation of the Company, constitute and be assisted by an Advisory Committee. The Advisory Committee shall constitute of one representative from each Member of Group B who are willing to appoint such representative and who are not at that time represented on the Board, five (5) | **To be deleted** | The these committees have no relevance now. |

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| | representatives nominated by the Member of Group A and representatives appointed by Members of Group C in accordance with Article 43. The Advisory Committee may also agree to induct, members from the trade, industry and professional fields, with the consent of the Board. The terms of reference of the Advisory Committee shall consist of those strategic matters on which the Board may require advice and shall include, without limitation, matters pertaining to levels of service delivery regarding the services to be provided by the Company, the quantum of charges that could be levied by the Company for the services it provides and matters relating to procedures and processes involving external stakeholders. The procedure for conducting the business of the Advisory Committee shall be decided by the Advisory Committee with approval of the Board. The Advisory Committee shall meet at least once every three (3) months. The recommendations of the Advisory Committee achieved unanimously would be taken into consideration by the Board in deciding the respective matter. | | |
| **78** | The Board shall, more soon as practically possible, but no later than six (6) months from the date of incorporation of the Company, constitute and be assisted by an IT Advisory Committee. The members on the IT Advisory Committee shall consist of representatives nominated by the Members of Group A and Group B, representatives nominated by Members of Group C in accordance with Article 43 and technical experts nominated by the Board. The tenure of the members of the IT Advisory Committee shall be decided by the Board. The terms of reference of the IT Advisory Committee shall consist of those strategic matters pertaining to information technology on which the Board may require advice. The procedure for conducting the business of the IT Advisory Committee shall be decided by the IT Advisory Committee with approval of the Board. The IT Advisory Committee shall meet at least once every three (3) months. The recommendations of the IT Advisory Committee achieved unanimously would be taken into consideration by the Board in deciding the respective matter. | **To be deleted** | The these committees have no relevance now. |
| **79** | (a) A Committee may elect a Chairman of its meetings.<br><br>(b) If no such Chairman is elected, or if at any meeting the Chairman is not present within five (5) minutes after the time appointed for holding the meeting, the members of the Committee present may | No Change | |

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| | choose one of their members to be the Chairman of the meeting.<br><br>© A Committee may meet and adjourn as it thinks proper. | | |
| **80** | Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairman of the respective Committee shall have a second or casting vote. | No Change | |

**WHEN ACTS OF DIRECTORS VALID**

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| **81** | All acts done by any meeting of the Board, or of a Committee thereof, or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if such Director or such person had been duly appointed and was a qualified to be a Director.<br><br>Provided that nothing in this Article 81 shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have been terminated. | No Change | |

**RESERVE FUND**

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| **82** | The Board may set aside, out of the income of the Company or otherwise, such sums as they may think proper as a reserve fund, to meet contingencies or for repairing, improving and maintaining any of the property of the Company and for such other purposes as the Board shall in its absolute discretion think conducive to the interest of the Company and may invest the several sums so set aside in such investments, deal with and vary such investments and dispose of all or any part thereof in the business of the Company and that without being bound to keep the same separate from the other assets. | No Change | |

**MANAGER OR SECRETARY**

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| **83** | Subject to the provisions of the Act, a manager or Secretary may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and any manager or Secretary so | No Change | |

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| | appointed may be removed by the Board. | | |

**INSPECTION OF ACCOUNTS**

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| **84** | The Board shall cause proper books of accounts to be maintained under section 209 of the Act. | The Board shall cause proper books of accounts to be maintained under **Section 128** of the Act. | Reference of new Section under the Companies Act, 2013. |
| **85** | The Board shall from time to time determine whether and to what extent and at what time and places and under what conditions or regulations, the accounts and books of accounts of the Company, or any of them, shall be open to inspection of Members not being Directors. | No Change | |
| **86** | No Member (not being a Director) shall have any right of inspecting any account or books of accounts or document of the Company except as conferred by law, authorized by the Board of the Company or agreed by the Company in a general meeting. | No Change | |

**BOOKS AND ACCOUNTS**

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| **87** | The Company's books of accounts and accounts shall be kept in English and shall be maintained according to generally accepted accounting practices and procedures. | No Change | |
| **88** | The Board shall cause a balance sheet to be made at least once in every Year as of the end of the Year of the Company. The balance sheet must contain summary of the assets and liabilities of the Company. Provided however, the balance sheet will be made for a period beginning from date of incorporation and up to end of the Year. | No Change | |
| **89** | The Balance Sheet and Profit & Loss A/c of the Company when audited and adopted by the Company in General Meeting shall be conclusive except as regards any errors discovered therein within three (3) months next after the approval thereof. Wherever any such error is discovered within the period, the account shall forthwith be corrected and henceforth shall be conclusive. | No Change | |
| **90** | (a) At least once in every Year, the accounts of the Company shall be examined and the correctness of the Profit & Loss A/c and Balance Sheet be ascertained by the auditor or auditors of the Company. | No Change | |

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| | (b) The Company at each annual general meeting shall appoint an auditor or auditors to hold such office until the next annual general meeting and their appointment, remuneration, rights and duties shall be regulated by the Act. | (**b) The statutory auditors' appointment, remuneration, rights and duties shall be regulated by the provisions of Section 139, 142 and 143 of the Act.** | This Article is aligned as per the Section 139, 142 and 143 of the Companies Act, 2013. |
| | (c) Where the Company has a branch office the provisions of the section 228 of the Act shall apply.<br><br>(d) All notices or other communications relating to any general meeting of the Company, which any Member of the Company is entitled to have sent to him shall also be forwarded to the auditors of the Company and the auditors shall also be entitled to attend any general meeting and to be heard to any general meeting which he attends on any part of the business which concerns him as auditors.<br><br>(e) The auditor's report shall be read before the Company in general meeting and shall be open to inspection by any Member of the Company. | (c)Where the Company has a branch office the provisions of the **Section 143** of the Act shall apply.<br><br>No Change<br><br>No Change | Reference of new Section under the Companies Act, 2013. |

**NOTICES**

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| **91** | A notice may be given by the Company to any Member either personally or by sending it by post to his registered address. | A notice may be given by the Company to any Member either personally or by sending it by post to his registered address or **by electronic mode.** | This Article is aligned as per the Section of the Companies Act, 2013. |
| **92** | Every Member shall notify its address to the Board. If there is any change in the address of a Member, the Member shall notify the new address to the Board. Where a Member fails to notify its new address, the address in the roll of members shall be deemed to be its correct address.. | No Change | |
| **93** | A notice may be given by Company to the joint holders of a Share(s) by giving the notice to the joint holder whose name appears first in the Register in respect of the Share(s). | No Change | |
| **94** | The signature on any notice, to be given by the Company may be written or printed. | No Change | |
| **95** | Where a given number of days notice or notices extending over any other period is required to be given, the day of service shall unless it is otherwise provided, be counted in such number of days | No Change | |

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| | or other period. | | |

**SECRECY**

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| **96** | Every Director, general manager, auditor, trustee, member of a Committee, officer, employee, servant, agent, accountant, lawyer or other person or professional employed in the business of the Company shall, before entering upon his duties, sign declaration in the format approved by the Board, pledging himself or otherwise to observe strict secrecy respecting all transactions of the Company with its customers and the state of account with individuals and in matter relating thereto and shall by such declaration, pledging himself or otherwise not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by any general meeting or by the laws of country and except so far as may be necessary in order to comply with any of the provision in these Articles or the Memorandum of Association of the Company or of the Act. | No Change | |
| **97** | No Member shall be entitled to require discovery of any information in respect of any details of the Company's activities which in the opinion of the Board is inexpedient in the interest of the Company to communicate. | No Change | |

**THE SEAL**

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| **98** | The Company shall have a common Seal and the Board shall provide for the safe custody of the Seal. | No Change | |
| **99** | The Seal shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorized by it in that behalf, and except in the presence of at least one of the Directors or such other person as the Board may appoint for the purpose; and such Director or other person aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence. | No Change | |

**WINDING UP**

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| **100** | (a) If the majority of Members of Group A and Group B decide to wind up the Company and intimate the decision regarding the same to the Board, then the Company may be wound up by an Ordinary Resolution at a General Meeting.<br><br>(b) If upon a winding up or dissolution of the Company, there remains, after the satisfaction of all the debts and liabilities, any property whatsoever, the same shall not be distributed amongst the Members | If the majority of Members of Group A and Group B decide to wind up the Company and intimate the decision regarding the same to the Board, then the Company may be wound up by an Special resolution at a General Meeting. | |

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| | of the Company but shall be given or transferred to such other company having objects similar to the objects of this Company, to be determined by the Members of the Company at or before the time of dissolution or in default thereof, by the High Court of Delhi. | | |

**ARBITRATION**

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| 101 | Whenever any difference or dispute arises between the Company on the one hand and any of the Members or their heirs, executors, administrators, nominees, or assignees on the other hand or between the Members inter-se or their respective heirs, executors, administrators, nominees or assignees inter-se touching the intent construction or incidents or consequences of these Articles or touching anything done, executed, omitted or suffered in pursuance thereof or to any affairs of the Company, every such dispute or difference shall be referred to the sole arbitration of the Chairman for the time being of the Company or to some person appointed by both parties and it will be no objection that he is an officer of the Company or that he had to deal with such disputes, or difference and it is only after an award is given by such arbitrator shall be final and binding on the parties. The arbitration shall be conducted according to the provisions of the Arbitration and Conciliation Act, 1996. | No Change | |

**INDEMNITY**

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| 102 | Subject to the provision of Section 201 of the Act every Director, manager, auditor, Secretary and other officer or servant of the Company shall be indemnified by the Company and it shall be the duty of the Directors out of the fund of the Company to pay all costs losses and expenses which any such officer of any contract entered into, or act or thing done by him as such officer or servant, or in any way in the bonafide discharge of his duties; and the amount for which indemnity is provided shall immediately attached as a lien of the property of the Company and have priority as between the members over all other claims. | Subject to the provision of the Act every Director, manager, auditor, Secretary and other officer or servant of the Company shall be indemnified by the Company and it shall be the duty of the Directors out of the fund of the Company to pay all costs losses and expenses which any such officer of any contract entered into, or act or thing done by him as such officer or servant, or in any way in the bonafide discharge of his duties; and the amount for which indemnity is provided shall immediately attached as a lien of the property of the Company and have priority as between the members over all other claims. | No specific section under Companies Act, 2013. |

**INDIVIDUAL RESPONSIBILITY OF DIRECTORS**

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| 103 | No Director, or other officer shall be liable for the acts, recipients, neglects or default of any other Director or officer of the Company or for joining in | No Change | |

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| | any receipt or other act for conformity, or for any loss or expenses having to the Company through the efficiency or deficiency of title to any property acquired by the order of the Directors for and behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from bankruptcy, insolvency or tortuous act of any person with whom any money, securities or effect shall be deposited or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his officer or in relation thereto unless the same happens through his negligence or dishonesty. | | |
| 104 | Whatever in the terms of the Act, an authorization is required in the Articles of Association of a Company for taking any action, these Articles shall deem to provide to the Company such authorization. | No Change | |
| 105 | We, several persons whose names and addresses, description and occupation are hereunto subscribed are desirous of being formed into a Company, not for profit in pursuance of this Article of Association. | | |

| **Serial No** | **Names, addresses, descriptions and occupations of the Subscribers** | **Signature of Subscribers** | **Witness to all subscribers** |
|---|---|---|---|
| 1 | Jane Mary Shanti Sundharam<br>(on behalf of President of India)<br>D/o Kumarasamy Pal Maria Sundharam<br>D – II, 229 Chanakyapuri, New Delhi - 110021<br>(As an Authorized Signatory)<br><br>Occupation - Service | Sd/-<br><br>J.M. Shanti Sundharam<br>Special Secretary & Member<br>Central Board of Excise & Customs<br>Ministry of Finance (Deptt. of Revenue)<br>Govt. of India, New Delhi | I WITNESS THE SIGNATURES OF ALL SUBSCRIBERS WHO HAVE SIGNED IN MY PRESENCE<br><br>Sd/-<br><br>ANKUR MEHRA , S/o PRADEEP MEHRA, G – |
| 2 | Satish Chandra ( On behalf of Empowered Committee of State Finance Ministers)<br><br>S/o G. C. Aggarwal,<br>E – 20, East of Kailash , New Delhi – 110065<br>(As an Authorized Signatory)<br><br>Occupation - Service | Sd/-<br><br>Satish Chandra<br>Member Secretary<br>Empowered Committee of State Finance Ministers | |

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| 3 | Housing Development Finance Corporation Limited<br>169, Backbay Reclamation, H.T. Parekh Marg, Nariman Point, Mumbai – 400020 (Through its Authorized Signatory)<br><br>Ankur Gupta<br>S/o S.N. Gupta<br>R/o A – 1/113, Janakpuri, Delhi – 110058<br>Occupation - Service | For Housing Development Finance Corporation Ltd.<br><br>Sd/-<br><br>Authorized Signatory | |
| 4 | HDFC Bank Ltd<br>HDFC Bank House<br>SenapatiBapat Marg Lower Parel (W)<br>Mumbai – 400013<br>(Through its Authorized Signatory)<br><br>Rajender Sehgal<br>S/o Late Sh. K.L Sehgal<br>R/o B 53 Belvedere Tower, DLF Ph. – II, Gurgaon-122002<br><br>Occupation – Service | For HDFC Bank Ltd.<br><br>Sd/-<br><br>Authorized Signatory | I WITNESS THE SIGNATURES OF ALL SUBSCRIBERS WHO HAVE SIGNED IN MY PRESENCE<br><br>Sd/-<br><br>ANKUR MEHRA , S/o PRADEEP MEHRA, G – 501, SISPAL VIHAR, SECTOR – 49, GURGAON(HARYANA)<br>OCCUPATION – SERVICE |
| 5 | LIC Housing Finance Ltd.<br>R/o 2nd Floor, Bombay Life Building, 45/47, Veer Nariman Road Fort, Mumbai – 400001<br>(Through its Authorized Signatory)<br><br>Devinder Singh Rawat<br>S/o Late Sh. U S Rawat<br>R/o TF 30 Vardan Apartment AbhayKhand III,<br>Indirapuram Ghaziabad – 201014(UP)<br><br>Occupation – Service | For LIC Housing Finance Ltd<br><br>Sd/-<br><br>Authorized Signatory | |
| 6 | ICICI Bank Limited<br>Landmark Race Course Circle, Vadodara 390007<br>(Through its Authorized Signatory)<br><br>Anuj Bhargava<br>S/o VV Bhargava,<br>M -116, 3rd Floor, GK – 1, New Delhi<br>Occupation – Service | For ICICI Bank Limited<br><br>Sd/-<br><br>Authorized Signatory | I WITNESS THE SIGNATURES OF ALL SUBSCRIBERS WHO HAVE SIGNED IN MY PRESENCE<br><br>Sd/- |

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| 7 | NSE Strategic Investment Corporation Ltd.<br>Exchange Plaza, BandraKurla Complex, Bandra East, Mumbai – 400051 (Through its Authorised Signatory)<br><br>Ravi Varanasi S/o Satyanarayana Murthy, A-1401, Mahindra Splendour L.B.S Road Bhandup (W), Mumbai – 400078<br>Occupation – Service | For NSE Strategic Investment Corporation Ltd<br><br>Sd/-<br><br>Authorized Signatory | |

Date : 26th March 2013
Place : Delhi

**Proposed changes in Memorandum of Association**

**of**
**Goods and Services Tax Network**

| Clause | Existing Clause | Proposed Clause | Reason for Change |
|---|---|---|---|
| | The Companies Act, 1956 | **The Companies Act, 2013** | Replacement of Companies Act, 1956 by Companies Act, 2013. |
| | MEMORANDUM OF ASSOCIATION OF<br>GOODS AND SERVICES TAX NETWORK<br>(A COMPANY LIMITED BY SHARES AND U/S 25 OF THE COMPANIES ACT, 1956) | MEMORANDUM OF ASSOCIATION<br>OF<br>GOODS AND SERVICES TAX NETWORK<br>(A COMPANY LIMITED BY SHARES AND **U/S 8 OF THE COMPANIES ACT, 2013**) | Substitution of Section 8 (in place of Section 25) under Companies Act, 2013. |
| I. | **NAME** | No Change | |
| | The name of the company is 'GOODS AND SERVICES TAX NETWORK'. | No Change | |
| **II.** | **REGISTERED OFFICE** | No Change | |
| | The registered office of the Company will be in National Capital Territory of Delhi. | No Change | |
| **III.** | **OBJECTS** | No Change | |
| **(A)** | **The main objects to be pursued by the Company on its incorporation are:-** | No Change | |
| | 1. To promote trade and commerce by providing easily accessible, quick and efficient information technology and communications related services to the public and Government; | No Change | |
| | 2. To assist and engage with various stakeholders in preparing information technology and communications related infrastructure for smooth roll out of any information technology driven initiatives and other e-governance initiatives of the Government or any department or agency of the Government, specifically for the roll out of the GST; | No Change | |
| | 3. To provide information technology and communications related infrastructure and services to Government for smooth transitioning of the current indirect tax regime to the GST regime; | No Change | |

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| | 4. To provide information technology and communications related services to various stakeholders for implementation and management of various initiatives, including e-governance initiatives like implementation of GST, taken by the Government or any department or agency of the Government; | No Change | |
| | 5. To provide information technology and communications related services to various stakeholders in order to prepare them for aligning their information technology and communications infrastructure and processes with those e-governance initiatives undertaken by the Government or any department or agency of the Government; | No Change | |
| | 6. To improve upon existing technology and/or to develop new and better technology to provide information technology and communications related services to various stakeholders including public and Government; | No Change | |
| | 7. To develop, maintain and provide public services' related common information technology and communications infrastructure to Government and other stakeholders; | No Change | |
| | 8. To assist Government in enabling and managing risk management and business intelligence across various departments including all Tax Administrations and assist the Government in enhancing the capabilities of such departments; | No Change | |
| | 9. To assist Government and other organizations in managing the information technology and communications related infrastructure and services by providing services including management of such infrastructure and services; | No Change | |
| | 10. To act as a catalyst for development of technology appropriate for public, by identifying, financing and/or undertaking research and development efforts and projects with different agencies and institutions; | No Change | |
| | 11. To act as a conduit for transfer of appropriate technology to Government departments, public | No Change | |

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| | sector undertaking, cooperative societies, voluntary agencies and members of public and other organizations / entities and encourage adoption of modern techniques and appropriate technology in matters related to public services; | | |
| | 12. To liaise, cooperate or associate, represent, collaborate, with various organizations, Government Departments etc. concerned with the furtherance of technology and management of trade and commerce; | No Change | |
| | 13. To provide data communication services including value added services to various stakeholders; | No Change | |
| | 14. To provide quality research, advice, consultancy and technology and management related services/support to Government and with the approval of the Board of Directors of the Company, to all other stakeholders including corporates, professionals, general public, private entities, organizations abroad etc., in order to improve the information technology service delivery; | No Change | |
| | 15. To assist various stakeholders in capacity building, including attracting skilled technical/ managerial manpower and domain experts, and in change management associated with the implementation of initiative of Government. | No Change | |
| **(B)** | **The objects incidental or ancillary to the attainment of the main objects stated above are: -** | **Matters which are considered necessary in furtherance of the objects specified in clause III(A)are: —** | As provided in Section 4 of the Companies Act, 2013. |
| | 1. To establish and manage information technology and communications infrastructure for implementation and management of GST, including implementation and management of Common Portal for GST, upon rolling out of GST in the country; | No Change | |
| | 2. To provide information technology and communications related infrastructure and services to Government and other stakeholders for implementation and management of GST in India; | No Change | |

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| | 3. To provide information technology and communications related infrastructure and services to Government for smooth transitioning of the current indirect tax regime to the GST regime; | No Change | |
| | 4. To provide information technology and communications related infrastructure and services to Government to facilitate effective and timely inter-State settlements and monitoring of credit utilization; | No Change | |
| | 5. To assist Government in building adequate checks and balances, through developing and implementing business rules and validations, in order to increase tax payment compliance, reduce fraud and act as revenue booster; | No Change | |
| | 6. To assist the Government in the activities such as policy building and standardization of information and communications systems operations; | No Change | |
| | 7. To promote process reengineering and take other initiatives in order to improve service delivery efficiencies of the Government and other stakeholders; | No Change | |
| | 8. To assist the public, through partnership/association/engagement with Government, IT companies and other entities, in conveniently and effectively receiving the services provided by the Company; | No Change | |
| | 9. To undertake development and implementation of electronic operations, information and control system for the Government and assist in administration of tax and other matter to promote the welfare of the public and to serve the interest of the nation by making public administration related dealings of all entities/persons with the Government convenient and transparent; | No Change | |
| | 10. To identify major opportunity areas in delivery of citizen services and support mechanism; | No Change | |
| | 11. To advice, provide consultancy, technical and managerial support to various stakeholders on various matters including indirect tax and information technology related issues, through advisors drawn from | No Change | |

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| | the industry, Government departments and institutions of excellence; | | |
| | 12. To undertake research assignments in any field including the field of information technology and indirect tax, itself, or in alliance with the best institutions in India or/and outside, and make payment to any University, college, association or Institution to be used for research; | No Change | |
| | 13. To award scholarships in India and fellowships and grants by way of loan or otherwise and on such terms and conditions as the Company may think fit for the purposes of undertaking, prosecuting and encouraging, research work specifically in field of information technology and indirect tax in its widest and most comprehensive sense; | No Change | |
| | 14. To participate in national and international events and programs, awards, prizes, grants, scholarships and stipends in furtherance of the objects of the Company; | No Change | |
| | 15. To design innovative financing and implementation models for applications regarding better governance and effective service delivery specifically in the domain of indirect taxation and develop prototypes to demonstrate the feasibility of the same; | No Change | |
| | 16. To incubate ideas and opportunities for leveraging information technology for overall economic growth; | No Change | |
| | 17. To document case studies of successful projects and applications already developed and functioning in the field of e-service delivery by the Government and facilitate their adoption across the country; | No Change | |
| | 18. To develop papers, reports, films, videos and other multi-media presentations and ensure effective dissemination of the learning and output of the Company; | No Change | |
| | 19. To disseminate information and educate the public, electronically or otherwise, on the various aspects of e-governance and taxation related initiatives undertaken by the Government; | No Change | |

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| | 20. To conduct conferences, retreats and workshops to increase awareness about the various developments in the field of e-service delivery and taxation among the top policy makers in India and abroad; | No Change | |
| | 21. To organize seminars, conferences, workshops, courses, studies, training programs, exhibitions etc. at such places and at such times as may be required to promote the objects of the Company; | No Change | |
| | 22. To conduct and/or sponsor training programs, conferences, lectures and seminars on technology, management, e-governance and indirect tax related issues; | No Change | |
| | 23. To organize exchange programs for staff and people involved in technology, management and indirect tax related issues and to provide training of work in India and abroad; | No Change | |
| | 24. To acquire, buy, sell, lease, take on rent, market, distribute, exchange and / or otherwise dispose of, store, hold, package, transport, use, experiment with, handle, in equipment and products including information technology and communications equipment and products, in order to achieve the objects of the Company; | No Change | |
| | 25. To sell, mortgage, give on lease, exchange and otherwise transfer or dispose off or deal with all or any property, movable or immovable, of the Company, for the furtherance of the aims and objects of the Company; | No Change | |
| | 26. To purchase, take on lease, secure by exchange or license, hire or otherwise acquire or obtain any moveable or immovable property and any interest, easement rights, other right and privilege from any person, company, society, foundation, trust, organization, Government and / or institution as may be necessary or convenient or as may be deemed fit by the Company, for the furtherance of the aims and objects of the Company or; | No Change | |
| | 27. To exercise and enforce all rights and powers conferred by or | No Change | |

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| | incidental to the ownership of any investment of the Company and to sell, manage, lease and dispose of otherwise deal with all or any part of the property of the Company; | | |
| | 28. To construct, maintain and alter any building or erection and to provide, endow, furnish and / or fit out any of its property with all necessary furniture, instruments, fittings, appliances, conveniences and other equipment and maintain and / or manage offices, premises center, institutions and other establishments or institutions for the furtherance and / or advancement of any one or more of the objects of the Company; | No Change | |
| | 29. To establish branch offices and other facilitation centers etc. in different parts of India and abroad; | No Change | |
| | 30. To apply for, purchase or otherwise, acquire any patent, patent right, copyright, trademark, formula, license, lease, concessions, conferring any exclusive or limited right to use, or any secret, confidential or other information as to any invention which may seem capable of being used for any of the purposes of the Company or the acquisition of which may directly or indirectly benefit the Company; | No Change | |
| | 31. To make donations and / or give grants to any persons, companies, societies, foundations, institutions, universities and / or trust who have objects similar to any one or more of the objects of the Company for the purpose of promoting, assisting and / or encouraging the carrying and / or achievement of such objects or object; | No Change | |
| | 32. To raise funds and accept donations (in cash or kind) subscriptions, grants of money, securities, and property of any kind and / or to undertake and accept the management of transfership of any endowment, trust fund or donation not inconsistent with the objects of the Company; | No Change | |
| | 33. To accept donations, assistance and funds on behalf of the implementing agencies from the Government and / or foreign donors subject to such laws as may be applicable and to | No Change | |

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| | obtain necessary accounts and information regarding the physical and financial progress from the implementing agency / agencies, provided no foreign donations shall be accepted unless approved by the Board; | | |
| | 34. Subject to approval of the Board of Directors of the Company, to solicit and receive funds and accept grants, contributions, donations, demises and bequests, in cash or kind, securities, properties (movable or immovable), any other assistance or services from entities including individuals, Governments, public bodies, agencies, corporations, firms, individuals, associations, company, body corporate both at the national and international level, for pursuing the objects of the Company and in receiving any of the above, to take the same either unconditionally or subject to such special conditions which may be prescribed by the donor in writing; | No Change | |
| | 35. To raise necessary funds and collect appropriate subscriptions, fees, grants, corpus funds, donations, commissions, royalties, cess in respect of services rendered by the Company; | No Change | |
| | 36. Subject to provisions of Section 292, 293 and 58-A of the Companies Act and the rules made there under, to borrow or raise or secure the payment of money or to receive money or deposit at interest or otherwise, and at such time or times as the Company may deem fit by promissory notes or by taking credits in or opening current, loans or overdraft accounts with any bank, company, firm or person and whether with or without any security or by such other means; | 36. **Subject to provisions of Section 179, 180 and 73 of the Companies Act,2013**and the rules made there under, to borrow or raise or secure the payment of money or to receive money or deposit at interest or otherwise, and at such time or times as the Company may deem fit by promissory notes or by taking credits in or opening current, loans or overdraft accounts with any bank, company, firm or person and whether with or without any security or by such other means; | Reference of new Section under the Companies Act, 2013. |
| | 37. To establish endowments fund to finance the activities of the Company including, where necessary, to meet expenditure out | No Change | |

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| | of the capital of such endowment funds; | | |
| | 38. To invest the monies of the Company, not immediately required, in such manner as the Company thinks fit; | No Change | |
| | 39. To levy, collect, retain and appropriate charges, fees, commissions etc. for the services provided by the Company; | No Change | |
| | 40. To enter into any arrangements with any Government and authorities, municipal, local or otherwise or any person or Company, that may seem conducive to the objects of the Company or any of them and to obtain from any such Government, authority, person or company any rights, privileges, charters, contracts, licenses and concessions which the Company may think it desirable to obtain; and to carry out, exercise and comply with such rights, privileges, charters, contracts, licenses and concessions; | No Change | |
| | 41. To apply for, secure, acquire by grant, legislative enactment, assignment, transfer, purchase or otherwise and to exercise, carry out and enjoy any charter, license, power, authority, franchise, concession, right, or privilege, which any Government or authority, supreme, municipal, local or otherwise in any corporation or other public body may be empowered to grant, and to pay for, aid in and contribute towards carrying the same into effect, and to issue and / or appropriate any debentures or other securities and assets to defray the necessary costs, charges and expenses thereof; | No Change | |
| | 42. To enter into partnerships or any arrangement, whether in India or elsewhere, for union of interest, co-operation, reciprocal concession or otherwise with any person or company carrying on or engaged in or about to carry on or engage in any activities or transaction which the Company is authorized to carry on or engage in or any activities or | No Change | |

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| | transaction capable of being conducted; | | |
| | 43. To promote or assist in the promotion of any company or association having objects similar to the objects of the Company; | No Change | |
| | 44. To promote and / or become a member of any company or companies, (whether limited by Shares or guarantee or both) body or association (whether corporate or not) for the purpose of acquiring all or any of the property rights and liabilities of the company, and / or for the furtherance of the objects or any of them in this Company; | No Change | |
| | 45. To apply for and to obtain any provisional rule, order, notification, stature or other legislative provision or enactment for enabling the Company to carry any of its objects into effect or for effecting any modification of the constitution of the Company or for any other purpose which may be seen expedient by the Company and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests; | No Change | |
| | 46. To establish linkages with financial institutions, urban and rural communities and government agencies (Central, State or Local) for promotion of each and every object of the Company; | No Change | |
| | 47. To open and operate a banking account or banking accounts including current and savings account, and to draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, drafts, cheques, bonds, debentures and other negotiable or transferable instruments; | No Change | |
| | 48. To give guarantee or indemnify for the payment of money or the performance of contracts or obligations by any person; to secure or undertake in any way the repayment of moneys lent or advanced to, or the liabilities incurred by any person, subject to the provisions of the Companies Act, 1956; | 48. To give guarantee or indemnify for the payment of money or the performance of contracts or obligations by any person; to secure or undertake in any way the repayment of moneys lent or advanced to, or the liabilities incurred by any person, subject to the provisions of **the Companies Act, 2013;** | Replacement of Companies Act, 1956 by Companies Act, 2013. |

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| | 49. To enter into contracts, novation agreements, memorandum of understanding and other agreements with various stakeholders including Government departments, individuals, private organizations etc. in order to accomplish the aims and objects of the Company and to enforce such contracts etc.; | No Change | |
| | 50. To pay all costs, charges and expenses incurred or sustained in or about the promotion and establishment of the Company and to remunerate any person or persons for the services rendered in the promotion and establishment of the Company; | No Change | |
| | 51. To employ and/or retain professional or technical advisors, consultants or experts to further the aims and objects of the Company and to pay them honorarium, fee, or other remuneration; | No Change | |
| | 52. To create administrative, technical, ministerial and other posts under the Society and to make appointments thereto; | No Change | |
| | 53. To establish, maintain and / or procure the establishment and maintenance of any contributory provident, pension or superannuation funds for the benefit and to give or procure the giving of donations, gratuities, pensions who are or were at any time, in the employment of the company and the widows, families and dependents of any such persons and to make payments to or towards the insurance of any such persons as aforesaid; | No Change | |
| | 54. To establish and support and / or aid in the establishment and / or support of associations, institutions, funds, trusts etc. calculated to benefit employees or past employees of the Company or the dependents or connections of any such employees, and to grant pensions and allowances and to make payments towards insurance, and to subscribe or guarantee money for any charitable educational or other benevolent object which may be considered likely, directly or | No Change | |

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| | indirectly to further any one or more of the objects of the Company; | | |
| | 55. To insure any of the properties, undertakings, contracts, risk or obligations of the Company in any manner whatsoever; | No Change | |
| | 56. To print and publish periodicals, books, journals, booklets and / or leaflets in furtherance of its objects; | No Change | |
| | 57. To do, get done, all such other lawful acts, deeds and things as are incidental or conducive to the attainment of the objects of the Company or any of them; | No Change | |
| | Provided that the Company shall not support with its funds, or endeavor to impose on, or procure to be observed by, its members or others, any regulation or restriction which would make it a Trade Union. | No Change | |
| **(C)** | **Other Objects:-** NIL | ***Deleted*** | Not provided in the Companies Act, 2013. |
| **IV.** | The objects of the Company extend to whole of India. | No Change | |
| **V**. | (i) The income and property of the Company, when so ever derived, shall be applied solely for the promotion of its objects as set forth in this Memorandum. | **(i) The profits, if any, or other income and property of the company, whensoever derived, shall be applied, solely for the promotion of its objects as set forth in this memorandum.** | As referred in Rule 19(2) of The Companies (Incorporation) Rules, 2014 that MOA of a Section 8 company shall be in Form No. INC-13. |
| | (ii) No portion of the income or property aforesaid shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise by way of profit, to persons who, at any time are, or have been members of the company or to any one or more of them or to any person claiming through any one or more of them. | **(ii) No portion of the profits, other income or property aforesaid shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise by way of profit, to persons who, at any time are, or have been, members of the company or to any one or more of them or to any persons claiming through any one or more of them.** | As referred in Rule 19(2) of The Companies (Incorporation) Rules, 2014 that MOA of a Section 8 company shall be in Form No. INC-13. |
| | (iii) Except with the previous approval of the Central Government, no remuneration, or other benefit in money or money's worth shall be given by the company to any of its members, whether officers or servants of the company or not, except payment of | **(iii) No remuneration or other benefit in money or money's worth shall be given by the company to any of its members, whether officers or members of the company or not, except payment of out-of-pocket expenses, reasonable** | As referred in Rule 19(2) of The Companies (Incorporation) Rules, 2014 that MOA of a Section 8 company shall be in Form No. INC-13. |

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| | out of pocket expenses, reasonable and proper interest on money lent, or reasonable and proper rent on premises let to the company. | **and proper interest on money lent, or reasonable and proper rent on premises let to the company.** | |
| | (iv) Except with the previous approval of the Central Government, no member shall be appointed to any office under the company which is remunerated by salary, fees, or in any other manner not excepted by sub-clause (iii) above. | **(iv) Nothing in this clause shall prevent the payment by the company in good faith of prudent remuneration to any of its officers or servants (not being members) or to any other person (not being member), in return for any services actually rendered to the company.** | As referred in Rule 19(2) of The Companies (Incorporation) Rules, 2014 that MOA of a Section 8 company shall be in Form No. INC-13. |
| | (v) Nothing in this clause V shall prevent the payment by the company in good faith of reasonable remuneration to any of its officers or servants (not beings members) or to any other person (not being a member) in return for any services actually rendered to the company. | **(v) Nothing in clauses (iii) and (iv) shall prevent the payment by the company in good faith of prudent remuneration to any of its members in return for any services (not being services of a kind which are required to be rendered by a member), actually rendered to the company;** | As referred in Rule 19(2) of The Companies (Incorporation) Rules, 2014 that MOA of a Section 8 company shall be in Form No. INC-13. |
| **VI**. | No alteration shall be made to this Memorandum of Association or to the Articles of Association of the company which are for the time being in force, unless the alteration has been previously submitted to and approved by the Registrar of Companies (as defined in the Companies Act, 1956) under whose jurisdiction the Registered Office of the Company is situated. | **No alteration shall be made to this memorandum of association or to the articles of association of the company which are for the time being in force, unless the alteration has been previously submitted to and approved by the Registrar.** | As referred in Rule 19(2) of The Companies (Incorporation) Rules, 2014 that MOA of a Section 8 company shall be in Form No. INC-13. |
| **VII**. | The liability of the members is limited. | No Change | |
| **VIII**. | The authorized share capital of the company will consist of Rs. 10,00,00,000 divided into 1,00,00,000 shares of Rs. 10 each. | No Change | |
| X | If upon a winding up or dissolution of the company, there remains, after the satisfaction of all the debts and liabilities, any property whatsoever, the same shall not be distributed amongst the members of the company but shall be given or transferred to such other company having objects similar to the objects of this company, to be determined by the members of the company at or before the time of dissolution or in default thereof, by the High Court of Judicature that has or may acquire jurisdiction in the matter. | If upon a winding up or dissolution of the company, there remains, after the satisfaction of all the debts and liabilities, any property whatsoever, the same shall not be distributed amongst the members of the company but shall be given or transferred to such other company having objects similar to the objects of this company, subject to such conditions as the Tribunal may impose, or may be sold and proceeds thereof credited to the | As referred in Rule 19(2) of The Companies (Incorporation) Rules, 2014 that MOA of a Section 8 company shall be in Form No. INC-13. |

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| | | Rehabilitation and Insolvency Fund formed under section 269 of the Act. | |
| **IX**. | True accounts shall be kept of all sums of money received and expended by the company and the matters in respect of which such receipts and expenditure take place, and of the property, credits and liabilities of the company; and, subject to any reasonable restrictions as to the time and manner of inspecting the same that may be imposed in accordance with the regulations of the company for the time being in force, the accounts shall be open to the inspection of the members. Once at least in every year, the accounts of the company shall be examined and the correctness of the balance-sheet and the income and expenditure account ascertained by one or more properly qualified auditor or auditors. | No Change | |
| **XI** | | The company can be amalgamated only with another company registered under section 8 of the Act having similar objects. | As referred in Rule 19(2) of The Companies (Incorporation) Rules, 2014 that MOA of a Section 8 company shall be in Form No. INC-13. (Point No.XI) |
| **XII**. | We, the several persons whose names, addresses, descriptions, and occupations are hereunto subscribed are desirous of being formed into a company not for profit, in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names:- | No Change | |

| **Sl. No.** | **Name/Description/Address and Occupation of Subscribers** | **Number of Equity Shares taken by each Subscriber** | **Signature of Subscribers** | **Name/Address/ Description and Signature of witnesses** |
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| 1. | Jane Mary Shanti Sundharam<br>(On behalf of President of India)<br><br>D/o Kumarasamy Pal Maria Sundharam<br>D – II, 229,Chanakyapuri, New Delhi - 110021<br>(As an Authorized Signatory)<br>Occupation - Service | 79,625 | Sd/-<br><br>J.M. Shanti Sundharam<br>Special Secretary & Member<br>Central Board of Excise & Customs<br>Ministry of Finance (Deptt.of Revenue)<br>Govt.of India, New Delhi | I WITNESS THE SIGNATURES OF ALL SUBSCRIBERS WHO HAVE SIGNED IN MY PRESENCE<br><br>Sd/-<br><br>ANKUR MEHRA , S/o PRADEEP MEHRA, G – 501, SISPAL VIHAR, SECTOR – 49, GURGAON (HARYANA)<br><br>OCCUPATION - SERVICE |
| 2. | Satish Chandra ( On behalf of Empowered Committee of State Finance Ministers)<br><br>S/o G. C. Aggarwal,<br>E – 20, East of Kailash ,<br>New Delhi – 110065<br>(As an Authorized Signatory)<br>Occupation - Service | 79,625 | Sd/-<br><br>Satish Chandra<br>Member Secretary<br>Empowered Committee of State Finance Ministers | |
| 3. | Housing Development Finance Corporation Limited<br>169, Backbay Reclamation, H.T. Parekh Marg, Nariman Point, Mumbai – 400020<br>(Through its Authorized Signatory)<br><br>Ankur Gupta, S/o S.N. Gupta<br>R/o A – 1/113, Janakpuri, Delhi – 110058<br>Occupation - Service | 32,500 | For Housing Development Finance Corporation Ltd.<br><br>Sd/-<br>Authorized Signatory | |
| 4. | HDFC Bank Ltd<br>HDFC Bank House<br>SenapatiBapat Marg Lower Parel (W)<br>Mumbai – 400013<br>(Through its Authorized Signatory)<br><br>RajenderSehgal<br>S/o Late Sh. K.L Sehgal<br>R/o B 53 Belvedere Tower, DLF Ph. – II, Gurgaon-122002<br>Occupation – Service | 32,500 | For HDFC Bank Ltd.<br><br>Sd/-<br><br>Authorized Signatory | |
| 5. | LIC Housing Finance Ltd.<br>R/o 2nd Floor, Bombay Life Building, 45/47, Veer Nariman Road Fort, | | For LIC Housing Finance Ltd | I WITNESS THE SIGNATURES OF ALL SUBSCRIBERS WHO HAVE SIGNED IN MY PRESENCE |

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| | Mumbai – 400001<br>(Through its Authorized Signatory)<br><br>Devinder Singh Rawat<br>S/o Late Sh. U S Rawat<br>R/o TF 30 Vardan Apartment<br>AbhayKhand III,<br>Indirapuram Ghaziabad (UP)<br>Occupation – Service | 35,750 | Sd/-<br>Authorized Signatory | |
| 6. | ICICI Bank Limited<br>Landmark Race Course Circle,<br>Vadodara 390007<br>(Through its Authorized Signatory)<br><br>Anuj Bhargava<br>S/o VV Bhargava,<br>M -116, 3rd Floor, GK – 1,<br>New Delhi<br>Occupation – Service | 32,500 | For ICICI Bank Limited<br><br>Sd/-<br>Authorized Signatory | |
| 7. | NSE Strategic Investment Corporation Ltd.<br><br>Exchange Plaza,BandraKurla Complex,BandraEast, Mumbai – 400051 (Through its Authorised Signatory)<br><br>Ravi Varanasi S/o Satyanarayana Murthy, A-1401, Mahindra Splendour L.B.S Road Bhandup (W), Mumbai – 400078<br><br>Occupation – Service | 32,500 | For NSE Strategic Investment Corporation Ltd.<br><br>Sd/-<br>Authorized Signatory | |
| | | 3,25,000 | | |

Place:New Delhi
Date: 26th March 2013

## Annexure-3

| Shareholding Pattern of GSTN | | | | | |
|---|---|---|---|---|---|
| | | Pre conversion shareholding | | Post conversion shareholding | |
| Serial No. | Name of Shareholders | Number of Shares held | %age | Post acquisition shares | %age |
| 1 | Central Government | 24,50,000 | 24.50 | **50,00,000** | **50.00** |
| 2 | Government of Punjab | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 3 | Government of Gujarat | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 4 | Government of Odissa | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 5 | Government of Tamil Nadu | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 6 | Government of Jammu & Kashmir | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 7 | Government of Maharashtra | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 8 | Government of Rajasthan | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 9 | Government of Sikkim | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 10 | Government of Karnataka | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 11 | Government of Andhra Pradesh | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 12 | Government of Meghalaya | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 13 | Government of Bihar | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 14 | Government of Nagaland | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 15 | Government of Himanchal Pradesh | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 16 | Union Territory of Puducherry | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 17 | Government of Mizoram | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 18 | Government of Uttarakhand | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 19 | Government of Haryana | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 20 | Government of Assam | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 21 | Government of Goa | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 22 | Government of Kerala | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 23 | Government of Manipur | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 24 | Government of Tripura | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 25 | Government of West Bengal | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 26 | Government of Delhi | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 27 | Government of Jharkhand | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 28 | Government of Uttar Pradesh | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 29 | Government of Chhattisgarh | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 30 | Government of Madhya Pradesh | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 31 | Government of Arunachal Pradesh | 79,000 | 0.79 | 1,61,290 | 1.61 |
| 32 | Government of Telangana | 0 | 0.00 | 1,61,290 | 1.61 |
| | | | | **49,99,990** | **50.00** |
| 33 | Empowered committee of State Finance Ministers | 80,000 | 0.80 | 0 | - |
| 34 | LIC Housing Finance Limited | 11,00,000 | 11.00 | 0 | - |
| 35 | Housing Devlopment Finance Corporation Ltd. | 10,00,000 | 10.00 | 0 | - |
| 36 | HDFC Bank limited | 10,00,000 | 10.00 | 0 | - |
| 37 | ICICI Bank Limited | 10,00,000 | 10.00 | 0 | - |
| 38 | NSE Strategic Investment Corporation Limited | 10,00,000 | 10.00 | 0 | - |
| | **TOTAL** | **1,00,00,000** | **100.00** | **99,99,990** | **100.00** |
| | | | | | **Balance- 10 shares** |

**Agenda Item 9: Status report of work of GoM on Revenue Mobilisation**

**Background:**

The Department of Revenue had received proposal from the Hon'ble Finance Minister of Kerala for levy of additional cess on State Goods & Service Tax (SGST) and other alternative measures like hike in borrowing limit of the State for raising funds for flood rehabilitation activities. The State of Kerala had specifically requested for levy of additional 10% cess on SGST in its State for flood relief. Considering the overall facts and circumstances under GST regime with a view to provide additional funds for flood rehabilitation to Kerala, this issue was discussed in the 30th GST Council meeting held on 28th September, 2018. On the recommendation of the GST Council, a Group of Ministers (GoM) had been constituted to examine modalities for revenue mobilisation in case of natural calamities and disasters. Shri Sushil Kumar Modi, Hon'ble Deputy Chief Minister, Government of Bihar is the Convenor and Finance Minister of States of Assam, Kerala, Maharashtra, Odisha, Punjab and Uttarakhand are the Members of this GoM.

**Terms of Reference**

2. The terms of reference (TOR) for the '**GoM on Revenue Mobilisation'** in a case of Natural Calamities and Disasters shall be to examine the following:

i. Whether the mechanism of funding to the States through National Disaster Response Fund (NDRF) is sufficient in case of natural calamities and disaster;
ii. Whether there should also be a supplementary mechanism for finding natural calamities and disasters through GST, and if so, whether it should be through additional cess or tax, and whether such levy should be State specific or across the country;
iii. The circumstances in which a State shall become entitled to get funding over and above the funds obtained through NDRF mechanism;
iv. Whether it is permissible under the relevant provisions of Constitution and the GST law to create an omnibus GST Disaster Relief Fund for natural calamities or whether resources can be raised only for a specific event qualifying as natural calamity or disaster;
v. If a GST Disaster Relief Fund is created, what should be the mechanism for its collection, accountal and disbursement, including whether such disbursement should only be for a major natural calamity/disaster and the criteria thereof;
vi. What changes in law, if any, would be needed to create a GST Disaster Relief Fund.

**Action Taken:**

3. This issue was discussed in the GoM meeting held on 15.10.2018. As per deliberation/decision of GoM vide minutes dated 18.10.2018 of the aforesaid GoM meeting, a set of questionnaire was prepared and sent to all States seeking views/suggestions on the following points:

i. Which of the following would be better and convenient mechanism to support the State in case of natural calamity or disaster:
   (a) Increase in the borrowing limits of State
   (b) Tweaking of NDRF Norms
   (c) States specific disaster cess
ii. Whether increase in GST rate or levy of cess would be a better mechanism to raise resources for supporting a State in case of natural calamities.
iii. Whether increase in GST rate or increase of tax on non-GST goods would be better for mobilization of revenue in case of Natural Calamity.

iv. In case of State Specific disaster cess, such cess should be levied on all items or only on luxury goods over all GST (CGST/IGST/UTGST) or only on SGST.
v. What would be the amount of revenue mobilized due to increase of 0.25% or 0.5% in SGST rate as suggested by Kerala Govt? Whether it would be sufficient for meeting the requirement on account of relief and rehabilitation?
vi. Mechanism for raising of resources for disaster management within the framework of Disaster Management Act, 2005 and how it should be dovetailed with the recommendations of the Finance Commission.

4. The views of States received so far are as under:

**A. <u>Views of Gujarat</u>**

i. It has been suggested to ease NDRF norms looking into the gravity of natural disaster/calamity.
ii. As per provision in Section 12 of the Constitution Amendment Act, 2016 for levy of special rate/rates for specified period to raised additional resources during natural calamities/disaster on the basis of recommendation of GST Council, increasing GST rate and subsequently reversing ITC (Input Tax Credit) to the extent of such increase in the rate in case of inter-State transaction of such goods and services seems to be advisable, As it does not require enactment of new law and there will be no extra compliance cost on tax payer.
iii. Resources may be mobilized by way of increasing GST rate as well as increasing tax on non-GST goods leaving it to the concerned state to decide in case of natural calamities.
iv. There should not be limitation with respect to levying tax on specific items and State should be allowed to generate resources by way of increasing rate on specific goods and services depending upon the amount of revenue required for natural calamity/disaster fund.
v. The rate of tax will depend on extent of relief resources required which will vary from State to State.
vi. Mechanism for raising of resources for disaster management within the framework of Disaster Management Act, 2005 should be dovetailed with the recommendation of the Finance Commission.

**B. <u>Views of Karnataka</u>**

i. As per provision in Article 279A (4) of the Constitution of India, GST Council is empowered to make recommendation for levy of special rate/rates for specified period to raise additional resources during natural calamities/disaster.
ii. Considering the fact that presently a cess is being levy for compensation to the state, it would be better if rate of tax is increased by 0.25% on supplies of goods and services or both.
iii. Increase in GST rate is always a better option as it would result in mobilisation of a considerable amount of additional revenue in comparison to non-GST goods.
iv. Any State specific cess should be levied on all supplies of goods or services or both. It should also be levied on supplies attracting levy of both CGST and SGST or IGST to avoid distortion in tax levy so that it would facilitate easy flow of input tax credit within a State or from one State to another without any cascading effect. The ideal situation would be to levy such cess in all States for creating a Natural Calamity Fund in each State and a Central Fund through such cess on CGST.
v. The amount appears to be negligible considering the amount required for relief works of any natural calamity or disaster.
vi. No comments.

5. The status of the work done by GoM on Revenue Mobilisation is placed before the Council for information. Further follow-up is being done to obtain inputs of the remaining States.

**Agenda Item 10: Status report of passage of SGST (Amendment) Bill, 2018 in various States and Union Territories (UTs) with Legislatures**

The GST Council in its 28th Meeting held on 21st July 2018 approved the proposals for amendments in the CGST Act, 2017, IGST Act, 2017, UTGST Act, 2017 and GST (Compensation to States) Act, 2017. The CGST (Amendment) Act, 2018, the IGST (Amendment) Act, 2018, the UTGST (Amendment) Act, 2018 and the GST (Compensation to States) Amendment Act, 2018 received the assent of the Hon'ble President of India on 29th August, 2018, and published in the Gazette of India, Extraordinary, Part II on 30th August, 2018.

2. The GST Council Secretariat requested the States and the Union Territories with Legislatures to expeditiously introduce and pass the corresponding SGST (Amendment) Bill, 2018 in their respective Legislative Assemblies. A sample SGST (Amendment) Bill, 2018, Notes on clauses for the CGST (Amendment) Bill, 2018, Statement of Objects and Reasons for the CGST (Amendment) Bill, 2018 was also forwarded to the States for ready reference.

3. The GST Law amendments are proposed to be brought into force simultaneously under the CGST Act, IGST Act, UTGST Act, GST (Compensation to States) Act and SGST Acts after all States/UTs with Legislatures have passed their respective SGST (Amendment) Bill, 2018.

4. The status of passage of State GST Acts is at **Annexure 1**. It can be seen that the States/UTs of Delhi, Meghalaya, Puducherry and Telangana are yet to pass/promulgate the SGST (Amendment) Bill, 2018.

5. The status of passage of SGST (Amendment) Bill, 2018 is placed before the Council for information and deliberation regarding the proposed date of implementation of the GST Law Amendments.

**Annexure 1**

| List of States which passed the SGST Amendment Bill | | |
|---|---|---|
| **Sl. No** | **Name of State** | **Dates on which SGST Amendment Act had been published in the Gazette or promulgated** |
| 1 | Andhra Pradesh | 23rd October 2018 |
| 2 | Arunachal Pradesh | 03rd December 2018 |
| 3 | Assam | 24th October 2018 |
| 4 | Bihar | 5th October 2108 |
| 5 | Chattisgarh | 5th October 2108 |
| 6 | Goa | 23rd November 2018 |
| 7 | Gujarat | 8th October 2018 |
| 8 | Haryana | 28th September 2018 |
| 9 | Himachal Pradesh | 05th November 2018 |
| 10 | Jammu & Kashmir | 13th November 2018 |
| 11 | Jharkhand | 15th October 2018 |
| 12 | Karnataka | 29th September 2018 |
| 13 | Kerala | 15th October 2018 |
| 14 | Madhya Pradesh | 26th November 2018 |
| 15 | Maharashtra | 13th October 2018 |
| 16 | Manipur | 15th October 2018 |
| 17 | Mizoram | 29th October 2018 |
| 18 | Nagaland | 29th September 2018 |
| 19 | Odisha | 23rd October 2018 |
| 20 | Punjab | 23rd October 2018 |
| 21 | Rajasthan | 01st October 2018 |
| 22 | Sikkim | 29th September 2018 |
| 23 | Tamil Nadu | 14th November 2018 |
| 24 | Tripura | 12th October 2018 |
| 25 | Uttar Pradesh | 14th October 2018 |
| 26 | Uttarakhand | 16th October 2018 |
| 27 | West Bengal | 28th November 2018 |

| The list of States yet to pass the SGST (Amendment) Bill, 2018 | | | |
|---|---|---|---|
| **Sl. No** | **Name of State** | **Tentative dates on which SGST Amendment Bill would be passed/promulgated** | **Status as ascertained by the GST Council Secretariat** |
| 1 | Delhi | Not indicated | The Bill would be placed before the Assembly in December Session |
| 2 | Meghalaya | 20th December 2018 | Hon'ble Governor's approval awaited |
| 3 | Puducherry | Not indicated | The Bill would be placed before the Assembly in December session |
| 4 | Telangana | Not indicated | Awaited |

**Agenda Item 11: Reconstitution of membership of the Law Committee, Fitment Committee and IT Committee for information of the Council**

The GST Council in its 3rd Meeting held on 18th – 19th October 2016 delegated the powers to the Chairperson, GST Council to constitute Technical Committees. In pursuance of the decision of the GST Council in its 14th Meeting held on 18-19 May 2018, a three-tier-structure comprising of various Committees was constituted which included the GST Implementation Committee, the Standing Committees and the Sectoral Groups to ensure smooth roll-out of GST.

2. Taking into account transfer of some of the erstwhile members of the three Standing Committees namely the Law Committee, Fitment Committee and IT Committee, these have been modified partially with the approval of the Chairperson of the GST Council. Some of the Members of the aforementioned Committees from the Central Government, GST Council Secretariat and the GSTN have now been made by designation.

3. The Orders reconstituting the membership of the Law Committee, Fitment Committee and IT Committee is placed at **Annexure 1** for information of the Council.

**Annexure 1**

**Law Committee**

**F.No. 25/Committees-1/GST Council**
**GST Council Secretariat**

5th Floor, Tower II,
Jeevan Bharti Building, New Delhi
Dated: 30th November, 2018

**OFFICE MEMORANDUM**

**Subject: Reconstitution of the Membership of the Law Committee (LC). -reg**

In partial modification to the Office Memorandum of even no dated 29.05.2017 with respect to constitution of the Law Committee, its membership is now reconstituted as follows:

| Members – Centre | Members – States | Members – GST Council Secretariat | Member - GSTN |
|---|---|---|---|
| 1. Sh. P. K. Mohanty, Consultant, CBIC, (*Co-Convenor*)<br>2. Commissioner, GST Policy Wing, CBIC (UG)<br>3. Joint Secretary, DoR (RP)<br>4. ADG, DGGST, CBIC (KR)<br>5. ADG, DG Systems, CBIC (VCG)<br>6. ADG, Audit, CBIC<br>7. Sh. Sanjay Mahendru, Commissioner, CGST, Mumbai Zone, CBIC<br>8. Sh. CH Venkat Reddy, ADG, DGGST (Southern Unit), Chennai | 1. Sh. Rajiv Jalota, CCT, Maharashtra (*Co-Convenor*)<br>2. Sh. P.D. Vaghela, Chief Commissioner, State Tax, Gujarat<br>3. Dr. Rajan Khobragade, CCT, Kerala<br>4. Ms. Smaraki Mahapatra, CCT, West Bengal<br>5. Sh. Arun Mishra, Addl. Secretary, CT, Bihar<br>6. Sh. M. S. Srikar, CCT, Karnataka<br>7. Sh. V. P. Singh, CCT, Punjab<br>8. Sh. Pawan K Sharma, CCT, Madhya Pradesh | 1. Joint Secretary (SP)<br>2. Joint Secretary (DR) | 1. Sh. Jagmal Singh, VP |

2. The co-convenors of the Committee may invite officers as "Special Invitees" to assist in its deliberations as and when required.

3. The co-convenors shall submit a quarterly report to the GST Council Secretariat regarding the functioning of the Committee i.e. the number of meetings held, issues discussed and decisions taken (in brief).

4. This issues with the approval of Union Finance Minister.

30.11.18
(Rahul Raja)
Under Secretary

To: The Members of the Law Committee

Copy to: for information

i. PS to Hon'ble Finance Minister, Government of India, North Block, New Delhi;
ii. PS to Hon'ble Minister of State (Finance), Government of India, North Block, New Delhi;
iii. The Finance Secretary, Government of India, North Block, New Delhi;
iv. Chairman, CBIC, North Block, New Delhi;
v. Nodal officers of all the States and CBIC Zones

**F.No. 25/Committees-1/GST Council**
**GST Council Secretariat**

5th Floor, Tower II,
Jeevan Bharti Building, New Delhi
Dated: 30th November, 2018

## OFFICE MEMORANDUM

**Subject: Reconstitution of the membership of the Fitment Committee (FC)**

In partial modification to the Office Memorandum of even no dated 29.05.2017 with respect to constitution of the Fitment Committee, its membership is now reconstituted as follows:

| Members – Centre | Members – States | Members – GST Council Secretariat |
|---|---|---|
| 1. Joint Secretary, TRU – I, DoR (*Co-Convenor)* (GD)<br>2. Joint Secretary, TRU – II, DoR (MKS)<br>3. Commissioner, GST Policy Wing, CBIC<br>4. Sh. P. K. Mohanty, Consultant, CBIC<br>5. Joint Secretary, DoR<br>6. DS/Director, TRU-I, DoR (RA)<br>7. DS/Director, TRU –I, DoR (GS)<br>8. DS/Director, TRU –II, DoR (PK)<br>9. DS/Director, TRU –II, DoR (PK working as OSD) | 1. Sh. P.D. Vaghela, Chief Commissioner, State Tax, Gujarat (*Co-Convenor*)<br>2. Dr. T. V. Somanathan, CCT, Tamil Nadu<br>3. Sh. Rajiv Jalota, CCT, Maharashtra<br>4. Dr. Pratima, CCT, Bihar<br>5. Dr. Rajan Khobragade, CCT, Kerala<br>6. Ms Kamini Chauhan Ratan, CCT, Uttar Pradesh<br>7. Sh. Alok Gupta, CCT, Rajasthan<br>8. Sh. Amit Kumar Agarwal, CCT Haryana<br>9. Shri. M. S. Srikar, CCT, Karnataka<br>10. Sh. V. Anil Kumar, CCT, Telangana<br>11. Ms. Smaraki Mahapatra, CCT, West Bengal<br>12. Ms. Sangeetha P, CCT, Chhattisgarh | 1. Joint Secretary (SP)<br>2. Joint Secretary (DR) |

2. The co-convenors of the Committee may invite officers as "Special Invitees" to assist in its deliberations as and when required.

3. The co-convenors shall submit a quarterly report to the GST Council Secretariat regarding the functioning of the Committee i.e. the number of meetings held, issues discussed and decisions taken (in brief).

4. This issues with the approval of Union Finance Minister.

30.11.18
(Rahul Raja)
Under Secretary

To:

The Members of the Fitment Committee

Copy to: for information

i. PS to Hon'ble Finance Minister, Government of India, North Block, New Delhi;
ii. PS to Hon'ble Minister of State (Finance), Government of India, North Block, New Delhi;
iii. The Finance Secretary, Government of India, North Block, New Delhi;
iv. Chairman, CBIC, North Block, New Delhi;
v. Nodal officers of all the States and CBIC Zones

**F.No. 25/Committees-1/GST Council**
**GST Council Secretariat**

5th Floor, Tower II,
Jeevan Bharti Building, New Delhi
Dated: 30th November, 2018

## OFFICE MEMORANDUM

**Subject: Partial modification to the Membership of the IT Committee (IC)**

In partial modification to the Office Memorandum of even no dated 29.05.2017 with respect to constitution of the IT Committee, its membership is now reconstituted as follows:

| Members – Centre | Members – States | Member – GST Council Secretariat | Member – GSTN |
|---|---|---|---|
| 1. ADG, DG Systems (Chennai), CBIC (*Co-Convenor*) (Sh. S. Thirunavukkarasu)<br>2. ADG, DG Systems (Bengaluru), CBIC (Sh. Bawaraj Nelagave)<br>3. ADG, DG Systems (New Delhi), CBIC (Sh. Manish Saxena)<br>4. ADG, DG Systems (New Delhi), CBIC (Shri B.B. Mohapatra)<br>5. DDG, NIC (Shri Nagesh Shastri)<br>6. Joint Director, DG Systems (New Delhi), CBIC (Rohit Dwivedi) | 1. Sh. Rajan Khobragade, CCT, Kerala (*Co-Convenor*),<br>2. Ms. Seema Bharti, Deputy Commissioner, Bihar<br>3. Sh. Tushar Bhatt, Addnl. Commissioner (CT), Gujarat<br>4. Sh. K S Basavaraj, Joint Commissioner, Karnataka<br>5. Sh. Harindranath, Asst. Commissioner, Kerala<br>6. Sh. Harshal Nikam, Joint Commissioner, Maharashtra<br>7. Sh. Wochamo Odyuo, Additional Commissioner (CT), Nagaland<br>8. Sh. Dipankar Sahoo, Deputy Commissioner, Odisha<br>9. Sh. Laxmi Narayan Soni, ADC (VAT &IT) Rajasthan<br>10. Sh. T. Meganatha Reddy, Joint Commissioner (CT)(LTU), Tamil Nadu<br>11. Sh. Atanu Majumdar, Sr. Jt. Commissioner, West Bengal | 1. Joint Secretary (DR)<br>2. Joint Secretary (SP) | 1. CEO<br>2. EVP (Services)<br>3. EVP (Tech) |

2. The co-convenors of the Committee may invite officers as "Special Invitees" to assist in its deliberations as and when required.

3. The co-convenors shall submit a quarterly report to the GST Council Secretariat regarding the functioning of the Committee i.e. the number of meetings held, issues discussed and decisions taken (in brief).

4. This issues with the approval of Union Finance Minister.

30.11.18.
(Rahul Raja)
Under Secretary

To:

The Members of the IT Committee

Copy to: for information

i. PS to Hon'ble Finance Minister, Government of India, North Block, New Delhi;
ii. PS to Hon'ble Minister of State (Finance), Government of India, North Block, New Delhi;
iii. The Finance Secretary, Government of India, North Block, New Delhi;
iv. Chairman, CBIC, North Block, New Delhi;
v. Nodal officers of all the States and CBIC Zones