

OCTOBER 2018

Issue 2

Date: 10 October 2018

THE MONTHLY ROUND-UP

UPDATES ON GST

**CENTRAL TAX
BANGALORE**

For Internal Circulation Only

EDITOR'S NOTE

Good policy dictates that the tax rules should be clear and simple to understand so that taxpayers can anticipate the tax consequences in advance of a transaction, including knowing when, where, and how the tax is to be accounted. The Governments and the GST Council have been proactive and responsive in listening to the taxpayer feedback and making suitable adjustments to ease the difficulties of transition and implementation.

The GST Council held its 30th meeting on 28.09.2018. The key takeaways are as follows: It was decided to set up a seven-member Group of Ministers (GoM) to look into Kerala's demand for imposing an additional cess over GST to meet the financial requirements in case of a natural calamity.

Further, the Council has decided that if any assessee fails to file returns for two consecutive months, such assessee is to be prevented from generating e-Way bills. In order to bring uniformity in

e-Way Bill practices for Intra-State movement of goods, a reference has been made to the Law Committee. The Law Committee recommendation to grant relief to all those exporters who had done some imports of capital goods under the EPCG Scheme but were denied IGST refund has been accepted.

A detailed SoP for TDS deductors and a detailed FAQ for TCS deductors has been approved. The Council has also granted waiver of late fee for three months for the DDOs. However, no exemption from penalty has been granted.

This issue also covers the recent changes in law and rules, as well as important case laws and Appellate AAR rulings. We also take a look at the important outreach and capacity building initiatives held in the Zone during September. We hope that this issue would assist you in keeping up with the changes in GST. Please feel free to get in touch with us at ccbz-excise@nic.in.



Amitesh Bharat Singh
Additional Commissioner (Pr. CCO)

IN THIS ISSUE

EDITORIAL TEAM

Amitesh Bharat Singh, ADC (Pr.CCO)
Gayathri Menon, AC (Pr.CCO)

CONTENT TEAM

Sabrina Cano, Supdt. (Pr.CCO)
Chokkalingam M, Insp. (CPC)

Legal Updates	Page 3
Case Law Updates	Page 16
Appellate AAR Rulings	Page 19
Zonal Updates	Page 21
Outreach & Capacity Building	Page 22
Appendix I	Page 27

LEGAL UPDATES

REGISTRATION

An **amendment was made to the cancellation of registration provisions in Rule 22 of the CGST Rules vide Notification No 39/2018 CT dated 04.09.2018**, wherein it has been provided that, if the taxpayer to whom a notice has been issued for cancellation of registration due to non filing of returns for 3/6 consecutive tax periods, files all the pending returns and pays the tax dues with interest and late fee, the officer shall drop the proceedings for cancellation of registration and issue and order in Form GST REG 20. A new Form GST REG 20 -Order for dropping the proceedings for cancellation of registration has also been substituted.

INPUT TAX CREDIT

An amendment has been made to **Rule 36 (2) of the CGST Rules vide Notification No 39/2018 CT** dated 04.09.2018, which states that if the document on which ITC is availed does not contain all the specified particulars but contains the details of the amount of tax charged, description of goods or services, total value of supply of goods or services or both, GSTIN of the supplier and recipient and place of supply in case of inter-State supply, then input tax credit may be availed.

REFUND RELATED CHANGES

Definition of 'Adjusted Turnover' in Refund: In the refund provisions under Rule 8g of the CGST Rules, the **definition of "Adjusted Turnover" has been amended** vide Notification No 39/2018 CT dated 04.09.2018 to mean:

LEGAL UPDATES

(Total turnover in a State - turnover of services) + (turnover of zero-rated supply of services as determined in terms of clause D + turnover of non zero-rated supply of services) – value of exempt supplies – value of supplies in respect of which refund is claimed under (4A) and (4B).

Submission of invoices for processing of claims of refund: Circular No 59/33/2018 GST dated 04.09.2018 has been issued to clarify 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 account of the supply by the corresponding supplier in relation to which the input tax credit has been availed by the claimant.** The proper officer shall not insist for the hard copies of the invoices which are reflected in GSTR 2A. Where invoices are not contained in GSTR 2A, the officer may call for the hard copies of the invoices, if necessary. The claimant shall also furnish a statement in Annexure A giving details of invoices on the basis of which ITC has been availed for the refund period.

System validations in calculating refund amount: Currently, in case of refund of unutilized ITC, the common portal calculates the refundable amount as the least of the following amounts:

- a) The maximum refund amount as per the formula in rule 89(4) or rule 89(5) of the Central Goods and Services Tax Rules, 2017
- b) The balance in the electronic credit ledger of the claimant at the end of the tax period for which the refund claim is being filed after the return for the said period has been filed; and
- c) The balance in the electronic credit ledger of the claimant at the time of filing the refund application.

LEGAL UPDATES

After calculating the least of the three amounts, the equivalent amount is to be debited from the electronic credit ledger of the claimant in the following order:

- a) Integrated tax, to the extent of balance available;
- b) Central tax and State tax/Union Territory tax, equally to the extent of balance available and in the event of a shortfall in the balance available in a particular electronic credit ledger (say, Central tax), the differential amount is to be debited from the other electronic credit ledger (i.e., State tax/Union Territory tax, in this case). This procedure, however is not presently available on the common portal. Circular No 59/33/2018 GST dated 04.09.2018 clarifies that till the time such facility is made available on the common portal, the taxpayers are advised to follow the order as explained above for all refund applications filed after the date of issue of this Circular. However, for applications already filed and pending with the tax authorities, where this order is not adhered to by the claimant, no adverse view may be taken by the tax authorities.

Re-credit of electronic credit ledger in case of rejection of refund claim:

In case of rejection of claim for refund of unutilized input tax credit on account of ineligibility of the said credit, it has been clarified vide Circular No 59/33/2018 GST dated 04.09.2018 that **the proper officer shall order for the rejected amount to be re-credited to the electronic credit ledger of the claimant using FORM GST RFD-01B. For recovery of this amount, a demand notice shall have to be simultaneously issued to the claimant under section 73 or 74 of the CGST Act.** In case the demand is confirmed by an order issued under sub-section (9) of section 73, or sub-section (9) of section 74 of the CGST Act, the said amount shall be added to the electronic liability register of the claimant through FORM GST DRC07. Alternatively, the claimant can voluntarily pay this amount, along with

LEGAL UPDATES

interest and penalty, if applicable, before service of the demand notice, and intimate the same to the proper officer in FORM GST DRC-03 in accordance with sub-section (5) of section 73 or sub-section (5) of section 74 of the CGST Act. In such cases, the need for serving a demand notice will be obviated.

In case of rejection of claim for refund of unutilized input tax credit, on account of any reason other than the eligibility of credit, the rejected amount shall be **re-credited to the electronic credit ledger of the claimant using FORM GST RFD-01B only after the receipt of an undertaking from the claimant** to the effect that he shall not file an appeal against the said rejection or in case he files an appeal, the same is finally decided against the claimant, as has been laid down in rule 93 of the CGST Rules.

Disbursal of refund amount after sanctioning by the proper officer: It is clarified vide Circular No 59/33/2018 GST dated 04.09.2018 that, the **remedy for correction of an incorrect or erroneous sanction order lies in filing an appeal against such order and not in withholding of the disbursement of the sanctioned amount.** If any discrepancy is noticed by the disbursing authority, the same should be brought to the notice of the counterpart refund sanctioning authority, the concerned counterpart reviewing authority and the nodal officer, but the disbursal of the refund should not be withheld. It is hereby clarified that neither the State nor the Central tax authorities shall refuse to disburse the amount sanctioned by the counterpart tax authority on any grounds whatsoever, except under sub-section (11) of section 54 of the CGST Act. It is further clarified that any adjustment of the amount sanctioned as refund against any outstanding demand against the claimant can be carried out by the refund disbursing authority if not already done by the refund sanctioning authority.

LEGAL UPDATES

Status of refund claim after issuance of deficiency memo: Circular No 59/33/2018 GST dated 04.09.2018 clarifies that in case a deficiency memo in **FORM GST RFD-03 has been issued, the refund claim will have to be filed afresh.** Show-cause-notices are not required to be issued where deficiency memos have been issued. A refund application which is re-submitted after the issuance of a deficiency memo shall have to be treated as a fresh application. No order in FORM GST RFD-04/06 can be issued in respect of an application against which a deficiency memo has been issued and which has not been resubmitted subsequently.

Treatment of refund applications where the amount claimed is less than rupees one thousand: Circular No 59/33/2018 GST dated 04.09.2018 clarifies that no refund under subsection (5) or sub-section (6) of section 54 shall be paid to an applicant, if the amount is less than one thousand rupees. **It is clarified that the limit of rupees one thousand shall be applied for each tax head separately and not cumulatively.** The limit would not apply in cases of refund of excess balance in the electronic cash ledger.

Refund claims by CSD: Circular No 60/34/2018 GST dated 04.09.2018 prescribes the procedure to be followed by CSDs while filing refund claims. The claims are to be filed on a quarterly basis and to be filed manually till the facility is available on the portal. It is clarified that refund to be granted to the CSD is not for the accumulated input tax credit but refund of the tax paid on the inward supplies of goods received by them.

Processing of refund claims of UIN entities: In order to expedite the processing of the refund applications filed by the UIN entities, specific formats/documents were listed out which are required to be filed by the UIN entities in Circular No 63/37/2018 GST dated 14.09.2018.

LEGAL UPDATES

It was further clarified that the personnel and officials of United Nations and other International organizations are not eligible to claim refund. However, the eligibility of refund for the personnel and officials posted in the Embassy/Mission/Consulate shall be determined based on the principle of reciprocity. A one-time waiver is given from recording the UIN on the invoices issued by the suppliers pertaining to the refund claims filed for the quarters from April, 2018 to March, 2019.

MISCELLANEOUS

Scope of rule 96(10) of the CGST Rules: Circular No 59/33/2018 GST dated 04.09.2018 clarifies that the restriction under rule 96(10) of the CGST Rules, as amended retrospectively by notification No. 39/2018-Central Tax, dated 04.09.2018, applies only to those purchasers/importers who are directly purchasing/importing supplies on which the benefit of certain notifications such as 48/2017 CT dated 18.10.2017, 40/2017 CT dated 23.10.2017, 41/2017 (IT) dated 23.10.2017 or Notf Nos 78/2017 Cus dated 13.10.2017 and 79/2017 Cus dated 13.10.2017 has been availed.

Transport of goods in batches / lots: Notification No 39/2018 CT dated 04.09.2018 amends Rule 55(5) of the CGST Rules to include transport of goods in batches/lots in the prescribed procedure. Thus, in all cases of transport of goods of one invoice in multiple lots/batches, invoice to be issued before despatch of first consignment and delivery challans to be issued for all subsequent consignments.

LEGAL UPDATES

Recovery of arrears of wrongly availed CENVAT credit and inadmissible transitional credit: Circular No. 58/32/2018-GST dated 04.09.2018 prescribes an alternative method for payment of arrears. It is clarified that, taxpayers may reverse the wrongly availed CENVAT credit under the existing law and inadmissible transitional credit through Table 4(B)(2) of FORM GSTR-3B. The applicable interest and penalty shall apply on all such reversals which shall be paid through entry in column 9 of Table 6.1 of FORM GSTR-3B.

Amendments to Rule 142 of CGST Rules: Rule 142 of CGST Rules relates to issue of notice and order for demand of amounts payable under the Act. Amounts pertaining to sec 125 (general penalty) is also added vide Notification No 48/2018 CT dated 10.09.2018.

Coming into force of TDS and TCS provisions: Notification No.50/2018-CT dated 13.09.18 seeks to bring section 51 of the CGST Act (provisions related to TDS) into force w.e.f 01.10.2018.

Notification No.51/2018-CT dated 13.09.18 seeks to bring section 52 of the CGST Act (provisions related to TCS) into force w.e.f 01.10.2018

Notification No.52/2018-CT dated 20.09.18 notifies that every electronic commerce operator, not being an agent, shall collect an amount calculated at a rate of half per cent of the net value of intra-State taxable supplies made through it by other suppliers where the consideration with respect to such supplies is to be collected by the said operator.

LEGAL UPDATES

Circular No 65/39/2018 GST dated 14.09.2018 and Circular No 67/41/2018 GST dated 28.09.2018 issues guidelines for deductions and deposits of TDS by DDO under GST:

TDS is to be deducted where the total value of such supply, under a contract, exceeds two lakh and fifty thousand rupees. The amount deducted as tax shall be paid to the Government by the deductor within ten days of the succeeding month along with a return in FORM GSTR-7

GST Practitioner: NACIN has been authorized to conduct an examination for confirmation of enrolment of GST Practitioners. The GSTPs enrolled on the GST Network are required to pass the said examination before 31.12.2018. The examination for such GSTPs shall be conducted on 31.10.2018 from 1100hrs to 1330 hrs at designated examination centres across India. It will be a Computer Based Exam.

The registration for this exam can be done by the eligible GSTPs on a registration portal, link of which (<https://nacin.onlineregistrationform.org/>) will also be provided on NACIN and CBIC websites. The registration portal will be activated on 25th September, 2018 and will remain open up to 10th Oct 2018.

For convenience of candidates, a help desk will also be set up, details of which will be made available on the registration portal. The applicants are required to make online payment of examination fee of Rs. 500/- at the time of registration for this exam

LEGAL UPDATES

E-WAY BILL PROVISIONS

Documents to be carried by the person in charge of the conveyance: Rule 138A(1) has been amended vide Notification No 39/2018 CT dated 04.09.2018 to state that **in case of imported goods, the person in charge of a conveyance shall also carry a copy of the bill of entry** filed by the importer of such goods and shall indicate the number and date of the bill of entry in Part A of FORM GST EWB-01.

E way bill in the case of storing of goods in transporter's godown: Circular No 61/2018 GST dated 04.09.2018 clarifies that **in case the consignee/ recipient taxpayer stores his goods in the godown of the transporter, then the transporter's godown has to be declared as an additional place of business by the recipient taxpayer.** In such case, the transportation under the e-way bill shall be deemed to be concluded once the goods have reached the transporter's godown (recipient taxpayer' additional place of business). Hence, e-way bill validity in such cases will not be required to be extended. Whenever the goods are transported from the transporters' godown , which has been declared as the additional place of business of the recipient taxpayer, to any other premises of the recipient taxpayer then, the relevant provisions of the e way bill rules shall apply.

Interception of conveyance – modification in procedure: Circular No 64/38/2018 GST dated 14.09.2018 clarifies that in case a consignment of goods is accompanied with an invoice or any other specified document and also an e-way bill, proceedings under section 129 of the CGST Act may not be initiated, inter alia, in the following situations:

LEGAL UPDATES

- a) Spelling mistakes in the name of the consignor or the consignee but the GSTIN, wherever applicable, is correct;
- b) Error in the pin-code but the address of the consignor and the consignee mentioned is correct, subject to the condition that the error in the PIN code should not have the effect of increasing the validity period of the e-way bill;
- c) Error in the address of the consignee to the extent that the locality and other details of the consignee are correct;
- d) Error in one or two digits of the document number mentioned in the e-way bill;
- e) Error in 4 or 6 digit level of HSN where the first 2 digits of HSN are correct and the rate of tax mentioned is correct;
- f) Error in one or two digits/characters of the vehicle number.

In case of the above situations, penalty to the tune of Rs. 500/- each under section 125 of the CGST Act and the respective State GST Act should be imposed (Rs.1000/- under the IGST Act) in FORM GST DRC07 for every consignment.

NEW GST FORMS

New form GST ITC-04 is substituted vide Notification No 39/2018 CT dated 04.09.2018 with more columns which provides for capturing the following information

- Details of inputs/ capital goods received back from job worker to whom such goods were sent for job work
- Details of inputs / capital goods received back from job worker other than the job worker to whom such goods were originally sent for job work;
- Details of inputs/ Capital goods sent to job worker and subsequently supplied from premises of job worker;

LEGAL UPDATES

b) Format of Annual Return -Forms GSTR-9 (Normal Taxpayers) and GSTR-9A (for composition taxpayers) introduced vide Notification No 39/2018 CT dated 04.09.2018.

- The GSTR 9 has 6 parts and GSTR 9A has 5 parts.
- The details for the period between July 2017 to March 2018 are to be provided in this return.

c) Form GSTR 9C notified vide Notification No 49/2018 CT dated 13.09.2018

- GSTR-9C is a reconciliation statement to be submitted by every registered person whose turnover exceeds Rs.2 Crores.
- To be filed along with a copy of the audited annual accounts.

CLARIFICATION ON LAW AND RATES

Scope of Principal-Agent relationship: Circular No. 57/31/2018-GST dated 04.09.2018 clarifies the scope of Principal Agent relationship. The supply of services between the principal and the agent and vice versa is outside the ambit of the said entry (Schedule I), and would therefore require "consideration" to consider it as supply and thus, be liable to GST. In so far as supply or receipt of goods on behalf of the principal, **the key ingredient for determining relationship under GST would be whether the invoice for the further supply of goods on behalf of the principal is being issued by the agent or not.** Where the invoice for further supply is being issued by the agent in his name then, any provision of goods from the principal to the agent would fall within the fold of the said entry. (Schedule I) However, in cases where the invoice is issued by the agent to the customer in the name of the principal, such agent shall not fall within the ambit of Schedule I of the CGST Act. Similarly, where the goods being procured by the agent on behalf of the principal are invoiced in the name of the agent then further provision of the said goods by the agent to the principal would be covered by the said entry.

LEGAL UPDATES

Levy of GST on Priority Sector Lending Certificates (PSLC): Circular No 62/36/2018 dated 12.09.2018 clarified that GST on PSLCs for the period 1.7.2017 to 27.05.2018 will be paid by the seller bank on forward charge basis and GST rate of 12% will be applicable on the supply

GST on residential programmes or camps meant for advancement of religion, spirituality or yoga by religious or charitable trusts: Circular No 66/40/2018 dated 26.09.2018 clarifies that the services provided by Trusts and Societies registered under Section 12AA of the Income Tax Act, 1961 by way of advancement of religion, spirituality or yoga are exempt. Fee or consideration charged in any other form from the participants for participating in a religious, Yoga or meditation programme or camp meant for advancement of religion, spirituality or yoga shall be exempt. Residential programmes or camps where the fee charged includes cost of lodging and boarding shall also be exempt as long as the primary and predominant activity, objective and purpose of such residential programmes or camps is advancement of religion, spirituality or yoga. However, if charitable or religious trusts merely or primarily provide accommodation or serve food and drinks against consideration in any form including donation, such activities will be taxable. Similarly, activities such as holding of fitness camps or classes such as those in aerobics, dance, music etc. will be taxable.

Explanation to exemption Notification No 12/2017 CT(R): Notification No.52/2018-CT dated 20.09.18 inserted an explanation in entry 41 of Notification No 12/2017CT(Rate) dated 28.06.2017 to clarify that for the purpose of this exemption, the Central Government, State Government or Union territory shall have 50 per cent. or more ownership in the entity directly or through an entity which is wholly owned by the Central Government, State Government or Union territory

LEGAL UPDATES

RETURNS

Waiver of late fee for certain classes of taxpayers: Notification No 41/2018 CT dated 04.09.2018 was issued to waive the late fee for the following types of taxpayers:

- a) the registered persons whose return in FORM GSTR-3B for the month of October, 2017, was submitted but not filed on the common portal, after generation of the application reference number;
- b) the registered persons who have filed the return in FORM GSTR-4 for the period October to December, 2017 by the due date but late fee was erroneously levied on the common portal;
- c) the Input Service Distributors who have paid the late fee for filing or submission of the return in FORM GSTR-6 for any tax period between the 1st day of January, 2018 and the 23rd day of January, 2018

Submission of TRAN 1 by certain class of taxpayers: CGST Rule 117 has been amended vide Notification No 48/2018 CT dated 10.09.2018 whereby sub-clause (1A) has been inserted **empowering the Commissioner who, on the recommendations of the GST Council, may extend the date for filing the TRANS 1 by a further period not beyond 31.03.2019** in respect of those registered persons who could not submit the declaration by the due date on account of technical glitches on the portal and in respect of whom the Council has made a recommendation.

Revised due dates for various returns are detailed in Annexure I.

CASE LAW UPDATES

In the case of **M/s Jurushu N Bhattacharya vs NP Foods before the National Anti-Profiteering Authority**, reported in 2018-TIOL-08-NPA-GST, the applicant alleged that the Respondent has not passed on the benefit of reduction in the rate of GST in restaurant service when he had purchased 6 "Hara Bhara Kabab Sub". It is further alleged that the respondent has increased the base price of the product from Rs.130/- to Rs.145/- when the GST had been reduced from 18% to 5%.

The National Anti-Profiteering Authority observed that - Tax rate on restaurant service was reduced from 18% (with ITC) to 5% (without ITC) by notification 46/2017-CTR w.e.f 15.11.2017 - **No profiteering was made on sale of 'Hara Bhara Kabab Sub' as respondent had increased the base price to neutralize the denial of ITC** - respondent had increased the base price to make good the loss which had occurred due to denial of ITC post GST rate reduction - such increase is commensurate with the increase in the cost of the product on account of denial of ITC - Allegation of not passing on the benefit of rate reduction is not established against the respondent - Application dismissed.

In the case of **M/s Godrej and Boyce Manufacturing Company Ltd vs State of UP and 2 others**, reported in 2018-TIOL-127-HC-ALL-GST – seizure orders and notices were issued under sections 129 (1) and (3), respectively, by various authorities, mainly on the ground that E-Way Bill-01 under U.P. GST Act 2017 read with IGST Act, 2017 and Rules framed thereunder did not accompany the goods when they were intercepted. The High Court of Allahabad held that **seeking adherence to compliance of provisions which already stood substituted by new provisions and earlier ones had become otiose is an unauthorized act** - Notification dated 31.01.2018 whereby Rule

CASE LAW UPDATES

138 was completely changed by substitution and made effective from 01.02.2018, it appears, escaped attention of authorities concerned, though it is this provision which had to be complied by petitioners - orders, therefore, passed by authorities concerned are clearly erroneous due to mistake of relevant provisions, hence apparently it is difficult to sustain the same - petitions allowed by setting aside the seizure orders, show cause notices and final orders impugned in the said petitions.

In the case of **Shri. Sukhbir Rohilla along with 108 other applicants vs M/s Pyramid Infratech Pvt Ltd before the National Anti-Profiteering Authority Ltd**, reported in 2018-TIOL-06-NAPA-GST, the Authority held that under Rule 133 (3) (a) of the CGST Rules, 2017 the **Respondent shall reduce the price to be realized from the buyers of the flats commensurate with the benefit of ITC received by him**. Since the present investigation is only up to 28.02.2018, any benefit of ITC which shall accrue subsequently shall also be passed on to the buyers by the Respondent. He shall not only pass on the benefit as has been mentioned above to the 109 Applicants who are before us but to all the 2476 buyers as they are identifiable. Respondent is further directed to refund or reduce the amount, to the extent calculated to each and every buyer at the time of collecting the last installment along with the interest @ 18% per annum to be calculated from the date of the receipt of the excess amount from each buyer, within a period of 3 months from the date of receipt of this order. Accordingly, it was directed that a Show Cause Notice be issued to respondent directing him to explain **why the penalty prescribed under Section 122 of the above Act read with rule 133 (3) (d) of the CGST Rules, 2017 should not be imposed on him**.

CASE LAW UPDATES

In the case of **M/s Filco Trade Centre Pvt Ltd vs UOI** reported in 2018-TIOL-120-HC-AHM-GST, the High Court of Gujarat held that **clause (iv) of Section 140(3) of the CGST Act** (which mandates that the invoices against which transitional credit is availed should not have been issued earlier than twelve months before the appointed day), **is unconstitutional** - no just, reasonable or plausible reason is shown for making such retrospective provision taking away the vested rights - **Bombay High Court decision in JCB India Ltd. - 2018-TIOL-23-HC-MUM-GST disagreed - at the request of counsel for the Revenue this judgement stayed upto 31.10.2018.**

APPELLATE AAR RULINGS

In the appeal filed by **M/s Giriraj Renewables Pvt Ltd** before the Karnataka Appellate Authority for Advance Ruling against Advance Ruling No KAR ADRG 01/2018 dated 21.03.2018, the Appellate authority modified the original ruling vide order No KAR/AAAR/02/2018-19 dated 05.09.2018, as under:

a) The **supply of the PV module which is the major component of the Solar Power Plant is not naturally bundled with the supply of the remaining components & parts** of the Solar Power Plant and the supply of the services of Erection, Installation and Commissioning of the Solar Power Plant.

b) The **supply of PV module is a distinct transaction from the supplies in contract in question as it is the owner whose responsibility it is to procure and supply the PV module.** This PV module is to be supplied as free issue material over and above the plant being supplied by the contractor. The owner is responsible for transportation of the PV module from the point of origin till plant site and he bears the other risks and rewards of ownership. The PV module which is procured by the Project owner on High Sea Sale basis and imported by availing Customs duty exemptions and later supplied to the Appellant as a free issue for use in the setting up of the Solar Power Plant.

c) The **supply of the remaining portion of the contract** in question by the Appellant which involves the supply of the balance components and parts of the Solar Power Plant and the supply of services of Erection, Installation and Commissioning of the Solar Power Plant **is viewed as a 'composite supply'** as the supply of goods and services are naturally bundled.

d) The tax liability on this portion of the contract in question (other than PV module) which is termed as a 'composite supply' will be determined in terms of Section 8 of the CGST Act, 2017 wherein the rate applicable to the dominant nature of the supply will prevail.

APPELLATE AAR RULINGS

In the appeal filed by **M/s Tathagat Heart Care Centre LLP** before the Karnataka Appellate Authority for Advance Ruling against Advance Ruling No KAR ADRG 04/2018 dated 21.03.2018, the Appellate authority upheld the original ruling vide order No KAR/AAAR/01/2018-19 dated 05.09.2018, and **held that GST at 18% is leviable on the rent paid / payable for the premises taken on lease by the Applicant** for running the hospital.

ZONAL UPDATES

Important Trade Notices Issued:

Trade Notice No 25/2018 dated 10.09.2018 was issued making it mandatory for all registered suppliers of goods or services or both to mention the GSTIN or UIN details of the registered recipient on every tax invoice raised by them.

Outreach and Capacity Building:

Various programmes have been conducted in the Zone in order assist taxpayers as well as to train officers on various matters. A few important events were the Gender Sensitization Programme conducted by Bangalore South Commissionerate, the Sectoral Meeting with the Hospitality Sector conducted by the Principal CCO, as well as the Swachhta Street Play organized by Bangalore South.

OUTREACH & CAPACITY BUILDING



Pr. Chief Commissioner speaks at a GST Workshop organized by Bangalore Chamber of Industry and Commerce (Above)

AEO Programme conducted by Bengaluru Customs in association with FKCCI (Below)



OUTREACH & CAPACITY BUILDING



**`Gender Sensitization Awareness Programme conducted by
Bangalore South Commissionerate for officers at Bangalore**



OUTREACH & CAPACITY BUILDING



Secotoral meeting held at Bangalore for the Hospitality Sector on 26th September, 2018

Session on GST Basics - conducted under the aegis of FIEO, Bangalore



OUTREACH & CAPACITY BUILDING



Swacha Hi Seva - Street Play organised by Bangalore South Commissionerate at Minsk Square, Bangalore on 26.09.2018 focused on the importance of cleanliness and the difficulties faced by Pourakarmiks on a daily basis



OUTREACH & CAPACITY BUILDING



Workshop on Waste Management organized by Bangalore South Commissionerate on 30.9.2018 at Madiwala Staff Quarters, inaugurated by Shri Jaideep Nair, ADG, TPS, Bengaluru.

Shri Kiran P Kulkarni, expert on Bio-remediation lectured the gathering .



APPENDIX I

Sl. No.	Return	Category of taxpayers	Period of return	Extended due date	Notification No.
1	ITC-04	Taxpayers who dispatch goods to a job worker	July 2017 to June 2018	30.09.2018	40/2018 CT dated 4.9.2018
2	ITC-01	Registered persons who have withdrawn from composition scheme between 2.3.2018 to 31.3.2018		30 days from 04.09.2018	42/2018 CT dated 04.09.2018
3	TRAN-1	Registered persons who could not submit TRANS-1 by the due date on account of technical glitches on the portal and in respect of whom Council had made a recommendation	-	31.01.2019	Order No 04/2018 GST dated 17.09.2018
4	TRAN-2	Registered person who filed the TRANS-1 in terms of the above recommendation	July 17 to Dec 17	30.04.2019	48/2018 CT dated 10.09.2018
5	GSTR-1	Taxpayers whose turnover is less than 1.5 Cr and who opted to file quarterly returns	July 17 to Sept 17	31.10.2018	43/2018 CT dated 10.09.2018
			Oct 17 to Dec 17	31.10.2018	
			Jan 18 to March 18	31.10.2018	
			April 18 to June 18	31.10.2018	
			July 18 to Sept 18	31.10.2018	
			Oct 18 to Dec 18	31.01.2019	
Jan 19 to March 19	30.04.2019				
6	GSTR-1	Following taxpayers whose turnover is less than 1.5 Cr: (i) Registered persons in the State of Kerala; (ii) Registered persons whose principal place of business is in Kodagu district in the State of Karnataka; and (iii) Registered persons whose principal place of business is in Mahe in the Union territory of Puduchery	July 18 to Sept 18	15.11.2018	43/2018 CT dated 10.09.2018
7	GSTR-1	Taxpayers whose turnover is less than 1.5 Cr and who have obtained GSTIN in terms of notification No. 31/2018 (special procedure for completion of migration)	July 17 to Sept 18	31.12.2018	43/2018 CT dated 10.09.2018
8	GSTR-1	Taxpayers whose turnover is more than 1.5 Cr	July 17 to Sept 18	31.10.2018	44/2018 CT dated 10.09.2018
9	GSTR-1	Taxpayers whose turnover is more than 1.5 Cr	Oct 18 to March 19	11 th day of the succeeding month	44/2018 CT dated 10.09.2018
10	GSTR-1	Taxpayers whose turnover is more than 1.5 Cr and who have obtained GSTIN in terms of notification No. 31/2018 (special procedure for completion of migration)	July 17 to Nov 2018	31.12.2018	44/2018 CT dated 10.09.2018
11	GSTR-3B	Taxpayers who have obtained GSTIN in terms of notification No. 31/2018 (special procedure for completion of migration)	July 17 to Nov 18	31.12.2018	45/2018 CT, 46/2018 CT and 47/2018 CT all dated 10.09.2018

OCTOBER 2018

DISCLAIMER

This Newsletter is for information purposes only. For any legal/quasi-judicial matters, kindly refer to the official Notifications/Circulars/Rulings/Judgements which are available at cbic.gov.in and cbec-gst.gov.in.