

THE MONTHLY MAGAZINE FROM CASC

GST UPDATES



GROWTH



RECENT JUDGMENTS



**INDIAN
ECONOMY
ROUND UP**



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CASC BULLETIN

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14.12.2023 (Thursday)	How to Respond to GST Notices	CA. Sheikh Abdul Samad
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29.12.2023 (Friday)	CASC 45th Annual Day Celebrations	Speaker, Venue and Other Details will be circulated separately. Meeting followed by Dinner

The meetings will be held at CASC at 6.30 p.m. and will be preceded by fellowship over High Tea at 6.00 p.m.

**CASC Annual Members are requested to renew their
subscription for 2023 - 2024**

EDITORIAL

“All Compromise is based on give and take. But there can be no give and take on fundamentals. Any compromise on mere fundamentals is a surrender. For it is all give and no take.”

– Mahatma Gandhi Ji.

Dear Professional Colleagues,

GloPAC

Global Professional Accountants Convention (GloPAC), on the theme- “Connecting the Globe, Creating Value” was held on November 24-26, 2023 at Mahatma Mandir Convention Centre, Gandhinagar, Gujarat. It was more than just a conventional gathering of accounting and finance professionals. It was a mega event which showcased the accountancy profession which has been playing a pivotal role in building stronger and more stable economies around the globe. GloPAC was an apt platform to create a powerful ecosystem for accounting professionals, facilitate commerce and share valued insights

on the issues and challenges concerning the profession. Our Country is striving very fast to become a largest global hub for accounting talent and knowledge and is among the hotspots for Finance and Accounting Processes outsourcing. Hope that GloPAC has created abundant opportunities to network with the best Finance & Accounting talents in India.

CA INDIA Logo

The Institute of Chartered Accountants of India has unveiled a new logo for Chartered Accountants in the GloPAC. The symbol signifies the accounting profession’s dedication as a nation-building partner. The primary color of the new logo is blue, which has been culled from the ICAI logo. Blue is a color that is associated with divinity, immortality, bravery, and determination. The new logo can be adapted for use on all platforms, digital and analog, which is essential

for a modern brand. The new logo of CA India reflects the brand's connection to India while retaining its existing identity. This design is aesthetically pleasing making it a strong representation of the Institute's values and commitment to serving the people of India. There is very clear guidelines issued by ICAI for the usage of it too. Members are requested not to change the design and the colour. Refrain from rotating or tilting the logo clockwise and anti-clockwise. The logo should not be shrunk or distorted changing the original proportion. The transition phase is allowed for 1 year within which the old stocks can be used.

Discard IT Return

The Income Tax Department has launched a new feature called 'Discard Return'. This new feature allows an individual to completely discard, i.e., delete their previously filed unverified income tax return (ITR). This means that the ITR that was previously submitted by an

individual but not verified can now be deleted from the income tax department's records. This facility can avoid the process of filing Revised ITR. There are twin conditions for discarding. The original ITR filed must not be verified using any online or offline ITR verification methods. The original ITR must be for FY 2022-23 onwards. This means that any ITR filed on or from 1.04.2023 can be discarded from the income tax records. But before using this functionality one must be much aware of the consequences. Once an ITR is discarded and another fresh ITR is filed it is considered as a new ITR and not a mere replacement for the previously filed ITR. The Supreme Court in the case of *Poran Mal v. Director of Inspection* (1974) 93 ITR 505/1974 CTR 25 (SC) held that as per Section 132 of the Income Tax, Evidence found in illegal search, can be used against the person from whose custody it was seized. So one must be aware and ready to face the consequences if any before Discarding the Return.

Use Only UIDAI

Bengal now has a law that mandates biometric collection as part of the process of recording marriages. Submission of biometrics is mandatory for both the couple and accompanying witnesses. Governments may have good reasons to increase the stringency level to establish identity. Bengal's aim to prevent trafficking is an example. But this can be done without collecting biometrics at all levels. Aadhaar is based on biometrics. If the biometric collection is carried out at different levels, it undermines the safety of the entire database because safety protocols vary breaching of one database will compromise all of them with the same data. In the case of Bengal, officials have said that the data is encrypted to ensure safety. It's a good practice but global experience shows that encryption raises the level of difficulty for hackers but doesn't eliminate it. No database is entirely safe and securing it is a constant challenge for legitimate custodians of data. Therefore, in the interest of safety, collection of biometrics should be limited to UIDAI as it reduced potential targets.

Vulnerability warning for Google Chrome

Cybersecurity body CERT-In issues high severity vulnerability warning for Google Chrome. CERT-In works under the Union ministry of electronics and information technology is responsible to secure Indian cyber space. The body works around the security quality management services in the form of cyber security audits, promotion of best practices and cyber security exercises/drills. In a latest vulnerability note issued this week, the Indian Computer Emergency Response Team (CERT-In) said a remote attacker could exploit certain vulnerabilities by sending a specially crafted request on the targeted system, and advised users to "apply appropriate updates as mentioned by the vendor". CERT-In also lists and updates users with vulnerability notes and advisories. The latest list was that "Multiple vulnerabilities have been reported in Google Chrome which could allow a remote attacker to execute arbitrary code and cause denial of Services (DoS) condition on the targeted system."

GST Council can't determine Classification of Goods

In a recent Ruling with a single judge bench held that flavoured milk would attract GST at the rate of 5 per cent. The GST Council, in its meeting on December 22, 2018, classified 'flavoured milk' under the HSN Code 2202. Accordingly, it attracted GST at the rate of 12%. Now the question is whether it is a 'beverage containing milk' with HSN Code 2202, @ 12% GST rate or 'Milk and Cream' with HSN code 0402, @ GST rate 5%. While giving relief to Parle Agro on taxability of flavoured milk, the Madras High Court has held that GST Council cannot determine the classification. Determination of classification does not fall within the preserve of the respondent GST Council. Classification ought to have been independently determined by the Assessing Officer. "It is for the Government to fix an appropriate rate on goods that are classifiable under the Customs Tariff Act, 1975. While reference was drawn to the very famous case of "Mohit Minerals", it is true that classifications adopted under the erstwhile indirect tax regime,

namely excise, are not relevant for determining correct classification under the new GST regime.

Appeal

We, at Chartered Accountants Study Circle, request members to contribute articles for the bulletin and you may contact the editorial board regarding the same. We have been regularly conducting technical programmes every month. Members are requested to attend the programmes conducted by CASC and are also requested to send their suggestions and / or value additions to the services provided by CASC including this Bulletin. The same can be sent as hard copy to the office of the CASC or emailed to admin@casconline.org or any of the members of the Management Committee of the CASC. Any member interested in using the CASC platform for addressing our members on technical topics may kindly feel free to contact us by way of email at admin@casconline.org.

For and behalf of Editorial Board

Bhuvaneshwari.R.V.

CA. BHUVANESWARI.R.V.

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ANNOUNCEMENTS

1. The copies of the material used by the speakers and provided to CASc for distribution, for the regular meetings held twice in a month is available on the website and is freely downloadable.
2. Earlier issues of the bulletin are also available on the website in the "News" column.

The soft copy of this bulletin will be hosted on the website shortly.

READER'S ATTENTION

You may please send your Feedback / Contributions / Queries on Direct Taxes, Indirect Taxes, Company Law, FEMA, Accounting and Auditing Standards, Allied Laws or any other subject of professional interest to admin@casconline.org

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RECENT JUDGEMENTS IN VAT/CST/GST

Limitation: The petitioner submitted that in terms of Section 22(2) of the TNVAT Act, the assessee shall be deemed to have been assessed on 31.10.2012 for the assessment year 2011-12, if no assessment is made prior thereto. A show cause notice dated 14.09.2015 was issued proposing to revise the assessment on the premise that they have not disclosed certain transactions of sales and, after objections filed by the petitioner, order dated 25.01.2016 was passed which was the subject matter of an appeal resulting in an appellate order in AP.No.43 of 2016 dated 07.04.2017. A second notice dated 01.03.2021 came to be issued proposing to reassess certain turnovers. It is submitted by petitioner that if one takes into account Section 22(2) of the TNVAT Act and the deeming contained therein, assessment ought to be deemed to have been made on



CA. V.V. SAMPATHKUMAR

30.10.2012. Thus, the limitation under Section 27 of the TNVAT Act of 6 years to reassess would expire on 30.10.2018. The respondent submitted that the petitioner having stated in its objection that the limitation would expire only on 24.01.2021, in other words, when the petitioner itself had reckoned the limitation from the date of the order of assessment on 25.01.2016, it shall not be open to the petitioner now to contend that the limitation would have to be reckoned from the date of the deemed assessment and a statute limiting the jurisdiction of a court may contain provisions enabling the parties to

extend the jurisdiction by consent. The court held that the submission of the learned counsel for the respondent that by participating in the assessment proceeding, the petitioner must be understood to have waived his right to question the impugned proceeding which is otherwise barred by limitation, is unsustainable. Since, limitation relates to jurisdiction which cannot be conferred by consent, waiver or acquiescence. The impugned order being barred by limitation is thus a nullity. *M/s. Jayam Refineries, vs. The Assistant Commissioner [ST][FAC], Park Road Circle, Erode, W.P. No.14787 of 2021 DATED: 15.09.2023*

Limitation: It is submitted that assessment for the assessment year 2011-12 must be deemed to have been made on 31.10.2012 and thus the limitation of 6 years would expire on 31.10.2018. A notice proposing reassessment was issued only on

24.01.2020, thus the impugned order passed pursuant thereto is barred by limitation. The Court set aside the impugned orders and referred the judgment of the Hon'ble SC in the case of *CIT v. Alagendran Finance Ltd., (2007) 7 SCC 215* reported in 2007 SCC online SC 944 at page 224, wherein it was held as under: "The revisional jurisdiction having, thus, been invoked by the Commissioner of Income Tax beyond the period of limitation, it was wholly without jurisdiction rendering the entire proceeding a nullity". *M/s. Chandra Metals and M/s. Chandra Stores, Vs. The State Tax Officer, Porur Assessment Circle, Chennai. W.P. Nos.1703 and 1705 of 2021 DATED: 14.09.2023*

Mismatch: The input tax credit disallowed in view of the mismatch, purchase suppression and availment of Input Tax Credit on purchases from

registration cancelled dealers. This Court in the case of JKM Graphics Solutions limited vs. Commercial Tax Officer, Vepery Assessment Circle reported in 99 VST 343 had observed that the revenue must devise a mechanism to deal with the issue of mismatch and the other disputes involving input tax credit. Pursuant to the above order of this Court, the Commissioner of Commercial Tax had issued Circular No.5 of 2021 wherein detailed mechanism was devised to resolve disputes involving wrongful claim of input tax credit. The learned counsel for the respondent would also fairly submit that in view of the decision of this Court in JKM Graphics Solutions limited vs. Commercial Tax Officer, Vepery Assessment Circle and the consequential circular there is need to redo the assessment. In these circumstances, the impugned orders were set aside by the Court and the

matters are remanded back to the respondent to redo the assessment. **M/s.Farwood Industries Limited, Vs. Assistant Commissioner (CT) Sholinganallur Assessment Circle, W.P. Nos.8369 and 8371 of 2021 DATED: 14.09.2023**

Jurisdiction: The term “jurisdiction” is a term of art; it is an expression used in a variety of senses and draws colour from its context. Therefore, to confine the term “jurisdiction” to its conventional and narrow meaning would be contrary to the well-settled interpretation of the term. The expression “jurisdiction”, as stated in Halsbury’s Laws of England, 4th Edn., Vol. 10, Para 715, is as follows: “715. Meaning of ‘jurisdiction’. – By ‘jurisdiction’ is meant the authority which a court has to decide matters that are litigated before it or to take cognisance of matters presented in a formal way for its decision. The limits

of this authority are imposed by the statute, charter or commission under which the court is constituted, and may be extended or restricted by similar means. If no restriction or limit is imposed the jurisdiction is said to be unlimited. A limitation may be either as to the kind and nature of the claims and matters of which the particular court has cognisance, or as to the area over which the jurisdiction extends, or it may partake of both these characteristics.”. *M/s.Ply World v. The Assistant Commissioner (ST), R.S.Puram Assessment Circle, Coimbatore. W.P. Nos.23241 and 23296 of 2021 DATED: 08.09.2023*

GST TRAN-1: Writ Petition filed praying to issue a Writ of Mandamus directing the Respondents to open the GST portal or to accept the manual filing of Rectification in amendment in GST Tran-1 to enable the petitioner to place their registered customers in the correct category, which the petitioner

wrongly placed them in the “unregistered category” due to clerical mistake and could not rectify due to not having any provision of amendment in Tran-1 on the portal in a time bound manner. Respondents submitted that an order has been passed on the representation made by the petitioner on 03.10.2020 which was responded to vide communication/proceeding dated 04.10.2020 wherein it was informed that the petitioner shall not be allowed to rectify the error or omission in the details furnished in GSTR-I after furnishing all the returns. Petitioner sought liberty to challenge the proceedings dated 04.10.2020 or to file a representation. Writ petition disposed of with liberty to the petitioner to either challenge the impugned proceeding in the manner known to law or to file a representation. *M/s.Raasi Builders Vs.1.Principal Chief Commissioner of GST & CE, Chennai-34. 2.Superintendent of*

GST, RANGE IV, Kodambakkam, Chennai.3. Goods and Service Tax Network, New Delhi -37. W.P. No.18688 of 2020 DATED: 07.09.2023

Escapement of tax: The impugned notice containing proposal to recover differential rate of tax in view of the fact that the assessing officer is of the opinion that the C form are not genuine can be a consequence of reassessment which would be governed by Rule 5 (10) of CST Puducherry Rules, and not Section 59, which provides that any turnover that had escaped assessment or has been assessed at a rate lower than the rate at which it is assessable, the assessing authority may within a period of 5 years from the expiry of the year to which the tax relates reassess the tax due. The impugned notice issued eight years after the expiry of relevant assessment year is barred by limitation and thus a nullity. **M/s.Rishab Intermediates Private Ltd., Vs. The Commercial Tax**

Officer, IAC/GD-III, Puducherry W.P. No.5066 of 2021 DATED: 07.09.2023

Principle laid down by SC: When law mandates a particular thing to be done in a particular manner, then it has to be done in that manner. This is accepted position of law. This principle was laid down by the Privy Council in Nazir Ahmad Vs. King Emperor, AIR 1936 PC 253 (II). The said principle has followed by the Hon'ble Supreme Court in several cases. Hon'ble Supreme Court in State of U.P. Vs. Singhara Singh, AIR 1964 SC 358 and a recent decision of the Hon'ble Supreme Court in Union of India &Ors. Vs. Mahendra Singh in Civil Appeal No.4807 of 2022, wherein also the above view was followed. **Tvl.R. Rama Rao, Vs. The Assistant Commissioner (ST), Koyambedu Assessment Circle, Chennai - 600 123 W.P.No.17469 of 2022 dated 19.09.2023**

Detention and issuance of notice: The impugned notice ought to have been issued to the petitioner within seven days on the date of detention/seizure of goods/conveyance as is contemplated under Section 129(3) of the TNGST Act, 2017. Section 129(3) of the TNGST Act, 2017 has not used the expression “within seven days from the date of detention or seizure”. The language in Section 129(3) of the TNGST Act, 2017 is clear. Notice specifying payment of penalty has to be issued within seven days of detention or seizure of goods. Issuance of notice within seven days has to be calculated from the date on which seizure was to be effected and not from the following date. Thus, the last date for issuance of the impugned notice would have expired on 06.09.2023. However, the impugned notice has been dispatched through e-mail only on the following date i.e., on 07.09.2023 after the expiry of

limitation. Therefore, on this ground alone, the Court concluded that the impugned notice has to go. Consequently, the impugned notice stands quashed with a direction to the respondent to release the goods/conveyances of the petitioner, if they have not been released so far. However, liberty is given to the respondent to impose penalty under any other provisions of the Act, after complying with the same **Tvl.V.V. Iron and Steels, Vs The State Tax Officer, RS-VII, Intelligence-II, Chennai-6. W.P.No.27140 of 2023 DATED: 14.09.2023**

Rectification: It is an admitted position that pursuant to the impugned order passed on 28.07.2023, the petitioner had filed applications under Section 161 of the TNGST Act, 2017, which are pending consideration by the respondent. Considering the above, these Writ Petitions are

disposed at the time of admission by directing the respondent to dispose the petitioner applications filed under Section 161 of the TNGST Act all dated 12.08.2023, as expeditiously as possible, preferably, within a period of three months from the date of receipt of a copy of this order. Pending such exercise, the recovery proceedings shall be kept in abeyance. Consequently, the impugned recovery notices dated 31.07.2023 shall stand quashed. *M/s.Vaishnavi Metals, Vs. The Assistant Commissioner (ST), Egmore Assessment Circle, Chennai h600 031 W.P.Nos.26345, 26357 and 26360 of 2023 DATED: 11.09.2023*

Delay : Although there is a delay in filing the appeal before the Appellate Forum, considering the facts of this matter, this Court was inclined to dispose this writ petition by directing the third respondent to take up the

appeal filed by the petitioner through online on 04.07.2023 and number the same and dispose it on merits and in accordance with law as expeditiously as possible, preferably, within a period of six months from the date of receipt of a copy of this order, subject to the petitioner complying with the mandatory requirements of Section 107 of the TNGST Act, 2017. The Attachment Notice shall stand vacated, subject to the petitioner depositing 10% of the disputed tax from its Electronic Credit Ledger. *M/s.Sakthi Murugan Electrical and Hardware, Vs.1.State Tax Officer, Tindivanam Assessment Circle, 2. Indian Bank, Kilianoor, Villupuram-604 102. 3.Deputy Commissioner (ST), GST Appeals, Vellore - 632 001 W.P.No.26488 of 2023 DATED: 11.09.2023*

(The Author is a Chennai based Chartered Accountant in Practice. He can be reached at vvsampat@yahoo.com)

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CASE LAWS - GST

1. GST - ITC - NON REFLECTION OF SUPPLIER'S INVOICE IN GSTR-2A - DURING FY 2017-18 - REVENUE'S ACTION OF DENYING THE CREDIT ARBITRARY AND DOES NOT CONFIRM WITH CBIC GUIDELINES AND PRESS RELEASE DT.18.10.2018

In *Suncraft Energy Pvt. Ltd. v. Asst. Commr., ST, Ballygunge* Charge 2023 (77) G.S.T.L 55/ (2023) 9 Centax 48 (Cal.), the 4th respondent is a supplier of the appellant who provided supply of goods and services to the appellant who had made payment of tax to the fourth respondent at the time of effecting such purchase along with the value of supply of goods/services. However, in



CA. VIJAY ANAND

some of the invoices of the said supplier was not reflected in the GSTR 2A of the appellant for the Financial Year 2017-18. The first respondent issued notices for recovery of the input tax credit availed by the appellant and the grievance of the appellant is that without conducting any enquiry on the supplier namely, the fourth respondent (who is the actual supplier) and without effecting any recovery from the fourth respondent, the department was not justified in proceeding against the appellant.

It is seen that a scrutiny of the return submitted by the appellant was made under section 61 of the Act for the Financial Year 2017-18 which was followed by a notice dated 03.08.2022 stating that certain discrepancies were noticed. The appellant had submitted their reply dated 24.08.2022. Thereafter the appellant was served with the show-cause notice dated 06.12.2022 proposing a demand as to the excess ITC claimed by the appellant for the Financial Year 2017-18 on the basis of the difference of the amount of ITC in Form GSTR-2A and Form GSTR-3B with respect to the purchase transaction made by the appellant with the fourth respondent. The appellant filed detailed replies on 06.01.2023 and 11.01.2023, denying the allegations made in the showcause notice and among other things submitted that the appellant had made payment of

tax to the fourth respondent arising from the transaction and thereafter availed ITC on the said purchase.

The show-cause notice was adjudicated and by order dated 20.02.2023 a demand for payment of tax of Rs.6,50,511/- along with applicable interest and penalty was confirmed under section 73(10) of the Act. Challenging the said order, the appellant had filed the writ petition. The learned Single Bench by the impugned order disposed of the writ petition by directing the appellant to prefer a statutory appeal before the appellate authority after complying with the requisite formalities and the appellate authority was directed to dispose of the appeal without rejecting the same on the ground of limitation. Aggrieved by such order, the appellant has preferred the present appeal.

The High court observed as under:

1. It is the case of the appellant that they have fulfilled all the conditions as stipulated under sub-section (2) of section 16 and they also paid the tax to the fourth respondent, the supplier and a valid tax invoice has been issued by the fourth respondent for installation and commission services and the appellant had made payment to the fourth respondent within the time stipulated under the provisions of the Act. Thus, grievance of the appellant is that despite having fulfilled all the conditions as has been enumerated under section 16(2) of the Act, the department erred in reversing the credit availed and directing the appellant to deposit the tax which has already been paid to the fourth respondent at the time of availing the goods/services.
2. Reliance was placed by the appellant on the decision of the Hon'ble Supreme Court in Union of India (UOI) v. Bharti Airtel Ltd. [2022] 4 SCC 328/[2021] 131 taxmann.com 319/2021 (54) G.S.T.L 257/[2022] 89 GST 1 as also on the press release dated 18.10.2018 issued by the Central Board of Indirect Tax and Customs and also the press release which clarified that that 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 Act as also the fact that the apprehension that ITC can be availed only on the basis of reconciliation between Form GSTR-2B and Form GSTR-3B

conducted before the due date for filing of the return in Form GSTR-3B for the month of September, 2018 is unfounded and the same exercise can be done thereafter also.

3. In the press release dated 4th May, 2018, it was clarified that there shall not be any automatic reversal of input tax credit from buyer on non-payment of tax by the seller. In case of default in payment of tax by the seller, recovery shall be made from the seller however, reversal of credit from buyer shall also be an option available with the revenue authorities to address exceptional situations like missing dealer, closure of business by supplier or supplier not having adequate assets etc.
4. The effect and purport of Form GSTR-2A was explained by the Hon'ble Supreme Court in Bharti

Airtel Ltd. [2022] 4 SCC 328/[2021] 131 taxmann.com 319/2021 (54) G.S.T.L 257/[2022] 89 GST 1 wherein it was held that Form GSTR-2A is only a facilitator for taking a confirm decision while doing such self-assessment. Non-performance or non-operability of Form GSTR-2A or for that matter, other forms will be of no avail because the dispensation stipulated at the relevant time obliged the registered persons to submit return on the basis of such self-assessment in Form GSTR-3B manually on electronic platform.

5. In *Arise India Ltd. v. Commissioner of Trade and Taxes*, 2022 (60) G.S.T.L 215 (S.C.) [10-01-2018], the question that arose for consideration was as to whether for the default committed by the selling dealer can the purchasing dealer be made to bear the consequences of the denying the ITC and whether

it is the violation of Article 14 of the Constitution. It was held as under:-

- a. Section 9(2)(g) of the DVAT Act should be interpreted as not including a purchasing dealer who has bona fide entered into purchase transaction with validly registered selling dealer who have issued tax invoices in accordance with section 15 of the said Act where there is no mismatch of transactions in Annexures 2A and 2B and unless the expression “dealer or class of dealers” in section 9(2)(g) is read down in the said manner, the entire provision would have to be held to be violative of Article 14 of the Constitution.
 - b. The result of such reading down would be that the department is precluded from invoking section 9(2)(g) of DVAT Act to deny the ITC to the purchasing dealer who had bona fide entered into a purchase transaction with the registered selling dealer who had issued a tax invoice reflecting the TIN number and in the event that the selling dealer has failed to deposit the tax collected by him from the purchasing dealer, the remedy for the department would be to proceed against a defaulting selling dealer to recover such tax and not denying the purchasing dealer the ITC.
 - c. Where, however, the department is able to come across material to show that the purchasing dealer and the selling dealer acted in collusion then the department can proceed under section 40A of the DVAT Act.
 - d. Hence, the default assessment orders of tax interest and penalty were set aside.
6. The decision in *Arise India Ltd.* 2022 (60) G.S.T.L 215 (S.C.) [10-01-2018] was challenged before the

Hon'ble Supreme Court by the Government in Commissioner of Trade and Taxes, Delhi v. Arise India Ltd. and the special leave petition was dismissed by judgment dated 10.01.2018, reported in MANU/SCOR/01183/2018 = 2022 (60) G.S.T.L. 215 (S.C.). Though this decision arose under the provisions of the Delhi Value Added Tax Act, the scheme of availment of Input Tax Credit continues to remain the same even under the GST regime though certain procedural modification and statutory forms have been made mandatory.

7. In the show cause notice dated 06.12.2022, the allegation was that the appellant had submitted that the fourth respondent has not shown the Bill in GSTR 1 and hence the appellant is not eligible to avail the credit of the input tax as per section 16(2) of the WBGST Act, 2017 as the tax charged in

respect of such supply has not been actually paid to the Government. The show cause notice does not allege that the appellant was not in possession of a tax invoice issued by the supplier registered under the Act. There is no denial of the fact that the appellant has received the goods or services or both.

8. The appellant had clearly stated that they are in possession of the tax invoice, they had received the goods and services or both and the payment has been made to the supplier of the goods or services or both. The appellant also referred to the press release dated 18.10.2018.

9. The department had not conducted any enquiry on the fourth respondent supplier more particularly when clarification has been issued where furnishing of outward details in Form GSTR

1 by a corresponding supplier and the RITESH facility to view the same in Form GSTR 2A by the recipient is in the nature of tax payer facilitation and does not impact the ability of the tax payers to avail input tax credit on self-assessment basis in consonance with the provisions of Section 16 of the Act.

10. Furthermore, it was clarified that there shall not be any automatic reversal of input tax credit from buyer on non-payment of tax by seller. Further it was further clarified that in case of default in payment of tax by the seller recovery shall be made from the seller however, reversal of credit from the buyer shall also be an option available with the revenue authorities to address the exceptional situations like missing dealer, closure of business by supplier or supplier not having adequate assets etc.

11. The department without resorting to any action against the supplier who is the selling dealer has ignored the tax invoices produced by the appellant as well as the bank statement to substantiate that they have paid the price for the goods and services rendered as well as the tax payable there on, the action of the first respondent has to be branded as arbitrarily.

12. Therefore, before directing the appellant to reverse the input tax credit and remit the same to the government, the department ought to have taken action against the fourth respondent the selling dealer and unless and until the first respondent is able to bring out the exceptional case where there has been collusion between the appellant and the supplier or where he is missing or has closed down its business or the fourth respondent does not have any

assets and such other contingencies, straight away the department was not justified in directing the appellant to reverse the input tax credit availed by them.

13. Therefore, the demand raised on the appellant dated 20.02.2023 is not sustainable.

Hence, the appeal was allowed and the appropriate authorities were directed to first proceed against the supplier and only under exceptional circumstance as clarified in the press release issued by the Central Board of Indirect Taxes and Customs (CBIC), then and then only proceedings can be initiated against the appellant.

2. GST - REFUND CLAIM ON ITC AVAILED ON GOODS & SERVICES UTILISED FOR EXPORT OF SERVICES - REJECTED & SUBSEQUENTLY ALLOWED BEFORE ADDL. COMM(R/APPEALS) - THERAFTER REFUND WAS

DENIED ON THE GROUND NON DISCLOSURE OF INVOICE DETAILS OF FIRCS - NOT SUSTAINABLE

In Jacobs Solutions India Pvt. Ltd. v. UOI 2023 (77) G.S.T.L 62/ (2023)9 Centax 175 (Bom.), the petitioner is engaged in providing engineering consulting services to its group entities located outside India. During the relevant period, the petitioner exported consulting services to its group entities outside India, without payment of GST thereon and became eligible to claim refund of the ITC availed on the inputs and input services utilized for the export of the said services for which a refund application was filed on 31 December 2021. On 1 February 2022, a show cause notice was issued to the petitioner raising an objection to the petitioner's claim, on the ground of non-disclosure of

invoice details, etc. By an order dated 22 February 2022 passed in Form GST RFD-06, the refund claim as made by the petitioner was rejected, against which an appeal was filed by the petitioner before the appellate authority who allowed the appeal.

Thereafter, another refund claim was filed on 29 November 2022 for the same claim which was also rejected on the ground of non-disclosure of invoice details of FIRC's against which a writ petition was filed before the high court which observed as under :-

1. When the entire fact finding exercise was subjected to the scrutiny in an appeal resulting in the appeal being allowed, then it is difficult to accept revisit the concluded findings of the Additional Commissioner of Appeals. The only remedy for the department was to seek review. If the department was of the opinion that the order passed by the

Additional Commissioner needs to be challenged, the same was required to be assailed in the appropriate proceedings.

2. Thus, it was not open to the Assistant Commissioner to pass the impugned order which amounted to sitting in appeal over the order passed by the Additional Commissioner of Appeals. On this ground, the impugned order is required to be held to be passed in patent lack of jurisdiction, as also on the face of it illegal. The Assistant Commissioner could not have passed the impugned order, of the nature he has passed as he was certainly bound by the orders passed by the Additional Commissioner (Appeals), and in the absence of any stay to the orders passed by the Additional Commissioner (Appeals), grants benefit of the orders of the Additional Commissioner (Appeals) to the petitioner.

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3. In the present case, at the time when the impugned orders were passed, there are no decision of whatsoever to assail the orders passed by the Additional Commissioner of Appeals in exercising the review power under section 112(3) of the CGST Act, 2017.

Hence, the appeal was allowed and the impugned order set aside.

3. GST - REFUND - AMENDMENT IN RULE 89(4) PROSPECTIVE AND NOT RETROSPECTIVE

In TATA Steel Ltd. v. UOI 2023 (77) G.S.T.L 350/(2023)10 Centax 50 (Jhar.), the Petitioner requires coal for manufacturing iron and steel which is procured by way of purchase from other vendors on which applicable Goods and Services Tax and Compensation Cess is charged u/s 8(2) read with the Schedule to

the Goods and Services Tax (Compensation to States) Act, 2017 ("Compensation Cess Act"). The petitioner avails Input Tax Credit ("ITC") of the said compensation cess charged on supply of coal. Since the Petitioner undertakes export of goods under Bond/Letter of Undertaking without payment of tax, it results in accumulation of balance of ITC of Compensation Cess.

During the period in dispute (January to February 2019) goods were cleared for export from the factory against tax invoices. Since the price of the goods could not be determined with certainty at that point of time, therefore, as a uniform practice, for such dispatches, the Petitioner reflected the "cost price" of the goods as the "taxable value" as well as the "invoice value". In its GSTR-1 for the said months, the Petitioner furnished details of

4932 tax invoices under Table 6A of a value of Rs. 6,03,81,13,133/- (2,101 and 2,831 invoices for the months of January and February 2019 respectively). This amount reflected the 'cost price'.

For the purpose of refund, the Petitioner claimed refund on 4927 invoices. Monthly return filed by the Petitioner in GSTR - 3B, also reflects the total zero-rated supplies in column (b) of Table 3.1 of the said return. The details of shipping bills are also required to furnish in Table 6A of GSTR-1. However, as details of shipping bills and corresponding commercial value were not available immediately due to various reasons, therefore GSTR-1, as per instruction No. 8, itself allows details of shipping bills to be updated by amending Table 9 of subsequent GSTR-1 return, the Petitioner updated details of 4932 invoices as per the commercial value in Table 9A of GSTR-1 in the

month of September 2019 when it became aware of the final price of goods (reflected in shipping bill) at the time of actual export. Table 9A contains details of 14516 invoices which includes details of 4932 invoices having commercial value of Rs. 7,75,17,57,704/-.

The Petitioner claimed refund of only 4927 invoices having commercial value of Rs.7,74,44,24,401/-. However, the impugned Circular was issued by CBIC in exercise of powers under section 168 of the CGST Act. Para 18 of the Impugned Circular provided that while processing refund claims, information in Table 9 GSTR-1 of subsequent tax periods should also be taken into account. Petitioner filed its application for refund of unutilized ITC of Compensation Cess in respect of zero-rated supplies made during January and February 2019, claiming

refund of Rs.4,95,64,373/-. Refund was claimed as per the formula prescribed in 89(4). The component "Turnover of zero-rated supply of goods" is defined as the 'value of zero-rated supply of goods ...'. Therefore, the Petitioner reflected the actual value of exports (reflected I GSTR-1 of September 2019).

The case of the petitioner company is that an amount of Rs. 3,32,08,130/- was provisionally refunded to the Petitioner in terms of section 54(6) of the CGST Act read with rule 91(2) of the CGST Rules. Thereafter, a show cause notice was issued to the Petitioner in RFD-08. It was indicated that value of "Turnover of zero rated supply of goods" indicated in the refund application could not be ascertained with certainty. Petitioner replied to the show cause notice in RFD-09.

Thereafter, Impugned Order in Original ("OIO") was passed in RFD-06 denying refund to the tune of Rs. 1,12,49,220/-. Reliance was placed on paragraph 47 of the Impugned Circular to arrive at a figure of Rs. 5,83,86,12,617/- as the "Turnover of zero-rated supply of goods". Para 33 of the Writ Petition contains a table which shows how the figure of Rs. 5,83,86,12,617/- has been arrived at. The OIO itself states that export invoice details were amended. Refund has also been denied on 149 invoices, details of which could not be found on ICEGATE website. This allegation was absent in the notice and neither were any details regarding the same were provided.

Subsequently, Petitioner filed an appeal under section 107 of the CGST Act. Due to file size restrictions, all the annexures to the memo of appeal was

sent *vide* email. This also included the Bank Realization Certificates (“BRC”) which were proof of actual amounts received for the exports. Impugned Order in Appeal (“OIA”) was passed dismissing the appeal filed by the Petitioner. At multiple places in the OIA, it has been stated that paragraph 47 of the Impugned Circular was in the form of directions/instruction.

The further case of the petitioner company is that there was no need to arrive at transaction value, therefore furnishing of BRC would not have made a difference. There is no discussion/finding regarding 149 invoices in respect of which there was no details on ICEGATE and which had been specifically addressed in paragraphs 59 to 63 of the memo of appeal.

Further, *Explanation* inserted in rule 89(4) of the CGST Rules,

2017, *vide* notification no. 14/2022 - Central Tax, which purportedly is on the same lines as paragraph 47 of the Impugned Circular.

On a writ petition the high court observed as under:

1. Explanation inserted by way of amendment in rule 89 (4) of the CGST Rules, 2017, *vide* Notification No. 14/2022-Central Tax dated 05.07.2022 was not in existence at the time of passing of the Order in Appeal dated 11.10.2021. Rule 1(2) of 2022 Amendment Rules, specifically provides that “save as otherwise provided in these rules, they shall come into force on the date of their publication in the Official Gazette”. Except for rules 7, 9, 10, and 19 for which dates with retrospective operation have been provided, no other rules have been given any retrospective effect.

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2. In order to decide the question as to whether the amendment in Rule 89(4) of the CGST Rules, 2017 which has introduced the explanation that came in the year 2022 has a retrospective effect; we will have to see the other parameters also. The 2022 Amendment Rules inserts a new stipulation for comparison between two values. Such an exercise was not contemplated prior to the amendment as what was taken into account was the actual transaction value.
 3. Therefore, by way of the amendment, a substantive change has been brought about in the law and therefore the amendment ought to operate prospectively. Further, mere use of the term “explanation” will not be indicative of the fact that the amendment is clarificatory/ declaratory. While Paragraph 47 contemplates comparison of the value of export in the tax invoice and in the shipping bill, *i.e.*, the export document (which can either be FOB or CIF value), the explanation requires comparison of the value in tax invoice with only the FOB value.
 4. Thus, the explanation cannot be said to be on similar lines as Paragraph 47. A policy can be changed only by way of an amendment under the parent Act and not by a circular and the policy change will be effective from the date of the amendment.
 5. Notification No. 14/2022-Central Tax dated 05.07.2022 itself. rule 1(2) of 2022 Amendment Rule specifically provides that save as otherwise provided in these Rules they shall come into force on their publication in the officials’ gazette. From the said notification it is also evident that except for rules 7, 9, 10 and 19 for which dates with retrospective operation have been provided,

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- no other rules have been given any retrospective effect. Actually, the legislature expressly indicated the date of application of respective rules and for rule 89(4), no retrospective date has been indicated in the notification itself; thus, from bare perusal of the notification itself the amendment made to rule 89(4) by rule 8 of Amendment Rules will have a prospective effect.
6. As indicated hereinabove, the 2022 Amendment Rules inserts a new stipulation for comparison between the two values. Such an exercise was not contemplated prior to the amendment as what was taken into account was the actual transaction value.
 7. Therefore, by way of the amendment a substantive change has been brought about in law and the amendment will operate prospectively. In this regard.
 8. The law is now no more res integra that mere use of the term explanation will not be indicative of the fact that the amendment is clarificatory/declaratory.
 9. A policy can be changed only by way of an amendment under the parent act and not by a circular and the law is well settled that no taxes shall be levied or collected by way of executive fiat, relying on the decision in *Kunnathat Thatehunni Moopil Nair etc. v. State of Kerala* reported in 1960 SCC Online SC 7.
- Hence, the writ petitioners were allowed, and it was held that the amendment in rule 89(4) of CGST Rules, 2017 which came into effect *vide* Notification No. 14/2022-Central Tax, dated 05.07.2022 is not clarificatory in nature and thus will have a prospective effect.
4. GST - ADVANCE RULING - REAL ESTATE PROJECT - OWNERS OF LAND - GST

RULES AS APPLICABLE AS PER 3(i) TO 3(id) OF NOTIFICATION NO.11/2017-DEPENDING UPON THE RESIDENTIAL/COMMERCIAL NATURE AS ALSO WHETHER IT IS AFFORDABLE CATEGORY OR NOT - ITC ON SUPPLY OF APARTMENTS TO WHOM HAS CHARGED BY THE DEVELOPER ALONE COULD BE CLAIMED

The applicant is a proprietary concern registered under the provisions of Central Goods and Services Tax Act, 2017 as well as Karnataka Goods and Services Tax Act, 2017 (hereinafter referred to as the CGST Act and KGST/SGST Act respectively). The applicant is the owner of land and has entered into a Joint Development Agreement (JDA) with M/s. Total Environment Building Systems Private Limited, Bengaluru for development of residential apartments.

The applicant has sought advance ruling in respect of the following questions:

- (i) Whether Applicant being land owner not executing construction work, is liable to pay tax in respect of agreements to be entered with customers for sale of apartments (other than affordable) belonging to the Applicant's share before issuance of Completion Certificate in a project under JDA, area sharing model, where construction work is executed by developer and the developer is liable to pay tax on the portion of apartments to be handed over to the Applicant on or before issuance of Completion Certificate?
- (ii) If Applicant is liable for tax, applicable rate of tax on sale of apartments before issuance of completion certificate?

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- (iii) If Applicant is liable for tax, whether Applicant can claim credit of tax charged by developer on the portion of apartments belonging to the Applicant where developer has opted for payment of tax under old scheme i.e., 18%?
- (iv) If Applicant is liable for tax, whether Applicant can claim input tax credit on other expenses, other than tax charged by Developer for supply of apartments?

The authority observed as under:

1. The applicant is a landowner and has entered into an agreement with the developer and getting the construction services done of his share of the developed property. The landowner wants to know that whether GST is attracted if the apartments of his share of developed property so being constructed are entered into agreement for sale before the completion certificate is issued.
2. It is clear that the activity on which the applicant has sought ruling is related to construction of a complex or building or a part thereof, and the same is made more clear by the inclusive portion of the above subentry i.e., a building intended for sale to a buyer. The exclusion for this is only where the entire consideration has been received after the issuance of completion certificate or after its first occupancy, whichever is earlier.
3. Since in the present case, the applicant states that the agreement for sale of an apartment is going to be made before the receipt of completion certificate and a part consideration is going to be received at the time of agreement, the activity is a service as per entry 5 (b) and also entry 6(a) of Schedule II to the CGST Act.

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4. The contention of the applicant is that once the transaction is liable to tax in the hands of the developer, the same transaction cannot be made taxable in the hands of the applicant when the applicant sells the apartment to his customers even if agreements are entered with customers before issuance of completion certificate which sans transfer of property in goods from applicant to the prospective customers is incorrect.
 5. The developer is providing construction services to the applicant and the applicant is providing again the construction services to the prospective customers. Hence there are two supplies involved, first from the developer to the applicant and the second from the applicant to the prospective customers.
 6. It is also pertinent to note that the agreements for supply of constructed apartments with the prospective purchasers are entered by the applicant which is a supply of service as per section 7 of the CGST Act and there is no direct supply of construction services to the prospective purchasers by the developer. The developer is only providing services to the applicant and not to the prospective purchasers.
 7. The applicant is acting as a supplier of works contract service to the prospective purchasers of apartments and hence he is a supplier under section 7(1) of the CGST Act, 2017 liable to pay tax under section 9(1) of the CGST Act, 2017.
 8. With respect to the supply of works contract services i.e., construction services provided in the supply of apartments to the prospective purchasers of apartments, the applicable tax rate is to be determined by the entries from (ia) to (id) depending on the project whether the apartment is a

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- a) affordable residential apartments in a Residential Real Estate Project or
- b) residential apartments other than affordable residential apartments in a Residential Real Estate Project, or
- c) commercial apartments (shops, offices, godowns, etc.) in a Residential Real Estate Project, or
- d) affordable residential apartments in a Real Estate Project other than Residential Real Estate Project, or
- e) residential apartments other than affordable residential apartments in a Real Estate Project other than a Residential Real Estate Project, or
- f) commercial apartments in a Real Estate Project other than a Residential Real Estate Project.
9. The question of the applicant to opt for the taxation as an ongoing project in Annexure IV of the Notification No. 11/2017-Central Tax (Rate), dated 28.06.2017 as amended by Notification No. 3/2019-Central Tax (Rate), dated 29.03.2019 does not arise as he was not registered at the time allowed for filing of such option and the option is only for the registered person. The claim that the developer has opted for such a scheme does not entitle the applicant for that scheme, as the developer is a different person from the applicant.
10. Hence, the applicant is liable to pay tax as per entries 3(i) to 3(id) of the Notification No. 11/2017-Central Tax (Rate), dated 28.06.2017 as amended by Notification No. 3/2019-Central Tax (Rate), dated 29.03.2019 depending on the nature of the

apartment, whether it is a residential or commercial apartment; if the apartment is a residential apartment, whether it is affordable category or not and whether the project is a residential real estate project or a real estate project other than residential real estate project.

11. From the details provided by the applicant that he shall be further supplying the apartments to his buyers before the issuance of completion certificate or first occupation, whichever is earlier and developer promoter is charging the tax towards the supply of construction of apartments by the developer-promoter to him, the applicant is eligible to claim the input tax credit provided that the applicant pays tax on the supply of apartments which is not less than

the amount of tax charged from him on construction of such apartments by the developer-promoter.

12. Since the applicant is liable to tax at an amount which is lower than the amount of tax charged by the developer promoter, the applicant is not eligible to claim the input tax credit on the amount of tax charged by the developer to the applicant.
13. Further, section 16(1) of the CGST Act stipulates that only a registered person shall be eligible to claim the input tax credit and the applicant is registered only from 13.01.2023, the eligibility of the claim of input tax credit only depends on the date of the invoice (i.e. time of supply of services) by the developer to the applicant.

14. Hence, the applicant is eligible to claim input tax credit on the tax charged by the developer for supply of construction services subject to the two conditions

(a) he is a registered dealer on the date the time of supply of construction services falls

(b) the amount of tax payable by the applicant for his supply of apartments is more than the amount of tax charged by the developer from the applicant for the supply of construction services.

15. Further, the second proviso clearly mentions that the credit of input tax charged on goods and services used in supplying the service has not been taken except to the extent as prescribed in Annexure I in case of REP other than RREP and in Annexure II in

the case of RREP. It is also stated in the third proviso that the registered person shall, pay, by debit in the electronic credit ledger or electronic cash ledger, an amount equivalent to the input tax credit attributable to construction in a project, time of supply of which is on or after 1st April, 2019, which shall be calculated in the manner as prescribed in the Annexure I in the case of REP other than RREP and in Annexure II in the case of RREP.

16. The above point out to the fact that input tax credit is not eligible to be claimed on any of the expenses other than the tax charged by the developer for the construction services subject to its eligibility if all other conditions are satisfied.'

Hence, the Authority passed the following order:

1. The applicant is acting as a supplier of works contract service to the prospective purchasers of apartments and hence he is a supplier under section 7(1) of the CGST Act, 2017 liable to pay tax under section 9(1) of the CGST Act, 2017.
2. The applicant is liable to pay tax as per entries 3(i) to 3(id) of the Notification No. 11/2017-Central Tax (Rate), dated 28.06.2017 as amended by Notification No. 3/2019- Central Tax (Rate), dated 29.03.2019 depending on the nature of the apartment, whether it is a residential or commercial apartment; if the apartment is a residential apartment, whether it is affordable category or not and whether the project is a residential real estate project or a real estate project other than residential real estate project.
3. The applicant is eligible to claim input tax credit on the tax charged by the developer for supply of construction services subject to the two conditions
 - a. he is a registered dealer on the date the time of supply of construction services falls
 - b. the amount of tax payable by the applicant for his supply of apartments is more than the amount of tax charged by the developer from the applicant for the supply of construction services.
5. Input tax credit on other expenses, other than tax charged by developer for supply of apartments, is not eligible to be claimed.

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SUMMARY OF AAR/AAAR

1. Taxability of various services on sale of developed plots

In case of M/S. Vaishnaoi Infratech And Developers Private Limited [TSAAR Order No.21/2023 dated September 30, 2023] referred as 'Applicant') - Telangana state Authority of Advance Ruling ('AAR' or 'Authority').

Facts of the Case:

- The Applicant is engaged in the business of development of plots by purchasing the land from land owners or/and taking the land from other land owners by entering into development agreement.
- Applicant has owned 10 acres of land at Mamidipally Village near Shamshabad Airport, Hyderabad and in addition to that, they have



**CA. AMAN GOYAL &
CA. PRIYANKA PRABAGHAR**

taken another 12 acres of land located besides their land from other land owners by entering the joint development agreement.

Question before AAR:

- i. Whether sale of developed plots by applicant to various customers after development is taxable under the GST Act or not.
- ii. Whether development of plots' service provided to the land owners is taxable under GST and if so under which Notification and under which entry?

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- iii. Whether transfer of development rights by the land owner in consideration of land development services received is taxable or not under the provisions of the GST Acts? If taxable, whether the applicant is liable to pay GST under RCM basis on the development rights received from the landowners or whether the land owner is only liable to pay GST on such transfer of development rights. What is the applicable Notification and entry in the Notification?
- iv. If transfer of development rights and development of plot service are liable for GST, how to arrive at the value of supply of such services for payment of GST. How much value of land has to be deducted for levying tax?
- v. If Transfer of development rights are liable for GST, can developer claim ITC of the same while

discharging the liability to pay tax on development services provided, if such rights are received from the registered land owners?

- vi. If tax is payable on TDRs on RCM basis and on development service, what is the time of payment and what is the applicable Notification?

Observation of AAR

Whether sale of developed plots by applicant to various customers after development is taxable under the GST Act or not.

- The AAR highlighted that as per the Circular No.177/09/2022 dated August 03, 2022 issued by Government of India, Ministry of Finance, Department of Revenue (Tax Research Unit) at para-14.3 states that “Land may be sold either as it is or after some

development such as leveling, laying down of drainage lines, water lines, electricity lines, etc.

- Basis the Circular the AAR clarified that sale of such developed land is also sale of land and such sale of land being included in Schedule III of the CGST Act, the AAR has held the same as non-taxable.

Whether development of plots' service provided to the land owners is taxable under GST and if so under which Notification and under which entry?

- The AAR has highlighted the above mentioned circular wherein it states that any service provided for development of land, like leveling, laying of drainage lines shall attract GST at applicable rate for such services if such services are provided to the land owner with whom the

development agreement is entered or to the owner of land property or on a land property where contract of sale is entered into.

- Therefore, the AAR held that the supply of works contract service by the Applicant to customers as well as land owners, who have transferred the development rights to the applicant, is taxable at the rate of 9% CGST & 9% SGST as sub entry - xii of entry at serial no. 3 with SAC 9954 of the notification 11/2017.

Whether transfer of development rights by the land owner in consideration of land development services received is taxable or not under the provisions of the GST Acts? If taxable, whether the applicant is liable to pay GST under RCM basis on the development rights received from the land owners or whether the land owner is only

liable to pay GST on such transfer of development rights. What is the applicable Notification and entry in the Notification?

- As per Notification No. 12/2017 as amended vide notification 4/2019 dated March 29, 2019 exempts the transfer of development rights for construction of residential apartments alone.
- The AAR observed that as the category of the works contracts undertaken by the applicant, who develops plots by leveling or altering land are not included in the above notification 4/2019, this exemption is not applicable to the transactions made by them.
- Further the authority has stated that the Notification 13/2017 was amended vide Notification 5/2019 dated March 29, 2019 to include services supplied by way

of “transfer of development rights” by any person to a promoter for construction of a project and thus this supply attracts liability on reverse charge.

- Basis the above, AAR held that the Transfer of Development Rights by the land owner to the applicant is taxable under the CGST & SGST Acts at the hands of the recipient promoter, i.e., the applicant, of these rights for which the applicant can claim input tax credit of the same while discharging the liability to pay tax on development services provided by him.

If transfer of development rights and development of plot service are liable for GST, how to arrive at the value of supply of such services for payment of GST. How much value of land has to be deducted for levying tax?

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- The AAR has stated that where the value of works contract is separately specified w.r.t development undertaken on land by way of altering the immovable property, such amount shall be the value of supply exigible to tax as determined under Sec 15 of the CGST Act.
 - However if the value of the works contract is not separately specified then Rule 30 of the CGST Rules read with Sec 15 of the CGST Act shall be applied for arriving at value of supply of such services.

If tax is payable on TDRs on RCM basis and on development service, what is the time of payment and what is the applicable Notification?

- As the tax is payable on RCM basis the time of supply shall be

applicable as per Section 13(3) of the CGST Act, which is the date immediately following 60 days from the date of issue of invoice or voucher or any other document in lieu thereof by the supplier.

- Further for the Development rights, the time of supply shall be applicable as is applicable for a continuous supply of service which is determined by Section 13 read with Section 31(5) of the CGST Act.
- Therefore the time of supply will be due date of payment by the recipient or when due date is not ascertainable then the actual date on which payment is received and when such payment is linked to the completion of an event then the time of supply will be date of completion of that event.

Ruling of the AAR

- The sale of developed plots by applicant to various customers after development is not taxable as per Schedule III of the CGST Act, 2017.
- The development of plots' service provided to the land owners is taxable under GST under sub entry- xii of entry at serial no. 3 with SAC 9954 of the notification 11/2017.
- For the transfer of development rights by the landowner in consideration of land development services received the Promoter is liable to pay CGST &SGST at the rate of 9% each. The Promoter is liable to pay CGST &SGST at the rate of 9% each on Reverse charge basis

2. Taxability and eligibility to claim ITC on canteen and

transportation facility provided to employees by the Employer.

In case of M/s. M/S. Kirby Building Systems & Structures India Private Limited (TSAAR Order No. 22/2023 dated November 15, 2023 referred as 'Applicant')- Telangana state Authority of Advance Ruling ('AAR' or 'Authority').

Facts of the case

- The Applicant is into the manufacture & supply of pre-engineered buildings and storage racking systems.
- The Applicant is providing canteen and transportation facilities to its employees at subsidized rates as per the terms of the employment agreement entered between the applicant and the employee.

Question before AAR

- Whether GST is liable to be discharged on the recoveries being made by the applicant from its employees towards the canteen and transportation facilities provided to them?
- Whether the applicant is eligible to avail input tax credit in respect of the GST paid on inward supplies used for providing canteen and transportation facilities?

Interpretation of Law by the Applicant:

- The Applicant has submitted the employment agreement which states that they are obliged to run and maintain a canteen for their employees as per the Factories Act, 1948.
- Currently the Applicant is procuring canteen services from a third party who in turn is issuing invoice to the applicant by charging GST at a rate of 5%.
- The Applicant considers the provision of canteen facilities as not a supply thereby not leviable to GST.
- In this regard, the Applicant has placed reliance on CBIC Circular No. 172/04/2022 dated July 06, 2022 along with the press release no. 73/2017 dated July 10, 2017 wherein it was clarified that prerequisites provided by the employer to its employees in terms of contractual agreement will not be subjected to GST.
- Further, the Applicant construes that ITC is available to the Applicant as per Section 17 (5) wherein it is provided that the

input tax credit in respect of such goods or services or both shall be available, where it is obligatory for an employer to provide the same to its employees under any law for the time being in force.

- The Applicant is also arranging transportation facility of the employees in non-air conditioned contract carriage and recovering nominal amounts from the employee's salaries towards the cost incurred for providing such transportation facility without any commercial objective.
- The Applicant considers the transportation facility as an exempt supply as the intra-state supply of transport of passengers in non-air conditioned contract carriage, excluding tourism shall be exempted from the payment of tax.
- Further, the Applicant stated that it is procuring buses to facilitate smooth functioning of its business in the course of furtherance of his business and the cost incurred by the applicant pertaining to the transport facility provided to its employees is the expenditure incurred by the applicant in terms of the contract between the employer and employee.
- Therefore, the applicant states that it is eligible for the input tax credit on the tax paid on hire of such vehicles.

Observation of State Member of AAR

- The State Member has opined that the canteen supply being mandated as per the Factories Act is not leviable to GST.
- Further the State Member has stated that if the applicant has

recovered all the costs (such as rent for the land and building, maintenance charges, etc.) from the employees by availing the facility mentioned in Rule 68 of Factories Rules, then it would not be a cost to the company and hence not an input on which input tax credit can be claimed.

- However, if the applicant has recovered only nominal amounts and the applicant has recorded these costs borne by them in their books of accounts for providing the canteen services then they are eligible for input tax credit as enumerated in the proviso to Section 17(5)(b).
- Further, with regard to transportation services, the State Member opined that the supply of transportation facility is covered under the exemption

notification (NN 12/2017) and hence exempted. However, the transportation service not being provided under any statutory obligation and hence is not eligible to avail credit on the same.

Observation of Central Member of AAR

- The AAR considers the canteen facility provided by the employer to its employees in terms of the contractual agreement as perquisites provided in the course of employment. Therefore the perquisites will not be subject to GST.
- The AAR has further stated that if the employer makes taxable supply of canteen services to employees by charging consideration for the purpose of

business, instead of providing them as a perquisite, the same will be subject to payment of GST, at prescribed rates, as per provisions of CGST/TGST Act'2017.

- Further, the AAR has held that the input tax credit in respect of such canteen facilities shall be available, where it is obligatory for an employer to provide the same to its employees under Factories Act, 1948 as per proviso to Section 17(5)(b) of CGST Act,2017.
- Similarly, the AAR has held that the transportation services if provided as a perquisite will not be leviable to GST and that if the employer charges consideration for the purpose of business instead of providing the facility

as a perquisite then the same will be leviable to GST.

- On the other hand, for the ITC on the transportation facility provided the AAR has concluded that the provision of service of transportation of employees from residence to office premises is for personal consumption or comfort of employees but not an activity which is part of business as the business of the Applicant.
- Hence, the AAR has held that the credit of input tax credit shall not be available to the Applicant on the transportation facility provided.

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EXPORTS IMPROVE, BUT WILL DOMESTIC DEMAND GROWTH FOLLOW SUIT?

In October 2023, International Monetary Fund indicated that Global growth is forecast to slow from 3.5% in 2022 to 3.0% in 2023 and 2.9 percent in 2024. The projections remain below the historical (2000–19) average of 3.8%, and the forecast for 2024 is down by 0.1% point from the July 2023. For India, IMF projected 6.3% growth for both 2023 and 2024.

After many months, India's merchandise exports recorded positive 6.2% growth in October 2023, to US\$ 33.57 billion, during which period merchandise imports surged by 12.3% to US\$ 65.03 billion. Service exports recorded stronger 13.4% growth to US\$ 28.7 billion while service imports grew by 6.0% to US\$ 14.32 billion. The overall exports recorded 9.4% growth to US\$ 62.26 billion, while overall imports recorded accelerated pace of 11.1%



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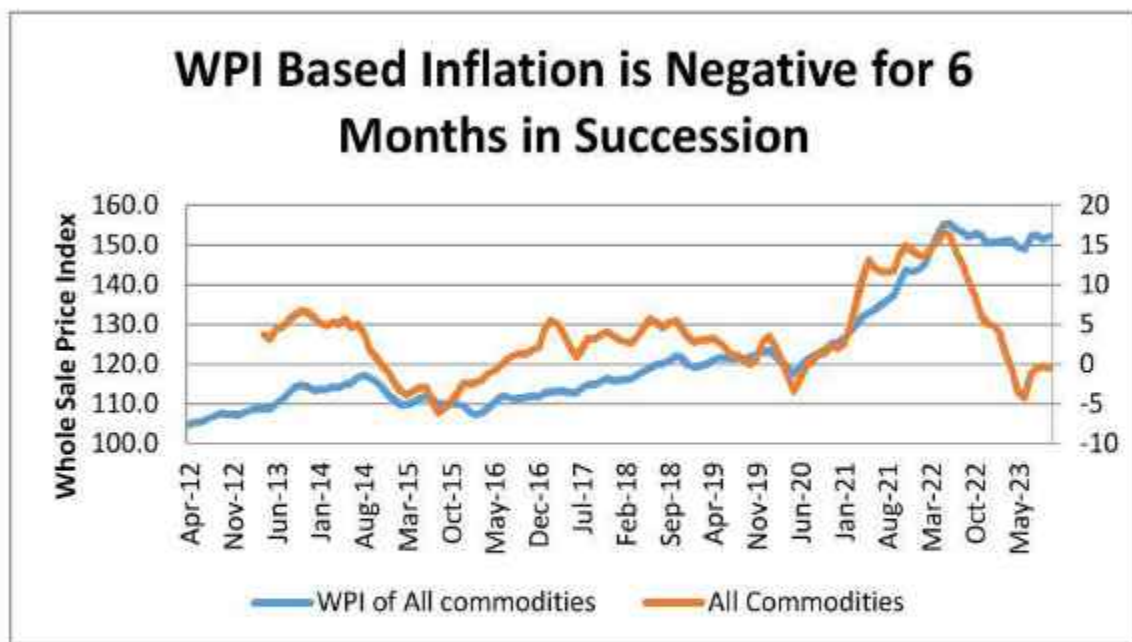
growth to US\$ 79.35 billion in October 2023. Overall, the merchandise trade deficit actually widened to US\$ 17.08 billion in October 2023.

Exports were powered by impressive performance of Drugs & Pharmaceuticals (29.3% rise), engineering goods (7.2%), electronic goods (28.2%), Cotton yarn / fabrics / made ups (36.5%), iron ore (2596%), ceramic products & glassware (48.2%) and meat, dairy & poultry products (38.6%). The growth would have been much better but for poor performance of Gems & Jewellery (-9.8%), Petroleum products (-4.7%), Rice (-19.6%) etc.

Interestingly textiles group (including (a) cotton yarn / fabrics, made-ups, handloom products etc (b) Man Made Yarn / fabrics / Made ups (c) RMG of all textiles (d) Jute Manufacturing including floor covering (e) Carpet (f) Handicrafts excluding handmade carpet) is showing signs of revival, from 10.5% fall in the five months ended August 2023, to 1.8% improvement in September 2023 and robust 10.2% growth in October 2023. This revival in textile exports powered by 27.4% rise in export of cotton yarn / fabrics / made ups,

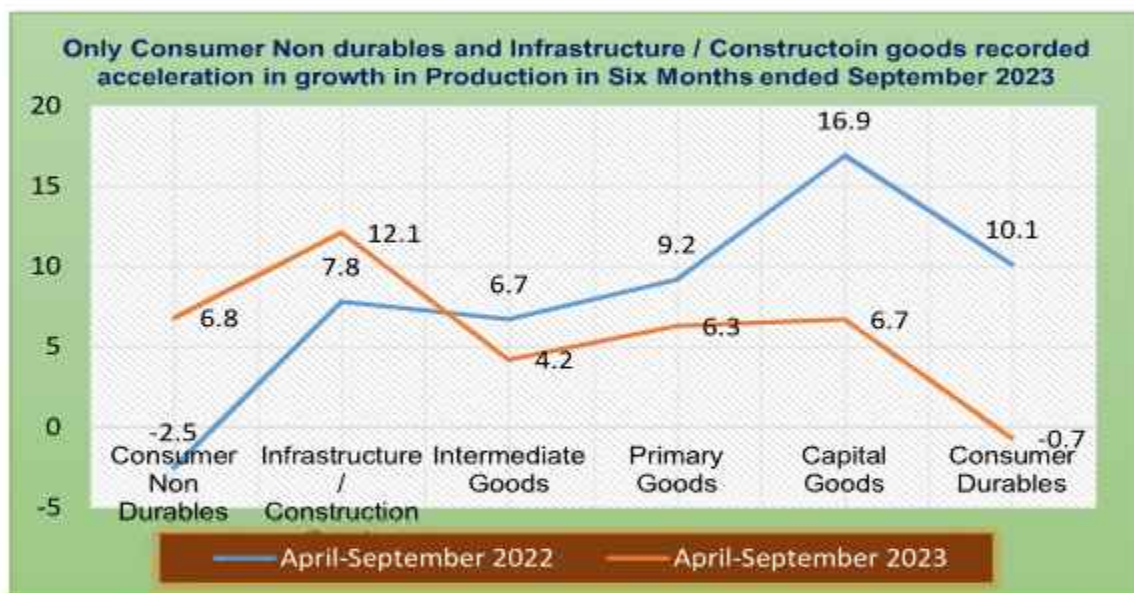
handloom products etc in September 2023, following by 36.5% growth in October 2023. But on a cumulative basis, the textile group have still recorded 6.7% fall in the seven months ended October 2023 to US\$ 20.06 billion.

WPI based inflation remains in negative for 7 months in succession. The peak negative inflation during the current fiscal was -4.2% in June 2023, which gradually came down to -0.3% in September 2023, and increased to -0.5% in October 2023.



Under the use based classification, only consumer non-durables and Infrastructure / construction goods recorded acceleration in the pace of growth in production in India, to 6.8% and 12.1% in the six months ended September 2023, from -2.5% and 7.8% in the corresponding previous Six months ended September 2022. While festive demand is likely to have given a leg up to consumer non-durables, India has been witnessing accelerated growth in eight infra sectors and construction. Amidst robust private capital formation, it is time to significantly and sustainably step up private capital formation in order to usher in India's next orbit of growth.

Within Index of Industrial Production, certain segments, like intermediate goods, primary goods, capital goods and consumer durables recorded sharp deceleration in production during this period. The worst performer was the consumer durables sector, which recorded fall in production by 0.7% in the six months ended September 2023 from robust 10.1% growth in the corresponding previous six months ended September 2022. Whether the consumer durables players have opted to step up production in October 2023, to be just in time for Diwali in November 2023 remains to be seen.



From a two digit industry code perspective, the star performers were pharmaceuticals, medicinal chemical and botanical products with impressive 13.8% growth followed by manufacture of basic metals, which recorded 13.3% growth, and manufacture of electrical equipment, which recorded 10.3% growth in the six months, ended September 2023. All other sectors either recorded single digit growth or even fall in production during this period. Worst performer was manufacture of wearing apparel, which recorded drastic 21.9% fall, followed by manufacture of furniture, which recorded 18.2% fall, and manufacture of computer, electronic and optical products that recorded 15.1% fall during this period.

The pace of growth in India's Index of Industrial production decelerated from 7.1% in the six months ended September 2022 to 6.0% in the six months ended September 2023. Eight core industries namely Cement, Coal, Crude Oil, Electricity, Fertilizers, Natural Gas, refinery products and steel together constitute 40.27% of the weight of items included in the Index of Industrial Production. These core industries recorded higher 7.8% growth

in the six months ended September 2023 (higher than 6.0% growth of Index of Industrial Production), but followed the similar trend of deceleration from 9.8% in the six months ended September 2022. Bucking the trend of deceleration were the production of crude oil (0.4% fall vs 1.3% fall), natural gas (4.3% growth vs 1.8% growth), and cement (11.5% growth vs 11.0% growth) in the six months ended September 2023 over the corresponding previous period.

India is at a point of inflexion, thanks to consumption potential, demographic dividend, and accelerated pace of capital expenditure towards capacity enhancement and strengthening our infrastructure. The China + 1 policy of the Western World gives hopes that India can step up its exports, in the normal course. The cutting edge technologies, low cost renewable power, hydrogen / electric powered vehicles, and judicious use of big data, internet of things, artificial intelligence together can help India substantially and sustainably improve India's global competitiveness.

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EXCEL TIPS

IMAGE is a new function, which is currently available only to Microsoft 365 users for Windows, Mac and Android as well as in Excel for the web.



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The IMAGE function in Excel is designed to insert pictures into cells from a URL. The following file formats are supported: BMP, JPG/JPEG, GIF, TIFF, PNG, ICO, and WEBP.

The function takes a total of 5 arguments, of which only the first one is required.

IMAGE(source, [alt_text], [sizing], [height], [width])

Where:

Source (required) - the URL path to the image file that uses the "https" protocol. Can be supplied in the form of a text string enclosed in double quotes or as a reference to the cell containing the URL.

Alt_text (optional) - the alternative text describing the picture.

Sizing (optional) - defines the image dimensions. Can be one of these values:

0 (default) - fit the picture in the cell maintaining its aspect ratio.

1 - fill the cell with the image ignoring its aspect ratio.

2 - keep the original image size, even if it goes beyond the cell boundary.

3 - set the image's height and width.

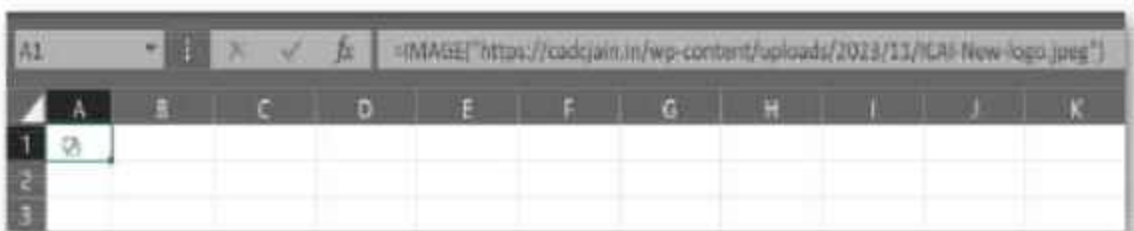
Height (optional) - the image height in pixels.

Width (optional) - the image width in pixels.

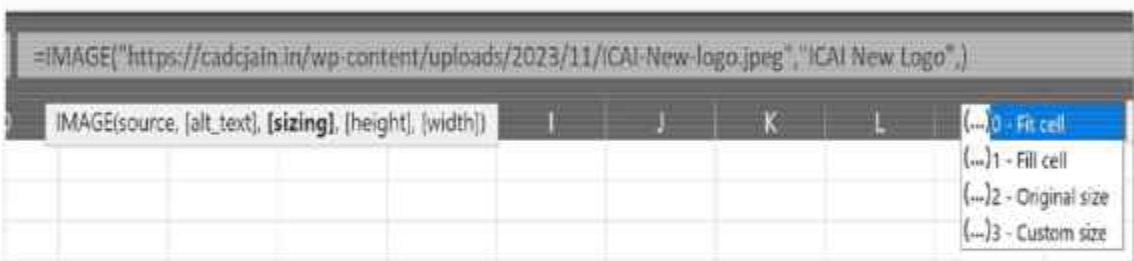
To make a basic IMAGE formula, we just need to give the first part, which is the web address (URL) of the picture. But remember, this address must start with HTTPS, not HTTP. Also, put this web address in double quotes like we do with normal text. It is also suggested that we write a description of the image as a second part to the formula

Example :

`=IMAGE("https://cadcjain.in/wp-content/uploads/2023/11/ICAI-New-logo.jpeg")`



Omitting or setting the 3rd argument to 0 forces the image to fit into the cell, maintaining the width to height ratio. The image will adjust automatically when the cell is resized.



If we decide to set the image's height and width (4th and 5th argument, respectively), make sure the cell is big enough to accommodate the original size picture. If not, only part of the image will be visible.

`=IMAGE("https://cadcjain.in/wp-content/uploads/2023/11/ICAI-New-
logo.jpeg","ICAI New Logo",2)`



The Row height and column width will however have to be altered manually to get the image correctly visible in the cell.

Presently, the IMAGE function is under beta testing stage, so it's normal to encounter some problems.

We can only use images that are stored on external websites with "https" in their address. Images kept on OneDrive, SharePoint, or local networks won't work. Also, if we need to log in to access the website where the image is, the image won't show up. Moving from using a Windows to a Mac computer (or vice versa) might cause problems with how the image appears. Although GIFs are supported, they will only show as still images in a cell.

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GSTR 9 & 9C – KEY ISSUES IN FILING

AGENDA

- Section & Rule - Applicability
- Due Date and Late Fees
- Pre – Requisite for Annual Return
- Turnover ? – Analysis of Financials
- Preparation of Statements
 - Turnover Reconciliation
 - ITC Breakup
 - GSTR 2A (Table No.8A) Reconciliation
 - DRC-03, if any
 - Amendments of Previous Financial Year made in Next Financial Year
- Practical issues while filing Annual Returns



Who has to Furnish Annual Return ?

Section 44 read with Rule 80

Every Registered Person shall furnish Annual Return which may include self-certified reconciliation statement for every financial year in Prescribed Form, except for the following category of persons:

- Input Service Distributor
- Person paying Tax under Sec.51 & 52 (TDS & TCS)
- Casual Taxable Person
- Non Resident Taxable Person
- PSU whose Accounts are Audited by C&AG



Who has to Furnish Annual Return ?

Section 44 read with Rule 80

Registered person shall not be allowed to furnish an annual return under sub-section (1) for financial year after the expiry of a period of three years from the due date of furnishing the said annual return.

Notification No.32/2023 dated 31.07.2023-exempts the registered person whose **aggregate turnover** in the financial year 2022-23 is up to two crore rupees, from filing annual return in Form GSTR 9 for the said financial year.



The Need for GSTR 9C

- Rule 80 (3) Every registered person, other than those referred to in the second proviso to section 44, an Input Service Distributor, a person paying tax under section 51 or section 52, a casual taxable person and a non resident taxable person, whose aggregate turnover during a financial year exceeds five crore rupees, shall also furnish a self-certified reconciliation statement as specified under section 44 in FORM GSTR-9C along with the annual return referred to in sub-rule (1), on or before the thirty-first day of December following the end of such financial year, electronically through the common portal either directly or through a Facilitation Centre notified by the Commissioner.



Due Date

Section 44 read with Rule 80

- 31st Dec following the end of relevant Financial Year



Late Fees

Section 47 (2)

Consequences of Delay in Filing of Annual Return

- Rs. 200 per Day
(Rs.100 CGST + Rs.100 SGST)
- Upto a Max. of 0.50% of the Turnover
(0.25% CGST & 0.25% SGST)



Late Fees

Section 47 (2)

From 2022-23 onwards Late fees is reduced for below category of registered person:

Turnover upto Rs.5 crore

- Rs.50/- per day or 0.04% of Turnover which ever is higher.

Turnover >Rs.5 crore but up to Rs.20 crore

- Rs.100/- per day or 0.04% of Turnover which ever is higher.

Notification no.07/2023 dated 31.03.2023



Aggregate Turnover

- Section 2(6) “aggregate turnover” means the aggregate value of all taxable supplies (excluding the value of inward supplies on which tax is payable by a person on reverse charge basis), exempt supplies, exports of goods or services or both and inter-State supplies of persons having the same Permanent Account Number, to be computed on all India basis but excludes central tax, State tax, Union territory tax, integrated tax and cess;



Requirements for Filing GSTR-9 & 9C from Registered Persons

- Registration Details / Basic Details
- Financials along with Books of Accounts
- Nature of Business / Activity
- GSTR-3B
- GSTR-1
- Input Tax Credit Register
- GSTR-2A Comparison
- Amendments made in next FY
- HSN details for outward Supply
- Differential Liability payment, if any, in next FY

Financials – Analysis

Balance Sheet and Profit and Loss A/c

S. No.	Head of Accounts in Profit and Loss Account	Suggestive Treatment
1.	Sales / Gross Receipts / Turnover	Outward Supply
2.	Other Incomes – Transport Charges, Packing Charges Collected etc	Outward Supply
3.	Commission Income	Outward Supply
4.	Foreign Exchange Fluctuation – Provisions as per AS-11 (Income or Expenses)	No Effect under GST
5.	Staff Welfare / Canteen / Travel Expenses	To check for Ineligible ITC
6.	Fixed Assets – Building / Motor Car	Ineligible ITC
7.	Samples / Gifts	Reversal of ITC

Financials – Analysis

Balance Sheet and Profit and Loss A/c

S. No.	Head of Accounts in Profit and Loss Account	Suggestive Treatment
8.	Interest Income	Exempt Supply
9.	Professional Services – Advocate Fees	RCM
10.	Transport Charges	RCM
11.	Security Services	RCM
12.	Scrap Sales	Outward Supply
13.	Payment to Director other than Remuneration – Sitting Fees etc	RCM

Statement for Outward Supply

S. No.	Particulars	Amount (Rs.)
A	Turnover as per P & L	XXX
B	Add/Less : Other Incomes liable to be taxed under GST & Other Adjustments	XXX
C	Turnover as per Books (A+B)	XXX
D	Turnover as per GSTR-3B	XXX
E	Difference (C - D)	XXX

Whether Reported in Subsequent Year GSTR-3B and Tax Paid

Tax Paid through DRC-03

Not Reported at all

Statement for Outward Supply

Data as per Books shall be considered, which can be divided into 4 categories:

S.No.	Particulars
1.	Reported in GSTR 3B / GSTR 1 in April 2022 to March 2023
2.	Amended in GSTR 3B / GSTR 1 in April 2022 to March 2023
3.	Amended in GSTR 3B / GSTR 1 after March, i.e. April 2023 till November 30, 2023
4.	Not Reported at all

Statement for Input Tax Credit



Statement for GSTR-2A





Practical Approach to GSTR-9 Return Filing

Form GSTR 9

S. No.	Table Numbers	Head
Part I	1 – 3	Basic Details
Part II	4 & 5	Details of Outward and Inward Supplies made during the Financial Year
Part III	6, 7 & 8	Details of ITC Availed during the Financial Year
Part IV	9	Details of Tax Paid as declared in the Returns Filed during the Financial Year
Part V	10 – 14	Particulars of the Transaction for the Previous FY declared in returns of Current FY
Part VI	15 – 19	Other Information




Form GSTR 9C

S. No.	Table Numbers	Head
Part I	1 – 4	Basic Details
Part II	5 – 8	Reconciliation of turnover declared in audited Annual Financial Statement with turnover declared in Annual Return (GSTR9)
Part III	9 – 11	Reconciliation of tax paid
Part IV	12 – 16	Reconciliation of Input Tax Credit (ITC)
Part V	NA	Additional Liability due to non-reconciliation



Form GSTR-9 & 9C Notification

- **Notification No. 74/2018 – Central Tax dated 31-12-2018 (Form GSTR 9 prescribed)**
- **Notification No. 38/2023- Central Tax dated 04-08-2023 (Subsequent amendment – FY 2022-23)**



Act, Rules and Notifications\nnotfctn-
74-central-tax-english-2018-19-
52.pdf



Table Exempted from
Filling in GSTR 9 & 9C

Exemption for filling certain details in Form GSTR 9 vide Notification No. 38/2023- Central Tax dated 04-08-2023

Table No.	Table Description	Exemption
Table 5D & Table 5E	Outward Supply without payment of tax	Registered Person shall have an option to either separately report his supplies as exempted and nil rated supply or report consolidated information for these two heads in the "exempted" row only.
Table 5H	Outward Supply without payment of tax	Registered person shall have an option to fill Table 5A to Table 5F net of credit notes in case there is any difficulty in reporting such details separately in this Table
Table 5I	Outward Supply without payment of tax	Registered person shall have an option to fill Table 5A to Table 5F net of debit notes in case there is any difficulty in reporting such details separately in this Table
Table 5J & 5K	Outward Supply without payment of tax	Registered person shall have an option to fill Table 5A to Table 5F net of amendments in case there is any difficulty in reporting such details separately in this Table
Table 6B	Details of ITC availed during the financial year – inward Supply other than RCM and SEZ's	Registered person shall report the breakup of input tax credit as capital goods and have an option to either report the breakup of the remaining amount as inputs and input services or report the entire remaining amount under the "inputs" row only.

Exemption for filling certain details in Form GSTR 9 vide Notification No. 38/2023- Central Tax dated 04-08-2023

Table No.	Table Description	Exemption
Table 6C	Details of ITC availed during the financial year – inward Supply liable to RCM from unregistered person	Registered person shall report the breakup of input tax credit as capital goods and have an option to either report the breakup of the remaining amount as inputs and input services or report the entire remaining amount under the "inputs" row only.
Table 6D	Details of ITC availed during the financial year – inward Supply liable to RCM from Registered person	Registered person shall report the breakup of input tax credit as capital goods and have an option to either report the breakup of the remaining amount as inputs and input services or report the entire remaining amount under the "inputs" row only.
Table 6E	Import of goods (including supplies from SEZ's)	Registered person shall report the breakup of input tax credit as capital goods and have an option to either report the breakup of the remaining amount as inputs and input services or report the entire remaining amount under the "inputs" row only.
Table 7A to 7H	Details of ITC Reversed and Ineligible ITC for the financial year	Registered person shall have an option to either fill his information on reversals separately in Table 7A to 7E or report the entire amount of reversal under Table 7H only. However, reversals on account of TRAN-1 credit [Table 7C] and TRAN-2 [Table 7G] are to be mandatorily reported

Exemption for filling certain details in Form GSTR 9 vide Notification No. 38/2023- Central Tax dated 04-08-2023

Table No.	Table Description	Exemption:
Table 15	Particulars of Demands and Refunds	The registered person shall have an option to not fill this Table
Table 16	Information on supplies received from composition taxpayers, deemed supply under section 143 and goods sent on approval basis	The registered person shall have an option to not fill this Table
Table 18	HSN Wise Summary of inward supplies	The registered person shall have an option to not fill Table 18

Exemption for filling certain details in Form GSTR 9C vide Notification No. 38/2023- Central Tax dated 04-08-2023

Table No.	Table Description	Exemption:
Table 5B	Reconciliation of Gross Turnover - Unbilled revenue at the beginning of financial year	If there are any adjustments required to be reported then the same may be reported in Table 5D
Table 14	Reconciliation of ITC declared in Annual Return (GSTR9) with ITC availed on returns as per audited Annual Financial Statement or books of account	The registered person shall have an option to not fill this Table



Suggestive Treatment of Differences

Scenario 1		Turnover in the books for the period April 2022 to March 2023 matches with GSTR 1 & GSTR 3B.		
Particulars	GSTR 3B	GSTR 1	Books of Accounts	
April 2022 to March 2023	150000	150000	150000	

Particulars	Relevant Table	GSTR 3B whether data matches with GSTR 1	GSTR 1 whether data matches with GSTR 3B	Basis of Preparation of GSTR 9
Supplies declared from April 2022 to March 2023.	Table 4	Yes	Yes	Data auto-populated on the basis of GSTR 1 can be taken





Suggestive Treatment of Differences

Scenario 2		Turnover in the books for the period April 2022 to March 2023 does not matches with GSTR 1 & GSTR 3B and therefore additional liability has been declared in the period April 2023 to October 2023. However, both GSTR 3B and GSTR 1 match with their respective figures.		
Particulars	GSTR 3B	GSTR 1	Books of Accounts	
April 2022 to March 2023	100000	100000	150000	
April 2023 to October 2023	50000	50000	NA	

Particulars	Relevant Table	GSTR 3B whether data matches with GSTR 1	GSTR 1 whether data matches with GSTR 3B	Basis of Preparation of GSTR 9
Supplies declared from April 2022 to March 2023	Table 4	Yes	Yes	Data auto-populated on the basis of GSTR 1 can be taken
Supplies declared from April 2023 to October 2023	Table 10 & 11	-	-	Difference to be reported in Table 10 & 11 to the extent of GSTR 3B i.e. Rs. 50000



Suggestive Treatment of Differences

Scenario 3		Turnover in the books for the period April 2022 to March 2023 does matches with GSTR 1 & however does not match with GSTR 3B and therefore additional liability has been declared in the period April 2023 to October 2023. GSTR 1 and GSTR 3B however match in aggregate till October 2023.		
Particulars	GSTR 3B	GSTR 1	Books of Accounts	
April 2022 to March 2023	100000	150000	150000	
April 2023 to October 2023	50000	-	NA	

Particulars	Relevant Table	GSTR 3B whether data matches with GSTR 1	GSTR 1 whether data matches with GSTR 3B	Basis of Preparation of GSTR 9
Supplies declared from April 2022 to March 2023	Table 4	No	No	No auto-populated data can be used, it has to be based on GSTR 3B actually filed
Supplies declared from April 2023 to October 2023	Table 10 & 11	-	-	Difference to be reported in Table 10 & 11 to the extent of GSTR 3B i.e. Rs. 50000



Suggestive Treatment of Differences

Scenario 4		Turnover in the books for the period April 2022 to March 2023 does not matches with GSTR 1 & GSTR 3B and therefore additional liability has been declared in the period April 2023 to October 2023. GSTR 1 and GSTR 3B however match in aggregate for October 2023		
Particulars	GSTR 3B	GSTR 1	Books of Accounts	
April 2022 to March 2023	100000	75000	150000	
April 2023 to October 2023	50000	75000	NA	

Particulars	Relevant Table	GSTR 3B whether data matches with GSTR 1	GSTR 1 whether data matches with GSTR 3B	Basis of Preparation of GSTR 9
Supplies declared from April 2022 to March 2023	Table 4	No	No	No auto-populated data can be used, it has to be based on GSTR 3B actually filed
Supplies declared from April 2023 to October 2023	Table 10 & 11	-	-	Difference to be reported in Table 10 & 11 to the extent of GSTR 3B i.e. Rs. 50000



Suggestive Treatment of Differences

Scenario 5		Turnover in the books for the period April 2022 to March 2023 does not matches with GSTR 1 & GSTR 3B and therefore additional liability has been declared in the period April 2023 to October 2023. GSTR 1 and GSTR 3B however does not match in aggregate and there is additional tax liability		
Particulars	GSTR 3B	GSTR 1	Books of Accounts	
April 2022 to March 2023	100000	75000	150000	
April 2023 to October 2023	85000	75000	NA	
Balance Liability	15000	-	NA	

Particulars	Relevant Table	GSTR 3B whether data matches with GSTR 1	GSTR 1 whether data matches with GSTR 3B	Basis of Preparation of GSTR 9
Supplies declared from April 2022 to March 2023	Table 4	No	No	No auto-populated data can be used, it has to be based on GSTR 3B actually filed.
Supplies declared from April 2023 to October 2023	Table 10 & 11	-	-	Difference to be reported in Table 10 & 11 to the extent of GSTR 3B i.e. Rs. 35000.
Balance Tax Liability	Table 4	-	-	Additional Tax Liability to be shown in Table 4 and to be discharge through DRC-03 i.e. Rs. 15000



Figures are as per 3B Only

7. Details of tax paid as declared in returns filed during the financial year

Help

Note: The fields where the system computed values would be modified by more/less than 20%, shall be highlighted in 'Red' for reference and attention.

Description	Tax payable (₹)	Paid Through Cash (₹)	Paid through ITC (₹)			Total (₹)
			Integrated tax (₹)	Central tax (₹)	State/UT tax (₹)	
Integrated Tax	₹1,14,11,023.00	₹7,33,075.00	₹1,36,96,105.00	₹0.00	₹0.00	
Central Tax	₹72,07,027.00	₹32,447.00	₹2,46,438.00	₹69,28,922.00		
State/UT Tax	₹72,07,027.00	₹32,447.00	₹2,46,438.00		₹69,28,922.00	
Cash	₹0.00	₹0.00				₹0.00
Interest	₹1,14,000.00	₹1,14,000.00				
Late Fees	₹0.00	₹0.00				
Penalty	₹0.00	₹0.00				
Others	₹0.00	₹0.00				

BACK TO ECTR 9 DASHBOARD

SAVE



To be filled

10,11,12&13 Details of the previous financial year's transactions reported in next financial year

Help

Description	Taxable Value (₹)	Integrated tax (₹)	Central tax (₹)	State/UT tax (₹)	Cash (₹)
10. Bonus / tax declared through Amendments (+) (net of debit notes)	₹0.00	₹0.00	₹0.00	₹0.00	₹0.00
11. Supplier / tax entered through Amendments (-) (net of credit notes)	₹0.00	₹0.00	₹0.00	₹0.00	₹0.00
12. Reversal of ITC availed during previous financial year		₹0.00	₹0.00	₹0.00	₹0.00
13. ITC availed for the previous financial year		₹0.00	₹0.00	₹0.00	₹0.00
Total turnover (10 + 11 - 12 - 13)	₹1,05,19,218.38	₹2,29,92,631.00	₹72,78,628.00	₹72,78,628.00	₹0.00

BACK TO ECTR 9 DASHBOARD

SAVE





To be filled

E1. Differential tax paid on account of declaration in Table no. 10 & 11

11/01/2023

Description	Payable (₹)	Paid (₹)
Integrated Tax	₹0.00	₹0.00
Central Tax	₹0.00	₹0.00
State/UT Tax	₹0.00	₹0.00
Cess	₹0.00	₹0.00
Interest	₹0.00	₹0.00

BACK TO GSTR-9 DASHBOARD

SAVE

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E2. ITC on other accessories of outward supplies

11/01/2023

Goods Service

To be filled

To add ITC Details. Enter and select ITC Name or Code.

Note: Kindly click on save button after any modification (add/delete) to save the changes.

BACK TO ITC9 DASHBOARD

SAVE

Warning: Incorrect ITC details may lead to non-compliance with provisions of tax law.

ICIT Code * <input type="text" value="099111"/>	ICIT * <input type="text" value="OTH-OTHERS"/>	Description <input type="text" value="Management consulting and management s"/>
Total Quantity * <input type="text" value="0"/>	Total Taxable Value (₹) * <input type="text" value="₹10,255.00"/>	<input type="checkbox"/> To supply applicable for concessional rate of tax
Rate of Tax (%) * <input type="text" value="18"/>	Integrated Tax (₹) <input type="text" value="₹0.00"/>	Excess Tax (₹) * <input type="text" value="₹4,612.00"/>
State/UT Tax (₹) * <input type="text" value="₹4,612.00"/>	CESG (₹) <input type="text" value="₹0.00"/>	

RESET

SAVE ITC

After Clicking on Compute Liabilities

GSTIN - 33AAACM2555R1Z6
Status - Ready to File

Legal Name -
FY - 2017-18

Go back to

18. Late fee payable and paid

Late fee payable
₹0.00

Late fee paid
₹-

Steps to file your GSTR-9 return

1. Click on 'Compute Liabilities' for computation of late fee, if any.
2. Proceed on 'GSTR Summary' result for annual return. Late fee is calculated by system.
3. Click on 'Proceed to file' to get liabilities against the return.
4. Additional details can be added even after clicking on 'Proceed to file' button. Moreover, in that case, you would be required to attach proof to be a proof to file the return.
5. Click on 'Download Filed GSTR-9 (PDF)' button to view summary of filed details in PDF format and
6. The PDF can be downloaded at Free costs as an excel file by clicking on 'Download GSTR-9 details (Excel)'.

BACK TO GSTR-9 SUMMARY

PROCEED TO FILE

PREVIEW DRAFT GSTR-9 (PDF)

PREVIEW DRAFT GSTR-9 (EXCEL)

19. Late fee payable and paid

Tax Ledger Balance

Description	Central tax (₹)	State/UT tax (₹)	Integrated tax (₹)	Cess (₹)	Total (₹)
Tax	₹4,221.00	₹4,221.00	₹22,946.00	₹0.00	₹31,388.00
Interest	₹0.00	₹0.00	₹0.00	₹0.00	₹0.00
Late Fee	₹0.00	₹0.00	₹0.00	₹0.00	₹0.00

Late fee payable and paid

Description	Payable (₹)	Paid (₹)	Additional cash required(₹)
A. Central Tax	₹0.00	₹0.00	₹0.00
B. State/UT tax	₹0.00	₹0.00	₹0.00

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 goods.

Taxpayer

Authorized Signatory *

BACK TO GSTR-9 SUMMARY

LOGOUT ONLINE

FILE GSTR-9

PREVIEW DRAFT GSTR-9 (PDF)

PREVIEW DRAFT GSTR-9 (EXCEL)

"The Author is a Chennai based Chartered Accountant in Practice. He can be reached at naven@psdy.in"

Organised by



24th Annual Residential Conference at Sterling Holiday Resorts, Munnar 8th to 11th February 2024



THE CHARTERED ACCOUNTANTS STUDY CIRCLE

Prince Arcade, 2-L, Rear Block, 2nd Floor, 22-A, Cathedral Road (Next to Stella Maris College)
Chennai - 600 086. Phone : 28114283 Website : www.casconline.org



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Dear Professional Colleagues

Greetings from CA Study Circle,

WE ARE BACK with our Edutaining sessions in our Unique style and Bonding ourself with our fellow members alongwith their family in our 24th Annual Residential Conference in our neighboring state of Kerala, with a refreshing location of MUNNAR and we have finalized our annual conference on 8th to 11th February 2024

Venue is the classic STERLING HOLIDAY RESORTS, Chinnakaanal, Munnar.

We will be launching our travel by newly introduced **Madras-Bodinayakkanur Express** and we will be reaching the Venue by afternoon, on 8th February 2024. The programme starts with Lunch followed by our inaugural session and Group Discussion for the technical subjects of the conference. We will be having intervening sessions on the rest of the days.

The accompanying spouses and children are facilitated with suitable programme during the engaging time of delegates in serious discussions.

There will be group sightseeing programme for the entire team together for exotic venues such as Mattupatti Dam, Tea Estates & Munnar City Visit and few other sight seeing view points.

We will be leaving the venue by 3.30 p.m. Post Lunch on 11th February 2024 again by **Bodinayakkanur - Madras Express** to reach back to Chennai well in time for the next day routines.

We have organized Three Technical Sessions as follows :

- **Case Studies on Direct Taxes - CA Rangamani Krishnan, Allepey (Group Discussion followed by presentation by speaker)**
- **Case Studies on Indirect Taxes - Adv. K. Vaitheeswaran, Chennai (Group Discussion followed by presentation by speaker)**
- **Presentation on "Reporting requirements - Recent Developments" by Ca Jomon K. George from Kochi.**

We are also organizing an interesting but General Topics which will enable participation for spouses and their family members.

We look forward to your support by enrolling yourselves with family for the programme.

For further information please feel free to contact.

- **CA. R. Ravi** : 9381008327 **CA. R. Sundararajan** : 9444393420
- **CA. V. Thulasidharan** : 9884029712 **CA. K.R. Sathyanarayanan** : 9804018712

Best Regards

R. Sundararajan

Conference Coordinator, CASC

DELEGATE / PARTICIPATION FEES - ALL INCLUSIVE RATES

PARTICULARS	REGISTRATION FEE
FOR DELEGATES (MEMBERS)	Rs.21,500/-
FOR DELEGATES (NON - MEMBERS) (will be enrolled as Annual member)	Rs.22,500/-
Accompanying Spouse, Adults & Children above 12 years	Rs.19,500/-
FOR CHILDREN (BETWEEN 5 TO 12)	Rs.4,500 (On room sharing with Parents)

Cash / Cheque / Demand Draft shall be taken in favour of "The Chartered Accountants Study Circle" Payable at Chennai.	For online Payment : Account Name : The Chartered Accountants Study Circle Bank Name : Canara Bank, Gopalapuram. Account Number : 0930101004830 IFS Code : CNRB0000930 Account Type : Savings
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TERMS AND CONDITIONS :

- ☞ Registration will be restricted to **120 persons** on first come first booked basis based on Enrolment Forms Received. Subsequent registrations may be accepted subject to availability of rooms at the resort.
- ☞ The Enrolment Form duly filled up along with requisite payment shall reach the CASC Office by **30th November 2023**. Enrolment form without payment will not be considered and the same shall be taken as rejected.
- ☞ Request for cancellation is not entertained.
- ☞ The registered delegate can opt for substitution and the same may be allowed only with the prior permission of the management committee.
- ☞ Delegate fee include all cost including accommodation from entry into the resort till exit, including food during the train travel
- ☞ Decision of the conference committee will be final in respect of allocation of rooms or room partners and / or in the matter of substitution and / or any other matter without assigning any reason there for.

REGISTRATION FORM

PLEASE FILL IN BLOCK LETTERS:

Name :

Address :

GSTIN :

Tel. No. : Mobile..... E-mail:

To,
The Chartered Accountants Study Circle
Prince Arcade, 2-L, Rear Block, 2nd Floor, 22-A, Cathedral Road (Next to Stella Maris College)
Chennai - 600 086. Phone : 28114283 Website : www.casconline.org

Dear Sirs,

Please find enclosed

1. Cash / Cheque / Demand Draft No. Dt. Drawn on
..... Branch for Rs.
(Rupees.....)
favoring **"The Chartered Accountants Study Circle"**, Payable at Chennai.

Towards registration of Short Duration **24th Annual Residential Conference at Sterling Holiday Resorts,
Munnar, 8th to 11th February 2024**

S.No.	Name of the Person	Male / Female	Age

Date:

Signature



ABOUT OURSELVES

The Chartered Accountants Study Circle (Regd.)

During the middle of 1978 a handful of young chartered accountants, based on MADRAS (as it then was) met periodically to discuss matters of professional relevance and significance and to widen the knowledge exposure and skills. From a limited role of discussions on tax laws and corporate laws, we have become full fledged treasure-house of talent mobilization. More than two third of our speakers / Chief guests have made their first ever public Speech under our banner.

The organization is proud that many of its members have become men of great eminence including three of its members being occupants of coveted position of the President of the Institute of Chartered Accountants of India and a number of members have been serving in the Regional and Central Councils of ICAI, ICSI, Chambers of Commerce and other Bodies. The members of CASC are interspersed in the society and more particularly in practice and in the industry.

The membership of CASC is in the form of Life, Corporate and Annual Membership.

The Composition of the members includes lawyers, company secretaries, consultants and members of the other allied and related professions. Besides our regular meetings, the CASC organizes with regularity, workshop, refresher courses, seminars and group discussions on all professional related subjects and topics in its self owned fully Air-Conditioned Premises at central location in Chennai with the state of the art infrastructure.

Every Year, scholarship are granted to meritorious students of the CA Course through the various endowments created by members and their families.

The residential Conference conducted by CASC, an annual feature is awaited eagerly by all the members. The programmes are conducted in exotic places at affordable rates coupled with good learning experience are booked well in advance.

Our monthly publication, the CASC bulletin contains thought provoking articles, exchange of problems and solution and digest of recent discussions, notifications and circulars.

Our Other Regular Publications are "Cenvat - Demystified", "User Guide to TNVAT", "Corporate Audit Check List", "Anti Dumping Measures in the WTO frame work" 'A Handy Booklet on Bank Branch Audit', and "Guide to Tax Audit".

Published by :

THE CHARTERED ACCOUNTANTS STUDY CIRCLE

2-L, Prince Arcade, 22-A, Cathedral Road, Chennai - 600086

☎ : 044 2811 4283 📞 : 90031 03420 📧 : admin@casconline.org

Book

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