

GST UPDATE
MARCH 2020

NOTIFICATIONS AND CIRCULARS

INDEX

S. NO.	PARTICULARS	PAGE NO.
A	NOTIFICATIONS UNDER CENTRAL TAX	2
B	NOTIFICATIONS UNDER CENTRAL TAX (RATE)	27
C	NOTIFICATIONS UNDER INTEGRATED TAX	30
D	NOTIFICATIONS UNDER INTERGRATED TAX (RATE)	31
E	CIRCULARS	34

A NOTIFICATIONS UNDER CENTRAL TAX

S. N.	Date	Notification No.	Subject	Sec.	Rule
A.1	02.03.2020	08/2020 – CT,	“Amends the CGST Rules, 2017 to prescribe the value of Lottery”	15, 164	31A -
A.2	16.03.2020	09/2020 – CT,	Exempts foreign airlines from furnishing reconciliation Statement in Form GSTR-9C	44	80
A.3	21.03.2020	10/2020 – CT,	Provides special procedure for taxpayers in Dadra and Nagar Haveli and Daman and Diu consequent to merger of the two UTs	148 2(106) 25 39	- - - 61
A.4	21.03.2020	11/2020 – CT,	Provides special procedure for corporate debtors undergoing the corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016	25 40 16	- - 36
A.5	21.03.2020	12/2020 – CT,	Waives off the requirement for furnishing Form GSTR-1 for 2019-20 for taxpayers who could not opt for availing the option of special composition scheme under Notification No. 2/2019-CT(R)	39	62
A.6	21.03.2020	13/2020 – CT,	Exempts certain class of registered persons from issuing e-invoices and the date for implementation of e-invoicing extended to 01.10.2020	31	48
A.7	21.03.2020	14/2020 – CT,	Exempts certain class of registered persons capturing dynamic QR code and the date for implementation of QR Code to be extended to 01.10.2020	31	46

GST by Bloomsbury and Rakesh Garg & Sandeep Garg – Monthly Update – March 2020

S. N.	Date	Notification No.	Subject	Sec.	Rule
A.8	23.03.2020	15/2020 – CT,	Extends the time limit for furnishing of the annual return specified under section 44 of CGST Act, 2017 for the financial year 2018-2019 till 30.06.2020	44	80
A.9	23.03.2020	16/2020 – CT,	Third amendment (2020) to CGST Rules	164 25 17 44 49, 49A, 49B 54,77 54,57,77 54 54 67,129	- 8, 9, 25 43 80 86 89, RFD-01 92 96 96A 141
A.10	23.03.2020	17/2020 – CT,	Specifies the class of persons who shall be exempted from aadhar authentication	25	9
A.11	23.03.2020	18/2020 – CT,	Notifies the date from which an individual shall undergo authentication, of Aadhaar number in order to be eligible for registration	25	9
A.12	23.03.2020	19/2020 – CT,	Specifies class of persons, other than individuals who shall undergo authentication, of Aadhaar number in order to be eligible for registration	25	9
A.13	23.03.2020	20/2020 – CT,	Extends due date for furnishing Form GSTR-7 for those taxpayers whose principal place of business is in the erstwhile State of Jammu and Kashmir for the July, 2019 to October, 2019 and November, 2019 to February, 2020	51	66

GST by Bloomsbury and Rakesh Garg & Sandeep Garg – Monthly Update – March 2020

S. N.	Date	Notification No.	Subject	Sec.	Rule
A.14	23.03.2020	21/2020 – CT,	Extends due date for furnishing Form GSTR-1 for registered persons whose principal place of business is in the erstwhile State of Jammu and Kashmir or the Union territory of Jammu and Kashmir or the Union territory of Ladakh for the quarter October-December, 2019 till 24th March, 2020	37	59
A.15	23.03.2020	22/2020 – CT,	Extends due date for furnishing Form GSTR-1 for registered persons whose principal place of business is in the erstwhile State of Jammu and Kashmir, and having aggregate turnover of more than 1.5 crore rupees in the preceding financial year or current financial year, for the month of October, 2019 and November, 2019 to February till 24th March, 2020	37	59
A.16	23.03.2020	23/2020 – CT,	Extends due date for furnishing Form GSTR-1 for registered persons whose principal place of business is in the erstwhile State of Jammu and Kashmir, by such class of registered persons having aggregate turnover of more than 1.5 crore rupees in the preceding financial year or current financial year, for each of the months from July, 2019 to September, 2019 till 24th March, 2020	37	59

GST by Bloomsbury and Rakesh Garg & Sandeep Garg – Monthly Update – March 2020

S. N.	Date	Notification No.	Subject	Sec.	Rule
A.17	23.03.2020	24/2020 – CT,	Extends due date for furnishing Form GSTR-1 for registered persons whose principal place of business is in the erstwhile State of Jammu and Kashmir, for the quarter July-September, 2019 till 24th March, 2020	37	59
A.18	23.03.2020	25/2020 – CT,	Extends due date for furnishing Form GSTR-3B for the months of October, 2019, November, 2019 to February, 2020 for registered persons whose principal place of business is in the erstwhile State of Jammu and Kashmir on or before the 24th March, 2020	39	61
A.19	23.03.2020	26/2020 – CT,	Extends due date for furnishing Form GSTR-3B of the said rules for the months of July,2019 to September, 2019 for registered persons whose principal place of business is in the erstwhile State of Jammu and Kashmir, shall be furnished electronically through the common portal, on or before the 24th March, 2020	39	61
A.20	23.03.2020	27/2020 – CT,	Prescribes the due date for furnishing Form GSTR-1 for the quarters April, 2020 to June, 2020 and July, 2020 to September, 2020 for registered persons having aggregate turnover of up to 1.5 crore rupees in the preceding financial year or the current financial year	37	59

GST by Bloomsbury and Rakesh Garg & Sandeep Garg – Monthly Update – March 2020

S. N.	Date	Notification No.	Subject	Sec.	Rule
A.21	23.03.2020	28/2020 – CT,	Prescribes the due date for furnishing Form GSTR-1 by such class of registered persons having aggregate turnover of more than 1.5 crore rupees in the preceding financial year or the current financial year, for each of the months from April, 2020 to September, 2020	37	59
A.22	23.03.2020	29/2020 – CT,	Prescribes return in Form GSTR-3B of CGST Rules, 2017 along with due dates of furnishing the said form for April, 2020 to September, 2020	39	61

A.1 Notification No. 08/2020 – CT ; dated 02.03.2020

G.S.R.....(E). - In exercise of the powers conferred by section 164 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government, on the recommendations of the Council, hereby makes the following rules further to amend the Central Goods and Services Tax Rules, 2017, namely:-

1. (1) These rules may be called the Central Goods and Services Tax (Second Amendment) Rules, 2020.
- (2) Save as otherwise provided in these rules, they shall come into force on the date of their publication in the Official Gazette.
2. In the Central Goods and Services Tax Rules, 2017, with effect from the 1st March, 2020, in rule 31A, for sub-rule (2), the following sub-rule shall be substituted, namely:-

“(2) The value of supply of lottery shall be deemed to be 100/128 of the face value of ticket or of the price as notified in the Official Gazette by the Organising State, whichever is higher.

Explanation:- For the purposes of this sub-rule, the expression “Organising State” has the same meaning as assigned to it in clause (f) of sub-rule (1) of rule 2 of the Lotteries (Regulation) Rules, 2010.”.

[F. No. 20/06/03/2020 – GST]

(Pramod Kumar)
Director, Government of India

Note: The principal rules were published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide notification No. 3/2017-Central Tax, dated the 19th June, 2017, vide number G.S.R. 610 (E), dated the 19th June, 2017 and last amended vide notification No. 02/2020 - Central Tax, dated the 01st January, 2020, published vide number G.S.R. 4 (E), dated the 01st January, 2020.

* * * * *

A.2 Notification No. 09/2020 – CT ; dated 16.03.2020

G.S.R.....(E).— In exercise of the powers conferred by section 148 of the Central Goods and Services Tax Act, 2017 (12 of 2017) (hereinafter referred to as the said Act), the Central Government, on the recommendations of the Council, hereby notifies the persons who are foreign company which is an airlines company covered under the notification issued under sub-section (1) of section 381 of the Companies Act, 2013 (18 of 2013) and who have complied with the sub-rule (2) of rule 4 of the Companies (Registration of Foreign Companies) Rules, 2014, as the class of registered persons who shall follow the special procedure as mentioned below.

2. The said persons shall not be required to furnish reconciliation statement in **Form GSTR-9C** to the Central Goods and Services Tax Rules, 2017 under subsection (2) of section 44 of the said Act read with sub-rule (3) of rule 80 of the said rules:

(7)

Provided that a statement of receipts and payments for the financial year in respect of its Indian Business operations, duly authenticated by a practicing Chartered Accountant in India or a firm or a Limited Liability Partnership of practicing Chartered Accountants in India is submitted for each GSTIN by the 30th September of the year succeeding the financial year.

[F. No-20/08/01/2019-GST]

(Pramod Kumar)
Director to the Government of India

* * * * *

A.3 Notification No. 10/2020 – CT ; dated 21.03.2020

G.S.R.....(E). - In exercise of the powers conferred by section 148 of the Central Goods and Services Tax Act, 2017 (12 of 2017) (hereinafter referred to as the said Act), the Government, on the recommendations of the Council, hereby notifies those persons whose principal place of business or place of business was in the erstwhile Union territory of Daman and Diu or in the erstwhile Union territory of Dadra and Nagar Haveli till the 26th day of January, 2020; and is in the merged Union territory of Daman and Diu and Dadra and Nagar Haveli from the 27th day of January, 2020 onwards, as the class of persons who shall, except as respects things done or omitted to be done before the notification, follow the following special procedure till the 31st day of May, 2020 (hereinafter referred to as the transition date) as mentioned below.

2. The said registered person shall,-
 - (i) ascertain the tax period as per sub-clause (106) of section 2 of the said Act for the purposes of any of the provisions of the said Act for the month of January, 2020 and February, 2020 as below:-
 - (a) January, 2020: 1st January, 2020 to 25th January, 2020;
 - (b) February, 2020: 26th January, 2020 to 29th February, 2020;
 - (ii) irrespective of the particulars of tax charged in the invoices, or in other like documents, raised from the 26th January, 2020 till the transition date, pay the appropriate applicable tax in the return under section 39 of the said Act;
 - (iii) who have registered Goods and Services Tax Identification Number (GSTIN) in the erstwhile Union territory of Daman and Diu and the erstwhile Union territory of Dadra and Nagar Haveli till the 25th day of January, 2019 have an option to transfer the balance of input tax credit (ITC) after the filing of the return for January, 2020, from the registered Goods and Services Tax Identification Number (GSTIN) in the erstwhile Union territory of Daman and Diu to the registered GSTIN in the new Union territory of Daman and Diu and Dadra and Nagar Haveli by following the procedure as below:-

- (a) the said class of persons shall intimate the jurisdictional tax officer of the transferor and the transferee regarding the transfer of ITC, within one month of obtaining new registration;
- (b) the ITC shall be transferred on the basis of the balance in the electronic credit ledger upon filing of the return in the erstwhile Union territory of Daman and Diu, for the tax period immediately before the transition date;
- (c) the transfer of ITC shall be carried out through the return under section 39 of the said Act for the tax period immediately before the transition date and the transferor GSTIN shall debit the said ITC from its electronic credit ledger in Table 4(B)(2) of **Form GSTR-3B** and the transferee GSTIN shall credit the equal amount of ITC in its electronic credit ledger in Table 4(A)(5) of **Form GSTR-3B**.

3. The balance of Union territory taxes in electronic credit ledger of the said class of persons, whose principal place of business lies in the Union territory of Daman and Diu, as on the 25th day of January, 2020, shall be transferred as balance of Union territory tax in the electronic credit ledger.

[F. No.20/06/03/2020-GST]

(Pramod Kumar)
Director, Government of India

* * * * *

A.4 Notification No. 11/2020 – CT ; dated 21.03.2020

G.S.R.....(E).—In exercise of the powers conferred by section 148 of the Central Goods and Services Tax Act, 2017 (12 of 2017) (hereinafter referred to as the said Act), the Government, on the recommendations of the Council, hereby notifies those registered persons (hereinafter referred to as the erstwhile registered person), who are corporate debtors under the provisions of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), undergoing the corporate insolvency resolution process and the management of whose affairs are being undertaken by interim resolution professionals (IRP) or resolution professionals (RP), as the class of persons who shall follow the following special procedure, from the date of the appointment of the IRP/RP till the period they undergo the corporate insolvency resolution process, as mentioned below.

2. **Registration.**— The said class of persons shall, with effect from the date of appointment of IRP / RP, be treated as a distinct person of the corporate debtor, and shall be liable to take a new registration (hereinafter referred to as the new registration) in each of the States or Union territories where the corporate debtor was registered earlier, within thirty days of the appointment of the IRP/RP:

Provided that in cases where the IRP/RP has been appointed prior to the date of this notification, he shall take registration within thirty days from the commencement of this notification, with effect from date of his appointment as IRP/RP.

3. **Return.**- The said class of persons shall, after obtaining registration file the first return under section 40 of the said Act, from the date on which he becomes liable to registration till the date on which registration has been granted.
4. **Input tax credit.**-(1) The said class of persons shall, in his first return, be eligible to avail input tax credit on invoices covering the supplies of goods or services or both, received since his appointment as IRP/RP but bearing the GSTIN of the erstwhile registered person, subject to the conditions of Chapter V of the said Act and the rules made thereunder, except the provisions of sub-section (4) of section 16 of the said Act and sub-rule (4) of rule 36 of the Central Goods and Service Tax Rules, 2017 (hereinafter referred to as the said rules)
- (2) Registered persons who are receiving supplies from the said class of persons shall, for the period from the date of appointment of IRP / RP till the date of registration as required in this notification or thirty days from the date of this notification, whichever is earlier, be eligible to avail input tax credit on invoices issued using the GSTIN of the erstwhile registered person, subject to the conditions of Chapter V of the said Act and the rules made thereunder, except the provisions of sub-rule (4) of rule 36 of the said rules.
- (5) Any amount deposited in the cash ledger by the IRP/RP, in the existing registration, from the date of appointment of IRP/RP to the date of registration in terms of this notification shall be available for refund to the erstwhile registration.

Explanation.- For the purposes of this notification, the terms “corporate debtor”, “corporate insolvency resolution professional”, “interim resolution professional” and “resolution professional” shall have the same meaning as assigned to them in the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

[F.No.20/06/03/2020-GST]

(Pramod Kumar)
Director, Government of India

* * * * *

A.5 Notification No. 12/2020 – CT ; dated 21.03.2020

G.S.R.....(E).— In exercise of the powers conferred by section 148 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government, on the recommendations of the Council, hereby makes the following amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 21/2019-Central Tax, dated the 23rd April, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 322(E), dated the 23rd April, 2019, namely:—

In the said notification, in paragraph 2, the following proviso shall be inserted, namely: –

“Provided that the said persons who have, instead of furnishing the statement containing the details of payment of self-assessed tax in **Form GST CMP-08** have furnished a return in **Form GSTR-3B** under the Central Goods and Services Tax Rules, 2017 (hereinafter referred to as the said rules) for the tax periods in the financial year 2019-20, such tax payers shall not be required to furnish the statement in outward supply of goods or services or both in **Form GSTR-1** of the said rules or the statement containing the details of payment of self-assessed tax in **Form GST CMP-08** for all the tax periods in the financial year 2019-20.”

[F.No.20/06/03/2020-GST]

(Pramod Kumar)
Director, Government of India

Note: The principal notification number 21/2019 – Central Tax, dated the 23rd April, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R.322(E), dated the 23rd April, 2019.

* * * * *

A.6 Notification No. 13/2020 – CT ; dated 21.03.2020

G.S.R.(E).— In exercise of the powers conferred by sub-rule (4) of rule 48 of the Central Goods and Services Tax Rules, 2017(hereinafter referred as said rules), the Government on the recommendations of the Council, and in supersession of the notification of the Government of India in the Ministry of Finance, Department of Revenue No. 70/2019 – Central Tax, dated the 13th December, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 926 (E), dated the 13th December, 2019, except as respects things done or omitted to be done before such supersession, hereby notifies registered person, other than those referred to in sub-rules (2), (3), (4) and (4A) of rule 54 of the said rules, whose aggregate turnover in a financial year exceeds one hundred crore rupees, as a class of registered person who shall prepare invoice and other prescribed documents, in terms of sub-rule (4) of rule 48 of the said rules in respect of supply of goods or services or both to a registered person.

2. This notification shall come into force from the 1st October, 2020.

[F. No.20/06/03/2020-GST]

(Pramod Kumar)
Director, Government of India

* * * * *

A.7 Notification No. 14/2020 – CT ; dated 21.03.2020

G.S.R.(E).— In exercise of the powers conferred by the sixth proviso to rule 46 of the Central Goods and Services Tax Rules, 2017 (hereinafter referred to as the said rules), the Government, on the recommendations of the Council, and in supersession of the notification of the Government of India in the Ministry of Finance, Department of Revenue No. 72/2019 – Central Tax, dated the 13th December, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R 928(E), dated the 13th December, 2019, except as respects things done or omitted to be done before such supersession, hereby notifies that an invoice issued by a registered person, whose aggregate turnover in a financial year exceeds five hundred crore rupees, other than those referred to in sub-rules (2), (3), (4) and (4A) of rule 54 of said rules, and registered person referred to in section 14 of the Integrated Goods and Services Tax Act, 2017, to an unregistered person (hereinafter referred to as B2C invoice), shall have Dynamic Quick Response (QR) code:

Provided that where such registered person makes a Dynamic Quick Response (QR) code available to the recipient through a digital display, such B2C invoice issued by such registered person containing cross-reference of the payment using a Dynamic Quick Response (QR) code, shall be deemed to be having Quick Response (QR) code.

2. This notification shall come into force from the 1st day of October, 2020

[F. No.20/06/03/2020-GST]

(Prمود Kumar)
Director, Government of India

* * * * *

A.8 Notification No. 15/2020 – CT ; dated 23.03.2020

G.S.R.....(E).– In exercise of the powers conferred by sub-section (1) of section 44 of the Central Goods and Services Tax Act, 2017 (12 of 2017) (hereafter in this notification referred to as the said Act), read with rule 80 of the Central Goods and Services Tax Rules, 2017 (hereafter in this notification referred to as the said rules), the Commissioner, on the recommendations of the Council, hereby extends the time limit for furnishing of the annual return specified under section 44 of the said Act read with rule 80 of the said rules, electronically through the common portal, for the financial year 2018-2019 till 30.06.2020.

[F.No CBEC-20/06/04/2020-GST]

(Prمود Kumar)
Director, Government of India

* * * * *

A.9 Notification No. 16/2020 – CT ; dated 23.03.2020

G.S.R.....(E). - In exercise of the powers conferred by section 164 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government hereby makes the following rules further to amend the Central Goods and Services Tax Rules, 2017, namely:-

1. (1) These rules may be called the Central Goods and Services Tax (Third Amendment) Rules, 2020.
(2) Save as otherwise provided in these rules, they shall come into force on the date of their publication in the Official Gazette.
2. In the Central Goods and Services Tax Rules, 2017 (hereinafter referred to as the said rules), in rule 8, after sub-rule (4), the following sub-rule shall be inserted, namely:-
“(4A) The applicant shall, while submitting an application under sub-rule (4), with effect from 01.04.2020, undergo authentication of Aadhaar number for grant of registration.”
3. In the said rules, in rule 9, in sub-rule (1), with effect from 01.04.2020, the following sub-rule shall be inserted, namely:-
“Provided that where a person, other than those notified under sub-section (6D) of section 25, fails to undergo authentication of Aadhaar number as specified in sub-rule (4A) of rule 8, then the registration shall be granted only after physical verification of the principle place of business in the presence of the said person, not later than sixty days from the date of application, in the manner provided under rule 25 and the provisions of sub-rule (5) shall not be applicable in such cases.”
4. In the said rules, for rule 25, the following rule shall be substituted, namely:-
“**Physical verification of business premises in certain cases.**-Where the proper officer is satisfied that the physical verification of the place of business of a person is required due to failure of Aadhaar authentication before the grant of registration, or due to any other reason after the grant of registration, he may get such verification of the place of business, in the presence of the said person, done and the verification report along with the other documents, including photographs, shall be uploaded in **Form GST REG-30** on the common portal within a period of fifteen working days following the date of such verification.”
5. In the said rules, in rule 43, in sub-rule (1) with effect from the 1st April, 2020,-
 - (a) for clause (c), the following clause shall be substituted, namely:-
“(c) the amount of input tax in respect of capital goods not covered under clauses (a) and (b), denoted as ‘A’ being the amount of tax as reflected on the invoice, shall credit directly to the electronic credit ledger and the validity of the useful life of such goods shall extend upto five years from the date of the invoice for such goods:

Provided that where any capital goods earlier covered under clause (a) is subsequently covered under this clause, input tax in respect of such capital goods denoted as 'A' shall be credited to the electronic credit ledger subject to the condition that the ineligible credit attributable to the period during which such capital goods were covered by clause (a), denoted as 'Tie', shall be calculated at the rate of five percentage points for every quarter or part thereof and added to the output tax liability of the tax period in which such credit is claimed:

Provided further that the amount 'Tie' shall be computed separately for input tax credit of central tax, State tax, Union territory tax and integrated tax and declared in **Form GSTR-3B**.

Explanation.- An item of capital goods declared under clause (a) on its receipt shall not attract the provisions of sub-section (4) of section 18, if it is subsequently covered under this clause."

- (b) for clause (d), the following clause shall be substituted, namely:-

"the aggregate of the amounts of 'A' credited to the electronic credit ledger under clause (c) in respect of common capital goods whose useful life remains during the tax period, to be denoted as 'Tc', shall be the common credit in respect of such capital goods:

Provided that where any capital goods earlier covered under clause (b) are subsequently covered under clause (c), the input tax credit claimed in respect of such capital good(s) shall be added to arrive at the aggregate value 'Tc';";

- (c) in clause (e), the following Explanation shall be inserted, namely:-

Explanation.- For the removal of doubt, it is clarified that useful life of any capital goods shall be considered as five years from the date of invoice and the said formula shall be applicable during the useful life of the said capital goods.";

- (d) clause (f) shall be omitted.

6. In the said rules, in rule 80, in sub-clause (3), the following proviso shall be inserted, namely:-

"Provided that every registered person whose aggregate turnover during the financial year 2018-2019 exceeds five crore rupees shall get his accounts audited as specified under sub-section (5) of section 35 and he shall furnish a copy of audited annual accounts and a reconciliation statement, duly certified, in **Form GSTR-9C** for the financial year 2018- 2019, electronically through the common portal either directly or through a Facilitation Centre notified by the Commissioner."

7. In the said rules, in rule 86, after sub-rule (4), the following sub-rule shall be inserted, namely:-

“(4A) Where a registered person has claimed refund of any amount paid as tax wrongly paid or paid in excess for which debit has been made from the electronic credit ledger, the said amount, if found admissible, shall be re-credited to the electronic credit ledger by the proper officer by an order made in **Form GST PMT-03**.”.

8. In the said rules, in rule 89, in sub-rule (4), for clause (C), the following clause shall be substituted, namely:-

“(C) “Turnover of zero-rated supply of goods” means the value of zero-rated supply of goods made during the relevant period without payment of tax under bond or letter of undertaking or the value which is 1.5 times the value of like goods domestically supplied by the same or, similarly placed, supplier, as declared by the supplier, whichever is less, other than the turnover of supplies in respect of which refund is claimed under sub-rules (4A) or (4B) or both;”.

9. In the said rules, in rule 92,-

(a) after sub-rule (1), the following sub-rule shall be inserted, namely:-

“(1A) Where, upon examination of the application of refund of any amount paid as tax other than the refund of tax paid on zero-rated supplies or deemed export, the proper officer is satisfied that a refund under sub-section (5) of section 54 of the Act is due and payable to the applicant, he shall make an order in FORM RFD-06 sanctioning the amount of refund to be paid, in cash, proportionate to the amount debited in cash against the total amount paid for discharging tax liability for the relevant period, mentioning therein the amount adjusted against any outstanding demand under the Act or under any existing law and the balance amount refundable and for the remaining amount which has been debited from the electronic credit ledger for making payment of such tax, the proper officer shall issue **Form GST PMT-03** re-crediting the said amount as Input Tax Credit in electronic credit ledger.”;

(b) in sub-rule (4), after the words, brackets and figure “amount refundable under sub-rule (1)”, the words, brackets, figure and letter “or sub-rule (1A)”, shall be inserted;

(c) in sub-rule (5), after the words, brackets and figure “amount refundable under sub-rule (1)”, the words, figures and letter “or sub-rule (1A)”, shall be inserted.

10. In the said rules, in rule 96, in sub-rule (10), in clause (b) with effect from the 23rd October, 2017, the following Explanation shall be inserted, namely,-

“*Explanation.*- For the purpose of this sub-rule, the benefit of the notifications mentioned therein shall not be considered to have been availed only where the registered person has paid Integrated Goods and Services Tax and Compensation Cess on inputs and has availed exemption of only Basic Customs Duty (BCD) under the said notifications.”.

11. In the said rules, after rule 96A, the following rule shall be inserted, namely:-

“96B. Recovery of refund of unutilised input tax credit or integrated tax paid on export of goods where export proceeds not realised. –(1) Where any refund of unutilised input tax credit on account of export of goods or of integrated tax paid on export of goods has been paid to an applicant but the sale proceeds in respect of such export goods have not been realised, in full or in part, in India within the period allowed under the Foreign Exchange Management Act, 1999 (42 of 1999), including any extension of such period, the person to whom the refund has been made shall deposit the amount so refunded, to the extent of non-realisation of sale proceeds, along with applicable interest within thirty days of the expiry of the said period or, as the case may be, the extended period, failing which the amount refunded shall be recovered in accordance with the provisions of section 73 or 74 of the Act, as the case may be, as is applicable for recovery of erroneous refund, along with interest under section 50:

Provided that where sale proceeds, or any part thereof, in respect of such export goods are not realised by the applicant within the period allowed under the Foreign Exchange Management Act, 1999 (42 of 1999), but the Reserve Bank of India writes off the requirement of realisation of sale proceeds on merits, the refund paid to the applicant shall not be recovered.

(2) Where the sale proceeds are realised by the applicant, in full or part, after the amount of refund has been recovered from him under sub-rule (1) and the applicant produces evidence about such realisation within a period of three months from the date of realisation of sale proceeds, the amount so recovered shall be refunded by the proper officer, to the applicant to the extent of realisation of sale proceeds, provided the sale proceeds have been realised within such extended period as permitted by the Reserve Bank of India.”.

12. In the said rules, in rule 141, in sub-rule (2), for the word “Commissioner”. the words “proper officer” shall be substituted.

13. In the said rules, in **Form GST RFD-01**, after the declaration under rule 89(2)(g), the following undertaking shall be inserted, namely:-

“UNDERTAKING

I hereby undertake to deposit to the Government the amount of refund sanctioned along with interest in case of non-receipt of foreign exchange remittances as per the proviso to section 16 of the IGST Act, 2017 read with rule 96B of the CGST Rules 2017.

Signature

Name –

Designation / Status”.

[F. No.CBEC-20/06/04/2020-GST]

(Pramod Kumar)
Director, Government of India

Note: The principal rules were published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide notification No. 3/2017-Central Tax, dated the 19th June, 2017, vide number G.S.R. 610 (E), dated the 19th June, 2017 and last amended vide notification No. 08/2020 - Central Tax, dated the 02nd March, 2020, published vide number G.S.R. 147 (E), dated the 02nd March, 2020.

* * * * *

A.10 Notification No. 17/2020 – CT ; dated 23.03.2020

G.S.R....(E).- In exercise of the powers conferred by sub-section (6D) of section 25 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government, on the recommendations of the Council, hereby notifies that the provisions of sub-section (6B) or sub section (6C) of the said Act shall not apply to a person who is not a citizen of India or to a class of persons other than the following class of persons, namely:–

- (a) Individual;
- (b) authorised signatory of all types;
- (c) Managing and Authorised partner; and
- (d) Karta of an Hindu undivided family.

2. This notification shall come into effect from the 1st day of April, 2020.

[F. No.CBEC-20/06/04/2020-GST]

(Pramod Kumar)
Director, Government of India

* * * * *

A.11 Notification No. 18/2020 – CT ; dated 23.03.2020

G.S.R....(E).- In exercise of the powers conferred by sub-section (6B) of section 25 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government, on the recommendations of the Council, hereby notifies the date of coming into force of this notification as the date, from which an individual shall undergo authentication, of Aadhaar number, as specified in rule 8 of the Central Goods and Services Tax Rules, 2017 (hereinafter referred to as the said rules), in order to be eligible for registration:

Provided that if Aadhaar number is not assigned to the said individual, he shall be offered alternate and viable means of identification in the manner specified in rule 9 of the said rules.

2. This notification shall come into effect from the 1st day of April, 2020.

[F. No.CBEC-20/06/04/2020-GST]

(Pramod Kumar)
Director, Government of India

* * * * *

!

A.12 Notification No. 19/2020 – CT ; dated 23.03.2020

G.S.R....(E).- In exercise of the powers conferred by sub-section (6C) of section 25 of the Central Goods and Services Tax Act, 2017 (12 of 2017) , the Central Government, on the recommendations of the Council, hereby notifies the date of coming into force of this notification as the date, from which the –

- (a) authorised signatory of all types;
- (b) Managing and Authorised partners of a partnership firm; and
- (c) Karta of an Hindu undivided family,

shall undergo authentication of possession of Aadhaar number, as specified in rule 8 of the Central Goods and Services Tax Rules, 2017 (hereinafter referred to as the said rules), in order to be eligible for registration under GST:

Provided that if Aadhaar number is not assigned to the said persons, they shall be offered alternate and viable means of identification in the manner specified in rule 9 of the said rules.

2. This notification shall come into effect from the 1st day of April, 2020.

[F. No.CBEC-20/06/04/2020-GST]

(Pramod Kumar)
Director, Government of India

* * * * *

A.13 Notification No. 20/2020 – CT ; dated 23.03.2020

G.S.R.....(E).–In exercise of the powers conferred by sub-section (6) of section 39 read with section 168 of the Central Goods and Services Tax Act, 2017 (12 of 2017) (hereafter in this notification referred to as the said Act), the Commissioner hereby makes the following further amendment in notification of the Government of India in the Ministry of Finance (Department of Revenue), No.26/2019 – Central Tax, dated the 28th June, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R.452(E), dated the 28th June, 2019, namely:–

In the said notification, in the first paragraph, for the second and third proviso, the following provisos shall be substituted, namely: –

“Provided further that the return by a registered person, required to deduct tax at source under the provisions of section 51 of the said Act in **Form GSTR-7** of the Central Goods and Services Tax Rules, 2017 under sub-section (3) of section 39 of the said Act read with rule 66 of the Central Goods and Services Tax Rules, 2017, for the months of July, 2019 to October,2019, whose principal place of business is in the erstwhile State of Jammu and Kashmir shall be furnished electronically through the common portal, on or before the 24th March, 2020:

Provided also that the return by a registered person, required to deduct tax at source under the provisions of section 51 of the said Act in **Form GSTR-7** of the Central Goods and Services Tax Rules, 2017 under sub-section (3) of section 39 of the said Act read with rule 66 of the Central Goods and Services Tax Rules, 2017, for the months of November, 2019 to February, 2020, whose principal place of business is in the Union territory of Jammu and Kashmir or the Union territory of Ladakh shall be furnished electronically through the common portal, on or before the 24th March, 2020.”

2. This notification shall be deemed to have come into force with effect from the 20th Day of December, 2019.

[F.No.CBEC-20/06/04/2020-GST]

(Prمود Kumar)

Director, Government of India

Note: The principal notification No. 26/2019 – Central Tax, dated the 28th June, 2019 was published in the Gazette of India, Extraordinary vide number G.S.R. 452(E), dated the 28th June, 2019 and was last amended by notification No. 78/2019 – Central Tax, dated the 26th December, 2019, published in the Gazette of India, Extraordinary vide number G.S.R. 957(E), dated the 26th December, 2019.

* * * * *

A.14 Notification No. 21/2020 – CT ; dated 23.03.2020

G.S.R.....(E).–In exercise of the powers conferred by section 148 of the Central Goods and Services Tax Act, 2017 (12 of 2017) (hereafter in this notification referred to as the said Act), the Central Government, on the recommendations of the Council, hereby makes the following amendment in notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 45/2019 – Central Tax, dated the 09th October, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 768 (E), dated the 09th October, 2019, namely:–

In the said notification, in the second paragraph, the following proviso shall be inserted, namely: –

“Provided that for registered persons whose principal place of business is in the erstwhile State of Jammu and Kashmir or the Union territory of Jammu and Kashmir or the Union territory of Ladakh, shall furnish the details of outward supply of goods or services or both in **Form GSTR-1** under the Central Goods and Services Tax Rules, 2017 effected during the quarter October-December, 2019 till 24th March, 2020.”.

2. This notification shall be deemed to come into force with effect from the 31st Day of January, 2020.

[F. No.CBEC-20/06/04/2020-GST]

(Prمود Kumar)

Director, Government of India

Note: The principal notification No. 45/2019 – Central Tax, dated the 09th October, 2019 was published in the Gazette of India, Extraordinary vide number G.S.R. 768(E), dated the 09th October, 2019.

* * * * *

A.15 Notification No. 22/2020 – CT ; dated 23.03.2020

G.S.R.....(E).–In exercise of the powers conferred by second proviso to sub-section (1) of section 37 read with section 168 of the Central Goods and Services Tax Act, 2017 (12 of 2017) (hereafter in this notification referred to as the said Act), the Commissioner, on the recommendations of the Council, hereby makes the following further amendment in notification of the Government of India in the Ministry of Finance (Department of Revenue), No.46/2019 – Central Tax, dated the 9th October, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R.769(E), dated the 09th October, 2019, namely:–

i. In the said notification, in the first paragraph, for the first proviso, the following proviso shall be substituted, namely: –

“Provided that for registered persons whose principal place of business is in the erstwhile State of Jammu and Kashmir, the time limit for furnishing the details of outward supplies in **Form GSTR-1** of Central Goods and Services Tax Rules, 2017, by such class of registered persons having aggregate turnover of more than 1.5 crore rupees in the preceding financial year or current financial year, for the month of October, 2019 till 24th March, 2020.”.

ii. In the said notification, in the first paragraph, after the second proviso, the following proviso shall be inserted, namely: –

“Provided that for registered persons whose principal place of business is in the Union territory of Jammu and Kashmir or the Union territory of Ladakh, the time limit for furnishing the details of outward supplies in **Form GSTR-1** of Central Goods and Services Tax Rules, 2017, by such class of registered persons having aggregate turnover of more than 1.5 crore rupees in the preceding financial year or current financial year, for the months of November, 2019 to **February** till 24th March, 2020.”.

2. This notification shall be deemed to come into force with effect from the 20th Day of December, 2019

[F. No.CBEC-20/06/04/2020-GST]
(Prmod Kumar)
Director, Government of India

Note: The principal notification No. 46/2019 – Central Tax, dated the 09th October, 2019 was published in the Gazette of India, Extraordinary vide number G.S.R. 769(E), dated the 09th October, 2019 and was last amended by notification No. 76/2019 – Central Tax, dated the 26th December, 2019, published in the Gazette of India, Extraordinary vide number G.S.R. 955(E), dated the 26th December, 2019.

* * * * *

A.16 Notification No. 23/2020 – CT ; dated 23.03.2020

G.S.R.....(E).–In exercise of the powers conferred by second proviso to sub-section (1) of section 37 read with section 168 of the Central Goods and Services Tax Act, 2017 (12 of 2017) (hereafter in this notification referred to as the said Act), the Commissioner, on the recommendations of the Council, hereby makes the following further amendment in notification of the Government of India in the Ministry of Finance (Department of Revenue), No.28/2019 – Central Tax, dated the 28th June, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R.454(E), dated the 28th June, 2019, namely:–

In the said notification, in the first paragraph, for the first proviso, the following proviso shall be substituted, namely: –

“Provided that for registered persons whose principal place of business is in the erstwhile State of Jammu and Kashmir, the time limit for furnishing the details of outward supplies in **Form GSTR-1** of Central Goods and Services Tax Rules, 2017, by such class of registered persons having aggregate turnover of more than 1.5 crore rupees in the preceding financial year or current financial year, for each of the months from July, 2019 to September, 2019 till 24th March, 2020.”

2. This notification shall be deemed to come into force with effect from the 20th Day of December, 2019.

[F. No.CBEC-20/06/04/2020-GST]

(Pramod Kumar)
Director, Government of India

Note: The principal notification No. 28/2019 – Central Tax, dated the 28th June, 2019 was published in the Gazette of India, Extraordinary vide number G.S.R. 454(E), dated the 28th June, 2019 and was last amended by notification No. 63/2019 – Central Tax, dated the 12th December, 2019, published in the Gazette of India, Extraordinary vide number G.S.R. 907(E), dated the 12th December, 2019.

* * * * *

A.17 Notification No. 24/2020 – CT ; dated 23.03.2020

G.S.R.....(E).–In exercise of the powers conferred by section 148 of the Central Goods and Services Tax Act, 2017 (12 of 2017) (hereafter in this notification referred to as the said Act), the Central Government, on the recommendations of the Council, hereby makes the following amendment in notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 27/2019 – Central Tax, dated the 28th June, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 453 (E), dated the 28th June, 2019, namely:–

In the said notification, in the second paragraph, for the first proviso, the following proviso shall be substituted, namely: –

“Provided that for registered persons whose principal place of business is in the erstwhile State of Jammu and Kashmir, shall furnish the details of outward supply of goods or services or both in **Form GSTR-1** under the Central Goods and Services Tax Rules, 2017 effected during the quarter July-September, 2019 till 24th March, 2020.”.

2. This notification shall be deemed to come into force with effect from the 30th Day of November, 2019.

[F. No.CBEC-20/06/04/2020-GST]

(Pramod Kumar)
Director, Government of India

Note: The principal notification No. 27/2019 – Central Tax, dated the 28th June, 2019 was published in the Gazette of India, Extraordinary vide number G.S.R. 453(E), dated the 28th June, 2019 and was last amended by notification No. 52/2019 – Central Tax, dated the 14th November, 2019, published in the Gazette of India, Extraordinary vide number G.S.R. 846(E), dated the 14th November, 2019.

* * * * *

A.18 Notification No. 25/2020 – CT ; dated 23.03.2020

G.S.R.....(E).–In exercise of the powers conferred by section 168 of the Central Goods and Services Tax Act, 2017 (12 of 2017) read with sub-rule (5) of rule 61 of the Central Goods and Services Tax Rules, 2017 (hereafter in this notification referred to as the said rules), the Commissioner, on the recommendations of the Council, hereby makes the following further amendment in notification of the Government of India in the Ministry of Finance (Department of Revenue), No.44/2019 – Central Tax, dated the 09th October, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R.767(E), dated the 09th October, 2019, namely:–

i. In the said notification, in the first paragraph, for the first proviso, the following proviso shall be substituted, namely: –

“Provided that the return in **Form GSTR-3B** of the said rules for the months of October, 2019 for registered persons whose principal place of business is in the erstwhile State of Jammu and Kashmir, shall be furnished electronically through the common portal, on or before the 24th March, 2020.”

ii. In the said notification, in the first paragraph, after the fifth proviso, the following proviso shall be inserted, namely: –

“Provided also that the return in **Form GSTR-3B** of the said rules for the months of November, 2019 to February, 2020 for registered persons whose principal place of business is in the Union territory of Jammu and Kashmir or the Union territory of Ladakh, shall be furnished electronically through the common portal, on or before the 24th March, 2020.”

2. This notification shall be deemed to come into force with effect from the 20th Day of December, 2019.

[F. No.CBEC-20/06/04/2020-GST]

(Pramod Kumar)
Director, Government of India

Note: The principal notification number 44/2019 – Central Tax, dated the 09th October, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R.767(E), dated the 09th October, 2019 and was last amended by notification number 07/2020 – Central Tax, dated the 3 rd February, 2020, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 83(E), dated the 3rd February, 2020.

* * * * *

A.19 Notification No. 26/2020 – CT ; dated 23.03.2020

G.S.R.....(E).–In exercise of the powers conferred by section 168 of the Central Goods and Services Tax Act, 2017 (12 of 2017) read with sub-rule (5) of rule 61 of the Central Goods and Services Tax Rules, 2017 (hereafter in this notification referred to as the said rules), the Commissioner, on the recommendations of the Council, hereby makes the following further amendment in notification of the Government of India in the Ministry of Finance (Department of Revenue), No.29/2019 – Central Tax, dated the 28th June, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R.455(E), dated the 28th June, 2019, namely:–

In the said notification, in the first paragraph, for the fourth proviso, the following proviso shall be substituted, namely: –

“Provided also that the return in **Form GSTR-3B** of the said rules for the months of July, 2019 to September, 2019 for registered persons whose principal place of business is in the erstwhile State of Jammu and Kashmir, shall be furnished electronically through the common portal, on or before the 24th March, 2020.”

2. This notification shall be deemed to come into force with effect from the 20th Day of December, 2019

[F. No.CBEC-20/06/04/2020-GST]

(Pramod Kumar)
Director, Government of India

Note: The principal notification No. 29/2019 – Central Tax, dated the 28th June, 2019 was published in the Gazette of India, Extraordinary vide number G.S.R. 455(E), dated the 28th June, 2019 and was last amended by notification No. 66/2019 – Central Tax, dated the 12th December, 2019 published in the Gazette of India, Extraordinary vide number G.S.R. 910(E), dated the 12th December, 2019.

* * * * *

A.20 Notification No. 27/2020 – CT ; dated 23.03.2020

G.S.R.....(E).— In exercise of the powers conferred by section 148 of the Central Goods and Services Tax Act, 2017 (12 of 2017) (hereafter in this notification referred to as the said Act), the Central Government, on the recommendations of the Council, hereby notifies the registered persons having aggregate turnover of up to 1.5 crore rupees in the preceding financial year or the current financial year, as the class of registered persons who shall follow the special procedure as mentioned below for furnishing the details of outward supply of goods or services or both.

2. The said registered persons shall furnish the details of outward supply of goods or services or both in **Form GSTR-1** under the Central Goods and Services Tax Rules, 2017, effected during the quarter as specified in column (2) of the Table below till the time period as specified in the corresponding entry in column (3) of the said Table, namely:-

Table

Sl. No.	Quarter for which details in Form GSTR-1 are furnished	Time period for furnishing details in Form GSTR-1
(1)	(2)	(3)
1.	April, 2020 to June, 2020	31st July, 2020
2.	July, 2020 to September, 2020	31st October, 2020

3. The time limit for furnishing the details or return, as the case may be, under sub-section (2) of section 38 of the said Act, for the months of April, 2020 to September, 2020 shall be subsequently notified in the Official Gazette.

[F. No.CBEC-20/06/04/2020-GST]

(Pramod Kumar)
Director, Government of India

* * * * *

A.21 Notification No. 28/2020 – CT ; dated 23.03.2020

G.S.R.....(E). - In exercise of the powers conferred by the second proviso to sub-section (1) of section 37 read with section 168 of the Central Goods and Services Tax Act, 2017 (12 of 2017) (hereafter in this notification referred to as the said Act), the Commissioner, on the recommendations of the Council, hereby extends the time limit for furnishing the details of outward supplies in **Form GSTR-1** of the Central Goods and Services Tax Rules, 2017, by such class of registered persons having aggregate turnover of more than 1.5 crore rupees in the preceding financial year or the current financial year, for each of the months from April,2020 to September, 2020 till the eleventh day of the month succeeding such month.

2. The time limit for furnishing the details or return, as the case may be, under sub-section (2) of section 38 of the said Act, for the months of April, 2020 to September, 2020 shall be subsequently notified in the Official Gazette.

(25)

[F. No.CBEC-20/06/04/2020-GST]

(Prمود Kumar)

Director, Government of India

* * * * *

A.22 Notification No. 29/2020 – CT ; dated 23.03.2020

G.S.R...(E).- In exercise of the powers conferred by section 168 of the Central Goods and Services Tax Act, 2017 (12 of 2017) (hereafter in this notification referred to as the said Act), read with sub-rule (5) of rule 61 of the Central Goods and Services Tax Rules, 2017 (hereafter in this notification referred to as the said rules), the Commissioner, on the recommendations of the Council, hereby specifies that the return in **Form GSTR-3B** of the said rules for each of the months from April, 2020 to September, 2020 shall be furnished electronically through the common portal, on or before the twentieth day of the month succeeding such month:

Provided that, for taxpayers having an aggregate turnover of up to rupees five crore rupees in the previous financial year, whose principal place of business is in the States of Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands or Lakshadweep, the return in **Form GSTR-3B** of the said rules for the months of April, 2020 to September, 2020 shall be furnished electronically through the common portal, on or before the twenty-second day of the month succeeding such month:

Provided further that, for taxpayers having an aggregate turnover of up to rupees five crore rupees in the previous financial year, whose principal place of business is in the States of Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand or Odisha, the Union territories of Jammu and Kashmir, Ladakh, Chandigarh or Delhi, the return in **Form GSTR-3B** of the said rules for the months of April, 2020 to September, 2020 shall be furnished electronically through the common portal, on or before the twenty-fourth day of the month succeeding such month.

2. **Payment of taxes for discharge of tax liability as per Form GSTR-3B.** – Every registered person furnishing the return in **Form GSTR-3B** of the said rules shall, subject to the provisions of section 49 of the said Act, discharge his liability towards tax by debiting the electronic cash ledger or electronic credit ledger, as the case may be and his liability towards interest, penalty, fees or any other amount payable under the said Act by debiting the electronic cash ledger, not later than the last date, as specified in the first paragraph, on which he is required to furnish the said return.

[F. No. CBEC-20/06/04/2020-GST]

(Prمود Kumar)

Director, Government of India

* * * * *

!

B NOTIFICATIONS UNDER CENTRAL TAX (RATE)

S. N.	Date	Notification No.	Subject	Sec.	Rule
B.1	26.03.2020	02/2020 – CT(R)	Amends Notification No. 11/2017-Central Tax (Rate) dt. 28.06.2017 reducing CGST rate on Maintenance, Repair and Overhaul (MRO) services in respect of aircraft from 18% to 5% with full ITC	9	-
B.2	25.03.2020	03/2020 – CT(R)	Amends Notification No. 1/2017-Central Tax (Rate) to prescribe change in CGST rate of goods.	9	-

B.1 Notification No. 02/2020 – CT(R) ; dated 26.03.2020

G.S.R.....(E).- In exercise of the powers conferred by sub-section (1), (3) and sub-section (4) of section 9, sub-section (1) of section 11, sub-section (5) of section 15 and section 148 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government, on being satisfied that it is necessary in the public interest so to do, on the recommendations of the Council, hereby makes the following further amendments in the notification of the Government of India, in the Ministry of Finance (Department of Revenue) No.11/2017-Central Tax (Rate), dated the 28th June, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 690(E), dated the 28th June, 2017, namely:-

In the said notification, in the Table, against serial number 25,

- (a) after item (i) and entries relating thereto, in columns (3), (4) and (5), the following items and entries shall be inserted, namely, -

(3)	(4)	(5)
“(ia) Maintenance, repair or overhaul services in respect of aircrafts, aircraft engines and other aircraft components or parts.	2.5	-

- (b) in item (ii), in column (3), after the brackets and figures “(i)”, the word, brackets, and figures “and (ia)” shall be inserted.

2. This notification shall come into force with effect from the 1st day of April, 2020.

[F. No. 354/32/2020- TRU]
(Prmod Kumar)

Director to the Government of India

Note: - The principal notification No. 11/2017 - Central Tax (Rate), dated the 28th June, 2017 was published in the Gazette of India, Extraordinary, vide number G.S.R. 690 (E), dated the 28th June, 2017 and was last amended by notification No. 26/2019 - Central Tax (Rate), dated the 22nd November, 2019 vide number G.S.R. 870 (E), dated the 22nd November, 2019.

* * * * *

B.2 Notification No. 03/2020 – CT(R) ; dated 25.03.2020

G.S.R. (E).- In exercise of the powers conferred by sub-section (1) of section 9 and sub-section (5) of section 15 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government, on the recommendations of the Council, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No.1/2017-Central Tax (Rate), dated the 28th June, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 673(E), dated the 28th June, 2017, namely:-

In the said notification, -

- (a) in Schedule I – 2.5%, serial number 187 and the entries relating thereto shall be omitted;
- (b) in Schedule II - 6%,-
- (i) after serial number 75 and the entries relating thereto, the following serial number and entries shall be inserted, namely :-
- | | | |
|-------|------------|-------------|
| “75A. | 3605 00 10 | All goods”; |
|-------|------------|-------------|
- (ii) serial numbers 202 and 203 and the entries relating thereto shall be omitted;
- (c) in Schedule III - 9%,-
- (i) serial number 73 and the entries relating thereto shall be omitted;
- (ii) in serial number 379, for the entry in column (3), the entry “All goods” shall be substituted;

2. This notification shall come into force on the 1st day of April, 2020.

[F.No. 354/34/2020-TRU]

(Gaurav Singh)

Deputy Secretary to the Government of India

(28)

Note: - The principal notification No.1/2017-Central Tax (Rate), dated the 28th June, 2017 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 673(E), dated the 28th June, 2017 and was last amended by notification No. 01/2020- Central Tax (Rate), dated the 21st February, 2020, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number GSR 134(E), dated the 21st February, 2020.

* * * * *

!

C NOTIFICATIONS UNDER INTEGRATED TAX

S. N.	Date	Notification No.	Subject	Sec.	Rule
C.1	26.03.2020	02/2020 – IT,	Amends Notification No. 4/2019-Integrated Tax dt. 30.09.2019 to change the place of supply for B2B MRO services to the location of the recipient.	13	-

!

C.1 Notification No. 02/2020 – IT ; dated 26.03.2020

G.S.R.....(E).- In exercise of the powers conferred by sub-section (13) of section 13 of the Integrated Goods and Services Tax Act, 2017 (13 of 2017), the Central Government, on being satisfied that it is necessary in order to prevent double taxation or non-taxation of the supply of a service, or for the uniform application of rules, on the recommendations of the Council, hereby makes the following amendments in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No.4/2019- Integrated Tax, dated the 30th September, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 748 (E), dated the 30th September, 2019, namely:-

In the said notification, in Table A, after serial number (1) and the entries relating thereto, the following serial number and entry shall be inserted, namely: -

(1)	(2)	(3)
“2	Supply of maintenance, repair or overhaul service in respect of aircrafts, aircraft engines and other aircraft components or parts supplied to a person for use in the course or furtherance of business.	The place of supply of services shall be the location of the recipient of service.”

2. This notification shall come into force with effect from the 1st day of April, 2020.

[F. No. 354/32/2020- TRU]

(Pramod Kumar)
Director to the Government of India

* * * * *

!

D NOTIFICATIONS UNDER INTEGRATED TAX (RATE)

S. N.	Date	Notification No.	Subject	Sec.	Rule
D.1	26.03.2020	02/2020 – IT(R)	Amends Notification No. 8/2017-Integrated Tax (Rate) dt. 28.06.2017 reducing IGST rate on Maintenance, Repair and Overhaul (MRO) services in respect of aircraft from 18% to 5% with full ITC	5	-
D.2	25.03.2020	03/2020 – IT(R)	Amends notification No. 1/2017-Integrated Tax (Rate) to prescribe change in UTGST rate of goods	5	-

!

D.1 Notification No. 02/2020 – IT(R) ; dated 26.03.2020

G.S.R.....(E).- In exercise of the powers conferred by sub-section (1), (3) and sub-section (4) of section 5, sub-section (1) of section 6 and clauses (iii) and (xxv) of section 20 of the Integrated Goods and Services Tax Act, 2017 (13 of 2017), read with sub-section (5) of section 15 and section 148 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government, on the recommendations of the Council, and on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India, in the Ministry of Finance (Department of Revenue) No. 8/2017- Integrated Tax (Rate), dated the 28th June, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 683 (E), dated the 28th June, 2017, namely:-

In the said notification, in the Table, against serial number 25,

- (a) after item (i) and entries relating thereto, in columns (3), (4) and (5), the following items and entries shall be inserted, namely, -

(3)	(4)	(5)
“(ia) Maintenance, repair or overhaul services in respect of aircrafts, aircraft engines and other aircraft components or parts.	5	-

- (b) in item (ii), in column (3), after the brackets and figures “(i)”, the word, brackets, and figures “and (ia)” shall be inserted.

2. This notification shall come into force with effect from the 1st day of April, 2020.

[F. No. 354/32/2020- TRU]

(Prمود Kumar)
Director to the Government of India

Note: -The principal notification No. 8/2017- Integrated Tax (Rate), dated the 28th June, 2017 was published in the Gazette of India, Extraordinary, vide number G.S.R. 683 (E), dated the 28th June, 2017 and was last amended by notification No. 25/2019- Integrated Tax (Rate), dated the 22nd November, 2019 vide number G.S.R. 871(E), dated the 22nd November, 2019.

* * * * *

D.2 Notification No. 03/2020 – IT(R) ; dated 25.03.2020

G.S.R. (E).- In exercise of the powers conferred by sub-section (1) of section 5 of the Integrated Goods and Services Tax Act, 2017 (13 of 2017) read with sub-section (5) of section 15 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government, on the recommendations of the Council, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No.1/2017- Integrated Tax (Rate), dated the 28th June, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 666 (E), dated the 28th June, 2017, namely:-

In the said notification, -

- (a) in Schedule I - 5%, serial number 187 and the entries relating thereto shall be omitted;
- (b) in Schedule II - 12%,-
- (i) after serial number 75 and the entries relating thereto, the following serial number and entries shall be inserted, namely :-

“75A.	3605 00 10	All goods”;
-------	------------	-------------

- (ii) serial numbers 202 and 203 and the entries relating thereto shall be omitted;
- (c) in Schedule III - 18%,-
- (i) serial number 73 and the entries relating thereto shall be omitted;
- (ii) in serial number 379, for the entry in column (3), the entry “All goods” shall be substituted;

2. This notification shall come into force on the 1st day of April, 2020.

[F.No. 354/34/2020-TRU]
(Gaurav Singh)

Deputy Secretary to the Government of India

Note: - The principal notification No.1/2017-Integrated Tax (Rate), dated the 28th June, 2017 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 666(E), dated the 28th June, 2017 and was last amended by notification No. 01/2020- Integrated Tax(Rate), dated the 21st February, 2020, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number GSR 135(E), dated the 21st February, 2020.

* * * * *

!

E CIRCULARS

S. N.	Date	Circular No.	Subject	Sec	Rule
E.1	18.03.2020	132/2020	To issue clarification in respect of appeal in regard to non-constitution of Appellate Tribunal	107	-
E.2	23.03.2020	133/2020	Clarifies issues in respect of apportionment of input tax credit (ITC) in cases of business reorganization under section 18(3) of CGST Act read with rule 41(1) of CGST Rules	18	41
E.3	23.03.2020	134/2020	Clarifies issues in respect of issues under GST law for companies under Insolvency and Bankruptcy Code, 2016	25, 29 37, 39 40 16	- - - 36
E.4	31.03.2020	135/2020	Circular on Clarification on refund related issues	54	89, 92

E.1 Circular No. 132/2020 ; dated 18.03.2020

To,

The Pr. Chief Commissioners / Chief Commissioners / Principal Commissioners / Commissioners of Central Tax (All)

The Principal Director Generals / Director Generals (All)

Madam/Sir,

Subject: Clarification in respect of appeal in regard to non-constitution of Appellate Tribunal – reg.

Various representations have been received wherein the issue has been decided against the registered person by the adjudicating authority or refund application has been rejected by the appropriate authority and appeal against the said order is pending before the appellate authority. It has been gathered that the appellate process is being kept pending by several appellate authorities on the grounds that the appellate tribunal has been not constituted and that

till such time no remedy is available against their Order-in-Appeal, such appeals cannot be disposed. Doubts have been raised across the field formations in respect of the appropriate procedure to be followed in absence of appellate tribunal for appeal to be made under section 112 of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the “CGST Act”).

2. The matter has been examined in detail. In order to clarify the issue and to ensure uniformity in the implementation of the provisions of the law across field formations, the Board, in exercise of its powers conferred by section 168 (1) of the CGST Act, hereby issues the following clarifications and guidelines.

3.1 Appeal against an adjudicating authority is to be made as per the provisions of Section 107 of the CGST Act. The sub-section (1) of the section reads as follows: -

“107. (1) Any person aggrieved by any decision or order passed under this Act or the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act by an adjudicating authority may appeal to such Appellate Authority as may be prescribed within three months from the date on which the said decision or order is communicated to such person.”

3.2 Relevant rules have been prescribed for implementation of the above Section. The relevant rule for the same is rule 109A of Central Goods and Services Tax Rules, 2017 which reads as follows

“109A. Appointment of Appellate Authority.- (1) Any person aggrieved by any decision or order passed under this Act or the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act may appeal to –

- (a) the Commissioner (Appeals) where such decision or order is passed by the Additional or Joint Commissioner;
- (b) any officer not below the rank of Joint Commissioner (Appeals) where such decision or order is passed by the Deputy or Assistant Commissioner or Superintendent,

within three months from the date on which the said decision or order is communicated to such person.”

3.3 Hence, if the order has been passed by Deputy or Assistant Commissioner or Superintendent, appeal has to be made to the appellate authority appointed who would not be an officer below the rank of Joint Commissioner. Further, if the order has been passed by Additional or Joint Commissioner, appeal has to be made to the Commissioner (Appeal) appointed for the same.

4.1 The appeal against the order passed by appellate authority under Section 107 of the CGST Act lies with appellate tribunal. Relevant provisions for the same is mentioned in the Section 112 of the CGST Act which reads as follows: -

“112 (1) Any person aggrieved by an order passed against him under section 107 or section 108 of this Act or the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act may appeal to the Appellate Tribunal against such order

within three months from the date on which the order sought to be appealed against is communicated to the person preferring the appeal.”

4.2 The appellate tribunal has not been constituted in view of the order by Madras High Court in case of Revenue Bar Assn. v. Union of India and therefore the appeal cannot be filed within three months from the date on which the order sought to be appealed against is communicated. In order to remove difficulty arising in giving effect to the above provision of the Act, the Government, on the recommendations of the Council, has issued **the Central Goods and Services Tax (Ninth Removal of Difficulties) Order, 2019 dated 03.12.2019**. It has been provided through the said Order that the appeal to tribunal can be made within three months (six months in case of appeals by the Government) from the date of communication of order or date on which the President or the State President, as the case may be, of the Appellate Tribunal enters office, **whichever is later**.

4.3 Hence, as of now, the prescribed time limit to make application to appellate tribunal will be counted from the date on which President or the State President enters office. The appellate authority while passing order may mention in the preamble that appeal may be made to the appellate tribunal whenever it is constituted within three months from the President or the State President enters office. Accordingly, it is advised that the appellate authorities may dispose all pending appeals expeditiously without waiting for the constitution of the appellate tribunal.

5. It is requested that suitable trade notices may be issued to publicize the contents of this Circular.

6. Difficulty, if any, in implementation of the above instructions may please be brought to the notice of the Board. Hindi version would follow.

(Yogendra Garg)
Principal Commissioner (GST)

* * * * *

E.2 Circular No. 133/2020 ; dated 23.03.2020

To,

The Principal Chief Commissioners/Chief Commissioners/Principal Commissioners/
Commissioners of Central Tax (All) / The Principal Director Generals/ Director Generals (All)

Madam/Sir,

Sub: Clarification in respect of apportionment of input tax credit (ITC) in cases of business reorganization under section 18 (3) of CGST Act read with rule 41(1) of CGST Rules - reg.

Representations have been received from various taxpayers seeking clarification in respect of apportionment and transfer of ITC in the event of merger, demerger, amalgamation or change in the constitution/ownership of business. Certain doubts have been raised regarding the interpretation of subsection (3) of section 18 of the Central Goods and Services Tax Act,

2017 (hereinafter referred to as the CGST Act) and sub-rule (1) of rule 41 of the Central Goods and Services Tax Rules, 2017 (hereinafter referred to as the CGST Rules) in the context of business reorganization.

2. According to sub-section (3) of section 18 of the CGST Act,

“Where there is a change in the constitution of a registered person on account of sale, merger, demerger, amalgamation, lease or transfer of the business with the specific provisions for transfer of liabilities, the said registered person shall be allowed to transfer the input tax credit which remains unutilized in his electronic credit ledger to such sold, merged, demerged, amalgamated, leased or transferred business in such manner as may be prescribed.”

Further, according to sub-rule (1) of rule 41 of the CGST Rules:

“A registered person shall, in the event of sale, merger, de-merger, amalgamation, lease or transfer or change in the ownership of business for any reason, furnish the details of sale, merger, demerger, amalgamation, lease or transfer of business, in **Form GST ITC-02**, electronically on the common portal along with a request for transfer of unutilized input tax credit lying in his electronic credit ledger to the transferee:

Provided that in the case of demerger, the input tax credit shall be apportioned in the ratio of the value of assets of the new units as specified in the demerger scheme.

Explanation:- For the purpose of this sub-rule, it is hereby clarified that the “value of assets” means the value of the entire assets of the business, whether or not input tax credit has been availed thereon.

3. The issues raised in various representations have been analyzed in the light of various legal provisions under GST. In order to ensure uniformity in the implementation of the provisions of the law, the Board, in exercise of its powers conferred by sub-section (1) of section 168 of the CGST Act clarifies the issues involved in the Table below.

S. No.	Issue / Question	Clarification
a.	(i) In case of demerger, proviso to rule 41 (1) of the CGST Rules provides that the input tax credit shall be apportioned in the ratio of the value of assets of the new units as specified in the demerger	Proviso to sub-rule (1) of rule 41 of the CGST Rules provides for apportionment of the input tax credit in the ratio of the value of assets of the new units as specified in the demerger scheme. Further, the explanation to sub-rule (1) of rule 41 of the CGST Rules states that “value of assets” means the value of the entire assets of the business, whether or not input tax credit has been availed thereon. Under the provisions of the CGST Act, a person/ company (having same PAN) is required to obtain separate registration in different States and each such registration is considered a distinct person for the purpose of the Act. Accordingly, for the purpose of apportionment of ITC pursuant to a demerger under sub-rule (1) of rule 41 of the CGST Rules, the value of assets of the new units is to be taken at the State level (at the level of distinct person) and not at the all-India level.

<p>scheme. However, it is not clear as to whether the value of assets of the new units is to be considered at State level or at all-India level.</p>	<p>Illustration A company XYZ is registered in two States of M.P. and U.P. Its total value of assets is worth Rs. 100 crore, while its assets in State of M.P. and U.P are Rs 60 crore and Rs 40 crore respectively. It demerges a part of its business to company ABC. As a part of such demerger, assets of XYZ amounting to Rs 30 Crore are transferred to company ABC in State of M.P, while assets amounting to Rs 10 crore only are transferred to ABC in State of U.P. (Total assets amounting to Rs 40 crore at all-India level are transferred from XYZ to ABC). The unutilized ITC of XYZ in State of M.P. shall be transferred to ABC on the basis of ratio of value of assets in State of M.P., i.e. $30/60 = 0.5$ and not on the basis of all-India ratio of value of assets, i.e. $40/100=0.4$. Similarly, unutilized ITC of XYZ in State of U.P. will be transferred to ABC in ratio of value of assets in State of U.P.,i.e. $10/40 = 0.25$.</p>
<p>(ii) Is the transferor required to file Form GST ITC – 02 in all States where it is registered?</p>	<p>No. The transferor is required to file Form GST ITC-02 only in those States where both transferor and transferee are registered.</p>
<p>b. The proviso to rule 41 (1) of the CGST Rules explicitly mentions ‘demerger’. Other forms of business reorganization where part of business is hived off or business in transferred as a going concern etc. have not been covered in the said rule. Wherever business reorganization results in partial transfer of</p>	<p>Yes, the formula for apportionment of ITC, as prescribed under proviso to sub-rule (1) of rule 41 of the CGST Rules, shall be applicable for all forms of business re-organization that results in partial transfer of business assets along with liabilities.</p>

	<p>business assets along with liabilities, whether the proviso to rule 41(1) of the CGST Rules, 2017 shall be applicable to calculate the amount of transferable ITC?</p>																	
<p>c.</p>	<p>(i) Whether the ratio of value of assets, as prescribed under proviso to rule 41 (1) of the CGST Rules, shall be applied in respect of each of the heads of input tax credit viz. CGST/SGST/IGST/Cess?</p>	<p>No, the ratio of value of assets, as prescribed under proviso to sub-rule (1) of rule 41 of the CGST Rules, shall be applied to the total amount of unutilized input tax credit (ITC) of the transferor i.e. sum of CGST, SGST/UTGST and IGST credit. The said formula need not be applied separately in respect of each heads of ITC (CGST/SGST/IGST). Further, the said formula shall also be applicable for apportionment of Cess between the transferor and transferee.</p> <p>Illustration A: The ITC balances of transferor X in the State of Maharashtra under CGST, SGST and IGST heads are 5 lakh, 5 lakh and 10 lakh respectively. Pursuant to a scheme of demerger, X transfers 60% of its assets to transferee B. Accordingly, the amount of ITC to be transferred from A to B shall be 60% of 20 lakh (total sum of CGST, SGST and IGST credit) i.e. 12 lakh.</p>																
	<p>(ii) How to determine the amount of ITC that is to be transferred to the transferee under each tax head (IGST/CGST/SGST) while filing of Form GST ITC-02 by the transferor?</p>	<p>The total amount of ITC to be transferred to the transferee (i.e. sum of CGST, SGST/UTGST and IGST credit) should not exceed the amount of ITC to be transferred, as determined under sub-rule (1) of rule 41 of the CGST Rules [refer 3 (c) (i) above]. However, the transferor shall be at liberty to determine the amount to be transferred under each tax head (IGST, CGST, SGST/UTGST) within this total amount, subject to the ITC balance available with the transferor under the concerned tax head. This is shown in the illustration below:</p> <table border="1" data-bbox="552 1402 1344 1627"> <thead> <tr> <th data-bbox="552 1402 623 1455">(1)</th> <th data-bbox="623 1402 708 1455">(2)</th> <th data-bbox="708 1402 792 1455">(3)</th> <th data-bbox="792 1402 971 1455">(4)</th> <th data-bbox="971 1402 1149 1455">(5)</th> <th data-bbox="1149 1402 1344 1455">(6)</th> </tr> </thead> <tbody> <tr> <td data-bbox="552 1455 623 1627">State</td> <td data-bbox="623 1455 708 1627">Asset Ratio of Transferee</td> <td data-bbox="708 1455 792 1627">Tax Heads</td> <td data-bbox="792 1455 971 1627">ITC balance of Transferor (pre-apportionment) as on the</td> <td data-bbox="971 1455 1149 1627">Total amount of ITC transferred to the Transferee under FORM</td> <td data-bbox="1149 1455 1344 1627">ITC balance of Transferor (post-apportionment) after filing of</td> </tr> </tbody> </table>					(1)	(2)	(3)	(4)	(5)	(6)	State	Asset Ratio of Transferee	Tax Heads	ITC balance of Transferor (pre-apportionment) as on the	Total amount of ITC transferred to the Transferee under FORM	ITC balance of Transferor (post-apportionment) after filing of
(1)	(2)	(3)	(4)	(5)	(6)													
State	Asset Ratio of Transferee	Tax Heads	ITC balance of Transferor (pre-apportionment) as on the	Total amount of ITC transferred to the Transferee under FORM	ITC balance of Transferor (post-apportionment) after filing of													

			date of filing FORM GST ITC-02)	GST ITC02	FORM GST ITC-02) [Col (4) – Col (5)]
Delhi	70%	CGST	10,00,000	10,00,000	0
		SGST	10,00,000	10,00,000	0
		IGST	30,00,000	15,00,000	15,00,000
		Total	50,00,000	35,00,000	15,00,000
Har- yana	40%	CGST	25,00,000	3,00,000	22,00,000
		SGST	25,00,000	5,00,000	20,00,000
		IGST	20,00,000	20,00,000	0
		Total	70,00,000	28,00,000	42,00,000
d.	(i) In order to calculate the amount of transferable ITC, the apportionment formula under proviso to rule 41(1) of the CGST Rules has to be applied to the unutilized ITC balance of the transferor. However, it is not clear as to which date shall be relevant to calculate the amount of unutilized ITC balance of transferor.	<p>According to sub-section (3) of section 18 of the CGST Act, “Where there is a change in the constitution of a registered person on account of sale, merger, demerger, amalgamation, lease or transfer of the business with the specific provisions for transfer of liabilities, the said registered person shall be allowed to transfer the input tax credit which remains unutilized in his electronic credit ledger to such sold, merged, demerged, amalgamated, leased or transferred business in such manner as may be prescribed.” Further, sub-rule (1) of rule 41 of the CGST Rules prescribes that the registered person shall file the details in Form GST ITC-02 for transfer of unutilized input tax credit lying in his electronic credit ledger to the transferee.</p> <p>A conjoint reading of sub-section (3) of section 18 of the CGST Act along with sub-rule (1) of rule 41 of the CGST Rules would imply that the apportionment formula shall be applied on the ITC balance of the transferor as available in electronic credit ledger on the date of filing of Form GST ITC – 02 by the transferor.</p>			
	(ii) Which date shall be relevant to calculate the ratio of value of assets, as	<p>According to section 232 (6) of the Companies Act, 2013, “The scheme under this section shall clearly indicate an appointed date from which it shall be effective and the scheme shall be deemed to be effective from such date and not at a date subsequent to the appointed date”. The said legal provision appears to indicate</p>			

prescribed in the proviso to rule 41 (1) of the CGST Rules, 2017?	that the “ appointed date of demerger ” is the date from which the scheme for demerger comes into force and it is specified in the respective scheme of demerger. Therefore, for the purpose of apportionment of ITC under rule sub-rule (1) of rule 41 of the CGST Rules, the ratio of the value of assets should be taken as on the “ appointed date of demerger ”. In other words, for the purpose of apportionment of ITC under sub-rule (1) of rule 41 of the CGST Rules, while the ratio of the value of assets should be taken as on the “appointed date of demerger”, the said ratio is to be applied on the ITC balance of the transferor on the date of filing Form GST ITC - 02 to calculate the amount to transferable ITC.
---	---

4. Difficulty, if any, in implementation of the Circular may be brought to the notice of the Board. Hindi version would follow.

(Yogendra Garg)
Principal Commissioner
y.garg@nic.in

* * * * *

E.3 Circular No. 134/2020 ; dated 23.03.2020

To,

The Principal Chief Commissioners / Chief Commissioners / Principal Commissioners / Commissioners of Central Tax (All)

The Principal Director Generals / Director Generals (All)

Madam/Sir,

Subject: Clarification in respect of issues under GST law for companies under Insolvency and Bankruptcy Code, 2016 - Reg.

Various representations have been received from the trade and industry seeking clarification on issues being faced by entities covered under Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as the “IBC”).

2. As per IBC, once an entity defaults certain threshold amount, Corporate Insolvency Resolution Process (hereafter referred to as “CIRP”) gets triggered and the management of such entity (Corporate Debtor) and its assets vest with an interim resolution professional (hereafter referred to as “IRP”) or resolution professional (hereafter referred to as “RP”). It continues to run the business and operations of the said entity as a going concern till the insolvency proceeding is over and an order is passed by the National Company Law Tribunal (hereinafter referred to as the “NCLT”)

3. To address the aforementioned problems, notification No.11/2020- Central Tax, dated 21.03.2020 has been issued by the Government prescribing special procedure under section 148 of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the “CGST Act”) for the corporate debtors who are undergoing CIRP under the provisions of IBC and the management of whose affairs are being undertaken by IRP/RP. In order to ensure uniformity in the implementation of the provisions of the law across the field formations, the Board, in exercise of its powers conferred under section 168(1) of the CGST Act hereby clarifies various issues in the table below:-

S.No.	Issue	Clarification
1.	How are dues under GST for pre-CIRP period be dealt?	In accordance with the provisions of the IBC and various legal pronouncements on the issue, no coercive action can be taken against the corporate debtor with respect to the dues for period prior to insolvency commencement date. The dues of the period prior to the commencement of CIRP will be treated as ‘operational debt’ and claims may be filed by the proper officer before the NCLT in accordance with the provisions of the IBC. The tax officers shall seek the details of supplies made / received and total tax dues pending from the corporate debtor to file the claim before the NCLT. Moreover, section 14 of the IBC mandates the imposition of a moratorium period, wherein the institution of suits or continuation of pending suits or proceedings against the corporate debtor is prohibited.
2.	Should the GST registration of corporate debtor be cancelled?	It is clarified that the GST registration of an entity for which CIRP has been initiated should not be cancelled under the provisions of section 29 of the CGST Act, 2017. The proper officer may, if need be, suspend the registration. In case the registration of an entity undergoing CIRP has already been cancelled and it is within the period of revocation of cancellation of registration, it is advised that such cancellation may be revoked by taking appropriate steps in this regard.
3.	Is IRP/RP liable to file returns of pre-CIRP period?	No. In accordance with the provisions of IBC, 2016, the IRP/RP is under obligation to comply with all legal requirements for period after the Insolvency Commencement Date . Accordingly, it is clarified that IRP/RP are not under an obligation to file returns of pre-CIRP period.
<u>During CIRP period</u>		
4.	Should a new registration be taken by the corporate debtor during the CIRP	The corporate debtor who is undergoing CIRP is to be treated as a distinct person of the corporate debtor and shall be liable to take a new registration in each State or Union territory where the corporate debtor was registered earlier, within thirty days of the appointment of the IRP/RP. Further, in cases where the

S.No.	Issue	Clarification
	period?	IRP/RP has been appointed prior to the issuance of notification No.11/2020- Central Tax, dated 21.03.2020, he shall take registration within thirty days of issuance of the said notification, with effect from date of his appointment as IRP/RP.
5.	How to file First Return after obtaining new registration?	The IRP/RP will be liable to furnish returns, make payment of tax and comply with all the provisions of the GST law during CIRP period. The IRP/RP is required to ensure that the first return is filed under section 40 of the CGST Act, for the period beginning the date on which it became liable to take registration till the date on which registration has been granted.
6.	How to avail ITC for invoices issued to the erstwhile registered person in case the IRP/RP has been appointed before issuance of notification No.11/2020- Central Tax, dated 21.03.2020 and no return has been filed by the IRP during the CIRP ?	<p>The special procedure issued under section 148 of the CGST Act has provided the manner of availment of ITC while furnishing the first return under section 40.</p> <p>The said class of persons shall, in his first return, be eligible to avail input tax credit on invoices covering the supplies of goods or services or both, received since appointment as IRP/RP and during the CIRP period but bearing the GSTIN of the erstwhile registered person, subject to the conditions of Chapter V of the CGST Act and rule made thereunder, <u>except the provisions of sub-section (4) of section 16 of the CGST Act and sub-rule (4) of rule 36 of the CGST Rules.</u> In terms of the special procedure under section 148 of the CGST Act issued vide notification No.11/2020- Central Tax, dated 21.03.2020. This exception is made only for the first return filed under section 40 of the CGST Act.</p>
7.	How to avail ITC for invoices by persons who are availing supplies from the corporate debtors undergoing CIRP, in cases where the IRP/RP was appointed before the issuance of the notification No.11/2020 - Central Tax, dated 21.03.2020?	Registered persons who are receiving supplies from the said class of persons shall, for the period from the date of appointment of IRP / RP till the date of registration as required in this notification or 30 days from the date of this notification, whichever is earlier, be eligible to avail input tax credit on invoices issued using the GSTIN of the erstwhile registered person, subject to the conditions of Chapter V of the CGST Act and rule made thereunder, <u>except the provisions of sub-rule (4) of rule 36 of the CGST Rules.</u>

S.No.	Issue	Clarification
8.	Some of the IRP/RPs have made deposit in the cash ledger of erstwhile registration of the corporate debtor. How to claim refund for amount deposited in the cash ledger by the IRP/RP?	<p>Any amount deposited in the cash ledger by the IRP/RP, in the existing registration, from the date of appointment of IRP / RP to the date of notification specifying the special procedure for corporate debtors undergoing CIRP, shall be available for refund to the erstwhile registration under the head refund of cash ledger, even though the relevant Form GSTR-3B/GSTR-1 are not filed for the said period.</p> <p>The instructions contained in Circular No. 125/44/2019-GST dt. 18.11.2019 stands modified to this extent.</p>

4. It is requested that suitable trade notices may be issued to publicize the contents of this circular.

5. Difficulty, if any, in the implementation of the above instructions may please be brought to the notice of the Board. Hindi version would follow.

(Yogendra Garg)
Principal Commissioner (GST)
y.garg@nic.in

* * * * *

E.4 Circular No. 135/2020 ; dated 31.03.2020

To,

The Principal Chief Commissioners/Chief Commissioners/Principal Commissioners/
Commissioners of Central Tax (All)

The Principal Director Generals/ Director Generals (All)

Madam/Sir,

Subject: Clarification on refund related issues – Reg.

Various representations have been received seeking clarification on some of the issues relating to GST refunds. In order to clarify these issues and to ensure uniformity in the implementation of the provisions of law in this regard across the field formations, the Board, in exercise of its powers conferred by section 168 (1) of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as “CGST Act”), hereby clarifies the issues detailed hereunder:

2. Bunching of refund claims across Financial Years

2.1 It may be recalled that the restriction on clubbing of tax periods across different financial years was put in vide para 11.2 of the Circular No. 37/11/2018-GST dated 15.03.2018. The said circular was rescinded being subsumed in the Master Circular on Refunds No. 125/44/2019-GST dated 18.11.2019 and the said restriction on the clubbing of tax periods across financial years for claiming refund thus has been continued vide Paragraph 8 of the Circular No. 125/44/2019-GST dated 18.11.2019, which is reproduced as under:

*“8. The applicant, at his option, may file a refund claim for a tax period or by clubbing successive tax periods. **The period for which refund claim has been filed, however, cannot spread across different financial years.** Registered persons having aggregate turnover of up to Rs. 1.5 crore in the preceding financial year or the current financial year opting to file **Form GSTR-1** on quarterly basis, can only apply for refund on a quarterly basis or clubbing successive quarters as aforesaid. However, refund claims under categories listed at (a), (c) and (e) in para 3 above must be filed by the applicant chronologically. This means that an applicant, after submitting a refund application under any of these categories for a certain period, shall not be subsequently allowed to file a refund claim under the same category for any previous period. This principle / limitation, however, shall not apply in cases where a fresh application is being filed pursuant to a deficiency memo having been issued earlier.”*

2.2 Hon'ble Delhi High Court in Order dated 21.01.2020, in the case of M/s Pitambra Books Pvt Ltd., vide para 13 of the said order has stayed the rigour of paragraph 8 of Circular No. 125/44/2019-GST dated 18.11.2019 and has also directed the Government to either open the online portal so as to enable the petitioner to file the tax refund electronically, or to accept the same manually within 4 weeks from the Order. Hon'ble Delhi High Court vide para 12 of the aforesaid Order has observed that the **Circulars can supplant but not supplement the law. Circulars might mitigate rigours of law by granting administrative relief beyond relevant provisions of the statute, however, Central Government is not empowered to withdraw benefits or impose stricter conditions than postulated by the law.**

2.3 Further, same issue has been raised in various other representations also, especially those received from the merchant exporters wherein merchant exporters have received the supplies of goods in the last quarter of a Financial Year and have made exports in the next Financial Year i.e. from April onwards. The restriction imposed vide para 8 of the master refund circular prohibits the refund of ITC accrued in such cases as well.

2.4 On perusal of the provisions under sub-section (3) of section 16 of the Integrated Goods and Services Tax Act, 2017 and sub-section (3) of section 54 of the CGST Act, there appears no bar in claiming refund by clubbing different months across successive Financial Years.

2.5 The issue has been examined and it has been decided to remove the restriction on clubbing of tax periods across Financial Years. Accordingly, circular No. 125/44/2019-GST dated 18.11.2019 stands modified to that extent i.e. the restriction on bunching of refund claims across financial years shall not apply.

3. Refund of accumulated input tax credit (ITC) on account of reduction in GST Rate

3.1 It has been brought to the notice of the Board that some of the applicants are seeking refund of unutilized ITC on account of inverted duty structure where the inversion is due to change in the GST rate on the same goods. This can be explained through an illustration. An applicant trading in goods has purchased, say goods “X” attracting 18% GST. However, subsequently, the rate of GST on “X” has been reduced to, say 12%. It is being claimed that accumulation of ITC in such a case is also covered as accumulation on account of inverted duty structure and such applicants have sought refund of accumulated ITC under clause (ii) of sub-section (3) of section 54 of the CGST Act.

3.2 It may be noted that refund of accumulated ITC in terms clause (ii) of sub-section (3) of section 54 of the CGST Act is available where the credit has accumulated on account of rate of tax on inputs being higher than the rate of tax on output supplies. It is noteworthy that, the input and output being the same in such cases, though attracting different tax rates at different points in time, do not get covered under the provisions of clause (ii) of sub-section (3) of section 54 of the CGST Act. It is hereby clarified that refund of accumulated ITC under clause (ii) of sub-section (3) of section 54 of the CGST Act would not be applicable in cases where the input and the output supplies are the same.

4. Change in manner of refund of tax paid on supplies other than zero rated supplies

4.1 Circular No. 125/44/2019-GST dated 18.11.2019, in para 3, categorizes the refund applications to be filed in **Form GST RFD-01** as under:

- a. Refund of unutilized input tax credit (ITC) on account of exports without payment of tax;
- b. Refund of tax paid on export of services with payment of tax;
- c. Refund of unutilized ITC on account of supplies made to SEZ Unit/SEZ Developer without payment of tax;
- d. Refund of tax paid on supplies made to SEZ Unit/SEZ Developer with payment of tax;
- e. Refund of unutilized ITC on account of accumulation due to inverted tax structure;
- f. Refund to supplier of tax paid on deemed export supplies;
- g. Refund to recipient of tax paid on deemed export supplies;
- h. Refund of excess balance in the electronic cash ledger;
- i. Refund of excess payment of tax;**
- j. Refund of tax paid on intra-State supply which is subsequently held to be inter-State supply and vice versa;**
- k. Refund on account of assessment/provisional assessment/appeal/any other order;**
- l. Refund on account of “any other” ground or reason.**

4.2 For the refund of tax paid falling in categories specified at S. No. (i) to (l) above i.e. refund claims on supplies other than zero rated supplies, no separate debit of ITC from electronic credit ledger is required to be made by the applicant at the time of filing refund claim, being claim of tax already paid. However, the total tax would have been normally paid by the applicant by debiting tax amount from both electronic credit ledger and electronic cash ledger. At present, in these cases, the amount of admissible refund, is paid in cash even when such payment of tax or any part thereof, has been made through ITC.

4.3.1 As this could lead to allowing unintended encashment of credit balances, this issue has been engaging attention of the Government. Accordingly, vide notification No.16/2020-Central Tax dated 23.03.2020, sub-rule (4A) has been inserted in rule 86 of the CGST Rules, 2017 which reads as under:

*“(4A) Where a registered person has claimed refund of any amount paid as tax wrongly paid or paid in excess for which debit has been made from the electronic credit ledger, the said amount, if found admissible, shall be re-credited to the electronic credit ledger by the proper officer by an order made in **Form GST PMT-03**.”*

4.3.2 Further, vide the same notification, sub-rule (1A) has also been inserted in rule 92 of the CGST Rules, 2017. The same is reproduced hereunder:

*“(1A)Where, upon examination of the application of refund of any amount paid as tax other than the refund of tax paid on zero-rated supplies or deemed export, the proper officer is satisfied that a refund under sub-section (5) of section 54 of the Act is due and payable to the applicant, he shall make an order in **Form RFD-06** sanctioning the amount of refund to be paid, in cash, proportionate to the amount debited in cash against the total amount paid for discharging tax liability for the relevant period, mentioning therein the amount adjusted against any outstanding demand under the Act or under any existing law and the balance amount refundable and for the remaining amount which has been debited from the electronic credit ledger for making payment of such tax, the proper officer shall issue **Form GST PMT-03** re-crediting the said amount as Input Tax Credit in electronic credit ledger.”*

4.4 The combined effect the abovementioned changes is that any such refund of tax paid on supplies other than zero rated supplies will now be admissible proportionately in the respective original mode of payment i.e. in cases of refund, where the tax to be refunded has been paid by debiting both electronic cash and credit ledgers (other than the refund of tax paid on zero-rated supplies or deemed export), the refund to be paid in cash and credit shall be calculated in the same proportion in which the cash and credit ledger has been debited for discharging the total tax liability for the relevant period for which application for refund has been filed. Such amount, shall be accordingly paid by issuance of order in **Form GST RFD-06** for amount refundable in cash and **Form GST PMT-03** to re-credit the amount attributable to credit as ITC in the electronic credit ledger.

5. Guidelines for refunds of Input Tax Credit under Section 54(3)

5.1 In terms of para 36 of circular No. 125/44/2019-GST dated 18.11.2019, the refund of ITC availed in respect of invoices not reflected in **Form GSTR-2A** was also admissible and

copies of such invoices were required to be uploaded. However, in wake of insertion of sub-rule (4) to rule 36 of the CGST Rules, 2017 vide notification No. 49/2019-GST dated 09.10.2019, various references have been received from the field formations regarding admissibility of refund of the ITC availed on the invoices which are not reflecting in the **Form GSTR-2A** of the applicant.

5.2 The matter has been examined and it has been decided that the refund of accumulated ITC shall be restricted to the ITC as per those invoices, the details of which are uploaded by the supplier in **Form GSTR-1** and are reflected in the **Form GSTR-2A** of the applicant. Accordingly, para 36 of the circular No. 125/44/2019-GST, dated 18.11.2019 stands modified to that extent.

6. New Requirement to mention HSN/SAC in Annexure 'B'

6.1 References have also been received from the field formations that HSN wise details of goods and services are not available in **Form GSTR-2A** and therefore it becomes very difficult to distinguish ITC on capital goods and/or input services out of total ITC for a relevant tax period. It has been recommended that a column relating to HSN/SAC Code should be added in the statement of invoices relating to inward supply as provided in **Annexure-B** of the circular No. 125/44/2019- GST dated 18.11.2019 so as to easily identify between the supplies of goods and services.

6.2 The issue has been examined and considering that such a distinction is important in view of the provisions relating to refund where refund of credit on Capital goods and/or services is not permissible in certain cases, it has been decided to amend the said statement. Accordingly, **Annexure-B** of the circular No. 125/44/2019-GST, dated 18.11.2019 stands modified to that extent.

6.3 A suitably modified statement format is attached for applicants to upload the details of invoices reflecting in their **Form GSTR-2A**. The applicant is, in addition to details already prescribed, now required to mention HSN/SAC code which is mentioned on the inward invoices. In cases where supplier is not mandated to mention HSN/SAC code on invoice, the applicant need not mention HSN/SAC code in respect of such an inward supply.

7. It is requested that suitable trade notices may be issued to publicize the contents of this circular.

8. Difficulty, if any, in implementation of this Circular may please be brought to the notice of the Board. Hindi version would follow.

(Yogendra Garg)
Principal Commissioner
y.garg@nic.in

Annexure-B

Statement of invoices to be submitted with application for refund of unutilized ITC

Sr. No.	GSTIN of the Supplier	Name of the Supplier	Invoice Details			Category of input supplies	
			Invoice No	Date	Value	Inputs/Input Services/capital goods	HSN/SAC
1	2	3	4	5	6	7	8

Central Tax	State Tax/ Union Territory Tax	Integrated Tax	Cess	Eligible for ITC	Amount of eligible ITC
				Yes/No/Partially	
9	10	11	12	13	14

* * * * *