



GST TIMES

Vol 9: October 2020
Compiled by: GST Team, ASC Group

Solving any **tax** puzzle

Tax saving advice across all the taxes





Compliance Calendar

S. No.	Due Date	Forms	Period	Description
1.	10 th November 2020	GSTR-7	October 2020	Return for Tax Deducted at source to be filed by Tax Deductor
2.	10 th November 2020	GSTR-8	October 2020	E-Commerce operator registered under GST liable to TCS
3.	11 th November 2020	GSTR-1	October 2020	Taxpayers having an aggregate turnover of more than INR 1.50 crores or opted to file monthly return
4.	13 th November 2020	GSTR-6	October 2020	Every Input Service Distributor (ISD)
5.	20 th November 2020	GSTR-5 & 5A	October 2020	Non-resident ODIAR services provider file Monthly GST Return
6.	22 nd November 2020	GSTR-3B	October 2020	Taxpayer having an aggregate turnover up to INR 5 crore and whose principal place are in the state of: Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh or in the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands and Lakshadweep
7.	24 th November 2020	GSTR-3B	October 2020	Taxpayer having an aggregate turnover up to INR 5 crore and whose principal place are in the state of: Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand or Odisha or in the Union territories of Jammu and Kashmir, Ladakh, Chandigarh and Delhi
8.	20 th November 2020	GSTR-3B	October 2020	Taxpayers having an aggregate turnover of more INR 5 crore or more



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GOODS AND SERVICES TAX (GST)

Blocking of E-Way Bill generation facility for Taxpayers from 15 Oct 2020

- In terms of Rule 138 E (b) of the CGST Rules, 2017, the E Way Bill generation facility of a person is liable to be restricted, in case the person fails to file their GSTR-3B returns, for a consecutive period of two months or more.



- GST Council in its last meeting has decided that this provision will be made applicable for the taxpayers who's Aggregate Annual Turnover (PAN based) is more than Rs5 Cr.
- Thus, if the GSTIN associated with the respective PAN (with Aggregate Annual Turnover of more

than Rs5 Cr.) has failed to file their GSTR-3B Return for 2 or more tax periods, up to the month of tax period of August, 2020, their E-Way Bill generation facility will be blocked on the E-Way Bill Portal. Please note that the E-Way Bill generation facility for such GSTINs (whether as consignor or consignee or by transporter) will be blocked on E-Way Bill Portal after 15th October, 2020.

- To avail continuous E-Way Bill generation facility on E-Way Bill Portal, you are therefore advised to file your pending GSTR 3B returns immediately.

Source: www.gst.gov.in

Withdrawal of EVC facility

CBIC vide Notification No. 38/2020 – Central Tax has allowed to furnish the return under section 39 of CGST Act, 2017 in GSTR3B verified through electronic verification code (EVC).

Now, this facility to file GSTR 3B and GSTR-1 with the EVC in lieu of DSC extended to the registered person, who are

also registered under the Companies Act, 2013, shall be withdrawn w.e.f. 1st Nov. 2020.

However, facility to file NIL returns through OTP verification, shall be continued for all types of registered persons in view of notification 58/2020- dated 1st July 2020.

Source: www.gst.gov.in



Filing NIL Form CMP-08 Statement through SMS on GST Portal

1. A Composition taxpayer may now file NIL statement in Form GST CMP-08 for a quarter, through an SMS, apart from filing it through online mode, on GST Portal.
2. To file NIL Form GST CMP-08 through SMS, the taxpayer must fulfil following conditions:
 - Taxpayer must be registered as composition taxable person (by filing Form GST REG-01) or the taxpayer might have opted for composition levy (by filing Form GST CMP-02).
 - Taxpayer must have filed all the applicable statement(s) in Form GST CMP-08 for the previous quarter(s).
 - Authorized signatory and his/ her phone number must be registered on the GST Portal.
 - There must not be any data in save stage, in online version of Form GST CMP-08, on the GST Portal.
3. NIL Form CMP-08 for a tax period must be filed by the taxpayer, if there is no:
 - outward supplies;
 - liability due to reverse charge (including import of services); and
 - other tax liability for the quarter, for which the statement is being filed.
4. Steps to File Nil Form GST CMP-08 through SMS are as below:
 - Send SMS to 14409 number to file Nil Form CMP-08 i.e. NIL space Return Type space GSTIN space Return Period

(For example for NIL Filing for Tax Period Apr-Jun 2020: NIL C8 07AQDPP8277H8Z6 062020)
 - Send SMS again on the same number 14409 with Verification Code to confirm filing of Nil Form CMP-08

(For Example: If Verification Code received here is 324961: CNF space Return Type space Code - CNF C8 324961)
 - After successful validation of "Verification Code", GST Portal will send back ARN to same mobile number and on registered e-mail ID of the taxpayer to intimate successful Nil filing of Form GST CMP-08.
5. All the authorized representatives for a particular GSTIN, with unique mobile number can file NIL Form GST CMP-08 through SMS.
6. The due date for filing of Form GST CMP-08 is 18th of the month following the quarter.
7. For more details on filing Nil Form GST CMP-08 on the GST Portal Click this link:

https://tutorial.gst.gov.in/userguide/returns/index.htm#t=FAQs_SMS.htm

Source: www.gst.gov.in



Due date of Annual Return extended for FY 2018-19 till 31 Dec 2020

CBIC vide Notification No. 80 /2020 – Central Tax dated 28th October 2020 has extended due date of filing annual return i.e. GSTR-9 and GSTR-9C for FY 2018-19 till 31st December, 2020. The notification reads as:

“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), read with rule 80 of the Central Goods and Services Tax Rules, 2017, the Commissioner, on the recommendations of the Council, hereby makes the following further amendment in the notification of the

Government of India in the Ministry of Finance (Department of Revenue), No. 41/2020 - Central Tax, dated the 5th May, 2020 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 275(E), dated the 5th May, 2020, namely:-

In the said notification, for the figures, letters and word “31st October, 2020”, the figures, letters and word “31st December, 2020” shall be substituted.”

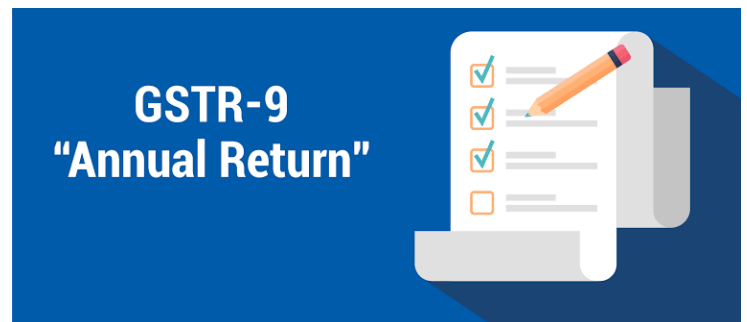
Source: <https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-80-central-tax-english-2020.pdf>

Clarification on GSTR-9 to show FY 17-18 values in FY 18-19

Certain representations have been received stating that the auto populated GSTR 9 for the year 2018-19 (Tables 4, 5, 6 and 7) also includes the data for FY 2017-18. However, this information for FY 2017-18 has already been furnished by the taxpayers in the annual return (GSTR9) filed for FY 2017-18 and there is no mechanism to show the split of two years (2017-18 & 2018-19) in FORM GSTR-9 for 2018-19.

In this regard, it is clarified that the taxpayers are required to report only the values pertaining to Financial Year 2018-19 and the values pertaining to Financial Year 2017-18 which may have already been reported or adjusted are to be ignored. No adverse view would be

Source: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1663175>



taken in cases where there are variations in returns for taxpayers who have already filed their GSTR-9 of Financial Year 2018-19 by including the details of supplies and ITC pertaining to Financial Year 2017-18 in the Annual return for FY 2018-19.

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Key Highlight in 42th GST Council Meet

42th Council Meeting has been held on 5th October, 2020. In this meeting the council has made following recommendations:

- Due date of furnishing quarterly GSTR-1 by quarterly taxpayers to be revised to 13th of the month succeeding the quarter w.e.f. 01-01-2021.
- It is mandatory to file GSTR-1 before filing GSTR-3B w.e.f 01-04-2021.
- GST liability in GSTR-3B will be auto-populated based on GSTR-1 filed w.e.f. 01-01-2021.
- Auto-population of input tax credit from suppliers GSTR-1 through the newly developed facility in FORM GSTR-2B for monthly filers w.e.f. 01-01-2021 and for quarterly filers w.e.f. 01-04-2021.
- The present GSTR-1/3B return filing system to be extended till 31-03-2021.
- Filing of GST return on quarterly basis with monthly payment for taxpayers having turnover less than INR 5 crore w.e.f 01-01-2021. Such quarterly taxpayers would, for the first two months of the quarter, have an option to pay 35% of the net cash tax liability of the last quarter using an auto generated challan.
- Taxpayers with aggregate turnover of more than INR 5 crore need to mention 6-digit HSN code with effect from 01-04-2021 whereas taxpayers with aggregate turnover upto INR 5 crore need to mention 4 digit HSN code for B2B supplies.
- Government to have power to notify 8 digit HSN on notified class of supplies by all taxpayers.
- Refund to be paid/disbursed in a validated bank account linked with the PAN and Aadhaar of the registrant w.e.f. 01-01-2021.
- Exemption from GST granted to the satellite launch services rendered by ISRO, NSIL and to promote startups.
- Imposition of Compensation Cess has been extended beyond the transition period of 5 years to meet the revenue gap.



Source: http://www.ascgroup.in/asc-admin/assets/ckeditor/uploads/42nd_gst_council_meet20201006122920.pdf



HSN code required to be mentioned on tax invoice w.e.f. 1 Apr 2020

CBIC vide Notification No. 78/2020 – Central Tax dated 15-10-2020 has amended Notification No. 12/2017- Central Tax dated 28 June, 2017. Now, taxpayers is required to mentioned no. of digit of HSN code on tax invoice as per below details:

S. No.	Aggregate Turnover in the preceding Financial Year	Number of Digits of Harmonised System of Nomenclature Code (HSN Code)
1	Up to rupees five crores	4
2	more than rupees five crores	6

Provided that a registered person having aggregate turnover up to five crores rupees in the previous financial year may not mention the number of digits of HSN Code, as specified in the above Table in a tax invoice issued by him under the said rules in respect of supplies made to unregistered persons.

Source: <https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-78-central-tax-english-2020.pdf>

Clarification w.r.t. application of Rule 36 (4) for Feb'20 to Aug'20

CBIC vide Circular No. 142/12/2020- GST dated 9th October, 2020 has issued clarification on application of Rule 36 (4) of CGST Rules, 2017 for the month of Feb'20 to Aug'20.

Vide Circular No. 123/42/2019 – GST dated 11th November, 2019, various issues relating to implementation of sub-rule (4) of rule 36 of the Central Goods and Services Tax Rules, 2017 (hereinafter referred to as the CGST Rules) relating to availment of input tax credit (ITC) in respect of invoices or debit notes, the details of which have not been uploaded by the suppliers under sub-section (1) of section 37 of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the CGST Act) were clarified.

Keeping the situation prevailing in view of measures taken to contain the spread of COVID-19 pandemic, vide notification No. 30/2020-CT, dated 03.04.2020, it had been prescribed that the condition made under sub-rule

(4) of rule 36 of the CGST Rules shall apply cumulatively for the tax period February, March, April, May, June, July and August, 2020 and that the return in FORM GSTR-3B for the tax period September, 2020 shall be furnished with the cumulative adjustment of input tax credit for the said months.

Taxpayers shall reconcile the ITC availed in their FORM GSTR-3Bs for the period February, 2020 to August, 2020 with the details of invoices uploaded by their suppliers of the said Circular No. 142/12/2020- GST Page 2 of 3 months, till the due date of furnishing FORM GSTR-1 for the month of September, 2020. The cumulative amount of ITC availed for the said months in FORM GSTR-3B should not exceed 110% of the cumulative value of the eligible credit available in respect of invoices or debit notes the details of which have been uploaded by the suppliers under sub-section (1) of section 37 of the CGST Act, till the due date of furnishing of the statements in FORM GSTR-1 for the month of September, 2020.



The excess ITC availed arising out of reconciliation during this period, if any, shall be required to be reversed in Table 4(B)(2) of FORM GSTR-3B, for the month of September, 2020. Failure to reverse such excess availed

ITC on account of cumulative application of sub-rule (4) of rule 36 of the CGST Rules would be treated as availment of ineligible ITC during the month of September, 2020.

Source: https://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular_Refund_142_11_2020.pdf

E-Invoicing mandatory if turnover exceeds INR 100 crore w.e.f. 1 Jan 2020

CBIC vide Notification No. 88/2020 – Central Tax dated 10th November, 2020 has amended provision for issuance of E-Invoicing. Taxpayers with aggregate turnover in any preceding financial year from 2017-18 onwards exceeds INR 100 crore is required to make E-Invoice from 1st January, 2020.

CBIC has amended its earlier Notification No. 13/2020 – Central Tax dated 21st March, 2020. In the said notification, in the first paragraph, with effect from the 1st day of January, 2021, for the words “five hundred crore rupees”, the words “one hundred crore rupees” shall be substituted.

Source: <https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-88-central-tax-english-2020.pdf>



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