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### Amendment in CGST Rules to allow filing of Nil Return (GSTR-3B) through SMS

The Central Government vide [Notification No. 38/2020- Central Tax dated 5<sup>th</sup> May, 2020](#) has inserted **Rule 67A** ( Manner of furnishing of return by short messaging service facility) **with effect from a date to be notified later** in the CGST Rules,2017 to allow the registered person to furnish a **Nil return** in **FORM GSTR-3B** for a tax period, through a short messaging service (**SMS**) using the registered mobile number and the said return shall be verified by a registered mobile number based One Time Password facility(**OTP**).

Explanation. - For the purpose of this rule, a Nil return shall mean a return under section 39 for a tax period that has nil or no entry in all the Tables in FORM GSTR-3B.”.

[\[Notification No. 38/2020- Central Tax dated 5<sup>th</sup> May, 2020\]](#).

### Amendments to special procedure for corporate debtors undergoing the corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016.

The Central Government vide [Notification No. 39/2020- Central Tax dated 5<sup>th</sup> May, 2020](#) has made the following amendments in [Notification No. 11/2020- Central Tax dated 21<sup>st</sup> March 2020.](#), wherein special procedures to be followed by the corporate debtors under the provisions of the Insolvency and Bankruptcy Code, 2016 was provided, as under:-

- The **corporate debtors who have furnished GSTR-1 & GSTR-3B** for all the tax periods prior to the appointment of IRP/RP **have been excluded from following the special procedures** as specified in the earlier notification.
- Those corporate debtor who are to be treated as distinct person & 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, shall be liable to **take new registration within:-**
  - **thirty days of the appointment of the IRP/RP**
  - **or by 30th June, 2020, whichever is later:.”.**

[\[Notification No. 39/2020- Central Tax dated 5<sup>th</sup> May, 2020\]](#)

### Extension of due date for furnishing FORM GSTR-3B for the taxpayers registered in Ladakh.

The Central Government vide [Notification No. 42/2020- Central Tax dated 5<sup>th</sup> May, 2020](#) has further **provided/extended** the due dates of furnishing of the following Forms for

registered persons whose principal place of business is in the Union territory of Jammu and Kashmir or the Union territory of Ladakh as under:-

<u>Sl. No</u>	<u>Form No.</u>	<u>Period</u>	<u>Due Date (as extended)</u>
1.	FORM GSTR-3B (Form to furnish monthly summary of data)  (For registered persons having principal place of business in the Union territory of Jammu & Kashmir )	For each of the months of :-  November,2019; December,2019; January,2020; February,2020	24 <sup>th</sup> March, 2020
2.	FORM GSTR-3B (Form to furnish monthly summary of data)  (For registered persons having principal place of business in the Union territory of Ladakh )	For each of the months of :-  November,2019; December,2019	24 <sup>th</sup> March, 2020
		January,2020; February,2020 March,2020	20 <sup>th</sup> May, 2020

[\[Notification No. 42/2020- Central Tax dated 5<sup>th</sup> May, 2020\]](#)

**Clarification in respect of certain challenges faced by the registered persons in implementation of provisions of GST Laws**

The Central Government vide [Circular No. 138/08/2020-GST dated 6<sup>th</sup> May,2020](#), has issued clarifications in respect of certain challenges that are being faced by taxpayers in adhering to the compliance requirements under various provisions of the CGST Act. An extract of the same has been reproduced below:-

<u>Sl. No.</u>	<u>Issue</u>	<u>Clarification</u>
Issues related to Insolvency and Bankruptcy Code, 2016		

1.	It has been represented that <b>the IRP/RP are facing difficulty in obtaining registrations during the period of the lockdown and have requested to increase the time for obtaining registration from the present 30 days limit.</b>	Vide notification No. <b>39/2020</b> -Central Tax, dated 05.05.2020, the time limit required for obtaining registration by the IRP/RP has been extended to the later of :-  <b>within thirty days of the appointment of the IRP/RP</b>  <b>or by 30th June, 2020,.</b>
2.	<b>Clarification has been sought whether IRP would be required to take a fresh registration even when they are complying with all the provisions of the GST Law under the registration of Corporate Debtor (earlier GSTIN) i.e. all the GSTR-3Bs have been filed by the Corporate debtor / IRP prior to the period of appointment of IRPs and they have not been defaulted in return filing.</b>	Vide notification No. <b>39/2020</b> - Central Tax, dated 05.05.2020 it is clarified that IRP/RP <b>would not be required to take a fresh registration</b> in those cases where statements in <b>FORM GSTR-1</b> under section 37 and returns in <b>FORM GSTR-3B</b> under section 39 of the CGST Act, <b>for all the tax periods prior to the appointment of IRP/RP, have been furnished</b> under the registration of Corporate Debtor ( <b>earlier GSTIN</b> ).
3.	Another doubt has been raised that the present notification has used the terms IRP and RP interchangeably, and in cases <b>where an appointed IRP is not ratified and a separate RP is appointed, whether the same new GSTIN shall be transferred from the IRP to RP, or both will need to take fresh registration.</b>	i. In cases where the RP is not the same as IRP, or in cases where a different IRP/RP is appointed midway during the insolvency process, the change in the GST system may be carried out by <u>an amendment in the registration form</u> . Changing the authorized signatory is a non- core amendment and does not require approval of tax officer. However, if the previous authorized signatory does not share the credentials with his successor, then the newly appointed person can get his details added through the Jurisdictional authority as Primary authorized signatory.  ii. The new registration by IRP/RP shall be required only once, and in case of any change in IRP/RP after initial appointment under IBC, it would be deemed to be change of authorized signatory and it would not be considered as a distinct person on every such change after initial appointment. Accordingly, it is clarified that such a change would need only change of authorized signatory which can be done by the authorized signatory of the Company who can add IRP /RP as new authorized signatory or failing that it can be added by the concerned jurisdictional

		officer on request by IRP/RP.
<b>Other COVID-19 related representations.</b>		
4.	As per Notification No. <b>40/2017</b> -Central Tax (Rate) dated 23.10.2017, a registered supplier is allowed to supply the goods to a registered recipient (merchant exporter) at 0.1% provided, inter-alia, that the merchant exporter exports the goods within a period of ninety days from the date of issue of a tax invoice by the registered supplier. Request has been made to clarify the provision vis-à-vis the exemption provided vide notification no. <b>35/2020</b> -Central Tax dated 03.04.2020.	<p>i. Vide notification <b>No. 35/2020</b>-Central Tax dated 03.04.2020, time limit for compliance of any action by any person which falls during the period from 20.03.2020 to 29.06.2020 has been extended up to 30.06.2020, where completion or compliance of such action has not been made within such time.</p> <p>ii. Notification no. <b>40/2017</b>-Central Tax (Rate) dated 23.10.2017 was issued under powers conferred by section 11 of the CGST Act, 2017. The exemption provided in notification No. <b>35/2020</b>-Central Tax dated 03.04.2020 is applicable for section 11 as well.</p> <p>iii. Accordingly, it is clarified that the said requirement of exporting the goods by the merchant exporter within 90 days from the date of issue of tax invoice by the registered supplier gets extended to 30th June, 2020, provided the completion of such 90 days period falls within 20.03.2020 to 29.06.2020.</p>
5.	Sub-rule (3) of that rule 45 of CGST Rules requires furnishing of <b>FORM GST ITC-04</b> in respect of goods dispatched to a job worker or received from a job worker during a quarter on or before the 25th day of the month succeeding that quarter. Accordingly, the due date of filing of <b>FORM GST ITC-04</b> for the quarter ending March, 2020 falls on 25.04.2020. Clarification has been sought as to whether the extension of time limit as provided in terms of notification No. <b>35/2020</b> -Central Tax dated 03.04.2020 also covers furnishing of <b>FORM GST ITC-04</b> for quarter ending March, 2020.	Time limit for compliance of any action by any person which falls during the period from 20.03.2020 to 29.06.2020 has been extended up to 30.06.2020 where completion or compliance of such action has not been made within such time. Accordingly, it is clarified that the due date of furnishing of <b>FORM GST ITC-04</b> for the quarter ending March, 2020 stands extended up to 30.06.2020.

[\[Circular No. 138/08/2020-GST dated 6<sup>th</sup> May,2020\]](#)

### Facility for registration of IRP/RPs made available on the GST Portal

1. Insolvency Resolution Professionals/ Resolution Professionals (IRPs/RPs), appointed to undertake corporate insolvency resolution proceedings for Corporate Debtors, in terms of Notification. No 11/2020-CT, dated 21st March, 2020 can apply for new registration on GST Portal, on behalf of the Corporate Debtors, in each of the States or Union Territories, on the PAN and CIN of the Corporate Debtor, where the corporate debtor was registered earlier, within thirty days of their appointment as IRP/RP.
2. They should select the Reason for Registration as “Corporate Debtor undergoing the Corporate Insolvency Resolution Process with IRP/RP” from the drop down menu.
3. The date of commencement of business for IRP/RPs will be the date of their appointment. Their compliance liabilities will also come into effect from the date of their appointment.
4. The person appointed as IRP/RP shall be the Primary Authorized Signatory for the newly registered Company.
5. In the Principal Place of business/ Additional place of business, the details as specified in original registration of the Corporate Debtors, is required to be entered.
6. The new registration application shall be submitted electronically on GST Portal under DSC of the IRP/RP
7. The new registration by IRP/RP will be required only once. In case of a change in IRP/RP, after initial appointment, it would be deemed to be change of authorized signatory and not an appointment of a distinct person requiring a fresh registration.
8. In cases where the RP is not the same as IRP, or in cases where a different IRP/RP is appointed midway during the insolvency process, the change in the GST system may be carried out by a non- core amendment in the registration form.
9. The change in Primary Authorized Signatory details on the portal can be done either by the authorised signatory of the Company or by the concerned jurisdictional officer (if the previous authorized signatory does not share the credentials with his successor) on request of IRP/RP.

[\[https://www.gst.gov.in/newsandupdates/read/377\]](https://www.gst.gov.in/newsandupdates/read/377)

### **E-invoicing -Exemption to certain class of registered persons & Deferment of its implementation date**

The Central Government vide Notification No. 13/2020- Central Tax dated 21st March 2020 has deferred the date of implementation of E-Invoicing to 1st October, 2020 for those registered persons whose aggregate turnover whose aggregate turnover in a financial year exceeds one hundred crore rupees.

The said notification has also exempted the following persons from requirement of E-invoicing even if the aggregate turnover exceeds the specified limit:-

- Where the supplier of taxable service is an insurer or a banking company or a financial institution, including a non- banking financial company

- Where the supplier of taxable service is a goods transport agency supplying services in relation to transportation of goods by road in a goods carriage.
- Where the supplier of taxable service is supplying passenger transportation service
- Where the supplier of taxable service is a registered person supplying services by way of admission to exhibition of cinematograph films in multiplex screens.

#### QR code -Exemption to certain class of registered persons & Deferment of its implementation date

The Central Government vide Notification No. 14/2020- of the Finance Act, 2018, shall continue to be governed by the section 28 as it existed before the said enactment, notwithstanding order of any Appellate Authority, Appellate Tribunal, Court or any other law to the contrary. This amendment shall come into effect retrospectively from the 29th day of March, 2018, the date of commencement of the Finance Act, 2018.

#### **Amendment proposed in the Customs Tariff Act, 1975**

- Section 8B providing for imposition of safeguard duty is being amended so as to empower the Central Government to apply safeguard measures including Tariff Rate Quota to curb increased quantity of imports of an article to prevent serious injury to domestic industry.
- Anti-Dumping Rules are proposed to be amended to strengthen the anti-circumvention measures by making them more comprehensive and wider in scope to take care of all types of circumventions of antidumping duty in line with best international practice.
- Currently, there is no provision for investigation in case of circumvention of countervailing duties. A provision is being inserted in the Countervailing Duty Rules to enable investigation into case of circumvention of countervailing duty for enabling imposition of such duty.

Central Tax dated 21st March 2020 has deferred the date of implementation of Dynamic Quick Response (QR) code to 1st October, 2020 for those registered persons whose aggregate turnover in a financial year exceeds five hundred crore rupees.

The said notification has also exempted the following persons from requirement of QR Code even if the aggregate turnover exceeds the specified limit:-

- Where the supplier of taxable service is an insurer or a banking company or a financial institution, including a non- banking financial company
- Where the supplier of taxable service is a goods transport agency supplying services in relation to transportation of goods by road in a goods carriage.
- Where the supplier of taxable service is supplying passenger transportation service
- Where the supplier of taxable service is a registered person supplying services by way of admission to exhibition of cinematograph films in multiplex screens.

*[Notification No. 14/2020- Central Tax dated 21st March 2020]*

### Waiver from filing GSTR-1 for 2019-20 for specified taxpayer

The Central Government vide Notification No. 12/2020- Central Tax dated 21st March 2020 has exempted those registered persons from filing GSTR-1 for 2019-20 who could not opt for availing the option of special composition scheme under

notification No. 2/2019-Central Tax (Rate) dated 07.03.2019 by filing FORM CMP-02 & have furnished a return in FORM GSTR- 3B instead of furnishing the statement containing the details of payment of self-assessed tax in FORM GST CMP-08 under the Central Goods and Services Tax Rules, 2017.

*[Notification No. 12/2020- Central Tax dated 21st March 2020]*

### Exemption of Foreign Airlines from furnishing reconciliation Statement in FORM GSTR-9C

The Central Government vide Notification No.09/2020-Central Tax, dated 16th March, 2020 has notified the 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 :-

Special procedure to be followed:-

- Exemption from furnishing GSTR-9C:-

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:

- Requirement to submit the Receipts & Payment statement of Indian Business Operations:-

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.

*[Notification No.09/2020-Central Tax, dated 16th March, 2020]*

### Advisory on Opting-in Composition Scheme for 2020-21 by filing FORM GST CMP-02

#### A. How to opt-in Composition Scheme:

- i. The application for opting-in composition scheme for the financial year, 2020-21 has been made available on GST Portal.
- ii. The taxpayers who are already in composition scheme in previous financial year are not required to opt in for composition again for FY 2020-2021.
- iii. The eligible registered taxpayers, who want to opt-in for composition scheme for the Financial Year 2020- 2021, may file FORM GST CMP-02 application up to 31st March, 2020 on common portal.
- iv. The taxpayers should navigate as follows:
  - o Log-in>Services > Registration > Application to opt for Composition Levy>filing form GST CMP-02>file application under DSC/EVC.
- v. Once CMP-02 application is filed, the composition scheme shall be available to the taxpayer w.e.f. 1st April 2020.
- vi. The taxpayers who were a regular taxpayers in previous financial year but are opting-in composition scheme for 2020-21 should file ITC-03 for

reversal of ITC credit on stocks of Inputs, semi-finished goods and finished goods available with him within a period as prescribed under Rule, 3(3A) of CGST Rules, 2017.

- vii. For more information taxpayers may consult user- manual available at GST Portal. Following links may also be used for opening user manual:  
<https://tutorial.gst.gov.in/userguide/compositionpoc/index.htm>

**B. Return / Payment**

All taxpayers opting in for composition shall file FORM GST CMP-08 quarterly and pay GST and shall file GSTR-4 annually.

**C. Who are eligible taxpayers for opting-in for Composition Scheme:-**

Following taxpayers may opt for this scheme:

- The normal taxpayers having aggregate turnover (at PAN level) below Rs. 1.5 Crore in the previous financial year, who doesn't want to avail ITC facility,
- The normal taxpayers having aggregate turnover (at PAN level) below Rs. 75 lakh in the previous financial year who are situated in following states: Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura and Uttarakhand:
- The normal taxpayers supplying services and/or mixed supplies having aggregate turnover of last financial year below Rs. 50 lakhs.

**D. Taxpayers, who are not eligible for opting in composition scheme:**

- i. Suppliers of the goods/services who are not liable to be taxed under GST,
- ii. Inter-State outward suppliers of goods/services,
- iii. The taxpayers supplying through e-commerce operators, who are required to collect tax under section 52,
- iv. The manufacturers of notified goods like (i) Ice cream and other edible ice, whether or not containing cocoa,  
(ii) All goods, i.e. Tobacco and manufactured tobacco substitutes and (iii) Pan Masala, (iv) Aerated water
- v. A Casual taxpayer,
- vi. A Non-Resident Foreign Taxpayer,
- vii. A person registered as Input Service Distributor (ISD),
- viii. A person registered as TDS Deductor /Tax Collector,

[source: [gst.gov.in](https://www.gst.gov.in) – 18th February, 2020]

LUT obtained for FY 2019-2020 will expire on 31.3.2020. Those who have zero-rated supply to file LUT for FY 2020- 2021.[Source : [gst.gov.in](https://www.gst.gov.in) ]

**Amendment in the CGST Rules, 2017 to prescribe the value of Lottery**

The Central Government vide Notification No.08/2020-Central Tax, dated 2nd March, 2020 has made the following amendment in the CGST Rules 2017 :-

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.”.

**Comment:** - This amendment has been made to prescribe the uniform valuation of both State run and State authorized lottery which were valued differently earlier.

[Notification No. 08/2020-Central Tax, dated 2nd March, 2020]

#### Changes in Rate of GST on supply of lottery

The Central Government vide Notification No.01/2020- Central Tax (Rate) dated 21st February, 2020 and Notification No.01/2020-Integrated Tax (Rate) dated 21st February, 2020 has notified the uniform rate of GST on supply of Lottery w.e.f. 1st March 2020 as 28 % instead of the earlier differential rates of 12% on State run and & 28 % on State authorized lottery.

[Notification No.01/2020-Central Tax (Rate) dated 21st February, 2020]

[Notification No.01/2020-Integrated Tax (Rate) dated 21st February, 2020]

#### Extension of the last date for furnishing of annual return/reconciliation statement in FORM GSTR-9/ FORM GSTR-9C for the period from 01.07.2017 to 31.03.2018

The Central Government vide Notification No. 06/2020-Central Tax dated 3rd February, 2020 has extended the time limit for furnishing of the annual return specified under section 44 of the CGST Act read with rule 80 of the CGST rules, electronically through the common portal, in respect of the period from the 1st July, 2017 to the 31st March, 2018, for the class of registered person specified in Table below:-

Sl. No.	Registered person, whose principal place of business is in	Due date for furnishing return under section 44 of the CGST Act for the FY 2017- 18
1.	Chandigarh, Delhi, Gujarat, Haryana, Jammu and Kashmir, Ladakh, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh, Uttarakhand.	5th February, 2020.
2.	Andaman and Nicobar Islands, Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Dadra and Nagar Haveli and Daman and Diu, Goa, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Lakshadweep, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Mizoram, Nagaland, Odisha, Puducherry, Sikkim, Telangana, Tripura, West Bengal, Other Territory.	7th February, 2020.

[Notification No. 06/2020-Central Tax, dated 3rd February 2020]

### Due dates for filing of return in FORM GSTR-3B in a staggered manner

The Central Government vide Notification No.07/2020-Central Tax dated 3rd February, 2020 has provided the due date for filing of return in Form GSTR-3B in a staggered manner for the months of January, February & March,2020 as under:-

Registered person having an aggregate turnover of up to Rs. 5 Crores in the previous financial year, whose principal place of business is in the States of :	Return for the month	Due date
Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana or Andhra Pradesh or the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands and Lakshadweep	January, 2020	22nd February, 2020
	February, 2020	22nd March, 2020
	March, 2020	22nd April, 2020
Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand or Odisha or the Union territories of Jammu and Kashmir, Ladakh, Chandigarh and Delhi.	January, 2020	24th February, 2020
	February, 2020	24th March, 2020
	March, 2020	24th April, 2020

**Comment:** - Those registered persons having an aggregate turnover above Rs. 5 Crores in the previous financial year will continue to file the GSTR -3B for the months of January, February & March 2020 by 20th of the succeeding month. [Notification No. 07/2020-Central Tax, dated 3rd February 2020]

### Extension of time limit for submitting the declaration in FORM GST TRAN-1 under rule 117(1A) of the Central Goods and Service Tax Rules, 2017 in certain cases

The Central Board of Indirect Taxes & Customs vide Order No.01/2020-GST dated 7th February, 2020 has extended time limit for submitting the declaration in FORM GST TRAN-1 under rule 117(1A) of the Central Goods and Service Tax Rules, 2017 till 31st March, 2020 for the class of registered persons who could not submit the said declaration by the due date on account of technical difficulties on the common postal & whose cases have been recommended by the Council.

[Order No.01/2020-GST dated 7th February 2020]