



# **Agenda for 18<sup>th</sup> GST Council Meeting**

**30 June 2017**





**F.No. 115/18<sup>th</sup> Meeting/GST Council/2017**  
**GST Council Secretariat**

Room No.275, North Block, New  
Delhi

Dated: 23 June 2017

**Notice for the 18<sup>th</sup> Meeting of the GST Council on 30 June 2017**

The undersigned is directed to refer to the subject cited above and to say that the 18<sup>th</sup> Meeting of the GST Council will be held on 30 June 2017 at Hall No. 2-3, Vigyan Bhavan, New Delhi. The schedule of the meeting is as follows:

- Friday, 30 June 2017 : 1900 hours onwards
2. The agenda items of the Council meeting are enclosed.
  3. In addition, an officers' meeting will be held on Friday, 30 June 2017 from 1730 - 1830 hours at the same venue, i.e. Hall No. 2-3, Vigyan Bhavan, New Delhi.
  4. The meeting shall be followed by dinner at Vigyan Bhavan and "Launch of GST" function in the Central Hall of Parliament.
  5. Please convey the invitation to the Hon'ble Members of the GST Council to attend the meeting.

- *Sd* -

**(Dr. Hasmukh Adhia)**  
**Secretary to the Govt. of India and ex-officio Secretary to the GST Council**  
**Tel: 011 23092653**

Copy to:

1. PS to the Hon'ble Minister of Finance, Government of India, North Block, New Delhi with the request to brief Hon'ble Minister about the above said meeting.
2. PS to Hon'ble Minister of State (Finance), Government of India, North Block, New Delhi with the request to brief Hon'ble Minister about the above said meeting.
3. The Chief Secretaries of all the State Governments, Delhi and Puducherry with the request to intimate the Minister in charge of Finance/Taxation or any other Minister nominated by the State Government as a Member of the GST Council about the above said meeting.
4. Chairperson, CBEC, North Block, New Delhi, as a permanent invitee to the proceedings of the Council.
5. Chairman, GST Network

### **Agenda items for the 18<sup>th</sup> Meeting of the GST Council on 30 June 2017**

1. Confirmation of the Minutes of the 17<sup>th</sup> GST Council Meeting held on 18 June 2017
2. Decisions of the GST Implementation Committee (GIC) for the information of the Council
3. Any other agenda item with the permission of the Chairperson
4. Date of the next meeting of the GST Council

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# Discussion on Agenda Items

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## **Agenda Item 1: Confirmation of the Minutes of the 17<sup>th</sup> GST Council Meeting held on 18 June 2017**

### **Draft Minutes of the 17<sup>th</sup> GST Council Meeting held on 18 June 2017**

The seventeenth meeting of the GST Council (hereinafter referred to as ‘the Council’) was held on 18 June, 2017 in Vigyan Bhawan, New Delhi, under the Chairpersonship of the Hon’ble Union Finance Minister, Shri Arun Jaitley. The list of the Hon’ble Members of the Council who attended the meeting is at **Annexure 1**. The list of officers of the Centre, the States, the GST Council and the Goods and Services Tax Network (GSTN) who attended the meeting is at **Annexure 2**.

2. The following agenda items were listed for discussion in the 17<sup>th</sup> Meeting of the Council –

1. Confirmation of the Minutes of the 16<sup>th</sup> GST Council Meeting held on 11 June, 2017
2. Approval of draft GST Rules and related Forms for:
  - i. Advance Ruling
  - ii. Appeals and Revision
  - iii. Assessment and Audit
  - iv. E-Way Bill
  - v. Anti-profiteering
3. Fitment/adjustment of GST Rates on certain items
  - i. Applicability of increased turnover limit for Composition Levy to Special Category States
  - ii. IGST on Shipping Vessels
  - iii. Lottery
4. Any other agenda item with the permission of the Chairperson
  - i. High Sea Sales
  - ii. Notifying Sections
  - iii. Exemption under Section 9(4) of the CGST Act, 2017
  - iv. Fund Settlement Rules
  - v. Authorization of Banks for GST collection
  - vi. Power to be exercised under Sections 37, 38 and 39 of the Central Goods and Services Tax Act, 2017
5. Date of the next meeting of the GST Council

3. The Hon'ble Chairperson welcomed all the Members to the 17<sup>th</sup> Council Meeting and invited comments of the Hon'ble Members on the draft Minutes of the 16<sup>th</sup> Meeting of the Council (hereinafter referred to as 'Minutes') held on 11 June, 2017 before its confirmation.

4.1. The Secretary, GST Council (hereinafter referred to as 'Secretary') invited the Chairman, CBEC to lay before the Council requests received regarding the Minutes. Chairman, CBEC stated that a written request was received from the Joint Commissioner, Odisha to include the version of the Hon'ble Minister from Odisha in paragraph 10.12 of the Minutes as follows:

"The Hon'ble Minister from Odisha stated that Odia films were exempt in Odisha. He was of the view that the regional film made in the regional language should be exempt under GST to promote regional film industry."

4.2. Chairman, CBEC further informed that a written request had also been received from Shri Alok Gupta, Commissioner, Commercial Taxes (CCT), Rajasthan to amend the version recorded in paragraph 8.6 of the Minutes "...He added that marble was a labour intensive sector which provided employment to lakhs of people and units with turnover of less than Rs.1.5 crore should be taxed at the rate of 18% instead of 28%." with the version as under:

"He added that marble was a labour intensive sector which provided employment to lakhs of people and mostly MSME units with turnover of less than Rs.1.5 crore are engaged in this and they are not liable to pay excise duty. He suggested that marble should be taxed at the rate of 18% instead of 28%."

4.3. Shri M. Balaji, Joint Commissioner, Commercial Taxes, Tamil Nadu informed that the speech of the Hon'ble Minister from Tamil Nadu in the 16<sup>th</sup> GST Council Meeting was not recorded in the Minutes and that the version of the Hon'ble Minister from Tamil Nadu may be inserted after paragraph 8.16 as under:

"Paragraph 8.16.1. "The Hon'ble Minister from Tamil Nadu circulated a written speech during the meeting. He thanked the Council for having agreed to the request of Tamil Nadu regarding the rates of tax on footwear; palmyra jaggery; glass for corrective spectacles and cashew nut. He also commended the decision to levy tax on Textiles at a uniform lower rate of tax. He reiterated that handloom textiles, roasted gram locally known as "*fried gram*", sago, sea shells and handicraft items made from them, hand-made jewellery made by goldsmiths from the economically weaker sections, and fishnet and fishnet twine should be Nil-rated; water sold in Refill Cans (bubble top) and small plastic pouches, curry, other spices and mixture of spice powder known as masala powder, unbranded biscuits, beedi, concrete blocks/bricks, and films made in the local language of the State should be taxed at a lower rate; unbranded sugar confectionery, pickles, power driven pumps, fly ash bricks and rate of tax for supply of food and drinks in restaurants without air-conditioning should be brought down to 5%; frames and mountings for spectacles, and attachments of tractors should be taxed at 12%; cess should be restricted to Motor Cycles above 500 cc; and wet grinder, air compressors and weighing machineries, and electrical apparatus irrespective of capacity should be brought down to 18%."

The Council agreed to include the speech of the Hon'ble Minister from Tamil Nadu in the

Minutes.

4.4.1. Shri V.P. Singh, CCT, Punjab referred to the Minutes on page 21 of the detailed Agenda Notes for the 17<sup>th</sup> GST Council Meeting (hereinafter referred to as 'Agenda Notes') in respect of textile where the Hon'ble Minister from Punjab had requested that tax rate on man-made fibre be kept at 18%, for yarn at 12% and for cloth at 5%. He added that it was recorded in the Minutes that the Council decided not to change rates for man-made fibre and yarn while it was not so and that no finality was achieved on the issue. He further added that a detailed proposal was to be sent before deciding on the issue. The Secretary mentioned that there was no such proposal to take a decision subsequently. Moreover, he added that this was a major revenue item and that it would not be possible to change the rate on the same. He further added that the Council did not agree to deciding the rates later. Shri V.K. Garg, Advisor (Financial Resources) to Chief Minister, Punjab stated that there were protests against this levy. The Secretary mentioned that the rationale being given was wrong and explained that there was no additional burden. He further informed that even now, at the yarn stage, the current tax burden was 19% and that in the GST regime, it would be reduced to 18%. Further, it was mentioned that input tax credit could be availed of and that there was no additionality of tax. It was only a question of compliance. He also stated that if other manufacturers were complying with GST, textile traders should also comply and that full credit could not be allowed since it would be a huge revenue loss. Further, he stated that if full refund was to be given, then rate should be 12% at fabric stage which would be too high and lead to adverse perception. He added that denying full refund was correct.

4.4.2. The Secretary asserted that man-made fibre and man-made yarn were to be taxed at the rate of 18%. He stated that on fabric only 5% tax was to be levied and this would help in the flow of credit. Moreover, no tax would need to be paid in cash as the said tax could be paid from the Input Tax Credit (ITC) credit accumulated by the assessee. The Advisor to the Chief Minister, Punjab raised three points in respect of textiles. First, he mentioned that the duty rate of 5% was prescribed for all fabric in the proposed GST regime and that till now, Countervailing Duty (CVD) was 8% if the party took CENVAT credit and zero if CENVAT credit was not taken. He quoted a judgement of the Hon'ble Supreme Court in the SRF case stating that exporters are not dealing with CENVAT and by that interpretation, duty became zero. As a result of this, fabric from China, Vietnam, Bangladesh, Sri Lanka and other countries would come to India at 5% whereas Indian business would suffer a duty incidence of 9%, 10% or 11% depending on the final value. He stated that the second issue was that in the case of an integrated manufacturer who made fibre, yarn, fabric and sold the fabric, the value addition was 100% and that his effective burden would be 5% whereas in the case of a person in Ludhiana who made grey fabric, value addition was 15% and he would pay 18% on the yarn resulting in his credit getting wasted. This would result in a situation where the power loom sector would be seriously affected in the new GST structure. He requested to consider it as it was an all India issue. The third point he raised was regarding drawback (DBK) rates on textile exports as 40% of textiles were exported. He wondered what would be the DBK rates as on fabric as there would be 5% duty plus embedded taxes. He requested to address the issue regarding export and power loom sector.

4.4.3. The Secretary mentioned that all these all these points had been considered and that if imports were increasing from China and other countries, basic customs import duty could be



raised. However, the Secretary raised an apprehension that there would be problems if imports were from countries with whom India had Free Trade Agreements (FTAs) and those problems were not in respect of textile alone but in respect of all goods. The Chief Economic Adviser observed that on imports, basic customs duty could be increased, however there would be a problem in case of imports from FTA countries. He added that in respect of exports, the current DBK structure could be kept until the impact of GST rates on exports was examined after GST was rolled out. The Secretary mentioned that DBK rates needed to be modified as DBK rates had two components i.e. customs duty and excise duty. He added that in the GST regime, excise duty would be gone and only customs duty was leviable, so only the customs duty portion should be considered for DBK as exporters could get entire Integrated Goods and Services Tax (IGST) refunded. He also added that the second alternative was that an exporter could claim refund of Central GST (CGST), State GST (SGST) paid on all inputs used in export goods and that this mechanism was better than DBK and exporters would have no problem.

4.4.4. The Advisor (Financial Resources) to Chief Minister, Punjab mentioned that there would be a serious problem as there were two types of exporters namely integrated manufacturers and others and that the whole credit would be stuck at the grey fabric level as exporter would be paying only 5%. The Secretary mentioned that there would be no problem to the power loom sector as only 10% units were integrated units and that their share in the production of fabric was less. The Hon'ble Minister from Rajasthan supported the points raised by the Advisor to the Chief Minister, Punjab stating that there should be fibre neutrality for the textile industry so that there was lesser accumulation of input tax credit for smaller units. He added that accumulation of input tax credit would make all the difference and would put the small units at a disadvantage. The Chief Economic Adviser, Government of India, advised to conduct a quick study in the matter of embedded taxes and that action could then be taken accordingly. The Hon'ble Minister from Telangana supported the suggestion of the Chief Economic Advisor for a study to be conducted within 3 months in the textile sector.

4.4.5. The Hon'ble Chairperson observed that attempts were made to fix the rate of duty of all commodities in the best possible manner, however in case there were any issues with some commodities, the Council could have a relook at them in its meetings post implementation and that action could be taken accordingly. The Hon'ble Chairperson further observed that no commodity would collapse within this time. He also mentioned that many organizations were meeting him regularly to reduce the taxes on multiple commodities but decision on changing rates could not be taken arbitrarily and that tax rates would be reviewed after few months of the implementation of GST.

4.5. The Hon'ble Minister from Mizoram stated that it was recorded in the Minutes that no clear decision was taken regarding the applicability of increased threshold from Rs. 50 lakh to Rs. 75 lakh under the composition scheme to the Special Category States. The Secretary stated that there was a separate agenda on this issue.

4.6. Shri R.K. Tiwari, Additional Chief Secretary (ACS), Uttar Pradesh, stated that in paragraph 8.4 of the Minutes, there was an error showing revenue loss to the tune of Rs. 50,000

crore which should be Rs. 5,000 crore. The Secretary informed that this was a typographical error and it should be read as Rs. 5,000 crore in place of Rs. 50,000 crore.

4.7. The Hon'ble Finance Minister from Uttar Pradesh referred to their request on paragraph 8.17 (vii) of page 15 of the Agenda Notes where items like *singhada* and *makhana* were requested to be exempted. The Secretary raised a question whether these goods would fall in the category of dry fruits. The Hon'ble Minister from Jammu & Kashmir also proposed to exempt walnut and other dry fruits. After discussions, the Hon'ble Chairperson and the Council agreed to fix the GST rate at 5% on dried *singhada* and *makhana*.

4.8. A few Members of the GST Council then requested for reconsideration of tax rates on some other commodities. The Hon'ble Ministers from Assam, Goa and Bihar suggested that since the tax rates had been fixed after much deliberation, the rates could be reconsidered, if required, after implementation of GST.

4.9. In view of the above discussion, for Agenda item 1, the Council decided to adopt the Minutes of the 16<sup>th</sup> Meeting of the Council with the changes as recorded below: -

- (i) To include the version of the Hon'ble Minister from Odisha in paragraph 10.12 of the Minutes as follows:

“The Hon'ble Minister from Odisha stated that Odia films were exempt in Odisha. He was of the view that the regional film made in the regional language should be exempt under GST to promote regional film industry.”

- (ii) To amend the version of the Hon'ble Minister from Rajasthan recorded in paragraph 8.6 of the Minutes with the following version -

“He added that marble was a labour intensive sector which provided employment to lakhs of people and mostly MSME units with turnover of less than Rs.1.5 crore are engaged in this and they are not liable to pay excise duty. He suggested that marble should be taxed at the rate of 18% instead of 28%.”

- (iii) To incorporate the speech of the Hon'ble Minister from Tamil Nadu after paragraph 8.16 of the Minutes as follows –

“The Hon'ble Minister from Tamil Nadu circulated a written speech during the meeting. He thanked the Council for having agreed to the request of Tamil Nadu regarding the rates of tax on footwear; palmyra jaggery; glass for corrective spectacles and cashew nut. He also commended the decision to levy tax on Textiles at a uniform lower rate of tax. He reiterated that handloom textiles, roasted gram locally known as “fried gram”, sago, sea shells and handicraft items made from them, hand-made jewellery made by goldsmiths from the economically weaker sections, and fishnet and fishnet twine should be Nil-rated; water sold in Refill Cans (bubble top) and small plastic pouches, curry, other spices and mixture of spice powder known as masala powder, unbranded biscuits, beedi, concrete blocks/bricks, and films made in the local language of the State should be taxed at a lower rate; unbranded sugar confectionery, pickles, power driven pumps, fly ash bricks and rate of tax for supply of food and drinks in restaurants without air-conditioning should be brought down to 5%; frames

and mountings for spectacles, and attachments of tractors should be taxed at 12%; cess should be restricted to Motor Cycles above 500 cc; and wet grinder, air compressors and weighing machineries, and electrical apparatus irrespective of capacity should be brought down to 18%.”

- (iv) To replace, in paragraph 8.4 of the Minutes, Rs. 50,000 crore with Rs 5, 000 crore.
- (v) To include dried *singhada* and *makhana* in the list of 5% GST items.

## **Agenda Item 2: Approval of draft GST Rules and related Forms for:**

5. Introducing this Agenda item, the Secretary asked Chairman, CBEC to brief the Council on the agenda pertaining to Rules. The Hon’ble Deputy Chief Minister from Delhi requested to first take up Rules for E-Way Bill and Anti-profiteering. The Secretary informed the Council that during the officers’ meeting prior to the 17<sup>th</sup> GST Council Meeting, three other rules for Advance Ruling, Appeals and Revisions and Assessment and Audit were also discussed and some modifications were suggested and that the Council may approve these three Rules with some modifications as suggested by the officers and finalized in the Officers’ meeting. Chairman, CBEC invited Shri Upender Gupta, Commissioner (GST Policy Wing), CBEC to make a presentation on the above-mentioned 5 Rules. Commissioner (GST Policy Wing), CBEC then proceeded to explain the main features and provisions of the 5 Rules and related Forms. The presentation is included at **Annexure 3**.

### **5.1. Advance Ruling Rules**

5.1.1. The Secretary informed that during the officers’ meeting in the morning some changes were made and the modified version of the draft Advance Ruling Rules is at **Annexure 4**.

5.1.2. The Council approved the Rules and related Forms on Advance Ruling including the changes made therein.

### **5.2. Appeals and Revision Rules**

5.2.1. The Secretary informed that during the officers’ meeting in the morning some changes were made and the modified version of the draft Appeals and Revision Rules is at **Annexure 5**.

5.2.2. The Council approved the Rules and related Forms on Appeals and Revision including the changes made therein.

### **5.3. Assessment and Audit Rules**

5.3.1. The Secretary informed that during the officers’ meeting in the morning some changes were made and the modified version of the draft Appeals and Revision Rules is at **Annexure 6**.

5.3.2. The Council approved the Rules and related Forms on Assessment and Audit including the changes made therein.

#### 5.4. e-Way Bill Rules

5.4.1. During the presentation on e-Way Bill Rules, Commissioner (GST Policy Wing), CBEC highlighted the main features and other details like requirement of e-way bill for movement of goods of consignment value exceeding fifty thousand rupees; generation of e-Way bill and its validity with reference to distance; consolidated e-Way bill; cancellation of e-Way bill, etc. The Secretary informed the Council that during the Officers' meeting held earlier that day, detailed discussion was held on this Rule and some States were in favour of implementing the e-way bill system from 1 July 2017, while some other States and the Centre were not in favour of implementing it till a fool proof e-Way bill system was developed. The Hon'ble Deputy Chief Minister of Delhi raised two points (i) that the Limit of Rs. 50,000/- was very low and (ii) how many transit points (checks) were to be allowed in intra-State movement i.e. during the course of movement from Narela to Greater Kailash, checks at several transit points would create problems for traders. Chairman, CBEC was of the view the e-Way bill should not be required within the city. The Hon'ble Minister from Chhattisgarh stated that this e-Way bill system should not be brought from 1 July 2017. He added that in Chhattisgarh, all physical check posts had been removed and that any matter relating to evasion of taxes should be covered through in enforcement action. The Hon'ble Minister from Madhya Pradesh also supported Chhattisgarh's point of view and mentioned that it would be okay to wait for 2-3 months and then decide on its implementation.

5.4.2. The Hon'ble Minister from Bihar informed that Bihar had boundaries with Nepal and Bhutan and if there was no e-Way bill system in force, then there would be lot of problems and the same issue applied to the North-Eastern States as well. He suggested that till the e-Way bill system was not finalized, check-posts should continue in the States. He further stated that since there was a provision in the Law for the implementation of e-Way Bill and the same had been passed by the respective State Legislatures, implementation of the e-Way bill system could not be ignored. The Hon'ble Minister from Goa stated that there would be implementation problems within the smaller States if the e-Way bill system was introduced as goods may be required to be loaded and removed from different locations within a small state like Goa. The Hon'ble Minister from Maharashtra stated that even if this system was not implemented from 1 July 2017, it could be implemented after 6 months. The Hon'ble Minister from Kerala stated that the e-Way Bill system at national level may not be ready by 1 July 2017 and till the time it was finalized, the existing e-Way Bill system in the States should continue. The Hon'ble Minister from Andhra Pradesh informed that this system had been in place in Andhra Pradesh for the last 15 years and that absence of e-Way bill would lead to evasion of taxes. The Hon'ble Minister from Telangana stated that the e-Way bill system was in place in his State for the last 5 years for inter-State as well as intra-State movement and that they would continue with the present system till the Council finalized a national e-Way Bill system which might take 6 months. He added that keeping a minimum limit of 10 kilometres (for providing details for further transportation) was not practical as there were 73 Municipalities in his State where there was regular movement and the distance limit should be revised.

5.4.3. The Hon'ble Minister from Uttar Pradesh stated that they had an e-Way bill system and the same was needed to check goods. The Hon'ble Chief Minister from Puducherry stated that when a robust invoice-matching mechanism was being made available by GSTN, the e-

Way Bill system was just a duplication and added that it should be considered for evasion-prone commodities and inter-State supply only. He added that if it was used for intra-State movement, it would lead to problems. Dr. P.D. Vaghela, CCT, Gujarat stated that the e-Way bill system was a must and that in the Gujarat Chamber of Commerce, many tax payers advocated for the e-Way bill system as mobile physical checking led to more corruption. He added that those States which had such a system should be allowed to continue and intra-city movement could be left out. Ms. Smaraki Mahapatra, CCT, West Bengal supported the e-Way bill system but without intra-city movement. Dr. M.P. Ravi Prasad, Joint Commissioner, Commercial Taxes, Karnataka stated that his State had an e-Way bill system for the last 3 years and that trade had welcomed it. He added that physical checks had been reduced and for this, the e-Way Bill system in his State, i.e. e-SUGAM had received awards.

5.4.4. The Hon'ble Minister from Assam stated that Section 68 of the CGST Act provided for e-Way bill and that in its absence, there would be massive evasion and would create the need to bring the static check posts leading to harassment and corruption. He added that intra-city movement could be relaxed. Shri J. Syamala Rao, CCT, Andhra Pradesh stated that in its absence, 20-30% evaders would drive genuine taxpayers out. Shri Tuhin Kanta Pandey, Principal Secretary (Finance), Odisha stated that his State was against the implementation of the e-Way Bill system. He explained that when one-to-one invoice matching was available in the system, there was no need for an e-Way Bill. He added that this would increase the compliance burden and that efforts should be taken to reduce compliance burden. He further informed that with effect from 1 April 2017, his State had abolished check posts and that there was no problem because of that. The Hon'ble Minister from Nagaland stated that the e-Way bill system was required. The Hon'ble Minister from Tamil Nadu stated that overall, he was not in favour of the e-Way bill but if it was to be implemented, it should only be done for Business-to-Consumer (B2C) trade and for evasion prone commodities. The Hon'ble Minister from Rajasthan advised that there should not be e-Way bill system for intra-State movement and that it should be limited to evasion-prone commodities. He also suggested that the limit should be raised to Rs. 1,00,000/-.

5.4.5. The Hon'ble Chairperson observed that a number of States were in favour of the e-Way bill system, some States were not in favour and some States did not want its implementation from 1 July 2017. He added that there were some requests to raise the limit from Rs. 50,000/- to Rs.1,00,000/-. It was informed that in the Officers' meeting, there was no consensus on the matter. He proposed that for the time being, a one sentence Rule could be drafted and that States could continue with their own system till a central e-Way Bill Rules were finalized. As regards raising the limit from Rs. 50,000/- to Rs.1,00,000/-, he added that the GST Council could take a decision once the Rules were finalized. The Secretary mentioned that after 1 July 2017, there should not be any need for GST check posts at State borders. The GST Council agreed to the proposal of drafting one sentence Rule by the Law/Rules Committee on above lines and that there would not be any need for check posts in GST regime at State borders.

## 5.5 Anti-profiteering Rules

5.5.1. Presenting on Anti-profiteering Rules, the Commissioner (GST Policy Wing), CBEC highlighted the main features like constitution of Standing Committee, ational Anti-profiteering Authority, etc. The Secretary informed the Council that the Anti-profiteering Rules had been prepared on the recommendation of the GST Council in its 15<sup>th</sup> Meeting. Starting the discussion on the said Rule, the Hon'ble Minister from Bihar wondered as to why retired judges needed to be brought as Chairman of the Authority and why retired officers could not be considered. He opined that judges did not understand the tax complications and suggested that the Authority should be headed by officers and not judges. The Hon'ble Minister from Kerala asked what the exact meaning of “profiteering” was and that benchmark information was required.

5.5.2. The Chief Economic Advisor stated that there were already two meetings on this issue and that a sunset clause of 9 months to one year needed to be provided. He added that this was a transition provision and would lead to harassment and in the long run, it should die. The Hon'ble Minister from Goa stated that the narrative should change and we should trust the countrymen. He added that judges came into the picture when something wrong happened and that competent officers could apply their mind much better. Shri Somesh Kumar, Principal Secretary (Finance), Telangana stated that he did not agree with the sunset clause because rates would change frequently. Ms. Sujata Chaturvedi, Principal Secretary and CCT, Bihar suggested that there was no provision for any sunset clause in the Act.

5.5.3. The Hon'ble Minister from Uttar Pradesh suggested that officers should be taken in the Authority. The Secretary suggested that retired officers could be taken. Shri R.K. Tiwari, Additional Chief Secretary, Uttar Pradesh informed that (1) there was no time limit for the Standing Committee to submit report; (2) constitution of the Standing Committee and Screening Committee and its nomination should be by the Council only and not by the Board; (3) there was no proposal for appeal against the order of the Authority – it should lie with the High Court; (4) Two points (d) and (e) mentioned in draft Rule 14 had been left out on page No. 104 of the Agenda and its responsibility should include recommending for cancellation of registration and (5) Secretary to the Authority should be more broad-based rather than ADG of Safeguards as there could be clash of interest. The Secretary agreed for other suggestions except for Secretary to the Authority by explaining that it would not be possible to create a new office for Secretary and that ADG Safeguards would only be the Secretary to the Authority and not member Secretary of the Authority. The Council agreed with this.

5.5.4. The Hon'ble Minister from Mizoram suggested to define the term ‘Anti-profiteering’. CCT, Andhra Pradesh suggested to include third parties such as consumer welfare societies under the ambit of ‘interested parties’. He also requested to have more than one Standing Committee and also at State level to ward off frivolous complaints. The Secretary stated that the definition of ‘interested parties’ was an inclusive one and there was a mechanism to ward off frivolous complaints. The Hon'ble Minister from Madhya Pradesh stated that small traders had apprehensions of being harassed by the anti-profiteering provisions. The Hon'ble Minister from Haryana suggested that 4 Technical members could be a representative of tax

practitioners, a person of eminence, an industry representative and a consumer activist to provide balance to the Authority. The Hon'ble Chairperson observed that it would not be proper to have both officers and activists on board since it was necessary to have an effective deterrent effect. He added that activists would bring a plethora of complaints and cited an example of fast track courts, where the experience was not good. He further added that Government officers had some bindings of conduct rules and would be more effective.

5.5.5. Shri Raghwendra Kumar Singh, CCT, Madhya Pradesh stated that there should be *suo-motu* provisions for initiating investigation where profiteering was observed by the Government. The Hon'ble Chairperson stated that this body could comprise of technically qualified people from the State as well as the Centre. The Secretary stated that to have a deterrent effect on profiteering, it was necessary to constitute the Authority as early as possible, headed by a retired or even serving Secretary-rank officer and four other Members. He added that a Search Panel needed to be constituted to suggest names for the Authority so that they could put up names for approval in the next meeting. The Hon'ble Minister from Kerala reiterated that "anti-profiteering" was still not defined and there needed to be clarity on this. Chairman, CBEC, in response, read out the Section 171(1) of the CGST Act which gave the definition of profiteering. The Advisor to the Chief Minister, Punjab stated that profit should be carefully defined as to whether it referred to profit at the product and service level, vertical level or entity level. He added that it was necessary to see how credit was being allocated to each product and thereafter determine the profitability for each product. The Chief Economic Adviser stated that the anti-profiteering clause was a mistake and the discretion it provided might lead to its abuse and cause harassment. Therefore, it was necessary to circumscribe it. He added that it would be difficult to implement it because of the difficulty in determining what profit was, what profiteering was, etc. He further added that it was necessary to keep the provision simple and add a sunset clause so it did not carry on forever.

5.5.6. The Secretary stated that the intention was not to harass the small trader but a deterrent effect was required without which there were chances of high amount of profiteering taking place. For this, he stated, that a mechanism was needed but also added that he was in agreement with a sunset clause of say two years, after which it could be said that the Authority would become dysfunctional.

5.5.7 The GST Council after detailed discussion approved the draft Anti-profiteering Rule and further authorized the Law Committee to make amendments as may be necessary for including the suggestion as discussed above. The Hon'ble Chairperson suggested that the search committee for selection of Chairman and Members of the Authority could be made under the Chairmanship of the Cabinet Secretary and consist of Revenue Secretary, Chairman, CBEC and Chief Secretaries of any two States. The Hon'ble Minister from Bihar suggested that the names of two Chief Secretaries could be decided by the Chairman. The Council agreed with this.

### **Agenda Item 3: Fitment/adjustment of GST Rates on certain items**

#### **7.1. Applicability of increased turnover limit for Composition Levy to Special Category States**

7.1.1. The Hon'ble Minister from Mizoram stated that in the 16<sup>th</sup> GST Council Meeting, the Council increased the annual turnover threshold to avail the Composition scheme from Rs. 50 lakh to Rs. 75 lakh, but its applicability to the Special Category States was not decided. He mentioned that for Special Category States like Mizoram, the annual turnover threshold for availing the Composition Scheme should remain Rs. 50 lakh and not be raised to Rs. 75 lakh. The Hon'ble Minister from Assam stated that he would go by the consensus of the other North-Eastern States. The Hon'ble Chief Minister from Puducherry requested that his State also be included along with the Special Category States for this provision. The Hon'ble Deputy Chief Minister from Manipur also supported the proposal to retain the annual turnover threshold of Rs. 50 lakh for Special Category States. The Hon'ble Minister from Jammu & Kashmir said that though his State was included in the list of Special Category States, he requested that his State may not be included with the Special Category States for this provision and that he would like the annual turnover threshold of Rs. 75 lakh to be applicable to his State. He also added that even in the case of the annual turnover threshold of Rs. 20 lakh for exemption from registration under GST, he preferred that the same may apply to his State and not the reduced threshold of Rs. 10 lakh which was applicable to the Special Category States. The Secretary informed that the threshold limits of Rs. 20 lakh and Rs. 10 lakh for registration under GST were provided in the Law itself and hence, modification for Jammu & Kashmir would need to be done. The Hon'ble Chairperson observed that the thresholds of Rs. 10 lakh (for registration under GST) and Rs. 50 lakh (for Composition) may be applicable only to the other Special Category States and that a special provision could be made for Jammu & Kashmir. Shri Shridhar Babu Addanki, CCT, Uttarakhand stated that the turnover threshold of Rs. 75 lakh for Composition should be applicable to his State also, though his State was a Special Category State.

7.1.2. After discussion, the Council approved the following –

- (i) The turnover limit for Composition Levy for CGST and SGST purposes shall be Rs.50 lakh in respect of the following Special Category States namely:
  - 1. Arunachal Pradesh,
  - 2. Assam,
  - 3. Manipur,
  - 4. Meghalaya,
  - 5. Mizoram,
  - 6. Nagaland,
  - 7. Sikkim,
  - 8. Tripura, and
  - 9. Himachal Pradesh
- (ii) The Council has also recommended that in case of Uttarakhand, the turnover limit for Composition Levy will be Rs.75 lakh.
- (iii) For the State of Jammu & Kashmir the turnover limit for the Composition levy will be decided in due course.



## 7.2 IGST on Shipping Vessels

7.2.1 Shri Alok Shukla, Joint Secretary (TRU-I) informed the Council that 5% rate of tax on ship was approved during the 14<sup>th</sup> GST Council meeting held at Srinagar on 18-19 May 2017 and that the same GST rate would apply on imports of ships/vessels/dredger/tankers. He added that against this, the Ministry of Shipping had made a reference, *inter alia*, stating that the shipping industry would not be in a position to utilize the credits of such IGST for a long period of time and that the new GST regime would put the Indian Shipping Industry in a disadvantageous position as foreign owners who brought ships to India were not burdened with the tax but that only Indian owners were charged with tax in similar situation. He further added that the transportation services of goods (voyage charter) have been brought to tax, however with curtailed input tax credit wherein input tax credit on goods will not be available, which would cause tremendous accumulation of credit with no avenue for set off and that the additional tax burden would adversely affect the Indian shipping industry, competitiveness and viability as the Shipping sector was already under severe stress. He added that the Fitment Committee had examined the reference received from the Ministry of Shipping in detail and proposed two options for the consideration of the Council. These two options are enumerated as follows -

- i. Whether to allow ITC of GST paid on ships which would provide level playing field to shipping lines which go for outright purchase of vessels/ships/tankers

or

- ii. Whether to exempt 5% CSGT and SGST / IGST on ships/vessels/dredger/tankers as recommended by the Ministry of Shipping.

7.2.2 The Secretary suggested that Option (i), i.e. allowing ITC of GST paid on ships which would provide level playing field to shipping lines which go for outright purchase of vessels/ships/tankers could be approved by the Council. The Council approved Option (i). The Advisor (Financial Resources) to Chief Minister, Punjab sought a clarification as to how could service tax be paid on the transportation service if the same is included in CIF value of inputs, which is subjected to import duty. It was clarified by Shri Amitabh Kumar, Joint Secretary (TRU-II) that the service aspect is subjected to service tax in accordance with various pronouncements of the Apex Court. Moreover, under GST, IGST would be levied which is set off as its ITC is available.

7.2.3 In respect of the agenda item on IGST on Shipping Vessels, the Council approved Option (i), i.e. to allow ITC of GST paid on ships which would provide level playing field to shipping lines which go for outright purchase of vessels/ships/tankers. In this context Secretary stated that the issue raised by Punjab was not connected with the proposal under consideration by the GST Council.

## 7.3 Lottery

7.3.1. Introducing this agenda item, the Joint Secretary (TRU-II) stated that under the GST regime, supply of lottery was to be taxed as 'goods' and the rate of tax on lottery was discussed with the officers of the States where lottery tickets were sold and that the said meeting was attended by officers from the States of Nagaland, Sikkim, Arunachal Pradesh, Mizoram, Assam, West Bengal and Punjab. He further informed that the officer concerned from Kerala was not able to attend that meeting but Dr. Rajan Khobragade, CCT, Kerala had orally

conveyed that lottery tickets should be taxed at the rate of 28% of face value. He explained that in view of the Hon'ble Supreme Court judgment in the case of Sunrise Associates Vs. Government of NCT of Delhi, sale of lottery tickets had been held to be transferred as an actionable claim and that actionable claim had been included in the definition of "goods" as per Section 2(52) of the CGST Act. He added that Clause 6 of Schedule III of CGST Act specified that actionable claim other than lottery, betting and gambling was neither a supply of goods nor a supply of services, and therefore, supply of lottery tickets would need to be taxed as supply of goods.

7.3.2. Joint Secretary (TRU-II), CBEC, also presented the amount received by the organising States in the financial year 2015-16 from lottery draws. He also presented the revenue received by three States, namely, Kerala, Maharashtra and Punjab in the year 2015-16 through lottery tax which would now be subsumed under GST. He also briefed the Council on the incidence of Service Tax on lottery distribution. He presented two options for levying GST on lottery, as recommended during the meeting of officers of the State Governments held on 11 June 2017, namely – (i) GST rate of 5% on face value (MRP) of lottery tickets sold, and (ii) GST rate of 28% on MRP of lottery tickets sold less prize pay-out (as published in the official gazette of the State Government). He also stated that, in addition, there was an option presented by the State of Kerala to tax lottery tickets at the rate of 28% of face value (MRP of lottery tickets sold). He stated that under both the options, GST may be levied by the State Governments on the first point of sale by the State Government to the lottery distributor or the sole selling agent appointed by the State Government and to exempt agents/stockists below the distributor. He explained that the lottery organising States (Sikkim, Arunachal Pradesh, Nagaland and Assam) earned royalty and the earnings out of it would be reduced if the rate of tax was high and keeping this in view, the States of North-East had favoured the option of charging tax at the rate of 5% on face value of lottery tickets. He also added that these States got a very small amount of revenue, and therefore, this was an important source of revenue for them.

7.3.3. Starting the discussion on this agenda item, the Hon'ble Minister from Nagaland stated that his State was an Organising State of lottery and if the rate of tax on lottery was kept high, it would affect the royalty revenue as the number of buyers of lottery tickets would shrink. He suggested that tax rate on lottery tickets should be reasonable and suggested that it should be 5% on face value of tickets sold. The Hon'ble Ministers from Sikkim and Mizoram supported this view. The Hon'ble Minister from Maharashtra stated that they had the highest sales/turnover of lotteries and they could support the rate of 5% if it was made compulsory that the prize money pay-out in each case would be 80% of the total amount. The Hon'ble Chairperson observed that decision on this issue was not within the jurisdiction of the Council. The Hon'ble Minister from Maharashtra then suggested to take the second option. He added that if rate of GST on lottery tickets was kept at 28% of the face value, then lottery sale would decline and illegal gambling etc. would increase.

7.3.4. The Hon'ble Minister from Kerala stated that his participation in the Council Meeting was always very positive and he supported the decisions despite his ideological differences on some of them. However, on the issue of lottery, there were serious legal and ethical issues, and therefore, he could not compromise on his stand of charging tax on lotteries at the rate of 28% of face value. He added that if consideration was loss of royalty to North-Eastern States,

he would assure of giving them double the money from his State but lowering the rate would encourage the growth of lottery *mafia*, which was not acceptable. He recalled that earlier, such lottery *mafia* had created social, law and order problems. He added that the mandate of the Fitment Committee was to look at the existing tax rates to recommend GST rates. He suggested that on some items, rates were reduced in deviation from this principle on the ground of changed situation but in this case, the existing rate on lotteries could not be allowed under the GST structure. He stated that lottery was under a Central Act, which did not allow any operator to play in this field other than the State. Section 4 of the Central Act provides that tickets would be printed by the State Government; printing would be done by a security press and the money from sale of lotteries would come to the Consolidated Fund of the State. He stated that a few States had given lottery contract to certain people who violated rules with impunity, which created serious social problems. He also objected to the data put in the agenda notes on the basis of the information given by All India Federation of Lottery Trade and Allied Industries; it was the States who were running lotteries and only the States' data could be authentic. He reminded that profit earned from lotteries went to the State treasury for developmental works. He added that in order to curb manipulation, the rate of tax on lotteries should be 28% on face value.

7.3.5. The Hon'ble Minister from Sikkim stated that the tax rate of 28% on face value would hit their revenue and reminded that earnings from lotteries and tourism were their main sources of revenue. The Hon'ble Minister from Kerala stated that lottery was being run by profiteers and was creating legal and social problems in the State. He reiterated his guarantee regarding giving minimum revenue to the North-Eastern States. He stated that as per his information, lottery agents in anticipation of a lower tax rate, had already selected their officers and appointed sub-agents to take advantage of the situation. The Hon'ble Minister from Mizoram observed that the States had diverse interests and had unequal resources. He observed that vendors of lottery in his State had outsourced this activity to agents in West Bengal, Maharashtra, etc. He stated that personally, he was not in favour of lottery but on behalf of his State, he could not accept a very high rate of tax on lottery. The Hon'ble Minister from Kerala stated that there was a rampant sub-contracting system going on in lotteries in contravention of the Central Act. He stated that the law enacted in his State had also been set aside by the Hon'ble High Court of Kerala and if there was a low rate, it might create serious problems in his State. He added that he was mindful that they were refraining from banning lottery in their State because almost one lakh lottery sellers were differently abled who had one or the other physical deformity and their livelihood needed to be protected.

7.3.6. The Hon'ble Minister from Telangana stated that lottery and all kinds of gambling were banned in his State and every State had a right to ban lottery. The Hon'ble Chairperson stated that banning of lottery was not in the jurisdiction of the Council. He added that lotteries were being run by private people authorised by the States and the North-Eastern States wanted tax to be imposed on lottery at the rate of 5% on face value and the State of Kerala wanted it at the rate of 28% on face value. He observed that crux of the matter was that if the rate of tax on lottery was kept very high, it would become unremunerative, and therefore, other forms of gambling would start. The Hon'ble Minister from Jammu & Kashmir stated that it would not be desirable to deduct prize pay-out from the face value for charging tax, as VAT/ GST is on transaction value. He added that it was easy to manipulate the value of pay-out. The Joint Secretary (TRU-II), CBEC, stated that under the lottery regulation Act and rules made

thereunder pay-out for every draw is required to be declared in the Official Gazette. The Hon'ble Minister from Kerala observed that prize money was declared in advance but there was manipulation in giving money and there were several scandals regarding lottery draws. He further added that other issues such as pricing of tickets were another activity for unscrupulous elements to exploit.

7.3.7. The Hon'ble Minister from Assam stated that one had to be mindful that the rate of tax on lottery could not be the same as that for essential items like cereals, pulses, etc. He, therefore, suggested that the rate of tax should not be 5% but at least 12% or 18%. He added that no item which had negative connotation should be kept in the tax slab of 5%. The Hon'ble Chief Minister of Puducherry stated that the dispute was between the State-run lotteries and the State-authorized lotteries. He observed that this was an important source of revenue for the North-Eastern States. He added that in southern India, lottery was banned in many States. He expressed that there was a need to find a middle ground by which the royalty income of the North-Eastern States could be protected and the revenue of States like Kerala was also protected. The Hon'ble Chairperson stated that gambling and horse racing were being taxed at the rate of 28% and it might not be desirable to tax lottery at the rate of 5%. Shri V.P. Singh, Excise and Taxation Commissioner, Punjab, stated that his State supported taxation on lottery at the rate of 28% on its MRP *minus* prize pay-out. The Advisor (Financial Resources) to Chief Minister, Punjab, stated that lottery should be taxed like the insurance sector, certain amount of premium went towards investment and the amount taxed was the premium amount *minus* the investment amount. He suggested that conceptually, the tax should only be on value addition. He stated that in lottery, there was an option to apply cess over and above the tax rate. The Hon'ble Minister from Maharashtra stated that his preference was to tax lottery at the rate of 18% of face value. The Hon'ble Minister from Manipur stated that his State was not running lottery but he supported the Hon'ble Minister from Assam and proposed the tax rate of 12%. The Hon'ble Minister from Mizoram stated that the tax rate in Kerala could be 28% but it should be 5% in North-Eastern States. The Hon'ble Minister from Assam stated that most of the tickets were sold in Kerala and the proposal of the Hon'ble Minister from Mizoram would hurt the North-Eastern States. The Hon'ble Minister from Kerala reminded that half the amount of tax collected in his State would also go to the Centre. He further observed that since horse racing and gambling were to be taxed at the rate of 28%, lottery should not be taxed at a lower rate.

7.3.8 The Hon'ble Minister from Goa stated that his State also got revenue from lottery. However, he supported following the principle of fitment approved by the Council. He cautioned that discussions could not be on the basis of State-wise interest. He observed that taxing lottery at the rate of 5% as that for food grains would convey a very poor message. He stated that a very low tax rate on lottery should not be fixed only on the consideration that a few small States would lose revenue and added that his State would be one such loser. The Hon'ble Chairperson stated that the Council needed to explore the views of States other than those stated by the Hon'ble Ministers from the North-East and Kerala and he recalled that when the rate of 3% was fixed on gold, Kerala had a better rational approach to keep the rate at 5% but the Council considered that an abrupt increase in the rate of tax on gold would lead to large scale smuggling. A similar situation existed in lottery trade and a very high rate of tax would lead to increase in unauthorised activity like underground betting.

7.3.9. The Hon'ble Minister from Telangana stated that another experience was that a higher rate of tax would lead to evasion of tax. He observed that Maharashtra had a high rate of tax on horse racing but it had the lowest revenue. He suggested to keep the tax rate on lottery and horse racing at the same rate but at a lower rate. The Hon'ble Chairperson stated that it had already been decided that the rates of tax already approved should not be reopened. The Hon'ble Minister from Kerala stated that lottery had three elements, namely – commission, prize money and profit (or revenue earned by the State) and observed that the price of lottery as well as prize money would remain the same and only profit margin would come down. This would discourage private players to operate in the field of lottery. He suggested that the law to control this activity was no longer in force. The Hon'ble Chairperson requested for views of the Hon'ble Members on the possible rate of tax on lottery. The Hon'ble Ministers from Bihar and Assam supported the rate of tax at 12% on face value of the ticket. The Hon'ble Minister from Chhattisgarh supported the rate of tax at 28% on MRP of lottery ticket sold less the prize pay-out. The Hon'ble Minister from Jammu & Kashmir suggested to tax lottery at a higher rate and also impose cess on it but did not support the proposal to deduct the prize pay-out from the price of the ticket. The Hon'ble Minister from Jharkhand stated that lottery should preferably be banned but if it was not possible, it should be taxed at the rate of 28%. Shri M.P. Ravi Prasad, Joint Commissioner, Commercial Tax, Karnataka, stated that there was ban on lottery in his State and that he had no views regarding the tax rate. CCT, West Bengal, stated that lottery should be taxed on its face value. The Hon'ble Minister from Madhya Pradesh expressed the opinion that lottery should not be allowed and if it had to be taxed, then it should be at the rate of 28% with cess. The CCT, Gujarat, informed that lottery was banned in his State and that he had no views on the issue under consideration. CCT, Uttarakhand, stated that lottery was banned in his State and he had no opinion on the rate of tax. Shri H. Rajesh Prasad, Commissioner (VAT), Delhi, stated that the rate of tax should be 28% on face value though his State preferred to ban it. The Hon'ble Chief Minister of Puducherry supported the tax rate of 18% on face value of the ticket. The Hon'ble Minister from Telangana supported the rate of 18% and stated that a higher rate would lead to evasion of tax and strengthen the *mafia*. Shri Onkar Chand Sharma, Principal Secretary (Finance), Himachal Pradesh, stated that the rate of tax should be 28%. The Principal Secretary (Finance), Odisha, stated that they had no views on the subject as there was no lottery trade in his State. Joint Commissioner, Commercial Tax, Tamil Nadu, stated that lottery was banned in his State and he supported the tax rate of 28%. Shri Pravin Srivastava, Chief Resident Commissioner, Tripura, stated that lottery was banned in his State and he had nothing to say on this issue. The Hon'ble Minister from Nagaland supported the tax rate of 5%.

7.3.10. The Hon'ble Minister from Maharashtra observed that his State was the largest consumer of lotteries and suggested that the rate of tax be 12% or 18% on face value of the tickets. The Hon'ble Minister from Sikkim supported the rate of tax at 28% on MRP of lottery tickets sold less the prize pay-out. The Hon'ble Chief Minister of Puducherry suggested that, to begin with, the rate of tax could be 18% on face value and it could be reviewed later on. The Hon'ble Minister from Sikkim stated that the revenue was Rs.63 crore which could be affected if it was taxed at a very high rate. He added that socially, such kind of activity could not be eradicated by prescribing a high rate of tax.

7.3.11. The Hon'ble Chairperson observed that till now, the Council had already decided other issues by consensus but on this issue the Hon'ble Minister from Kerala had very strong views

which needed to be balanced with the views of the North-Eastern States. The Hon'ble Minister from Kerala reiterated that he was willing to sign a written guarantee by assuring the same revenue to the North-Eastern States under GST system as they were getting till today. The Advisor (Financial Resources) to Chief Minister, Punjab, stated that as lottery was being sold as goods, the supply would be where the lottery was sold and that the tax revenue would not go to the North-Eastern States. The Hon'ble Chairperson stated that the amount of royalty accruing to North-Eastern States would get affected due to high rate of tax. The Hon'ble Chairperson observed that a very high rate of tax could lead to undesirable activities like *matka*. The Hon'ble Minister from Mizoram stated that the discussion was on the basis of the present scenario whereas under the GST regime, the money would be given as a devolution from the Central Government. The Hon'ble Chairperson stated that if the rate of tax was higher and collection was also higher, then the devolution to the States would also be more. The Hon'ble Chairperson suggested that the rate of tax on lottery could be 18% on its face value and the Council could see its impact for some time. The Hon'ble Minister from Kerala vehemently stated that he was unable to be a party to this decision. He added that the main issue was not revenue as majority of the States had banned lotteries but it was the other attendant social problems arising out of this trade.

7.3.12. The Hon'ble Chief Minister of Puducherry stated that Tamil Nadu and many other States of South India had banned lottery and Kerala should also follow the same model. The Hon'ble Minister from Kerala stated that livelihood of people was connected with lottery and taxing lottery at a high rate would not affect their livelihood but would make lotteries less attractive for manipulators. The Hon'ble Minister from Jammu & Kashmir suggested that another compromise could be to distinguish between State-run lotteries and State-authorized lotteries and suggested to tax the former at the rate of 12% or 18% but the latter at the rate of 28%. The Hon'ble Minister from Kerala expressed agreement at this suggestion.

7.3.13. The Hon'ble Chairperson stated that as per the Court judgment, there were clear conditions between the State-run lotteries and the State-authorized lotteries and this could be the principle used to distinguish the lotteries and tax them differently. He suggested to tax the State-run lotteries at the rate of 12% on the face value and the State-authorized lotteries at the rate of 28% on the face value. The Council approved this proposal. The Council also approved the proposal that tax could be levied by the State Governments on the first point of sale by the State Government to the lottery distributor or the sole selling agent appointed by the State Government and to exempt agents/stockists below the distributor.

7.3.14. In respect of the Agenda Item on Lottery, the Council approved the following –

- (i) The supply of lottery shall attract GST rates as under –
  - a. Lottery run by State Governments – 12% of face value of lottery ticket (Face value to be inclusive of GST)
  - b. Lottery authorized by State Governments – 28% of face value of lottery ticket (Face Value to be inclusive of GST)
- (ii) Tax can be levied by the State Governments on the first point of sale by the State Government to the lottery distributor or the sole selling agent appointed by the State Government on reverse charge basis and to exempt agents/stockists below the distributor.

#### **Agenda Item 4: Any other agenda item with the permission of the Chairperson:**

##### **8.1 High Sea Sales**

Since this item was not taken up for discussion, it may be treated as deferred.

##### **8.2. Notification of remaining sections of the Central Goods and Services Tax Act, 2017 and Integrated Goods and Services Tax Act, 2017 from 1<sup>st</sup> July, 2017 and power to GST Implementation Committee**

8.2.1. Under this agenda item, the Secretary proposed that the Council may approve the notification of remaining sections of the CGST Act, 2017 and IGST Act, 2017 from 1 July, 2017. He further proposed that the Council may delegate the power to GIC to decide that certain Sections of the Act may not be notified from the said date and that the Council may also delegate the power to GIC to extend the date of notification of Sections, earlier approved to be notified with effect from 19 June, 2017, beyond the said date but not later than 1 July, 2017. The Council approved the same.

8.2.2. In respect of the Agenda Item on Notification of remaining sections of the Central Goods and Services Tax Act, 2017 and Integrated Goods and Services Tax Act, 2017 from 1<sup>st</sup> July, 2017 and power to GST Implementation Committee, the Council approved the following –

- (i) Notification of remaining sections of the CGST Act, 2017 and IGST Act, 2017 from 1 July 2017 and delegation of power to the GIC to decide that certain Sections of the Act may not be notified from the said date and
- (ii) to extend the date of notification of Sections, earlier approved to be notified with effect from 19 June 2017 to 22 June 2017.

8.2.3. The decision stated in para 8.2.2. above would *mutatis mutandis* applicable to SGST Act as well as UTGST Act also.

##### **8.3. Exemption to supplies of goods or services or both of certain amount from the purview of sub-section (4) of section 9 of the Central Goods and Services Tax Act, 2017 etc.**

8.3.1. The Secretary requested the Commissioner, GST Policy Wing to explain this agenda item to the Council. The Commissioner, GST Policy Wing put forth this proposal and explained that sub-section (4) of Section 9 of the CGST Act provided that the central tax in respect of the supply of taxable goods or services or both by a supplier who was not registered, to a registered person would be paid by such person on reverse charge basis as the recipient and all the provisions of this Act would apply to such recipient as if he was the person liable for paying the tax in relation to the supply of such goods or services or both. Accordingly, any supply from unregistered supplier to registered recipient would fall within the purview of central tax and the registered recipient will not only be liable for the payment of tax on such inward supplies on reverse charge basis but would also be responsible for the compliance. He added that this would create hardship for such registered recipients as they would be liable for compliance with sub-section (4) of Section 9 for inward supplies even of petty amount. He further added that omnibus application of the said provision to all inward supplies may be counter-productive and would increase compliance hardship for the registered recipient.

8.3.2. Accordingly, it was proposed that inward supplies of goods or services or both, the value of which was five thousand rupees or less received by a registered person from an unregistered person per day may be exempted from the application of sub-section (4) of section 9 by exercising the power

of exemption under Section 11 of the CGST Act. The Hon'ble Minister from Bihar supported this suggestion. Joint Commissioner, Commercial Tax, Karnataka stated that his State would not favour such a proposal. CCT Gujarat stated that only Government departments making TDS needed to be exempted from this provision. The CCT West Bengal stated that every Government department needed to be registered and should be exempted. The Secretary agreed to this. CCT Andhra Pradesh stated that if an exemption of Rs. 5,000 was allowed under Section 9(4) of the CGST Act per day per supplier, it amounted to a total of Rs. 18 lakh per year per supplier and that the threshold for exemption from registration itself was Rs. 20 lakh. The Hon'ble Minister from Assam and the Advisor (Financial Resources) to the CM, Punjab supported the proposal to keep an exemption of Rs. 5,000 per day under Section 9(4).

8.3.3. In respect of the Agenda Item on Exemption to supplies of goods or services or both of certain amount from the purview of sub-section (4) of section 9 of the Central Goods and Services Tax Act, 2017 etc., the Council approved the proposal of exempting supplies of goods or services up to a limit of Rs. 5,000 per day received by a registered supplier from one or more unregistered person per day from the purview of Section 9(4) of the CGST Act. It was also decided that the registered supplier would be required to issue a monthly invoice for other supplies (i.e. the value of which is above Rs. 5000/- from one or more unregistered person per day) received from unregistered person as required in terms of section 31(3)(f) of the Central Goods and Services Tax Act, 2017. Similar dispensation would be provided under the SGST Act as well as UTGST Act also.

#### **8.4 Fund Settlement Rules**

8.4.1. The Secretary invited Shri Uday Singh Kumawat, Joint Secretary, Department of Revenue (DoR) to make a presentation on the proposed Fund Settlement Rules. The Joint Secretary, DoR explained that the Fund Settlement Committee constituted by the GST Council had prepared the draft Fund Settlement Rules in consultation with officers of the Central and State Governments. He explained the mechanism of fund settlement through a presentation which is included in Annexure 7.

8.4.2. The Hon'ble Minister from Uttar Pradesh said that his officers did not get time to study the Rules in detail and that they would need some time to offer comments. The Joint Secretary, DoR stated that, comments had been received from Gujarat, Karnataka, Bihar, West Bengal, Maharashtra and Shri G.D. Lohani, Commissioner, CBEC and Member, Law Committee and have been taken into account. The Secretary stated that any further comments on the Fund Settlement Rules may be sent within two days to the Fund Settlement Committee for consideration.

8.4.3. In respect of the Agenda Item on Fund Settlement Rules, the Council approved the Fund Settlement Rules subject to minor changes that may be required.

#### **8.5 Authorization of Banks for GST collection**

8.5.1. Introducing this agenda, the Secretary explained that banks needed to be authorized to collect GST. The agenda note proposed that the 24 banks that were currently authorized to collect indirect taxes could be authorized for collecting GST throughout the country, since these banks met the requirements cited in Para 85 of the GST Payment Process Report. The 24 banks are as follows -



- |                          |                               |
|--------------------------|-------------------------------|
| 1. Allahabad Bank        | 13. IDBI Bank                 |
| 2. Andhra Bank           | 14. Indian Bank               |
| 3. Axis Bank             | 15. Indian Overseas Bank      |
| 4. Bank of Baroda        | 16. Oriental Bank of Commerce |
| 5. Bank of India         | 17. Punjab and Sind Bank      |
| 6. Bank of Maharashtra   | 18. Punjab National Bank      |
| 7. Canara Bank           | 19. State Bank of India       |
| 8. Central Bank of India | 20. Syndicate Bank            |
| 9. Corporation Bank      | 21. UCO Bank                  |
| 10. Dena Bank            | 22. Union Bank of India       |
| 11. HDFC Bank            | 23. United Bank of India      |
| 12. ICICI Bank           | 24. Vijaya Bank               |

8.5.2. The Secretary added that J&K Bank had recently been authorized for conduct of Government business by the Reserve Bank of India (RBI) and that it was proposed to authorize J&K Bank also to collect GST.

8.5.3. In respect of the Agenda Item on Authorization of Banks for GST collection, the Council approved 24 banks to collect GST and also provisionally allowed J&K Bank to collect GST subject to final assessment and approval by the Principal Chief Controller of Accounts, CBEC.

#### **8.6. Power to be exercised under Sections 37, 38 and 39 of the Central Goods and Services Tax Act, 2017**

8.6.1. Introducing this agenda, the Secretary stated that though the Systems were ready for roll-out of GST from 1 July 2017, trade and industry, specifically from the banking, civil aviation and telecom sector had requested for some more time to test the Systems, get themselves familiarised and get assurance about its stability and robustness. He informed the Council that out of the 3 monthly returns (GSTR-1, GSTR-2 and GSTR-3), only GSTR-1 needed to be filed by 10<sup>th</sup> of the subsequent month and that the other two would be auto-populated at a later date. However, due to the lack of familiarity of the trade and apprehensions expressed with regard to the system-readiness, it was proposed to extend the date of filing of returns GSTR-1 and GSTR-2. The Chairperson stated that though GSTN was ready, big businesses and their ERP (Enterprise Resource Planning) software were not ready and needed some more time. It was mentioned that even the GST Suvidha Providers (GSPs) needed time to test the software. Shri Navin Kumar, Chairman, GSTN clarified that till date, about 66 lakh assesseees (81% of the total) had migrated and that starting from 25 June 2017, enrolment would be started again for a period of three months. Taking all these points into consideration, it was proposed to extend the deadlines for filing of returns as per the timelines below –

<b>Return for Month of</b>	<b>Proposed date for GSTR-1</b>	<b>Proposed date for GSTR-2</b>
July 2017	1-5 September 2017	6-10 September 2017
August 2017	16-20 September 2017	21-25 September 2017

8.6.2. The Hon'ble Chairperson stated that small businesses would have 2.5 months to adapt to the new system and any glitches could be rectified. He added that from September 2017

onwards, the regular cycle would start. The Hon'ble Minister from Kerala stated that if GSTR-1 was delayed, GSTR-2 and GSTR-3 would also be delayed, thereby resulting in late payment of tax liabilities. The Secretary stated that a new simple form – GSTR-3B was being proposed to pay tax based on summary of outward and inward supplies which would be submitted before the 20<sup>th</sup> of the succeeding month. If, at a later date, there was a difference between the auto-generated GSTR-3 and GSTR-3B, the tax liability would be adjusted accordingly. The Hon'ble Minister from Kerala wondered if, after 2 months, the return-filing would become normal. The Chairman, GSTN replied that some glitches that were identified would be resolved and that a dedicated helpdesk was handling migration issues and resolving problems faced by assesseees.

8.6.3. Shri Saswat Mishra, CCT Odisha stated that 66 lakh assesseees had been activated but all of them had not migrated. He added that only about 52% of assesseees previously registered with the Central Government and 41% of assesseees previously registered with the State Government had obtained an ARN (Application Reference Number). He further added that no training had been provided on the backend system and that master trainers had been imparting training only on the frontend system.

8.6.4. Shri Prakash Kumar, CEO, GSTN stated that so far, only the Income Tax Department provided digital signatures and that it was a new thing for majority of taxpayers under indirect taxes. He further informed that those with a valid registration and PAN could be migrated as per law and that the provisional id that had been provided was nothing but the GST Registration Number and that supplies could be made.

8.6.5. The Hon'ble Chairperson stated that once the registration started again from 25 June 2017 and implementation started from 1 July 2017, then there would be enough time for things to settle down. The Secretary added that this extra time would help trade and industry to acclimatize themselves with the System.

8.6.6. In respect of the agenda item on the power to be exercised under Sections 37, 38 and 39 of the Central Goods and Services Tax Act, 2017, the Council approved the following –

- (i) For the first two months of GST implementation, tax would be payable based on a simple return (Form GSTR-3B) containing summary of outward and inward supplies, to be submitted before the 20<sup>th</sup> of the succeeding month. Law Committee was directed to prepare the FORM GSTR-3B;
- (ii) Invoice-wise details in the regular Form GSTR-1 would have to be filed for the months of July 2017 and August 2017 as per the timelines below –

<b>Return for Month of</b>	<b>Proposed date for GSTR-3B</b>	<b>Proposed date for GSTR-1</b>	<b>Proposed date for GSTR-2</b>	<b>Proposed date for GSTR-3</b>
July 2017	20 Aug 2017	1-5 Sept 2017	6-10 Sept 2017	11-15 Sept 2017
August 2017	20 Sept 2017	16-20 Sept 2017	21-25 Sept 2017	26-30 Sept 2017

- (iii) To provide a sense of comfort to the taxpayers and give them time to attune themselves with the requirements of the new system, no late fees and penalty would be levied for the interim period, if the returns are filed by the extended period.

## **8.7. Other Items – Fitment of certain items**

8.7.1. The Hon'ble Minister from Tamil Nadu expressed gratitude to the Council for having considered favourably some requests from his State. He further urged the Council to examine the rates of certain goods and services such as unbranded sugar confectioneries, roasted gram locally known as “fried gram”, sago, Wet grinder and Air Compressors, fishnet and fishnet twine, sanitary napkins, etc. He added that the rate of tax for supply of food and drinks in small restaurants should be brought down to 5% and that a distinction needed to be made between AC restaurants serving liquor and other AC restaurants that do not serve liquor. He mentioned that the fireworks industry which was largely located in Tamil Nadu was labour-intensive and was, at present, out of the purview of Central Excise and that the proposal to levy tax at 28% might harm this sector and also pave way for the market being flooded with imported fireworks. He accordingly requested that the rate of tax on fireworks be reduced from 28% to a lower rate keeping in mind that it was a highly labour intensive industry. The Hon'ble Minister from Kerala stated that there needed to be a final round of discussion on fitment. The Hon'ble Minister from Telangana suggested that the infrastructure projects of drinking water supply, housing, irrigation projects and Road & Buildings (R&B) works taken up by the State Government, which are essential for improving the quality of living, may be taxed at 5%. The Hon'ble Chief Minister from Puducherry and Hon'ble Ministers from Jammu & Kashmir and Rajasthan also requested for reconsideration of fitment of certain items. The Hon'ble Chairperson stated that States could keep sending their representation on fitment and that these would be considered.

8.7.2. The Hon'ble Minister from Goa stated that tourism would be affected if the current rate of 28% for hotel rooms costing Rs. 5,000 per day and above prevailed and that hotel rates were cheaper in other South East Asian countries. The Hon'ble Chief Minister from Puducherry stated that hotel rooms costing between Rs. 5,000 per day and Rs. 10,000 per day should attract a rate of 18% and that hotel rooms costing more than Rs. 10,000 per day should be taxed at 28%. The Chairperson proposed that hotel rooms costing Rs. 7,500 per day and above be taxed at 28% and those where room tariff was Rs. 2,500 and above but less than Rs. 7,500 per day shall attract GST rate of 18%. It was also proposed that supply of food/drinks in air-conditioned restaurants in 5-star or above rated hotels would be taxed at 18%. The Council agreed to these proposals.

8.7.3. In respect of the Agenda Item on fitment of certain items, the Council approved the following –

- (i) GST Rate on hotel rooms where tariff is Rs. 2,500 and above but less than Rs. 7,500 per day would be 18%
- (ii) GST Rate on hotel rooms where tariff is Rs. 7,500 and above would be 28%
- (iii) GST Rate on supply of food/drinks in air-conditioned restaurant in 5-star or above rated Hotel would be 18%

## **8.8. Other Items – Eligibility for Composition Scheme**

8.8.1. Initiating a discussion on this agenda, the Secretary introduced a list of nine items which were proposed to be excluded from the Composition Scheme. The Hon'ble Minister

from Rajasthan stated that marble slabs should be allowed to avail of the Composition Scheme and requested for removing this from the negative list for Composition. Shri M. Balaji, Joint Commissioner, Commercial Taxes, Tamil Nadu requested to remove fireworks from the negative list. The Hon'ble Minister from Jammu & Kashmir suggested that except for tobacco and pan masala, the negative list should be done away with. Shri Arvind Subramaniam, Chief Economic Adviser supported this proposal.

8.8.2. In respect of the Agenda Item on eligibility for Composition Scheme, the Council approved the following –

- (i) Manufacturers of the following goods shall not be eligible for the Composition Levy:
  - a. Ice cream and other edible ice, whether or not containing cocoa. (2105 00 00)
  - b. Pan masala (2106 90 20)
  - c. Tobacco and manufactured tobacco substitutes (24)

#### **8.9. Other Items – Connectivity issues**

8.9.1. The Hon'ble Minister from Mizoram stated that they were facing problems in migration due to connectivity issues with BSNL and NIC. The Hon'ble Chairperson stated that a meeting needed to be organized with BSNL of all the North-Eastern States to discuss connectivity issues.

#### **8.10 Other Items –Delegation to GST Implementation Committee (GIC)**

8.10.1 The Secretary informed that before the roll out of GST on 1 July 2017 and after the roll out, many urgent decisions may be required to be taken, which require approval of the Council. It may not always be possible to call meetings of the Council again and again at short notice. Therefore, the GST Council may delegate powers to GST Implementation Committee to decide on urgent matters, the decisions taken in GIC would be circulated amongst the Council members and their views/ comments sought within 2 days. After suitably incorporating comments/ views of the Council members, the decision would then be implemented after obtaining the approval of Hon'ble Chairperson of the Council. Such decisions taken by GIC with the approval of Hon'ble Chairperson of the Council would be put up for information of the Council in the next Council meeting.

8.10.2 The Council approved the proposal contained in para above.

#### **Agenda Item 5: Date of the next meeting of the GST Council:**

9. The Hon'ble Chairperson stated that the next meeting of the Council would be held on 30 June 2017 on the eve of the roll-out of GST followed by dinner. He added that this being a historic occasion, it was proposed to have a function in the Central Hall of the Parliament which would be attended by the Hon'ble President of India, the Hon'ble Prime Minister of India and all the Hon'ble Members of the Parliament, to which Members of the GST Council would also be invited.

10. The meeting ended with a vote of thanks to the Chair.

**Annexure – 1**

**List of Ministers who attended the 17<sup>th</sup> GST Council Meeting on 18 June 2017**

<b><u>S No</u></b>	<b><u>State/Centre</u></b>	<b><u>Name of the Minister</u></b>	<b><u>Charge</u></b>
1	Govt. of India	Shri Arun Jaitley	Finance Minister
2	Govt. of India	Shri Santosh Kumar Gangwar	Minister of State (Finance)
3	Puducherry	Shri V. Narayanasamy	Chief Minister
4	Delhi	Shri Manish Sisodia	Deputy Chief Minister
5	Manipur	Shri Y. Joykumar Singh	Deputy Chief Minister
6	Andhra Pradesh	Shri Yanamala RamaKrishnudu	Minister - Finance, Planning, Commercial Taxes & Legislative Affairs
7	Assam	Dr. Himanta Biswa Sarma	Finance Minister
8	Bihar	Shri Bijendra Prasad Yadav	Minister - Commercial Taxes & Energy
9	Chhattisgarh	Shri Amar Agrawal	Finance Minister
10	Goa	Shri Mauvin Godinho	Minister - Panchayat
11	Haryana	Captain Abhimanyu	Minister - Excise & Taxation
12	Jammu & Kashmir	Dr. Haseeb Drabu	Finance Minister
13	Jharkhand	Shri C.P. Singh	Minister - Urban Development, Housing & Transport
14	Kerala	Dr. Thomas Isaac	Finance Minister
15	Madhya Pradesh	Shri Jayant Malaiya	Finance Minister
16	Maharashtra	Shri Sudhir Mungantiwar	Finance Minister
17	Maharashtra	Shri Deepak Kesarkar	Minister of State (Finance)
18	Mizoram	Shri Lalsawta	Minister - Taxation
19	Nagaland	Shri Vikheho Swu	Minister - Roads & Bridges
20	Rajasthan	Shri Rajpal Singh Shekhawat	Minister, Industries
21	Sikkim	Shri R.B. Subba	Minister - HRD, Law, Sports & Youth Affairs
22	Telangana	Shri K.T. Rama Rao	Minister - Industries, IT & Municipal Administration
23	Uttar Pradesh	Shri Rajesh Agrawal	Finance Minister

**Annexure – 2**

**List of Officials who attended the 17<sup>th</sup> GST Council Meeting on 18 June 2017**

<b><u>S No</u></b>	<b><u>State/Centre</u></b>	<b><u>Name of the Officer</u></b>	<b><u>Charge</u></b>
1	Govt. of India	Dr. Hasmukh Adhia	Revenue Secretary
2	Govt. of India	Ms. Vanaja N. Sarna	Chairman, CBEC
3	Govt. of India	Dr. Arvind Subramanian	Chief Economic Adviser
4	Govt. of India	Shri Mahender Singh	Member (GST), CBEC
5	Govt. of India	Shri R.K. Mahajan	Member (Budget), CBEC
6	Govt. of India	Shri P.K. Jain	Chief Commissioner, (AR), CESTAT, CBEC
7	Govt. of India	Shri B.N. Sharma	Additional Secretary, Dept of Revenue
8	Govt. of India	Shri J.P.S. Chawla	Principal Chief Controller of Accounts, CBEC
9	Govt. of India	Shri P.K. Mohanty	Advisor (GST), CBEC
10	Govt. of India	Shri Alok Shukla	Joint Secretary (TRU), Dept of Revenue
11	Govt. of India	Shri Upender Gupta	Commissioner (GST), CBEC
12	Govt. of India	Shri Udai Singh Kumawat	Joint Secretary, Dept of Revenue
13	Govt. of India	Shri Amitabh Kumar	Joint Secretary (TRU), Dept of Revenue
14	Govt. of India	Shri Manish Kumar Sinha	Commissioner, CBEC
15	Govt. of India	Shri G.D. Lohani	Commissioner, CBEC
16	Govt. of India	Shri Manoj Sethi	Chief Controller of Accounts, CBEC
17	Govt. of India	Ms. Sheyphali Sharan	ADG, Press, Ministry of Finance
18	Govt. of India	Shri Hemant Jain	OSD to MoS (Finance)
19	Govt. of India	Shri S.K. Rai	Director (UT), Ministry of Home Affairs
20	Govt. of India	Shri G.G. Pai	Director, TRU
21	Govt. of India	Shri Reyaz Ahmed	Director, TRU
22	Govt. of India	Ms. Aarti Saxena	Deputy Secretary, Dept of Revenue
23	Govt. of India	Shri Promod Kumar	OSD, TRU
24	Govt. of India	Shri Paras Sankhla	OSD to FM
25	Govt. of India	Shri Arjun Raghavendra M	OSD to Revenue Secretary
26	Govt. of India	Shri Siddharth Jain	Assistant Commissioner, GST Policy
27	Govt. of India	Shri Vikash Kumar	Assistant Commissioner, GST Policy
28	Govt. of India	Shri Kumar Asim Anand	Assistant Commissioner, GST Policy

<b>S No</b>	<b>State/Centre</b>	<b>Name of the Officer</b>	<b>Charge</b>
29	Govt. of India	Shri Hemant Singh	Office Assistant, PIB
30	Govt. of India	Shri B. Vinaya	State Informatics Officer, NIC-Karnataka
31	Govt. of India	Shri K. Reuban	Technical Director, NIC-Karnataka
32	GST Council	Shri Arun Goyal	Additional Secretary
33	GST Council	Shri G.S. Sinha	Joint Commissioner
34	GST Council	Shri Jagmohan	Joint Commissioner
35	GST Council	Ms. Thari Sitkil	Deputy Commissioner
36	GST Council	Shri Rakesh Agarwal	Assistant Commissioner
37	GST Council	Shri Kaushik TG	Assistant Commissioner
38	GST Council	Shri Sandeep Bhutani	Superintendent
39	GST Council	Shri Manoj Kumar	Superintendent
40	GST Council	Shri Amit Soni	Inspector
41	GST Council	Shri Sher Singh Meena	STA
42	GST Council	Shri Sharad Verma	STA
43	GST Council	Shri Shyam Bihari Meena	TA
44	GST Council	Shri Vikas Kumar	TA
45	GSTN	Shri Navin Kumar	Chairman
46	GSTN	Shri Prakash Kumar	CEO
47	GSTN	Ms. Kajal Singh	EVP (Services)
48	GSTN	Shri Nitin Mishra	EVP (Technology)
49	GSTN	Shri Jagmal Singh	Vice President
50	Andaman & Nicobar	Shri S.C.L. Das	Principal Secretary (Finance)
51	Andhra Pradesh	Shri D. Sambasiva Rao	Special Chief Secretary
52	Andhra Pradesh	Shri J. Syamala Rao	Commissioner, Commercial Taxes
53	Andhra Pradesh	Shri T. Ramesh Babu	Additional Commissioner, Commercial Taxes
54	Arunachal Pradesh	Shri Tapas Dutta	Assistant Commissioner
55	Assam	Shri Anurag Goel	Commissioner, Commercial Taxes
56	Bihar	Ms. Sujata Chaturvedi	Principal Secretary & Commissioner, Commercial Taxes
57	Bihar	Shri Arun Kumar Mishra	Additional Secretary, Commercial Taxes
58	Bihar	Shri Ajitabh Mishra	Assistant Commissioner, Commercial Taxes

<b>S No</b>	<b>State/Centre</b>	<b>Name of the Officer</b>	<b>Charge</b>
59	Chandigarh	Shri Parimal Rai	Adviser/Chief Secretary
60	Chandigarh	Shri Bhartendu Shandilya	Dy. Resident Commissioner
61	Chhattisgarh	Shri Amitabh Jain	Principal Secretary (Finance)
62	Chhattisgarh	Ms. Sangeetha P	Commissioner, Commercial Taxes
63	Chhattisgarh	Shri Shankar Agrawal	Additional Commissioner, Commercial Taxes
64	Delhi	Shri H. Rajesh Prasad	Commissioner, VAT
65	Delhi	Shri R. K. Mishra	Special Commissioner
66	Delhi	Shri S.K. Kamra	Assistant Commissioner
67	Goa	Shri Dipak Bandekar	Commissioner, Commercial Taxes
68	Gujarat	Dr. P.D. Vaghela	Commissioner, Commercial Taxes
69	Gujarat	Shri Sanjiv Kumar	Secretary (Economic Affairs)
70	Gujarat	Shri Riddhesh P. Raval	Deputy Commissioner
71	Gujarat	Shri V.K. Advani	OSD (GST)
72	Haryana	Shri Sanjeev Kaushal	Additional Chief Secretary
73	Haryana	Shri Shyamal Misra	Excise & Taxation Commissioner
74	Haryana	Shri Vidya Sagar	Additional Commissioner, Commercial Taxes
75	Haryana	Shri Rajeev Chaudhary	Deputy Commissioner, Commercial Taxes
76	Himachal Pradesh	Shri Onkar Chand Sharma	Principal Secretary (Excise & Taxation)
77	Himachal Pradesh	Shri Pushpendra Rajput	Excise & Taxation Commissioner
78	Jammu & Kashmir	Shri Shamim Ahmad Wani	Additional Commissioner, Commercial Taxes
79	Jharkhand	Shri K.K. Khandelwal	Principal Secretary & Commissioner, Commercial Taxes
80	Jharkhand	Shri Sanjay Kumar Prasad	Joint Commissioner, Commercial Taxes
81	Jharkhand	Shri G.S. Kapardar	Assistant Commissioner, Commercial Taxes
82	Karnataka	Dr. M.P. Raviprasad	Joint Commissioner, Commercial Taxes
83	Karnataka	Shri Basavaraj K.S.	Joint Commissioner, Commercial Taxes
84	Kerala	Dr. Rajan Khobragade	Commissioner, Commercial Taxes
85	Madhya Pradesh	Shri Raghwendra Kumar Singh	Commissioner, Commercial Taxes
86	Madhya Pradesh	Shri Sudip Gupta	Deputy Commissioner, Commercial Taxes
87	Maharashtra	Shri Rajiv Jalota	Commissioner, Sales Tax
88	Maharashtra	Shri Dhananjay Akhade	Joint Commissioner



<b>S No</b>	<b>State/Centre</b>	<b>Name of the Officer</b>	<b>Charge</b>
89	Manipur	Shri Hrisheekesh Modak	Commissioner, Commercial Taxes
90	Meghalaya	Shri L. Khongsit	Assistant Commissioner
91	Mizoram	Shri Vanlalchhuanga	Secretary, Taxation
92	Mizoram	Shri R. Zosiamliana	Deputy Commissioner, Commercial Taxes
93	Nagaland	Shri Jyoti Kalash	Principal Resident Commissioner, Nagaland House
94	Nagaland	Shri Abhijit Sinha	Finance Commissioner
95	Nagaland	Shri Asangba Chuba Ao	Commissioner, Commercial Taxes
96	Odisha	Shri Tuhin Kanta Pandey	Principal Secretary (Finance)
97	Odisha	Shri Saswat Mishra	Commissioner, Commercial Taxes
98	Odisha	Shri Sahadev Sahu	Joint Commissioner, Commercial Taxes
99	Puducherry	Dr. V. Candavelou	Secretary, Finance
100	Puducherry	Shri G. Srinivas	Commissioner, Commercial Taxes
101	Punjab	Shri V.K. Garg	Advisor to the CM (Financial Resources)
102	Punjab	Shri Rajiv Gupta	Advisor (GST)
103	Punjab	Shri V.P. Singh	Excise & Taxation Commissioner
104	Punjab	Shri Pawan Garg	Deputy Commissioner, Excise & Taxation
105	Rajasthan	Shri Praveen Gupta	Secretary, Finance
106	Rajasthan	Shri Alok Gupta	Commissioner, Commercial Taxes
107	Rajasthan	Shri Ketan Sharma	Deputy Commissioner, Commercial Taxes
108	Sikkim	Shri Manoj Rai	Joint Commissioner, Commercial Taxes
109	Tamil Nadu	Shri M. Balaji	Joint Commissioner, Commercial Taxes
110	Tamil Nadu	Shri D. Soundararajapandian	Joint Commissioner, Commercial Taxes
111	Telangana	Shri Somesh Kumar	Principal Secretary (Revenue)
112	Telangana	Shri Anil Kumar	Commissioner, Commercial Taxes
113	Telangana	Shri Laxminarayan Jannu	Joint Commissioner (Policy)
114	Tripura	Shri Pravin Srivastava	Chief Resident Commissioner
115	Uttarakhand	Shri Shridhar Babu Addanki	Commissioner, Commercial Taxes
116	Uttarakhand	Shri Piyush Kumar	Additional Commissioner, Commercial Taxes
117	Uttar Pradesh	Shri R.K. Tiwari	Additional Chief Secretary
118	Uttar Pradesh	Shri Mukesh Kumar Meshram	Commissioner, Commercial Taxes

<b><u>S No</u></b>	<b><u>State/Centre</u></b>	<b><u>Name of the Officer</u></b>	<b><u>Charge</u></b>
119	Uttar Pradesh	Shri S.C. Dwivedi	OSD
120	Uttar Pradesh	Shri Vivek Kumar	Additional Commissioner, Commercial Taxes
121	West Bengal	Ms. Smaraki Mahapatra	Commissioner, Commercial Taxes
122	West Bengal	Shri Khalid Aizaz Anwar	Senior Joint Commissioner
123	West Bengal	Shri Atanu Majumdar	Senior Joint Commissioner

### Annexure 3

#### Presentation on GST Rules



#### Agenda

- ☐ Advance Ruling
- ☐ Appeals and Revision
- ☐ Assessment and Audit
- ☐ E-Way Bill
- ☐ Anti-profiteering
- These rules were put in public domain and feedback has been considered by the Law Committee

- Joint Commissioner with 3+ years to be member of the Advance Ruling
- Complete process for online filing of first application and filing of appeal
- Amount of fees prescribed
- Certified copies of the Advance ruling and the Appellate decision to be provided

## Appeals and Revision

- Option of filing appeal to Appellate Authority either electronically or otherwise – by Taxpayer / Tax Authority
- Procedure for filing appeal to Tribunal – by Taxpayer / Tax Authority
- Hard copy of the appeal to be submitted with certified copy of the order appealed against
- Provides for circumstances under which additional evidence will be allowed
- Concept of Summary order and Statement (for online tracking of liability)
- Hard Copy of order separately issued to ensure jurisprudence
- Appeals to High Court also to be made online

### Assessment

- Online application and detailed procedure for Provisional Assessment & finalization thereof
- Non-Intrusive online procedure for scrutiny of returns
- Methodology of conducting best judgement assessment and summary assessment outlined
- In all assessment proceedings the taxpayer has the option to pay his tax dues with interest

### Audit

- Online intimation of Audit to Tax Payers
- Online filing of final audit report by Audit officers
- Procedure for direction to conduct Special Audit outlined

## E-way Bill (1/3)

- Mandatory filing of E-Way Bill for movement of goods by the supplier or recipient (Part A) & the transporter (Part B) where value of consignment is Rs. 50000/- or more
  - Transport by own conveyance or hired one, railways, air or vessel except
    - by non-motorized conveyance
    - of cargo from one customs port to another
- Movement of Goods from unregistered person to registered Person – E-Way Bill to be generated by registered person
- E-Way bill in case of supplies by unregistered persons
  - Unregistered person or transporter
- For distance less than 10 Kms, E-way bill is mandatory but details of conveyance is not required – Hub and Spoke Model

## E-way Bill (2/3)



- Consolidated E-Way Bill by transporter
- For transfer of goods from one conveyance to another
  - E-Way Bill details to be updated by transporter
- E-Way Bill information may be used by supplier to fill GSTR-I
- Provision for cancellation of wrongly generated E-Way Bill within 24 hours
- Validity of E-Way Bill

Sno.	Distance	Validity Period
1	<100 Km	1
2	100 – 300 Km	3
3	300 – 500 Km	5
4	500 – 1000 Km	10
5	> 1000 Km	20

## E-way Bill (3/3)



- E-Way bill valid for the entire country
- Provision of acceptance of E-Way Bill by recipient or deemed acceptance within 72 hours
- Facility of SMS Based E-Way Bills
- Certain items exempted from generation of E-way Bill
- Person in charge of conveyance should have invoice and E-way bill for movement
- Commissioner may relax transporter from carrying E-Way bill
- Invoice Reference Number may also be generated online
- Verification may be physical or through RFID systems as notified by the Commissioner
- Physical verification report to be filed online within 24 hours/ three days

## Anti-Profiteering Rules (1/2)



- Provides for constitution of officer's level Standing committee for Anti-Profiteering on recommendation of the Council
- Provides for constitution of National Anti-Profiteering Authority
  - Headed by judge of High Court or ILS (Addl. Secy with 3 years experience)
  - 4 Technical Members – Commissioners of State or Central Taxes
  - ADG, Safeguards under Board to be Secretary
- Authority shall decide its own methodology to determine whether profiteering from GST has been done
- Order of the Authority to be exercised in terms of powers under the CGST/ SGST/ IGST Act

## Anti-Profiteering Rules (2/2)



- Standing Committee to scrutinize all Anti-Profiteering applications received from 'interested party' for prima – facie evidence
- Refer Investigation to DG, Safeguards
- DG, Safeguards to investigate within 3 months and furnish report to Authority
- Authority to give order within 3 months from receipt of report from DG, Safeguards. The order may contain :
  - Reduction in price
  - Return of excess amount charged
  - Imposition of Penalty
  - Cancellation of Registration
- Ancillary provision such as confidentiality of information, power to summon etc. provided

## **Annexure 4**

### **Chapter – Advance Ruling**

#### **1. Qualification and appointment of members of the Authority for Advance Ruling**

The Central Government and the State Government shall appoint an officer in the rank of Joint Commissioner as member of the Authority for Advance Ruling.

#### **2. Form and manner of application to the Authority for Advance Ruling**

- (1) An application for obtaining an advance ruling under sub-section (1) of section 97 of the Act shall be made on the common portal in **FORM GST ARA-1** and shall be accompanied by a fee of five thousand rupees, to be deposited in the manner specified in section 49 of the Act.
- (2) The application referred to in sub-rule (1), the verification contained therein and all relevant documents accompanying such application shall be signed in the manner specified in rule Registration.19.

#### **3. Certification of copies of the advance rulings pronounced by the Authority**

A copy of the advanced ruling shall be certified to be a true copy of its original by any member of the Authority for Advance Ruling.

#### **4. Form and manner of appeal to the Appellate Authority for Advance Ruling**

- (1) An appeal against the advance ruling issued under sub-section (6) of section 98 of the Act shall be made by an applicant on the common portal in **FORM GST ARA-2** and shall be accompanied by a fee of ten thousand rupees, to be deposited in the manner specified in section 49 of the Act:
- (2) An appeal against the advance ruling issued under sub-section (6) of section 98 of the Act shall be made by the concerned officer or the jurisdictional officer referred to in section 100 on the common portal in **FORM GST ARA-3** and no fee shall be payable by the said officer for filing the appeal.
- (3) The appeal referred to in sub-rule (1) or sub-rule (2), the verification contained therein and all relevant documents accompanying such appeal shall be signed, -
  - (a) in case of concerned officer or jurisdictional officer, by an officer authorized in writing by such officer; and
  - (b) in the case of an applicant, in the manner specified in rule Registration.19.

#### **5. Certification of copies of the advance rulings pronounced by the Authority**

A copy of the advance ruling pronounced by the Appellate Authority for Advance Ruling and duly signed by the Members shall be sent to-

- (a) the applicant and the appellant;
- (b) the concerned officer of central tax and State / Union territory tax;
- (c) the jurisdictional officer of central tax and State / Union territory tax; and
- (d) the Authority,

in accordance with the provisions of sub-section (4) of section 101 of the Act.



## Annexure 5

### **Chapter – Appeals and Revision**

#### **1. Appeal to the Appellate Authority**

- (1) An appeal to the Appellate Authority under sub-section (1) of section 107 of the Act shall be filed in **FORM GST APL-01**, along with the supporting documents, either electronically or otherwise as may be notified by the Commissioner, and a provisional acknowledgement shall be issued to the appellant immediately.
- (2) The grounds of appeal and the form of verification as contained in **FORM GST APL-01** shall be signed in the manner specified in rule Registration.19.
- (3) A certified copy of the decision or order appealed against shall be submitted within seven days of filing the appeal under sub-rule (1) and a final acknowledgement, indicating appeal number shall be issued thereafter in **FORM GST APL-02** by the Appellate Authority or an officer authorised by him in this behalf:

Provided that where the certified copy of the decision or order is submitted within seven days from the date of filing the **FORM GST APL-01**, the date of filing of the appeal shall be the date of issue of provisional acknowledgement and where the said copy is submitted after seven days, the date of filing of the appeal shall be the date of submission of such copy.

*Explanation.* – The appeal shall be treated as filed only when the final acknowledgement, indicating the appeal number is issued.

#### **2. Application to the Appellate Authority**

- (1) An application to the Appellate Authority under sub-section (2) of section 107 of the Act shall be made in **FORM GST APL-03**, along with supporting documents, either electronically or otherwise as may be notified by the Commissioner.
- (2) A certified copy of the decision or order appealed against shall be submitted within seven days of filing the application under sub-rule (1) and an appeal number shall be generated by the Appellate Authority or an officer authorised by him in this behalf.

#### **3. Appeal to the Appellate Tribunal**

- (1) An appeal to the Appellate Tribunal under sub-section (1) of section 112 of the Act shall be filed along with the supporting documents either electronically or otherwise as may be notified by the Registrar, in **FORM GST APL-05**, on the common portal and a provisional acknowledgement shall be issued to the appellant immediately.
- (2) A memorandum of cross-objections to the Appellate Tribunal under sub-section (5) of section 112 of the Act shall be filed either electronically or otherwise as may be notified by the Registrar, in **FORM GST APL-06**.
- (3) The appeal and the memorandum of cross objections shall be signed in the manner specified in rule Registration.19.

A certified copy of the decision or order appealed against along with fees as specified in sub-rule (5) shall be submitted to the Registrar within seven days of filing of the appeal under sub-rule (1) and a

final acknowledgement, indicating the appeal number shall be issued thereafter in **FORM GST APL-02** by the Registrar:

Provided that where the certified copy of the decision or order is submitted within seven days from the date of filing the **FORM GST APL-05**, the date of filing of the appeal shall be the date of issue of provisional acknowledgement and where the said copy is submitted after seven days, the date of filing of the appeal shall be the date of submission of such copy.

*Explanation.* – The appeal shall be treated as filed only when the final acknowledgement indicating the appeal number is issued.

(5) The fees for filing of appeal or restoration of appeal shall be one thousand rupees for every one lakh rupees of tax or input tax credit involved or the difference in tax or input tax credit involved or the amount of fine, fee or penalty determined in the order appealed against, subject to maximum of twenty five thousand rupees.

(6) There shall be no fee for application made before the Appellate Tribunal for rectification of errors referred to in sub-section (10) of section 112.

#### **4. Application to the Appellate Tribunal**

(1) An application to the Appellate Tribunal under sub-section (3) of section 112 of the Act shall be made electronically or otherwise, in **FORM GST APL-07**, along with supporting documents on the common portal.

(2) A certified copy of the decision or order appealed against shall be submitted within seven days of filing the application under sub-rule (1) and an appeal number shall be generated by the Registrar.

#### **5. Production of additional evidence before the Appellate Authority or the Appellate Tribunal**

(1) The appellant shall not be allowed to produce before the Appellate Authority or the Appellate Tribunal any evidence, whether oral or documentary, other than the evidence produced by him during the course of the proceedings before the adjudicating authority or, as the case may be, the Appellate Authority except in the following circumstances, namely –

- (a) where the adjudicating authority or, as the case may be, the Appellate Authority has refused to admit evidence which ought to have been admitted; or
- (b) where the appellant was prevented by sufficient cause from producing the evidence which he was called upon to produce by the adjudicating authority or, as the case may be, the Appellate Authority; or
- (c) where the appellant was prevented by sufficient cause from producing before the adjudicating authority or, as the case may be, the Appellate Authority any evidence which is relevant to any ground of appeal; or
- (d) where the adjudicating authority or, as the case may be, the Appellate Authority has made the order appealed against without giving sufficient opportunity to the appellant to adduce evidence relevant to any ground of appeal.

(2) No evidence shall be admitted under sub-rule (1) unless the Appellate Authority or the Appellate Tribunal records in writing the reasons for its admission.

(3) The Appellate Authority or the Appellate Tribunal shall not take any evidence produced under sub-rule (1) unless the adjudicating authority or an officer authorised in this behalf by the said authority has been allowed a reasonable opportunity -

- (a) to examine the evidence or document or to cross-examine any witness produced by the appellant; or
  - (b) to produce any evidence or any witness in rebuttal of the evidence produced by the appellant under sub-rule (1).
- (4) Nothing contained in this rule shall affect the power of the Appellate Authority or the Appellate Tribunal to direct the production of any document, or the examination of any witness, to enable it to dispose of the appeal.

## **6. Order of Appellate Authority or Appellate Tribunal**

- (1) The Appellate Authority shall, along with its order under sub-section (11) of section 107 of the Act, issue a summary of the order in **FORM GST APL-04** clearly indicating the final amount of demand confirmed.
- (2) The jurisdictional officer shall issue a statement in **FORM GST APL-04** clearly indicating the final amount of demand confirmed by the Appellate Tribunal.

## **7. Appeal to the High Court**

- (1) An appeal to the High Court under sub-section (1) of section 117 of the Act shall be filed in **FORM GST APL-08**.
- (2) The grounds of appeal and the form of verification as contained in **FORM GST APL-08** shall be signed in the manner specified in rule Registration.19.

## **8. Demand confirmed by the Court**

The jurisdictional officer shall issue a statement in **FORM GST APL-04** clearly indicating the final amount of demand confirmed by the High Court or, as the case may be, Supreme Court.

## **9. Disqualification for misconduct of an authorised representative**

Where an authorised representative, other than those referred to in clause (b) or clause (c) of sub-section (2) of section 116 of the Act is found, upon an enquiry into the matter, guilty of misconduct in connection with any proceedings under the Act, the Commissioner may, after providing him an opportunity of being heard, disqualify him from appearing as an authorised representative.

## Annexure 6

### **Chapter --- Assessment and Audit**

#### **1. Provisional Assessment**

(1) Every registered person requesting for payment of tax on a provisional basis in accordance with the provisions of sub-section (1) of section 60 shall furnish an application along with the documents in support of his request, electronically, in **FORM GST ASMT-01** on the Common Portal, either directly or through a Facilitation Centre notified by the Commissioner.

(2) The proper officer may, on receipt of the application under sub-rule (1), issue a notice in **FORM GST ASMT-02** requiring the registered person to furnish additional information or documents in support of his request and the applicant shall file a reply to the notice in **FORM GST ASMT – 03**, and may appear in person before the said officer if he so desires.

(3) The proper officer shall issue an order in **FORM GST ASMT-04**, allowing payment of tax on a provisional basis indicating the value or the rate or both on the basis of which the assessment is to be allowed on a provisional basis and the amount for which the bond is to be executed and security to be furnished not exceeding twenty five per cent. of the amount covered under the bond.

(4) The registered person shall execute a bond in accordance with the provisions of sub-section (2) of section 60 in **FORM GST ASMT-05** along with a security in the form of a bank guarantee for an amount as determined under sub rule (3):

Provided that a bond furnished to the proper officer under the *Central/State* Goods and Services Tax Act or Integrated Goods and Services Tax Act shall be deemed to be a bond furnished under the provisions of this Act and the rules made thereunder.

*Explanation.-* For the purposes of this rule, the term “amount” shall include the amount of integrated tax, central tax, State tax or Union territory tax and cess payable in respect of the transaction.

(5) The proper officer shall issue a notice in FORM GST ASMT-06, calling for information and records required for finalization of assessment under sub-section (3) of section 60 and shall issue a final assessment order, specifying the amount payable by the registered person or the amount refundable, if any, in FORM GST ASMT-07.

(6) The applicant may file an application in **FORM GST ASMT- 08** for release of security furnished under sub-rule (4) after issue of order under sub-rule (5).

(7) The proper officer shall release the security furnished under sub-rule (4), after ensuring that the applicant has paid the amount specified in sub-rule (5) and issue an order in **FORM GST ASMT-09** within a period of seven working days from the date of receipt of the application under sub-rule (6).

#### **2. Scrutiny of returns**

(1) Where any return furnished by a registered person is selected for scrutiny, the proper officer shall scrutinize the same in accordance with the provisions of section 61 with reference to the information available with him, and in case of any discrepancy, he shall issue a notice to the said person in **FORM GST ASMT-10**, informing him of such discrepancy and seeking his explanation thereto within such time, not exceeding thirty days from the date of service of the notice or such further period as may be permitted by him and also, where possible, quantifying the amount of tax, interest and any other amount payable in relation to such discrepancy.

(2) The registered person may accept the discrepancy mentioned in the notice issued under sub-rule (1), and pay the tax, interest and any other amount arising from such discrepancy and inform the same or furnish an explanation for the discrepancy in **FORM GST ASMT-11** to the proper officer.

(3) Where the explanation furnished by the registered person or the information submitted under sub-rule (2) is found to be acceptable, the proper officer shall inform him accordingly in **FORM GST ASMT-12**.

### **3. Assessment in certain cases.**

(1) The order of assessment made under sub-section (1) of section 62 shall be issued in **FORM GST ASMT-13**.

(2) The proper officer shall issue a notice to a taxable person in accordance with the provisions of section 63 in **FORM GST ASMT-14** containing the grounds on which the assessment is proposed to be made on best judgment basis and after allowing a time of fifteen days to such person to furnish his reply, if any, pass an order in **FORM GST ASMT-15**.

(3) The order of summary assessment under sub-section (1) of section 64 shall be issued in **FORM GST ASMT-16**.

(4) The person referred to in sub-section (2) of section 64 may file an application for withdrawal of the summary assessment order in **FORM GST ASMT-17**.

(5) The order of withdrawal or, as the case may be, rejection of the application under sub-section (2) of section 64 shall be issued in **FORM GST ASMT-18**.

### **4. Audit**

(1) The period of audit to be conducted under sub-section (1) of section 65 shall be a financial year or multiples thereof.

(2) Where it is decided to undertake the audit of a registered person in accordance with the provisions of section 65, the proper officer shall issue a notice in **FORM GST ADT-01** in accordance with the provisions of sub-section (3) of the said section.

(3) The proper officer authorised to conduct audit of the records and books of account of the registered person shall, with the assistance of the team of officers and officials accompanying him, verify the documents on the basis of which the books of account are maintained and the returns and statements furnished under the Act and the rules made there under, the correctness of the turnover, exemptions and deductions claimed, the rate of tax applied in respect of supply of goods or services or both, the input tax credit availed and utilized, refund claimed, and other relevant issues and record the observations in his audit notes.

(4) The proper officer may inform the registered person of the discrepancies noticed, if any, as observations of the audit and the said person may file his reply and the proper officer shall finalise the findings of the audit after due consideration of the reply furnished.

(5) On conclusion of the audit, the proper officer shall inform the findings of audit to the registered person in accordance with the provisions of sub-section (6) of section 65 in **FORM GST ADT-02**.

### **5. Special Audit**

(1) Where special audit is required to be conducted in accordance with the provisions of section 66, the officer referred to in the said section shall issue a direction in **FORM GST ADT-03** to the registered person to get his records audited by a chartered accountant or a cost accountant specified in the said direction.

(2) On conclusion of special audit, the registered person shall be informed of the findings of special audit in **FORM GST ADT-04**.

## **Funds Settlement Mechanism Rules**

1

### **Objectives of the Rules**

**A.** Provide for capturing the flow of settlement between the State and Centre on account of: -

- **Cross utilisation of credit** between: –
  - SGST and IGST, and vice versa
  - CGST and IGST, and vice versa
- **Apportionment of IGST** in case on supplies where IGST credit cannot be taken by buyer.

**B.** Process of issuance of sanction orders for release of funds to States each month.

2



## **Reports to be Generated by GSTN – Report 1.01**

Report 1.01 shall cover the following :

- IGST liability adjusted against SGST/ UTGST ITC & vice versa- cross utilisation
- IGST to be apportioned to destination State/UT in case of inter State supply to or imports by :
  - Unregistered dealers
  - Composition dealers
  - Non resident taxable person
  - UIN holders

3

## **Reports to be Generated by GSTN – Report 1.01(contd.)**

Report 1.01 shall cover the following :

- IGST to be apportioned for inter State supply or imports where ITC is declared as ineligible,
- IGST to be apportioned where ITC has lapsed due to opting for composition scheme.
- IGST to be apportioned for inter State supply or imports where ITC remains unutilized till specified period.
- Interest on IGST to be apportioned due to late payment

4

## **Reports to be Generated by GSTN – Report 2.01**

Report 2.01 shall cover

- IGST liability adjusted against CGST & vice versa
- CGST component of all cases where IGST was apportioned to State/UT as per Report 1.01

5

## **Reports to be Generated by GSTN- Report 3.01 and 4.01**

Report 3.01 : Report of IGST recovered against demands, compounding amount and pre-deposited amounts

Report 4.01 : Report of apportionment of IGST amount where place of supply could not be determined or where the taxable person making supply is not identifiable

6



## **Reports to be Generated by GSTN- Report 5.01**

Report 5.01 would cover the following cases where IGST has been apportioned and subsequently IGST liability has been reduced leading to reduction in apportioned amount in following cases :

- Issue of credit notes
  - (a) to unregistered persons including UIN holders
  - (b) to Composition taxable person
  - (c) in case of supply which is not eligible for ITC

7

## **Reports to be Generated by GSTN- Report 5.01(contd.)**

Report 5.01 would cover the following cases where IGST has been apportioned and subsequently IGST liability has been reduced leading to reduction in apportioned amount in following cases :

- Refund of IGST deposit made for filing appeal with interest in case taxpayers wins appeal
- Interest on IGST recovered apportioned earlier on account of mismatch of ITC/Credit Note, but now reclaimed
- IGST apportioned on account of inter-State inward supplies for which ITC was declared as ineligible but now becomes eligible
- IGST apportioned on account of recovery of outstanding dues and subsequently refunded with interest due to appeal order
- IGST amount to be apportioned due to amendment in return

8

## **Reports to be Generated by GSTN- Report 6.01**

Report 6.01 shall cover settlement made between Centre and State in case of recovery made from refund

- Amount of refund claimed under Act (CGST/SGST/ UTGST/IGST/CESS).
- Amount of recovery made out of refund claimed under Act (CGST/SGST/UTGST/IGST/CESS).

9

## **Reports to be Generated by GSTN- Report 7.01 and 7.02**

- Report 7.01 : Details of transfer of funds to be made from State tax account to Central tax account or Integrated tax account and vice versa based on Report 1.01, 3.01, 4.01, 5.01 and 6.01
- Report 7.02 : Details of transfer of funds to be made from Central tax account to Integrated tax account and vice versa based on Report 2.01, 3.01, 4.01, 5.01 and 6.01

10

## Process of transfer of funds

- Based on figures sent by GSTN to Pr CCA, Pr. CCA shall calculate net amount payable from IGST to any State or vice versa on provisional basis
- Department of Revenue to issue provisional sanction order based on Pr. CCA calculation
- Central Accounting authority to issue Inter Government Advice(IGA) to RBI
- RBI to do fund settlement between CFI and CFS based on IGA
- In case of any discrepancy pointed out by Central or State tax authorities or State accounting authority, adjustment would be made in the final sanction orders to be issued in the subsequent month.

11

## **Agenda Item 2: Approval of Decisions made by GST Implementation Committee**

1. In the 17th GST Council meeting held on 18th June 2017, it was observed that considering the roll out of GST on 1 July 2017 and even after the roll out, many urgent decisions may be required to be taken, which require approval of the Council. It may not always be possible to call meetings of the Council again and again at short notice. Accordingly, it was decided that the GST Council may delegate to GST Implementation Committee to decide on urgent matters.
2. Certain amendments and changes were discussed in GST Implementation Committee (GIC) meetings held on 18<sup>th</sup> June 2017, 23<sup>rd</sup> June 2017 and 28<sup>th</sup> June 2017. GIC has approved the amendments, additions and deletions under the Central Goods and Services Tax Rules, 2017 as discussed herein below.
3. In the GIC meeting held on 18<sup>th</sup> June, 2017, It was observed that government agencies were not prepared to deduct TDS and it needs to be linked to fund settlement mechanism of respective States. It was further pointed out that since GSTR 2 is not getting filled in the first two months, the TDS/TCS benefit cannot be passed on to the tax payer. Accordingly, it was also recommended that bringing into force Section 51(TDS) and Section 52(TCS) may be deferred by two months.
4. In the GIC meeting held on 18<sup>th</sup> June, 2017, It was observed that the concept of margin scheme was to pay tax only on the margin earned by the taxpayer on purchase and sale of second hand goods. But with the incidence of reverse tax under 9(4) of Central Goods and Services Tax Act, 2017, the taxpayer will get credit but the same cannot be utilised for payment of taxes. Accordingly, it was recommended that those dealing in second hand goods and availing the margin scheme provided in Rule 6(5) of Valuation Rules will be exempted from payment of tax under Section 9(4) of Central Goods and Services Tax Act, 2017. Similarly, persons liable to deduct tax under Section 51 are also required to be exempted from payment of tax under Section 9(4) of Central Goods and Services Tax Act, 2017, if they are registered only for TDS as they are not engaged in supply or receipt of goods or services.
5. Certain amendments and changes were discussed in the GIC Meeting held on 23<sup>rd</sup> June 2017, GIC which are given in the table below:

<b><u>Sr. No.</u></b>	<b><u>Chapter</u></b>	<b><u>Amendments in Rule No.</u></b>	<b><u>Addition/Deletion</u></b>
1.	Registration	1, 10(4), 13(4), second proviso of 19(1), 21(b), 22(3),  Second Proviso of 24(1), 26(3), Form GST REG-12, Form REG-25	24(3A)(addition)
2.	Composition	Form GST CMP-03, CMP-04, GST CMP-07	-----
3.	Return	FORM GSTR-7A, 45(3), 45(4), Rule 61(5)	FORM GSTR-3B (addition)

4.	Tax Invoice, Credit and Debit Notes	First proviso of rule 46, Second Proviso to Rule 46	Rule 46 (f) (addition)
5.	Refund	-----	New Rule No .96 (addition)  second proviso in rule 89 (deletion)
6.	ITC	42(1)(i)	FORM GST ITC-04
7.	Transition	FORM TRAN 1 & 2	-----

Refer to Annexure A – Extracts from the Minutes of the 3<sup>rd</sup> GIC Meeting held on 23 June 2017

6. It was recommended by the Law committee that under Rule 10(5) of Registration the following line should be deleted “or verified through electronic verification code” but the change has not been carried out to align with the provision in other rules.

7. In view of the practical difficulties pointed out by CCT, Karnataka it was decided that proviso to section 42(9) and the proviso to section 43(9) of the Central Goods and Services Tax Act, 2017(12 of 2017)/ State Goods and Services Tax Act, 2017, will not be brought into force w.e.f 01.07.2017.

8. Further Section 15 of Integrated Goods and Services Tax Act, 2017(13 of 2017) dealing with Tourist Refund may be brought into force from a later date.

9. The GIC in its meeting held on 27<sup>th</sup> June 2017 discussed the issue of rate of GST applicable to Information Technology (IT) software in respect of downloadable software, software sold on tangible media, and development, design etc. of IT software. It was felt that the same rate of GST should apply in respect of IT software, irrespective of the media. In this regard, the supply of service by way of temporary transfer or permitting the use or enjoyment of any intellectual property and supply of service by way of permanent transfer of intellectual property, have been placed at 12%. As the intention was that this should be limited to intellectual property rights other than IT software, it was decided that IT software, irrespective of the media on which it is supplied, should attract the same rate of GST which is 18%. (Presently, software attracts excise duty, VAT and service tax.)

10. The GIC in its meeting held on 27<sup>th</sup> June 2017 was informed that GST Council has approved that GST on passenger transport services provided through an electronic commerce operator (ECO), is required to be paid by the ECO. At the moment in addition to the above, the aggregator (who is now called the electronic commerce operator in GST) is liable to pay service tax in respect of accommodation in hotels, guest houses etc. where, inter alia, hotel provider is unregistered. Ministry of Tourism is of the view that requiring all the hotels, guest houses, who are below the threshold limit of Rs. 20 lakhs and not required to be registered under Section 22 of the GST law, should not be required to take registration and the liability to pay tax should be cast on the electronic commerce operator. GIC decided that as long as the hotels, guest houses are not liable to be registered under Section 22(1), their services may be taxed at the hands of the electronic commerce operator under Section 9(5) of the CGST Act.

11. In the GIC meeting held on 27.06.2017, GIC decided to allow deemed credit of CGST @ 40% on goods which were exempted under Central Excise (tractor and textile) and has also allowed that Law Committee may examine any other serious case where credit is blocked in transition.

12. These changes have been approved by the Hon'ble FM and Chairperson of GST Council. The above decisions of GIC duly approved are placed before the GST Council for information.

**Annexure-A**

**Extracts of the Minutes of the 3<sup>rd</sup> GST Implementation Committee held on 23<sup>rd</sup> June, 2017**

A. The following changes given in the table were proposed and accepted:

S.No.	Rule / Form No.	Existing Rule	Proposed Rule	Change recommended by	Approved by GIC on 23.06.2017
1	1	Short title, Extent and Commencement	Short title, <del>Extent</del> and Commencement	GST Policy Wing	Yes
2	10(4) (Registration)	Every certificate of registration shall be digitally signed by the proper officer under the Act.	Every certificate of registration shall be <del>digitally</del> <b>duly signed or verified through electronic verification code</b> by the proper officer under the Act.	DG Systems, CBEC	Yes
3	13(4) (Registration)	The application for registration made by a non-resident taxable person shall be signed by his authorised signatory who shall be a person resident in India having a valid Permanent Account Number.	The application for registration made by a non-resident taxable person shall be <b>duly signed or verified through electronic verification code by his authorised signatory</b> who shall be a person resident in India having a valid Permanent Account Number.	GST Policy Wing	Yes
4	19(1) second proviso (Registration)	Provided further that any change in the mobile number or e-mail address of the authorised signatory submitted under this rule, as amended from time to time, shall be carried out only after online verification through the Common Portal in the manner provided under the said rule	Provided further that any change in the mobile number or e-mail address of the authorised signatory submitted under this rule, as amended from time to time, shall be carried out only after online verification through the Common Portal in the manner provided under <del>the said rule sub-rule</del> <b>(2) of rule 8.</b>	GST Policy Wing	Yes
5	21 (b) (Registration)	issues invoice or bill without supply of goods or services in violation of the provisions of this Act, or the rules made thereunder.	issues invoice or bill without supply of goods or services in violation of the provisions of <del>this the</del> <b>the</b> Act, or the rules made thereunder.	CCT Rajasthan	Yes

6	21 (b) (Registration)	issues invoice or bill without supply of goods or services in violation of the provisions of this Act, or the rules made thereunder.	issues invoice or bill without supply of goods or services in violation of the provisions of this Act, or the rules made thereunder; or (c) violates the provisions of section 171 of the Act or the rules made thereunder.	Law Committee changes dated 21.06.2017	Yes
7	22 (3) (Registration)	Where a person who has submitted an application for cancellation of his registration is no longer liable to be registered or his registration is liable to be cancelled, the proper officer shall issue an order in FORM GST REG-19, within a period of thirty days from the date of application submitted under sub-rule (1) of rule 20 or, as the case may be, the date of reply to the show cause issued under sub-rule (1), cancel the registration, with effect from a date to be determined by him and notify the taxable person, directing him to pay arrears of any tax, interest or penalty including the amount liable to be paid under sub-section (5) of section 29.	Where a person who has submitted an application for cancellation of his registration is no longer liable to be registered or his registration is liable to be cancelled, the proper officer shall issue an order in FORM GST REG-19, within a period of thirty days from the date of application submitted under <del>sub-rule (1) of</del> rule 20 or, as the case may be, the date of reply to the show cause issued under sub-rule (1), cancel the registration, with effect from a date to be determined by him and notify the taxable person, directing him to pay arrears of any tax, interest or penalty including the amount liable to be paid under sub-section (5) of section 29.	GSTC Secretariat (pointed out by States)	Yes
8	24 (1) Second Proviso (Registration)	Provided further that a person having centralized registration under the provisions of Chapter V of the Finance Act, 1994 shall be granted only one provisional registration in the State or Union territory in which he is	Omitted	GIC decision dated 18.06.2017	Yes



		registered under the existing law.			
9	24 (3A) (Registration)	Does not exist	(3A) Where a certificate of registration has not been made available to the applicant on the common portal within a period of fifteen days from the date of the furnishing of information and particulars referred to in clause (c) of sub-rule (2) and no notice has been issued under sub-rule (3) within the said period, the registration shall be deemed to have been granted and the said certificate of registration, duly signed or verified through electronic verification code, shall be made available to the registered person on the common portal	Law Committee changes dated 21.06.2017	Yes
10	26(3) (Registration)	All notices, certificates and orders under the rules of this chapter shall be issued electronically by the proper officer or any other officer authorised to issue such notices or certificates or orders, through digital signature certificate specified under the provisions of the Information Technology Act, 2000 (21 of 2000).	All notices, certificates and orders under the rules of this chapter shall be issued electronically by the proper officer or any other officer authorised to issue such notices or certificates or orders, through digital signature certificate or through e-signature as specified under the provisions of the Information Technology Act, 2000 (21 of 2000) or verified by any other mode of signature or verification as notified by the Board in this behalf.	GIC decision dated 18.06.2017	Yes
11	Form GST CMP-03 (Composition)	Table 8, Row 10 – Row number missing	Table 8, Row 10 – Row number added	GST Policy Wing	Yes
12	Form GST CMP-04 (Composition)	Below S. No. 5 (iv), (v) and (vi) is mentioned	Below S. No. 5 (i), (ii) and (iii) should be mentioned	CCT Goa	Yes
13	Form GST CMP-07 (Composition)	Rule 6(6)	Rule 6(5)	Joint Commissioner, Commercial	Yes

				Taxes Deptt, Odisha	
14	Form GST REG-12 (Registration)	within 30 days	within 90 <del>30</del> days	Law Committee decision dated 21.06.2017	Yes
15	Form REG-25 (Registration)	Provisional ID	GSTIN <del>Provisional ID</del>	GSTN Law Committee decision dated 21.06.2017	Yes Need to be corrected.
16	Form REG-25 (Registration)	Place <State>	the words "Place" and "<State>" shall be omitted	GSTN Law Committee decision dated 21.06.2017	Yes Need to be corrected.
17	FORM GSTR- 3B (Return)		FORM GSTR-3B added (Copy enclosed to these minutes)	Law Committee decision dated 21.06.2017	Yes
18	FORM GSTR- 7A (Return)	Row 7 modified and note deleted	S. No. 7 modified and "Note" mentioned below deleted.	Law Committee decision dated 21.06.2017	Yes
19	Proviso to Rule 46		Notification to be issued under 1 <sup>st</sup> proviso to Rule 46	Suggestion of CCT, Gujarat	Yes
20	Rule 61(5) (Return)	Where the time limit for furnishing of details in FORM GSTR-1 under section 37 and in FORM GSTR-2 under section 38 has been extended and the circumstances so warrant, return in FORM GSTR-3B, in lieu of FORM GSTR-3, may be furnished in such manner as may be notified by the Commissioner	Where the time limit for furnishing of details in FORM GSTR-1 under section 37 and in FORM GSTR-2 under section 38 has been extended and the circumstances so warrant, return in FORM GSTR-3B, in lieu of FORM GSTR-3, may be furnished in such manner and subject to such conditions and subject to such conditions as may be notified by the Commissioner.	Law Committee decision dated 21.06.2017	Yes
21	Rules 66(3) (Return)	The certificate referred to in sub-section (3) of section 51 shall be made available electronically to the deductee on the Common Portal in FORM GSTR-7A on the basis of the return furnished under sub- rule (1)	The certificate referred to in sub-section (3) of section 51 shall be issued by deductor made available electronically on the basis of the return furnished under sub-rule (1) through to the deductee on the common portal in FORM GSTR-7A on the basis of the return furnished under sub-rule (1)	Law Committee decision dated 21.06.2017	Yes  To be deleted, it was an inadvertent mistake.
22	Refund	New Rule added at rule no. 96	Refund of integrated tax paid on goods exported out of India.-(1) The shipping	Law Committee decision dated 21.06.2017 (in	Yes

			<p>bill filed by an exporter shall be deemed to be an application for refund of integrated tax paid on the goods exported out of India and such application shall be deemed to have been filed only when:-</p> <p>(a) the person in charge of the conveyance carrying the export goods duly files an export manifest or an export report covering the number and the date of shipping bills or bills of export; and</p> <p>(b) the applicant has furnished a valid return in <b>FORM GSTR-3</b>;</p> <p>(2) The details of the relevant export invoices contained in <b>FORM GSTR-1</b> shall be transmitted electronically by the common portal to the system designated by the Customs and the said system shall electronically transmit to the common portal, a confirmation that the goods covered by the said invoices have been exported out of India.</p> <p>(3) Upon the receipt of the information regarding the furnishing of a valid return in <b>FORM GSTR-3</b> from the common portal, the system designated by the Customs shall process the claim for refund and an amount equal to the integrated tax paid in respect of each shipping bill or bill of export shall be electronically credited to the bank account of the applicant mentioned in his registration particulars and as intimated to the Customs authorities.</p>	<p>accordance with GIC's decision dated 18.06.2017)</p>	
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			<p>(4) The claim for refund shall be withheld where,-</p> <p>(a) a request has been received from the jurisdictional Commissioner of central tax, State tax or Union territory tax to withhold the payment of refund due to the person claiming refund in accordance with the provisions of sub-section (10) or sub-section (11) of section 54; or</p> <p>(b) the proper officer of Customs determines that the goods were exported in violation of the provisions of the Customs Act, 1962.</p> <p>(5) Where refund is withheld in accordance with the provisions of clause (a) of sub-rule (4), the proper officer of integrated tax at the Customs station shall intimate the applicant and the jurisdictional Commissioner of central tax, State tax or Union territory tax, as the case may be, and a copy of such intimation shall be transmitted to the common portal.</p> <p>(6) Upon transmission of the intimation under sub-rule (5), the proper officer of central tax or State tax or Union territory tax, as the case may be, shall pass an order in <b>Part B of FORM GST RFD-07</b>.</p> <p>(7) Where the applicant becomes entitled to refund of the amount withheld under clause (a) of sub-rule (4), the concerned jurisdictional officer of central tax, State tax or Union territory tax, as</p>		
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			the case may be, shall proceed to refund the amount after passing an order in <b>FORM GST RFD-06</b> .  (8) The Central Government may pay refund of integrated tax to the Government of Bhutan on exports to Bhutan for such class of goods as may be notified in this behalf and where such refund is paid to the Government of Bhutan, the exporter shall not be paid any refund of integrated tax.		
23	Refund	The second proviso in rule 89 provides for application for refund in case of export of goods.	It is proposed to delete it as a separate rule has been made for this purpose.	Law Committee decision dated 21.06.2017	Yes
24	FORM TRAN 1 & 2 (Transition)		Modified	Law Committee decision dated 13.06.2017	Yes
25	42(1)(i) (ITC)	'F' is the total turnover of the registered person during the tax period:	'F' is the total turnover <b>in the State</b> of the registered person during the tax period:	15 <sup>th</sup> meeting of GST Council	Yes
26	FORM GST ITC-04 (ITC)		Created	Law Committee decision dated 21.06.2017	Yes
27	45(3) (Return)	The details of challans in respect of goods dispatched to a job worker or received from a job worker during a tax period shall be included in FORM GSTR-1 furnished for that period.	The details of challans in respect of goods dispatched to a job worker or received from a job worker <b>or sent from one job worker to another</b> during a <del>tax period</del> <b>quarter</b> shall be included in FORM <del>GSTR-1</del> <b>GST ITC-04</b> furnished for that period <b>on or before the twenty-fifth day of the month succeeding the said quarter.</b>	Law Committee decision dated 13.06.2017	Yes
28	45(4) (Return)	Where the inputs or capital goods are not returned to the principal within the time stipulated in section 143, the challan issued under sub-rule (1) shall	Where the inputs or capital goods are not returned to the principal within the time stipulated in section 143, <b>it shall be deemed that such inputs or capital goods had been supplied by the</b>	Law Committee decision dated 13.06.2017	Yes

		be deemed to be an invoice for the purposes of the Act.	principal to the job worker on the day when the said inputs or capital goods were sent out and the said supply shall be declared in FORM GSTR-1 and the principal shall be liable to pay the tax along with applicable interest. <del>the challan issued under sub-rule (1) shall be deemed to be an invoice for the purposes of the Act.</del>		
29	Rule 46 (f) (Invoice)	Does not exist	name and address of the recipient and the address of delivery, along with the name of the State and its code, if such recipient is un-registered and where the value of the taxable supply is less than fifty thousand rupees and the recipient requests that such details recorded in the tax invoice;	15 <sup>th</sup> meeting of GST Council	Yes
30	First proviso of rule 46 (Invoice)	Provided that the Commissioner may, on the recommendations of the Council, by notification, specify -	Provided that the <del>Commissioner</del> Board may, on the recommendations of the Council, by notification, specify -	GST Policy Wing	Yes
31	Second proviso to rule 46 (Invoice)	Provided further that where an invoice is required to be issued under clause (f) of sub-section (3) of section 31, it shall bear the signature or digital signature of the recipient or his authorised representative:	Provided further that where an invoice is required to be issued under clause (f) of sub-section (3) of section 31, <del>a registered person may issue a consolidated invoice at the end of a day for supplies covered under sub-section (4) of section 9, when the value of such supplies exceeds rupees five thousand in that day and</del> it shall bear the signature or digital signature of the recipient or his authorised representative:	GIC decision dated 18.06.2017	Yes
32	Section 51(TDS) and Section 52 (TCS)		Bringing into force Section 51(TDS) and Section 52(TCS) may be deferred by two months.		Approved by GIC on 18.06.2017

			Accounting procedures relation to TDS may be finalized by DOR at the earliest		
33	Exemption from payment of tax under Section 9(4) in certain cases		Those dealing in second hand goods and availing the margin scheme provided in Rule 6(5) of Valuation Rules will be exempted from payment of tax under Section 9(4).  Similarly, persons liable to deduct tax under Section 51 are also required to be exempted from payment of tax under Section 9(4) if they are registered only for TDS.		Approved by GIC on 18.06.2017

B. The change in rule 10(5) suggested by the Law Committee vide email dated 22.06.2017 is not being carried out in light of the change being done in Sl. No. 2 of the table above.

1	10(5)	Where the registration has been granted under sub-rule (5) of rule 9, the applicant shall be communicated the registration number, and the certificate of registration under sub-rule (1), duly signed or verified through electronic verification code, shall be made available to him on the Common Portal, within a period of three days after the expiry of the period specified in sub-rule (5) of rule 9	Where the registration has been granted under sub-rule (5) of rule 9, the applicant shall be communicated the registration number, and the certificate of registration under sub-rule (1), duly signed <del>or verified through electronic verification code</del> , shall be made available to him on the Common Portal, within a period of three days after the expiry of the period specified in sub-rule (5) of rule 9	Law Committee decision dated 21.06.2017 (Change not being carried out to align with the provisions in other rules)	Yes
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C. In view of the practical difficulties pointed out by CCT, Karnataka it was decided that proviso to section 42(9) and the proviso to section 43(9) of the CGST Act, 2017 / SGST Act, 2017 will not be brought into force w.e.f 01.07.2017. Further Section 15 dealing with Tourist Refund may be brought into force from a later date.

### **Agenda Item 3: Any other agenda item with the permission of the Chairperson**

#### **Approval of draft GST Rules and related Forms**

The Law Committee met on 26 and 27 June 2017 and finalized the following Rules and Forms –

- i. Compounding of Offence
- ii. Enforcement (Inspection, Search, Seizure and Arrest)
- iii. Refund (Rule 96 amended to accommodate export without payment of tax. One format has also been added for bond or letter of undertaking. Inward and outward supply statements forms have been changed due to change in return forms)
- iv. Demand and Recovery

The above Rules and related Forms are placed before the Council for discussion and approval.



i. **Rules & Forms for Compounding of Offences**

**Chapter -  
Offences and Penalties**

**Procedure for compounding of offences.-**

- (1) An applicant may, either before or after institution of prosecution, make an application under sub-section (1) of section 138 in **FORM GST CPD-01** to the Commissioner for compounding of an offence.
- (2) On receipt of the application, the Commissioner shall call for a report from the concerned officer with reference to the particulars furnished in the application, or any other information, which may be considered relevant for examination of such application.
- (3) The Commissioner, after taking into account the contents of the said application, may, by order in **FORM GST CPD-02**, either, on being satisfied that the applicant has co-operated in the proceedings before him and has made full and true disclosure of facts relating to the case, allow the application indicating the compounding amount and grant him immunity from prosecution or reject such application.
- (4) The application shall not be rejected under sub-rule (3) without following the principles of natural justice and recording the grounds of such rejection.
- (5) The application shall not be allowed unless the tax, interest and penalty liable to be paid have been paid in the case for which application has been made.
- (6) The applicant shall, within a period of thirty days from the date of receipt of the order under sub-rule (3), pay the compounding amount as ordered by the Commissioner and shall furnish the proof of such payment to him.
- (7) In case the applicant fails to pay the compounding amount within the time specified in sub-rule (6), the order made under sub-rule (3) shall be vitiated and be void.
- (8) The applicant cannot claim, as a matter of right, that his offence shall be compounded.
- (9) Immunity granted to a person under sub-rule (3) may, at any time, be withdrawn by the Commissioner, if he is satisfied that such person had, in the course of the compounding proceedings, concealed any material particulars or had given false evidence, and thereupon such person may be tried for the offence with respect to which immunity was granted or for any other offence that appears to have been committed by him in connection with the compounding proceedings and the provisions the Act shall apply as if no such immunity had been granted.

## FORMS

### COMPOUNDING OF OFFENCES

#### FORM GST CPD-01

(See Rule ---)

#### Application for Compounding of Offence

1.	GSTIN / Temporary ID	
2.	Name of the applicant	
3.	Address	
4.	The violation of provisions of the Act for which prosecution is instituted or contemplated	
5.	Details of adjudication order/notice	
	Reference Number	
	Date	
	Tax	
	Interest	
	Penalty	
	Fine, if any	
6.	Brief facts of the case and particulars of the offence (s) charged:	
7.	Whether this is the first offence under the Act	
8.	If answer to 7 is in the negative, the details of previous cases	
9.	Whether any proceedings for the same or any other offence are contemplated under any other law.	
10.	If answer to 9 is in the affirmative, the details thereof	

#### DECLARATION

- (1) I shall pay the compounding amount, as may be fixed by the Commissioner.
- (2) I understand that I cannot claim, as a matter of right, that the offence committed by me under the Act shall be compounded.

Signature of the applicant

Name

**FORM GST CPD-02***(See Rule ---)*

Reference No:

Date:

To

GSTIN/ID -----

Name-----

Address -----

ARN -----

Date –

**Order for rejection / allowance of compounding of offence**

This has reference to your application referred to above. Your application has been examined in the department and the findings are as recorded below:

&lt;&lt; text &gt;&gt;

☐ I am satisfied that you fulfil the requirements to be allowed to compound the offences in respect of the offences stated in column (2) of the table below on payment compounding amount indicated in column (3):

<b>Sr. No.</b>	<b>Offence</b>	<b>Compounding amount (Rs.)</b>
(1)	(2)	(3)

*Note: In case the offence committed by the taxable person falls in more than one category specified in Column (2), the compounding amount shall be the amount specified in column (3), which is the maximum of the amounts specified against the categories in which the offence sought to be compounded can be categorized.*

You are hereby directed to pay the aforesaid compounding amount by ----- (date) and on payment of the compounding amount, you will be granted immunity from prosecution for the offences listed in column (2) of the aforesaid table.

**or**

☐ Your application is hereby rejected.

Signature

Name

Designation

## ii. Rules & Forms for Enforcement

### Chapter –

### Inspection, Search, Seizure and Arrest

#### 1. Inspection, search and seizure

(1) Where a proper officer not below the rank of a Joint Commissioner has reasons to believe that a place of business or any other place is to be visited for the purposes of inspection or search or, as the case may be, seizure in accordance with the provisions of section 67, he shall issue an authorization in **FORM GST INS-01** authorizing any other officer subordinate to him to conduct such inspection or search or, as the case may be, seizure of goods, documents, books or things liable for seizure.

(2) Where any goods or documents or books or things are liable for seizure under sub-section (2) of section 67, the proper officer or the authorized officer shall make an order of seizure in **FORM GST INS-02**.

(3) The proper officer or the authorized officer may entrust upon the person, from whose custody such goods or things are seized, the custody of such goods or things for safe upkeep and the said person shall not remove, part with, or otherwise deal with the goods or things except with the previous permission of such officer.

(4) Where it is not practicable to seize any such goods, the proper officer or the authorized officer may serve on the owner or the custodian of the goods an order of prohibition in **FORM GST INS-03** that he shall not remove, part with, or otherwise deal with the goods except with the previous permission of such officer.

(5) The officer seizing the goods, documents, books or things shall prepare an inventory of such goods or documents or books or things containing, *inter alia*, description, quantity or unit, make, mark or model, where applicable, and get it signed by the person from whom such goods or documents or books or things are seized.

#### 2. Bond and security for release of seized goods

(1) The seized goods may be released on a provisional basis upon execution of a bond for the value of the goods in **FORM GST INS-04** and furnishing of a security in the form of a bank guarantee equivalent to the amount of applicable tax, interest and penalty payable.

*Explanation.-* For the purposes of these rules, “applicable tax” shall include central tax and State tax or central tax and the Union territory tax, as the case may be and the cess, if any, payable under the Goods and Services (Compensation to States) Act.

(2) In case the person to whom goods were released provisionally fails to produce the goods at the appointed date and place, the security shall be encashed and adjusted against the tax, interest and penalty and fine, if any, payable in respect of such goods.

*Explanation.-* Fine under section 130 may also be imposed where the person fails to produce the goods.

#### 3. Procedure in respect of seized goods

(1) Where the goods or things seized are of perishable or hazardous nature, and if the taxable person pays an amount equivalent to the market price of such goods or things or the amount of tax, interest and penalty that is or may become payable by the taxable person, whichever is lower, such goods or, as the case may be, things shall be released forthwith, by an order in **FORM GST INS-05**, on proof of payment.

(2) Where the taxable person fails to pay the amount referred to in sub-rule (1) in respect of the said goods or things, the Commissioner may dispose of such goods or things and the amount realized thereby shall be adjusted against the tax, interest, penalty, or any other amount payable in respect of such goods or things.

## INSPECTION, SEARCH, SEIZURE AND ARREST

### AUTHORISATION FOR INSPECTION OR SEARCH

To

.....

.....

Whereas information has been presented before me and I have reasons to believe that—

**A. M/s.**

- OR

**B. M/s.**

- OR

☐ goods liable to confiscation / documents relevant to the proceedings under the Act are secreted in the business/residential premises detailed herein below

Therefore,—

- OR

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Any attempt on the part of the person to mislead, tamper with the evidence, refusal to answer the questions relevant to inspection / search operations, making of false statement or providing false evidence is punishable with imprisonment and /or fine under the Act read with section 179, 181, 191 and 418 of the Indian Penal Code.

Given under my hand & seal this ..... day of ..... (month) 20.... (year). Valid for ..... day(s).

Seal

Place

Signature, Name and designation of the  
issuing authority

Name, Designation & Signature of the Inspection Officer/s

(i)

(ii)

## FORM GST INS-02

### ORDER OF SEIZURE

(See Rule \_\_)

Whereas an inspection under sub-section (1)/search under sub-section (2) of Section 67 was conducted by me on \_\_/\_\_/\_\_\_\_ at \_\_: \_\_ AM/PM in the following premise(s):

<<Details of premises>>

which is/are a place/places of business/premises belonging to:

<<Name of Person>>

<<GSTIN, if registered>>

in the presence of following witness(es):

1. <<Name and address>>
2. <<Name and address>>

and on scrutiny of the books of accounts, registers, documents / papers and goods found during the inspection/search, I have reasons to believe that certain goods liable to confiscation and/or documents and/or books and/or things useful for or relevant to proceedings under this Act are secreted in place(s) mentioned above.

Therefore, in exercise of the powers conferred upon me under sub-section (2) of section 67, I hereby seize the following goods/ books/ documents and things:

**A) Details of Goods seized:**

Sr. No	Description of goods	Quantity or units	Make/mark or model	Remarks
1	2	3	4	5

**B) Details of books / documents / things seized:**

Sr. No	Description of books / documents / things seized	No. of books / documents / things seized	Remarks
1	2	3	4

and these goods and or things are being handed over for safe upkeep to:

<<Name and address>>

with a direction that he shall not remove, part with, or otherwise deal with the goods or things except with the previous permission of the undersigned.

Place:

Name and Designation of the Officer

Date:

Signature of the Witnesses

Sr. No.	Name and address	Signature
1.		
2.		

To:

<<Name and address>>



**FORM GST INS-03**

**ORDER OF PROHIBITION**

(See Rule \_\_)

Whereas an inspection under sub-section (1)/search under sub-section (2) of Section 67 was conducted on \_\_/\_\_/\_\_\_\_ at \_\_:\_\_ AM/PM in the following premise(s):

**<<Details of premises>>**

which is/are a place/places of business/premises belonging to:

**<<Name of Person>>**

**<<GSTIN, if registered>>**

in the presence of following witness(es):

1. **<<Name and address>>**
2. **<<Name and address>>**

and on scrutiny of the books of accounts, registers, documents / papers and goods found during the inspection/search, I have reasons to believe that certain goods liable to confiscation and/or documents and/or books and/or things useful for or relevant to proceedings under this Act are secreted in place(s) mentioned above.

Therefore, in exercise of the powers conferred upon me under sub-section (2) of section 67, I hereby order that you shall not/shall not cause to remove, part with, or otherwise deal with the goods except without the previous permission of the undersigned:

Sr. No	Description of goods	Quantity or units	Make/mark or model	Remarks
1	2	3	4	5

Place:

Name and Designation of the Officer

Date:

**Signature of the Witnesses**

	Name and address	Signature
1.		
2.		

To:

<<Name and address>>

**FORM GST INS-04**

**BOND FOR RELEASE OF GOODS SEIZED**

*(See Rule \_\_)*

I.....of.....hereinafter called "obligor(s)" am held and firmly bound to the President of India (hereinafter called "the President") and/or the Governor of .....(State) (hereinafter called "the Governor") in the sum of.....rupees to be paid to the President / the Governor for which payment will be made. I jointly and severally bind myself and my heirs/ executors/ administrators/ legal representatives/successors and assigns by these presents; dated this.....day of.....

WHEREAS in accordance with the provisions of sub-section (2) of section 67, the goods have been seized vide order number .....dated..... having value .....rupees involving an amount of tax of ..... rupees. On my request the goods have been permitted to be released provisionally by the proper officer on execution of the bond of value .....rupees and a security of .....rupees against which cash/bank guarantee has been furnished in favour of the President/ Governor; and

WHEREAS I undertake to produce the said goods released provisionally to me as and when required by the proper officer duly authorized under the Act.

And if all taxes, interest, penalty, fine and other lawful charges demanded by the proper officer are duly paid within ten days of the date of demand thereof being made in writing by the said proper officer, this obligation shall be void.

OTHERWISE and on breach or failure in the performance of any part of this condition, the same shall be in full force:

AND the President/Governor shall, at his option, be competent to make good all the losses and damages from the amount of the security deposit or by endorsing his rights under the above-written bond or both;

IN THE WITNESS THEREOF these presents have been signed the day hereinbefore written by the obligor(s).

Signature(s) of obligor(s).

Date :

Place :

Witnesses

(1) Name and Address

(2) Name and Address

Date

Place

Accepted by me this.....day of .....(month).....(year)  
..... (designation of officer) for and on behalf of the President /Governor.

(Signature of the Officer)

**FORM GST INS-05**

**ORDER OF RELEASE OF GOODS/ THINGS OF PERISHABLE OR HAZARDOUS NATURE**

(See Rule \_\_)

Whereas the following goods and/or things were seized on \_\_/\_\_/\_\_ from the following premise(s):

**<<Details of premises>>**

which is/are a place/places of business/premises belonging to:

**<<Name of Person>>**

**<<GSTIN, if registered>>**

**Details of goods seized:**

Sr. No	Description of goods	Quantity or units	Make/mark or model	Remarks
1	2	3	4	5

and since these goods are of perishable or hazardous nature and since an amount of Rs. \_\_\_\_\_ (amount in words and digits), being an amount equivalent to the:

- ☐ market price of such goods or things
- ☐ the amount of tax, interest and penalty that is or may become payable

has been paid, I hereby order the above mentioned goods be released forthwith.

Place:

Name and Designation of the Officer

Date:

To:

**<<Name and Designation>>**

iii. **Rules & Forms for Refund (Rule 96 amended to accommodate export without payment of tax)**

**96. Refund of integrated tax paid on goods exported out of India and export of goods or services under bond or Letter of Undertaking.**-(1) The shipping bill filed by an exporter shall be deemed to be an application for refund of integrated tax paid on the goods exported out of India and such application shall be deemed to have been filed only when:-

- (a) the person in charge of the conveyance carrying the export goods duly files an export manifest or an export report covering the number and the date of shipping bills or bills of export; and
  - (b) the applicant has furnished a valid return in **FORM GSTR-3 or FORM GSTR-3B, as the case may be;**
- (2) The details of the relevant export invoices contained in **FORM GSTR-1** shall be transmitted electronically by the common portal to the system designated by the Customs and the said system shall electronically transmit to the common portal, a confirmation that the goods covered by the said invoices have been exported out of India.
- (3) Upon the receipt of the information regarding the furnishing of a valid return in **FORM GSTR-3** from the common portal, the system designated by the Customs shall process the claim for refund and an amount equal to the integrated tax paid in respect of each shipping bill or bill of export shall be electronically credited to the bank account of the applicant mentioned in his registration particulars and as intimated to the Customs authorities.
- (4) The claim for refund shall be withheld where,-
- (a) a request has been received from the jurisdictional Commissioner of central tax, State tax or Union territory tax to withhold the payment of refund due to the person claiming refund in accordance with the provisions of sub-section (10) or sub-section (11) of section 54; or
  - (b) the proper officer of Customs determines that the goods were exported in violation of the provisions of the Customs Act, 1962.
- (5) Where refund is withheld in accordance with the provisions of clause (a) of sub-rule (4), the proper officer of integrated tax at the Customs station shall intimate the applicant and the jurisdictional Commissioner of central tax, State tax or Union territory tax, as the case may be, and a copy of such intimation shall be transmitted to the common portal.
- (6) Upon transmission of the intimation under sub-rule (5), the proper officer of central tax or State tax or Union territory tax, as the case may be, shall pass an order in **Part B of FORM GST RFD-07**.
- (7) Where the applicant becomes entitled to refund of the amount withheld under clause (a) of sub-rule (4), the concerned jurisdictional officer of central tax, State tax or Union territory tax, as the case may be, shall proceed to refund the amount after passing an order in **FORM GST RFD-06**.
- (8) The Central Government may pay refund of the integrated tax to the Government of Bhutan on the exports to Bhutan for such class of goods as may be notified in this behalf and

where such refund is paid to the Government of Bhutan, the exporter shall not be paid any refund of the integrated tax.

(9) Any registered person availing the option to supply goods or services for export without payment of integrated tax shall furnish, prior to export, a bond or a Letter of Undertaking in **FORM GST RFD-11** to the jurisdictional Commissioner, binding himself to pay the tax due along with the interest specified under sub-section (1) of section 50 within a period of—

(a) fifteen days after expiry of three months from the date of issue of invoice for export if the goods are not exported out of India; or

(b) fifteen days after expiry of one year, or such further period as may be allowed by the Commissioner, from the date of issue of invoice for export if the payment of such services is not received by the exporter in convertible foreign exchange.

(10) The details of export invoices contained in **FORM GSTR-1** furnished on the common portal shall be electronically transmitted to the system designated by Customs and a confirmation that the goods covered by the said invoices have been exported out of India shall be electronically transmitted to the common portal from the said system.

(11) Where the goods are not exported within the time specified in sub-rule (9) and the registered person fails to pay the amount mentioned in the said sub-rule, the facility to allow export under bond or Letter of Undertaking shall be withdrawn forthwith and the said amount shall be recovered from the registered person in accordance with the provisions of section 79.

(12) The facility to allow export under bond or Letter of Undertaking withdrawn in terms of sub-rule (11) shall be restored immediately when the registered person pays the amount due.

(13) The Board, by way of notification, may specify the conditions and safeguards under which a Letter of Undertaking may be furnished instead of a bond.

## FORMS – REFUND

### FORM-GST-RFD-01

[See rule 89(1)]

#### Application for Refund

Select: Registered / Casual/ Unregistered/Non-resident taxable person

1. GSTIN/Temporary ID:
2. Legal Name:
3. Trade Name, if any:
4. Address:
5. Tax Period:                      From <DD/MM/YY>                      To <DD/MM/YY>

6. Amount of Refund Claimed:

Act	Tax	Interest	Penalty	Fees	Others	Total
Central Tax						
State Tax						
UT Tax						
Integrated Tax						
Cess						
Total						

7. Grounds of Refund Claim: (select from the drop down):
  - a. Excess balance in Electronic Cash ledger
  - b. Exports of ~~goods~~ / services- With payment of Tax
  - c. Exports of goods / services- Without payment of Tax, i.e., ITC accumulated
  - d. On account of assessment/provisional assessment/ appeal/ any other order
    - i. Select the type of Order:  
Assessment/ Provisional Assessment/ Appeal/ Others
    - ii. Mention the following details:
      1. Order No.
      2. Order Date <calendar>
      3. Order Issuing Authority
      4. Payment Reference No. (of the amount to be claimed as refund)  
(If Order is issued within the system, then 2, 3, 4 will be auto populated)
  - e. ITC accumulated due to inverted tax structure (clause (ii) of proviso to section 54(3))



f. On account of supplies made to SEZ unit/ SEZ Developer or Recipient of Deemed Exports EOU

i. Select the type of supplier/ recipient:

1. Supplier to SEZ Unit
2. Supplier to SEZ Developer
3. Recipient of Deemed Exports

EOU

g. Refund of accumulated ITC on account of supplies made to SEZ unit/ SEZ Developer

g.h. Tax paid on a supply which is not provided, either wholly or partially, and for which invoice has not been issued

h.i. Tax paid on an intra-State supply which is subsequently held to be inter-State supply and vice versa

i.j. Excess payment of tax, if any

j.k. Any other (*specify*)

8. Details of Bank Account (*to be auto populated from RC in case of registered taxpayer*)

- |                           |   |
|---------------------------|---|
| a. Bank Account Number    | : |
| b. Name of the Bank       | : |
| c. Bank Account Type      | : |
| d. Name of account holder | : |
| e. Address of Bank Branch | : |
| f. IFSC                   | : |
| g. MICR                   | : |

9. Whether Self-Declaration filed by Applicant u/s 54(4), if applicable    Yes ☐    No ☐

#### DECLARATION U/S 54(3) (ii)

I hereby declare that the goods exported are not subject to any export duty. I also declare that I have not availed any drawback on goods or services or both and that I have not claimed refund of the integrated tax paid on supplies in respect of which refund is claimed.

Signature

Name –

Designation / Status

**DECLARATION** (U/s 54 (3) (iii))

I hereby declare that the refund of ITC claimed in the application does not include ITC availed on goods or services used for making nil rated or fully exempt supplies.

Signature

Name –

Designation / Status

## DECLARATION

I hereby declare that the Special Economic Zone unit /the Special Economic Zone developer has not availed of the input tax credit of the tax paid by the applicant, covered under this refund claim.

Signature

Name –

Designation / Status

## SELF- DECLARATION

I/We \_\_\_\_\_ (Applicant) having GSTIN/ temporary Id -----, solemnly affirm and certify that in respect of the refund amounting to Rs. ---/ with respect to the tax, interest, or any other amount for the period from---to----, claimed in the refund application, the incidence of such tax and interest has not been passed on to any other person.

(This Declaration is not required to be furnished by applicants, who are claiming refund under sub rule<> of the GST Rules<...>.)

### 10. Verification

I/We <Taxpayer Name> hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my/our knowledge and belief and nothing has been concealed therefrom.

We declare that no refund on this account has been received by us earlier.

Place

Signature of Authorised Signatory

Date

(Name)

Designation/ Status

*Note: 1) A separate statement has to be filed under sub-rule (4) of rule 89*

## Annexures/ Statements

### Annexure 1/ Statement 1

Refund Type:

ITC accumulated due to inverted tax structure (clause (ii) of proviso to section 54(3))

Note: -

- The data shall be auto-populated from the corresponding returns.

#### Part A: Outward Supplies

##### GSTR- 1: Table 4 and 5

GSTIN/ UIN	Invoice details			Rate	Taxable value	Amount				Place of Supply (Name of State)
	No.	Date	Value			Integrated Tax	Central Tax	State / UT Tax	Cess	
1	2	3	4	5	6	7	8	9	10	11

#### Part B: Inward Supplies

##### GSTR 2: Table 3 (Matched Invoices)

GSTIN of supplier	Invoice details			Rate	Taxable value	Amount of Tax				Place of supply (Name of State)	Whether input or input service/ Capital goods (incl plant and machinery)/ Ineligible for ITC	Amount of ITC available			
	No	Date	Value			Integrated tax	Central Tax	State/ UT Tax	CESS			Integrated Tax	Central Tax	State/ UT Tax	Cess
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16

## Statement- 2

Refund Type:

Exports of Services with Payment of Tax

### GSTR- 1: Table 6A and Table 9

Note: -

1. Column 1- 9: The statement gets auto populated from the corresponding return.
2. The taxpayer has to fill following columns: 10A, 10B, 10C
3. 10D, 10E, 10F, 10G: : The amended value as well as debit/ credit notes data shall be auto populated as per Returns data of the selected month and further Returns: Table-9.

GSTIN of recipient	Invoice details				Integrated Tax			BRC/ FIRC		Amended Value (Integrated Tax) (If Any)	Debit Note Integrated Tax / Amended (If any)	Credit Note Integrated Tax / Amended (If any)	Net Integrated Tax = (10J/ 9 ) + 10K – 10L
	No.	Date	Value	SAC	Rate	Taxable value	Amt.	No.	Date				
1	2	3	4	10A	7	8	9	10B	10C	10D	10E	10F	10G
6A. Exports													

BRC/ FIRC details are mandatory– in case of Services

### Statement- 3

Refund Type:

Export without payment of Tax-Accumulated ITC

#### GSTR- 1: Table 6A

Note: -

1. Column 1- 9: The statement gets auto populated from the corresponding return.
2. The taxpayer has to fill following columns: 10A, 10B, 10C, 10D, 10E, 10F, 10G, 10H, 10I

<u>GSTIN</u> <u>of</u> <u>recipient</u>	<u>Invoice details</u>							<u>Shipping bill/ Bill of</u> <u>export</u>			<u>Integrated Tax</u>			<u>EGM Details</u>		<u>BRC/ FIRC</u>	
	<u>No.</u>	<u>Date</u>	<u>Value</u>	<u>Goods/</u> <u>Services</u> <u>(G/S)</u>	<u>HSN/</u> <u>SAC</u>	<u>UQC</u>	<u>QTY</u>	<u>No.</u>	<u>Date</u>	<u>Port</u> <u>Code</u>	<u>Rate</u>	<u>Taxable</u> <u>value</u>	<u>Amt.</u>	<u>Ref No.</u>	<u>Date</u>	<u>No.</u>	<u>Date</u>
<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>10A</u>	<u>10B</u>	<u>10C</u>	<u>10D</u>	<u>5</u>	<u>6</u>	<u>10E</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10F</u>	<u>10G</u>	<u>10H</u>	<u>10I</u>
<u>6A. Exports</u>																	

(\* Shipping Bill and EGM are mandatory; – in case of goods;

BRC/ FIRC details are mandatory– in case of Services)

#### Statement 4

#### By Supplier to SEZ/ SEZ developer

Refund Type:

On account of supplies made to SEZ unit/ SEZ Developer or Recipient of Deemed Exports

#### GSTR- 1: Table 6B and Table 9

1. Column 1- 9: The statement gets auto populated from the corresponding return.
2. 10A, 10B, 10C, 10D: The amended value as well as debit/ credit notes data shall be auto populated as per Returns data of the selected month and further Returns: Table-9.

<u>GSTIN of recipient</u>	<u>Invoice details</u>			<u>Shipping bill/ Bill of export</u>		<u>Integrated Tax</u>			<u>Amended Value (Integrated Tax) (If Any)</u>	<u>Debit Note Integrated Tax / Amended (If any)</u>	<u>Credit Note Integrated Tax / Amended (If any)</u>	<u>Net Integrated Tax = (10A/ 9) + 10B – 10C</u>
	<u>No.</u>	<u>Date</u>	<u>Value</u>	<u>No</u>	<u>Date</u>	<u>Rate</u>	<u>Taxable Value</u>	<u>Amt.</u>	<u>Amt.</u>	<u>Amt.</u>	<u>Amt.</u>	<u>Amt.</u>
1	2	3	4	5	6	7	8	9	10A	10B	10C	10D
<u>6B: Supplies made to SEZ/ SEZ developer</u>												

#### GSTR- 5: Table 5 and Table 8

1. In case of Refund of supplies to SEZ/ SEZ Developer by Non- Resident Tax Payer, the data shall be auto- populated from the corresponding GSTR- 5.
2. Column 1- 11: The statement gets auto populated from the corresponding return.
3. 12A, 12B, 12C, 12D: The amended value as well as debit/ credit notes data shall be auto populated as per Returns data of the selected month and further Return: Table-8.

<u>GSTIN/ UIN</u>	<u>Invoice details</u>			<u>Rate</u>	<u>Taxable value</u>	<u>Amount</u>				<u>Place of Supply (Name of State)</u>	<u>Amended Value (Integrated Tax) (If Any)</u>	<u>Debit Note Integrated Tax / Amended (If any)</u>	<u>Credit Note Integrated Tax / Amended (If any)</u>	<u>Net Integrated Tax = (12A/ 7) + 12B – 12C</u>
	<u>No.</u>	<u>Date</u>	<u>Value</u>			<u>Integrated Tax</u>	<u>Central Tax</u>	<u>State / UT Tax</u>	<u>Cess</u>		<u>(If Any)</u>	<u>(If any)</u>	<u>(If any)</u>	<u>12D</u>
1	2	3	4	5	6	7	8	9	10	11	12A	12B	12C	12D

## Statement 5

**By supplier to SEZ/ SEZ developer (for Refund of accumulated ITC) or**

**By Recipient of Deemed exports**

### GSTR-2 Table 3 and Table 6

1. Column 1- 16: The statement gets auto populated from the corresponding return.
2. 17A, 17B, 17C, 17D: The amended value as well as debit/ credit notes data shall be auto populated as per Returns data of the selected month and further Returns: Table-6.

GSTIN of supplier	Invoice details			Rate	Taxable value	Amount of Tax				Place of supply (Name of State)	Whether input or input service/ Capital goods (incl plant and machinery)/ Ineligible for ITC	Amount of ITC available				Amended Value (ITC Tax ) (If Any)	Debit Note ITC Tax / Amended (If any)	Credit Note ITC Tax / Amended (If any)	Net ITC Integrated Tax = (17A/ 7 )+ 17B – 17C
	No	Date	Value			Integrated tax	Central Tax	State/ UT Tax	CESS			Integrated Tax	Central Tax	State/ UT Tax	Cess				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17A	17B	17C	17D



**Statement 6:**

Refund Type: Tax paid on an intra-State supply which is subsequently held to be inter-State supply and vice versa

**Order Details (issued in pursuance of Section 77 (1) and (2)):**

**Order No:**      **Order Date:**

GSTIN/ UIN  Name  (in case B2C)	<u>Details of invoice covering transaction considered as intra – State / inter-State transaction earlier</u>									<u>Transaction which were held inter State / intra-State supply subsequently</u>				
	<u>Invoice details</u>				<u>Integrated Tax</u>	<u>Central Tax</u>	<u>State Tax</u>	<u>Cess</u>	<u>Place of Supply (only if different from the location of</u>	<u>Integrated Tax</u>	<u>Central Tax</u>	<u>State Tax</u>	<u>Cess</u>	<u>Place of Supply (only if different from the location of</u>
	<u>No.</u>	<u>Date</u>	<u>Value</u>	<u>Taxable Value</u>	<u>Amt</u>	<u>Amt</u>	<u>Amt</u>	<u>Amt</u>	<u>different from the location of</u>	<u>Amt</u>	<u>Amt</u>	<u>Amt</u>	<u>Amt</u>	<u>different from the location of</u>
<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>10</u>	<u>11</u>	<u>12</u>	<u>13</u>	<u>14</u>	<u>15</u>	<u>16</u>

**Statement 7:**

Refund Type: Excess payment of tax, if any in case of Terminal Return filed.

Refund on account excess payment of tax

(In case of taxpayer who filed last return GSTR-3 table 12)

<u>Sr. No.</u>	<u>Tax period</u>	<u>Reference no. of return</u>	<u>Date of filing return</u>	<u>Tax Payable</u>			
				<u>Integrated Tax</u>	<u>Central Tax</u>	<u>State Tax</u>	<u>Cess</u>
<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>

## **Annexure-2**

### **Certificate**

This is to certify that in respect of the refund amounting to INR << >> ----- (in words) claimed by M/s ----- (Applicant's Name) GSTIN/ Temporary ID----- for the tax period < ---->, the incidence of tax and interest, has not been passed on to any other person. This certificate is based on the examination of the Books of Accounts, and other relevant records and Returns particulars maintained/ furnished by the applicant.

Signature of the Chartered Accountant/ Cost Accountant:

Name:

Membership Number:

Place:

Date:

This Certificate is not required to be furnished by the applicant, claiming refund under clause (a) or clause (b) or clause (c) or clause (d) or clause (f) of sub-section (8) of section 54 of the Act.

**FORM-GST-RFD-02***[See Rule 95(2)]***Acknowledgment**

Your application for refund is hereby acknowledged against <Application Reference Number>

Acknowledgement Number :

Date of Acknowledgement :

GSTIN/ UIN/ Temporary ID, if applicable :

Applicant's Name :

Form No. :

Form Description :

Jurisdiction (*tick appropriate*) :

Centre                      State/                      Union Territory:

Filed by :

Refund Application Details	
Tax Period	
Date and Time of Filing	
Reason for Refund	

Amount of Refund Claimed:

	Tax	Interest	Penalty	Fees	Others	Total
Central Tax						
State Tax						
UT Tax						
Integrated Tax						
Cess						
Total						

*Note 1: The status of the application can be viewed by entering ARN through <Refund> Track Application Status” on the GST System Portal.*

*Note 2: It is a system generated acknowledgement and does not require any signature.*

**FORM-GST-RFD-03***[See Rule 90(3)]***Deficiency Memo**

Reference No. :

Date:

&lt;DD/MM/YYYY&gt;

**To**

\_\_\_\_\_ (GSTIN/ UIN/ Temporary ID)

\_\_\_\_\_ (Name)

\_\_\_\_\_ (Address)

Subject: Refund Application Reference No. (ARN) .....Dated .....<DD/MM/YYYY>.....-  
Reg.

Sir/Madam,

This has reference to your above mentioned application filed under section 54 of the Act. Upon scrutiny of your application, certain deficiencies have been noticed below:

Sr No	Description( select the reason from the drop down of the Refund application)
1.	<MULTI SELECT OPTION>
2.	
	Other <TEXT BOX> { <i>any other reason other than the reason select from the 'reason master'</i> }

You are advised to file a fresh refund application after rectification of above deficiencies

Date:

Signature (DSC):

Place:

Name of Proper Officer:

Designation:

Office Address:

**FORM-GST-RFD-04***[See Rule 91(2)]*

Sanction Order No:

Date:

&lt;DD/MM/YYYY&gt;

**To**

\_\_\_\_\_ (GSTIN)

\_\_\_\_\_ (Name)

\_\_\_\_\_ (Address)

**Provisional Refund Order**

Refund Application Reference No. (ARN) .....Dated .....&lt;DD/MM/YYYY&gt;.....-

Acknowledgement No. ....Dated .....&lt;DD/MM/YYYY&gt;.....

Sir/Madam,

With reference to your above mentioned application for refund, the following amount is sanctioned to you on a provisional basis:

Sr. No	Description	Central Tax	State Tax	UT Tax	Integrated Tax	Cess
i.	Amount of refund claimed					
ii.	10% of the amount claimed as refund (to be sanctioned later)					
iii.	Balance amount (i-ii)					
iv.	Amount of refund sanctioned					
	<b>Bank Details</b>					
v.	Bank Account No. as per application					
vi.	Name of the Bank					
vii.	Address of the Bank /Branch					
viii.	IFSC					
ix.	MICR					

	Description	Integrated Tax						Central Tax						State Tax/						Cess					
		T	I	P	F	O	Total	T	I	P	F	O	Total	T	I	P	F	O	Total	T	I	P	F	O	Total
	Amount of refund claimed																								
	10% of the amount claimed as refund (to be sanctioned later)																								
	Balance amount (i-ii)																								
	Amount of refund sanctioned																								
	Bank Details																								
	Bank Account No. as per application																								
	Name of the Bank																								
	Address of the Bank /Branch																								
	IFSC																								
	MICR																								

Date:

Place:

Signature (DSC):

Name:

Designation:

Office Address:

**FORM-GST-RFD-05***[See Rule 91(3), 92(4), 92(5) & 94]***Payment Advice**

Payment Advice No: -

Date:

&lt;DD/MM/YYYY&gt;

**To <Centre> PAO/ Treasury/ RBI/ Bank**

Refund Sanction Order No. ....

Order Date.....&lt;DD/MM/YYYY&gt;.....

GSTIN/ UIN/ Temporary ID &lt; &gt;

Name: &lt; &gt;

Refund Amount (as per Order):

	Central Tax	State Tax	UT Tax	Integrated Tax	Cess
Net Refund amount sanctioned					
Interest on delayed Refund					
Total					

	Integrated Tax						Central Tax						SGST/ UTGST						Cess					
	T	I	P	F	O	Total	T	I	P	F	O	Total	T	I	P	F	O	Total	T	I	P	F	O	Total
Net Refund amount sanctioned																								
Interest on delayed Refund																								
Total																								

	Details of the Bank	
i.	Bank Account no as per application	
ii.	Name of the Bank	
iii.	Name and Address of the Bank /branch	
iv.	IFSC	
v.	MICR	



Date:

Place:

Signature (DSC):

Name:

Designation:

Office Address:

To

\_\_\_\_\_ (GSTIN/ UIN/ Temporary ID)

\_\_\_\_\_ (Name)

\_\_\_\_\_ (Address)

**FORM-GST-RFD-06***[See Rule 92(1),92(3),92(4),92(5)& 96(7)]*

Order No.:

Date:

&lt;DD/MM/YYYY&gt;

**To**

\_\_\_\_\_ (GSTIN/ UIN/ Temporary ID)

\_\_\_\_\_ (Name)

\_\_\_\_\_ (Address)

Show cause notice No. (If applicable)

Acknowledgement No. ....

Dated

.....&lt;DD/MM/YYYY&gt;

**Refund Sanction/Rejection Order**

Sir/Madam,

This has reference to your above mentioned application for refund filed under section 54 of the Act\*/ interest on refund\*. Upon examination of your application, the amount of refund sanctioned to you, after adjustment of dues (where applicable) is as follows:

*\*Strike out whichever is not applicable*

Sr no	Description	Central Tax	State Tax	UT Tax	Integrated Tax	Cess
i.---	<del>Amount of refund/interest* claimed</del>					
ii.---	<del>Refund sanctioned on provisional basis (Order No....date) (if applicable)</del>					
iii.---	<del>Refund amount inadmissible &lt;&lt;reason dropdown&gt;&gt; &lt;Multiple reasons to be allowed&gt;</del>					
iv.---	<del>Gross amount to be paid (1 2 3)</del>					

v._____	<del>Amount adjusted against outstanding demand (if any) under the existing law or under the Act.</del> <del>Demand Order No..... date....., Act Period</del> <del>&lt;Multiple rows possible add row to be given&gt;</del>					
vi._____	Net amount to be paid					

	Integrated Tax						Central Tax						State GST/ UT GST tax						Cess					
Description	T	I	P	F	O	Total	T	I	P	F	O	Total	T	I	P	F	O	Total	T	I	P	F	O	Total
Amount of refund/interest* claimed																								
Refund sanctioned on provisional basis (Order No....date) (if applicable)																								
Refund amount inadmissible <<reason dropdown>> <Multiple reasons to be allowed>																								
Gross amount to be paid (1-2-3)																								
Amount adjusted against outstanding demand (if any) under the existing law or under the Act. Demand Order No..... date..... Act Period <Multiple rows possible-add row to be given>																								
Net amount to be paid																								

\*Strike out whichever is not applicable

&1. I hereby sanction an amount of INR \_\_\_\_\_ to M/s \_\_\_\_\_ having GSTIN \_\_\_\_\_ under sub-section (5) of section 54) of the Act/under section 56 of the Act@

@Strike out whichever is not applicable

- (a) #and the amount is to be paid to the bank account specified by him in his application/
- (b) the amount is to be adjusted towards recovery of arrears as specified at serial number 5 of the Table above/
- (c) an amount of -----rupees is to be adjusted towards recovery of arrears as specified at serial number 5 of the Table above and the remaining amount of ----rupees is to be paid to the bank account specified by him in his application# . .

#Strike-out whichever is not applicable.

Or

&2. I hereby credit an amount of INR \_\_\_\_\_ to Consumer Welfare Fund under sub-section (...) of Section (...) of the Act. .

&3. I hereby reject an amount of INR \_\_\_\_\_ to M/s \_\_\_\_\_ having GSTIN \_\_\_\_\_ under sub-section (...) of Section (...) of the Act.

*&Strike-out whichever is not applicable*

I further order for payment of interest to applicant under section 56 of Central Tax act till the date of refund of amount.

Date:

Place:

Signature (DSC):

Name:

Designation:

Office Address:

**FORM-GST-RFD-07***[See Rule 92(1), 92(2) & 96(6)]*

Reference No.

Date:

&lt;DD/MM/YYYY&gt;

**To**

\_\_\_\_\_ (GSTIN/UIN/Temp.ID No.)

\_\_\_\_\_ (Name)

\_\_\_\_\_ (Address)

Acknowledgement No. ....

Dated

.....&lt;DD/MM/YYYY&gt;.....

**Order for Complete adjustment of sanctioned Refund****Part- A**

Sir/Madam,

With reference to your refund application as referred above and further furnishing of information/ filing of documents against the amount of refund sanctioned to you has been completely adjusted against outstanding demands as per details below:

	<b>Refund Calculation</b>	<b>Integrated Tax</b>	<b>Central Tax</b>	<b>State Tax</b>	<b>UT Tax</b>	<b>Cess</b>
i.	Amount of Refund claimed					
ii.	Net Refund Sanctioned on Provisional Basis (Order No...date)					
iii.	Refund amount inadmissible rejected <<reason dropdown>>					
iv.	Refund admissible (i-ii-iii)					
v.	Refund adjusted against outstanding demand (as per order no.) under existing law or under this law. . Demand Order No..... date..... <Multiple rows may be given>					
vi.	Balance amount of refund	Nil	Nil			Nil

I hereby, order that the amount of claimed / admissible refund as shown above is completely adjusted against the outstanding demand under this Act / under the existing law. This application stands disposed as per provisions under sub-section (...) of Section (...) of the Act.

**OR**

**Part-B**

**Order for withholding the refund**

With reference to your refund application as referred above and further furnishing of information/ filing of documents against the amount of refund sanctioned to you has been withheld against following reasons as per details below:

Refund Order No.:						
Date of issuance of Order:						
	<b>Refund Calculation</b>	Integrated Tax	Central Tax	State Tax	UT Tax	Cess
i.	Amount of Refund Sanctioned					
ii.	Amount of Refund With held					
iii.	Amount of Refund Allowed					

Reasons for withholding of the refund:

<<Text>>
----------

I hereby, order that the amount of claimed / admissible refund as shown above is withheld for the above mention reason. This order is issued as per provisions under sub-section (...) of Section (...) of the Act.

Date:

Place:

Signature (DSC):

Name:

Designation:

Office Address:

**FORM-GST-RFD-08***[See Rule 92(3)]***Notice for rejection of application for refund**

SCN No.:

Date:

&lt;DD/MM/YYYY&gt;

**To**

\_\_\_\_\_ (GSTIN/ UIN/ Temporary ID)

\_\_\_\_\_ (Name)

\_\_\_\_\_ (Address)

ACKNOWLEDGEMENT No.....

ARN.....

Dated .....&lt;DD/MM/YYYY&gt;.....

This has reference to your above mentioned application for refund, filed under section 54 of the Act. On examination, it appears that refund application is liable to be rejected on account of the following reasons:

Sr No	Description (select the reasons of inadmissibility of refund from the drop down)	Amount Inadmissible
i.		
ii		
iii	Other{ <i>any other reason other than the reasons mentioned in 'reason master'</i> }	

You are hereby called upon to show cause as to why your refund claim, to the extent of the amount specified above, should not be rejected for reasons stated above.

☐ You are hereby directed to furnish a reply to this notice within fifteen days from the date of service of this notice.

☐ You are also directed to appear before the undersigned on DD/MM/YYYY at HH/MM.

If you fail to furnish a reply within the stipulated date or fail to appear for personal hearing on the appointed date and time, the case will be decided ex parte on the basis of available records and on merits.

Date:

Signature (DSC):

Place:

Name:

Designation:

Office Address:

**FORM-GST-RFD-09***[See Rule 92(3)]***Reply to show cause notice**

Date:

&lt;DD/MM/YYYY&gt;

1.	Reference No. of Notice		Date of issue	
2.	GSTIN / UIN			
3.	Name of business (Legal)			
4.	Trade name, if any			
5.	Reply to the notice			
6.	List of documents uploaded			
7.	<p>Verification</p> <p>I _____ hereby solemnly affirm and declare that the information given hereinabove is true and correct to the best of my knowledge and belief and nothing has been concealed therefrom.</p> <p style="text-align: right;">Signature of Authorised Signatory</p> <p style="text-align: right;">Name</p> <p style="text-align: right;">Designation/Status</p> <p>Place</p> <p>Date --- DD/MM/YYYY</p>			

Place

Signature of Authorised Signatory

Date

(Name)

Designation/ Status



## FORM GST RFD-10

[See Rule 95(1)]

### Application for Refund by any specialized agency of UN or any Multilateral Financial Institution and Organization, Consulate or Embassy of foreign countries, etc.

1. UIN :
2. Name :
3. Address :
4. Tax Period (Quarter) : From <DD/MM/YY> To <DD/MM/YY>
5. Amount of Refund Claim : <INR> <In Words>

	Amount
Central Tax	
State Tax	
UT Tax	
Integrated Tax	
Cess	
Total	

6. Details of Bank Account:
  - a. Bank Account Number
  - b. Bank Account Type
  - c. Name of the Bank
  - d. Name of the Account Holder/Operator
  - e. Address of Bank Branch
  - f. IFSC
  - g. MICR
7. Reference number and date of furnishing **FORM GSTR-11**
8. Verification

I \_\_\_\_\_ as an authorised representative of << Name of Embassy/international organization >> hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my knowledge and belief and nothing has been concealed therefrom.

That we are eligible to claim such refund as specified agency of UNO/Multilateral Financial Institution and Organization, Consulate or Embassy of foreign countries/ any other person/ class of persons specified/ notified by the Government.

Date:

Place:

Signature of Authorised Signatory:

Name:

Designation / Status:

**FORM GST RFD-11***[See rule ----]***Furnishing of bond or Letter of Undertaking for export of goods or services**

1. GSTIN				
2. Name				
3. Indicate the type of document furnished		Bond: <input type="checkbox"/> Letter of Undertaking <input type="checkbox"/>		
4. Details of bond furnished				
Sr. No.	Reference no. of the bank guarantee	Date	Amount	Name of bank and branch
1	2	3	4	5

Note – Hard copy of the bank guarantee and bond shall be furnished to the jurisdictional officer.

**5. Declaration -**

- (i) The above-mentioned bank guarantee is submitted to secure the integrated tax payable on export of goods or services.
- (ii) I undertake to renew the bank guarantee well before its expiry. In case I/We fail to do so the department will be at liberty to get the payment from the bank against the bank guarantee.
- (iii) The department will be at liberty to invoke the bank guarantee provided by us to cover the amount of integrated tax payable in respect of export of goods or services.

Signature of Authorized

Signatory

Name

Designation / Status -----

Date -----

**Bond for export of goods or services without payment of integrated tax**  
(See rule 96)

I/We.....of.....,hereinafter called "obligor(s)", am/are held and firmly bound to the President of India (hereinafter called "the President") in the sum of.....rupees to be paid to the President for which payment will and truly to be made.

I/We jointly and severally bind myself/ourselves and my/our respective heirs/ executors/ administrators/ legal representatives/successors and assigns by these presents; Dated this.....day of.....;

WHEREAS the above bounden obligor has been permitted from time to time to supply goods or services for export out of India without payment of integrated tax;  
and whereas the obligor desires to export goods or services in accordance with the provisions of clause (a) of sub-section (3) of section 16;

AND WHEREAS the Commissioner has required the obligor to furnish bank guarantee for an amount of..... rupees endorsed in favour of the President and whereas the obligor has furnished such guarantee by depositing with the Commissioner the bank guarantee as afore mentioned;  
The condition of this bond is that the obligor and his representative observe all the provisions of the Act in respect of export of goods or services, and rules made thereunder;

AND if the relevant and specific goods or services are duly exported;  
AND if all dues of Integrated tax and all other lawful charges, are duly paid to the Government along with interest, if any, within fifteen days of the date of demand thereof being made in writing by the said officer, this obligation shall be void;

OTHERWISE and on breach or failure in the performance of any part of this condition, the same shall be in full force and virtue:

AND the President shall, at his option, be competent to make good all the loss and damages, from the amount of bank guarantee or by endorsing his rights under the above-written bond or both;

I/We further declare that this bond is given under the orders of the Government for the performance of an act in which the public are interested;

IN THE WITNESS THEREOF these presents have been signed the day hereinbefore written by the obligor(s).

Signature(s) of obligor(s).

Date :

Place :

Witnesses

(1) Name and Address

Occupation

(2) Name and Address

Occupation

Accepted by me this.....day of ..... (month).....  
(year)

.....of .....

(Designation)

for and on behalf of the President of India."

## Letter of Undertaking for export of goods or services without payment of integrated tax

(See rule 96)

To

The President of India (hereinafter called the "President"), acting through the proper officer

I/We ..... of..... (address of the registered person)  
having Goods & Services Tax Identification Number  
No....., hereinafter called "the undertaker(s) including  
my/our respective heirs, executors/ administrators, legal representatives/successors and assigns  
by these presents, hereby jointly and severally undertake on this ..... day of  
..... to the President

(a) to export the goods or services supplied without payment of integrated tax within time  
specified in sub-rule (9) of rule 96 ;

(b) to observe all the provisions of the Goods and Services Tax Act and rules made thereunder,  
in respect of export of goods or services;

(c) pay the integrated tax, thereon in the event of failure to export the goods or services, along  
with an amount equal to eighteen percent interest per annum on the amount of tax not paid,  
from the date of invoice till the date of payment.

I/We declare that this undertaking is given under the orders of the proper officer for the  
performance of enacts in which the public are interested.

IN THE WITNESS THEREOF these presents have been signed the day hereinbefore written  
by the undertaker(s)

Signature(s) of undertaker(s).

Date :

Place :

Witnesses

(1) Name and Address

Occupation

(2) Name and Address

Occupation

Date

Place

Accepted by me this.....day of ..... (month).....  
(year) .....of  
..... (Designation)  
for and on behalf of the President of India

iv. **Rules & Forms for Demand and Recovery**

**CHAPTER -  
DEMANDS AND RECOVERY**

**1. Notice and order for demand of amounts payable under the Act**

(1) The proper officer shall serve, along with the

(a) notice under sub-section (1) of section 73 or sub-section (1) of section 74 or sub-section (2) of section 76, a summary thereof electronically in **FORM GST DRC-01** or, as the case may be,

(b) statement under sub-section (3) of section 73 or sub-section (3) of section 74, a summary thereof electronically in **FORM GST DRC-02**,

specifying therein the details of the amount payable.

(2) Where, before the service of notice or statement under sub-rule (1), the person chargeable with tax makes payment of the tax and interest in accordance with the provisions of sub-section (5) of section 73 or, as the case may be, tax, interest and penalty in accordance with the provisions of sub-section (5) of section 74, he shall inform the proper officer of such payment in **FORM GST DRC-03** and the proper officer shall issue an acknowledgement, accepting the payment made by the said person, in **FORM GST DRC-04**.

(3) Where the person chargeable with tax makes payment of tax and interest under sub-section (8) of section 73 or, as the case may be, tax, interest and penalty under sub-section (8) of section 74 within thirty days of the service of a notice under sub-rule (1), he shall intimate the proper officer of such payment in **FORM GST DRC-03** and the proper officer shall issue an order in **FORM GST DRC-05** concluding the proceedings in respect of the said notice.

(4) The representation referred to in sub-section (9) of section 73 or sub-section (9) of section 74 or sub-section (3) of section 76 shall be in **FORM GST DRC-06**.

(5) A summary of the order issued under sub-section (9) of section 73 or sub-section (9) of section 74 or sub-section (3) of section 76 shall be uploaded electronically in **FORM GST DRC-07**, specifying therein the amount of tax, interest and penalty payable by the person chargeable with tax.

(6) The order referred to in sub-rule (5) shall be treated as the notice for recovery.

(7) Any rectification of order, in accordance with the provisions of section 161, shall be made by the proper officer in **FORM GST DRC-08**.

**2. Recovery by deduction from any money owed**

Where any amount payable by a person (hereafter in these rules referred to as “the defaulter”) to the Government under any of the provisions of the Act or the rules made thereunder is not paid, the proper officer may require, in **FORM GST DRC-09**, a specified officer to deduct the amount from any money owing to such defaulter in accordance with the provisions of clause (a) of sub-section (1) of section 79.

*Explanation.-* For the purposes of these rules, “specified officer” shall mean any officer of the Central Government or a State Government or the Government of a Union territory or a local authority, or of a

Board or Corporation or a company owned or controlled, wholly or partly, by the Central Government or a State Government or the Government of a Union territory or a local authority.

### **3. Recovery by sale of goods under the control of proper officer**

(1) Where any amount due from a defaulter is to be recovered by selling goods belonging to such person in accordance with the provisions of clause (b) of sub-section (1) of section 79, the officer shall prepare an inventory and estimate the market value of such goods and proceed to sell only so much of the goods as may be required for recovering the amount payable along with the administrative expenditure incurred on the recovery process.

(2) The said goods shall be sold through a process of auction, including e-auction, for which a notice shall be issued in **FORM GST DRC-10** clearly indicating the goods to be sold and the purpose of sale.

(3) The last day for submission of bid or the date of auction shall not be earlier than fifteen days from the date of issue of notice referred to in sub-rule (2):

Provided that where the goods are of perishable or hazardous nature or where the expenses of keeping them in custody are likely to exceed their value, the officer may sell them forthwith.

(4) The proper officer may specify the amount of pre-bid deposit to be furnished in the manner specified by such officer, to make the bidders eligible to participate in the auction, which may be returned to the unsuccessful bidders or, as the case may be, forfeited in case the successful bidder fails to make the payment of the full amount.

(5) The officer shall issue a notice to the successful bidder in **FORM GST DRC-11** requiring him to make the payment within a period of fifteen days from the date of auction and on payment of the full bid amount, he shall transfer the possession of the said goods to the successful bidder and issue a certificate in **FORM GST DRC-12**.

(6) Where the defaulter pays the amount under recovery, including any expenses incurred on the process of recovery, before the issue of notice under sub-rule (2), the proper officer shall cancel the process of auction and release the goods.

(7) Where there are no bids received or the auction is considered to be non-competitive due to lack of adequate participation or due to low bids, the officer shall cancel the process and proceed for re-auction.

### **4. Recovery from a third person**

(1) The proper officer may serve upon a person referred to in clause (c) of sub-section (1) of section 79 (hereafter referred to in this rule as “the third person”) a notice in **FORM GST DRC-13** directing him to deposit the amount specified in the notice.

(2) Where the third person makes payment of the amount specified in the notice issued under sub-rule (1), the proper officer shall issue a certificate in **FORM GST DRC-14** to the said person clearly indicating the details of the liability so discharged.

### **5. Recovery through execution of a decree, etc.**

Where any amount is payable to the defaulter in execution of a decree of a civil court for the payment of money or for sale in enforcement of a mortgage or charge, the proper officer shall send a request in **FORM GST DRC- 15** to the said court and the court shall, subject to the provisions of the Code of



Civil Procedure, 1908 (5 of 1908), execute the attached decree, and credit the net proceeds for settlement of the amount recoverable.

#### **6. Recovery by sale of movable or immovable property**

(1) The proper officer shall prepare a list of movable and immovable property belonging to the defaulter, estimate their value as per the prevalent market price and issue an order of attachment or distraint and a notice for sale in **FORM GST DRC- 16** prohibiting any transaction with regard to such movable and immovable property as may be required for recovery of the amount due:

Provided that attachment of any property in a debt not secured by a negotiable instrument, a share in a corporation, or other movable property not in the possession of the defaulter except for property deposited in, or in the custody of, any Court, shall be attached in the manner provided in rule 10.

(2) The proper officer shall send a copy of the order of attachment or distraint to the concerned Revenue Authority or Transport Authority or any such Authority to place encumbrance on the said movable or immovable property, which shall be removed only on the written instructions from the proper officer to that effect.

(3) Where the property subject to attachment or distraint under sub-rule (1) is-

(a) an immovable property, the order of attachment or distraint shall be affixed on the said property and shall remain affixed till the confirmation of sale;

(b) a movable property, the proper officer shall seize the said property as if such seizure is required under chapter XIV of the Act and all provisions of the said chapter shall apply and the custody of said property shall either be taken by the proper officer himself or an officer authorised by him.

(4) The property attached or distrained shall be sold through auction, including e-auction for which a notice shall be issued in **FORM GST DRC- 17** clearly indicating the property to be sold and the purpose of sale.

(5) Notwithstanding anything contained in these rules, where the property to be sold is a negotiable instrument or a share in a corporation, the proper officer may, instead of selling it by public auction, sell such instrument or share through a broker and the said broker shall deposit to the Government so much of the proceeds of such sale, reduced by his commission, as may be required for discharge of the amount under recovery and pay the amount remaining, if any, to the owner of such instrument or share.

(6) The proper officer may specify the amount of pre-bid deposit to be furnished in the manner specified by such officer, to make the bidders eligible to participate in the auction, which may be returned to the unsuccessful bidders or, as the case may be, forfeited in case the successful bidder fails to make the payment of the full amount.

(7) The last day for submission of bid or the date of auction shall not be earlier than fifteen days from the date of issue of notice referred to in sub-rule (4):

Provided that where the goods are of perishable or hazardous nature or where the expenses of keeping them in custody are likely to exceed their value, the officer may sell them forthwith.

(8) Where any claim is preferred or any objection is raised with regard to the attachment or distraint of any property on the ground that such property is not liable to such attachment or distraint, the proper

officer shall investigate the claim or objection and may postpone the sale for such time as he may deem fit.

(9) The person making the claim or objection must adduce evidence to show that on the date of the order issued under sub-rule (1) he had some interest in, or was in possession of, the property in question under attachment or distraint.

(10) Where, upon investigation, the proper officer is satisfied that, for the reason stated in the claim or objection, such property was not, on the said date, in the possession of the defaulter or of any other person on his behalf or that, being in the possession of the defaulter on the said date, it was in his possession, not on his own account or as his own property, but on account of or in trust for any other person, or partly on his own account and partly on account of some other person, the proper officer shall make an order releasing the property, wholly or to such extent as he thinks fit, from attachment or distraint.

(11) Where the proper officer is satisfied that the property was, on the said date, in the possession of the defaulter as his own property and not on account of any other person, or was in the possession of some other person in trust for him, or in the occupancy of a tenant or other person paying rent to him, the proper officer shall reject the claim and proceed with the process of sale through auction.

(12) The proper officer shall issue a notice to the successful bidder in **FORM GST DRC-11** requiring him to make the payment within a period of fifteen days from the date of such notice and after the said payment is made, he shall issue a certificate in **FORM GST DRC-12** specifying the details of the property, date of transfer, the details of the bidder and the amount paid and upon issuance of such certificate, the rights, title and interest in the property shall be deemed to be transferred to such bidder:

**Provided** that where the highest bid is made by more than one person and one of them is a co-owner of the property, he shall be deemed to be the successful bidder.

(13) Any amount, including stamp duty, tax or fee payable in respect of the transfer of the property specified in sub-rule (12) shall be paid to the Government by the person to whom the title in such property is transferred.

(14) Where the defaulter pays the amount under recovery, including any expenses incurred on the process of recovery, before the issue of notice under sub-rule (4), the proper officer shall cancel the process of auction and release the goods.

(15) Where there are no bids received or the auction is considered to be non-competitive due to lack of adequate participation or due to low bids, the officer shall cancel the process and proceed for re-auction.

#### **7. Prohibition against bidding or purchase by officer**

No officer or other person having any duty to perform in connection with any sale under these rules shall, either directly or indirectly, bid for, acquire or attempt to acquire any interest in the property sold.

#### **8. Prohibition against sale on holidays**

No sale under these rules shall take place on a Sunday or other general holidays recognized by the Government or on any day which has been notified by the Government to be a holiday for the area in which the sale is to take place.

## **9. Assistance by police**

The proper officer may seek such assistance from the officer-in-charge of the jurisdictional police station as may be necessary in the discharge of his duties and the said officer-in-charge shall depute sufficient number of police officers for providing such assistance.

## **10. Attachment of debts and shares, etc.**

(1) A debt not secured by a negotiable instrument, a share in a corporation, or other movable property not in the possession of the defaulter except for property deposited in, or in the custody of any Court shall be attached by a written order in **FORM GST DRC- 16** prohibiting:-

(a) in the case of a debt, the creditor from recovering the debt and the debtor from making payment thereof until receipt of a further order from the proper officer;

(b) in the case of a share, the person in whose name the share may be standing from transferring the same or receiving any dividend thereon;

(c) in the case of any other movable property, the person in possession of the same from giving it to the defaulter.

(2) A copy of such order shall be affixed on some conspicuous part of the office of the proper officer, and another copy shall be sent, in the case of debt, to the debtor, and in the case of shares, to the registered address of the corporation and in the case of other movable property, to the person in possession of the same.

(3) A debtor, prohibited under clause (a) of sub-rule (1), may pay the amount of his debt to the proper officer, and such payment shall be deemed as paid to the defaulter.

## **11. Attachment of property in custody of courts or Public Officer**

Where the property to be attached is in the custody of any court or Public Officer, the proper officer shall send the order of attachment to such court or officer, requesting that such property, and any interest or dividend becoming payable thereon, may be held till the recovery of the amount payable.

## **12. Attachment of interest in partnership**

(1) Where the property to be attached consists of an interest of the defaulter being a partner in the partnership property, the proper officer may make an order charging the share of such partner in the partnership property and profits with such payment of the amount due under the certificate, and may, by the same or subsequent order, appoint a receiver of the share of such partner in the profits, whether already declared or accruing, and of any other money which may become due to him in respect of the partnership, direct accounts and enquiries and make an order for the sale of such interest or such other order as the circumstances of the case may require.

(2) The other partners shall be at liberty at any time to redeem the interest charged or, in the case of a sale being directed, to purchase the same.

## **13. Disposal of proceeds of sale of goods and movable or immovable property**

The amounts so realised from sale of goods, movable or immovable property, for recovery of dues from a defaulter shall,-

(a) first, be appropriated against the administrative cost of recovery process;

- (b) next, be appropriated against the amount to be recovered;
- (c) next, be appropriated against any other amount due from the defaulter under the Act or the *State Goods and Services Act and the Union Territory/Central Goods and Services Act* or the Integrated Goods and Services Act and the rules made thereunder; and
- (d) any balance, be paid to the defaulter.

#### **14. Recovery through land revenue authority**

Where an amount is to be recovered in accordance with the provisions of clause (e) of sub-section (1) of section 79, the proper officer shall send a certificate to the Collector or Deputy Commissioner of the district or any other officer authorized in this behalf in **FORM GST DRC- 18** to recover from the person concerned the amount specified in the certificate as if it were an arrear of land revenue.

#### **15. Recovery through court**

Where an amount is to be recovered as if it were a fine imposed under the Code of Criminal Procedure 1973, the proper officer shall make an application before the appropriate Magistrate in accordance with the provisions of clause (f) of sub-section (1) of section 79 in **FORM GST DRC- 19** to recover from the person concerned the amount specified thereunder as if it were a fine imposed by him.

#### **16. Recovery from surety**

Where any person has become surety for the amount due by the defaulter, he may be proceeded against under this chapter as if he were the defaulter.

#### **17. Payment of tax and other amounts in instalments**

(1) On an application filed electronically by a taxable person, seeking extension of time for payment of taxes or any amount due under the Act or for allowing payment of such taxes or amount in instalments in accordance with the provisions of section 80, in **FORM GST DRC- 20**, the Commissioner shall call for a report from the jurisdictional officer about the financial ability of the taxable person to pay the said amount.

(2) Upon consideration of request of the taxable person and the report of the jurisdictional officer, the Commissioner may issue an order in **FORM GST DRC- 21** allowing the taxable person further time to make payment and/or to pay the amount in such monthly instalments, not exceeding twenty-four, as he may deem fit.

(3) The facility referred to in sub-rule (2) shall not be allowed where-

- (a) the taxable person has already defaulted on payment of any amount under the Act or the *State/Central Goods and Services Act or Union Territory/Central Goods and Services Act* or the Integrated Goods and Services Act for which the recovery process is on;
- (b) the taxable person has not been allowed to make payment in instalments in the preceding financial year under the Act or under the *State Goods and Services Act or Union Territory/Central Goods and Services Act*;
- (c) the amount for which instalment facility is sought is less than twenty-five thousand rupees.

## **18. Provisional attachment of property**

- (1) Where the Commissioner decides to attach any property, including bank account in accordance with the provisions of section 83, he shall pass an order in **FORM GST DRC-22** to that effect mentioning therein the details of property which is attached.
- (2) The Commissioner shall send a copy of the order of attachment to the concerned Revenue Authority or Transport Authority or any such Authority to place encumbrance on the said movable or immovable property, which shall be removed only on the written instructions from the Commissioner to that effect.
- (3) Where the property attached is of perishable or hazardous nature, and if the taxable person pays an amount equivalent to the market price of such property or the amount that is or may become payable by the taxable person, whichever is lower, then such property shall be released forthwith, by an order in **FORM GST DRC-23**, on proof of payment.
- (4) Where the taxable person fails to pay the amount referred to in sub-rule (3) in respect of the said property of perishable or hazardous nature, the Commissioner may dispose of such property and the amount realized thereby shall be adjusted against the tax, interest, penalty, fee or any other amount payable by the taxable person.
- (5) Any person whose property is attached may, within seven days of the attachment under sub-rule (1), file an objection to the effect that the property attached was or is not liable to attachment, and the Commissioner may, after affording an opportunity of being heard to the person filing the objection, release the said property by an order in **FORM GST DRC-23**.
- (6) The Commissioner may, upon being satisfied that the property was, or is no longer liable for attachment, release such property by issue of an order in **FORM GST DRC-23**.

## **19. Recovery from company in liquidation**

Where the company is under liquidation as specified in section 88, the Commissioner shall notify the liquidator for recovery of any amount representing tax, interest, penalty or any other amount due under the Act in **FORM GST DRC-24**.

## **20. Continuation of certain recovery proceedings**

The order for reduction or enhancement of any demand under section 84 shall be issued in **FORM GST DRC-25**.

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**DRAFT**

**GOODS AND SERVICES TAX RULES, 2017**

**DEMAND AND RECOVERY FORMS**

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**FORM GST DRC - 01**  
*[See rule ----]*

Reference No:

Date:

To

\_\_\_\_\_ GSTIN/ID  
----- Name  
\_\_\_\_\_ Address

Tax Period -----

F.Y. -----

Act -

Section / sub-section under which SCN is being issued -

SCN Reference No. ----

Date ----

**Summary of Show Cause Notice**

(a) Brief facts of the case

(b) Grounds

(c) Tax and other dues

(Amount in Rs.)

Sr. No.	Tax Period	Act	Place of supply (name of State)	Tax / Cess	Others	Total
1	2	3	4	5	6	7
Total						

**FORM GST DRC -02***[See rule ----]*

Reference No:

Date:

To

\_\_\_\_\_ GSTIN/ID  
----- Name  
\_\_\_\_\_ Address

SCN Ref. No. -----

Date –

Statement Ref. No. ----

Date -

Section /sub-section under which statement is being issued -

**Summary of Statement**

(a) Brief facts of the case

(b) Grounds

(c) Tax and other dues

(Amount in Rs.)

Sr. No.	Tax Period	Act	Place of supply (name of State)	Tax/ Cess	Others	Total
1	2	3	4	5	6	7
Total						

**FORM GST DRC- 03***[See rule ----]***Intimation of payment made voluntarily or made against the show cause notice (SCN) or statement**

1.	GSTIN									
2.	Name									
3.	Cause of payment		<< drop down>>  Audit, investigation, voluntary, SCN, others (specify)							
4.	Section under which voluntary payment is made		<< drop down>>							
5.	Details of show cause notice, if payment is made within 30 days of its issue		Reference No.				Date of issue			
6.	Financial Year									
7.	Details of payment made including interest and penalty, if applicable  <div style="text-align: right;">(Amount in Rs.)</div>									
Sr. No.	Tax Period	Act	Place of supply (POS)	Tax/ Cess	Interest	Penalty, if applicable	Total	Ledger utilised (Cash / Credit)	Debit entry no.	Date of debit entry
1	2	3	4	5	6	7	8	9	10	11

8. Reasons, if any - &lt;&lt; Text box&gt;&gt;

9. Verification-

I hereby solemnly affirm and declare that the information given hereinabove is true and correct to the best of my knowledge and belief and nothing has been concealed therefrom.

Signature of Authorized Signatory

Name \_\_\_\_\_

Designation / Status -----

Date –



**FORM GST DRC – 04**

*[See rule ----]*

Reference No:

Date:

To

\_\_\_\_\_ GSTIN/ID  
----- Name  
\_\_\_\_\_ Address

Tax Period -----  
ARN -

F.Y. -----  
Date -

**Acknowledgement of acceptance of payment made voluntarily**

The payment made by you vide application referred to above is hereby acknowledged to the extent of the amount paid and for the reasons stated therein.

Signature  
Name  
Designation

Copy to -

**FORM GST DRC- 05**

*[See rule ----]*

Reference No:

Date:

To

\_\_\_\_\_ GSTIN/ID  
----- Name  
\_\_\_\_\_ Address

Tax Period -----

SCN -

ARN -

F.Y. -----

Date -

Date -

**Intimation of conclusion of proceedings**

This has reference to the show cause notice referred to above. As you have paid the amount of tax and other dues mentioned in the notice along with applicable interest and penalty in accordance with the provisions of section ---- , the proceedings initiated vide the said notice are hereby concluded.

Signature

Name

Designation

Copy to - —

**FORM GST DRC - 06***[See rule ----]***Reply to the Show Cause Notice**

1. GSTIN		
2. Name		
3. Details of Show Cause Notice	Reference No.	Date of issue
4. Financial Year		
5. Reply		
<< Text box >>		
6. Documents uploaded		
<< List of documents >>		
7. Option for personal hearing	<input type="checkbox"/> Yes	<input type="checkbox"/> No

**8. Verification-**

I hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my knowledge and belief and nothing has been concealed therefrom.

Signature of Authorized Signatory

Name \_\_\_\_\_

Designation / Status -----

Date –

**FORM GST DRC - 07**  
*[See rule ----]*  
**Summary of the order**

1. Details of order –  
 (a) Order no. (b) Order date (c) Tax period -

2. Issues involved – << drop down>>  
 classification, valuation, rate of tax, suppression of  
 turnover, excess ITC claimed, excess refund released,  
 place of supply, others (specify)

3. Description of goods / services -

Sr. No.	HSN	Description

4. Details of demand

(Amount in

Rs.)

Sr. No.	Tax rate	Turnover	Place of supply	Act	Tax/ Cess	Interest	Penalty
1	2	3	4	5	6	7	8

5. Amount deposited

Sr. No.	Tax Period	Act	Tax/ Cess	Interest	Penalty	Others	Total
1	2	3	4	5	6	7	7
Total							

Signature  
 Name  
 Designation

Copy to - –

**FORM GST DRC - 08***[See rule ----]*

Reference No.:

Date:

**Rectification of Order**

Preamble - &lt;&lt; Standard &gt;&gt; (Applicable for orders only)

<b>Particulars of original order</b>			
Tax period, if any			
Section under which order is passed			
Order no.		Date of issue	
Provision assessment order no., if any		Order date	
ARN, if applied for rectification		Date of ARN	

☐ Your application for rectification of the order referred to above has been found to be satisfactory;

☐ It has come to my notice that the above said order requires rectification;

☐ Reason for rectification -

&lt;&lt; text box &gt;&gt;

Details of demand, if any, after rectification

(Amount in

Rs.)

Sr. No.	Tax rate	Turnover	Place of supply	Act	Tax/ Cess	Interest	Penalty
1	2	3	4	5	6	7	8

The aforesaid order is rectified in exercise of the powers conferred under section 161 as under:

&lt;&lt; text &gt;&gt;

To

\_\_\_\_\_ (GSTIN/ID)

-----Name

\_\_\_\_\_ (Address )

Copy to -

**FORM GST DRC – 09***[See Rule---]*

To

\_\_\_\_\_

-----

Particulars of defaulter -

GSTIN –

Name -

Demand order no.:

Date:

Reference no. of recovery:

Date:

Period:

**Order for recovery through specified officer under section 79**

Whereas a sum of Rs. << ----->> on account of tax, cess, interest and penalty is payable under the provisions of the <<SGST/UTGST/ CGST/ IGST/ CESS>> Act by the aforesaid person who has failed to make payment of such amount. The details of arrears are given in the table below:

(Amount in

Rs.)

Act	Tax/Cess	Interest	Penalty	Others	Total
1	2	3	4	5	6
Integrated tax					
Central tax					
State/ UT tax					
Cess					
Total					

&lt;&lt; Remarks&gt;&gt;

You are, hereby, required under the provisions of section 79 of the <<SGST>> Act to recover the amount due from the << person >> as mentioned above.

Signature

Name

Designation

Place:

Date:

**FORM GST DRC – 10**

*[See rule....]*

**Notice for Auction of Goods under section 79 (1) (b) of the Act**

Demand order no.:

Date:

Period:

Whereas an order has been made by me for sale of the attached or distrained goods specified in the Schedule below for recovery of Rs. .... and interest thereon and admissible expenditure incurred on the recovery process in accordance with the provisions of section 79.

The sale will be by public auction and the goods shall be put up for sale in the lots specified in the Schedule. The sale will be of the right, title and interests of the defaulter. And the liabilities and claims attached to the said properties, so far as they have been ascertained, are those specified in the Schedule against each lot.

The auction will be held on ..... at.... AM/PM. In the event the entire amount due is paid before the date of auction, the sale will be stopped.

The price of each lot shall be paid at the time of sale or as per the directions of the proper officer/ specified officer and in default of payment, the goods shall be again put up for auction and resold.

**Schedule**

Serial No.	Description of goods	Quantity
1	2	3

Signature  
Name  
Designation

Place:

Date:

**FORM GST DRC – 11**

*[See rule....]*

**Notice to successful bidder**

To,

\_\_\_\_\_

Please refer to Public Auction Reference no. \_\_\_\_\_ dated \_\_\_\_\_. On the basis of auction conducted on \_\_\_\_\_, you have been found to be a successful bidder in the instant case.

You are hereby, required to make payment of Rs. \_\_\_\_\_ within a period of 15 days from the date of auction.

The possession of the goods shall be transferred to you after you have made the full payment of the bid amount.

Signature  
Name  
Designation

Place:

Date:



**FORM GST DRC – 12***[See rule ----]***Sale Certificate**

Demand order no.:  
 Reference no. of recovery:  
 Period:

Date:  
 Date:

This is to certify that the following goods:

**Schedule (Movable Goods)**

Sr. No.	Description of goods	Quantity
1	2	3

**Schedule (Immovable Goods)**

Building No./ Flat No.	Floor No.	Name of the Premises /Building	Road / Street	Localit y/ Village	District	Stat e	PIN Code	Latitude (optional)	Longitude (optional)
1	2	3	4	5	6	7	8	9	10

**Schedule (Shares)**

Sr. No.	Name of the Company	Quantity	Value
1	2	3	4

have been sold to .....at.....in public auction of the goods held for recovery of rupees ----- in accordance with the provisions of section 79(1)(b)/(d) of the <<SGST/UTGST/ CGST/ IGST/ CESS>> Act and rules made thereunder on ----- and the said..... (Purchaser) has been declared to be the purchaser of the said goods at the time of sale. The sale price of the said goods was received on..... The sale was confirmed on.....

Signature  
 Name  
 Designation

Place:  
 Date:

**FORM GST DRC – 13**

*[See Rule ----]*

**Notice to a third person under section 79(1) (c)**

To

The \_\_\_\_\_

Particulars of defaulter -

GSTIN –

Name -

Demand order no.:

Date:

Reference no. of recovery:

Date:

Period:

Whereas a sum of Rs. << ---->> on account of tax, cess, interest and penalty is payable under the provisions of the <<SGST / UTGST/CGST/ IGST>> Act by <<Name of Taxable person>> holding <<GSTIN>> who has failed to make payment of such amount; and/or

It is observed that a sum of rupees ----- is due or may become due to the said taxable person from you; **or**

It is observed that you hold or are likely to hold a sum of rupees ----- for or on account of the said person.

You are hereby directed to pay a sum of rupees ----- to the Government forthwith or upon the money becoming due or being held in compliance of the provisions contained in clause (c)(i) of sub-section (1) of section 79 of the Act.

Please note that any payment made by you in compliance of this notice will be deemed under section 79 of the Act to have been made under the authority of the said taxable person and the certificate from the government in **FORM GST DRC - 14** will constitute a good and sufficient discharge of your liability to such person to the extent of the amount specified in the certificate.

Also, please note that if you discharge any liability to the said taxable person after receipt of this notice, you will be personally liable to the State /Central Government under section 79 of the Act to the extent of the liability discharged, or to the extent of the liability of the taxable person for tax, cess, interest and penalty, whichever is less.

Please note that, in case you fail to make payment in pursuance of this notice, you shall be deemed to be a defaulter in respect of the amount specified in the notice and consequences of the Act or the rules made thereunder shall follow.

Signature

Name

Designation

Place:

Date:

**FORM GST DRC – 14**

*[See rule -----]*

**Certificate of Payment to a Third Person**

In response to the notice issued to you in **FORM GST DRC-13** bearing reference no. \_\_\_\_\_ dated \_\_\_\_\_, you have discharged your liability by making a payment of Rs. \_\_\_\_\_ for the defaulter named below:

GSTIN –

Name -

Demand order no.:

Date:

Reference no. of recovery:

Date:

Period:

This certificate will constitute a good and sufficient discharge of your liability to above mentioned defaulter to the extent of the amount specified in the certificate.

Signature

Name

Designation

Place:

Date:

## FORM GST DRC-15

[See rule---]

### APPLICATION BEFORE THE CIVIL COURT REQUESTING EXECUTION FOR A DECREE

To

The Magistrate /Judge of the Court of .....

-----

Demand order no.:

Date:

Period

Sir/Ma'am,

This is to inform you that as per the decree obtained in your Court on the day of ..... 20..... by .....(name of defaulter) in Suit No. .... of 20..., a sum of rupees ----- is payable to the said person. However, the said person is liable to pay a sum of rupees ----- under the provisions of the << SGST/UTGST/ CGST/ IGST/ CESS>> Act vide order number ----- dated -----.

You are requested to execute the decree and credit the net proceeds for settlement of the outstanding recoverable amount as mentioned above.

Place:

Date:

Proper Officer/ Specified  
Officer.

**FORM GST DRC – 16***[See rule ----]*

To

GSTIN -

Name -

Address -

Demand order no.:

Date:

Reference no. of recovery:

Date:

Period:

**Notice for attachment and sale of immovable/movable goods/shares under section 79**

Whereas you have failed to pay the amount of Rs....., being the arrears of tax/cess/interest/penalty/ fee payable by you under the provisions of the <<SGST/UTGST/CGST/ IGST/ CESS>> Act.

The immovable goods mentioned in the Table below are, therefore, attached and will be sold for the recovery of the said amount. You are hereby prohibited from transferring or creating a charge on the said goods in any way and any transfer or charge created by you shall be invalid.

**Schedule (Movable)**

Sr. No.	Description of goods	Quantity
1	2	3

**Schedule (Immovable)**

Building No./ Flat No.	Floor No.	Name of the Premises /Building	Road/ Street	Locality / Village	District	State	PIN Code	Latitude (optional )	Longitude (optional)
1	2	3	4	5	6	7	8	9	10

**Schedule (Shares)**

Sr. No.	Name of the Company	Quantity
1	2	3

Signature  
Name  
Designation

Place:  
Date:

**FORM GST DRC – 17***[See rule --]***Notice for Auction of Immovable/Movable Property under section 79(1) (d)**

Demand order no.:

Date:

Reference number of recovery:

Date:

Period:

Whereas an order has been made by me for sale of the attached or distrained goods specified in the Schedule below for recovery of Rs..... and interest thereon and admissible expenditure incurred on the recovery process in accordance with the provisions of section 79.

The sale will be by public auction and the goods shall be put up for sale in the lots specified in the Schedule. The sale will be of the right, title and interests of the defaulter. And the liabilities and claims attached to the said properties, so far as they have been ascertained, are those specified in the Schedule against each lot.

In the absence of any order of postponement, the auction will be held on.....(date) at.....A.M/P.M. In the event the entire amount due is paid before the issuance of notice, the auction will be cancelled.

The price of each lot shall be paid at the time of sale or as per the directions of the proper officer/ specified officer and in default of payment, the goods shall be again put up for auction and resold.

**Schedule (Movable)**

Sr. No.	Description of goods	Quantity
1	2	3

**Schedule (Immovable)**

Building No./ Flat No.	Floor No.	Name of the Premises /Building	Road/ Street	Locality / Village	District	State	PIN Code	Latitude (optional )	Longitude (optional)
1	2	3	4	5	6	7	8	9	10

**Schedule (Shares)**

Sr. No.	Name of the Company	Quantity
1	2	3

Signature  
Name  
Designation

Place:  
Date:



**FORM GST DRC – 18**

*[See rule ----]*

To

Name & Address of District Collector

.....

Demand order no.:

Date:

Reference number of recovery:

Date:

Period:

**Certificate action under clause (e) of sub-section(1) section 79**

I..... do hereby certify that a sum of Rs..... has been demanded from and is payable by M/s..... holding GSTIN .....under <<SGST/CGST/IGST/UTGST/CESS>> Act, but has not been paid and cannot be recovered from the said defaulter in the manner provided under the Act.

<< demand details >>

The said GSTIN holder owns property/resides/carries on business in your jurisdiction the particulars of which are given hereunder: -

<<Description>>

You are requested to take early steps to realise the sum of rupees ----- from the said defaulter as if it were an arrear of land revenue.

Signature

Name

Designation

Place:

Date:

**FORM GST DRC – 19***[See rule ----]*

To,

Magistrate,

&lt;&lt;Name and Address of the Court&gt;&gt;

Demand order no.:

Date:

Reference number of recovery:

Date:

Period:

**Application to the Magistrate for Recovery as Fine**

A sum of Rs. << ----- >> is recoverable from <<Name of taxable person>> holding <<GSTIN>> on account of tax, interest and penalty payable under the provisions of the Act. You are requested to kindly recover such amount in accordance with the provisions of clause (f) of sub-section (1) of section 79 of the Act as if it were a fine imposed by a Magistrate.

**Details of Amount**

Description	Central tax	State /UT tax	Integrated tax	CESS
Tax/Cess				
Interest				
Penalty				
Fees				
Others				
Total				

Signature

Name

Designation

Place:

Date:

**FORM GST DRC – 20***[See rule -----]***Application for Deferred Payment/ Payment in Instalments**

1. Name of the taxable person-
2. GSTIN -
3. Period \_\_\_\_\_

In accordance with the provisions of section 80 of the Act, I request you to allow me extension of time upto ----- for payment of tax/ other dues **or** to allow me to pay such tax/other dues in -----instalments for reasons stated below:

<b>Demand ID</b>				
Description	Central tax	State /UT tax	Integrated tax	CESS
Tax/Cess				
Interest				
Penalty				
Fees				
Others				
Total				

Reasons: -

Upload Document

**Verification**

I hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my knowledge and belief and nothing has been concealed therefrom.

Signature of Authorized Signatory \_\_\_\_\_

Name \_\_\_\_\_

Place -

Date -

**FORM GST DRC – 21**

*[See rule ----]*

Reference No << --- >>

<< Date >>

To

GSTIN -----

Name -----

Address -----

Demand Order No.

Date:

Reference number of recovery:

Date:

Period -

Application Reference No. (ARN) -

Date -

**Order for acceptance/rejection of application for deferred payment / payment in instalments**

This has reference to your above referred application, filed under section 80 of the Act. Your application for deferred payment / payment of tax/other dues in instalments has been examined and in this connection, you are allowed to pay tax and other dues by ----- (date) **or** in this connection you are allowed to pay the tax and other dues amounting to rupees ----- in ----- monthly instalments.

***OR***

This has reference to your above referred application, filed under section 80 of the Act. Your application for deferred payment / payment of tax/other dues in instalments has been examined and it has not been found possible to accede to your request for the following reasons:

Reasons for rejection

Signature

Name

Designation

Place:

Date:

**FORM GST DRC - 22**

*[See rule ---]*

Reference No.:

Date:

To

----- Name

----- Address

(Bank/ Post Office/Financial Institution/Immovable property registering authority)

**Provisional attachment of property under section 83**

It is to inform that M/s ----- (name) having principal place of business at --  
----- (address) bearing registration number as ----- (GSTIN/ID), PAN ----- is  
a registered taxable person under the <<SGST/CGST>> Act. Proceedings have been launched  
against the aforesaid taxable person under section << --->> of the said Act to determine the tax  
or any other amount due from the said person. As per information available with the  
department, it has come to my notice that the said person has a -

<<saving / current / FD/RD / depository >>account in your << bank/post office/financial  
institution>> having account no. << A/c no. >>;

**or**

property located at << property ID & location>>.

In order to protect the interests of revenue and in exercise of the powers conferred under section  
83 of the Act, I ----- (name), ----- (designation), hereby provisionally attach the  
aforesaid account / property.

No debit shall be allowed to be made from the said account or any other account operated by  
the aforesaid person on the same PAN without the prior permission of this department.

**or**

The property mentioned above shall not be allowed to be disposed of without the prior  
permission of this department.

Signature

Name

Designation

Copy to –

**FORM GST DRC - 23**

*[See rule ---]*

Reference No.:

Date:

To

----- Name

----- Address

(Bank/ Post Office/Financial Institution/Immovable property registering authority)

Order reference No. -

Date –

**Restoration of provisionally attached property / bank account under  
section 83**

Please refer to the attachment of << saving / current / FD/RD>> account in your << bank/post office/financial institution>> having account no. << ----- >>, attached vide above referred order, to safeguard the interest of revenue in the proceedings launched against the person. Now, there is no such proceedings pending against the defaulting person which warrants the attachment of the said accounts. Therefore, the said account may now be restored to the person concerned.

**or**

Please refer to the attachment of property << ID /Locality>> attached vide above referred order to safeguard the interest of revenue in the proceedings launched against the person. Now, there is no such proceedings pending against the defaulting person which warrants the attachment of the said property. Therefore, the said property may be restored to the person concerned.

Signature

Name

Designation

Copy to -

**FORM GST DRC-24***[See rule----*

To

The Liquidator/ Receiver,

-----

Name of the taxable person:

GSTIN:

Demand order no.:

Date:

Period:

**Intimation to Liquidator for recovery of amount**

This has reference to your letter <<intimation no. & date>>, giving intimation of your appointment as liquidator for the <<company name>> holding <<GSTIN>>. In this connection, it is informed that the said company owes / likely to owe the following amount to the State / Central Government:

**Current / Anticipated Demand**

(Amount in Rs.)

Act	Tax	Interest	Penalty	Other Dues	Total Arrears
1	2	3	4	5	6
Central tax					
State / UT tax					
Integrated tax					
Cess					

In compliance of the provisions of section 88 of the Act, you are hereby directed to make sufficient provision for discharge of the current and anticipated liabilities, before the final winding up of the company.

Name

Designation

Place:

Date:

**FORM GST DRC – 25***[See rule .....]*

Reference No &lt;&lt; --- &gt;&gt;

&lt;&lt; Date &gt;&gt;

To

GSTIN -----

Name -----

Address -----

Demand Order No.:

Date:

Reference number of recovery:

Date:

Period:

Reference No. in Appeal or Revision or any other proceeding -

Date:

**Continuation of Recovery Proceedings**

This has reference to the initiation of recovery proceedings against you vide above referred recovery reference number for a sum of Rs.....

The Appellate /Revisional authority /Court ..... << name of authority / Court>> has enhanced/reduced the dues covered by the above mentioned demand order No.....dated.....vide order no. ----- dated ----- and the dues now stands at Rs.....The recovery of enhanced/reduced amount of Rs..... stands continued from the stage at which the recovery proceedings stood immediately before disposal of appeal or revision. The revised amount of demand after giving effect of appeal / revision is given below:

Financial year: .....

(Amount in Rs.)

Act	Tax	Interest	Penalty	Other Dues	Total Arrears
1	2	3	4	5	6
Central tax					
State / UT tax					
Integrated tax					
Cess					

Signature

Name

Designation

Place:

Date:



## **Additional Agenda Item – Notification of IGST Rules, 2017**

Section 22 of the IGST Act, 2017 reads as follows:

- (1) The Government may, on the recommendations of the Council, by notification, make rules for carrying out the provisions of this Act.*
- (2) Without prejudice to the generality of the provisions of sub-section (1), the Government may make rules for all or any of the matters which by this Act are required to be, or may be, prescribed or in respect of which provisions are to be or may be made by rules*

2. Section 20 of the said Act reads as follows:

*Subject to the provisions of this Act and the rules made thereunder, the provisions of Central Goods and Services Tax Act relating to,—*

- (i) scope of supply;*
- (ii) composite supply and mixed supply;*
- (iii) time and value of supply;*
- (iv) input tax credit;*
- (v) registration;*
- (vi) tax invoice, credit and debit notes;*
- (vii) accounts and records;*
- (viii) returns, other than late fee;*
- (ix) payment of tax;*
- (x) tax deduction at source;*
- (xi) collection of tax at source;*
- (xii) assessment;*
- (xiii) refunds;*
- (xiv) audit;*
- (xv) inspection, search, seizure and arrest;*
- (xvi) demands and recovery;*
- (xvii) liability to pay in certain cases;*
- (xviii) advance ruling;*
- (xix) appeals and revision;*
- (xx) presumption as to documents;*
- (xxi) offences and penalties;*
- (xxii) job work;*
- (xxiii) electronic commerce;*
- (xxiv) transitional provisions; and*
- (xxv) miscellaneous provisions including the provisions relating to the imposition of interest and penalty,*

*shall, mutatis mutandis, apply, so far as may be, in relation to integrated tax as they apply in relation to central tax as if they are enacted under this Act.*

3. It may be seen from above that section 22 provides for making rules for carrying out the provisions of the IGST Act. Section 20 of the IGST Act provides for application of certain provisions of the CGST Act, 2017 to the IGST Act.

4. Vide Notification No. 3/2017 – Central Tax dated 19.06.2017, the Central Goods and Services Tax Rules, 2017 were notified under section 164 of the CGST Act, 2017. The said Rules have come into force with effect from 22.06.2017. These rules were comprising of chapters on registration and composition levy. Vide notification No. 7/2017-Central Tax dated 27.06.2017, minor non-substantive amendments were carried out in the CGST Rules, 2017. Vide notification No. 10/2017-Central Tax dated 28.06.2107, twelve new chapters were added to the CGST Rules, 2017 comprising of provisions for valuation, tax payment, tax invoice, returns, refund, input tax credit, assessment, appeals and revision, et al. It may be mentioned that all the rules contained in the Central Goods and Services Tax Rules, 2017 are as the recommendations of the Hon’ble Council or the GST Implementation Committee (GIC).

5. The issue relating to issuance of IGST Rules was discussed with the Union Law Ministry. The Ministry has opined that the Integrated Goods and Services Tax Rules, 2017 are required to be notified under section 22 of the IGST Act, 2017 to carry out the provisions of the said Act. Since the CGST Rules were being adopted, in toto, as IGST Rules, the same were notified vide notification No. 4/2017-Integrated Tax dated 28.06.2017. Rule 2 of the said rules states that the Central Goods and Services Tax Rules, 2017, for carrying out the provisions specified in section 20 of the IGST Act, 2017 shall, as far as may be, apply in relation to the integrated tax as they apply in relation to the central tax. Further, these rules have been deemed to have come into force with effect from 22.06.2017.

6. The Hon’ble Council is requested to grant post facto approval for adopting the CGST Rules as IGST Rules as has been advised by the Union Law Ministry and to notify the IGST Rules with effect from 22.06.2017.

**Additional Agenda Item – Value for the purpose of levy of GST on transportation of goods by a vessel from a place outside India up to the customs station in India**

In the existing Service Tax Law, with a view to provide level playing field to the Indian shipping companies, it has been provided (with the recommendation of the Ministry of Shipping), that in cases where the goods are imported by an importer in India on CIF basis and the service of transportation of goods by a vessel from a place outside India up to the customs station in India is provided by a person located in non-taxable territory (a foreign shipping line) to a person located in non-taxable territory (overseas supplier/ exporter of goods), importer in India shall be liable to pay Service Tax on freight.

2. In view of the representations that where the importer purchases goods on CIF basis, he may not have the invoice issued by the shipping line for freight and may not know the amount of freight charged by the foreign shipping line from the foreign supplier; it was stipulated in the Service Tax Rules that in such cases the importer shall have the option to pay an amount calculated @ 1.4% of the CIF value of imported goods. This provision was stipulated on the basis that freight roughly constitutes 10% of the CIF value of goods on an average. This was done with the approval of FM vide notification No. 16/2017-ST dated 13<sup>th</sup> April, 2017.

3. In case of GST also, GST Council has decided that the liability to pay GST on such transportation service provided by a foreign shipping line to a foreign supplier shall be of the importer in India and the notifications are being issued accordingly.

4. It is proposed that the similar provision deeming value of such service at 10% of the CIF value may be incorporated in the IGST notification. Considering the nature of the service, this provision is not required in the CGST, SGST or UTGST notifications.

# FORMS

## REFUND

### FORM-GST-RFD-01

[See rule 89(1)]

#### Application for Refund

Select: Registered / Casual/ Unregistered/Non-resident taxable person

1. GSTIN/Temporary ID:

2. Legal Name:

3. Trade Name, if any:

4. Address:

5. Tax Period: From <DD/MM/YY> To <DD/MM/YY>

6. Amount of Refund Claimed:

Act	Tax	Interest	Penalty	Fees	Others	Total
Central Tax						
State /UT Tax						
Integrated Tax						
Cess						
Total						

7. Grounds of Refund Claim: (select from the drop down):

- Excess balance in Electronic Cash ledger
- Exports of services- With payment of Tax
- Exports of goods / services- Without payment of Tax, i.e., ITC accumulated
- On account of assessment/provisional assessment/ appeal/ any other order

i. Select the type of Order:

Assessment/ Provisional Assessment/ Appeal/ Others

ii. Mention the following details:

- Order No.
- Order Date <calendar>
- Order Issuing Authority
- Payment Reference No. (of the amount to be claimed as refund)

*(If Order is issued within the system, then 2, 3, 4 will be auto populated)*

e. ITC accumulated due to inverted tax structure (clause (ii) of proviso to section 54(3))

- f. On account of supplies made to SEZ unit/ SEZ Developer or Recipient of Deemed Exports  
(Select the type of supplier/ recipient)
1. Supplies to SEZ Unit
  2. Supplies to SEZ Developer
  3. Recipient of Deemed Exports
- g. Refund of accumulated ITC on account of supplies made to SEZ unit/ SEZ Developer
- h. Tax paid on a supply which is not provided, either wholly or partially, and for which invoice has not been issued
- i. Tax paid on an intra-State supply which is subsequently held to be inter-State supply and vice versa
- j. Excess payment of tax, if any
- k. Any other (*specify*)
8. Details of Bank Account (*to be auto populated from RC in case of registered taxpayer*)
- a. Bank Account Number :
  - b. Name of the Bank :
  - c. Bank Account Type :
  - d. Name of account holder :
  - e. Address of Bank Branch :
  - f. IFSC :
  - g. MICR :
9. Whether Self-Declaration filed by Applicant u/s 54(4), if applicable ☐ Yes ☐ No

### DECLARATION

I hereby declare that the goods exported are not subject to any export duty. I also declare that I have not availed any drawback on goods or services or both and that I have not claimed refund of the integrated tax paid on supplies in respect of which refund is claimed.

Signature

Name –

Designation / Status

### DECLARATION

I hereby declare that the refund of ITC claimed in the application does not include ITC availed on goods or services used for making nil rated or fully exempt supplies.

Signature

Name –

Designation / Status

## DECLARATION

I hereby declare that the Special Economic Zone unit /the Special Economic Zone developer has not availed of the input tax credit of the tax paid by the applicant, covered under this refund claim.

Signature

Name –

Designation / Status

## SELF- DECLARATION

I/We \_\_\_\_\_ (Applicant) having GSTIN/ temporary Id -----, solemnly affirm and certify that in respect of the refund amounting to Rs. ---/ with respect to the tax, interest, or any other amount for the period from---to---, claimed in the refund application, the incidence of such tax and interest has not been passed on to any other person.

(This Declaration is not required to be furnished by applicants, who are claiming refund under clause (a) or clause (b) or clause (c) or clause (d) or clause (f) of sub-section (8) of section 54..)

### 10. Verification

I/We <Taxpayer Name> hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my/our knowledge and belief and nothing has been concealed therefrom.

We declare that no refund on this account has been received by us earlier.

Place

Signature of Authorised Signatory

Date

(Name)

Designation/ Status

**Statement -1**  
**(Annexure 1)**

Refund Type: ITC accumulated due to inverted tax structure [clause (ii) of proviso to section 54(3)]

**Part A: Outward Supplies**

**(GSTR- 1: Table 4 and 5)**

GSTIN/ UIN	Invoice details			Rate	Taxable value	Amount				Place of Supply (Name of State)
	No.	Date	Value			Integrated Tax	Central Tax	State / UT Tax	Cess	
1	2	3	4	5	6	7	8	9	10	11

**Part B: Inward Supplies**

**[GSTR 2: Table 3 (Matched Invoices)]**

GSTIN of supplier	Invoice details			Rate	Taxable value	Amount of Tax				Place of supply (Name of State)	Whether input or input service/ Capital goods (incl plant and machinery)/ Ineligible for ITC	Amount of ITC available			
	No	Date	Value			Integrated tax	Central Tax	State/ UT Tax	CESS			Integrated Tax	Central Tax	State/ UT Tax	Cess
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16

*Note -The data shall be auto- populated from GSTR-1 and GSTR-2.*

## Statement- 2

Refund Type:

Exports of services with payment of tax

**(GSTR- 1: Table 6A and Table 9)**

1.

GSTIN of recipient	Invoice details				Integrated Tax			BRC/ FIRC		Amended Value (Integrated Tax) (If Any)	Debit Note Integrated Tax / Amended (If any)	Credit Note Integrated Tax / Amended (If any)	Net Integrated Tax = (11/8)+12-13
	No.	Date	Value	SAC	Rate	Taxable value	Amt.	No.	Date				
1	2	3	4	5	6	7	8	9	10	11	12	13	14
6A. Exports													

*BRC/ FIRC details are mandatory– in case of services*

## Statement- 3

Refund Type:

Export without payment of Tax-Accumulated ITC

**(GSTR- 1: Table 6A)**

GSTIN of recipient	Invoice details							Shipping bill/ Bill of export			Integrated Tax			EGM Details		BRC/ FIRC	
	No.	Date	Value	Goods/ Services (G/S)	HSN/ SAC	UQC	QTY	No.	Date	Port Code	Rate	Taxable value	Amt.	Ref No.	Date	No.	Date
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
6A. Exports																	

*Note - 1. Shipping Bill and EGM are mandatory; – in case of goods.*

*2. BRC/ FIRC details are mandatory– in case of Services*



## Statement 4

### Supplies to SEZ/ SEZ developer

Refund Type:

On account of supplies made to SEZ unit/ SEZ Developer

(GSTR- 1: Table 6B and Table 9)

GSTIN of recipient	Invoice details			Shipping bill/ Bill of export		Integrated Tax			Amended Value (Integrated Tax) (If Any)	Debit Note Integrated Tax / Amended (If any)	Credit Note Integrated Tax / Amended (If any)	Net Integrated Tax = (10/ 9 ) + 11 – 12
	No.	Date	Value	No	Date	Rate	Taxable Value	Amt.	Amt.	Amt.	Amt.	Amt.
1	2	3	4	5	6	7	8	9	10	11	12	13
6B: Supplies made to SEZ/ SEZ developer												

(GSTR- 5: Table 5 and Table 8)

GSTIN/ UIN	Invoice details			Rate	Taxable value	Amount				Place of Supply (Name of State)	Amended Value (Integrated Tax) (If Any)	Debit Note Integrated Tax / Amended (If any)	Credit Note Integrated Tax / Amended (If any)	Net Integrated Tax = (12/ 7 ) + 13 – 14
	No.	Date	Value			Integrated Tax	Central Tax	State / UT Tax	Cess					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

## Statement 5

### Recipient of Deemed exports etc.

(GSTR-2: Table 3 and Table 6)

GSTIN of supplier	Invoice details			Rate	Taxable value	Amount of Tax				Place of supply (Name of State)	Whether input or input service/ Capital goods (incl plant and machinery)/ Ineligible for ITC	Amount of ITC available				Amended Value (ITC Integrated Tax ) (If Any)	Debit Note ITC Integrated Tax / Amended (If any)	Credit Note ITC Integrated Tax / Amended (If any)	Net ITC Integrated Tax = (17/ 7 ) + 18 – 19
	No	Date	Value			Integrated tax	Central Tax	State/ UT Tax	CESS			Integrated Tax	Central Tax	State/ UT Tax	Cess				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20

**Statement 6:**

Refund Type: Tax paid on an intra-State supply which is subsequently held to be inter-State supply and vice versa

**Order Details (issued in pursuance of Section 77 (1) and (2), if any:**

**Order No:**      **Order Date:**

GSTIN/ UIN  Name  (in case B2C)	Details of invoice covering transaction considered as intra –State / inter-State transaction earlier									Transaction which were held inter State / intra-State supply subsequently				
	Invoice details				Integrated Tax	Central Tax	State/ UT Tax	Cess	Place of Supply (only if different from the location of recipient)	Integrated Tax	Central Tax	State/ UT Tax	Cess	Place of Supply (only if different from the location of recipient)
	No.	Date	Value	Taxable Value	Amt	Amt	Amt	Amt		Amt	Amt	Amt	Amt	
1	2	3	4	5	6	7	8	10	11	12	13	14	15	16

**Statement 7:**

Refund Type: Excess payment of tax, if any in case of Last Return filed.

**Refund on account excess payment of tax**

**(In case of taxpayer who filed last return GSTR-3 - table 12)**

Sr. No.	Tax period	Reference no. of return	Date of filing return	Tax Payable			
				Integrated Tax	Central Tax	State/ UT Tax	Cess
1	2	3	4	5	6	7	8

## **Annexure-2**

### **Certificate**

This is to certify that in respect of the refund amounting to INR << >> ----- (in words) claimed by M/s ----- (Applicant's Name) GSTIN/ Temporary ID----- for the tax period < ---->, the incidence of tax and interest, has not been passed on to any other person. This certificate is based on the examination of the Books of Accounts, and other relevant records and Returns particulars maintained/ furnished by the applicant.

Signature of the Chartered Accountant/ Cost Accountant:

Name:

Membership Number:

Place:

Date:

This Certificate is not required to be furnished by the applicant, claiming refund under clause (a) or clause (b) or clause (c) or clause (d) or clause (f) of sub-section (8) of section 54 of the Act.

**FORM-GST-RFD-02***[See Rule 95(2)]***Acknowledgment**

Your application for refund is hereby acknowledged against <Application Reference Number>

Acknowledgement Number :

Date of Acknowledgement :

GSTIN/ UIN/ Temporary ID, if applicable :

Applicant's Name :

Form No. :

Form Description :

Jurisdiction (*tick appropriate*) :

Centre                      State/                      Union Territory:

Filed by :

Refund Application Details	
Tax Period	
Date and Time of Filing	
Reason for Refund	

Amount of Refund Claimed:

	Tax	Interest	Penalty	Fees	Others	Total
Central Tax						
State /UT tax						
Integrated Tax						
Cess						
Total						

---

*Note 1: The status of the application can be viewed by entering ARN through <Refund> Track Application Status” on the GST System Portal.*

*Note 2: It is a system generated acknowledgement and does not require any signature.*

**FORM-GST-RFD-03***[See Rule 90(3)]***Deficiency Memo**

Reference No. :

Date: &lt;DD/MM/YYYY&gt;

**To**

\_\_\_\_\_ (GSTIN/ UIN/ Temporary ID)

\_\_\_\_\_ (Name)

\_\_\_\_\_ (Address)

Subject: Refund Application Reference No. (ARN) .....Dated .....&lt;DD/MM/YYYY&gt;.....-Reg.

Sir/Madam,

This has reference to your above mentioned application filed under section 54 of the Act. Upon scrutiny of your application, certain deficiencies have been noticed below:

Sr. No	Description( select the reason from the drop down of the Refund application)
1.	<MULTI SELECT OPTION>
2.	
	Other <TEXT BOX> { <i>any other reason other than the reason select from the 'reason master'</i> }

You are advised to file a fresh refund application after rectification of above deficiencies

Date:

Signature (DSC):

Place:

Name of Proper Officer:

Designation:

Office Address:

**FORM-GST-RFD-04***[See Rule 91(2)]*

Sanction Order No:

Date: &lt;DD/MM/YYYY&gt;

**To**

\_\_\_\_\_ (GSTIN)

\_\_\_\_\_ (Name)

\_\_\_\_\_ (Address)

**Provisional Refund Order**

Refund Application Reference No. (ARN) .....Dated .....&lt;DD/MM/YYYY&gt;.....-

Acknowledgement No. ....Dated .....&lt;DD/MM/YYYY&gt;.....

Sir/Madam,

With reference to your above mentioned application for refund, the following amount is sanctioned to you on a provisional basis:

Sr. No	Description	Central Tax	State /UT tax	Integrated Tax	Cess
i.	Amount of refund claimed				
ii.	10% of the amount claimed as refund (to be sanctioned later)				
iii.	Balance amount (i-ii)				
iv.	Amount of refund sanctioned				
	<b>Bank Details</b>				
v.	Bank Account No. as per application				
vi.	Name of the Bank				
vii.	Address of the Bank /Branch				
viii.	IFSC				
ix.	MICR				

Date:

Signature (DSC):

Place:

Name:

Designation:

Office Address:

**FORM-GST-RFD-05**

[See Rule 91(3), 92(4), 92(5) & 94]

**Payment Advice**

Payment Advice No: -

Date: <DD/MM/YYYY>

**To <Centre> PAO/ Treasury/ RBI/ Bank**

Refund Sanction Order No. ....

Order Date.....<DD/MM/YYYY>.....

GSTIN/ UIN/ Temporary ID < >

Name: < >

Refund Amount (as per Order):

Description	Integrated Tax						Central Tax						State/ UT tax						Cess					
	T	I	P	F	O	Total	T	I	P	F	O	Total	T	I	P	F	O	Total	T	I	P	F	O	Total
Net Refund amount sanctioned																								
Interest on delayed Refund																								
Total																								

Note – 'T' stands Tax; 'I' stands for Interest; 'P' stands for Penalty; 'F' stands for Fee and 'O' stands for Others

	Details of the Bank	
i.	Bank Account no as per application	
ii.	Name of the Bank	
iii.	Name and Address of the Bank /branch	
iv.	IFSC	
v.	MICR	

Date:

Signature (DSC):

Place:

Name:

Designation:

Office Address:

To

\_\_\_\_\_ (GSTIN/ UIN/ Temporary ID)

\_\_\_\_\_ (Name)

\_\_\_\_\_ (Address)

**FORM-GST-RFD-06***[See Rule 92(1), 92(3), 92(4), 92(5)& 96(7)]*

Order No.:

Date: &lt;DD/MM/YYYY&gt;

**To**

\_\_\_\_\_ (GSTIN/ UIN/ Temporary ID)

\_\_\_\_\_ (Name)

\_\_\_\_\_ (Address)

Show cause notice No. (If applicable)

Acknowledgement No. ....

Dated .....&lt;DD/MM/YYYY&gt;

**Refund Sanction/Rejection Order**

Sir/Madam,

This has reference to your above mentioned application for refund filed under section 54 of the Act\*/ interest on refund\*.

&lt;&lt; reasons, if any, for granting or rejecting refund &gt;&gt;

Upon examination of your application, the amount of refund sanctioned to you, after adjustment of dues (where applicable) is as follows:

*\*Strike out whichever is not applicable*

Description	Integrated Tax						Central Tax						State/ UT tax						Cess					
	T	I	P	F	O	Total	T	I	P	F	O	Total	T	I	P	F	O	Total	T	I	P	F	O	Total
1. Amount of refund/interest* claimed																								
2. Refund sanctioned on provisional basis (Order No.....date) (if applicable)																								
3. Refund amount inadmissible <<reason dropdown>> <Multiple reasons to be allowed>																								
4. Gross amount to be paid (1-2-3)																								
5. Amount adjusted against outstanding demand (if any) under the existing law or under the Act.  Demand Order No..... date....., Act Period																								





**FORM-GST-RFD-07***[See Rule 92(1), 92(2) & 96(6)]*

Reference No.

Date: &lt;DD/MM/YYYY&gt;

**To**

\_\_\_\_\_ (GSTIN/UIN/Temp.ID No.)

\_\_\_\_\_ (Name)

\_\_\_\_\_ (Address)

Acknowledgement No. ....

Dated

.....&lt;DD/MM/YYYY&gt;.....

**Order for Complete adjustment of sanctioned Refund****Part- A**

Sir/Madam,

With reference to your refund application as referred above and further furnishing of information/ filing of documents against the amount of refund sanctioned to you has been completely adjusted against outstanding demands as per details below:

	<b>Refund Calculation</b>	<b>Integrated Tax</b>	<b>Central Tax</b>	<b>State/ UT Tax</b>	<b>Cess</b>
i.	Amount of Refund claimed				
ii.	Net Refund Sanctioned on Provisional Basis (Order No...date)				
iii.	Refund amount inadmissible rejected <<reason dropdown>>				
iv.	Refund admissible (i-ii-iii)				
v.	Refund adjusted against outstanding demand (as per order no.) under existing law or under this law. . Demand Order No..... date..... <Multiple rows may be given>				
vi.	Balance amount of refund	Nil	Nil		Nil

I hereby, order that the amount of claimed / admissible refund as shown above is completely adjusted against the outstanding demand under this Act / under the existing law. This application stands disposed as per provisions under sub-section (...) of Section (...) of the Act.

**OR**

## **Part-B**

### **Order for withholding the refund**

This has reference to your refund application referred to above and information/ documents furnished in the matter. The amount of refund sanctioned to you has been withheld due to the following reasons:

Refund Order No.:					
Date of issuance of Order:					
Sr. No.	<b>Refund Calculation</b>	Integrated Tax	Central Tax	State/UT Tax	Cess
i.	Amount of Refund Sanctioned				
ii.	Amount of Refund Withheld				
iii.	Amount of Refund Allowed				

Reasons for withholding of the refund:

<<Text>>

I hereby, order that the amount of claimed / admissible refund as shown above is withheld for the above mention reasons. This order is issued as per provisions under sub-section (...) of Section (...) of the Act.

Date:

Place:

Signature (DSC):

Name:

Designation:

Office Address:

**FORM-GST-RFD-08***[See Rule 92(3)]***Notice for rejection of application for refund**

SCN No.:

Date: &lt;DD/MM/YYYY&gt;

**To**

\_\_\_\_\_ (GSTIN/ UIN/ Temporary ID)

\_\_\_\_\_ (Name)

\_\_\_\_\_ (Address)

ACKNOWLEDGEMENT No.....

ARN.....

Dated .....&lt;DD/MM/YYYY&gt;.....

This has reference to your above mentioned application for refund, filed under section 54 of the Act. On examination, it appears that refund application is liable to be rejected on account of the following reasons:

Sr. No	Description (select the reasons of inadmissibility of refund from the drop down)	Amount Inadmissible
i.		
ii		
iii	Other{ <i>any other reason other than the reasons mentioned in 'reason master'</i> }	

You are hereby called upon to show cause as to why your refund claim, to the extent of the amount specified above, should not be rejected for reasons stated above.

☐ You are hereby directed to furnish a reply to this notice within fifteen days from the date of service of this notice.

☐ You are also directed to appear before the undersigned on DD/MM/YYYY at HH/MM.

If you fail to furnish a reply within the stipulated date or fail to appear for personal hearing on the appointed date and time, the case will be decided ex parte on the basis of available records and on merits.

Date:

Signature (DSC):

Place:

Name:

Designation:

Office Address:

**FORM-GST-RFD-09***[See Rule 92(3)]***Reply to show cause notice**

Date: &lt;DD/MM/YYYY&gt;

1.	Reference No. of Notice		Date of issue	
2.	GSTIN / UIN			
3.	Name of business (Legal)			
4.	Trade name, if any			
5.	Reply to the notice			
6.	List of documents uploaded			
7.	<p>Verification</p> <p>I _____ hereby solemnly affirm and declare that the information given hereinabove is true and correct to the best of my knowledge and belief and nothing has been concealed therefrom.</p> <p style="text-align: right;">Signature of Authorised Signatory</p> <p style="text-align: right;">Name</p> <p style="text-align: right;">Designation/Status</p> <p>Place</p> <p>Date --- DD/MM/YYYY</p>			

Place

Date

Signature of Authorised Signatory

(Name)

Designation/ Status

## FORM GST RFD-10

[See Rule 95(1)]

### Application for Refund by any specialized agency of UN or any Multilateral Financial Institution and Organization, Consulate or Embassy of foreign countries, etc.

1. UIN :
2. Name :
3. Address :
4. Tax Period (Quarter) : From <DD/MM/YY> To <DD/MM/YY>
5. Amount of Refund Claim : <INR> <In Words>

	Amount
Central Tax	
State /UT Tax	
Integrated Tax	
Cess	
Total	

6. Details of Bank Account:
  - a. Bank Account Number
  - b. Bank Account Type
  - c. Name of the Bank
  - d. Name of the Account Holder/Operator
  - e. Address of Bank Branch
  - f. IFSC
  - g. MICR
7. Reference number and date of furnishing **FORM GSTR-11**
8. Verification

I \_\_\_\_\_ as an authorised representative of << Name of Embassy/international organization >> hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my knowledge and belief and nothing has been concealed therefrom.

That we are eligible to claim such refund as specified agency of UNO/Multilateral Financial Institution and Organization, Consulate or Embassy of foreign countries/ any other person/ class of persons specified/ notified by the Government.

Date:

Signature of Authorised Signatory:

Place:

Name:

Designation / Status

**FORM GST RFD-11***[See rule ----]***Furnishing of bond or Letter of Undertaking for export of goods or services**

1. GSTIN				
2. Name				
3. Indicate the type of document furnished		Bond: <input type="checkbox"/> Letter of Undertaking <input type="checkbox"/>		
4. Details of bond furnished				
Sr. No.	Reference no. of the bank guarantee	Date	Amount	Name of bank and branch
1	2	3	4	5

Note – Hard copy of the bank guarantee and bond shall be furnished to the jurisdictional officer.

**5. Declaration -**

- (i) The above-mentioned bank guarantee is submitted to secure the integrated tax payable on export of goods or services.
- (ii) I undertake to renew the bank guarantee well before its expiry. In case I/We fail to do so the department will be at liberty to get the payment from the bank against the bank guarantee.
- (iii) The department will be at liberty to invoke the bank guarantee provided by us to cover the amount of integrated tax payable in respect of export of goods or services.

Signature of Authorized Signatory

Name

Designation / Status -----

Date -----

**Bond for export of goods or services without payment of integrated tax**

*(See rule 96)*

I/We.....of.....,hereinafter called "obligor(s)", am/are held and firmly bound to the President of India (hereinafter called "the President") in the sum of.....rupees to be paid to the President for which payment will and truly to be made.

I/We jointly and severally bind myself/ourselves and my/our respective heirs/ executors/ administrators/ legal representatives/successors and assigns by these presents; Dated this.....day of.....;

WHEREAS the above bounden obligor has been permitted from time to time to supply goods or services for export out of India without payment of integrated tax;

and whereas the obligor desires to export goods or services in accordance with the provisions of clause (a) of sub-section (3) of section 16;

AND WHEREAS the Commissioner has required the obligor to furnish bank guarantee for an amount of..... rupees endorsed in favour of the President and whereas the obligor has furnished such guarantee by depositing with the Commissioner the bank guarantee as afore mentioned;

The condition of this bond is that the obligor and his representative observe all the provisions of the Act in respect of export of goods or services, and rules made thereunder;

AND if the relevant and specific goods or services are duly exported;

AND if all dues of Integrated tax and all other lawful charges, are duly paid to the Government along with interest, if any, within fifteen days of the date of demand thereof being made in writing by the said officer, this obligation shall be void;

OTHERWISE and on breach or failure in the performance of any part of this condition, the same shall be in full force and virtue:

AND the President shall, at his option, be competent to make good all the loss and damages, from the amount of bank guarantee or by endorsing his rights under the above-written bond or both;

I/We further declare that this bond is given under the orders of the Government for the performance of an act in which the public are interested;

IN THE WITNESS THEREOF these presents have been signed the day hereinbefore written by the obligor(s).



Signature(s) of obligor(s).

Date :

Place :

Witnesses

(1) Name and Address

Occupation

(2) Name and Address

Occupation

Accepted by me this.....day of ..... (month)..... (year)  
.....of ..... (Designation)  
for and on behalf of the President of India.".

**Letter of Undertaking for export of goods or services without payment of integrated tax**

*(See rule 96)*

To

The President of India (hereinafter called the "President"), acting through the proper officer

I/We ..... of..... (address of the registered person) having Goods & Services Tax Identification Number No....., hereinafter called "the undertaker(s) including my/our respective heirs, executors/ administrators, legal representatives/successors and assigns by these presents, hereby jointly and severally undertake on this ..... day of ..... to the President

(a) to export the goods or services supplied without payment of integrated tax within time specified in sub-rule (9) of rule 96 ;

(b) to observe all the provisions of the Goods and Services Tax Act and rules made thereunder, in respect of export of goods or services;

(c) pay the integrated tax, thereon in the event of failure to export the goods or services, along with an amount equal to eighteen percent interest per annum on the amount of tax not paid, from the date of invoice till the date of payment.

I/We declare that this undertaking is given under the orders of the proper officer for the performance of enacts in which the public are interested.

IN THE WITNESS THEREOF these presents have been signed the day hereinbefore written by the undertaker(s)

Signature(s) of undertaker(s).

Date :

Place :

Witnesses

(1) Name and Address

Occupation

(2) Name and Address

Occupation

Date

Place

Accepted by me this.....day of ..... (month)..... (year)

.....of .....  
(Designation)

for and on behalf of the President of India

### Agenda Note

It is proposed to amend rule 117 (1) of the CGST Rules, 2017. At present, the said sub-rule reads as:

*“(1) Every registered person entitled to take credit of input tax under section 140 shall, within ninety days of the appointed day, submit a declaration electronically in FORM GST TRAN-1, duly signed, on the common portal specifying therein, separately, the amount of input tax credit to which he is entitled under the provisions of the said section:*

....

The amended sub-rule (1) shall read as:

*“(1) Every registered person entitled to take credit of input tax under section 140 shall, within ninety days of the appointed day, submit a declaration electronically in FORM GST TRAN-1, duly signed, on the common portal specifying therein, separately, the amount of input tax credit **of eligible duties and taxes, as defined in Explanation 2 to section 140,** to which he is entitled under the provisions of the said section.”*

This change will ensure that the definition of ‘eligible duties and taxes’ applies uniformly to transition of all credits and clarifies that there will be no transition of credit of various cesses in GST, since they are not covered in the definition of ‘eligible duties and taxes’.

## **TABLE AGENDA FOR GST COUNCIL MEETING ON 30<sup>th</sup> June, 2017**

“High Sea Sales” is a terminology used in common parlance for “Sales in the course of import.” In such cases, sale taking place by transfer of documents of title to goods before goods are cleared from customs, is a sale in the course of import. There is need to bring clarity on the issue of levy of IGST, when such sale (supply in GST parlance) takes place in high sea and a second time levy of IGST when goods are cleared through Customs.

It is proposed to clarify by way of a circular that when goods sold on high sea sales basis are imported the first time IGST would be levied at the time of importation and the value addition due to high sea sales shall be part of the value on which IGST is collected.