

## CHAPTER 1 - INTRODUCTION TO GST

No Amendment

## CHAPTER 2 - CHARGE OF GST

### I. Section 9(5) - Transactions Where E-Commerce Operator Is Liable To Pay Tax:

#### Background:

The Government may notify specific categories of services, on the recommendations of the GST Council, the tax on which shall be paid by the ECO if such services are supplied through it. The following services have been notified by the Government in this regard and thus in case of the following notified services, the provisions of GST law shall apply to such ECO as if he is the supplier liable for paying tax in relation to the supply of such services:

- Services by way of transportation of passengers by a radio-taxi, motorcab, maxicab and motor cycle;
- Services by way of providing accommodation in hotels, inns, guest houses, clubs, campsites or other commercial places meant for residential or lodging purposes, except where the person supplying such service through Electronic Commerce Operator is liable for registration u/s 22(1) of CGST Act; and
- Services by way of house-keeping such as plumbing, carpentering, etc except where the person supplying such service through Electronic Commerce Operator is liable for registration u/s 22(1) of CGST Act.

#### Amendments Effective 1<sup>st</sup> January 2022:

- Modification In Existing Entry: Services by way of transportation of passengers by a radio-taxi, motorcab, maxicab, motor cycle, omnibus or any other motor vehicle.
- Insertion Of New Entry: Supply of restaurant service other than the services supplied by restaurant, eating joints, etc located at specified premises {'specified premises' means premises providing hotel accommodation service having declared tariff of any unit of accommodation above Rs 7,500 per unit per day or equivalent}.

## CHAPTER 3 - SUPPLY UNDER GST

No Amendment

## CHAPTER 4 - COMPOSITION SCHEME

### I. Certain Manufacturers Not Eligible To Opt For Composition Scheme:

#### Background:

A manufacturer of following goods cannot opt for composition scheme:

- Tobacco and manufactured tobacco substitutes;
- Pan masala;
- Ice cream and other edible ice, whether or not containing cocoa; and
- Aerated waters.

**Amendments Effective 1<sup>st</sup> April 2022:**

Apart from the above mentioned goods, manufacturers of followings goods have been debarred from opting for composition scheme with effect from 1<sup>st</sup> April 2022:

- Fly ash bricks or fly ash aggregate with 90% or more fly ash content (+) Fly ash blocks;
- Bricks of fossil meals or similar siliceous earths;
- Building bricks; or
- Earthen or roofing tiles.

**CHAPTER 5 - TIME OF SUPPLY**

No Amendment

**CHAPTER 6 - VALUE OF SUPPLY**

No Amendment

**CHAPTER 7 - INPUT TAX CREDIT****I. ITC Can Be Availed By Recipients Only If Suppliers Have Uploaded The Relevant Invoices/Debit Notes In Their GSTR-1/IFF And The Same Has Been Communicated To The Recipients In GSTR-2B {Section 16(2); Rule 36(4)}:**

- With effect from 1<sup>st</sup> January 2022, Section 16(2) has been amended to stipulate that ITC in respect of any supply of goods or services or both is available to a registered person only if the details of the invoice/debit note in respect of said supply has been furnished by the supplier in the statement of outward supplies (GSTR-1) and such details have been communicated to the recipient of such invoice/debit note.
- Consequently, Rule 36(4) has been substituted to give effect to aforesaid amendment. Rule 36(4) now reads as follows:
 

*"No ITC shall be availed by a registered person in respect of invoices or debit notes the details of which are required to be furnished u/s 37(1) unless:*

  - *the details of such invoices or debit notes have been furnished by the supplier in the statement of outward supplies in Form GSTR-1 or using IFF; and*
  - *the details of such invoices or debit notes have been communicated to the registered person in Form GSTR-2B."*
- Thus, ITC can now be taken only for those invoices whose details are reflected in GSTR-2B, ie the respective suppliers (vendors) have filed the details of such invoices their GSTR-1/IFF. Earlier, ITC in respect of invoices/debit notes not uploaded by the suppliers in their GSTR-1s/IFF could be availed upto 5% of the eligible credit available in respect of invoices/debit notes the details of which had been furnished by the suppliers in their GSTR-1/IFF.

## CHAPTER 8 - EXEMPTIONS UNDER GST

### I. 'Transportation Of Passengers' Sector:

No exemption is available for services by way of transportation of passengers by a radio-taxi, motorcab, maxicab, motor cycle, omnibus or any other motor vehicle supplied through an Electronic Commerce Operator.

## CHAPTER 9 - REGISTRATION

### I. Enhanced Threshold Limit Of Rs 40L For Registration Available To Persons Exclusively Engaged In Making Supplies Of Goods Not Available To Suppliers Of Fly Ash Bricks/Blocks, Building Bricks, Bricks Of Fossil, Earthen/Roofing Tiles, Etc:

#### Background:

Any person who is engaged exclusively in supply of goods and whose aggregate turnover in a financial year does not exceed Rs 40L, is exempted from the requirement of obtaining registration. However, the threshold limit shall stand reduced to Rs 20L where a person is engaged in supply of following goods:

- Tobacco and manufactured tobacco substitutes;
- Pan masala; or
- Ice cream and other edible ice, whether or not containing cocoa.

#### Amendments Effective 1<sup>st</sup> April 2022:

With effect from 1<sup>st</sup> April 2022, persons engaged in making supplies of following goods will also not be eligible to avail benefit of higher threshold exemption of Rs 40L. In other words, in respect of the following goods, threshold limit of Rs 20L shall be applicable:

- Fly ash bricks or fly ash aggregate with 90% or more fly ash content (+) Fly ash blocks;
- Bricks of fossil meals or similar siliceous earths;
- Building bricks; or
- Earthen or roofing tiles.

### II. Documents To Be Furnished Where Aadhar Number Has Not Been Assigned To A Person Required To Undergo Aadhar Authentication:

- Lately, Aadhaar Authentication has been made mandatory for the new registrants as well as for the existing registrants. Section 25 stipulates that every registered person shall undergo authentication, or furnish proof of possession of Aadhaar Number, in the prescribed manner, form and time.
- Section 25 further states that if an Aadhaar Number is not assigned to an existing registered person, such person shall be offered alternate and viable means of identification in the prescribed manner. In this regard, Rule 10A of CGST Rules, 2017 has prescribed that if Aadhaar Number has not been assigned to the person required to undergo authentication of the Aadhaar Number, such person shall furnish the following identification documents, namely:
  - A. Aadhaar Enrolment ID slip; and
  - B. Any one of the following documents:
    - Bank passbook with photograph;
    - Voter identity card issued by the Election Commission of India;
    - Passport; or
    - Driving license issued by the Licensing Authority.

Such person shall undergo the authentication of Aadhaar Number within a period of 30 days of the allotment of the Aadhaar Number.



## CHAPTER 10 - DOCUMENTATION UNDER GST

### I. E-Invoicing Mandatory For All Registered Businesses With Aggregate Turnover In Any Preceding Financial Year From FY 2017-18 Onwards Greater Than Rs 20 Crore:

All registered businesses with an aggregate turnover (based on PAN) in any preceding financial year from FY 2017-18 onwards greater than Rs 500 crore were required to mandatorily issue e-invoices for all B2B invoices with effect from 1<sup>st</sup> October 2020. Since then, the threshold limit for issuing the e-invoices has been progressively reduced.

With effect from 1<sup>st</sup> April 2022, such limit has been further reduced to Rs 20 crore. Thus, e-invoicing has been made mandatory for all registered businesses with an aggregate turnover in any preceding financial year from FY 2017-18 onwards greater than Rs 20 crore.

### II. Clarification In Respect Of Applicability Of Dynamic Quick Response Code:

- With effect from 1<sup>st</sup> December 2020, all B2C invoices issued by a registered person whose aggregate turnover in any preceding financial year from FY 2017-18 onwards exceeds Rs 500 crores are mandatorily required to have a Dynamic QR code.
- The following clarifications have been given in respect of Dynamic QR Code:
  - Any invoice issued to a person having a UIN shall be considered as invoice issued for a B2C supply and shall be required to comply with the requirement of Dynamic QR Code.
  - Where an invoice for supply of services is issued to a recipient located outside India, for which the place of supply is in India as per the provisions of the IGST Act, and the payment is received by the supplier in convertible foreign exchange or in INR wherever permitted by the RBI, such invoice may be issued without having a Dynamic QR Code as such Dynamic QR code cannot be used by the recipient located outside India for making payment to the supplier.

## CHAPTER 11 - PAYMENT OF TAX

No Amendment

## CHAPTER 12 - RETURNS

### I. Cases Where A Registered Person Shall Not Be Allowed To Furnish GSTR-1/IFF:

Old Law	New Law
<ul style="list-style-type: none"> <li>• A registered person shall not be allowed to furnish the details of outward supplies in Form GSTR-1, if he has not furnished the return in Form GSTR-3B <u>for preceding two months</u>.</li> <li>• A registered person opting for QRMP Scheme shall not be allowed to furnish the details of outward supplies in Form GSTR-1 or using IFF, if he has not furnished the return in Form GSTR-3B for preceding tax period.</li> <li>• A registered person, who is restricted from using the amount available in Electronic Credit Ledger to discharge his liability towards tax in excess of 99% of such tax liability under Rule 86B of the CGST Rules, shall not be allowed to furnish the details of outward supplies in Form GSTR-1 or using IFF, if he has not furnished the return in Form GSTR-3B for preceding tax period.</li> </ul>	<ul style="list-style-type: none"> <li>• A registered person shall not be allowed to furnish the details of outward supplies in Form GSTR-1, if he has not furnished the return in Form GSTR-3B <u>for the preceding month</u>.</li> <li>• A registered person opting for QRMP Scheme shall not be allowed to furnish the details of outward supplies in Form GSTR-1 or using IFF, if he has not furnished the return in Form GSTR-3B for preceding tax period.</li> </ul>