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# GST AMENDMENTS

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↳ As per Statutory updates of ICAI  
Applicable for NOV 22 Exam.

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Amendment PDF

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# CONCEPT OF SUPPLY

## Taxable event - Supply

### Section 7 - Meaning and scope of supply

1	Supply includes -	
	(a) All forms of <i>supply of goods and/ or services or both</i> such as ➔ sale transfer, barter, exchange, licence, rental, lease or disposal ➔ made or agreed to be made ➔ for a consideration by a person ➔ <i>in the course or furtherance of business.</i>	
	(aa) <b>The activities or transactions,</b> ➔ <b>by a person, other than an individual,</b> ➔ <b>to its members or constituents or vice-versa,</b> <b>for cash, deferred payment or other valuable consideration.</b>	Newly Inserted by F.A. 2021 with retrospectively with effect from 01.07.2017
	<b>Explanation:-</b> For the purposes of this clause, it is hereby clarified that, notwithstanding anything contained in any other law for the time being in force or any judgment, decree or order of any Court, tribunal or authority, <b>the person and its members or constituents shall be deemed to be two separate persons and the supply of activities or transactions inter se shall be deemed to take place from one such person to another</b>	
<b>Reason for Amendment</b>	The above amendment puts an end to the ambiguity whether activities or transactions involving supply of goods or services, by any person, other than an individual, to its members or vice-versa fall within the purview of supply or not. The amendment brings the certainty that said activities or transactions are covered within the scope of supply under GST and ensures the leviability of GST on such activities or transactions. Further, an explanation is also being inserted to section 7(1)(aa), to clarify that the person/ its members/ constituents shall be deemed to be two separate persons and the supply of activities/ transactions inter se shall be deemed to take place from one person to another. This explanation prevents the use of doctrine of mutuality by such person(s) to avoid GST liability	

#### Example

**Pune Club supplies food and beverages to its members and non – members. It Charges GST only on the Food and Beverages supplied to non – members. Whereas no GST is charged on supply of food and beverages to its members. Whether the act of Pune Club by not charging GST on food and beverages supplied to its members is correct ? Would your answer differ if amount is charge to members?**

**Answer:**

**Legal provision:-** As per section 7(1)(aa) the activities or transactions, by a person, other than an individual, to its members or constituents or vice versa, for cash, deferred payment or other valuable consideration”. Is treated as supply

**Conclusion:-** **No**, As we already discussed above Supply of Services by an unincorporated Association to its members thereof for cash, deferred payment or other valuable consideration is treated as supply under GST.

Hence supply of Food and Beverages free of cost by a Pune club to its members is not treated as supply under GST and tax shall not be collected on the same.

**But, if amount is charged to member then it would be treated as supply**

## Activities or Transactions to be treated as Supply of Goods or Supply of Services

### 7. Supply of Goods

*The following shall be treated as supply of goods, namely*

Amended by F.A. 2021  
it is omitted Retrospectively  
from 1st July 2017

~~Supply of goods by any unincorporated association or body of persons to a member thereof for cash, deferred payment or other valuable consideration:~~

Activity	Treatment under GST
(a) <del>Supply of Goods</del> <del>☛ by unincorporated AOP/BOI</del> <del>☛ to its members</del>	<del>Supply of Goods</del> <del>[Sec 7(1A) read with Schedule II (Para7)]</del>
(b) <del>Supply of Services</del> <del>☛ by unincorporated AOP/BOI</del> <del>☛ to its members</del>	<del>Para 7 is not applicable</del> <del><b>However, it shall still be applicable as 'Supply of services'</b></del> <del>☛ Definition of 'supply' is wide to cover 'supply of services' also.</del> <del>☛ This activity has been specifically included in the definition of 'business'</del>



# COMPOSITION LEVY (Section 10)

## Section 10 (2)(e) - Conditions for Composition Scheme

Before  
Amendment

He is not a manufacturer of such goods as may be notified(as notified in table given below) by the Government on the recommendations of the Council and

Tariff item, subheading, heading or Chapter*	Description
2105 00 00	Ice cream and other edible ice,whether or not containing cocoa
2106 90 20	Pan Masala
2202 10 10	Aerated Water
24	All goods, i.e. Tobacco and manufactured tobacco substitutes

**Comment :-** Please note that the restriction is only for “manufacturers of notified goods”. Therefore, a person who is trading in such goods will still be allowed to opt for composition scheme.

After  
Amendment

He is not a manufacturer of such goods as may be notified(as notified in table given below) by the Government on the recommendations of the Council and

Tariff item, subheading, heading or Chapter*	Description
2105 00 00	Ice cream and other edible ice,whether or not containing cocoa
2106 90 20	Pan Masala
2202 10 10	Aerated Water
24	All goods, i.e. Tobacco and manufactured tobacco substitutes
6815	Fly ash bricks or fly ash aggregate with 90 per cent. or more fly ash content; Fly ash blocks
6901 00 10	Bricks of fossil meals or similar siliceous earths
6904 10 00	Building bricks
6905 10 00	Earthen or roofing tiles".

Newly inserted by  
N/N03/2022 CT dt 31/03/2022

**Comment :-** Please note that the restriction is only for “manufacturers of notified goods”. Therefore, a person who is trading in such goods will still be allowed to opt for composition scheme.



# INPUT TAX CREDIT

## Sec 16 : Eligibility and conditions for taking input tax credit.

- 2 **Conditions for availment of ITC :-** Notwithstanding anything contained in this section, no registered person shall be entitled to the credit of any input tax in respect of any supply of goods or services or both to him unless.
- (a) he is in possession of a **tax invoice or debit note** issued by a supplier registered under this Act, or such other tax paying documents as may be prescribed
- (aa) the details of the invoice or debit note referred to in clause (a)  
⇒ **has been furnished by the supplier in the statement of outward supplies and**  
⇒ **such details have been communicated to the recipient of such invoice or debit note in the manner specified under section 37**

Newly Inserted  
by F.A. 2021

### Rule 36(4):-

Amended by N/N  
40/2021CT

No input tax credit shall be availed by a registered person in respect of invoices or debit notes the details of which are required to be furnished under section 37(1) unless,-

- (a) 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 the invoice furnishing facility; and
- (b) the details of such invoices or debit notes have been communicated to the registered person in FORM GSTR-2B under rule 60(7).



### Tutorial Notes

ITC can now be taken only for those invoices whose details are reflected in GSTR-2B i.e the respective suppliers (vendors) have filed the details of such invoices their GSTR-1. 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-1s/using IFF.

## Rule 86A- Conditions of use of amount available in electronic credit ledger

- (1) The Commissioner or an officer authorised by him in this behalf, not below the rank of an Assistant Commissioner,

*having reasons to believe that credit of input tax available in the electronic credit ledger has been fraudulently availed or is ineligible in as much as*

- a) the credit of input tax has been availed on the strength of tax invoices or debit notes or any other document prescribed under rule 36-
- i) issued by a registered person who has been found **non-existent or not to be conducting any business from any place for which registration has been obtained**; or
- ii) **without receipt of goods or services or both**; or
- b) ITC avail in respect of any supply, the **tax charged** in respect of which has **not been paid to the Government**; or
- c) The **registered person availing the credit of input tax** has been found **non-existent or not to be conducting any business** from any place for which registration has been obtained; or
- d) The registered person availing any credit of input tax is **not in possession of a tax invoice or debit note or any other**

**document** prescribed under rule 36,

**may, for reasons to be recorded in writing, not allow debit of an amount equivalent to such credit in electronic credit ledger for discharge of any liability under section 49 or for claim of any refund of any unutilised amount.**

- (2) The Commissioner, or the officer may, upon being satisfied that **conditions for disallowing** debit of electronic credit ledger as above, **no longer exist, allow such debit.**
- (3) Such **restriction shall cease** to have effect **after the expiry of a period of one year from the date of imposing such restriction.**”.

#### Proper authority for the purpose of rule 86A

The Commissioner/Principal Commissioner is the proper officer for the purpose of exercising powers under rule 86A. The Commissioner/Principal Commissioner may authorize **any officer subordinate to him, not below the rank of Assistant Commissioner to be the proper officer for** exercising powers under rule 86A based on the following monetary limits as mentioned below:

Total amount of ineligible or fraudulently availed ITC	Officer to disallow debit of amount from electronic credit ledger under rule 86A
Not exceeding ₹ 1 crore	Deputy Commissioner/Assistant Commissioner
Above ₹ 1 crore but not exceeding ₹ 5 crore	Additional Commissioner/Joint Commissioner
Above ₹ 5 crore	Principal Commissioner/Commissioner

The Additional Director General /Principal Additional Director General of DGGI can also exercise the powers assigned to the Commissioner under rule 86A. The monetary limits for authorization for exercise of powers under rule 86A to the officers of the rank of Assistant Director and above of DGGI by the Additional Director General /Principal Additional Director General may be same as mentioned for equivalent rank of officers in the table above.





# REGISTRATION

## Sec 22 : Persons liable for registration

<b>Before Amendment</b>	<p><b>N/N 10/2019 CT dt 07/03/2019</b> <b>Enhance Threshold upto 40 lakhs :-</b> <b>Any person, who is engaged in exclusive supply of goods and whose aggregate turnover in the financial year does not exceed 40 lakh rupees,</b> <b>except,</b></p> <p>(a) persons required to take <b>compulsory registration</b> under section 24 of the said Act; (b) persons engaged in making supplies of the following goods:- 1. Ice cream and other edible ice, whether or not containing cocoa 2. Pan Masala 3. All goods, i.e. Tobacco and manufactured tobacco substitutes, (c) Persons engaged in making <b>intra-State supplies</b> in the States of     ➔ Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, Uttarakhand; and     ➔ Puducherry, Telangana, (d) Persons exercising option under the provisions of section 25(3) i.e. <b>voluntary registration</b>, or such registered persons who intend to continue with their registration under the said Act.</p>
<b>After Amendment</b>	<p><b>N/N 10/2019 CT dt 07/03/2019</b> <b>Enhance Threshold upto 40 lakhs :-</b> <b>Any person, who is engaged in exclusive supply of goods and whose aggregate turnover in the financial year does not exceed 40 lakh rupees,</b> <b>except,</b></p> <p>(a) persons required to take <b>compulsory registration</b> under section 24 of the said Act; (b) persons engaged in making supplies of the following goods:- 1. Ice cream and other edible ice, whether or not containing cocoa 2. Pan Masala 3. All goods, i.e. Tobacco and manufactured tobacco substitutes, <b>4. Fly ash bricks or fly ash aggregate with 90 % or more fly ash content; Fly ash blocks,</b> <b>5. Bricks of fossil meals or similar siliceous earths</b> <b>6. Building bricks</b> <b>7. Earthen or roofing tiles</b> (c) Persons engaged in making <b>intra-State supplies</b> in the States of     ➔ Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, Uttarakhand; and     ➔ Puducherry, Telangana, (d) Persons exercising option under the provisions of section 25(3) i.e. <b>voluntary registration</b>, or such registered persons who intend to continue with their registration under the said Act.</p>

Newly Inserted by N/N 03/2022  
CT dt 31/03/2022

**“10B. Aadhaar authentication for registered person .—**

Newly inserted N/N  
35/2021 CT

The registered person, **other than a person notified under sub-section (6D) of section 25, who has been issued a certificate of registration** under rule 10 shall, **undergo authentication of the Aadhaar number of the**

Entity	Person need to ungergo AA
proprietorship firm	proprietor
partnership firm	partner
Hindu undivided family	karta
a company	Managing Director or any whole time Director
an Association of persons or body of individuals or a Society,	any of the Members of the Managing Committee
Trust	Trustee in the Board of Trustees
	authorized signatory

in order to be eligible for the purposes as specified in column (2) of the Table below:

S.No.	Purpose
(1)	(2)
1.	For filing of application for revocation of cancellation of registration in <a href="#">FORM GST REG-21 under Rule 23</a>
2.	For filing of refund application in <a href="#">FORM RFD-01 under rule 89</a>
3.	For refund under <a href="#">rule 96 of the integrated tax paid on goods exported out of India</a>

Provided 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.	her/his Aadhaar Enrolment ID slip; and
b.	i. Bank passbook with photograph; or
	ii. Voter identity card issued by the Election Commission of India; or
	iii. Passport; or
	iv. Driving license issued by the Licensing Authority under the Motor Vehicles Act, 1988

Provided further that such person shall undergo the authentication of Aadhaar number within a period of 30 days of the allotment of the Aadhaar number



**Tutorial Notes**

The consequential amendments in the abovementioned rules would mean that in order prior to filing an application for:

- ➔ revocation of cancellation of registration;
- ➔ refund application under rule 89
- ➔ refund application under rule 96

**Extension of time-limit for filing application for revocation of cancellation of registration by a registered person permitted beyond the stipulated time [N/N 15/2021 CT dt 18.05.2021]**



**Author Notes:-**

Following Amendment was already applicable for May 22 examination, but it also covered in statutory updates of ICAI for Nov 22 examination.

With effect from 01.01.2021, proviso to section 30(1) was substituted to permit the extension of time-limit for filing application for revocation of cancellation of registration by a registered person.

Accordingly, the time period of filing of application for revocation of 30 days from the date of service of the order of cancellation of registration, may, on sufficient cause being shown, and for reasons to be recorded in writing, be extended,—



- (a) by the Additional Commissioner or the Joint Commissioner, as the case may be, for a period not exceeding 30 days;
- (b) by the Commissioner, for a further period not exceeding 30 days, beyond the period specified in clause (a).

Consequently, rule 23(1) has also been suitably amended to give effect to aforesaid amendment. Amended rule 23(1) reads as follows:

A registered person, whose registration is cancelled by the proper officer on his own motion, may submit an application for revocation of cancellation of registration, in prescribed form, to such proper officer, within a period of 30 days from the date of the service of the order of cancellation of registration **or within such time period as extended by the Additional Commissioner or the Joint Commissioner or the Commissioner, as the case may be, in exercise of the powers provided under the proviso to section 30(1)**, at the common portal, either directly or through a Facilitation Centre notified by the Commissioner.



# EXEMPTION FROM GST

Amended by Notification no. 12/2017 CT(R) dated 28.06.2017

## Exemption Related to Transport Sector

Sl. No.15  
of notification

Passenger Transport Service (Heading 9964 )

### Exemption

**Transport of passengers, with or without accompanied belongings, by –**

- a) **Air**, embarking from or terminating in an airport located in the state of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, or Tripura or at Bagdogra located in West Bengal;
- b) **non-airconditioned contract carriage** other than radio taxi, for transportation of passengers, *excluding tourism, conducted tour, charter or hire*; or
- c) **stage carriage** *other than air-conditioned stage carriage*.

**However, nothing contained in items (b) and (c) above shall apply to services supplied through an electronic commerce operator, and notified under section 9(5) of the CGST, 2017.**

Notification no. 12/2017 CT  
(R) dated 28.06.2017

Sl. No.17  
of notification

Passenger Transport Service (Heading 9964 )

### Exemption

**Service of transportation of passengers, with or without accompanied belongings, by –**

- a) Railways in a class other than –
  - i) First class; or
  - ii) An air conditioned coach;
- b) Metro, monorail or tramway;
- c) Inland waterways;
- d) Public transport, **other than predominantly for tourism purpose**, in a vessel between places located in India; and
- e) Metered cabs, or auto rickshaws (including e-rickshws)

**However, nothing contained in item (e) above shall apply to services supplied through an electronic commerce operator, and notified under section 9(5) of the CGST, 2017.**

Notification no. 12/2017  
CT(R) dated 28.06.2017

## Services Provided to Government

Sl. No.3  
of notification

Service to Govt. of article 243G (chapter 99)

**Pure services** (excluding works contract service or other composite supplies involving supply of any goods) provided to the Central Government, State Government or Union territory or local authority ~~or a Governmental authority or a Government Entity~~ **Notification no. 12/2017 CT (R) dated 28.06.2017**

by way of any activity in relation to any function entrusted to a Panchayat under article 243G of the Constitution or in relation to any function entrusted to a Municipality under article 243W of the Constitution.

Sl. No.3A  
of notification

Service to Govt. by way of any Activity in relation to article 243G or 243W(chapter 99)

**Composite supply of goods and services** in which the value of supply of goods constitutes **not more than 25 %** of the value of the said composite supply

➔ provided to the Central Government, State Government or Union territory or local authority or

**Notification no. 12/2017 CT (R) dated 28.06.2017**

➔ a Government or Union territory or local authority ~~or a Governmental authority or a Government Entity~~ by way of any activity in relation to any function entrusted to a Municipality under article 243W of the Constitution.

Sl. No.72  
of notification

Training Program for Government (Heading 9992)

Services provided to the Central Government, State Government, Union territory administration under any training programme for which **75% or more of the** total expenditure is borne by the Central Government, State Government, Union territory administration.

**Newly Inserted N/N 07/2021 -CT(R) dt 30/09/2021**

## Newly Inserted

### Exemption in Government Sector

Sl. No.61A  
of notification

Service by way of granting national permit (Heading 9991)

**Newly Inserted by N/N 07/2021 CT(R) dt 30/09/2021**

Services by way of **Granting National Permit**

- ➔ to a goods carriage
- ➔ to operate through-out India / contiguous States.

### Other Government Sector

Sl. No.43  
of notification

Leasing of asset to Indian Railway (Heading 9973 or Heading 9991)

**Omitted by N/N 07/2021 CT(R) dt 30/09/2021**

~~Services of leasing of assets (rolling stock assets including wagons, coaches, locos) by the Indian Railways Finance Corporation to Indian Railways.~~



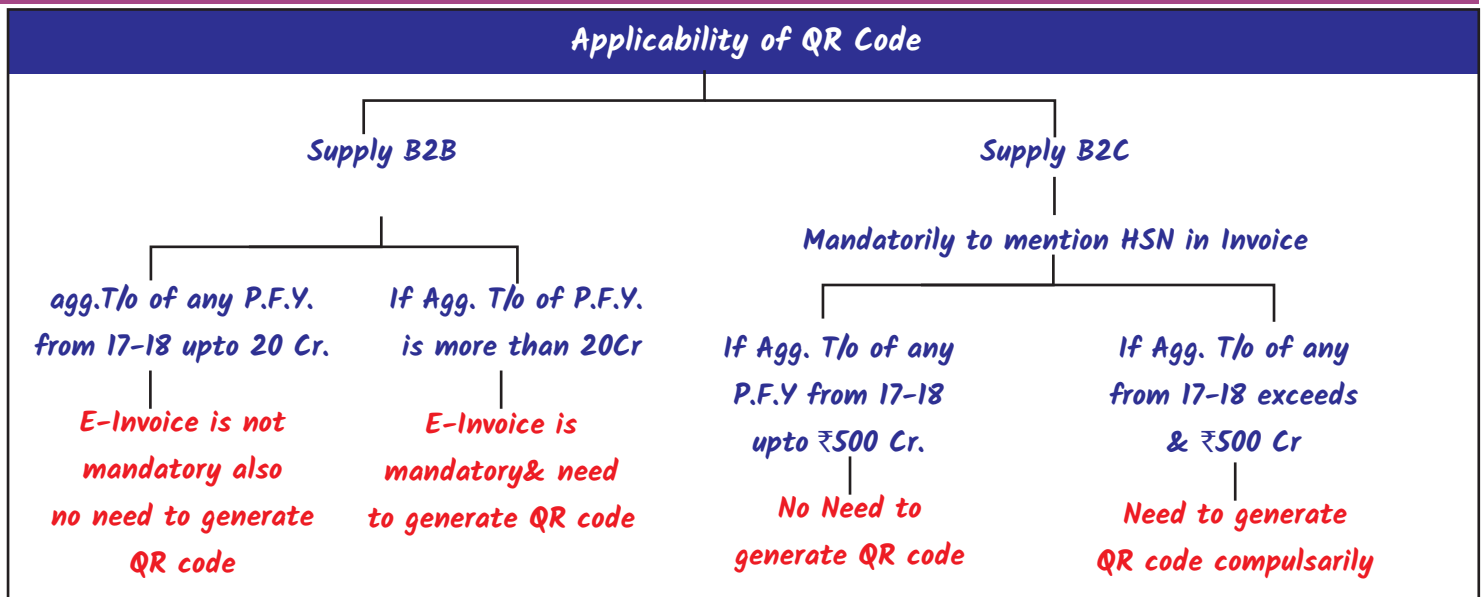
# TAX INVOICE

## Debit Note & Credit Note

E-invoicing mandatory for all registered businesses with aggregate turnover in any preceding financial year from 2017-18 onwards greater than ₹ 20 crore

<p>Suppliers to which rule 48(4) applies</p>	<p>registered person, whose aggregate turnover any preceding financial year from 2017-18 onwards exceeds <b>20 crore</b> <span style="background-color: red; color: white; padding: 2px;">Newly Inserted N/N 01/2022</span></p> <p><b>except</b></p> <ul style="list-style-type: none"> <li>➤ A Government Department,</li> <li>➤ A Local Authority, <span style="background-color: red; color: white; padding: 2px;">Newly Inserted N/N 23/2021 CT dt 01/06/2021</span></li> <li>➤ special economic zone unit and</li> <li>➤ banks,</li> <li>➤ financial institutions, insurers,</li> <li>➤ GTA and passenger transport service providers and</li> <li>➤ multiplexes</li> </ul>
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### Clarification in respect of applicability of Dynamic Quick Response (QR) code



Clarification in respect of applicability of Dynamic Quick Response (QR) Code on B2C invoices and compliance of notification 14/2020- Central Tax dated 21st March, 2020 - Reg. [ Circular No. 165/21/2021-GST Dt 17/11/2021 ]

**Issue:-** In cases, where receiver of services is located outside India, and payment is being received by the supplier of services, through RBI approved modes of payment, but as per provisions of the IGST Act 2017, the place of supply of such services is in India, then such supply of services is not considered as export of services as per the IGST Act 2017; whether in such cases, the Dynamic QR Code is required on the invoice issued, for such supply of services, to such recipient located outside India?

**Clarification:- No.** Wherever an invoice is issued to a recipient located outside India, for supply of services, for which the place of supply is in India, as per the provisions of IGST Act 2017, and the payment is received by the supplier, in convertible foreign exchange or in Indian Rupees 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.



# RETURNS

## Author Notes:-

Following Amendment was already applicable for May 22 examination, but it also covered in statutory updates of ICAI for Nov 22 examination.

## Annual Return (Sec 44)

**Q.15 : Who are required to furnish Annual Return and what is the due date and prescribed form for annual return? [Section 44 read with rule 80]**

**Ans.:** Every registered person,

*other than*

- ⇒ an Input Service Distributor,
- ⇒ a person paying tax under section 51 or section 52,
- ⇒ a casual taxable person and
- ⇒ a non-resident taxable person

shall furnish an **annual return** which may include

- ⇒ a **self-certified reconciliation statement**, reconciling the value of supplies declared in the return furnished for the financial year,
- ⇒ with the **audited annual financial statement** for every financial year electronically, within such time and in such form and in such manner as may be prescribed.

For the financial year 2020-2021 the said annual return & self-certified reconciliation statement shall be furnished on or before the 28th day of February, 2022

Provided that the Commissioner may, on the recommendations of the Council, by notification, exempt any class of registered persons from filing annual return under this section:

The Commissioner, on the recommendations of the Council, hereby exempts the registered person whose aggregate turnover in the financial year 2020-21 is upto two crore rupees, from filing annual return for the said financial year.

Newly Inserted by N/N 31/2021  
CT dt 30/07/2021

Provided further that nothing contained in this section shall apply to any department of the **Central Government or a State Government or a local authority**, whose books of account are subject to audit by the Comptroller and Auditor-General of India or an auditor appointed for auditing the accounts of local authorities under any law for the time being in force

Person	Regular taxable Person	Composition Taxable person	CG/SG/Local Authority (covered in proviso 2)
Form	GSTR-9	GSTR-9A	-
Due date	31st Dec of the next F. Y. (commissioner can extent time limit for furnishing annual return).		

**Maximum late fees payable under section 47 for delayed filing of Forms GSTR-1, GSTR-3B, GSTR-4 and GSTR-7, rationalized Section 47 of the CGST Act stipulates a specified amount of late fee for delay in filing any of the following by their respective due dates:**

- (A) Statement of Outward Supplies [Section 37]
- (B) Returns (including returns under QRMP Scheme) Returns [Section 39]
- (C) Final Return [Section 45]

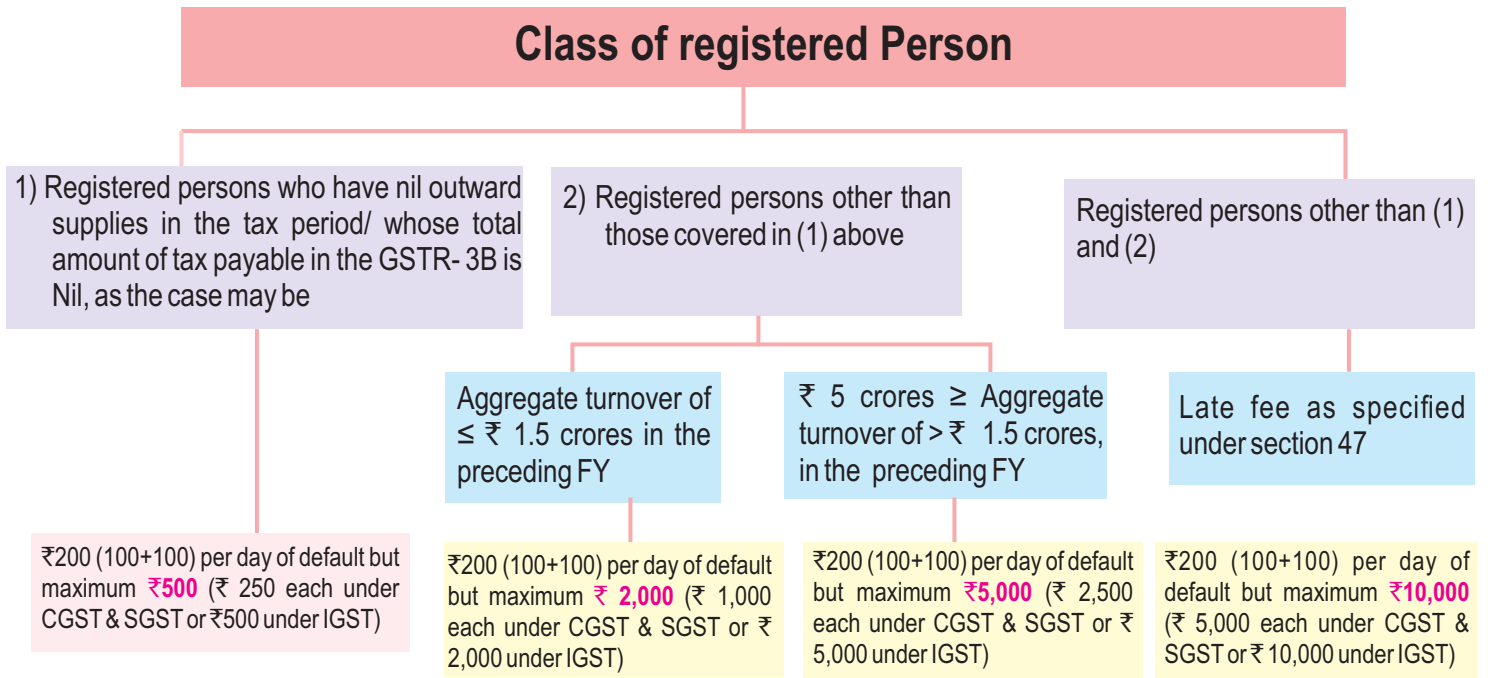
An equal amount of late fee is payable by such person under the respective SGST/UTGST Act as well. Penalty leviable under IGST Act shall be the sum total of the penalties leviable under the CGST Act and the SGST/UTGST Act.

The late fee can be waived off partially or fully by the Central Government. Consequently, since the inception of GST law, late fee is being regularly waived off by the Central Government either partially or fully.

From the tax period June, 2021 onwards or quarter ending June, 2021 or FY 2020-21 onwards, as the case may be, late fee for delayed filing of Forms GSTR-1, GSTR-3B, GSTR-4 and GSTR-7, has been rationalized as follows:

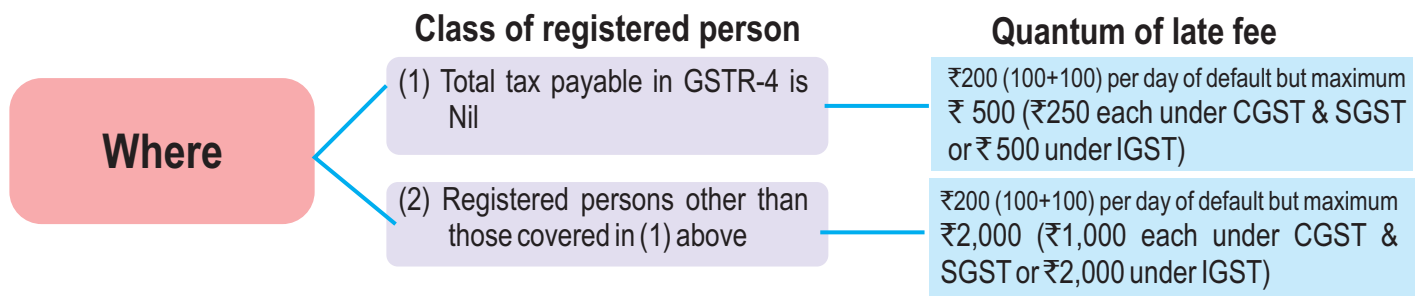
For delayed filing of GSTR-1 and/or GSTR-3B:-

Total amount of late fee payable under section 47 of the CGST Act from June, 2021 / quarter ending June, 2021 onwards, by the registered person who fail to furnish Form GSTR-1 and/or Form GSTR-3B by the due date, shall be as follows:



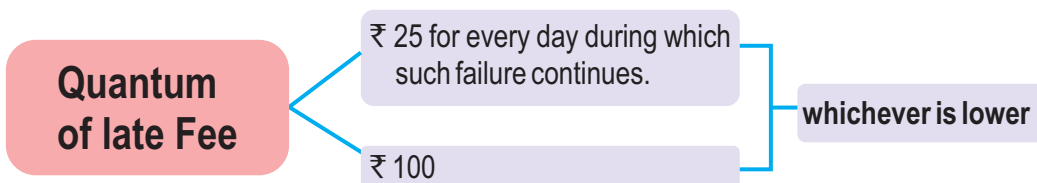
**For delayed filing of GSTR-4:-**

Total amount of late fee payable under section 47 of the CGST Act from F.Y. 2021-22 onwards, by the registered person (composition taxpayer) who fail to furnish Form GSTR-4 by the due date, shall be as follows:



**For delayed filing of GSTR-7:-**

Total amount of late fee payable under section 47 of the CGST Act by any registered person, required to deduct tax at source under the provisions of section 51 of the CGST Act for delayed filing of GSTR-7, from the month of June 2021 onwards, shall be as follows:







# E-Way Bill

## Author Notes:-

Following Amendment was already applicable for May 22 examination, but it also covered in statutory updates of ICAI for Nov 22 examination.

## E-way bill generation facility to be blocked only in respect of outward movement of goods, by the defaulting registered person [Rule 138E]

Notwithstanding anything rule 138(1), no person (including a consignor, consignee, transporter, an e-commerce operator or a courier agency) shall be allowed to furnish the information in PART A of FORM GST EWB-01 ~~in respect of a registered person, whether as a supplier or a recipient, who,~~ **in respect of any outward movement of goods of a registered person who** Substituted by N/N 15/2021CT dt 18/05/2021

- (a) being a person paying tax under section 10, has not furnished the returns for two consecutive tax periods; or
- (b) being a person other than a person specified in clause (a), has not furnished the returns for a consecutive period of **Two Tax Periods**
- (c) being a person other than a person specified in clause (a), has not furnished the statement of outward supplies for any two months or quarters, as the case may be.
- (d) being a person, whose registration has been suspended under the provision of rule 21A(1) or 21A(2) or 21A(2A)

Earlier, a user was not able to generate e-way bill for a GSTIN if the said GSTIN was not eligible for e-way bill generation in terms of rule 138E. It implies that the GSTINs of such blocked taxpayers could not be used to generate the e-way bills neither as supplier (consignor) nor as recipient (consignee).

Said rule has been amended to relax such restriction. Blocking of GSTIN for e-way bill generation would only be for the defaulting supplier GSTIN and not for the defaulting Recipient or Transporter GSTIN. Suspended GSTIN cannot generate e-way bill as supplier. However, the suspended GSTIN can get the e-way bill generated as recipient or as transporter.

In other words, e-way bill generation facility is blocked only in respect of any outward movement of goods of the registered person who is not eligible for e-way bill generation as per rule 138E. E-way bills can be generated in respect of inward supplies of said registered person.

**Example :-** Mr. A, a registered person paying tax under regular scheme in Delhi, has not filed Form GSTR-1 for last 2 months. Mr. B, Haryana, (a regular return filer) wants to generate an e-way bill for goods to be supplied to Mr. A. As per earlier position of law, Mr. B would not have been able to generate e-way bill with Mr. A's GSTIN.

In terms of the amended position of law, there will be no more restriction in generating e-way Bill as Mr. B who is making outward movement of goods is a regular return filer.

Mr. A wants to generate an e-way bill in respect of an outward supply of goods to Mr. H. E-way bill generation is blocked in this case as it's an outward movement of goods of Mr. A who has not filed GSTR-1 for past 2 months.

