



Updates

**May
2021**

Highlights



Updates

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Tax Notifications

SI No	Subject	Central Tax Notification	State Tax Notification	IGST Notification
1.	Conditional waiver of interest for tax periods March, 2021 & April, 2021 w.e.f. 18.04.2021:	08/2021-CT, dt. 01-05-2021	604-F.T. dt. 03-06-2021	01/2021-IGST, dt. 01-05-2021

Sl. No.	Taxpayers' Category	Tax period	Due date of Form GSTR 3B	Condition for waiver of interest	
				9%	18%
1	Aggregate turnover >Rs. 5 Crore in the preceding financial year	March 2021	20.04.2021	Up to 05.05.2021	From 06.05.2021 onwards
		April, 2021	20.05.2021	Up to 04.06.2021	From 05.06.2021 onwards

Tax Notifications (contd...)

Conditional waiver of interest for tax periods March, 2021 & April, 2021 (contd.)

Sl. No.	Taxpayers' Category	Tax period	Due date of Form GSTR 3B	Condition for waiver of interest		
				Nil	9%	18%
2	Aggregate turnover ≤ Rs 5 crores in the preceding financial year (Monthly Filers)	March 2021	20.04.2021	Up to 05.05.2021	06.05.2021 To 20.05.2021	From 21.05.2021 onwards
		April, 2021	20.05.2021	Up to 04.06.2021	From 05.06.2021 to 19.06.2021	From 20.06.2021 onwards
Sl. No.	Taxpayers' Category	Tax period	Due date of Form GSTR 3B	Condition for waiver of interest		
				Nil	9%	18%
3(a)	Aggregate turnover ≤ Rs 5 crores in the preceding financial year (QRMP scheme)	QE March 2021	24.04.2021	Up to 09.05.2021	10.05.2021 to 24.05.2021	25.05.2021 onwards

Tax Notifications (contd...)

Conditional waiver of interest for tax periods March, 2021 & April, 2021 (contd.)

Sl. No.	Taxpayers' Category	Payment Month	Due date of Form GST PMT 06	Condition for waiver of interest		
				Nil	9%	18%
3(b)	QRMP scheme tax payers	April, 2021	25.05.2021	Up to 09.06.2021	10.06.2021 to 24.06.2021	25.06.2021 onwards

Sl. No.	Taxpayers' Category	Payment Period	Due date of Form GST CMP 08	Condition for waiver of interest		
				Nil	9%	18%
4	Composition Tax Payers	QE March 2021	18.04.2021	Up to 03.05.2021	04.05.2021 to 18.05.2021	19.05.2021 onwards

Tax Notifications (contd...)

SI No	Subject	Central Tax Notification	State Tax Notification
2.	Conditional waiver of late fee for delay in furnishing GSTR-3B for tax periods March, 2021 & April, 2021 w.e.f. 20.04.2021:	09/2021-CT, dt. 01-05-2021	605-F.T. dt. 03-06-2021

Conditional waiver of late fee for tax periods March, 2021 & April, 2021

Sl. No.	Taxpayers' Category	Tax Period	Due date of Form GSTR 3B	Condition for waiver of late fee	
				Nil	Applicable late fee
1	Aggregate turnover >Rs. 5 Crore in the preceeding financial year	March, 2021	20.04.2021	Up to 05.05.2021	06.05.2021 onwards
		April, 2021	20.05.2021	Up to 04.06.2021	05.06.2021 onwards

Tax Notifications (contd...)

Conditional waiver of late fee for tax periods March, 2021 & April, 2021

Sl. No.	Taxpayers' Category	Tax Period	Due date of Form GSTR 3B	Condition for waiver of late fee	
				Nil	Applicable late fee
2	Aggregate turnover ≤ Rs 5 crores in the preceding financial year (Monthly Filers)	March 2021	20.04.2021	Up to 20.05.2021	21.05.2021 onwards
		April, 2021	20.05.2021	Up to 19.06.2021	20.06.2021 onwards
3	Aggregate turnover ≤ Rs 5 crores in the preceding financial year (QRMP scheme)	QE March, 2021	24.04.2021	Up to 25.05.2021	26.05.2021 onwards

Tax Notifications (contd...)

SI No	Subject	Central Tax Notification	State Tax Notification
3.	Due date for filing of Form GSTR-4 for FY ending on 31.03.2021 has been extended till 31.05.2021 <i>Date of effect: 30.04.2021</i>	<u>10/2021-CT,</u> <u>dt. 01-05-2021</u>	<u>606-F.T.</u> <u>dt. 03-06-2021</u>
4	Due date for filing of Form GST ITC-04 for the period 01.01.2021 to 31.03.2021 (QE 31.03.2021) has been extended till 31.05.2021 <i>Date of effect: 25.04.2021</i>	<u>11/2021-CT,</u> <u>dt. 01-05-2021</u>	<u>02/2021-C.T./GST</u> <u>dt. 03-06-2021</u>
5	Due date for filing of monthly Form GSTR-1 for April, 2021 has been extended till 26.05.2021 <i>Date of effect: 30.04.2021</i>	<u>12/2021-CT,</u> <u>dt. 01-05-2021</u>	<u>03/2021-C.T./GST</u> <u>dt. 03-06-2021</u>

Tax Notifications (contd...)

Sl No	Subject	Central Tax Notification	State Tax Notification
6.	CGST/ WBGST (Third Amendment) Rules, 2021 in respect of the following: <i>Date of effect: 01.05.2021</i>	<u>13/2021-CT,</u> <u>dt. 01-05-2021</u>	<u>607-F.T.</u> <u>dt. 03-06-2021</u>

New Proviso to Rule 36(4):

The condition of availability of ITC in respect of invoices or debit notes, the details of which have not been furnished by the suppliers in FORM GSTR-1 or using the IFF to the extent of 5% of the eligible credit available in respect of invoices or debit notes, the details of which have been furnished by the suppliers shall apply cumulatively for the period April and May, 2021 and the return in FORM GSTR-3B for the tax period May, 2021 shall be furnished with the cumulative adjustment of ITC for the said months in accordance with the condition under rule 36(4).

New Proviso to Rule 59(2):

Prescribed period of furnishing B2B supplies using IFF (*i.e. 1st day of the succeeding month till 13th day of the succeeding month*) by a registered person for the month of **April, 2021** has been **extended till 28.05.2021**.

Tax Notifications (contd...)

SI No	Subject	Central Tax Notification	State Tax Notification
7.	Extension of time limit for completion/ compliance of any action in exercise of powers u/s 168A w.e.f. 15.04.2021:	14/2021-CT, dt. 01-05-2021	608-F.T. dt. 03-06-2021

✓ **Time limit** for completion or compliance of any action, by any authority or by any person, which **falls during 15.04.2021 to 30.05.2021**, but has not been completed or complied within such time shall be **extended up to 31.05.2021**.

✓ **The extension shall not apply to:**

(a) Chapter IV; (b) Secs: 10(3), 25, 27, 31, 37, 47, 50, 69, 90, 122, 129; (c) Sec. 39, except 39(3), 39(4) & 39(5); (d) sec 68, in so far as e-way bill is concerned; & (e) rules made under the provisions specified at clause (a) to (d) above

✓ **Time limit** for completion or compliance of any action, by any authority or by any person, **u/r 9 [Verification of the registration application and approval]** which **falls during 01.05.2021 to 31.05.2021**, but has not been completed or complied within such time shall be **extended up to 15.06.2021**.

✓ In cases where Form GST RFD 08 has been issued in respect of a refund claim & the time period of **sixty days** for issuance of Form GST RFD 06 falls during **15.04.2021 to 30.05.2021**, then the **time limit** for issuance of Form GST RFD 06 has been **extended to 15 days** after the receipt of reply in Form GST RFD 09 or **31.05.2021**, whichever is **later**.

Tax Notifications (contd...)

Sl No	Subject	Central Tax Notification	State Tax Notification
8.	CGST/WBGST (Fourth Amendment) Rules, 2021 in respect of the following: <i>Date of effect: 18.05.2021</i>	15/2021-CT, dt. 18-05-2021	609-F.T. dt. 03-06-2021

Amendment in Rule 23(1): [Revocation of cancellation of registration]:

A registered person, whose registration is cancelled by the proper officer on his own motion, may submit FORM GST REG-21 [Application of Revocation of Cancellation], within 30 days from the date of the service of the order of cancellation of registration or **within such time period as may be extended** by the Additional Commissioner (Senior Joint Commissioner in respect of WBGST Rules) 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)**

Insertion of new proviso in Rule 90(3):

The **time period** from the date of filing of the refund claim in FORM GST RFD-01 till the date of communication of deficiencies in FORM GST RFD-03 by the proper officer, **shall be excluded** from the **period of limitation of two years as specified u/s 54(1)**, in respect of any fresh refund claim filed by the applicant after rectification of the deficiencies.

Tax Notifications (contd...)

CGST (Fourth Amendment) Rules, 2021 contd...

Insertion of new Rule 90(5): New provision for **withdrawal of refund application** by filing **FORM GST RFD-01W**, at any time **before issuance** of FORM GST RFD-04/ FORM GST RFD-06/ FORM GST RFD-05/ FORM GST RFD-07/ FORM GST RFD-08, in respect of any refund application filed in FORM GST RFD-01.

Insertion of new Rule 90(6): On **submission of FORM GST RFD-01W**, any amount debited from electronic credit ledger/ electronic cash ledger, as the case may be, while filing application for refund in FORM GST RFD-01, **shall be credited back** to the ledger from which such debit was made.

Amendments in Rule 92 : Order sanctioning refund:

- ✓ **In Sub-rule 1:** Sub-rule 1 that provided for issuance of an order in Part A of FORM GST RFD-07 in case of complete adjustment of refund amount against any outstanding demand under the Act/ any existing law has been **omitted**.
- ✓ **In Sub-rule 2:**
 - An order in **Part A of FORM GST RFD-07** shall henceforth be passed **where the amount of refund is liable to be withheld** u/s 54(10)/ 54(11).
 - New Proviso inserted: Provision for passing an **order for release of withheld refund** in **Part B of FORM GST RFD- 07** where the refund is **no longer liable to be withheld**.

Tax Notifications (contd...)

CGST (Fourth Amendment) Rules, 2021 contd.

Amendments in Rule 96 : Refund of IGST paid on goods/ services exported out of India:

✓ Consequential amendment of Sub- rule 2 of Rule 92 in rules 96(6) & 96(7)

✓ New format of **FORM GST RFD-07** notified.

✓ Format of **FORM GST RFD-01 W** notified.

Amendments made in the format of **FORM GST REG-21**

Amendment in Rule 138E:

Restriction on furnishing of information in PART A of FORM GST EWB-01 by any person (including a consignor, consignee, transporter, an e-commerce operator or a courier agency) **in respect of any outward movement of goods of a registered person** who, has not furnished FORM GST CMP-08 for two consecutive quarters/ FORM GSTR-3B for two consecutive tax period/ FORM GSTR-1 for two months or quarters as the case may be/ whose registration has been suspended (i.e. a registered supplier shall not be restricted to generate e-way bill even if his recipient falls in the categories as specified above.)

Circulars

Sl	Subject	Central Circular	State Circular
1	SOP for implementation of the provision of extension of time limit to apply for revocation of cancellation of registration in FORM GST REG-21 by any registered person u/s 30 and u/r 23:	<u>148/04/2021</u> <u>dt 18-05-2021</u>

Applicable for persons applying for revocation of cancellation of registration **beyond a period of 30 days but within 90 days** from the date of service of the cancellation order:-

- ✓ The person may request through a letter/ e-mail, for extension of the time limit to apply for revocation of cancellation of registration to the Proper Officer by providing the grounds on which such extension is sought.
- ✓ The Proper Officer shall forward the request to the jurisdictional Joint/ Additional Commissioner (Senior Joint Commissioner in respect of WBGST Rules) for decision on the request for extension of time limit.
- ✓ The Joint/Additional Commissioner (Senior Joint Commissioner in respect of WBGST Rules) on examination of the request may grant the same upon recording the reasons in writing & communicate the same to the Proper Officer.

Circulars (contd...)

SOP for implementation of the provision of extension of time limit to apply for revocation of cancellation of registration contd...

- ✓ **The Joint/ Additional Commissioner (Senior Joint Commissioner in respect of WBGST Rules) may reject the request if he is not satisfied with the grounds upon providing an opportunity of personal hearing to the applicant.**
- ✓ **Grounds of rejection of the request, may be communicated to the person concerned, by the Proper Officer.**
- ✓ **On receipt of the decision of the Joint/Additional Commissioner (Senior Joint Commissioner in respect of WBGST Rules), the Proper Officer shall process the application for revocation of cancellation of registration.**

The circular shall cease to have effect once the independent functionality for extension of time limit for applying in FORM GST REG-21 is developed on the GSTN portal

Rulings by WBAAR

Whether “Damodar Valley Corporation” is covered under the definition of the term ‘Government Entity’

Order No & Dt:

01/WBAAR/2021-22
dated 03.05.2021

Name of the

Applicant:

**DAMODAR VALLEY
CORPORATION**

Damodar Valley Corporation shall be covered under the definition of —Government Entity in terms of Notification No.11/2017- CT (R), dated 28.06.2017 [as amended by Notification No.31/2017- CT (R) dated 13.10.2017] / Notification No.12/2017- CT (R), dated 28.06.2017 [as amended by Notification No.32/2017- CT (R) dated 13.10.2017].

Rulings by WBAAR (contd...)

Order No & Dt:

03/WBAAR/2021-22
dated 28.05.2021

Name of the
Applicant:

SYNTHETIC
MOULDERS LIMITED

What shall be the HSN Code and rate of tax applicable on supply of aerobic micro organism/protein derived thereof used as a biological agent to reduce the requirement of cement in all cementitious / concrete application.

Aerobic micro organism/protein derived thereof used as a biological agent to reduce the requirement of cement in all cementitious / concrete application as manufactured and to be supplied by the applicant falls under the description “Prepared additives for cements, mortars or concretes” and is classifiable under HSN 3824 40 of the First Schedule to the Customs Tariff Act, 1975. The goods are covered under Sl. No. 97 of Schedule-III of Notification No. 1/2017-CT (R), dated 28.06.2017 (as amended) and corresponding W.B.State Tax Notification No. 1125 F.T. dated 28.06.2017 (as amended) attracting GST @ 18% (9% CGST +9% WBGST).

Court Judgements

HIGH COURT OF BOMBAY: Amit Kumar Shukla v. Union of India WRIT PETITION (ST.) NO. 9335 OF 2021 , dt 06.05.2021

Facts:

The petitioner was proprietor of firm and director of company which had fraudulently availed ITC of Rs.66 crores only on basis of mere documents i.e. Invoices/ E-way Bills, without receipt of any goods in contravention of provisions of Section 16(2) of CGST Act, 2017 and petitioner was arrested for playing a prominent role in fraudulent availment of and passing of ITC without supply of goods, attracting punishment under provisions of Section 132.

Judgements:

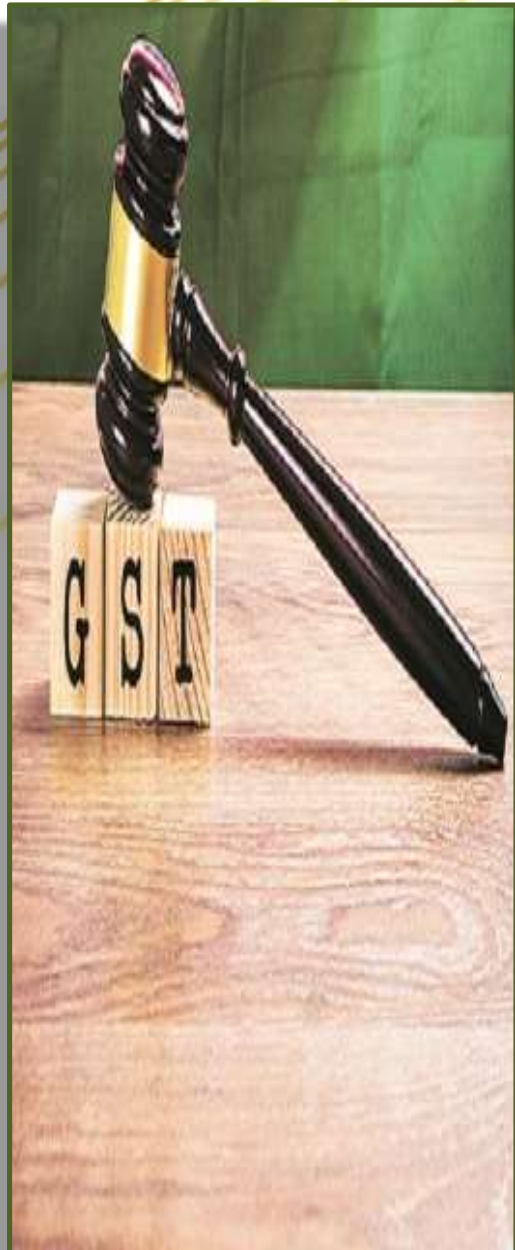
It was held that considering magnitude and scale of alleged fraud involving public money and critical stage, when investigation to get hold of mastermind/ king pin and other key conspirators as well as modus operandi was underway in which Petitioner through his sole proprietary concern, as well as through Pvt. Limited Company, was alleged to be an active participant, at instant stage bail under Article 226 of Constitution of India could not be granted to the petitioner.

Court Judgements (contd...)

HIGH COURT OF KERALA: [The State of Kerala etc. Vs Future Gaming & Hotel Services \(P\) Ltd., \(formerly Future Gaming Solutions India \(P\) Ltd.\), The State of Nagaland etc. WA.No.78 of 2021 dt 17.05.2021 against the Judgment in WP\(C\) 34025/2019\(P\) of High Court of Kerala](#)

Facts:

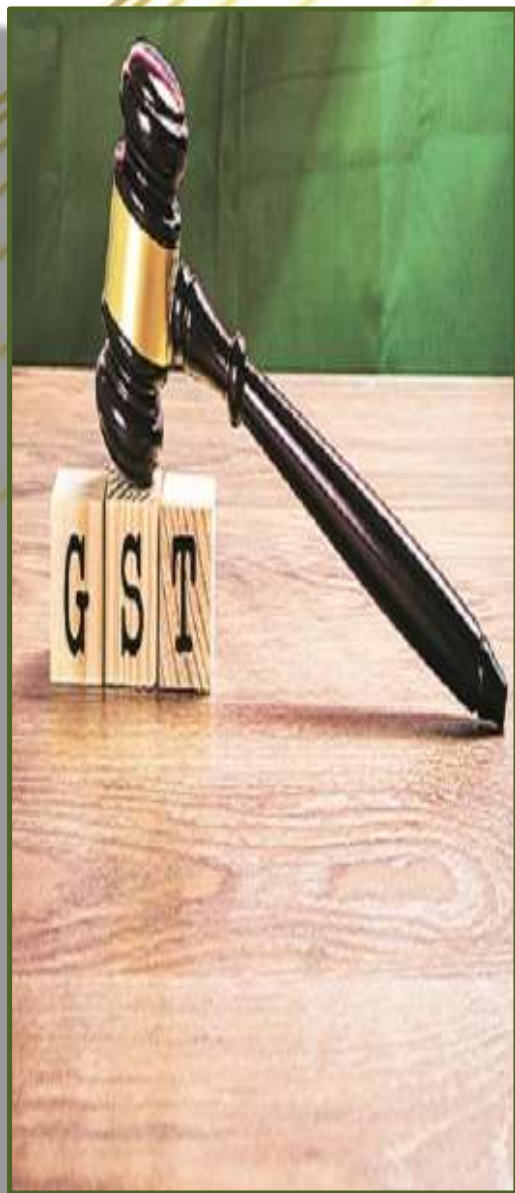
- ✓ Future Gaming & Hotel Services (P) Ltd. claiming to be the authorised agent of the State of Nagaland challenged the Kerala Paper Lotteries (Regulation) Amendment Rules, 2018 ('Amended Rules') through W.P.(C) No.34025 of 2019. It was pleaded that the Amended Rules were unconstitutional and beyond the legislative competence of the State, apart from being ultra vires the Lotteries (Regulation) Act, 1998 ('The Act').
- ✓ By the impugned judgment, the learned Single Judge declared that the Amended Rules were *ultra vires* and unenforceable.
- ✓ The learned Single Judge also restrained the appellants (the State of Kerala) from interfering with the marketing and sale of lottery tickets of the State of Nagaland.
- ✓ The State of Kerala and its officers have preferred this appeal.



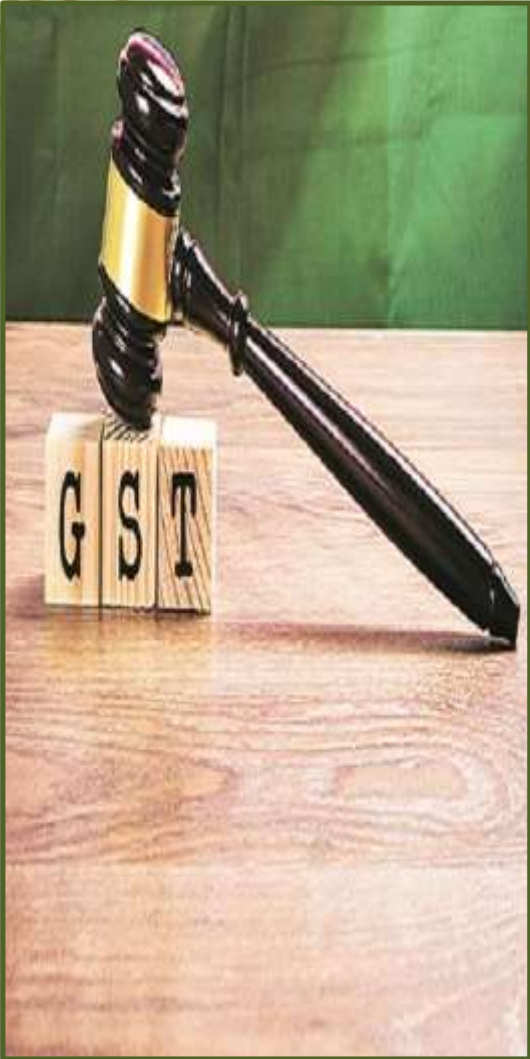
Court Judgements (*contd...*)

Judgement:

- The Central Rules are enacted in the exercise of the powers u/s 11 of the Act while the Kerala Rules are enacted u/s 12 of the Act. Both govern different aspects of the Act. As long as the two rules do not overlap each other, both can continue to coexist and operate at the same time.
- The State of Kerala has the competence to enact the impugned rules and the Host State is entitled to make rules u/s 12 of the Act to monitor the conduct of lotteries of Organising States within the territory of the Host State.
- The right to conduct a lottery is vested with the Organizing State u/s 4 of the Act. But, the plain meaning of the word 'conduct' in rule 4(4) gives a meaning that conduct of lottery of the Organizing State shall be by an officer of the Host State. This is a clear intrusion into the authority of the Organising State and is contrary to the provisions of the parent Act.



Court Judgements (*contd...*)



Judgement *contd*:

- The words “*including lotteries run/organized/promoted by other States*” in Rule 4(4) shall stand severed from the remaining provision of the Amended Rules and the severed portion is hereby held as *ultra vires* the Act.
- The judgment of the learned Single Judge is therefore set aside and this appeal is allowed to the above extent.

New Functionalities in GSTN Portal

For details:-<https://www.gst.gov.in/newsandupdates>

REGISTRATION

❖ Extension in date of filing of Form GST REG-21 (Application for Revocation of Cancellation):

The time limit for filing of Form GST REG-21 has been extended till 31st May, 2021 for those applicants, for whom the last date to file the same falls between 15.04.2021 to 30.05.2021.

New Functionalities in GSTN Portal (contd...)

For details:-<https://www.gst.gov.in/newsandupdates>

RETURN

❖ Extension in due dates/relaxations in GST related compliances by taxpayers on account of COVID Pandemic

On account of the prevailing COVID pandemic the Government has announced certain relaxations in filing of returns & also in relation to other GST related compliances by taxpayers. Details are in the following links:

- For Waiver of interest & late fee to normal taxpayers (filing return on monthly or quarterly basis) and composition taxpayers, for the tax periods of March & April, 2021: <https://www.gst.gov.in/newsandupdates/read/468>
 - Extension in dates for filing of GSTR-1, IFF, ITC-04 & returns by Composition, NRTP, ISD, TDS & TCS Taxpayers: <https://www.gst.gov.in/newsandupdates/read/469>
 - Generation of Form GSTR-2B for April 2021: <https://www.gst.gov.in/newsandupdates/read/473>
- ❖ Taxpayers registered under the Companies Act, 2013, can file their Form GSTR-1 and Form GSTR-3B with EVC till 31.05.2021 apart from filing it with DSC.

New Functionalities in GSTN Portal (contd...)

For details:-<https://www.gst.gov.in/newsandupdates>

BACK OFFICE

❖ Blocking of Input Tax Credit in excess of Credit Ledger Balance in the Electronic Credit Ledger of the taxpayer

- The Tax Officials have now been provided with a facility to block ITC, in excess of balance, as available in the credit ledger of the taxpayer.
- Upon blocking, the credit ledger balance will become negative, which will be automatically adjusted against subsequent credit entries.

Example: Balance in the Electronic Credit Ledger is Rs 100. Tax Official intends to block Rs 120. In this case, after blocking, Electronic Credit Ledger will show a balance of Rs.-20. Subsequently, if an amount of Rs 30 is credited to the Electronic Credit Ledger, such credit will be adjusted with the negative balance and the net balance available would become Rs 10 in Electronic Credit Ledger.

New Functionalities in GSTN Portal (*contd...*)

For details:-<https://www.gst.gov.in/newsandupdates>

BACK OFFICE contd..

❖ Giving effect to Appeal Order, issued in Form GST APL – 04, by the Tax Officials on the GST Portal

- The Tax Officials have been provided with a functionality to give effect to orders issued by Appellate Authority, Revisional Authority, Tribunal or Court in cases of appeals filed for Refunds.
- The Tax Officials can navigate to Statutory function > Appeal and Revision > Appeal Effect. Then select the Order Type, such as 'Refund Order', to give effect to such Orders passed.
- The list of orders (issued in Form GST APL-04 and accepted by IRC) will be shown here and the option to view/ download and 'Give Appeal Effect' would be made available to the Tax Officials, for further action.

Thank
you



Image courtesy:
<https://www.google.co.in/imghp?hl=en&tab=ri&ogbl>

Disclaimer:

This presentation is clarificatory in nature. It is not to be construed as a legal explanation or interpretation of the Acts and the Rules.