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ICAI-GST

NEWSLETTER

A Newsletter from The Institute of Chartered Accountants of India on GST





Certificate Course on GST at Chandigarh



Certificate Course on GST at Lucknow



Certificate Course on GST at Madurai



Certificate Course on GST at Mysore



1st Assessment Test on GST at Jorhat



Refresher Course on GST at New Delhi



Two days workshop on GST at Cuttack



Workshop on GST at Jalgaon

President's Communication



My Esteemed professional colleagues,

With the biggest Indian economic reform already in place for almost 2 months, we can now look for the positive effects for the trade and businesses at large. GST is expected to promote business and development by making the taxation structure easy along with ensuring ease of doing business and rationalization in tax rates.

Government is making efforts to support the taxpayers with GST migration and resolve their queries. Two call centres have been set up for catering to queries of taxpayers and stakeholders in GST and also providing information regarding guidelines, FAQs etc. issued by CBEC from time to time. Further, return filing has been liberalised for July & August 2017 with a facility to file returns for these two months in September with summary return in August & September respectively. Moreover, Government had released videos on how to get registered on the website of www.gst.gov.in. All these measures are to ensure government's support towards smooth implementation of GST.

With a view to support the government in this Nation building initiative, ICAI is undertaking various efforts to make GST simple and understandable for members, stakeholders and public at large. ICAI has recently launched four new publications viz. Background material on GST Act(s) and Rule(s), 2017, E-Book on How to Get Registered under GST, Study Paper on Taxation of E-Commerce under GST and Simplified GST Guide

for Manufacturer which adds to the existing list of ICAI GST publications. Further, ICAI has also submitted Suggestions on Implementation Issues under GST along with the possible solutions to make the GST law more simple and easy for implementation,

To update further, more than 2300 workshops with more than 1.7 lakh participants, seminars and conferences on GST, 47 Certificate Courses (classroom sessions) have been organised across the country in 2017. The Indirect Taxes Committee website also plays an important role in GST knowledge dissemination as it holds offline webcasts, regular GST updates, articles, information on upcoming courses, programmes/seminars, e-publications on GST, E-learning on GST, GST Newsletter etc., for its registered users. I sincerely hope the readers to make good of all the learning opportunities and be abreast with latest GST developments.

Lets' contribute to ICAI's commitment of making GST successful.

With Best Wishes,

CA. Nilesf S. Vikamsey
President, ICAI

25 August 2017



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GST UPDATES

Date and Conditions for filing the return in FORM GSTR-3B for the month of July 2017 notified

The Central Government vide Notification No. 21/2017-Central Tax dated 08.08.2017 had notified the last date for filing of return in FORM GSTR-3B for the month of July 2017 as 20.08.2017. However, there were doubts regarding availability of transitional credit available under earlier law with the set off credit while discharging the tax liability for the month of July 2017, otherwise it lead to blockage of working capital. To put to rest these doubts, Central Government vide Notification No. 23/2017-Central Tax dated 11.08.2017 has specified the date and conditions for filing the return in FORM GSTR-3B. Further, Central Government vide Notification No. 24/2017-Central Tax dated 21.08.2017 made amendments in the notification no. 23/2017 extending the due date for filing the return in FORM GSTR-3B which are as follows:

S. No.	Class of Registered Persons	Last date for furnishing of return in FORM GSTR-3B	Conditions
1.	Registered persons entitled to avail input tax credit in terms of section 140 of the said Act read with rule 117 of the said Rules but opting not to file FORM GST TRAN- 1 on or before the 28th August 2017, or Any other registered person	25th August, 2017	-
2.	Registered persons entitled to avail input tax credit in terms of section 140 of the said Act read with rule 117 of the said Rules and opting to file FORM GST TRAN-1 on or before the 28th August 2017	28th August, 2017	(i) compute the "tax payable under the said Act" for the month of July 2017 and deposit the same in cash as per the provisions of rule 87 of the said Rules on or before the 25th August (earlier 20th August 2017); (ii) file FORM GST TRAN-1 under subrule (1) of rule 117 of the said Rules before the filing of FORM GSTR-3B; (iii) where the amount of tax payable under the said Act for the month of July 2017, as detailed in the return furnished in FORM GSTR-3B, exceeds the amount of tax deposited in cash as per item (i), the registered person shall pay such excess amount in cash in accordance with the provisions of rule 87 of the said Rules on or before 28th August 2017 along with the applicable interest calculated from the 26th day (earlier 21st day) of August 2017 till the date of such deposit.

To elaborate further, the following may be referred:

- A. Registered persons planning not to avail transitional credit for discharging the tax liability for the month of July 2017 or new registrants who do not have any transitional credit to avail need to follow the steps as detailed below:
- I. Calculate the tax payable as per the following formula:
Tax payable = (Output tax liability + Tax payable under reverse charge) – input tax credit availed for the month of July 2017;
 - II. Tax payable as per (i) above to be deposited in cash on or before 20.08.2017 which will get credited to electronic cash ledger;

- III. File the return in FORM GSTR-3B on or before 20.08.2017 after discharging the tax liability by debiting the electronic credit or cash ledger.
- B. Registered persons planning to avail transitional credit for discharging the tax liability for the month of July 2017 need to follow the steps as detailed below:
 - I. Calculate the tax payable as per the following formula:
Tax payable = (Output tax liability + Tax payable under reverse charge) – (transitional credit + input tax credit availed for the month of July 2017);
 - II. Tax payable as per (I) above to be deposited in cash on or before 20.08.2017 which will get credited to electronic cash ledger;
 - III. File FORM GST TRAN-1 (which will be available on the common portal from 21.08.2017) before filing the

return in FORM GSTR-3B;

- IV. In case the tax payable as per the return in FORM GSTR-3B is greater than the cash amount deposited as per (II) above, deposit the balance in cash along with interest @18% calculated from 21.08.2017 till the date of such deposit. This amount will also get credited to electronic cash ledger;
- V. File the return in FORM GSTR-3B on or before 28.08.2017 after discharging the tax liability by debiting the electronic credit or cash ledger.

[Source: cbec.gov.in, Notification No. 23/2017-Central Tax (Rate) and Press Release S.No. 90 dated. 17-08-2017]

Extension of period for filing of details in Form GSTR-1, GSTR-2 and GSTR-3

In order to ensure smooth rollout of GST and taking into account the concerns expressed by the trade and industry regarding filing of the returns in GST regime, it was provided that for the first two months of GST implementation, the tax would be payable based on a simple return (Form GSTR-3B) containing summary of outward and inward supplies which will be submitted before 20th of the succeeding month. (extended to 28th August for the month of July)

In this regard, Central Government vide Notification No. 18/2017- Central tax dt 08-08-2017, Notification No. 19/2017- Central tax dt 08-08-2017 and Notification No. 20/2017- Central tax dt 08-08-2017 has clarified that the time period for filing of details in Form GSTR-1, GSTR-2 and GSTR-3 as under: -

Month	Time period for filing of details of outward supplies in FORM GSTR-1	Time period for filing of details of inward supplies in FORM GSTR-2	Time period for filing of details in FORM GSTR-3
July, 2017	1st – 5th September, 2017	6th – 10th September, 2017	11th to 15th September, 2017
August, 2017	16th – 20th September, 2017	21st – 25th September, 2017	26th to 30th September, 2017

[Source: cbec.gov.in Notification No. 18/2017, 19/2017 & 20/2017- Central tax dated 08-08-2017]

Decisions taken on Services at 20th GST Council Meeting

The GST Council at its 20th GST Council Meeting took decisions regarding the change in rates on various services whereby: -

1. Rate on Job work services in respect of the textiles and textile products have been reduced to 5%.
2. Rate on services by way of printing of newspapers, books, journal and periodicals (if only content provided by publisher and all input of paper etc belongs to printer) will be 12%.
3. Rate on services by way of printing of newspapers, books, journal and periodicals (if input used belongs to publisher and not printer) will be 5%.
4. Rate on works contract services provided to Government, local authority or governmental authority and in respect of post-harvest storage infrastructure for agricultural produce, mechanized food grain handling system will be 12% with full ITC.
5. Rate on margin/commission payable to Fair Price Shop Dealers by Central/ State Governments reduced to Nil.
6. Rate on Admission to planetarium reduced to 18% with full ITC.
7. An option of 12% GST on Rent-a- Cab service will be allowed along with full ITC. Otherwise, 5% GST with no ITC will also continue.
8. An option of 12% GST is allowed on Goods transport

Agency Services (GTA) with full ITC under forward charge. Otherwise, 5% GST with no ITC will also continue. However, the GTA has to give an option at the beginning of financial year.

9. In case of small house-keeping service providers (plumbers/ carpenters) providing services through Electronic Commerce Operators (ECO), liability to pay GST placed on ECO.
10. Partnership firm or a firm includes LLP have been notified for the purposes of levy (including exemption therefrom) of GST on legal services.
11. It was clarified that legal services (including representational services) provided by an individual advocate or a senior advocate or a firm of advocates (including LLP) provided to a business entity in taxable territory are covered under reverse charge mechanism.
12. Goods required by FIFA and Services provided by and to FIFA and its subsidiaries in connection with FIFA U- 17 World Cup to be hosted in India in 2017 shall be exempted from GST.
13. New crop insurance schemes Pradhan Mantri Fasal Bima Yojana (PMFBY) introduced from Kharif 2016- 17 in place of National Agricultural Insurance Scheme (NAIS) and Modified National Agricultural Insurance Scheme (MNAIS), and Restructured Weather Based Crop Insurance Scheme (RWCIS) introduced in place of Weather Based Crop Insurance Schemes, shall be extended exemption from GST.

[Source: cbec.gov.in]

No Tax deduction at Source (TDS) under Income Tax on 'GST on services' component

The Central Board of Direct Taxes (CBDT) vide Circular No. 23/2017 dated 19th July 2017 clarified that wherever in terms of the agreement or contract between the payer and the payee, the component of 'GST on services' comprised in the amount payable to a resident is indicated separately, tax will be deducted on the amount paid or payable without including such 'GST on services' component. In other words, tax will not be deducted on such 'GST on services' component.

Further, GST for these purposes will include Integrated Goods and Services Tax, Central Goods and Services Tax, State Goods and Services Tax and Union Territory Goods and Services Tax.

It has further been clarified that any reference to 'service tax' in an existing agreement or contract which was entered prior to 01/07/2017 will be treated as 'GST on services' with respect to the period from 01/07/2017 onward till the expiry of such agreement or contract.

[source: www.incometaxindia.gov.in]

Time limit for filing intimation for Composition Levy extended

The Central Government vide Order No. 01/2017-GST dated 21st July 2017 has extended the time limit for filing intimation for Composition levy (filing of intimation FORM GST CMP-01) up to 16th August 2017. Prior to this amendment, the time limit for filing such intimation was till 21st July 2017 i.e. 30 days from 22nd June 2017 when section 25 of the CGST Act, 2017 came into force.

Similarly, the taxpayers who were provisionally migrated by virtue of being registered under the existing laws, but who are no longer required to be registered under GST, the period of applying for Cancellation of Registration is being extended up to 30th September 2017.

[source: www.cbec.gov.in, Order No. 01/2017-GST dated 21st July 2017]

GST Feedback and Action Room (FAR) constituted w.e.f. 26-06-2017

To reply the queries of the taxpayers and tax officials and to deal with issues related to the implementation of Goods and Services Tax Network (GSTN), Government has constituted a GST Feedback and Action Room (FAR) w.e.f. 26-06-2017. Main purpose of FAR is reviewing the information, calls, media inputs etc. received from Ministries, State Governments, field formations, social media, news channels, emails etc. and report it on Real Time basis to the Revenue Secretary, CBEC, GSTN and other concerned authorities.

[source: pib.gov.in, Press Release ID 168835 dated 21th July, 2017]

National Anti-profiteering Authority under GST

A press release issued by CBEC dated 25th July, 2017 states that the GST Council has formed a Selection Committee under the Chairmanship of Cabinet Secretary to identify and recommend eligible persons for appointment as Chairman and Members of the National Anti-Profiteering Authority under GST.

When constituted by the GST Council, the National Anti-Profiteering Authority shall be responsible for applying anti-profiteering measures in the event of a reduction in rate of GST on supply of goods or services or, if the benefit of input tax credit is not passed on to the recipients by way of commensurate reduction in prices.

The National Antiprofitteering Authority shall be headed by a senior officer of the level of a Secretary to the Government of India and shall have four technical members from the Centre and/or the States. The already notified Rules on Anti-profiteering measures provide that applications seeking to invoke anti-profiteering measures shall be examined by a Standing Committee. However, if the application relates to a local matter which the business is located in only one state, it shall be first examined by a State level Screening Committee. The Standing Committee is empowered to refer cases requiring detailed enquiry to Director General of Safeguards, CBEC who shall give his recommendation for consideration of the National Anti-Profiteering Authority.

In the event the National Anti-Profiteering Authority confirms the necessity of applying anti-profiteering measures, it has the power to order the business concerned to reduce its prices or return the undue benefit availed alongwith interest to the recipient of the goods or services. If the undue benefit cannot be passed on to the recipient, it can be ordered to be deposited in the Consumer Welfare Fund. In extreme cases the National Anti-Profiteering Authority can impose a penalty on the defaulting business entity and even order the cancellation of its registration under GST. The constitution of the National Anti-Profiteering Authority is expected to bolster consumer confidence and ensure all stakeholders reap the intended

benefits of GST.

[source: cbec.gov.in, Press Release S.No. 86 dated 25th July, 2017]

IGST on high sea sales in the case of imported goods to be collected at the time of importation

High Sea Sales is a situation whereby the original importer sells the goods to a third person before the goods are entered for customs clearance. After the High sea sale of the goods, the Customs declarations i.e. Bill of Entry etc. is filed by the person who buys the goods from the original importer during the said sale. High Sea Sales being an Inter-state transaction under GST are subject to IGST. However, there is a dilemma as to whether the high sea sales of imported goods would be chargeable to IGST twice i.e. at the time of Customs clearance under sub-section (7) of section 3 of Customs Tariff Act, 1975 and separately under Section 5 of The Integrated Goods and Services Tax Act, 2017.

In this regard, Central Government vide Circular No. 33 /2017-Customs dt 01-08-2017 clarified that IGST on high sea sale (s) transactions of imported goods, whether one or multiple, shall be levied and collected only at the time of importation i.e. when the import declarations are filed before the Customs authorities for the customs clearance purposes for the first time. Further, value addition accruing in each such high sea sale shall form part of the value on which IGST is collected at the time of clearance.

This is reiteration of provisions of section 3(12) of Customs Tariff Act, 1975 which provides that for imported goods, all duties, taxes, cesses etc. shall be collected at the time of importation i.e. when the import declarations are filed, by the importer being last buyer in the chain, before the customs authorities for the customs clearance purposes. In case of a doubt regarding the truth or accuracy of the declared value, the department may reject the declared transaction value and determination the price of the imported goods as provided in the Customs Valuation rules.

[source: cbec.gov.in, Circular No. 33 /2017-Customs dated 01-08-2017]

Increase in Maximum Ceiling of Cess Leviable on Motor Vehicles from 15% to 25%

The GST Council considered the issue of cess leviable on motor vehicles in its 20th meeting held on the 5th of August 2017 and recommended that Central Government may move legislative amendments required for increasing the maximum ceiling of cess leviable on motor vehicles falling under headings 8702 and 8703 including SUVs, to 25% instead of present 15%. However, the decision on when to raise the actual cess leviable on the same will be taken by the GST Council in due course.

It was noted that after introduction of GST, the total tax incidence on motor vehicles [GST + Compensation Cess] has come down vis-a-vis the total tax incidence in pre-GST regime. The Schedule to the Goods and Service Tax (GST) (Compensation to State) Act 2017, specifies the maximum rate at which Goods and Service Tax Compensation Cess may be collected. In respect of motor vehicles, the maximum rate at which Goods and Service Tax Compensation Cess may be collected is 15%.

[source: cbec.gov.in, Press Release S.No.88 dated 07-08-2017]

ARTICLE ON REVERSE CHARGE

Introduction

Reverse charge is a not nearly as new as our recollection of service tax being required from the service recipient. Reverse charge is how customs duties are collected. Reverse charge is how excise duty was collected in case of molasses in some instances. GST only makes good use of this form on administering tax. It can't be said better than the words of Sir Maurice Gwyer In re the Central Provinces and Berar Act XIV of 1938 the learned JJ said *"Subject always to the legislative competence of the taxing authority, a duty on home-produced goods will obviously be imposed at the stage which the authority find to be the most convenient and the most lucrative, wherever it may be; but that is a matter of the machinery of collection, and does not affect the essential nature of the tax"*

GST that is levied on the subject of taxation is generally payable by the supplier but in specified cases, the recipient is required to discharge the liability.

Specific Reverse Charge

Reverse charge is provided in the case of intra-State supplies listed vide notification 4/2017-Central Tax (Rate) dated 28 June, 2017 with respect to supply of goods and 13/2017-Central Tax (Rate) dated 28 June, 2017 ("the notification") with respect to supply of services.

GST defines 'reverse charge' very plainly that the 'recipient of supply' is liable to pay tax in cases specifically provided by section 9(3) and in other cases provided by section 9(4) of the CGST Act. It is interesting to see that there are two separate provisions to recover GST from the recipient. Reverse charge is defined as:

2(98) "reverse charge" means the liability to pay tax by the recipient of supply of goods or services or both instead of the supplier of such goods or services or both under sub-section (3) or sub-section (4) of section 9, or under sub-section (3) or subsection (4) of section 5 of the Integrated Goods and Services Tax Act

First Step

In order to attract collection of tax from the recipient, the levy of tax on the supply must first be established.

Supply	Ingredients for Supply		
section 7(1)(a)	All forms of supply	For consideration	In business
section 7(1)(b)	Import of services	For consideration	NA
section 7(1)(c)	Specified in sch I	NA	In business
section 7(1)(d)	Specified in sch II	NA	Only if required in an entry

So, it is very important that this 'first step' must be taken relating to levy of GST before proceeding to recover this levy from the recipient. Recovery of tax from the recipient is provided as follows:

9. (1) Subject to the provisions of sub-section (2), there shall be levied a tax called the central goods and services tax on all intra-State supplies of goods or services or both, except on the supply of alcoholic liquor for human consumption, on the value determined under section 15 and at such rates, not exceeding twenty per cent., as may be notified by the Government on the recommendations of the Council and collected in such manner as may be prescribed and shall be paid by the taxable person.

(2)

(3) The Government may, on the recommendations of the Council, by notification, specify categories of supply of goods or services or both, the tax on which shall be paid on reverse charge basis by the recipient of such goods or services or both and all the provisions of this Act shall apply to such recipient as if he is the person liable for paying the tax in relation to the supply of such goods or services or both.

That the supplier – taxable person – who is liable to pay has now passed on to the recipient to pay. Every recipient is required to identify under which limb of section 7(1) does the levy stand attracted. In other words, it is possible that a transaction resembling a supply may not actually be liable because it missed the ingredients of all four limbs of section 7(1) such that this 'first step' never existed for the rest of the law to apply.

Second Step

After the levy has attracted, the next step would be to identify the recipient in order to fasten this liability. Recipient is defined as:

2(93) "recipient" of supply of goods or services or both, means—

(a) where a consideration is payable for the supply of goods or services or both, the person who is liable to pay that consideration;

(b) where no consideration is payable for the supply of goods, the person to whom the goods are delivered or made available, or to whom possession or use of the goods is given or made available; and

(c) where no consideration is payable for the supply of a service, the person to whom the service is rendered,

and any reference to a person to whom a supply is made shall be construed as a reference to the recipient of the supply and shall include an agent acting as such on behalf of the recipient in relation to the goods or services or both supplied;

So, it is an important 'second step' to correctly identify the person who is required to discharge the liability. Please note that GST introduces us to the concept of 'distinct person' which sub-divides the person into multiple distinct persons. And the responsibility to pay the tax resides not on the person but on the distinct person concerned. It is not uncommon for payments to be centralized in large corporations. In such cases, the manner of reporting compliance must demonstrate to have been discharged by the distinct person concerned.

Third Step

Once the liability to pay GST is placed on the shoulders of the recipient, then it must be recognized that that liability never resided on the shoulders of the supplier. The 'third step' is to exonerate the supplier from this liability. What this means is that this path of reverse charge is a 'without recourse' path. In the event of default by the recipient, the liability does not get restored on to the supplier. Once the supply is notified by the Government under section 9(3), then the liability to pay permanently resides on the recipient including consequences and remedies. And the supplier is immune from the levy. Support to this interpretation from the words 'as if' used in the section.

'As if' demands that a certain state of fiction be visualized and the administration follow this path of fiction 'as if' it were the reality. When a fiction is required to be considered 'to be' the reality, then the 'reality' is required to be displaced and dispatched out of consideration.

There is no recourse back to the supplier in any circumstance.

Third Step Modified

Now, the notification identifies the supply in column (4) the person liable to pay tax is identified in column (5) in the case of goods (and in the case of services, column (3) and column (4) respectively). Interestingly, there seems to be some filtration that is built in the notification because it does not stop at saying 'recipient' but uses expressions like 'business entity' (in sl. no. 2) or 'company or body corporate' (in sl. no. 6) of notification for services. As a result, it is not that all supplies listed in the notification require payment of tax by the recipient but only a sub-set of cases, that is, where the supply is notified and the recipient is of the kind specified in the same notification will the liability now reside on the said recipient.

Though a supply may be specified in the notification, but if the recipient does not fit the description in the notification, then the third step stands 'reversed'. That is, the liability to pay tax reverts back to the supplier.

Please note that the liability to pay tax always resides on the taxable person who is the supplier:

2(107) "taxable person" means a person who is registered or liable to be registered under section 22 or section 24

2(105) "supplier" in relation to any goods or services or both, shall mean the person supplying the said goods or services or both and shall include an agent acting as such on behalf of such supplier in relation to the goods or services or both supplied

But, where the mechanism of reverse charge is put into operation, then the supplier will be supplemented with the recipient for discharging the liability to deposit tax levied. Care should be taken to identify if the recipient fits the description of description in the notification. For example, tax on GTA services provided to a non-corporate will have to be discharged by the GTA and not the recipient and all conditions attached in the notification prescribing the rate of tax will apply to the GTA while paying the tax.

General Reverse Charge

While section 9(3) applies only to those supplies listed in the notification, there is yet another provision which borrows the mechanism of reverse charge in section 9(4) and which states as:

(4) The central tax in respect of the supply of taxable goods or services or both by a supplier, who is not registered, to a registered person shall be paid by such person on reverse charge basis as the recipient and all the provisions of this Act shall apply to such recipient as if he is the person liable for paying the tax in relation to the supply of such goods or services or both.

The implication is that in every instance where the supplier is unregistered, the 'registered recipient' will be liable to pay tax. So, the three-step process that was identified earlier stands modified somewhat.

- First Step – same
- Second Step – no requirement for notification but, the recipient must be 'registered'
- Third Step – same

Here, it does not matter 'why' the supplier is unregistered – he may enjoy threshold benefit or may be avoiding registration or may be excluded from registration by section 23 – whatever is the reason, the fact that 'supplier is unregistered' is sufficient to place the burden on the recipient. Please note that this provision will fail to operate if both supplier and recipient are unregistered. This provision will apply only if the recipient is registered and the supplier is unregistered. For example, if an advocate who is not liable to be registered engages a supplier of paper who is unregistered, this provision will not operate.

Please note that it is not required that the supplier must charge GST on his supplies. The requirement is merely for the supplier to be unregistered. A supplier who has opted for composition would not charge GST on his supply but is nevertheless registered and does not attract this provision. Registered persons are welcome to receive supplies from composition tax payers and not be anxious about section 9(4).

Apart from the above, the apprehension is that every registered person needs to look out for inward supplies from unregistered persons. One might go to the extent of stating that 'every debit' in the books of a registered person must appear on GSTR-1 of one or other supplier. And if it does not, then such inward supplies must be treated through the registered persons' GSTR-2. This is an interesting general rule but has exceptions, namely:

- Supply must be a taxable qua the unregistered supplier – this is a case where the inward supply (so called for ease of reference) is not a ‘taxable supply’ in the hands of the person supplying (who is found to be unregistered). For example, press release (unnumbered) dated 13 July, 2017 states that gold ornaments ‘traded in’ by a consumer (sold to jeweler) does not attract section 9(4) in the hands of the registered jeweler for the reason that this is not a ‘taxable supply’. This conclusion comes from a careful application of the ‘first step’ stated above. But, the question that arises is, can the registered person (jeweller) assume authority to reach into the affairs of the consumer (who brings the old ornaments) to examine and reach a correct conclusion on this fundamental question of fact – Is it taxable under one of the limbs of section 7(1)? Surely, the press release cannot grant carte blanche exclusion to jewellers or sanctioned such powers even though the apparent facts may lead (at best) to a suspicion that it may not be taxable. And how does the jeweler defend the exercise of this judgement in each case. Only time will tell but the press release has not only brought glee to this trade but all others who appear to have extended it to their own facts by analogy
- Supplies that are excluded by sch III such as payments to employees and duly subjected to income-tax as salary. Here too, another press release (unnumbered) and dated 10 July 2017 has been issued offering clarity and causing some ambiguity that perquisites that are subject to income-tax are excluded from GST if they comprise of contractual obligations of employer to pay the employee. Surely, this does not put to rest all concerns. The concerns that remain are policy-driven payouts that are not subjected to income-tax. While this press release may be attractive to shove ‘all payments by employer to employee’ as excluded from GST, the unintended by product would be that such an interpretation affords opportunity to ‘pass through’ employee all inward supplies from unregistered suppliers. The last word has not yet been spoken on this one but meticulous application of the above principle is key and a cautious person would claim available credit and pay output tax rather than forego credit bravely resisting tax on these “not-within-salary” payments.
- Expenses accounting towards depreciation and amortization as they do not represent supply much less taxable supply
- Supplies such as interest on loans and other inward supplies that are specifically exempted

Lateral Charge on Ecommerce

- All though the above two cases are listed in section 2(98) as ‘reverse charge’, there is another provision which deserves mention in the context of reverse charge. And that provision is the liability of ecommerce operator to pay tax on supply of services through the digital platform or network and for this reason, it can be referred as Lateral Charge as it is neither a forward or reverse charge. This is provided in section 9(5) of the CGST Act, which states:

(5) The Government may, on the recommendations of the Council, by notification, specify categories of services

the tax on intra-State supplies of which shall be paid by the electronic commerce operator if such services are supplied through it, and all the provisions of this Act shall apply to such electronic commerce operator as if he is the supplier liable for paying the tax in relation to the supply of such services: Provided that where an electronic commerce operator does not have a physical presence in the taxable territory, any person representing such electronic commerce operator for any purpose in the taxable territory shall be liable to pay tax: Provided further that where an electronic commerce operator does not have a physical presence in the taxable territory and also he does not have a representative in the said territory, such electronic commerce operator shall appoint a person in the taxable territory for the purpose of paying tax and such person shall be liable to pay tax.

The reasons why this provision deserves special mention are:

- It is excluded from the definition of ‘reverse charge’ yet tax is not payable by the supplier
- It is tax payable by a person who is not the recipient but a third person facilitating supply
- It is tax payable not as if the ‘person liable’ to pay tax but as if the ‘supplier liable’ to pay tax

Notification 17/2017-Central Tax (Rate) dated 28 June, 2017 specifies that ‘ecommerce operator’ is liable to pay tax ‘as if he is the supplier liable to pay tax’ and lists the following:

- (i) services by way of transportation of passengers by a radio-taxi, motorcab, maxicab and motor cycle;
- (ii) 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 under sub-section (1) of section 22 of the said Central Goods and Services Tax Act.

The effect of this language deserves special mention of the following effects that are a departure from section 9(4) to the extent that:

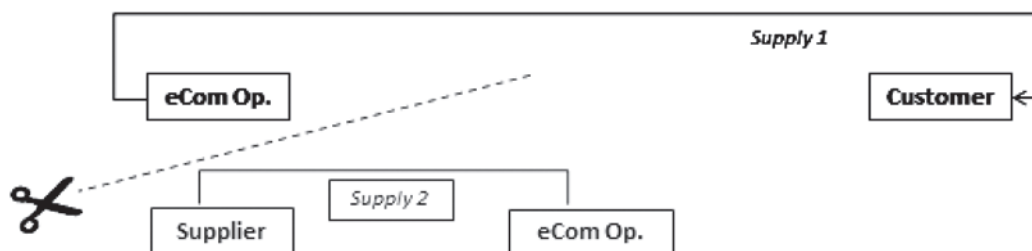
- Not only is the actual supplier not liable to tax (substitutionary effect)
- But also that the supply of services by the ecommerce operator to the actual supplier gets subsumed

Substitutionary effect has been explained earlier in the context of section 9(4) but this ‘subsuming effect’ may be discussed now. There are two supplies involved here, namely:

- Service provided by the actual supplier (taxi driver) to the passenger – taxi service
- Service provided by the ecommerce operator to the actual supplier – commission for securing customer for taxi service



Now, the language of section 9(5) produces the following effect:



Ecommerce operator having been treated as the 'supplier liable to tax' in 'Supply 1', he cannot at the same time continue to be treated as a commission agent in 'Supply 2'. The fiction created must be carried through to its 'purposeful end' in this provision, that is, Supply 2 would be subsumed into Supply 1. There is no further tax payable on Supply 2 when the entire tax on Supply 1 at the full value is paid by the ecom operator.

Further, on looking into section 24, we find that the actual supplier where section 9(5) applies, is excluded from compulsory registration. In fact, when the tax liability is fastened on the ecom operator, the actual supplier is excluded from registration even if he crosses threshold benefit since section 24 overrides section 22 provided the actual supplier has no other taxable supplies.

IGST-CGST-SGST

The entire discussion above has been based on 'intra-State' supplies. With identical provisions appearing in section 5(3), (4) and (5) of IGST Act, the above discussion will apply even in case of 'inter-State' supply. In case of tax payable by ecom operator, notification 14/2017-Integrated Tax (Rate) dated 28 June, 2017 applies the tax on inter-State supplies.

Only one aspect to mention here is that when a transaction is an inter-State supply and liable to payment of IGST but not paid, then section 5(4) is attracted. However, if the 'place of supply' and 'location of (unregistered) supplier' are in the same State, then even though no tax has been paid, section 5(4) cannot apply. The reason being tax that should have been paid is CGST-SGST in another State, if the supplier were to be registered and there was no occasion for that tax to be creditable in any other State. Now, that this transaction is carried out by an unregistered person, tax cannot be collected by a State that could not have collected it had the supplier been registered. Again on this, the last word has not yet been heard but the principle should prevail.

Conclusion

Reverse charge is not a routing provision of administration but GST has crafted it into a powerful tool for inclusive growth and compliance management. All though section 9(4) appears to have received much attention, due attention must be extended to section 9(3) and even section 9(5) which are effective machinery provisions for administration of this new tax reform. Instead of apprehensions, sound application of the steps laid down may be applied to reach a balanced approach to the areas where this manner of discharging tax is required to be followed.



Reverse Charge Under GST

INPUT SERVICE DISTRIBUTOR AND CONCEPT OF CROSS CHARGE

1. Introduction.

As per section 2(61) of the CGST Act, "Input Service Distributor" has following characteristics

- It is an office of the supplier of goods or services or both
- It receives tax invoices issued under section 31 towards the receipt of input services
- It issues a prescribed document for the purposes of distributing the credit of central tax, state tax, integrated tax or union territory tax paid on the said services
- Such document is issued to a supplier of taxable goods or services or both having the same Permanent Account Number as that of the said office.

Section 24 of the CGST Act (read with rule 8 of CGST Rules, 2017), requires an office of the supplier which intends to act as Input Service Distributor (ISD), to separately obtain registration as ISD. In other words, a registration number of an establishment as an ISD is different from the registration number of such establishment u/s 22 of the Act. Rule 54 of the CGST Rules, 2017 deals with the prescribed document to be issued by ISD for the purpose of distribution of credit. Section 20 of the CGST Act (read with Rule 39 of GST Rules), contains provisions relating to manner of distributing the credit by ISD. Section 39(4) of the CGST Act read with Rule 65 of the CGST Rules, provides for filing of return by ISD, for every calendar month, within 13 days after the end of such month.

2. Concept of ISD

2.1. As explained above, ISD is an office of supplier of goods and services. A supplier may have number of establishments located in different States, however, as regards input services, a supplier may insist for obtaining invoices in the name of its one central location, irrespective of which establishment has actually received the services. The purpose could be centralized accounting or centralized payment system.

Ex: ABC Ltd may have head office in Mumbai and establishments in Delhi, Chennai and Kolkata. Although certain services are received at Delhi, an invoice may be issued in the name and address of Mumbai Head Office. Let's say a supplier P in Delhi makes an intra-State supply (CGST+SGST) and supplier Q of Gujarat makes an inter-state supply (IGST) to Delhi establishment, however, invoices are raised in the name of corporate office at Mumbai.

2.2. The provisions of section 16 of CGST Act provides that, no registered person shall be entitled to a credit in respect of any supply of goods or services or both to him unless, he is in possession of a tax invoice or debit note issued by a supplier registered under this Act, or such other taxpaying documents

as may be prescribed. Therefore, in such case, although the services are received by various establishments (ex: Delhi), it would not be possible for such establishments to claim the credit, as the invoice will be issued in the name of central office of such person (i.e. Maharashtra). The head office also cannot avail the credit as they are not actual recipient of such inward services.

2.3. Under the scheme of ISD, Rule 36 of the CGST Rules permits such ISD to avail the credit on the basis of invoices issued to it. Further, it also permits, other establishments (having same PAN) of the said supplier, to avail the credit, on the basis of an Input Service Distributor Invoice in accordance with the provisions of sub-rule (1) of rule 54 of CGST Rules.

Thus, in the above example, ABC's head office at Maharashtra if obtains registration as ISD, it will be allowed to take credit on the basis of invoices issued by P and Q and immediately distribute such credit to Delhi establishment, by issuing ISD invoice to Delhi. Delhi can thereafter be able to claim credit on the basis of ISD invoices issued by head office.

Although, concept of ISD allows distribution of credit, such distribution is required to be made in certain manner. The Manner of Distribution of credit through ISD mechanism is explained below.

3. The Manner of Distribution of credit through ISD mechanism – Section 20 of CGST Act and Rule 39 of CGST Rules, 2017

- ISD shall distribute the credit available for distribution in the same month and details of such distribution shall be furnished in Form GSTR-6. (This condition was not there under the earlier service tax regime)
- Credit shall be distributed against a document issued in terms of Rule 54 of the GST Rules. Such invoice should, clearly indicate that, it is issued only for distribution of input tax credit. The contents of tax invoice to be issued by ISD are given below
 - o name, address and Goods and Services Tax Identification Number of the Input Service Distributor
 - o a consecutive serial number not exceeding sixteen characters, in one or multiple series, containing alphabets or numerals or special characters- hyphen or dash and slash symbolised as- "-", "/" respectively, and any combination thereof, unique for a financial year (this condition is exempted in case of banking company and financial institutions)
 - o date of its issue;
 - o name, address and Goods and Services Tax

Identification Number of the recipient to whom the credit is distributed

- o amount of the credit distributed
- o signature or digital signature of the Input Service Distributor or his authorised representative
- The amount of credit shall not exceed the amount available for distribution.
- The ISD shall first identify the credit which is not allowed in terms of section 17(5) or otherwise and distribute the ineligible credit and eligible credit separately. The eligible quantum for distribution to recipient unit is explained later.
- The credit of tax paid on input services attributable to a specific recipient of credit shall be distributed only to that recipient only. Thus, in the above example, since P and Q have provided services to Delhi establishments, the credit in respect of services received from them shall be distributed to Delhi unit only and not to any other establishment.
- The credit of tax paid on input services attributable to more than one recipient of credit shall be distributed amongst such recipients to whom the input service is attributable and such distribution shall be pro rata on the basis of the turnover in a State or turnover in a Union territory of such recipient, during the relevant period, to the aggregate of the turnover of all such recipients to whom such input service is attributable and which are operational in the current year, during the said relevant period.
- The credit of tax paid on input services attributable to all recipients of credit shall be distributed amongst such recipients and such distribution shall be pro rata on the basis of the turnover in a State or turnover in a Union territory of such recipient, during the relevant period, to the aggregate of the turnover of all recipients and which are operational in the current year, during the said relevant period.
- For the purpose of computing “turnover”, the turnover of goods not taxable under this Act shall also be included. However, while computing such turnover, the amount of any duty or tax levied under entry 84 of List I of the Seventh Schedule to the Constitution and entries 51 and 54 of List II of the said Schedule, shall be excluded.
- The term ‘relevant period’ is defined as under:

Situation	What is relevant Period.
If the recipients of credit have turnover in their States or Union territories in the financial year preceding the year during which credit is to be distributed	The said preceding financial year.

If some or all recipients of the credit do not have any turnover in their States or Union territories in the financial year preceding the year during which the credit is to be distributed	The last quarter for which details of such turnover of all the recipients are available, previous to the month during which credit is to be distributed
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- The credit that qualifies for distribution is to be computed using the formula given in Rule 39(1)(d) which is given below:

$$C1 = (t1 / T) \times C$$

C = amount of total credit to be distributed.

t1 = turnover of recipient R1 during relevant period.

T = the aggregate of the turnover, during the relevant period, of all recipients to whom the input service is attributable.

C1 = the input tax credit that is required to be distributed to recipient R1 (whether registered or not)

The above formula should be applied for every type of tax viz. Central Tax, State Tax, Union Territory Tax and Integrated Tax.

- The ISD shall be required to distribute the credit as under:

Credit available with ISD	Recipient unit is located in same state as that of ISD	Recipient unit is located in different state than that of ISD
Central Tax	CGST	IGST
State Tax	SGST	IGST
UT Tax	UTGST	IGST
Integrated Tax	IGST*	IGST

*It's important to note that, section 20 permits distribution of Integrated Tax either as IGST or CGST or SGST. However, Rule 39(1)(e) permits distribution of ITC of integrated tax as IGST only.

- It may be noted that, Rule 39 that mandates, distribution of the credit to all the recipients to whom credit is attributable, although such units are not registered under the Act, in spite of the fact that, registration under the Act is a condition for availment of ITC u/s 16. Besides, it also mandates distribution of “ineligible credit”. Such “ineligible credit includes ineligible credit under the provisions of section 17(5) or otherwise.

4. Credit Notes / Debit Notes to be issued by ISD

- 4.1. Any input tax credit required to be reduced on account of issuance of a credit note to the Input Service Distributor by the supplier shall be apportioned to each recipient in the same ratio in which the input tax credit contained in the original invoice was distributed. This appears to be a very cumbersome provision. For this purpose, the ISD shall also be required to

issue an "ISD credit note" to other establishments, in the same month in which the credit note issued to ISD by any supplier is included in GSTR-6 return of the ISD. Where the amount so apportioned is in the negative by virtue of the amount of credit under distribution being less than the amount to be adjusted, such amount is added to the output tax liability of the recipient. Where the amount of input tax credit distributed by an ISD is reduced later on for any other reason for any of the recipients, the same process shall be followed.

If any credit is distributed to a wrong establishment, it can be rectified by issuing ISD credit note to the recipient to which it was wrongly issued and issuing an ISD invoice for the said amount to the recipient which is correctly entitled for such credit. Both the documents should be reflected in GSTR-6 of the ISD in the same month.

4.2. Any additional amount of input tax credit on account of issuance of a debit note to an ISD by the supplier shall also be distributed to the recipients in the month in which the debit note issued to ISD-office is included in the return in FORM GSTR-6. In this case, unlike in the case of credit notes, it is not necessary to distribute the credit to other establishments in the same portion to which credit pertaining to original invoice was distributed.

4.3. Section 21 provides that, where the Input Service Distributor distributes the credit in contravention of the provisions contained in section 20 resulting in excess distribution of credit to one or more recipients of credit, the excess credit so distributed shall be recovered from such recipients along with interest.

5. Filing of Return by ISD

As per Rule 65 of the CGST Rules 2017, every ISD shall, on the basis of details contained in FORM GSTR-6A, and where required, after adding, correcting or deleting the details, furnish electronically the return in FORM GSTR-6, containing the details of tax invoices on which credit has been received and those issued under section 20. The details of invoices furnished by an ISD in his return in FORM GSTR-6 shall be made available to the recipient of credit in Part B of FORM GSTR 2A electronically through the common portal and the said recipient may include the same in FORM GSTR-2.

Following formats will be relevant for compiling information required for the purpose of making computation and filing of ISD return.

Credit Note No.	Original Invoice No.	Amount of Tax	Ratio (%)	Unit T1 (Maharashtra)	Ratio (%)	Unit T2 (Delhi)	Unit T3 (Chennai)	Ratio (%)	Unit T4 Kolkata

- Summary of Total Input Tax Credit available for distribution during month (including debit notes issued by the supplier to ISD).

Description	IGST	CGST	SGST	UTGST
Total ITC available for distribution				
Eligible ITC				
Ineligible ITC				

- Summary of Credit Noted issued to ISD by supplier during the month.

Credit Note No.	Original Invoice No.	Month of Original Invoice	IGST	CGST	SGST	UTGST

Distribution of Credit Available for Distribution.

IGST

Description	Unit T1 (Maharashtra)	Unit T2 (Delhi)	Unit T3 (Chennai)	Unit T4
(Kolkata)				
Total Credit available for Distribution				
Relevant period				
Total Turnover during relevant period				
Turnover of respective unit during relevant period				

Note:

1. Similar Table can be prepared for SGST,CGST and UTGST also.
2. There can be three such tables for each tax (i) for apportionment of ITC attributable to specific unit, (ii) for apportionment of ITC to more than one unit to which credit is attributable and (iii) for apportionment of credit to all units.

- **Distribution of Credit Notes issued to ISD during the month.**

IGST

Note:

1. Similar Table can be prepared for SGST,CGST and UTGST also.

6. Some Issues concerning ISD

6.1. Is it necessary to have more than one ISD?

- i. Input Service Distributor is defined as an office of the supplier of goods and services and it appears that it can distribute the credit to all the offices of the entity which are covered under Single PAN. It therefore appears that, it's enough for any supplier to take only one ISD registration in respect of all its units located across the India.
- ii. In order to understand the concept of ISD, following examples may be considered:

Example: 1 - A service provider in Delhi (i.e. a place where ABC has a separate registered unit) provides certain intra-state services to ABC (which are used at Delhi office), charges CGST+SGST (Delhi) and issues invoice in the name of ABC-ISD Maharashtra, the question may arise as to whether ABC-ISD can avail the ITC as CGST+SGST (Delhi) as ISD and distribute the credit to Delhi Unit as per the provisions of the Act, or whether credit would be denied to ABC Maharashtra as the credit pertains to Delhi. In other words, can credit in respect of local services be availed by ISD registered in other States?

Possible Answer: A simple advice in such case would be to ask a Delhi vendor to issue the invoice directly in the name of Delhi Unit and not to go through ISD mechanism as the same is not necessary. However, it would certainly not mean that credit will be disentitled, if such invoice is routed through ISD mechanism. In short, ITC which is otherwise available to an entity should also be allowed to it through ISD mechanism.

Example: 2 - The question may become little complex, when service provided by the Delhi vendor has direct nexus with Kolkata unit and not Delhi unit. In such case, will it be permissible for ABC-ISD at Maharashtra to distribute the CGST+SGST (Delhi) credit to ABC-Kolkata as IGST credit?

Possible Answer: In this case, tax officials have expressed a view that, assuming there was no ISD and invoice was raised directly in the name of ABC-Kolkata, it would not have been possible for ABC-Kolkata to avail Input Tax Credit of CGST+SGST(Delhi). Therefore, possible answer in this case is that, mere availment of ISD facility would not entitle ABC-Kolkata to avail the ITC of CGST+SGST (Delhi), to which it's not otherwise entitle.

Example: 3 A supplier of Tamil Nadu (i.e. a place where ABC has no place of business) issues a CGST+SGST (TN) invoice to ABC ISD Maharashtra and such service is not specifically related to any registered unit of ABC, but a common service. In such case, can ABC-ISD avail the ITC in respect of such services or would it require another

ISD registration in the State of Tamil Nadu, or whether ITC would not be available at all?

Possible Answer: As ABC does not have a registered place of business in Tamil Nadu, it would not be entitled to ITC in respect of CGST+SGST (TN). Therefore, as explained in Example 2 above, mere routing the transaction through ISD Facility may not entitle ABC to avail ITC.

Example 4: Whether, there is any way by which ABC shall be entitled to take ITC of CGST+SGST (TN) in respect of services availed from vendor in Tamil Nadu?

Possible Answer: Yes, ABC will be required to take registration in the State of Tamil Nadu in order to avail the ITC of CGST+SGST(TN), and then use a cross charging method, in order to transfer the benefit of such credit to other units of Maharashtra. Therefore, ABC- Tamil Nadu would be required to issue an invoice for business support services to ABC-ISD, which will enable ABC-ISD to avail the ITC and distribute the same to respective units.

6.2. What's the concept of Cross Charge?

Generally, ISD is a concept used for 'distribution' of ITC to one or more supplying units, whereas cross charge is the concept for 'accumulation' of ITC scattered at different location to a central location. The concept of cross charge enables the assessee to use the ITC effectively.

Example of ISD: ABC India has three supplying units at Delhi, Chennai and Kolkata, and head office at Maharashtra. In such case, ABC India can avail all the services at Maharashtra as ISD, and distribute the same to its various supplying units using ISD Mechanism.

Example of Cross Charge: ABC India has a plant at Maharashtra, but representative offices at Delhi, Chennai, Kolkata and Tamil Nadu which is only engaged in marketing activities. All supplies are happening directly from Plant at Maharashtra to customers across India. In this case, ITC of local taxes (CGST+SGST) in respect of services obtained at local offices at Delhi, Chennai and Kolkata shall be accumulated at those respective offices unless the cross charging is not adopted. If cross charging is adopted, then such offices will do cross charge on their plant at Maharashtra for business support services and consequently, accumulated ITC at those offices will be used effectively. A view is possible that, in such cases, mere obtaining ISD registration at Delhi, Chennai and Kolkata may not entitle Maharashtra plant to avail ITC of local taxes of those respective states.

6.3. How to distribute ITC of RCM.

- i. Input Service Distributor is not a supplier of service, but is only a distributor of service. Instructions appended to Form GSTR-6 provides that, ISD cannot make any payment under RCM and that if it has to make payment under RCM, it will be required to obtain a regular registration. GSTR-6 also does not provide for showing any particulars for reflecting details of inward supplies on which payment is made under RCM. It therefore,

appears that, merely obtaining registration as ISD in a State would not make the assessee “registered person” under that State for the purposes of payment of GST under section 9(3) or 9(4) of the CGST/SGST Act or as the case may be section 5(3) or 5(4) of the IGST Act. Therefore in such case, an assessee shall neither be entitled to any ITC nor shall be liable to pay any tax under RCM in respect of any local supplies (CGST+SGST) in that State.

- ii. As regards IGST, the assessee shall be first required to issue invoice u/s 31(3)(f) from any of its registered office to its ISD Office and pay tax under RCM from such registered office. On the basis of such invoice, ISD shall avail the ITC and distribute the ITC to the concerned unit/s.

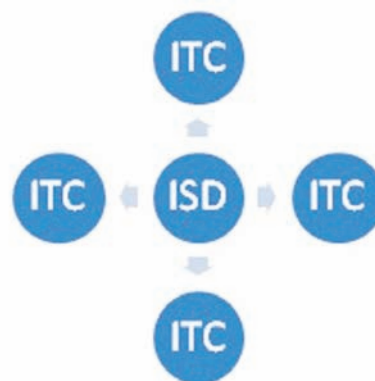
Example: 1. ABC India has three supplying units namely at Delhi, Chennai and Kolkata, and head office at Maharashtra. ABC India received an intra-state service from a dealer in Tamil Nadu. In this case, in the absence of any registration in Tamil Nadu, ABC may not be entitled to ITC of CGST+SGST(TN). Consequently a view can be taken that there is no need for any RCM payment on any RCM services by ABC India in TN.

However, if a dealer from Tamil Nadu makes an inter-state supply of service (which is liable for reverse charge), such supply will attract IGST. ABC-India, in such case shall be required to issue invoice for such service from any of its registered units namely, Delhi, Chennai and Kolkata and pay IGST under reverse charge. Suppose invoice is raised from Chennai office, then in such invoice “ABC-Chennai” will be shown as ‘person liable to pay tax’ and ABC-ISD will be regarded as “receiver” of such service. ABC-ISD will take ITC on the basis of such invoice and then distribute the same to the concerned units or all units as per provisions of Section 20.

7. Sum up

Input Service Distributor is merely a facility given to the dealers, especially for those who have multi- state presence but a centralized procurement unit. In such case, combination

of ISD and Cross Charge Mechanism will enable the dealer to efficiently use the ITC credits in respect of procurements happening at various places. The manner of distribution of ITC through ISD is very much rigid, especially the condition that, ISD is required to distribute the ITC in the same month or that, credit note of ITC should be given in the same proportion in which original ITC was distributed. An ISD is required to file the return on 13th of the next month, hence he will be required to undertake the reconciliation of ITC in respect of inward supplies between 11th to 13th. Unless, ISD files its return, other units will not be able to get the ITC. These rigidities contained in the Act, make the concept of ISD prone to implementation challenges. Hence, wherever possible, it’s advisable to raise the invoice directly on the concerned unit, than on ISD, for routing every transaction through ISD will certainly increase the cost of compliance. Last, but not the least, ISD is applicable only in respect of input services, and hence, as regards procurement of goods, business entities will have to follow a disintegrated model in order to reduce the cost of compliance. Therefore, business entities dealing in goods, may prefer to shift from centralized to decentralized model, in respect of services also, and in that case, concept of ISD may not be really useful to them, except for distribution of common credits.



FORTH COMING EVENTS UNDER THE AEGIS OF INDIRECT TAXES COMMITTEE

1st , 2nd and 3rd September, 2017

Place : Ernakulam • CPE Hours : 18 Hours

Title of the Seminar : Three Residential Workshop on GST

Contact Details : Ernakulam Branch of SIRC of ICAI
Ph: 0484-2369238 / 2910650
Email: ernakulam@icai.org

Title of the Seminar : Residential Workshop on GST
Contact Details : Bhubaneswar Branch of EIRC of ICAI
Ph: 674-2392391
Email: bhubaneswar@icai.org

2nd and 3rd September, 2017

Place : Bhubaneswar • CPE Hours : 17 Hours

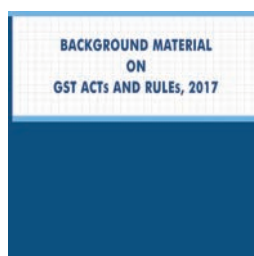
Title of the Seminar : Two Days Programme on GST
Contact Details : Patna Branch of CIRC of ICAI
Ph: 0612-2261044
Email: patna@icai.org

5th and 6th September, 2017

Place : Patna • CPE Hours : 12 Hours

PUBLICATION

The Indirect Taxes Committee of ICAI keeps the members updated with the changes through its publications. The following publication have been published by the Committee:



Background Material on GST Acts and Rules, 2017

“Background on GST Acts and Rules, August 2017” contains clause by clause analysis of the GST Acts and notifications issued there under along with FAQ’s, MCQ’s, Flowcharts and Illustrations etc. to make the reading and understanding easier.

How to get registered under GST

Registration being the first step to enter GST arena whether through migration or fresh registration. Considering the importance of registration and procedure involved into it, the Indirect Taxes Committee of ICAI, has come out with E-publication namely “E-Book on How to get registered under GST”. It aptly covers all the nitty-gritty of the registration provision under GST.

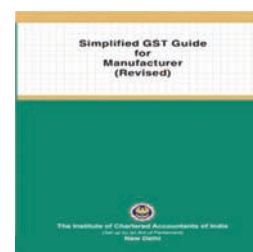


Study Paper on Taxation of E-Commerce under GST

“Study Paper on Taxation of E-Commerce under GST” provides in-depth knowledge of provisions pertaining to E-Commerce Transactions under GST.

Simplified GST Guide for Manufacturer

“Simplified GST Guide for Manufacturer” amply covers all aspects of transaction related to manufacture like levy, exemption, registration, time and place of supply, valuation, input tax credit, job work and much more in very simple and easy to comprehend language. This is a unique guide wherein the provisions of GST related to manufacture have been dealt with, which would help the reader in analysing various aspects of manufacturing transaction with respect to GST.



Ordering Information

The Publication can be purchased directly from the sales counter at the ICAI’s Regional Offices / Branches or at the Head Office. Member may also download from Indirect Taxes Committee Website: <http://idtc.icai.org/publications.php>. To order by post, requisition may be sent to the Postal Sales Department of the ICAI at postalsales@icai.in or can be order online at <https://icaionlinestore.org/indirect-taxes-committee>

FREQUENTLY ASKED QUESTIONS FOR TRADERS *

Q 1. How will GST benefit the Trading Community?

Ans. Under GST, a trader would be entitled to avail input tax credit paid on their domestic procurements of goods and services unlike the present indirect tax regime. Presently, a significant portion of indirect taxes namely Central Excise and Service Tax form part of the cost component for a trader. This will not be the case under GST. He will now be able to take credit of all taxes paid by him.

In respect of imports, the landed cost is expected to reduce significantly under GST. Hence, the traders will gain significantly in terms of input tax credit on their operating expenses thereby decreasing their operating costs.

CST which was non-creditable has been subsumed in GST. This will be a huge benefit for the traders. Entry tax has also been subsumed in GST. Removal of CST and entry tax shall immensely benefit the traders. Traders will be able to sell their goods to farthest areas.

Q 2. Will all traders necessarily have to register under GST?

Ans. A trader dealing only in exempted goods or where his turnover is below Rs.20 Lakhs in the financial year (but not engaged in inter-State supplies) is not required to register under GST.

Q 3. Are monthly returns required to be filed by a trader not opting to pay tax under the composition scheme?

Ans. Traders not opting to pay tax under composition scheme need to file returns on a monthly basis. Form GSTR-1 is to be filled for outward supplies made by the trader (made in the month for which return is being filed) by the 10th of the next month. Other parts of the return Form GSTR-2 and Form GSTR-3 are auto populated and only needs to be verified and submitted by the 15th and the 20th of the next month respectively.

Q 4. What is the basic information that needs to be furnished in Form GSTR-1?

Ans. The details to be entered in the return of outward supplies Form GSTR-1, made by the trader depends upon the nature of supplies made. The provisions are as follows:

- i) intra-State supplies to consumers (B2C supplies) - tax-rate wise summary;
- ii) inter-State supplies to consumers (B2C supplies) of value up to Rs. 2.5 lakhs - State-wise and tax-rate wise summary;
- iii) inter-State supplies to consumers (B2C supplies)

of value above Rs. 2.5 lakhs - specified invoice wise details;

- iv) supplies to resellers (B2B) – specified invoice wise details.

Q 5. Under GST, will traders be required to declare their IEC at the time of imports and exports?

Ans. For the time being both GSTIN and IEC have to be declared. But over a period of time, traders need to declare only their GSTIN instead of IEC at the time of imports and exports.

Q 6. Can traders get the credit of IGST paid at the time of imports for discharging their domestic liabilities under GST? If yes, how?

Ans. Yes. Under GST, traders will be on par with manufacturers. IGST paid at the time of import will be available as credit which can be used for payment of taxes on further supplies.

GSTIN would be used for the purpose of credit flow of IGST on import of goods and refund of IGST paid in case of export.

Q 7. Is there any scheme for payment of taxes under GST for small traders?

Ans. Yes. Composition levy is an alternative method of levy of tax designed for small taxpayers whose turnover is up to Rs. 75 lakhs (Rs. 50 lakhs for special category States). The basic objective is to bring simplicity and reduce cost of compliance for the small taxpayers. The scheme is optional and is mainly for small traders, manufacturers and restaurants.

Q 8. What is the eligibility category for opting for composition levy? Which are the Special Category States in which the turnover limit for Composition Levy for CGST and SGST purpose shall be Rs. 50 lakhs?

Ans. Composition scheme is a scheme for payment of GST available to small taxpayers whose aggregate turnover in the preceding financial year did not cross Rs.75 Lakhs. In the case of following 9 states, the limit of turnover is Rs.50 Lakhs in the preceding financial year:-

- a) Arunachal Pradesh
- b) Assam
- c) Manipur
- d) Meghalaya
- e) Mizoram
- f) Nagaland

- g) Sikkim
- h) Tripura and
- i) Himachal Pradesh

Q 9. What is the rate of tax under Composition levy?

Ans. The rate for traders shall be 1% (0.5% CGST plus 0.5% SGST) of the turnover in the state.

Q 10. Who are the persons(traders) not eligible for composition scheme?

Ans. Following persons will not be allowed to opt for composition scheme:

- a) supplier of services (except restaurants)
- b) a person engaged in making any supply of goods which are not leviable to tax under this Act;
- c) a person engaged in making any inter-State outward supplies of goods;
- d) a supplier making any supply of goods through an electronic commerce operator who is required to collect tax at source under section 52; and

Thus from traders' point of view, he should be selling the goods within a state. In case he supplies to other states, he shall not be eligible for the scheme. The traders should not be supplying through E-commerce operator in which case he will have to compulsorily register. Further in case a trader is supplying exempted goods, he need not register. It is also important to note that the trader can procure the goods from outside the State and yet he would be eligible for availing the composition scheme.

Q 11. When will a trader have to pay tax?

Ans. A trader, if registered under GST, will have to pay tax on monthly basis on or before 20th of the succeeding month.

A person who has opted for composition levy will have to pay tax on quarterly basis on or before 18th of the month succeeding the quarter relating to supplies.

Q 12. A person availing composition scheme during a financial year crosses the turnover of Rs.75 Lakhs/Rs. 50 Lakhs during the course of the year i.e. say he crosses the turnover of Rs.75 Lakhs/Rs. 50 Lakhs in December? Will he be allowed to pay tax under composition scheme for the remainder of the year i.e. till 31st March?

Ans. No. The option availed shall lapse from the day on which his aggregate turnover during the financial year exceeds Rs. 75 Lakhs/50 Lakhs. Once he crosses the threshold, he shall file an intimation for withdrawal from the scheme in FORM GST CMP-04 within seven days of the occurrence of such event.

Every person who has furnished such an intimation, may electronically furnish at the common portal, a statement in FORM GST ITC-01 containing details of the stock of inputs and inputs contained in semi-finished or finished goods held in stock as well as the capital goods held by

him on the date on which the option is withdrawn, within a period of thirty days from the date from which the option is withdrawn.

Q 13. How will aggregate turnover be computed for the purpose of composition?

Ans. It will be computed on the basis of turnover on all India basis. "Aggregate turnover" means the aggregate value of all taxable supplies (excluding the value of inward supplies on which tax is payable by the composition dealer on reverse charge basis), exempt supplies, exports of goods or services or both and inter-State supplies of persons having the same Permanent Account Number, to be computed on all India basis but excludes central tax, State tax, Union territory tax, integrated tax and compensation cess.

Q 14. Can a person who has opted to pay tax under the composition scheme avail Input Tax Credit on his inward supplies?

Ans. No. A taxable person opting to pay tax under the composition scheme is out of the credit chain. He cannot take credit on his input supplies.

Q 15. Can a registered person, who purchases goods from a trader paying tax under the composition scheme, take credit on purchases made from the composition dealer?

Ans. No. A trader opting to pay tax under the composition scheme is out of the credit chain.

He can neither take credit on his input supplies, nor issue taxable invoice to his buyer.

He is required to issue a bill of supply and cannot charge tax from the recipient.

Therefore the person purchasing from him cannot take any credit.

Q 16. Are monthly returns required to be filed by the person opting to pay tax under the composition scheme?

Ans. No. Such persons need to file a simplified quarterly returns in Form GSTR-4. The GSTR-4 needs to be filed electronically on the GSTN common portal by the 18th day of the month succeeding the quarter relating to the supplies.

Q 17. What is the basic information that need to be furnished in Form GSTR 4?

Ans. It should contain details of turnover in the State or Union territory, inward supplies of goods or services or both, tax payable on reverse charge basis in case of purchases made from unregistered persons and tax payable.

Q 18. A person opting to pay tax under the composition scheme receives inputs/input services from an unregistered person. Will the composition dealer have to pay GST under reverse charge? If yes, in what manner?

Ans. Yes. Tax will have to be paid on supplies received from unregistered persons by the composition dealer under

reverse charge at normal rates and not composition rates. The tax can be paid by the 18th day of the month succeeding the quarter in which such supplies were received. The information relating to such supplies should be shown by the composition dealer in Table 4 of Form GSTR 4. In respect of other notified supplies in which GST is chargeable on reverse charge basis, the composition dealer will have to pay tax at normal rates.

Q 19. What is the form in which an intimation for option to pay tax under composition scheme needs to be made by the taxable person?

Ans. The intimation is to be made electronically in Form GST CMP-01 by the migrated traders. A person who has already obtained registration and opts for payment under composition levy need to give intimation electronically in Form GST CMP-02. Persons filing fresh registration application can also give the option in Part B of Form GST REG 01, and this will be treated as an intimation.

Q 20. In case a person has registration in multiple states? Can he opt for payment of tax under composition levy only in one state and not in other state?

Ans. No. Any intimation under sub-rule (1) or sub-rule (3) of Rule 3 of the CGST Rules, 2017 in respect of any place of business in any State or Union territory shall be deemed to be an intimation in respect of all other places of business registered on the same Permanent Account Number.

Q 21. What is the effective date of composition levy?

Ans. There can be three situations which are as follows:

Situation	Effective date of composition levy
Persons who have been granted provisional registration and who opt for composition levy (Intimation is filed under Rule 3(1) in Form GST CMP-01)	The appointed date i.e. 22nd June, 2017
Persons opting for composition levy at the time of making application for new registration in the same registration application itself (The intimation under Rule 3(2) in FORM GST REG-01 itself)	Effective date of registration; Intimation shall be considered only after the grant of registration and his option to pay tax under composition scheme shall be effective from the effective date of registration.
Persons opting for composition after obtaining registration (The intimation is filed under Rule 3(3) in Form GST CMP-02)	The beginning of the financial year

Q 22. What are the conditions and restrictions subject to which a person is allowed to avail of composition levy?

Ans. The person exercising the option to pay tax under composition scheme shall comply with the following conditions, namely: -

- he should not be a casual taxable person nor a non-resident taxable person;
- the goods held in stock by him on 22nd June, 2017 have not been purchased in the course of inter-State trade or commerce or imported from a place outside India or received from his branch situated outside the State or from his agent or principal outside the State;
- the goods held in stock by him have not been purchased from an unregistered supplier and where purchased, he pays the tax under reverse charge mechanism;
- he shall pay tax under reverse charge mechanism where he purchases goods or services from an unregistered person;
- he was not engaged in the manufacture of notified goods namely icecream and other edible ice, pan masala and tobacco and manufactured tobacco products;
- he shall mention the words "composition taxable person, not eligible to collect tax on supplies" at the top of the bill of supply issued by him; and
- he shall mention the words "composition taxable person" on every notice or signboard displayed at a prominent place at his principal place of business and at every additional place or places of business.

Q 23. What is the validity of composition levy?

Ans. The option exercised by a registered person to pay tax under composition scheme shall remain valid so long as he satisfies all the conditions mentioned in section 10 of CGST Act, 2017 read with Chapter II of the CGST Rules, 2017.

Q 24. Can a trader having duty paying documents (including a First stage dealer or a second stage dealer) claim the Cenvat credit on the stock held on the appointed date viz 1st July, 2017?

Ans. Yes, a trader having duty paying documents including a first stage dealer or second stage dealer can claim Cenvat Credit as per section 140(3) of the CGST Act, 2017 subject to fulfilment of following conditions:

- such inputs are used or intended to be used for making taxable supplies;
- the said taxable person is eligible for input tax credit on such inputs;
- the said taxable person is in possession of invoice and/or other prescribed documents evidencing payment

of duty under the earlier law;

- (d) such invoices and /or other prescribed documents were issued not earlier than twelve months immediately preceding the appointed day;
- (e) the supplier of services is not eligible for any abatement.

Q 25. What is a credit transfer document? How can it help the traders?

Ans. A manufacturer may have cleared some goods to a dealer prior to the GST, and in case a dealer who was not registered under the Central Excise Act, however is registered under CGST Act, 2017. A special provision has been made in the CENVAT Credit Rules, 2004 to take care of such cases. In such a situation, the manufacturer may issue a credit transfer document to the dealer subject to the following conditions:

- (a) The value of such goods is higher than rupees twenty-five thousand per piece, bears the brand name of the manufacturer or the principal manufacturer and are identifiable as a distinct number such as chassis / engine no. of a car.
- (b) Verifiable records of clearance and duty payment relating to each piece of such goods is maintained by the manufacturer and are made available for verification on demand by a Central Excise officer.
- (c) The Credit Transfer Document shall be serially numbered and shall contain the Central Excise registration number, address of the concerned Central Excise Division, name, address and GSTIN number of the person to whom it is issued, description, classification, invoice number with date of removal, mode of transport and vehicle registration number, rate of duty, quantity, value and duty of excise

cleared by him (on 1st July 2017).

- (e) Credit Transfer Document shall be issued upto 30th July 2017 and copy of the corresponding invoices shall be enclosed with the Credit Transfer Document.
- (f) Copies of all invoices relating to buying and selling from manufacturer to the dealer, through intermediate dealers, is maintained by the dealer availing credit using CTDs.
- (g) CTD shall not be issued in favour of a dealer to whom invoice was issued for the same goods before the appointed date.
- (h) A dealer availing credit using Credit Transfer Document on manufactured goods shall not be eligible to avail credit under provision of rule 117 (4) of the CGST Rules, 2017 on identical goods manufactured by the same manufacturer available in the stock of the dealer.
- (i) The dealer availing credit on the basis of Credit Transfer Document shall, at the time of making supply of such goods, mention the corresponding Credit Transfer Document number in the invoice issued by him under section 31 of the CGST Act, 2017.

Q 26. Traders are presently not entitled to take cenvat credit. They will be having duty paid stock as on 1st July, 2017. However, it is possible that the traders may not have duty paid documents in respect of such stock. Is there any scheme under GST, where such traders will be able to get credit of such taxes under GST?

Ans. Yes. If duty paid invoices are available with them, then full credit of ITC on existing stock can be carried over to GST (refer answer to Q 24 above). If duty paid invoices are not available, then a deemed credit scheme is made available to the traders as per the details below:

Sr. No	Category of Taxpayer	Details to be provided	Amount of ITC available
1	Trader (not liable to be registered under Central Laws) (Form TRANS-1 is to be submitted on or before 30.09.2017)	Stock of Inputs (held as inputs/ semi-finished / finished goods) to be used for making taxable supplies where duty paying documents are available with the trader	Amount of duty paid as per invoice details submitted
2	Trader (not liable to be registered under Central Laws) (Form TRANS-2 is to be submitted at the end of each of the first six months)	Stock of Inputs (held as inputs/ semi-finished / finished goods) to be used for making taxable supplies where duty paying documents are not available with the trader	In case of intra-State supplies <ul style="list-style-type: none"> • 60% of the Central Tax paid (in case rate of total tax is 18% or 28%) • 40% of the Central tax paid (in case rate of total tax is 5% or 12%) In case of inter-State supplies, 30% or 20% of integrated tax paid will be allowed.

specified in the First Schedule to the Central Excise Tariff Act, 1985 paid thereon.

- (d) The manufacturer is satisfied that the dealer to whom Credit Transfer Document is issued is in possession of such manufactured goods in the form in which it was

Q 27. Will the compliance process under GST be complicated for traders under GST? What measures have been put in place to ease burden of compliance on small traders?

Ans. No. The compliance process will be automated and easy for traders. The following steps have been taken by the

Government in this regard.

- a) Small traders with a turnover below Rs.20 Lakhs need not register under GST.
- b) An easy to understand and comply composition scheme for traders having turnover upto Rs. 75 lakhs where tax can be paid quarterly as a percentage of turnover.
- c) GST seva kendras have been opened in all Commissionerrates (upto range office) under CBEC to help small traders under the GST law and process.
- d) For uploading of invoice details, GST Network will be providing easy to use application free of cost which will enable hassle free uploading of invoices by traders.
- e) The returns and payment of tax process under GST is completely online. There will be minimal interface or no interface with the tax authorities.
- f) Small taxpayers can use the services of GST practitioners at a nominal cost to take care of their compliances under GST.
- g) GST Suvidha providers (GSPs) will be providing easy to use applications which will provide an interface with the GST network for easy and smooth compliances under GST.
- h) Strict time lines have been prescribed which shall be adhered to by all proper officers. Registration will be given in 3 working days if the documents are in order. In case no response is received from the proper officer within 3 days, registration shall be deemed to be granted.
- i) Application for refund will be completely online with minimal interface with the tax officer. Acknowledgment of refund claim will be given in 15 days and the claim will be processed in 60 days failing which interest will be paid. For Exports, provisional refund up to 90% of the claim will be sanctioned upfront without any verification. The amount of refund will be directly credited to beneficiary's bank account.

Q 28. Stock transfers have been made taxable in GST. Will it impact adversely?

Ans. The objective of taxing the stock transfers is just to ensure that the ITC moves along with the supply of goods to the place where a supply is finally consumed. This is to ensure that the taxes accrue to the State where a supply is consumed. If the stock transfers are not taxed, the ITC would not flow to other State along with the supply and trader will not be able to utilise the credit in another State. Therefore, taxing of stock transfers in the interest of traders and is perfectly revenue neutral for the trader.

Q 29. How will the stock transfers be valued?

Ans. In case the recipient is eligible for full input tax credit,

then the value declared by a trader in the invoice shall be taken as the open market value and shall be accepted for assessment purpose. The traders shall himself assess the value of supplies. In such case the value shall normally be the value of inward supply plus the transport costs etc. involved for stock transfer.

Q 30. The traders are not used to classify the goods under the HSN nomenclature and are likely to face hardship in this regard. How will they cope with it?

Ans. Taxpayers whose turnover is below Rs. 1.5 crores are not required to mention HSN Code in their invoices. Taxpayers whose turnover is above Rs.1.5 crores but below Rs. 5 crores shall use 2-digit code and the taxpayers whose turnover is Rs. 5 crores and above shall use 4-digit code. Further the goods emanate either from manufacture or from imports. The traders usually donot change the nature of goods. The classification, in general, will be in continuity from the HSN declared by the manufacturer or importer both of whom have been using the system in the past also.

Q 31. What if a trader/businessman is unable to undertake compliances under GST himself?

Ans. Under GST, the government will allow qualified persons to act as GST Practitioners. In case the trader is unable to undertake compliances himself, he can utilise the services of such GST practitioners to do the compliances for him. There would also be Facilitation Centres, help desks in each GST Commissionerate. There would also be facility of GST Suvidha Providers (GSPs) who would be developing software for uploading data on to the GSTN portal.

* Source: www.cbec.gov.in

SECTORAL FAQs AS RELEASED BY CBEC

To guide taxpayers in relation to GST matters, CBEC has issued a range of frequently asked questions related to GST law, procedures, tax rates, specific industry or sector. The information is available on CBEC GST portal <http://cbec-gst.gov.in> or it can be downloaded from the website of indirect taxes committee at <http://idtc.icaai.org/gst.html> .Following topics have been covered under the Frequently asked questions: -

1.	Government Services	7.	Drugs & Pharmaceuticals
2.	Gems & Jewellery	8.	Food Processing
3.	IT/ITES	9.	Exports
4.	FAQs on Handicraft	10.	MSME
5.	E-Commerce	11.	Textiles
6.	Mining		

ICAI'S CONTRIBUTION FOR SMOOTH IMPLEMENTATION OF GST AS PARTNER IN NATION BUILDING

1. Recent Publications on GST:

The Institute has recently developed and released the following publications which have been updated with recent changes:

- Background Material on GST Acts and Rules – August, 2017
- E-Book on How to Get Registered under GST – August, 2017
- Study Paper on Taxation of E-Commerce under GST– August, 2017
- Simplified GST Guide for Manufacturer– August, 2017
- Bare Law on GST Act(s) and Rule(s) – July 2017

These publications can be downloaded at <http://idtc.icai.org/publications.php> and can be ordered online at <https://icaionlinestore.org/indirect-taxes-committee>.

- Suggestions on GST Act:** Comprehensive suggestions on GST Act has been submitted to the Government on 31st July, 2017, which can be downloaded from the website <http://idtc.icai.org/>. Further, a copy of suggestions has also been submitted to the State VAT Commissioners.
- Assessment Test of Certificate Course on GST :** 1st Assessment Test of Certificate Course on GST was held on 13th August, 2017 at 75 Centres across India at the same time, which was applied by approx. 3800 members.
- GST Sahayata Kendra:** 26 GST Sahayata kendra has further been made operational making the total no. of such Sahayata Kendra to 126. These Kendra have been set up to provide pro bono advice on implementation of GST and to facilitate small manufacturers/businessmen/representatives of trade and industry in this regard.
- Live Webcasts on procedural Aspect of GST:** Committee organised a 2-full day live webcasts on GST as per the details given below:

S. No.	Date	Topic	No. of viewer	
			Live	You Tube
1	8th August, 2017 - 10.00 am to 5.30 pm	Classification under GST, Transition, Documentation, Migration issues, Job work etc.	5514	4862
2	10th August, 2017 – 9.30 am to 5.30 pm	Valuation issues, Exemptions, ITC & Return Filing	5225	4073

The recordings of the above webcasts are available for offline viewing a the link <https://www.youtube.com/indirecttaxcommittee>

6. Interactive Programme on GST for trade associations

Institute has organized total 20 Interactive programmes till date with the Trade Associations as part of its initiatives

for partner in nation building. Further, few more interactive programmes on GST have been scheduled.

- 10 Days Certificate Course on GST:** Institute has commenced another 3 batches of Certificate Course on GST at Vasai, Bangalore and Siliguri till 15th August, 2017 making the total batches of this Course to 47 since 28th April, 2017.
- E-Learning on GST:** Committee launched E-learning on GST through recorded video sessions covering almost the entire topics of GST on 7th July, 2017. During the reporting period, further 537 stakeholders have subscribed to this e-learning, making the total no. of subscriber to 1726. It can be subscribed at the link <http://idtc.icai.org/elearning-gst-subscribe.html> available on the website idtc.icai.org
- Workshops, Seminars and Conferences:** It may be noted that total 2627 programme, workshop, conferences etc. have been organised from 1st January, 2017 to 15th August, 2017, which have been attended by approx. 194364 participants. Some of participants may have attended multiple awareness session due to topics or speakers.
- A Study Report to enable smooth Transition from Pre-GST to Post-GST Regime:** With a view to facilitate the Government in smooth transition from Pre-GST to Post-GST Regime, the report prepared and submitted by ICAI and it can be downloaded from <http://idtc.icai.org/budget-memorandum.html>
- A Study Report on Impact of GST on Jammu & Kashmir Taxation System:** With a view to facilitate the Government of Jammu & Kashmir in understanding the impact of GST on Jammu & Kashmir Taxation System, the ICAI submitted a Study Report to the Government of Jammu & Kashmir. The reports submitted by ICAI can be downloaded from <http://idtc.icai.org/publications.php>
- Impact of GST Regime on Finances & Economy in Delhi**
With a view to facilitate the Government of Delhi in understanding the impact of GST on Delhi Taxation System, the Indirect Taxes Committee has submitted a Study Report to the Delhi Government. The report entails the impact of GST implementation on Delhi economy, provides a comparative report on revenue under the present and GST regime etc.
- Nomination at the Advisory Committee constituted by Goods and Services Tax Network (GSTN):** Considering the expertise of members of ICAI, Goods and Services Tax Network requested ICAI to nominate its member at the Advisory Committee constituted by Goods and Services Tax Network. Accordingly, ICAI has nominated members at the said advisory Committee.
- Formation of Study Group for helping State Government in smooth implementation of GST:** The Institute has already formed twenty (20) State level Study Group for extending its support to the State Government in smooth implementation of GST.
- Identification and Training of new speakers on GST:** 500 new speakers have been identified and trained in Model GST Law making the expert pool of over 700 faculties across India. In order to identify more speakers on GST, another Faculty identification Programme is going to be organised shortly.



Workshop on GST at Anantpur



Workshop on GST at Dhule



Certificate Course on GST at Durgapur



GST Conclave IV at EIRC



Conference on GST at Faridabad



Certificate Course on GST at Pimpri Chinchwad



Two Days Workshop on GST at Ahmednagar



Certificate Course on GST at Bangalore