



Dhadda & Co.
CHARTERED ACCOUNTANTS

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DCo Digest

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Newsletter



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With the proliferating GST Litigation and compliances, our team of Indirect Taxes has successfully surfaced with another Edition of periodical newsletter.

The Edition unfolds the recent amendments that have been made in GST Returns, E-way Bill Portal, and E-Invoice portal. A brief analysis of automated notices being issued in line with Rule 88C and 88D of GST Rules has been presented in addition with the most recent and critical changes in Input Service Distributor. A new feature of GST Calendar has also been introduced for our readers.

Happy Reading!

Preface



Analysis of Rule 88C and 88D of CGST/SGST Rules, 2017

Introduction

The CBIC inserted two new rules, Rule 88C and Rule 88D in the CGST/SGST Rules 2017. The rules empower the system to give automated intimations to the taxpayers for variations in outward supply as per GSTR 1 and GSTR 3B, and variation in ITC as per GSTR 3B and GSTR 2B. These automated intimations are triggered in the following Forms:

- **Form DRC 01B** for difference between outward tax liability as declared in GSTR 1 and as paid in GSTR 3B in compliance with Rule 88C of the CGST/SGST Rules, 2017.
- **Form DRC 01C** for difference in ITC as available in GSTR 2B and as claimed in GSTR 3B in compliance with Rule 88D of the CGST/SGST Rules 2017.

An effort has been made to elucidate our readers the possible reasons of issuance of such intimation, the process of issuance of intimation and filing reply to such intimation.

DRC-01B: Difference between outward tax liability as declared in GSTR-1 and as paid in GSTR-3B

DRC-01B is issued in line with the Rule 88C in scenarios where excess outward tax liability has been reported in GSTR-1 as compared to GSTR-3B beyond a prescribed predefined limit.

Issuance and Reply to intimation in Form DRC-01B

1. The intimation is served on GST Portal in **Part A of the DRC-01C** for excess tax liability reported in the GSTR-1 as compared to 3B. An intimation shall also be sent to the registered e-mail address of the taxpayer.

FORM GST DRC-01B

[See rule 88C]

PART A

(System Generated)

Intimation of difference in liability reported in statement of outward supplies and that reported in return

Ref No. :

Date :

GSTIN :

Legal Name :

1. It is noticed that the tax payable by you, in accordance with the statement of outward supplies furnished by you in FORM GSTR-1 or using the invoice furnishing facility, exceeds the amount of tax paid by you in accordance with the return furnished in FORM GSTR-3B for the period<from><to> by an amount of Rs. The details thereof are as follows :

Form Type	Liability declared/ paid (in Rs.)				
	IGST	CGST	SGST/UTGST	Cess	Total
FORM GSTR-1/IFF					
FORM GSTR-3B					
Difference in liability					

2. In accordance with sub-rule (1) of rule 88C, you are hereby requested to either pay the said differential tax liability, along with interest under section 50, through FORM GST DRC-03 and furnish the details thereof in Part-B of FORM GST DRC-01B, and/or furnish the reply in Part-B of FORM GST DRC-01B incorporating reasons in respect of that part of the differential tax liability that has remained unpaid, within a period of seven days.

3. It may be noted that where any amount remains unpaid within a period of seven days and where no explanation or reason is furnished by you or where the explanation or reason furnished by you is not found to be acceptable by the proper officer, the said amount shall be recoverable in accordance with the provisions of section 79 of the Act.

4. This is a system generated notice and does not require signature.

2.The registered taxpayer has two options:

- Either **to discharge liability** whether fully or partially of the differential tax liability, along with interest through FORM GST DRC-03 and furnish the details thereof in **Part B of FORM GST DRC-01B** within 7 days.
- Or **furnish a reply electronically and explain the reason of difference in Part B of FORM GST DRC-01B** within 7 days.

PART B

Reply by Taxpayer in respect of the intimation of difference in liability

Reference No. of Intimation :

Date :

A. I have paid the amount of the differential tax liability, as specified in Part A of FORM GST DRC-01B, fully or partially, along with interest under section 50, through FORM GST DRC-03, and the details thereof are as below :

ARN of FORM GST DRC-03	Paid Under Head	Tax Period	IGST	CGST	SGST/UTGST	CESS

AND/OR

1. Inserted by the Central Goods and Services Tax (Fifth Amendment) Rules, 2022, w.e.f. 26-12-2022.

B. The reasons in respect of that part of the differential tax liability that has remained unpaid, are as under :

<i>Sl. No.</i>	<i>Brief Reasons for Difference</i>	<i>Details (Mandatory)</i>
1.	Excess Liability paid in earlier tax periods in FORM GSTR-3B	
2.	Some transactions of earlier tax period which could not be declared in the FORM GSTR-1/IFF of the said tax period but in respect of which tax has already been paid in FORM GSTR-3B of the said tax period and which have now been declared in FORM GSTR-1/IFF of the tax period under consideration	
3.	FORM GSTR-1/IFF filed with incorrect details and will be amended in next tax period (including typographical errors, wrong tax rates, etc.)	
4.	Mistake in reporting of advances received and adjusted against invoices	
5.	Any other reasons	

Verification

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

Place :

Signature of Authorised Signatory

Date :

Name :

Designation/Status :

3. In case of non-compliance of the above intimation, the filing of the GSTR-1 for subsequent tax period shall not be allowed and recovery proceedings under Section 79 shall be initiated.

Expected reasons for the issuance of the DRC-01B has been elaborated below:

- Excess liability discharged in the previous financial year, results in short payment of the tax liability in the current period.
- Underreporting of the outward tax liability in GSTR-1 of the previous financial, reported in the GSTR-1 of the current period.
- Details related to the outward tax liability, advances and adjustment in the advances reported in the previous financial year, amended through the GSTR-1 of the current period.

DRC01C: Difference in ITC as available in GSTR 2B and as claimed in GSTR 3B

Issuance and Reply to intimation in Form DRC-01C

1. The intimation is served on GST Portal in Part A of Form DRC-01C for excess ITC availed in GSTR 3B as compared to what is available in Auto generated GSTR 2B in line with Rule 88D of the CGST/SGST Rules, 2017. An intimation shall also be sent to the registered e-mail address of the taxpayer.

¹FORM GST DRC-01C
[See rule 88D]

PART-A (System Generated)

Intimation of difference in input tax credit available in auto-generated statement containing the details of input tax credit and that availed in return

Ref No: _____ Date: _____

GSTIN: _____

Legal Name: _____

1. It is noticed that the input tax credit availed by you in the return furnished in **FORM GSTR-3B** exceeds the amount of input tax credit available to you in accordance with the auto-generated statement containing the details of input tax credit made available to you in **FORM GSTR-2B** for the period <from><to> by an amount of Rs. The details thereof are as follows:

Form Type	Input tax credit available / availed (in Rs.)				
	IGST	CGST	SGST/UTGST	Cess	Total
FORM GSTR-2B					
FORM GSTR-3B					
Excess input tax credit availed					

2. In accordance with sub-rule (1) of rule 88D, you are hereby requested to either pay an amount equal to the said excess input tax credit, along with interest payable under section 50, through **FORM GST DRC-03** and furnish the details thereof in **Part B** of **FORM GST DRC-01C**, and/or furnish the reply in **Part B** of **FORM GST DRC-01C** incorporating reasons in respect of that part of the excess input tax credit that has remained to be paid, within a period of seven days.

3. It may be noted that where any amount of the excess input tax credit remains to be paid after completion of a period of seven days and where no explanation or reason for the same is furnished by you or where the explanation or reason furnished by you is not found to be acceptable by the proper officer, the said amount shall be liable to be demanded in accordance with the provisions of section 73 or section 74, as the case may be, of the Act.

4. This is a system generated notice and does not require signature.

2. The registered taxpayer has two options:

- Either **to reverse or pay excess ITC** availed in **GSTR 3B** as compared to **GSTR 2B**, along with interest through **FORM GST DRC-03** and furnish the details thereof in **Part B** of **FORM GST DRC-01C** within 7 days.
- Or **furnish a reply electronically and explain the reason of difference in Part B** of **FORM GST DRC-01C** within 7 days.

PART-B

Reply by Taxpayer in respect of the intimation of difference in input tax credit

Reference No. of Intimation: _____

Date: _____

A. I have paid the amount equal to the excess input tax credit, as specified in **Part A** of **FORM GST DRC-01C**, fully or partially, along with interest payable under section 50, through **FORM GST DRC-03**, and the details thereof are as below:

ARN of FORM GST DRC-03	Paid Under Head	Tax Period	IGST	CGST	SGST/UTGST	CESS	Interest
1	2	3	4	5	6	7	8

AND/OR

B. The reasons in respect of that part of the excess input tax credit that has remained to be paid are as under:

S. No	Brief Reasons for Difference	Details (Mandatory)
1	Input tax credit not availed in earlier tax period(s) due to non-receipt of inward supplies of goods or services in the said tax period (including in case of receipt of goods in instalments).	
2	Input tax credit not availed in earlier tax period(s) inadvertently or due to mistake or omission	
3	ITC availed in respect of import of goods, which is not reflected in FORM GSTR-2B	
4	ITC availed in respect of inward supplies from SEZ, which are not reflected in FORM GSTR-2B	
5	Excess reversal of ITC in previous tax periods which is being reclaimed in the current tax period	
6	Recredit of ITC on payment made to supplier, in respect of ITC reversed as per rule 37 in earlier tax period.	
7	Recredit of ITC on filing of return by the supplier, in respect of ITC reversed as per rule 37A in earlier tax period.	
8	FORM GSTR-3B filed with incorrect details and will be amended in next tax period (including typographical errors, wrong tax rates, etc.)	
9	Any other reasons (Please specify)	

Verification

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

Signature of Authorised Signatory

Name:

Designation/Status:

3. In case of non-compliance of the above intimation, the filing of the GSTR-1 for subsequent tax period shall not be allowed and recovery proceedings under Section 73/74 shall be initiated.

Expected reasons for the issuance of the DRC01C has been elaborated below:

Input Tax Credit not availed in the previous financial year due to non-receipt of the inward supplies, due to the conditions of Sec. 16(2) not satisfied but reflected in GSTR-2A or the Input Tax Credit mistakenly not availed.

ITC availed related to the Import of goods or the inward SEZ supply, but not reflected in the GSTR-2B.

Excess reversal in the previous financial year, reclaimed in the current period.

Recredit of ITC on payment made to supplier, in respect of ITC reversed as per rule 37 in earlier tax period.

FORM GSTR-3B filed with incorrect details and will be amended in the next tax period

The above Rules were introduced with effect from 26-12-2022.

Compiled by CA Dinesh Chandak

Reviewed by CA Shefali Jain Bang

Judicial Pronouncements

Case 1: M/s. Cosyn Limited Vs Assistant Commissioner of State Tax (Order dated 30-04-2024)

M.A.T.No. 2411 of 2023– Calcutta High Court

Issue:

Whether IGST credit is required to be reversed when credit is wrongly claimed instead of CGST and SGST?

Facts of case:

M/s. Cosyn Limited (herein after called “the Petitioner”) has availed IGST ITC amounting to Rs.1,50,53,289/- in February 2018. Out of this, ITC to the tune of Rs.1,31,45,290/- pertaining to the invoices 1Z11801869 and 1Z11801870 dated 16-02-2018 issued by Mphasis Limited. However, the said invoices were not found in GSTR 2A of February 2018.

Further, Petitioner did not avail any IGST ITC in March 2018, but he had IGST ITC to the tune of Rs.1,31,45,290/- from Mphasis Limited in his GSTR 2A against Invoices 1Z11801869A and 1Z11801870A dated 31-03-2018. It is important to note that the No and date of the Invoices are different with respect to the original ones upon which petitioner has its possession and claimed ITC.

Further, while filing GST Returns for the month of April, May and August 2018, the petitioner has utilised his IGST ITC to tune of Rs 63,71,353/- which he has availed in FY 2017-18 to set off his SGST liabilities of FY 2018-19.

An Assessment Order (herein after called “the Impugned Order”) was passed against such utilization and it was contended that ITC, which is utilized for payment of SGST was to be transferred and appropriated to the respective State. A writ petition was filed by the Petitioner challenging the Impugned Order which was dismissed on the ground that it was an appealable order.

The intra-court directed an Order and thereafter, an appeal was filed, and the Impugned Order was granted stay subject to the condition that the Petitioner deposits 10% of the disputed tax within a time frame, which condition was complied with. Hence, an interlocutory application was filed by the Petitioner.

Analysis:

It was noted by the court that as per the provisions laid down under section 18 of the IGST Act 2017 on “Transfer of input tax credit”, utilization of credit of Integrated tax availed under this Act for payment of state tax in accordance with the provisions of the respective State Goods and Services Tax Act, the amount collected as Integrated Tax shall stand reduced by an amount equal to the credit so utilized and shall be apportioned to the appropriate State Government and the Central Government shall transfer the amount so apportioned to the account of the appropriate State Government.

Further, as per Rule 4 of Goods and Services Tax Settlement of Funds Rules, 2017, in case of intra-State supplies, Central Goods and Services Tax [CGST] and State Goods and Services Tax [SGST]/ Union Territory Goods and Services Tax [UTGST] are levied and collected in the ratio of 50:50. The CGST goes to the Consolidated Fund of India and the SGST goes to the respective State/ UT exchequer. However, in case of inter-State supplies Integrated Goods and Services Tax [IGST], which is equal to the sum total of the CGST and SGST, is levied on the said supply of goods or services or both and collected by the Union Government. 50 percent of the IGST goes to the Consolidated Fund of India and the 50 percent goes to the exchequer of the respective destination State/ UT as per the detailed procedure prescribed under the Goods and Services Tax Settlement of Funds Rules, 2017.

The case of the appellant is that it had availed ISGT credit and subsequently used for payment of CGST and SGST in terms of Section 18 of IGST act, 2017 read with Rule 4 of the Goods and Services Tax Settlement of Fund Rules, 2017. Therefore, it was directed by the court that the input tax credit, which is utilized for payment of SGST is transferred subsequently and appropriated to the respective State. Therefore, on utilization of input tax credit of IGST for payment of WBGST, tax has flown to the State of West Bengal.

Further, it was also concluded by the court that there is no requirement to reverse the Integrated Goods and Services Tax ("IGST") credit where the Assessee had availed IGST credit and subsequently used the same for payment of the Central Goods and Service Tax ("CGST") and the State Goods and Services Tax ("SGST").

DCO Experts

This decision sets a significant precedent for handling IGST credit errors, by ruling that wrongly claimed IGST credit need not be reversed if used for CGST and SGST payments.

-This judgment underscores the importance of proper tax credit management and the need for robust legal interpretations in complex tax matters.

Compiled by CA Divya Gupta

Case 2: M/s. Rays Power Infra Private Limited Vs Superintendent of Central Tax (Order dated 28-02-2024)

[W.P.C No. 298 of 2024] – Telangana High Court

Issue:

Whether the GST Authorities can initiate proceedings under Section 74 of the CGST Act, if an entire tax liability along with the interest has been paid before issuance of show cause notice?

Facts:

M/s Rays Power Infra Pvt. Ltd. (herein after called "the Petitioner") was engaged in the generation of electricity through solar plants.

The GST Audit was conducted for FY 2017-18 and FY 2018-19 and the summary of audit findings was communicated to the Petitioner on October 14, 2021. The Petitioner accepted the amount and immediately paid the additional tax along with interest. Thereafter, Final Audit Report dated November 10, 2021, was issued wherein the auditors had accepted the payment made by the Petitioner.

Despite the payment of the entire amount being accepted, a show cause notice dated April 20, 2022 (herein after called "the Impugned Notice") was issued under Section 74(1) of the CGST Act, 2017. The petitioner duly submitted reply of the impugned notice wherein stated that the entire demand was already paid with interest, hence requested to drop the entire proceedings and after providing personal hearing, an Order dated November 15, 2023 ("the Impugned Order") confirming the demand has been passed against the Petitioner, which led the filing of the present writ.

Submissions of the parties

It was submitted by the petitioner that they have accepted and deposited all the liability along with applicable interest up to 28/10/2021 i.e. even before issuance of Final Audit Report dated 10/11/2021.

Therefore, when all the alleged payment is made before issuance of show cause notice then the proceedings initiated by invoking Section 74 of the CGST Act, 2017 is bad in law and liable to be set aside.

Further, it is also contended by the Petitioner that the proceedings initiated under section 74(1) of the CGST Act by the respondents is bad in law and liable to be quashed as the petitioner case squarely falls within the purview of section 73(5) of the CGST Act, 2017.

In response of same, it is contended by the respondent that the case of petitioner is not merely wrongful availment ITC, but it is a deliberate act on the part of petitioner with an intention to evade tax liability as the said fact is discovered only during the audit and therefore the case squarely covered by Section 74(1) of the CGST Act, 2017.

Further, it is also submitted by the respondent the impugned writ petition deserves to be dismissed on the ground of there being a statutory, alternative remedy available with the petitioner and the grounds raised by the petitioner could also be agitated before the appellate authority.

Analysis:

It is noted by the court that, Section 73(5) of the CGST Act gives a clear indication that the framers of the law were very clear in mind that in the event where taxpayer clears all the tax liability along with interest, prior to the issuance of show cause notice, they would not be liable for any further additional taxes by way of penalty or interest. Further, for this purpose, the provisions of Section 73(1) and Section 73(5) of the CGST Act, both have to be read together, which gives a clear indication that Section 73(5) refers to even those payments which have been cleared by the taxpayers which were otherwise termed as wrongfully availed ITC.

The sub-section 5 to 8 of Section 73 of the CGST Act, particularly states that the taxpayer must clear the unpaid tax or reversed the wrongfully availed ITC at the earliest to avoid stringent coercive recovery actions including imposition of penalty. In view of above, it is opined by the High Court that, where the taxpayer pays the amount of tax along with interest, then the proper officer upon receipt of such information shall not initiate any further proceedings and all the proceedings shall have to be deemed to be concluded.

Further, it was also observed by Court that section 74 will only be attracted when there is strong material available on record to show that the taxpayer has fraudulent intentions to suppress the facts or to evade the tax liability and when the taxpayer does not satisfy the conditions of the section 73 even when the tax liability is brought to his knowledge. Further, it is also opined by this bench that, if tax is paid along with interest even after issuance of show cause notice, even then the penalty cannot be levied, and the notice proceedings shall be deemed to have been concluded.

In view of the above, it was held by the court that as the petitioner has discharge all the liability along with interest before issuance of show cause notice, thus impugned notice and order both are out of jurisdiction of Authority and therefore the same deserves to be set-aside and not sustainable in the eye of law in terms of Section 73 (5) and (6) of the CGST Act. Further, with respect to contention of availability of a statutory alternative remedy of appeal, it was held that the Petitioner cannot be forced to undergo the entire process of litigation under the statute once when the issuance of show cause notice itself was per se bad. Hence, the writ petition accordingly allowed.

DCO Experts

The Telangana High Court's strength the view that where taxpayers proactively clear their tax liabilities along with applicable interest, should not face additional penalties or proceedings and also provides clarity and protection for taxpayers against unnecessary legal proceedings in such situations. Further, this decision also highlights the importance of timely compliance and ensures that taxpayers are not unduly burdened with punitive measures when they discharge their obligations.

Compiled by Neha Jain



Expert's Insight



Input Service Distributor

The Finance Bill 2024 had proposed amendments to provide clarity on the mechanism to be followed by Input Service Distributor i.e. for distribution of Common Credit by the Head Office to the Branch Offices or the internally transfer of services between the distinct persons to bring uniformity across the taxpayers and eliminate the dilemma to whether to distribute the ITC through Cross Charge or ISD. Let's first walk through the amendments in the definition of Input Service Distributor:

Definition u/s 2(61) of Input Service Distributor

- **Pre-amendment: Definition of Input Service Distributor**

As per Section 2(61), "Input Service Distributor" means an office of the supplier of goods or services or both which receives tax invoices issued under Section 31 towards the receipt of input services and 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 to a supplier of taxable goods or services or both having the same Permanent Account Number as that of the said office.

- Office of supplier of goods / services
- Receives invoice for input services only and not for input goods or capital goods
- Issues prescribed document for distributing ITC – ISD invoice prescribed u/r 54(1)
- ITC is distributed only to units having same PAN

- **Post-amendment: Definition of Input Service Distributor**

In section 2, for clause (61), the following clause shall be substituted, namely:

(61) "Input Service Distributor" means an office of the supplier of goods or services or both which receives **tax invoices** towards the receipt of input services, **including invoices in respect of services liable to tax under sub-section (3) or subsection (4) of section 9, for or on behalf of distinct persons** referred to in section 25, and **liable to distribute** the input tax credit in respect of such invoices in the manner provided in section 20.

- Office of supplier of goods / services
- Receives invoice for input services, invoices liable to RCM as per subsection (3) and (4) of Section 9
- Received for or on behalf of distinct persons
- Liable to distribute the ITC in respect of such invoices in the manner provided in Sec.20

The prescribed amendment enhances the scope of the concept of the ISD, since pre-amendment the concept covers only the invoice for input services whereas post amendment the concept extended to the invoices liable to RCM and invoices received for on behalf of distinct persons and the ITC would be distributed in the manner as provided in the Sec.20.

As per the existing provision, if any credit was used for the benefit of the entity as a whole, then such common credit could be allocated through two mechanisms:

- ISD or
- Cross Charge.

The taxpayer always faces conundrum as to whether they should take the separate ISD registration for allocation of ITC, or whether to follow cross-charge mechanism. To give our readers a better understanding attention is being drawn towards **Circular 199/11/2023-GST dated 17th July 2023** which gave an option to the taxpayers for distribution of common ITC either through cross charge or ISD mechanism. In the said circular the two new terms were introduced namely **“Third Party” services** and **“Internally generated” services**.

In a nutshell, the third party services relates to services availed from someone outside the company like auditor, security etc whereas internally generated services mean services provided by one branch to another. For third party services the circular has given the option either to follow the cross-charge method or the ISD method. However, in case of internally generated services the same will be distributed through cross charge.

As per the new proposed amendments where the taxpayer receives the input services including the RCM invoices on behalf of distinct person i.e.

branches will have to get themselves registered as ISD and distribute the same in the manner prescribed. Hence whenever the company receives the third-party invoices which is used for HO as well as branches then, the same will be required to be distributed through ISD registration only and not cross charge.

However, in case of Internally generated services the cross-billing mechanism will still apply.

Moreover, even in case of third-party invoice which are in relation to goods, and which is for both HO as well as branches, the ITC in relation to the same will be distributed through cross charges only as ISD mechanism only talks about services and not goods. Hence distribution of ITC in relation to goods will still be through cross charge.



ISD under previous provisions v/s Cross Charge

S. No	Input Service Distributor	Cross Charge
1.	The concept of ISD as per Sec. 2(61) of The CGST Act, 2017, requires the mandatory registration along with the normal registration.	Under Cross Charge, no separate registration required.
2.	Through ISD, only Input Services can only be apportioned	Through Cross Charge, ITC relating to Common Inputs, Input Services and Capital Goods may be distributed
3.	Distribution of ITC as per prescribed formula sec. 20 read with Rule 39	Valuation mechanism prescribed- Sec.15 read with Rules 28, 30 and 31
4.	Separate return compliance in GSTR-6 and GSTR-6A	No requirement to submit the separate return

Distribution of ITC by ISD [Section 20 of the CGST Act and Rule 39]

An ISD is required to distribute input tax credit in the same month in which it is available for distribution¹. Such distribution can be made through issue of an ISD invoice in accordance with Rule 54(1) of the CGST Rule. The amount of credit distributed should not exceed the amount of credit available for distribution. An ISD is required to distribute separately the ineligible and eligible credit.

Further the ITC of Central tax, State tax, Union Territory tax and integrated tax also required to be distributed separately in the prescribed manner. The credit of tax paid on input services must be distributed to the recipient(s) to whom it belongs. Further such distribution should be pro rata on the basis of the turnover in a State/UT of the concerned recipient during the relevant period.

Key Challenges arise due to introduction of amendment in the concept of ISD

- a. Mid-year implementation of ISD mechanism will result in confusion between bifurcation of input services for Cross charge and ISD
- b. Identifying the need for a single ISD registration or multiple ISD registrations.
- c. Identifying common input services for distribution through ISD mechanism.
- d. Formulating a comprehensive strategy where ISD mechanism is intertwined with Cross charge mechanism.
- e. Effective and concurrent communication with the vendors for updation of ISD GSTN in their masters.
- f. Appropriate distribution of RCM ITC between ISD and Non- ISD unit.
- g. Basis of distribution of ISD credit
- h. ITC reconciliation in respect of inward supplies to be completed on or before 13th of the respective month.

Written by CA Deepika Agarwal



New on GSTN Portal

New Tables in GSTR 1 introduced- Table 14, 14A, 15 & 15A

Table 14 – Supplies Made Through E-Commerce Operators (ECO) in GSTR-1

Under this table, the suppliers need to report the transactions/ supplies made through the E-commerce operator. The same is categorized under the two sub-head:

-14(a): The supplier is required to report in this section a summary of supplies made through ECO, categorized by ECO-GSTIN, on which ECO is **obligated to collect Tax at Source (TCS)**.

-14(b): The supplier is required to report in this section a summary of the supplies made through ECO for which ECO is responsible **for paying tax under section 9(5)**

Table 14A – Amended Supplies made through e-commerce operator (ECO) in GSTR-1

In this table, the supplier can amend the detail of original supplies that he has already reported in original table 14 under below two sections in earlier return periods.

1. 14(a) Liable to collect tax u/s 52(TCS)
2. 14(b) Liable to pay tax u/s 9(5)

Table 15 – Supplies under Section 9(5) of the CGST Act in GSTR-1

This table is specifically for the E-Commerce Operator, under this table, the E-commerce operator needs to report supplies on which **the e-commerce operator needs** to pay tax under sec 9(5) of the CGST Act. The same is categorized under four sections:

- For supplies involving both registered suppliers and registered recipients (B2B), ECOs are required to furnish detailed information at the invoice level.
- For supplies between registered suppliers and unregistered recipients (B2C) necessitate supplier-level details, including the point of supply (POS) and rate-wise information.
- For supplies from unregistered suppliers to registered recipients (URP2B) ECOs must report document-level details.
- Finally, for supplies from unregistered suppliers to unregistered recipients (URP2C), ECOs are tasked with reporting point of supply and rate-wise details.

New On GSTN Portal

Table 15A – Amended Supplies u/s 9(5) in GSTR-1/IFF

In this table, the e-commerce operator can amend the detail of original supplies that he has already reported in table 15 originally under four sections in earlier return periods between Supplier and Registered Recipient i.e. **B2B, B2C, URP2B, URP2C**.

Self - Enablement For e-Invoicing generation

Taxpayers whose turnover exceeds INR 5 crores in the financial year 2023-2024 or any preceding financial years is required to start e-Invoicing from the next financial year, i.e., from 1st April 2024 onwards.

GSTR-3B can be Reset and Refiling

A facility for refiling of GSTR 3B is made available for those taxpayers where discrepancies were found in the returns during the filing process between the saved data in the GST system and actually filed data in the fields of ITC availment and payment of tax liabilities in earlier period.

The affected taxpayers have been communicated on their registered email-ids & respective dashboard and re-filing was to be done within 15 days of the receipt of such communication.

Auto population of HSN summary in GSTR 1

A new feature to auto-populates the HSN-wise summary from e-Invoices into **Table 12 of GSTR-1** has been made available on the GST portal. This allows for direct auto-drafting of HSN data into Table 12 based on e-Invoice data. It can be modified in table 12 before final submission.

Launch of E-Way Bill 2 Portal

GSTN has recently announced the launch of E-Way 2 Portal by NIC on June 1, 2024. The portal shall run parallelly to the main portal to ensure high availability and synchronisation of e-way bill details.

The portal can be used to generate and update E-way Bills independently, access web and API modes, and login with the main portal credentials.

The portal shall also act as a backup during technical issues with the main portal, supporting cross portal operations for printing and updating Part B of E-way Bills.

Clarification regarding recovery proceedings initiated before 3 months

It was observed that some field formations are initiating recovery proceedings before the stipulated 3-month period without explicit orders for early payment. Consequently, the CBIC has issued detailed instructions providing the proper procedure for initiating early recovery, applicable only in exceptional cases vide Instructions No. 01-2024 dated 31-05-2024.

Compiled by CA Dinesh Chandak

JUNE

06/2024

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
30						1
2	3	4	5	6	7	8
9	10 GSTR-7(GST-TDS) GSTR-8(GST-TCS)	11 GSTR-1(OTHER THAN QRMP SCHEME)	12	13 GSTR-1 (QRMP-IFF OPTIONAL), GSTR-5 (FOR NON RESIDENT TAXABLE PERSON), GSTR-6 (INPUT SERVICE DISTRIBUTOR)	14	15
16	17	18	19	20 GSTR-5A(OIDAR SERVICES) GSTR-3B(OTHER THAN QRMP SCHEME)	21	22
23	24	25 PMT-06 (MONTHLY TAX PAYMENT UNDER QRMP SCHEME)	26	27	28 GSTR-11(INWARD SUPPLIES RECEIVED BY A PERSON HAVING UIN)	29

JULY

07/2024

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
	1	2	3	4	5	6
7	8	9	10 GSTR-7(GST-TDS) GSTR-8(GST-TCS)	11 GSTR-1(OTHER THAN QRMP SCHEME)	12	13 GSTR-1 (QRMP-IFF), GSTR-5 (FOR NON RESIDENT TAXABLE PERSON), GSTR-6 (INPUT SERVICE DISTRIBUTOR)
14	15	16	17	18 GST CMP-08 (COMPOSITION SCHEME DEALERS)	19	20 GSTR-5A(OIDAR SERVICES) GSTR-3B(OTHER THAN QRMP SCHEME)
21	22 GSTR-3B(QRMP-IFF)	23	24 GSTR-3B(QRMP-IFF)	25 PMT-06 (MONTHLY TAX PAYMENT UNDER QRMP SCHEME)	26	27
28 GSTR-11(INWARD SUPPLIES RECEIVED BY A PERSON HAVING UIN)	29	30	31			

Note: For those who opted the QRMP scheme, the due date is 22nd or 24th of the month following every quarter, as per the state/UT of the principal place of business.

Due Date is 22nd of every quarter

Chhattisgarh, Madhya Pradesh, Gujarat, Daman and Diu, Dadra and Nagar Haveli, Maharashtra, Karnataka, Goa, Lakshadweep, Kerala, Tamil Nadu, Puducherry, Andaman and Nicobar Islands, Telangana and Andhra Pradesh

Due Date is 24th of every quarter

Jammu and Kashmir, Ladakh, Himachal Pradesh, Punjab, Chandigarh, Uttarakhand, Haryana, Delhi, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand and Odisha



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Thank You