

# GST Update

Weekly Update  
07.03.2020

- This Presentation covers the GST changes / observations/ press releases/ Tweet FAQs/ Sectoral FAQs released by CBEC since the last update on 22.02.2020. It supplements the earlier GST Updates.
- This presentation is based on CGST Act/Rules/ Notifications, except the provisions related solely to SGST provisions. Similar parallel provisions in State Laws may be referred to as required

# GST Revenue collection for February, 2020

- <http://www.gstcouncil.gov.in/sites/default/files/Press-Dynamic/PIB1604798.pdf>
- The gross GST revenue collected in the month of February 2020 is **₹ 1,05,366crore** of which CGST is ₹ 20,569crore, SGST is ₹ 27,348crore, IGST is ₹ 48,503crore (including ₹ 20,745crore collected on imports) and Cess is ₹ 8,947 crore (including ₹ 1,040crore collected on imports).
- The total number of GSTR 3B Returns filed for the month of January up to 29<sup>th</sup> February 2020 is 83.53lakh.
- The government has settled ₹ 22,586 crore to CGST and ₹ 16,553 crore to SGST from IGST as regular settlement.

# GST Revenue collection for February, 2020 (Contd)



- The total revenue earned by Central Government and the State Governments after regular settlement in the month of February, 2020 is ₹ 43,155 crore for CGST and ₹ 43,901 crore for the SGST.
- The GST revenues during the month of February 2020 from domestic transactions has shown a growth of 12% over the revenue during the month of February 2019. Taking into account the GST collected from import of goods, the total revenue during February 2020 has increased by 8% in comparison to the revenue during February 2019. During this month, the GST on import of goods has shown a negative growth of (-) 2% as compared to February 2019.

- **Notification No. 08/2020 – Central Tax, dated 02.03.2020 (w.e.f. 01.03.2020)**
- In rule 31A (2), the following sub-rule shall be substituted, namely:-
- *(2) The value of supply of lottery shall be deemed to be 100/128 of the face value of ticket or of the price as notified in the Official Gazette by the Organising State, whichever is higher.*
- *Explanation:– For the purposes of this sub-rule, the expression “Organising State” has the same meaning as assigned to it in clause (f) of sub-rule (1) of rule 2 of the Lotteries (Regulation) Rules, 2010.*

# Amendment to CGST Rules, 2017 (Contd)

- Earlier a uniform rate of 28% was fixed for Lottery being applicable from 1st March 2020. (Notification No. 1/2020-Central Tax (Rate) dated 21.02.2020)
- There is no distinction for lottery authorized by State Governments and lottery run by State Governments for the purpose of taxability and, hence, the standard rate of 28% shall apply.
- Now the corresponding changes in valuation mechanism in rule 31(A)(2) have also been made.

- <http://www.gstcouncil.gov.in/sites/default/files/Press-Dynamic/Press%20Release%203rd%20National%20GST%20Conference.pdf>
- As an outcome of in-depth deliberation, following measures were proposed for further examination:
  - Immediate steps to curb passing on ITC by new taxpayers
  - Measures to check export valuation including capping of value for calculating export benefits/incentives
  - Standard Operating Procedure (SoP) for physical spot verification of risky taxpayers
  - Standard Operating Procedure (SoP) for blocking and unblocking of ITC



# GST Portal Updates





GOODS AND SERVICES TAX NETWORK

## WELCOME TO NEW & REVAMPED GST HELP DESK

A Toll-free Number  
Easy to Remember



1800-103-**4786**  
which is  
1800-103-**GSTN**



365 days, 9 AM to 9 PM



GOODS AND SERVICES TAX NETWORK

## WE HAVE UPGRADED

Starting from 26th Feb 2020



GST has come up with Improved Grievance Redressal Portal which will enhance users' experience.




Toll-Free No. **1800 103 4786**  
(365 days, 9 am to 9 pm)


**12 Languages:**  
Hindi, English, Bengali, Marathi, Telugu,  
Tamil, Gujarati, Kannada, Odia,  
Malayalam, Punjabi, Assamese.



Help desk number 0120-4888999 will no longer be available from 26th Feb 2020

 /gstsystemsindia

 /askGSTech

 GoodsandServicesTaxNetwork

- <https://selfservice.gstsystem.in/>
- **New and revamped GST Help Desk:** The GST help desk has been revamped for better facilitation to the taxpayer. The new functionality of GST help desk at GSTN portal is now available and accessed as illustrated below:
- GST Help Desk transition for tax payers and availability of new services
- GST Help Desk has now become multi-lingual and supports 12 regional languages
- Grievance Redressal Portal has been realigned with contemporary look and feel.
- GST Helpdesk will be available 7 days a week from 9am to 9pm
- GST Helpdesk call -in-number 1800 103 4786 is now toll free
- Old number 0120-4888999 is discontinued from 26.02.2020

- <https://selfservice.gstsystem.in/>
- The Portal has been designed for lodging complaints by taxpayers and other stakeholders. They can lodge Complaint here indicating issues or problems faced by them while working on GST portal instead of sending emails to the Helpdesk. It has been designed in a manner that the user can explain issues faced and upload screenshots of pages where they faced the problem, for quick redressal of grievances.



# GST Legal Updates

# Budgetary Support Scheme – Plea of Promissory Estoppel not enforceable

**Case of Hero Motocorp Ltd Vs Union of India reported in  
2020-TIOL-530-HC-DEL-GST**

## Facts

Petition filed against the Budgetary Support Scheme. Case of the Petitioner is that the erstwhile area based exemptions got rescinded with the introduction of the GST Regime w.e.f. 1.7.2017. Though Budgetary Support Scheme notified in by the Government to mitigate such difficulties, the benefits were substantially lesser than that enjoyed during the area based exemption regime. In these circumstances, the Petitioner has preferred the writ petition for grant of complete exemption by way of reimbursement of the amount of CGST & IGST for the residual period of exemption notification dated 10.06.2003, that granted 100% exemption on excise duty and adherence of Industrial Policy.

# Budgetary Support Scheme – Plea of Promissory Estoppel not enforceable

**Decision of the Hon'ble High Court:** The Hon'ble High Court while dismissing the Writ Petition held as under

What clearly emerges from the decisions taken note of is that the plea of promissory estoppel cannot be enforced against an act done in accordance with the statutory provisions of law. Under Section 174(2)(c) of the CGST Act, express provision has been made by the Parliament to provide that any tax exemption granted as an incentive against investment through a notification under, inter alia, the erstwhile Central Excise Act, shall not continue as a privilege if the said notification is rescinded, and in the present case, the notification which granted 100% excise duty exemption was, in fact, rescinded. Thus, in the absence of any challenge by the Petitioner to the rescission of the said notification which granted exemption or to the vires of the proviso to Section 174(2)(c) of the CGST Act, no plea of promissory estoppel is maintainable.

# Authority for Advance Ruling (AAR) has jurisdiction to determine Place of Supply under GST

## Case of Sutherland Mortgage Services Inc Ltd Vs Principal Commissioner, CGST reported in 2020-TIOL-486-HC-Kerala GST

**Facts:** Applicant had raised a question before the AAR as to whether the supply made would qualify as export of service as defined in Section 2(6) of the IGST Act, 2017. The AAR held that question essentially involves the determination of 'place of supply' which is not included in Section 97(2) of the CGST Act, 2017 as a question on which advance ruling can be sought. That AAR is a creature of statute and has to function within the legal boundary mandated by the Act; that as the 'place of supply' is not covered by Section 97(2) of the Acts, the AAR is helpless to answer the question raised in the application, as it is lacking jurisdiction to decide the issues - Accordingly, the Application was rejected by the AAR.



# Authority for Advance Ruling (AAR) has jurisdiction to determine Place of Supply under GST

## **Decision of the High Court: The Hon'ble Court held as under**

It is true that the issue relating to determination of place of supply is not expressly enumerated in any of the clauses as per clauses (a) to (g) of section 97(2) of the CGST Act, but there cannot be any two arguments that the said issue relating to determination of place of supply, which is one of the crucial issues to be determined as to whether or not it fulfils the definition of place of service, would also come within the ambit of the larger issue of 'determination of liability to pay tax on any goods or services or both' as envisaged in clause (e) of s.97(2) of the Act. The Advance Ruling authority has proceeded on a tangent and has missed the said crucial aspect of the matter and has taken a very hyper technical view that it does not have jurisdiction for the simple reason that the said issue is not expressly enumerated in s.97(2).

# Authority for Advance Ruling (AAR) has jurisdiction to determine Place of Supply under GST

## Decision of the High Court (Contd.....)

Court has no hesitation to hold that the said view taken by the AAR is legally wrong and faulty and, therefore, the matter requires interdiction in judicial review in the instant writ proceedings.

It is ordered that the said rejection order of the AAR is quashed and the application will stand remitted to the Authority concerned for fresh consideration and decision in accordance with the law. The Advance ruling in terms of s.98(4) may be duly rendered by the AAR without much delay, preferably within a period of 3 to 4 months.

It has to be borne in mind that India is at the cusp of great global changes and there cannot be any two opinions for anyone, who cherishes the best interest for this country, that with extreme hard work and industry, we have to progress economically, socially and in all spheres of life -

# Authority for Advance Ruling (AAR) has jurisdiction to determine Place of Supply under GST

## Decision of the High Court (Contd.....)

A foreign entity like the principal company in this case would like to have precision and certainty about tax liability so that they can accordingly modulate their future outlook and it goes without saying that the executive authorities concerned including the taxation authorities will have to take the correct perspective and in accordance with the legislative policy framed as per the wisdom of the Parliament and the State legislatures to ensure that there is certainty and precision in taxation liability etc. so that the domestic investors as well as foreign investors, will get more incentive to continue and increase their level of activities for the overall better development and growth of our economy.

## Any ISSUES/ queries?



- <https://cbec-gst.gov.in/>
- [CBEC MITRA HELPDESK](#)
  - 1800 1200 232
  - [cbecmitra.helpdesk@icegate.gov.in](mailto:cbecmitra.helpdesk@icegate.gov.in)
- GSTN Help Desk
  - <https://selfservice.gstsystem.in/> - Grievance redressal portal
  - Help Desk Number: 0120-4888999

# Any ISSUES/ queries?

- Twitter Handles
- For General Questions
- [https://twitter.com/askGST\\_GoI](https://twitter.com/askGST_GoI)
- For technology related issues
- <https://twitter.com/askGSTech>
- NACIN twitter
- [https://twitter.com/NACIN\\_OFFICIAL](https://twitter.com/NACIN_OFFICIAL)

**THANK YOU**