

From	Karvy Data Management Services Ltd.
Date	March 09, 2019
Subject	Important changes in GST Law to be effective from 1 st April 2019
Category	Notification
Reference	Notification No. 10/2019-CT, 11/2019-CT, 12/2019-CT, 13/2019-CT, 14/2019-CT and 02/2019-CT (Rate) dated 07.03.2019
Series	Karvy/GST/102

Central Board of Indirect Taxes and Customs (CBIC) had issued series of notification on 7th March 2019 bringing into effect, major announcements made by the GST Council in its 32nd meeting. Key highlights of these notifications are follows:

- ✚ **Composition Scheme under GST extended to the supplier of services (or mixed suppliers)**
- ✚ **Threshold limit for opting normal Composition Scheme under GST increased to Rs. 1.5 Crore | Rs. 75 Lakhs (For few States)**
- ✚ **Threshold limit for registration under GST increased to Rs 40 lakhs except for few States**
- ✚ **Due date prescribed for filing Form GSTR-1, both quarterly and monthly, for the period April'19-June'19**
- ✚ **Due date prescribed for filing Form GSTR-3B for the period April'19-June'19**

Changes notified vide these notifications shall be applicable from 1st April 2019. Essence of this changes in GST Law have been tabulated below:

Threshold limit for registration under GST increased to Rs 40 lakhs - Notification No. 10/2019-CT dt. 07.03.2019

Applicable To - Any person who is engaged in exclusive supply of goods and whose aggregate turnover in the financial year does not exceed Rs. 40 lakhs may not take registration under GST.

Not Applicable To - This increase in the threshold limit shall not be applicable to:

- (a) Persons who are required to take compulsory registration under Sec. 24 of CGST Act 2017
- (b) Persons engaged in supply of goods falling under tariff head - 2105 00 00, 2106 90 20 & 24
- (c) Persons making supplies within the State of Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Puducherry, Sikkim, Telangana, Tripura & Uttarakhand
- (d) Persons who are registered voluntarily under Sec. 25 (3) of CGST Act 2017 or who intend to continue with their registration.

Due date prescribed for filing Form GSTR-1 on quarterly basis for the period April'19-June'19 - For taxpayers having aggregate turnover of up to Rs. 1.5 Crore - Notification No. 11/2019-CT dt. 07.03.2019

Quarter	Due Date
April'19 - June'19	31 st July 2019

Due date prescribed for filing Form GSTR-1 on monthly basis for the period April'19-June'19 - For taxpayers having aggregate turnover of more than Rs. 1.5 Crore - Notification No. 12/2019-CT dt. 07.03.2019

Month	Due Date
April'19	11 th May 2019
May'19	11 th June 2019
June'19	11 th July 2019

Due date prescribed for filing Form GSTR-3B for the period April'19-June'19 - Notification No. 13/2019-CT dt. 07.03.2019

Month	Due Date
April'19	20 th May 2019
May'19	20 th June 2019
June'19	20 th July 2019

Threshold limit for opting Composition Scheme under GST increased to Rs. 1.5 Crore | Rs. 75 Lakhs (For few States) - Notification No. 14/2019-CT dt. 07.03.2019

Increase in threshold limit to Rs. 1.5 Crore - Persons who are eligible in terms of Sec. 10 (1) of CGST Act 2017 and whose aggregate turnover in the preceding financial year did not exceed Rs. 1.5 Crore, may opt for the Composition Scheme under GST.

Increase in threshold limit to Rs. 75 Lakhs - The threshold limit for opting Composition Scheme is Rs. 75 Lakhs in the States - Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura and Uttarakhand.

Manufacturers not eligible to opt Composition Scheme - Manufacturer of goods falling under tariff head - 2105 00 00, 2106 90 20 & 24 are not eligible to opt for the Composition Scheme under GST

Composition Scheme under GST extended to the supplier of services (or mixed suppliers) - Notification No. 02/2019-CT (Rate) dt. 07.03.2019

Current scenario of Composition Scheme - Presently, the privilege of opting composition scheme under GST is available to the manufacturer or supplier of goods. Composition Scheme is not available to the service providers except for the restaurant service providers.

Scenario of Composition Scheme w.e.f 01.04.2019 - With this notification in place, effective from 1st April 2019, service providers (except restaurant service providers) or mixed suppliers, engaged into supply of goods or services or both, shall be eligible to opt for the Composition Scheme under the GST.

Threshold limit to opt for this Composition Scheme - Registered person having an aggregate turnover of up to Rs. 50 Lakhs from 1st day of April of a financial year, from "First supplies of goods or services or both" may opt for this Composition Scheme.

Applicable Rate of Tax for this Composition Scheme - 6% (CGST-3% + SGST-3%)

Conditions for opting this Composition Scheme - Below mentioned are the conditions to be satisfied by a registered person in order to opt for this Composition Scheme:

- (i) Aggregate turnover in the preceding financial year was Rs. 50 Lakhs or below
- (ii) He is not eligible to pay tax under Sec. 10 (1) of CGST Act 2017 i.e. he is not eligible not pay tax under normal Composition Scheme
- (iii) He is not engaged in making supply which is not leviable to tax under GST
- (iv) He is not engaged in making any inter-state outward supply
- (v) He is neither a casual taxable person nor a non-resident taxable person
- (vi) He is not engaged in making supply through an electronic commerce operator, who is required to collect TCS
- (vii) He is not engaged in making supplies of goods falling under tariff head - 2105 00 00, 2106 90 20 & 24
- (viii) All registered persons under the same PAN have opted for this Composition Scheme
- (ix) He shall not collect any tax from the recipient nor shall be entitled to claim any input tax credit
- (x) Instead of "Tax Invoice", he shall issue a "Bill of supply" containing particulars as specified u/r 49 of CGST Rules 2017
- (xi) He shall mention the following words at the top of the "Bill of supply" - 'taxable person paying tax in terms of notification No. 02/2019-Central Tax (Rate) dated 07.03.2019, not eligible to collect tax on supplies'.

(xii) He shall be liable to pay tax @ 6% (CGST-3% + SGST-3%) on all outward supplies as specified in this notification

(xiii) He shall be liable to pay tax at an applicable rate on account of inward supplies falling under reverse charge u/s 9(3) & 9(4) of CGST Act 2017

Below mentioned are few important points to be noted for this Composition Scheme:

For the purposes of determining eligibility of a person to opt for this Composition Scheme - Turnover of “First supplies of goods or services or both” shall include: turnover of supplies from the first day of April of a financial year to the date from which he becomes liable for registration.

For the purpose of determination of tax payable by a registered person under this Composition Scheme - Turnover of “First supplies of goods or services or both” shall not include: the turnover of supplies from the first day of April of a financial year to the date from which he becomes liable for registration.

For the purpose of computing aggregate turnover in order to determine eligibility of a registered person to opt for this Composition Scheme - Value of supply of exempt services by way of extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount, shall not be taken into account.

Notifications can be accessed from the links provided below:

Notification No.	Download Link
10/2019-CT dated 07.03.2019	http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-10-central-tax-english-2019.pdf;jsessionid=043AF353F3444169D3D968B7B22138F2
11/2019-CT dated 07.03.2019	http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-11-central-tax-english-2019.pdf;jsessionid=186B045297CA4586D8583077A6DC356F
12/2019-CT dated 07.03.2019	http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-12-central-tax-english-2019.pdf
13/2019-CT dated 07.03.2019	http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-13-central-tax-english-2019.pdf;jsessionid=DD41F65373840109AD3F1A0C81A3D892
14/2019-CT dated 07.03.2019	http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-14-central-tax-english-2019.pdf;jsessionid=BC920D3EDA974E78A079209E290028BE
02/2019-CT (Rate) dated 07.03.2019	http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-2-2019-cgst-rate-english.pdf

About KARVY DATA MANAGEMENT SERVICES LTD.

Karvy Data Management Services Limited (KDMSL), a GST Suvidha Provider which has developed ASP Solution for easing GST compliance for tax payers. Easy to use interfaces are made available at the disposal of the tax payers to simplify their compliances in terms of dashboards, MIS, returns, payments, refunds and other compliance process. So, 'HELP US HELP YOU' we offer following services for GST - GSP & ASP Services (on cloud or on premises) with ERP Integration and Vendor Management Solution. We also offer managed services for Outsourced GST Compliance which will take care of end to end compliances.

In India, GST Team of KDMSL are located in following cities: Hyderabad, Mumbai, Bangalore, New Delhi, Chennai, Pune and Kolkata. For more information about KDMSL service offerings, visit www.karvygst.com

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