

excess of Rs. 10,000,000.

- A bond is to be furnished on non-judicial stamp paper, while a letter of undertaking is to be submitted on the letterhead containing signature and seal of the person eligible to furnish such letter of undertaking or the person authorized in this behalf.
- The bond or letter of undertaking will be accepted within a period of three working days from the date of submission of the same.
- The CT-1 form which was earlier used for purchase of goods by a merchant exporter from a manufacturer without payment of central excise duty holds no relevance under GST since transaction between a manufacturer and a merchant exporter is in the nature of supply and the same has not been exempted under GST even on submission of bond or letter of undertaking.
- Supplies to export-oriented undertakings (EOUs) are not deemed exports under GST, unlike the earlier regime and therefore are taxable just like any other taxable supplies.
- Furnishing of letter of undertaking in place of bond will be permissible for supplies of goods to Nepal or Bhutan or SEZ developer or SEZ unit irrespective of whether the payments are received in Indian currency or convertible foreign exchange as long as they are in accordance with applicable RBI guidelines. The supply of services, however, to Nepal or Bhutan will be deemed to be export of services only if the payment for such services is received by the supplier in convertible foreign exchange.

FAQs on food processing

The CBEC has issued yet another set of FAQs on its twitter handle @CBEC_India. It may be noted that the legal validity of these FAQs remain uncertain. The FAQs clarify, inter alia, the following

- In case of any supply made from the non air-conditioned portion of a restaurant having the facility of air-conditioning in any part of its premise, GST will be levied at 18%. Rate of 18% will also be applicable on the supplies made from the take-away counters of such restaurant. Therefore, the rate of 12% will apply only to purely non air-conditioned restaurants.
- Restaurants engaged in supply of foods and non-alcoholic drinks are eligible to avail of a composition scheme. However, restaurants serving alcoholic liquor for human consumption along with such food and drinks are not eligible for the composition scheme.
- The rate of tax on cold drinks (non-alcoholic beverages) and ice-cream supplied along with food will be 12% when supplied in a non air-conditioned restaurant and 18% when supplied from an air-conditioned restaurant.

Tweet FAQs on registration

The tweets received by the government twitter handle askGST_GoI have been scrutinized and developed into FAQs. It has been clarified that the tweets received or the replies quoted are only for educational and guidance purposes and do not hold any legal validity.

- Taxpayers, who have applied for new registration under GST and have not received their GST Identification Number (GSTIN) and/or application receipt number (ARN), can supply goods or services on invoice without mentioning the GSTIN and/or ARN. On receipt of GSTIN, revised invoices mentioning GSTIN will need to be issued. Further, such invoices must be reflected in the respective returns and tax must be paid thereon.
- Taxpayers, who have migrated to GST and received their provisional ID but not the GSTIN, can supply goods or services specifying their provisional ID in place of GSTIN on their invoice.
- Taxpayers, who were earlier registered under any of the existing laws but could not migrate to GST and instead have applied for new registration, will be eligible for transitional credit if they have provided details of their earlier registration(s) at the time of registration under GST.

FAQs for traders

A set of FAQs for the trading community has been released on the CBEC website www.cbec.gov.in. These FAQs clarify the issues regarding, inter alia, registration, composition scheme, returns, stock transfers, availability and utilisation of credit, payment of GST and invoicing requirements as may be applicable to traders.

Budgetary support to eligible units approved

The Cabinet Committee on Economic Affairs chaired by the Prime Minister has given its approval to the scheme to provide budgetary support under GST Regime for the period of 1st July, 2017 to 31st March, 2027 to the eligible industrial units located in state of Jammu & Kashmir, Uttarakhand, Himachal Pradesh and North Eastern States including Sikkim which were earlier availing the benefit of central excise exemption under the North East Industrial and Investment Promotion Policy (NEIIPP), 2007 and Package for Special Category States scheme. Under the approved scheme, the Government has decided to accord budgetary support by refunding the share of CGST and IGST to the affected eligible industrial units till the period of expiry of the scheme. The Department of Industrial Policy and Promotion is expected to notify the above scheme, including detailed operational guidelines for implementation of the scheme within 6 weeks.

[1]GSTR-3B is return to be furnished in a month in lieu of the corresponding monthly return in form GSTR-3 when time limit of furnishing the returns related to outward and inward supplies has been extended for the said month.

[2]Transitional credit refers to eligible input tax credit accumulated under the erstwhile laws and brought forward in the GST regime.

[3]Every registered person entitled to take transitional credit has to submit the details of the same in form GST TRAN-1.

Glossary

CBEC- Central Board of Excise and Customs	CGST- Central goods and service tax
IGST- Integrated goods and service tax	FAQs- frequently asked questions
SEZ- Special economic zones	RBI- Reserve Bank of India

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