

CCT/26-4/2017-18/E/857

Circular

(No. 7/2021-22-GST)

Subject: GST on service supplied by State Government to their undertakings or PSUs by way of guaranteeing loans taken by them-reg.

Certain representations have been received requesting for clarification regarding applicability of GST on supply of service by State Govt. to their undertakings or PSUs by way of guaranteeing loans. The issue was examined by GST Council in its 43rd meeting held on 28th May, 2021.

2. Entry No. 34A of Notification No. 38/1/2017-Fin(R&C)(12/2017-Rate) dated 30-06-2017 exempts "Services supplied by Central Government, State Government, Union territory to their undertakings or Public Sector Undertakings (PSUs) by way of guaranteeing the loans taken by such undertakings or PSUs from the banking companies and financial institutions."

3. Accordingly, as recommended by the Council, it is re-iterated that guaranteeing of loans by Central or State Government for their undertaking or PSU is specifically exempt under said entry No. 34A.

4. Difficulty, if any, in the implementation of this circular may be brought to the notice of the undersigned.

Hemant Kumar, IAS, Commissioner State Tax, Goa.
Panaji, 6th July, 2021.

Note: Similar circular under Central Goods and Services Tax Act, 2017 is issued by the Department of Revenue, Ministry of Finance, GOI, New Delhi vide Circular No. 154/10/2021-GST dated 17th June, 2021.

CCT/26-4/2017-18/E/858

Circular

(No. 8/2021-22-GST)

Subject: Clarification regarding GST rate on laterals/parts of Sprinklers or Drip Irrigation System—regarding.

Representations have been received seeking clarification regarding GST rate on parts of Sprinklers or Drip Irrigation System, when they are supplied separately (i.e. not along with entire sprinklers or drip irrigation system). This issue was examined in the 43rd meeting of GST Council held on the 28th May, 2021.

2. The GST rate on Sprinklers or Drip Irrigation System along with their laterals/parts are governed by S. No. '195B' under Schedule II of notification

No. 38/1/2017-Fin(R&C)(1/2017-Rate) dated 30-06-2017 which has been inserted vide notification No. 38/1/2017-Fin(R&C)(6/2018-Rate) dated 24-01-2018 and reads as below:

S. No.	Chapter heading/sub-heading/tariff item	Description of goods	SGST rate
195B	8424	Sprinklers; drip irrigation systems including laterals; mechanical sprayer	6%

3. The matter is examined. The intention of this entry has been to cover laterals (pipes to be used solely with sprinklers/drip irrigation system) and such parts that are suitable for use solely or principally with 'sprinklers or drip irrigation system', as classifiable under heading 8424 as per Note 2 (b) to Section XVI to the HSN. Hence, laterals/parts to be used solely or principally with sprinklers or drip irrigation system, which are classifiable under heading 8424, would attract a GST of 12%, even if supplied separately. However, any part of general use, which gets classified in a heading other than 8424, in terms of Section Note and Chapter Notes to HSN, shall attract GST as applicable to the respective heading.

4. Difficulty, if any, may be brought to the notice of the undersigned immediately.

Hemant Kumar, IAS, Commissioner State Tax, Goa.
Panaji, 6th July, 2021.

Note: Similar circular under Central Goods and Services Tax Act, 2017 is issued by the Department of Revenue, Ministry of Finance, GOI, New Delhi vide Circular No. 155/11/2021-GST dated 17th June, 2021.

CCT/26-4/2017-18/E/859

Circular

(No. 9/2021-22-GST)

Subject: Clarification in respect of applicability of Dynamic Quick Response (QR) Code on B2C invoices and compliance of notification No. 38/1/2017-Fin(R&C)(134), dated 30th March, 2020-Reg.

Notification No. 38/1/2017-Fin(R&C)(134), dated 30th March, 2020 had been issued which requires Dynamic QR Code on B2C invoice issued by taxpayers having aggregate turnover more than 500 crore rupees, w.e.f. 01-12-2020. Further, vide notification No. 38/1/2017-Fin(R&C)(193)/1379, dated 12th May, 2021, penalty has been waived for

non-compliance of the provisions of notification 38/1/2017-Fin(R&C)(134) for the period from 01st December, 2020 to 30th June, 2021, subject to the condition that the said person complies with the provisions of the said notification from 1st July, 2021. Further, various issues on Dynamic QR Code have been clarified vide Circular No. 10/2020-21-GST, dated 24-03-2021.

2. Various references have been received from trade and industry seeking clarification on

applicability of Dynamic Quick Response (QR) Code on B2C (Registered person to Customer) invoices and compliance of notification 38/1/2017-Fin(R&C)(134), dated 30th March, 2020 as amended. The issues have been examined and in order to ensure uniformity in the implementation of the provisions of the law across the field formations, the Commissioner, in exercise of its powers conferred under Section 168 of the Goa GST Act, 2017, hereby clarifies the issues in the table below:

- | | |
|---|--|
| <p>1. Whether Dynamic QR Code is to be provided on an invoice, issued to a person, who has obtained a Unique Identity Number as per the provisions of sub-section 9 of Section 25 of Goa GST Act, 2017?</p> | <p>Any person, who has obtained a Unique Identity Number (UIN) as per the provisions of sub-section 9 of Section 25 of Goa GST Act, 2017, is not a "registered person" as per the definition of registered person provided in Section 2(94) of the Goa GST Act, 2017. Therefore, any invoice, issued to such person having a UIN, shall be considered as invoice issued for a B2C supply and shall be required to comply with the requirement of Dynamic QR Code.</p> |
| <p>2. UPI ID is linked to the bank account of the payee/person collecting money. Whether bank account and IFSC details also need to be provided separately in the Dynamic QR Code along with UPI ID?</p> | <p>Given that UPI ID is linked to a specific bank account of the payee/ person collecting money, separate details of bank account and IFSC may not be provided in the Dynamic QR Code.</p> |
| <p>3. In cases where the payment is collected by some person other than the supplier (ECO or any other person authorized by the supplier on his/her behalf), whether in such cases, in place of UPI ID of the supplier, the UPI ID of such person, who is authorized to collect the payment on behalf of the supplier, may be provided?</p> | <p>Yes. In such cases where the payment is collected by some person, authorized by the supplier on his/her behalf, the UPI ID of such person may be provided in the Dynamic QR Code, instead of UPI ID of the supplier.</p> |
| <p>4. In cases, where receiver of services is located outside India, and payment is being received by the supplier of services in foreign exchange, through RBI approved modes of payment, but as per provisions of the IGST Act, 2017, the place of supply of such services is in India, then such supply of services is not considered as export of services as per the IGST Act, 2017; whether in such cases, the Dynamic QR Code is required on the invoice issued, for such supply of services, to such recipient located outside India?</p> | <p>No. Wherever an invoice is issued to a recipient located outside India, for supply of services, for which the place of supply is in India, as per the provisions of IGST Act, 2017, and the payment is received by the supplier in foreign currency, through RBI approved mediums, such invoice may be issued without having a Dynamic QR Code, as such dynamic QR code cannot be used by the recipient located outside India for making payment to the supplier.</p> |
| <p>5. In some instances of retail sales over the counter, the payment from the customer is received on the payment counter by displaying dynamic QR code on digital display, whereas the invoice, along with invoice number, is generated on the processing system being</p> | <p>In such cases, where the invoice number is not available at the time of digital display of dynamic QR code in case of over the counter sales and the invoice number and invoices are generated after receipt of payment, the unique order ID/unique sales reference number, which is uniquely linked</p> |

used by supplier/merchant after receiving the payment. In such cases, it may not be possible for the merchant/supplier to provide details of invoice number in the dynamic QR code displayed to the customer on payment counter. However, each transaction i.e. receipt of payment from a customer is having a unique Order ID/ /sales reference number, which is linked with the invoice for the said transaction. Whether in such cases, the order ID/reference number of such transaction can be provided in the dynamic QR code displayed digitally, instead of invoice number.

to the invoice issued for the said transaction, may be provided in the Dynamic QR Code for digital display, as long as the details of such unique order ID/sales reference number linkage with the invoice are available on the processing system of the merchant/ supplier and the cross reference of such payment along with unique order ID/sales reference number are also provided on the invoice.

6. When part-payment has already been received by the merchant/supplier, either in advance or by adjustment (e.g. using a voucher, discount coupon etc.), before the dynamic QR Code is generated, what amount should be provided in the Dynamic QR Code for “invoice value”?

The purpose of dynamic QR Code is to enable the recipient/customer to scan and pay the amount to be paid to the merchant/supplier in respect of the said supply. When the part-payment for any supply has already been received from the customer/recipient, in form of either advance or adjustment through voucher/discount coupon etc., then the dynamic QR code may provide only the remaining amount payable by the customer/ /recipient against “invoice value”. The details of total invoice value, along with details/cross reference of the part-payment/advance/adjustment done, and the remaining amount to be paid, should be provided on the invoice.

3. Circular No. 10/2021, dated 24-03-2021 stands modified to this extent.

4. Difficulty, if any, in the implementation of the above instructions may please be brought to the notice of the undersigned.

Hemant Kumar, IAS, Commissioner State Tax, Goa.

Panaji, 6th July, 2021.

Note: Similar circular is issued under Central Goods and Services Tax Act, 2017 by the GST Policy wing, Central Board of Indirect Taxes and Customs, Department of Revenue, Ministry of Finance, GOI, New Delhi vide Circular No. 156/12/2021-GST dated 21st June, 2021.

www.goaprintingpress.gov.in

Published and Printed by the Director, Printing & Stationery,
Government Printing Press,
Mahatma Gandhi Road, Panaji-Goa 403 001.

PRICE—Rs. 7.00

PRINTED AT THE GOVERNMENT PRINTING PRESS, PANAJI-GOA—114/150—7/2021.