[To be published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i)]

Government of India
Ministry of Finance
Department of Revenue
Central Board of Indirect Taxes and Customs

Notification No. 21/2018 – Central Tax

New Delhi, the 18th April, 2018

G.S.R……(E).- In exercise of the powers conferred by section 164 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government hereby makes the following rules further to amend the Central Goods and Services Tax Rules, 2017, namely:-

(1) These rules may be called the Central Goods and Services Tax (Fourth Amendment) Rules, 2018.

(2) Save as otherwise provided, they shall come into force on the date of their publication in the Official Gazette.

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2. In the Central Goods and Services Tax Rules, 2017, -

(i) in rule 89, for sub-rule (5), the following shall be substituted, namely:-

"(5). In the case of refund on account of inverted duty structure, refund of input tax credit shall be granted as per the following formula:-

Maximum Refund Amount = {(Turnover of inverted rated supply of goods and services) x Net ITC ÷ Adjusted Total Turnover} - tax payable on such inverted rated supply of goods and services.

Explanation:- For the purposes of this sub-rule, the expressions –

(a) "Net ITC" shall mean input tax credit availed on inputs during the relevant period other than the input tax credit availed for which refund is claimed under sub-rules (4A) or (4B) or both; and

(b) "Adjusted Total turnover" shall have the same meaning as assigned to it in sub-rule (4).*"*;

(ii) for rule 97, the following rule shall be substituted, namely:-

"**97. Consumer Welfare Fund.**-(1) All amounts of duty/central tax/ integrated tax /Union territory tax/cess and income from investment along with other monies specified in sub-section (2) of section 12C of the Central Excise Act, 1944 (1 of 1944), section 57 of the Central Goods and Services Tax Act, 2017 (12 of 2017) read with section 20 of the Integrated Goods and Services Tax Act, 2017 (13 of 2017), section 21 of the Union Territory Goods and Services Tax Act, 2017 (14 of 2017) and

section 12 of the Goods and Services Tax (Compensation to States) Act, 2017 (15 of 2017) shall be credited to the Fund:

Provided that an amount equivalent to fifty per cent. of the amount of integrated tax determined under sub-section (5) of section 54 of the Central Goods and Services Tax Act, 2017, read with section 20 of the Integrated Goods and Services Tax Act, 2017, shall be deposited in the Fund.

(2) Where any amount, having been credited to the Fund, is ordered or directed to be paid to any claimant by the proper officer, appellate authority or court, the same shall be paid from the Fund.

(3) Accounts of the Fund maintained by the Central Government shall be subject to audit by the Comptroller and Auditor General of India.

(4) The Government shall, by an order, constitute a Standing Committee (hereinafter referred to as the 'Committee') with a Chairman, a Vice-Chairman, a Member Secretary and such other members as it may deem fit and the Committee shall make recommendations for proper utilisation of the money credited to the Fund for welfare of the consumers.

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(5) (a) The Committee shall meet as and when necessary, generally four times in a year;

(b) the Committee shall meet at such time and place as the Chairman, or in his absence, the Vice-Chairman of the Committee may deem fit;

(c) the meeting of the Committee shall be presided over by the Chairman, or in his absence, by the Vice-Chairman;

(d) the meeting of the Committee shall be called, after giving at least ten days' notice in writing to every member;

(e) the notice of the meeting of the Committee shall specify the place, date and hour of the meeting and shall contain statement of business to be transacted thereat;

(f) no proceeding of the Committee shall be valid, unless it is presided over by the Chairman or Vice-Chairman and attended by a minimum of three other members.

(6) The Committee shall have powers -

(a) to require any applicant to get registered with any authority as the Central Government may specify;
(b) to require any applicant to produce before it, or before a duly authorised officer of the Central Government or the State Government, as the case may be, such books, accounts, documents, instruments, or commodities in custody and control of the applicant, as may be necessary for proper evaluation of the application;
(c) to require any applicant to allow entry and inspection of any premises, from which activities claimed to be for the welfare of consumers are stated to be

carried on, to a duly authorised officer of the Central Government or the State Government, as the case may be;

(d) to get the accounts of the applicants audited, for ensuring proper utilisation of the grant;

(e) to require any applicant, in case of any default, or suppression of material information on his part, to refund in lump-sum along with accrued interest, the sanctioned grant to the Committee, and to be subject to prosecution under the Act;

(f) to recover any sum due from any applicant in accordance with the provisions of the Act;

(g) to require any applicant, or class of applicants to submit a periodical report, indicating proper utilisation of the grant;

(h) to reject an application placed before it on account of factual inconsistency, or inaccuracy in material particulars;

(i) to recommend minimum financial assistance, by way of grant to an applicant, having regard to his financial status, and importance and utility of the nature of activity under pursuit, after ensuring that the financial assistance provided shall not be misutilised;

(j) to identify beneficial and safe sectors, where investments out of Fund may be made, and make recommendations, accordingly;

(k) to relax the conditions required for the period of engagement in consumer welfare activities of an applicant;

(l) to make guidelines for the management, and administration of the Fund.

(7) The Committee shall not consider an application, unless it has been inquired into, in material details and recommended for consideration accordingly, by the Member Secretary.

(8) The Committee shall make recommendations:-

(a) for making available grants to any applicant;

(b) for investment of the money available in the Fund;

(c) for making available grants (on selective basis) for reimbursing legal expenses incurred by a complainant, or class of complainants in a consumer dispute, after its final adjudication;

(d) for making available grants for any other purpose recommended by the Central Consumer Protection Council (as may be considered appropriate by the Committee);

(e) for making available up to 50% of the funds credited to the Fund each year, for publicity/ consumer awareness on GST, provided the availability of funds for consumer welfare activities of the Department of Consumer Affairs is not less than twenty five crore rupees per annum.

Explanation.- For the purposes of this rule,

(a) 'Act' means the Central Goods and Services Tax Act, 2017 (12 of 2017), or the Central Excise Act, 1944 (1 of 1944) as the case may be;

(b) 'applicant' means,

(i) the Central Government or State Government;

(ii) regulatory authorities or autonomous bodies constituted under an Act of Parliament or the Legislature of a State or Union Territory;

(iii) any agency or organization engaged in consumer welfare activities for a minimum period of three years, registered under the Companies Act, 2013 (18 of 2013) or under any other law for the time being in force;

(iv) village or mandal or samiti or samiti level co-operatives of consumers especially Women, Scheduled Castes and Scheduled Tribes;

(v) an educational or research institution incorporated by an Act of Parliament or the Legislature of a State or Union Territory in India or other educational institutions established by an Act of Parliament or declared to be deemed as a University under section 3 of the University Grants Commission Act, 1956 (3 of 1956) and which has consumers studies as part of its curriculum for a minimum period of three years; and

(vi) a complainant as defined under clause (b) of sub-section (1) of section 2 of the Consumer Protection Act, 1986 (68 of 1986), who applies for reimbursement of legal expenses incurred by him in a case instituted by him in a consumer dispute redressal agency.

(c) 'application' means an application in the form as specified by the Standing Committee from time to time;

(d) 'Central Consumer Protection Council' means the Central Consumer Protection Council, established under sub-section (1) of section 4 of the Consumer Protection Act, 1986 (68 of 1986), for promotion and protection of rights of consumers;

(e) 'Committee' means the Committee constituted under sub-rule (4);

(f) 'consumer' has the same meaning as assigned to it in clause (d) of sub-section (1) of section 2 of the Consumer Protection Act, 1986 (68 of 1986), and includes consumer of goods on which central tax has been paid;

(g) ‘duty’ means the duty paid under the Central Excise Act, 1944 (1 of 1944) or the Customs Act, 1962 (52 of 1962);

(h) ‘Fund’ means the Consumer Welfare Fund established by the Central Government under sub-section (1) of section 12C of the Central Excise Act, 1944 (1 of 1944) and section 57 of the Central Goods and Services Tax Act, 2017 (12 of 2017);

(i) 'proper officer' means the officer having the power under the Act to make an order that the whole or any part of the central tax is refundable;

(iii) in **FORM GST ITC-03,** after entry 5 (e), for the instruction against “**”, the following shall be substituted, namely:-

"** The value of capital goods shall be the invoice value reduced by 1/60th per month or part thereof from the date of invoice";

(iv) after **FORM GSTR-8**, the following **FORM** shall be inserted, namely:-

"FORM GSTR-10
(See rule 81)

Final Return

1.	GSTIN	
2.	Legal name	
3.	Trade Name, if any	
4.	Address for future correspondence	
5.	Effective date of cancellation of registration (Date of closure of business or the date from which registration is to be cancelled)	
6.	Reference number of cancellation order	
7.	Date of cancellation order	

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8. Details of inputs held in stock, inputs contained in semi-finished or finished goods held in stock, and capital goods/plant and machinery on which input tax credit is required to be reversed and paid back to Government

Sr. No.	GSTIN	Invoice/Bill of Entry		Description of inputs held in stock, inputs contained in semi-finished or finished goods held in stock and capital goods /plant and machinery	Unit Quantity Code (UQC)	Qty	Value (As adjusted by debit / credit note)	Input tax credit/ Tax payable (whichever is higher) (Rs.)			
		No.	Date					Central tax	State/ Union territory tax	Integrated tax	Cess
1	2	3	4	5	6	7	8	9	10	11	12
8 (a) Inputs held in stock (where invoice is available)											
8 (b) Inputs contained in semi-finished or finished goods held in stock (where invoice is available)											

8 (c) Capital goods/plant and machinery held in stock										
8 (d) Inputs held in stock or inputs as contained in semi-finished /finished goods held in stock (where invoice is not available)										

9. Amount of tax payable and paid (based on Table 8)

Sr. No.	Description	ITC reversible/Tax payable	Tax paid along with application for cancellation of registration (GST REG-16)	Balance tax payable (3-4)	Amount paid through debit to electronic cash ledger	Amount paid through debit to electronic credit ledger			
						Central Tax	State/ Union territory Tax	Integrated Tax	Cess
1	2	3	4	5	6	7	8	9	10
1.	Central Tax								
2.	State/ Union territory Tax								
3.	Integrated Tax								
4.	Cess								

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10. Interest, late fee payable and paid

Description	Amount payable	Amount Paid
1	2	3
(I) Interest on account of		
(a) Integrated Tax		
(b) Central Tax		
(c) State/Union territory Tax		
(d) Cess		
(II) Late fee		
(a) Central Tax		
(b) State/Union territory tax		

11. 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 authorized signatory _____

Name _____

Designation/Status _____

Date - dd/mm/yyyy

Instructions:

1. This form is not required to be filed by taxpayers or persons who are registered as :-
   (i) Input Service Distributors;
   (ii) Persons paying tax under section 10;
   (iii) Non-resident taxable person;
   (iv) Persons required to deduct tax at source under section 51; and
   (v) Persons required to collect tax at source under section 52.
2. Details of stock of inputs, inputs contained in semi-finished or finished goods and stock of capital goods/plant and machinery on which input tax credit has been availed.
3. Following points need to be taken care of while providing details of stock at Sl. No.8:
   (i) where the tax invoices related to the inputs held in stock or inputs contained in semi-finished or finished goods held in stock are not available, the registered person shall estimate the amount under sub-rule (3) of rule 44 based on prevailing market price of the goods;
   (ii) in case of capital goods/ plant and machinery, the value should be the invoice value reduced by $1/60^{th}$ per month or part thereof from the date of invoice/purchase taking useful life as five years.
4. The details furnished in accordance with sub-rule (3) of rule 44 in the Table at Sl. No. 8 (against entry 8 (d)) shall be duly certified by a practicing chartered accountant or cost accountant. Copy of the certificate shall be uploaded while filing the details.";

(v) for **FORM GST DRC-07**, the following shall be substituted, namely:-

"FORM GST DRC-07

[See rule 142(5)]

Summary of the order

1. Details of order –
   (a) Order No. (b) Order date (c) Tax period -
2. Issues involved –<< drop down>> classification, valuation, rate of tax, suppression of turnover, excess ITC claimed, excess refund released, place of supply, others (specify)
3. Description of goods / services -

Sr. No.	HSN	Description

4. Details of demand

(Amount in Rs.)

Sr. No.	Tax rate	Turnover	Place of supply	Act	Tax/ Cess	Interest	Penalty	Others
1	2	3	4	5	6	7	8	9

Signature
Name
Designation".

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[F. No.349/58/2017-GST (Pt.)]

(Mohit Tewari)
Under Secretary to the Government of India

Note:- The principal rules were published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) *vide* notification No. 3/2017-Central Tax, dated the 19th June, 2017, published *vide* number G.S.R 610 (E), dated the 19th June, 2017 and last amended *vide* notification No. 14/2018-Central Tax, dated the 23rd March, 2018, published *vide* number G.S.R 266 (E), dated the 23rd March, 2018.