

MANIPUR GOODS AND SERVICES TAX ACT, 2017

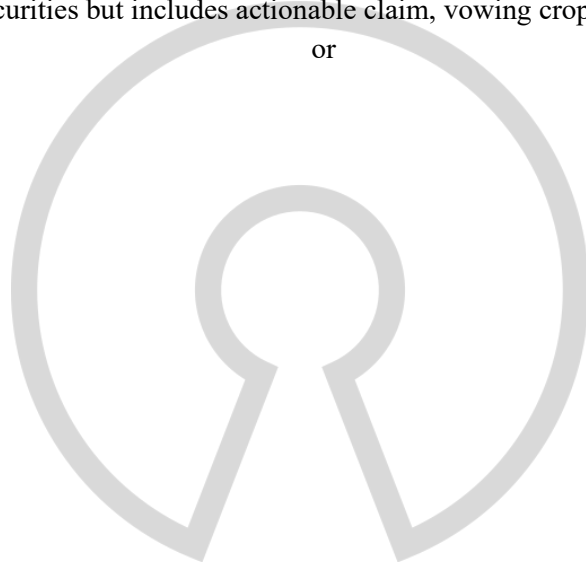


MANIPUR GAZETTE No. 88 EXTRAORDINARY PUBLISHED BY AUTHORITY Imphal, Wednesday, June 14, 2017 GOVERNMENT OF MANIPUR (Jyaistha 24, 1939) SECRETARIAT: LAW & LEGISLATIVE AFFAIRS DEPARTMENT NOTIFICATION Imphal, June 14, 2017 No. 2/29/2017-Leg/L : The following Act of the Legislature, Manipur which received assent of the Governor of Manipur on June 14, 2017 is hereby published in the Official Gazette: THE MANIPUR GOODS AND SERVICES TAX ACT, 2017 (Manipur Act No. 3 of 2017) ACT to make a provision for levy and collection of tax on infra-State supply of goods or services or both by the State of Manipur and the matters connected therewith or incidental thereto. BE it enacted by Legislature of Manipur in the Sixty-eighth Year of the Republic of India as follows:- (1) (2) (3) CHAPTER 1 PRELIMINARY This Act may be called the Manipur Goods and Services Tax Act, 2017. It extends to the whole of Manipur It shall come into force on such date as the State Government may, by notification in the Official Gazette, appoint: Provided that different dates may be appointed for different Sections title, extent and consequential provisions of this Act and any reference in any such provisions to the commencement of this Act shall be construed as a reference to the coming into force of that provision. Sec 2. 2 In this Act, unless the context otherwise requires,- Definitions. (1) (2) (3) "actionable claim" shall have the same meaning as assigned to it in section 3 of the Transfer of Property Act, 1882; "address of deliver" means the address of the recipient of goods or services or both indicated on the tax invoice issued by a registered person for delivery of such goods or services or both; "address on record" means the address of the recipient as available in the records of the supplier; (4) (5) (6) (7) (8) (9) 3 ("adjudicating authority" means any authority, appointed or authorised competent to pass any order or decision under this Act, but does not include the Commissioner, Revisional Authority, the Authority for Advance Ruling, the Appellate Authority for Advance Ruling, the Appellate Authority and the Appellate Tribunal; "agent" means a person, including a factor, broker, commission agent, arhatia, del credere agent, an auctioneer or any other mercantile agent, by whatever name called, who carries on the business of supply or receipt of goods or services or both on behalf of another; "aggregate turnover" means the aggregate value of all taxable supplies (excluding the value of inward supplies on which tax is payable by a person on reverse charge basis), exempt supplies, Exports of goods or services or both and inter-State supplies of persons having the same Permanent Account Number, to be computed on all India basis but excludes central tax, State tax, • Union territory tax, integrated tax and cess; "agriculturist" means an individual or a Hindu Undivided Family who undertakes cultivation of land— (a) by own labour, or (b) by the labour of family, or (c) by servants on wages payable in cash or kind or by hired labour under personal supervision or the personal supervision of any member of the family; "Appellate Authority" means an Authority appointed or authorised to hear appeals and referred to in section 107; "Appellate Tribunal" means the Goods and Services Tax Appellate Tribunal referred to in section 109; 43 of 1961. (10) "appointed day" means the date on which the provisions of this Act shall come into force; (11) "assessment" means determination of tax liability under this Act and includes self-assessment, re-assessment, provisional assessment, summary assessment and best judgement assessment; (12) "associated enterprises" shall have the same meaning as assigned to it in section 924 of the Income-tax Act, 1961; 4 (13) "audit" means the examination of records, returns and other 54 of 1963 (14) (15) (16) (17) documents maintained or furnished by the registered person under this Act or the rules made there under or under any other law for the time being in force to verify the correctness of turnover declared, taxes paid, refund claimed and input tax credit availed, and to assess his compliance with of this Act or the rules made thereunder; "authorised bank". shall mean a bank or a bank authorised by the Central to or other amount payable Acc "authorised means the representative as referred to under section 116; "Board" means the Central Board of Excise and Customs constituted under the Central Boards of Revenue Act, 1963; "business" includes— (a) (b) (d) (e) (f) (g) any trade, commerce, manufacture, profession, vocation, adventure, wager or any other similar activity, whether or not it is for a pecuniary benefit; any activity or transaction in connection with or incidental or ancillary to sub-clause (a); any activity or transaction in the nature of sub-clause (a), whether or not there is volume frequency, continuity or regularity of such transaction; supply or acquisition of goods including capital goods and services in connection with commencement or closure of business; provision by a club, association, society* or any such body (for a subscription or any other consideration) of the facilities or benefits to its members; admission, for a consideration, of persons to any premises; services supplied by a person as the holder of an office which has been accepted by him in the course or furtherance of his trade, profession or vocation; 5 services

provided by a race club by way of total is at or Or a licence to book maker in such dub; and (i) any activity or *transaction undertaken by the Cen&al Government, a State Government or any local authority in which they are engaged as public authoriües; (18) "business means a distinguishable component of an enterprise that is engaged ina the supply of an individual goods or services or a group of related goods or services which is subject to risks and returns that are different from those of the other business verücals. Explanation :- For the purposes of this clause, that should be considered in determining whether goods or services ted include— (a) (b) (c) (d) (e) the nature of the goods or services; the nature of the production processes; the type or class of customers for the goods or services; the methods used to distribute the goods or supply of services; and the nature of regulatory environment (wherever applicable), including banking, insurance or public utilities; 38 of 1949 (19) "capital goods" means goods, the value of which is capitalised in the books of accounts of the person claiming the input tax credit and which are used or intended to be used in the course or firtherance of business; (20) "CANal taxable person" means a person who occasionally transactions involving supply of goods or services or both in the course or furtherance of business, whether as principal* agent in any other capacity, in the taxable territory where he has OQ place of business; (21) "central tax" the central goods and services tax levied under section Qfthe Central Goods and Services Tax Act; (22) "cess" shall have the same meaning as assigned to it in the Goods and Service* (Compensation to Stata) Act; (23) "chartered accoun means a chartered accounUnt as defined in clause (b of sub-section (1) of section 2 the Chartered Account.n\$s Act, 1949; 56 of 1980 6 (24) "Commissioner" means . the Commissioner of State tax appointed un&r secäon 3; (25) -Commissioner in the Board" means the Commissioner referred to in secüon 168 of the Caltral Goods and Services Tax Act; (26) "common portal" means the common goods and services tax electronic portal referred to in secüon 146; (27) "common working days" shall mean such days in succession which are not declared as gazeüed holidays by the Central Government or the Government of Manipur; (28) "company seactary" means a company secretary as defined in clause (c) of sub-section (l) of secöon 2 of the Company Secretaries Act, 1980; (29) "competent authority" means such authority as may be notified by the Government; (30) "composite supply" means a supply made by a taxable person to a recipient consisting of two or more taxable supplies of goods or services or both, or any combinaüon thereof, which are naturally bundled and supplied in conjunction with each other in the ordinary course of business, one of which is a principal supply; Illustration:- Where goods are packed and transported with insurance, the supply of goods, packing materials, transport and insurance is a composite supply and supply of goods is a principal supply, (31) "consideration" in relation to the supply of goods or servicesor both includes— (a) any payment made or to be made money or otherwise, in respect of, tesponse for the inducement of, the supply of goods or services or both, whether by the recipient or by qnygther person but shall not include any subsidy given biüi&Central Governmalt or a State Government; 7 (b) the monetary value of any act or forbearance, in respect of, in •response to, or for the inducement of, the supply of goods or services or both, whether by the recipient or by any other person but shall not include any subsidy gven by the Central Government or a State Government: Provided that a deposit given in respect of the supply of goods or services or both shall not be considered as payment made for such supply unless the supplier applies such deposit as consideration for the said supply; 23 of 1959 (32) (33) (34) (35) (36) (37) (38) (39) (40) "continuous supply of goods" means a supply of goods which is provided, or agreed to be provided, continuously or on recurrent basis, under a contract, whether or not by means of a wire, cable, pipeline or other conduit, and for which the supplier invoices the recipient on a regular or periodic basis and includes supply of such goods as the Government may, subject to such conditions, as it may, by notification, specify; "continuous supply of services" means a supply of services which is provided, or agreed to be provided, condnuously Or on recurrent basis, under a contract, for a period exceeding three months with periodic payment obligations and includes supply of such services as the Government may, subject to such conditions* as it may, by notification, specify; "conveyance" includes a vessel, an aircraft and a vehicle; "cost accountant" means a cost accountant as defined in clause (c) of sub-section (l) of section 2 of the Cost and Works Accountants Act, 1959; "Council" means the Goods and Services Tax Council established under article 279A of the Constitution; "credit note" means a document issued by a registered person under sub-section (1) of section 34; "debit note" means a document issued by a registered person under sub-section (3) of section 34; "deemed exports" means such supplies of goods as may be under section 147; "designated authority" means such authority as may be notified by the Commissioner; 21 of2000 8 (41) "document"

includes written or printed record of any sort and electronic record as defined in the Information Technology Act, 2000; (42) "drawback" in relation to any goods manufactured in India and exported, means the rebate of duty, tax or cess chargeable on any imported inputs or on any domestic inputs or input services used in the manufacture of such goods; (43) "electronic cash ledger" means the electronic cash ledger referred to in sub-section (1) of section 49; (44) "electronic" means the supply of goods or services or both, including digital products over digital or electronic network; (45) "electronic commerce operator" means any person who owns, operates or manages digital or electronic facility or platform for electronic commerce; (46) "electronic credit ledger" means the electronic credit ledger referred to in sub-section (2) of section 49; (47) "exempt supply" means supply of any goods or services or both which attracts nil rate of tax or which may be from tax under section 11, or under section 6 of the Integrated Goods and Services Tax Act, and includes non-taxable supply; (48) "law" means any law, notification, order, rule or regulation relating to levy and collection of duty or tax on goods or services or both passed or made before the commencement of this Act by the Legislature or any authority or person having the power to make such law, notification, order, rule or regulation; (49) "family" means,— (i) the spouse and children of the person, and (ii) the parents, grand-parents, brothers and sisters of the person if they are wholly or mainly dependent on the said person; (50) "fixed establishment" means a place (other than the registered place of business) which is characterised by a degree of permanence and suitable structure in terms of human and technical resources to supply services, or to receive and use services for its own needs; (51) "Fund" means the Consumer Welfare Fund established under section 57; (52) "goods" means every kind of movable property other than money and securities but includes actionable claim, growing crops, grass and things attached to

or



forming part of the land which are agreed to be severed before supply or under a contract of supply; (53) "Government" means the Government of Manipur; (54) "Goods and Services Tax (Compensation to States) Act" means the Goods and Services Tax (Compensation to States) Act, 2017; (55) "goods and services tax practitioner" means any person who has been approved under section 48 to act as such practitioner; (56) "India" means the territory of India as referred to in article 1 of the Constitution, its territorial waters, seabed and sub-soil 80 of 1976 underlying such waters, continental shelf, exclusive economic zone or any other maritime zone as referred to in the Territorial Waters, Continental Shelf, Exclusive Economic Zone and other Maritime Zones Act, 1976, and the air space above its territory and territorial waters; (57) "Integrated Goods and Services Tax Act" means the Integrated Goods and Services Tax Act, 2017; (58) "integrated tax" means the integrated goods and services tax levied under the Integrated Goods and Services Tax Act; (59) "input" means any goods other than capital goods used or intended to be used by a supplier in the course or furtherance of business; (60) "input service" means any service used or intended to be used by a supplier in the course or furtherance of business; (61) "Input Service Distributor" means an office of the supplier of goods or services or both which receives tax invoices issued under section 31 towards the receipt of input services and issues a prescribed document for the purposes of distributing the credit of central tax, State tax, integrated tax or Union territory tax paid on the said services to a supplier of taxable goods or services or both having the same Permanent Account Number as that of the said office; (62) "input tax" in relation to a registered person, means the central tax, State tax, integrated tax or Union territory tax charged on any supply of goods or services or both and includes— (a) the integrated goods and services tax charged on import of goods; (b) payable under the provisions of sub-sections (3) and (4) of section 9; (c) the tax payable under the provisions of sub-sections (3) and (4) of section 5 of the Integrated Goods and Services Tax Act; or (d) the tax payable under the provisions of sub-sections (3) and (4) of section 9 of the Central Goods and Services Tax Act, but does not include the tax paid under the composition levy; (63) "input tax credit" means the credit of input tax; (64) "Inter-State supply of goods" shall have the meaning as assigned to it in section 8 of the Integrated Goods and Services Tax Act; (65) "intra-State supply of services" have the meaning as assigned to it in section 8 of the Integrated Goods and Services Tax Act; (66) "invoice" or "tax invoice" means the tax invoice referred to in section 31; (67) "inward supply" in relation to a person, shall mean receipt of goods or services or both whether by purchase, acquisition or any other means, with or without consideration; (68) "job work" means any treatment or process undertaken by a person on goods belonging to another registered person and the expression "job worker" shall be construed accordingly; (69) "local authority" means— (a) a "Panchayat" as defined in clause (d) of article 243 of the Constitution; (b) a "Municipality" as defined in clause (e) of article 243P of the Constitution; (c) a Municipal Committee, a Zilla Parishad, a District Board, and any other authority legally entitled to, or entrusted by the Central Government or any State Government with the control or management of a municipal or local fund; (70) "location of the recipient of Services" means,— (a) where a supply is received at a place of business for which the registration has been obtained, the place of such place of business; (b) where a supply is received at a place other than the place of business for which registration has been obtained (a fixed establishment elsewhere), the location of such fixed establishment; (c) where a supply is received at more than one establishment, whether the place of business or fixed establishment, the location of the establishment most directly concerned with the receipt of the supply; and (d) in absence of such places, the location of the usual place of residence of the recipient; (71) "location of the supplier means,— (a) where a supply is made from a place of business for which the registration has been obtained, the place of such place of business; (b) where a supply is made from a place other than the place of business for which registration has been obtained (a fixed establishment elsewhere), the location of fixed establishment; (c) where a supply is made from more than one establishment, whether the place of business or fixed establishment, the location of the establishment most directly concerned with the provisions of the supply; and (d) in absence of such places, the location of the usual place of residence of the supplier; (72) "manufacture" means processing of raw material or inputs in any manner that results in emergence of a new product having a distinct name, character and use and the term "manufacturer" shall be construed accordingly; (73) "market value" shall mean the full amount which a recipient of a

supply is to pay in order to obtain the goods or services or both of like kind and quality at or about the same time and at the same commercial level where the recipient and the supplier are not related; (74) "mixed supply" means two or more individual supplies of taxable goods or services, or any combination thereof, made in conjunction with each other by a taxable person for a single price where such supply does not constitute a composite supply. Illustration:- A supply of a package consisting of canned foods, sweets, chocolates, cakes, dry fruits, aerated drinks and fruit juices when supplied for a single price is a mixed supply. Each of these items can be supplied separately and is not dependent on any other. It shall not be a mixed supply if these items are supplied separately; (75) "money" means the Indian legal tender or any foreign currency, cheque, promissory note, bill of exchange, letter of credit, draft, pay order, traveller cheque, money order, postal or electronic remittance or any other instrument recognized by the Reserve Bank of India when used as a consideration to settle an obligation or exchange with Indian legal tender of another denomination but shall not include any currency that is held for its numismatic value; (76) "motor vehicle" shall have the same meaning as assigned to it in clause (28) of section 2 of the Motor Vehicles Act, 1988; (77) "non-resident taxable person" means any person who occasionally undertakes transactions involving supply of goods or services or both, whether as principal or agent or in any other capacity, but who has no fixed place of business or residence in India; (78) "non-taxable supply" means a supply of goods or services or both which is not leviable to tax under this Act or under the Integrated Goods and Services Tax Act or under the Union Territory Goods and Services Tax Act; (79) "non-taxable territory" means the territory which is outside the taxable territory; (80) "notification" means a notification published in the Official Gazette and the expressions 'notify' and 'notified' shall be construed accordingly; of 2013 21 of 1860 13 (81) "other territory" includes territories other than those comprising in a State and those referred to in Schedule I of clause (31) of section 2 of the Companies Act, 2013; (82) "output tax" in relation to a taxable person, means the tax chargeable on the supply of goods or services or both made by him or by his agent but tax payable by him on reverse charge basis; (83) "outward supply" in relation to a taxable person, means supply of goods or services or both whether by sale, transfer, barter, exchange, licence, rental, lease or disposal or any other mode, made or agreed to be made by him in the course or furtherance of business; (84) includes— (a) an individual; Hindu undivided family; (b) a firm (c) a Limited Liability Partnership; (d) an association of persons a body of individuals, whether incorporated or not; in India or outside India; (e) any corporation established by any Central Act, State Act or Provincial Act or a Government company as defined in clause (45) of section 2 of the Companies Act, 2013; (f) any body corporate by or under the laws of a country outside India; (g) a co-operative society under any law relating to cooperative societies; (h) a local authority; Central Government or a State Government; (i) society as defined under the Societies Registration Act, 1860; (j) trust; and every artificial juridical person, falling within any of the above; (85) "place of business" means— (a) a place where business is ordinarily carried on, and includes godown or any other place where a person stores his goods, or receives goods or services or both; or (b) a place where a taxable person maintains his books of account or (c) a place where a person is engaged in business through whatever called; (86) "place of supply" referred to in section 13 of the Integrated Goods and Services Tax Act; (87) "prescribed" means rules made under this Act on recommendations of the Council; (88) "principal person" means a person on whose behalf an agent carries on business of supply or receipt of goods or services or both; (89) "principal place of business" means the place of business specified as the principal place of business in the certificate of registration; (90) "principal supply" means the supply of goods or services which constitutes the predominant element of a composite supply and to which any other supply forming part of that composite supply is ancillary; (91) "proper officer" in relation to any function to be performed under this Act, means the Commissioner or the officer of the State tax who is assigned that function by the Council; (92) "quarter" shall mean a period comprising three consecutive calendar months, ending on the last day of March, June, September and December of a calendar year; (93) "recipient" of supply of goods or services or both, means— (a) where a consideration is payable for the supply of goods or services or both, the person who is liable to pay that consideration; (b) where no consideration is payable for the supply of goods, the person to whom the goods are delivered or made available, or to whom possession or use of the goods is given or made available; and (c) where no consideration is payable for the supply of a service, the person to whom the service is rendered and any reference to a person to whom a supply is made shall be construed as a reference to the recipient and shall include an agent of the recipient in relation to the goods supplied; of 1956 15 (94) "registered person" means a person who is registered under section 25 but does not include a person having Identity Number. (95) "regulations" means the

regulations made by the under this Act on the recommendations of the Council; (96) "removal" in relation to goods, means— (a) despatch of the goods for delivery by the supplier & hereof or by any other person acting on behalf of such supplier; or (b) collection of the goods by the recipient thereof or by any other person acting on behalf of such recipient; (97) "return" means any return prescribed or otherwise required to be furnished by Or under this Act or the rules made thereunder; (98) "reverse charge" mans the liability to pay tax by the recipient of supply of goods or services or both instead of the supplier of such goods or services or both under sub-section (3) or sub-section (4) of section 9, or under sub-section (3) or sub-section (4) of section 5 of the Integrated Goods and Services Tax Act; (99) "Revisional Authority" means an authority appointed or authorised under this Act for revision of decisions or orders referred to in section 108; (100) "Schedule" means a Schedule appended to this Act; (101) "securities" shall have the same meaning as to it in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956 ; (102) "services" means anything other than goods, money and securities but includes activities relating to the use of money or its conversion by cash or by any other mode, one form, currency or denomination, to another form, currency or denomination for which a separate consideration is charged; (103) "State" means the State of Manipur; (104) "State tax" means the tax levied under this Act; (105) "supplier" in relation to any goods or services or both, shall mean the person supplying the said goods or Services or both and shall include an agent acting as such on behalf of such supplier in relation to the goods or services or both supplied; (106) "tax period" means the period for which the return is to be furnished; (107) "taxable person" means a person who is registered or liable to be registered under section 24; (108) "taxable supply" means a supply of goods or services or both which is leviable to tax in the (109) territory: the territory to which the provisions of this Act apply; (110) "telecommunication service" means service of any description (including electronic mail, voice mail, audiotext services, video text, radio paging and cellular mobile telephone services) which is available to users by means of; any transmission of writing, images and sounds of any kind by wire, radio, visual or other means; (111) "the Central and Tax Act" the Central and Services Tax Act 2017; (112) "turnover in State" means the aggregate value of all supplies (including the value of on-account sales by a person on reverse charge basis) made within a State or Union territory by a person, or exports of goods or services or both and inter-State & goods or services or both made from the State or Union territory by the said taxable person but excludes State tax, Union territory tax; integrated tax and cess; (113) "usual place of residence" (a) in case of an individual, the place where he ordinarily resides; cases; or otherwise legally constituted; (114) "Union territory" means (a) The Andaman and Nicobar Islands; (b) Lakshadweep; (c) Dadra and Nagar Haveli; (d) Daman and Diu; (e) Chandigarh; and (f) Other territory; Explanation:- For the purposes of this Act, each of the territories specified in sub-clauses (a) to (f) shall be considered to be a separate Union territory. (115) "Union means the Union territory goods and services tax levied in the Union Territory by Goods and Services Tax Act; (116) "Union Territory Goods and Services Tax Act" means the Union Territory Goods and Services Tax Act, 2017; (117) "valid return" means a return furnished under (1) of section 39 on which self-assessed tax has been paid in full; (118) "voucher" means an instrument where there is an obligation to accept it as consideration or part consideration for supply of goods or services and where goods or services to be supplied or the identities of their potential suppliers are either indicated on the instrument itself or in related documentation, including the terms and conditions of use of such instrument; (119) "works contract" means a contract for building, fabrication, completion, erection, installation, fitting out, improvement, modification, repair, maintenance, renovation, or commissioning of any immovable property wherein supply of goods is involved in the execution of such contract; (120) words and expressions used and not defined in this Act but defined in the Integrated Goods and Services Tax Act, Central Goods and Services Tax Act, the Union Territory Goods and Services Tax Act and the Goods and Services Tax (Compensation to State) Act shall have the same meanings as to them in those Acts.

CHAPTER 11

ADMINISTRATION

The Government shall, by notification, specify the following classes of officers for the purposes of this Act, namely:- (a) (b) (c) (e) (f) (g) of State tax, Special Commissioners of State tax, Additional Commissioners of State tax, Joint Commissioners of State tax, Deputy Commissioners of State tax, Assistant Commissioners of State tax, and any other class of officers as it may deem fit: Provided that, the officers appointed under the Manipur Value Added Tax Act, 2004 shall be deemed to be the officers appointed under the provisions of this Act.

(1) (2) The Government may, in addition to the officers as may be notified under section 3, appoint such persons as it may think fit to be the officers under this Act. The Commissioner shall have jurisdiction over the whole of the State, the Special Commissioner and an

Additional Commissioner in respect of all or any of functions assigned to them, have jurisdiction over the whole of the State or where the State Government so directs, over any local area thereof, and all other shall, subject to such conditions as may be specified, have jurisdiction over the whole of the State or local areas as the Commissioner may, by order, Subject to such conditions and limitations Commissioner may impose, an officer of State exercise the powers and discharge the duties conferred or imposed on him under this Act. An officer of State tax may also— discharge the duties conferred or imposed on any other officer of State tax to him. Officers under Act of officers. 6. (3) (4) (1) (2) (3) 19 The Commissioner may, subject to such conditions and limitations as may be specified in behalf of him, delegate his powers to any other officer subordinate to him. Notwithstanding anything contained in this section, an Appellate Authority shall not exercise the powers and discharge the duties conferred or imposed on any other officer of State tax. Without prejudice to the provisions of this Act, the officers appointed under the Central Goods and Services Tax Act are authorised to be the proper officers for the purposes of this Act, subject to such conditions as the Government shall, on the recommendations of the Council, by notification, specify. Subject to the conditions specified in the notification issued under (1),— (a) where any person—s Act, he shall also issue order under Goods and Services Tax Act, as authorised by the said Act under intimation to the jurisdictional officer of u.x; (b) where any person under the Central Goods and Services Tax Act has initiated any proceedings on a subject matter, no proceedings shall be initiated by the proper officer under this Act on the same subject matter. Any order for rectification, appeal and revision, wherever applicable, of any order passed by an officer appointed under this Act, shall not lie before an officer appointed under the Goods and Services Tax Act. Authorisation of officers of tax proper officer in certain (1) (2) 20 **LEVY AND COLLECTION OF TAX** For the purposes of this Act, the term "supply" includes— all forms of supply of goods or services or both such as sale, transfer, barter, exchange, license, rental, lease or disposal made or agreed to be for a person in the course or furtherance of business; (b) import of services for a consideration whether or not in the course or furtherance of business; (c) the activities specified in Schedule I, made or agreed to be made without a consideration; and (d) the supply to be treated as supply of goods or supply of services as referred to in Schedule I. Notwithstanding anything contained in sub-section (1),— (a) "Wiferies or transactions specified in Schedule III; or (b) such activities or transactions undertaken by the Central Government, a State Government or any local authority in which they are entered as public authorities, as may be notified by the Government on the recommendations of the Council, shall be treated neither as a supply nor a supply of services. 8, (3) Subject to the provisions of sub-sections (1) and (2), the Government may, on the recommendations of the Council, specify, by notification, the goods that are to be treated as— (a) a supply of goods and not as a supply of services; or (b) a supply of services and not as a supply of goods. The tax liability on a composite or a mixed supply shall be determined in the following manner, namely: — (a) a composite supply comprising two or more of which is a principal supply, shall be a supply of such principal supply; and (b) a mixed supply comprising two or more shall be treated as a supply of that particular which attracts the highest rate of tax. Scope of supply. Tax liability on composite and mixed supplies. 90 21 (1) Subject to the provisions of sub-section (2), there shall be levied a tax called the Goods and Services Tax on all intra-State supplies of goods or services or both, except on the supply of alcoholic for consumption, on the value determined under section 15, and at such rates, not exceeding twenty per cent, as may be notified by the Government, on the recommendation of the Council and collected in such manner as may be prescribed and shall be paid by the taxable person. (2) The tax on the supply of petroleum products, high speed diesel, motor spirit (commonly known as petrol), and aviation turbine fuel, shall be levied with effect from such date as may be notified by the Government on the recommendations of the Council. (3) The Government may, on the recommendation of the Council, by notification, specify categories of supply of goods or services or both, the tax on which shall be paid on reverse charge basis by the recipient of such goods or services or both and the provisions of this Act shall apply to such recipient as if he is the person liable for paying the tax in relation to the supply of such goods or services or both. (4) The State Government may, on the recommendation of the Council, by notification, specify categories of supply of goods or services or both, the tax on which shall be paid on reverse charge basis by the recipient of such goods or services or both and the provisions of this Act shall apply to such recipient as if he is the person liable for paying the tax in relation to the supply of such goods or services or both. (5) The Government may, on the recommendations of the Council, by notification, specify categories of supply of goods or services or both, the tax on which shall be paid by the commerce operator if he is supplied through it, and all the provisions of this Act shall apply to electronic commerce operator as if he is the supplier liable for paying the tax in relation to the supply of services: Provided that where an electronic commerce operator does not have a physical presence in the territory, any person representing such electronic

commerce operator for use by BQose in the taxable territory shall be liable to pay tax: 22 Provided further that where an operator does not have a physical presence and he does not have a representative in the said electronic commerce Operator shall appoint a person in territory for the purpose of paying tax and shall be liable to pay tax.

10. (1) Notwithstanding anything to the contrary in this Act but subject to the provisions of sections (3) and (4) of section 9, a registered turnover in the preceding financial year exceeding fifty lakh rupees may opt to pay, in lieu of tax payable by him, an amount calculated at the rate as prescribed, but not exceeding, - (a) one per cent. of the turnover in the case of a manufacturer, (b) two and a half per cent of the turnover in the case of persons engaged in the sale of goods referred to in clause (b) of paragraph 6 of Schedule 1, and (c) half per cent of the turnover in the case of other suppliers, subject to such conditions and restrictions as may be prescribed: Provided that the Government may, by notification, increase the said fifty lakh rupees to such higher amount, not exceeding one crore rupees, as may be recommended by the Council. (2) A registered person shall be eligible to opt under sub-section (1), if— (a) he is not in the supply of services other than supplies referred to in clause (b) of paragraph 6 of Schedule 1; (b) he is not in making any supply of goods which are not liable to tax under Act; (c) he is not engaged in making any inter-State outward supplies of goods; (d) he is not engaged in making any supply of goods through an electronic commerce operator who is required to collect tax at source under section 52; and (e) he is not a manufacturer of the notified on the Composition levy. 23 Provided that where more than one registered person has the same Account Number (issued under the Act -1961); the registered person shall not be eligible to opt for the scheme under sub-section (1) unless all such registered persons opt to pay tax under that (3) (4) (5) 11. The option available to a registered person under (1) shall have effect from the day on which his turnover during a financial year exceeds the limit specified under the Act. A taxable person to whom the provisions of sub-section (1) apply shall not collect any tax from the recipient on supplies made by him nor shall he be entitled to any credit of input tax. If the proper officer has reasons to believe that a taxable person has paid tax under the Act despite not being eligible, such person shall, in addition to the tax payable by him under any other provisions of this Act, be liable to a penalty and the provisions of section 73 or section 74 shall, mutatis mutandis apply for determination of tax payable. to grant (2) (3) Where the proper officer is satisfied that it is necessary in the public interest so to do, it may, on the recommendations of the Council, by exempt generally absolutely or subject to such conditions as may be specified therein, goods or services or both of any specified description from the tax or any part of the tax leviable thereon with effect from such date as may be specified. Where the tax is leviable on the basis of the recommendations of the Council, the Government may, in each case, under the provisions of an Act, specify the name of the person to be stated in such form as may be prescribed for payment of tax any goods or services or both on which tax is leviable. The Government if it considers necessary or expedient so to do for the purpose of clarifying the scope or applicability of any notification issued under sub-section (1) or order issued under sub-section (2), an explanation in such notification or order, as the case may be, by notification at any time within one year of issue of the notification under sub-section (1) or order under (2), and every such explanation shall have effect as if it had always been the part of the first such notification or order, as the case may be. (4) 24 Any Central Government, on the recommendation of the Council, may, by notification, under sub-section (1) 11 or under sub-section (2) of the said section of the Goods Services Tax Act shall be deemed to be a exemption, as the case may be, an order issued under the Act. Explanation:-For the purposes of this section, exemption in respect of any goods or services or both from or part of the tax leviable thereon has been granted to a registered person supplying such goods or services or not collect the tax, in excess of the effective rate, on such supply of goods or services or both. 12. 25 CHAPTER AND VALUE OF SUPPLY (1) The liability to pay tax on goods shall arise at the time of supply, as defined in terms of the section. (2) The time of supply of goods shall be the earlier of the following dates, namely:- (a) date on which he is required, under section 31, to issue the invoice with respect to the supply; or (b) the date on which the payment is received by the supplier with respect to the supply: Provided that where the supplier of goods 'time of supply of goods' amount up to one thousand in excess' in the tax invoice, the time of supply to the extent of such amount shall, at the option of the supplier, be the date of invoice in respect of such excess amount. Explanation 1.- For the purposes of clauses (a) and (b), 'supply' shall be deemed to have been made to the extent it is covered by or, as the case may be, the payment. Explanation 2.— For the purposes of clause (b), 'the date on which the supplier receives the payment' shall be the date on which the payment is entered in his books of account or the date on which the payment is credited to his bank account, whichever is earlier. (3) In case of a payment on reverse basis the time of supply shall be the earliest of the following dates, namely:— (a) the date of the receipt or (b) the date of payment if it is in the account of the recipient or the date on which the payment is debited in his bank account, is earlier; or (c) the date immediately following thirty days from the date of issue of invoice or any other document, by whatever

name called, in lieu thereof the supplier: that where it is not possible to determine the time of under duress (b) or clause (c), the time of application shall be the date of entry in the books of account of the recipient of supply.

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Explanation :- For the purposes of clauses (a) and (b)- (i) -the supply be deemed to be made to a recipient if it is covered by the invoice or, as the case may be, the payment; (ii) "the date of receipt of payment" be the date on which the payment is entered in the books of account of the supplier or the date on which the payment is credited to his bank account, whichever is earlier. (3) In case of supplies in which tax is paid or liable to be paid on reverse charge basis, the time of supply shall be the earlier of the following dates, namely:— (a) the date of payment as entered in the books of account of the recipient or the date on which the payment is debited in his bank account, whichever is earlier; or (b) the date immediately following ninety days from the date of issue of or any other by whatever name in the invoice by the supplier: Provided that where it is not possible to determine the time of supply under clause (a) or (b), be the date of entry in the books of account of the recipient. Provided further that in case of business enterprises, where the supplier of service is located outside India, the time of supply shall be the date of entry in the books of account of the recipient of supply Or the date of payment, whichever is earlier. (4) In case of supply of vouchers, by a supplier, the time of supply shall be— (a) the date of issue of voucher, if the supply is identifiable at that point; or (b) the date of redemption in all other cases; (5) Where it is not possible to determine the time of supply of services in the manner specified in (2), sub-section (3) or sub-section (4), the time of supply (a) in a case where a periodical return has to be filed, be the date on which such return is to be filed; or (b) in any other case, be the date on which (6) The time of supply to the extent it relates to an increase in the value of supply by way of interest, late fee or penalty for delayed payment of any consideration shall be the date when such addition in value is made.

14. Notwithstanding anything contained in section 12 or section 13, the time of supply, where there is a change in respect of goods or services or both, shall be in the following manner, namely:—(a) in case the goods or services or both have been before the change in rate of tax,— in case of goods or services. 28 (i) invoice for the same has been issued and payment is also after the change in rate of tax, the time of supply shall be the date of payment or the date of issue of invoice, whichever is earlier; or (ii) if the invoice has been issued prior to the change of tax but payment is received in the new rate of tax, the time of supply shall be the date of invoice; or (iii) if the invoice has been received before the change of tax, but the invoice for the same change in rate of tax, shall be the date of receipt (b) if goods or services or both have been in the new rate of tax,— (i) if payment is made in the new rate of tax, the time of supply shall be the date of receipt or (iii) where the invoice has been issued after the change in rate of tax but is received before the change in rate of tax, the time of supply shall be the date of issue of invoice: Provided that the date of receipt of payment shall be the date of credit in the bank account if such credit in the bank account after four working days from the date of change in the rate. Explanation:— For the purposes of this section, "the date of receipt of payment" shall be the date on which the payment is in the books of accounts of the supplier or the date on which payment is credited to his bank account whichever is earlier. 15. (1) The value of a supply of goods or services shall be the transaction value, which is the price actually paid or payable for the said supply of goods or services or both where the supplier and the recipient of the supply are not related and the price is the sole consideration for the supply, (2) The value of supply shall include— of taxable supply. 29 (a) any taxes, duties, cesses, fees and charges levied under any law for the time being in force other than this Act, the Central Goods and Services Tax (CGST) Act, the Integrated Goods and Services Tax (IGST) Act, if charged separately by (b) any amount that the supplier is liable to pay in relation to the supply but which has not been paid by the supplier and not included in the price actually paid or payable for the goods or services or both; (c) incidental charges including commission and

packing, charged b} the Qipplier to the redpiet ofa uyamut &rged for done by the supplier in respect of the supply of goods or services or both at the time of, or b   delivery of goods or supply of service; • (d) inteest or le or penalty for &hyed payment of any consideradon for any supply; and (e) subsidies directly linked to the price excluding subsidies pmvided by the Cen&al and State Governments. the purposes of ihis sub-seedon, the amount of subsidy shall be inauded in the value Of supply of the supplier who receives the subsidy. (3) (4) (5) The value ofthe supply shall not include any discount which is given— (a) before or at the time of the supply if dbcount has been duly recorded in the invoice respect of such supply; and (b) effected, if- (i) such discount is established in terms of an atered at or b&re and Qe&ally linked to inwi  s; and (ii) input tax aedit as is attributable to discount on the buis of document issued by the been rwased by the of the Where the value of sunly of or or cannot be under sub-section (I), the be determined in su   manner as may be prescribed. Notwithstanding anything contained in sub-sec  on (I) or sub-se   on (4), the value of supplies as may be no  fied by the Government on the ecommendations of Counld shall be determined in such manner as may be 30 Explanation:- For the purposes   -- (a) (b) (c) persons shall be be ii. iii iv. v. vii. viii. such persons    o&zs —'s businesses; such persons are I—ny such persons are any person directly or twenty five per cent or stock or shares of both one of thai or both of them are drectly or a third person; together they directly or or they are members of the same the term "person" also inclu& 1.1 perse perons who are in the in that one is the sole apt or concessionaire, howsoever described, of deemed to be related, 16. 31 (1) EveryreFQdperson to and r  c   ons as may be pres  ed in the — specified in seCdon 49, be added to on anysuply ofpods or services or to him whid are used or mtendd to be used in ene course or ofthis business and the said amount shall be cre&ed to ledger ofsu   prson, (2) Notwithstanding anything connined in this sec   on, no registered penon shan be en  ded to credit of any iQut Exin ofay or sevica or both to him unleg- (a) he is in possession of a nx or Eit note by a sunlie *ered unda this Act, or Otha tax pafing as may be E*nadon:- For the puQose of be de  d the person hs pods where the goods are ddivaed by the suppHz to a recipiat or any other penon on dirction of *terd person, whe  er Eting u an agent or otherwise, be  re or movement of goods, Or way of of documents of Nde to goods or otherwisg (c) subject to the provisbm sec   u 41, duded in reqa been pau to   e Or or and (d) IEhu 39: Provided   at goods an izm*     are in lots or install—, rej*ered person   all   ded to credit upon rec* lot or Provided where a redpiet fails to pay to the of goods or or o   a than the s.lies on which ux is payable on darge the towaru the value of supply nx payable thereon within a paoid of one hundrd and Lys from of issue by the suppHer, amount to aedn miEd the redpiet shall be Ong with interest thereon, in atch as be pes  ed: 32 Provided also that the recipn credit of input tax on payment mde the value of supply of.goods or sa*vkz payable thereon. 43 of 1961 17. (3) the tax component of the cod and rmachinery under the Act, 1%1, the input tax credit shall not be allowed Areglisteredperson credit in respect ofany invoice or or services or both after dLE the return sunder section 39 for the following the en4} of financial invoice or invoice' reladng to such dda furnishing of the relevant annual earlier. (1) Where the goods or services or both are registered person partly for the purpose and part*for other purposes, the amoun be restricted to so much ofthe input tax to the purpose of Ms business. (2) Where the goods or services or both am registered person partly for efe&g including zero-rated supplies under the Integmfed Goods and Services Tu for efecdnng unda amount of credit be restricted to so inBit- tax as is   ributable tothe said zero-rated supplie (3) The V*lue of exempt supply un&r be such as may be prescribed, and shau on whi&therecipient is liable to on charse basis; trans"tions in securities, sale subject to clause (b) ofparagraph 5 ofS&  k n, building; (4) A banking company or a financial financial company. in anon- services by way of accepting deposits, advances shall have the option to either provisions of sub-section O), or*avan 'of,   y an amount equal to fifi}p  i cent ofthe credit on inputs, tapital goods and month and the i  sfihall:lapse: Appor  onment of credit bb&d credib. 33 Provided that the option shall not be withdrawn during the remaining part of the financial year: Provided further that the E*\$tion of fifty percent shall not apply to the tax paid on *supplies m.de by one registered person to another registered person havipg the same Permanent Account Number. (5) Notwithstanding anything contained in sub-se   on (1) of section 16 and sub-section (1) of section 18, input tax credit shall not be available in respect of the following, namely:- (a) motor vehicles and*    er conveyances except when they are used— (i) for making the following taxable supplies, (A) furtha of or or (B) or (C) training on driving, fIYinb navi  ti.ng *uch vehicles or conveyances; (ii) for transpqrtation of goods; (b) the following supply of goods or services or both:- (i) (ii) food and beverages, outdoor catering, beauty treatment, health services, cosme  ic and plastic surgery except where an inward supply of goods or

services or both of a particular category is used by a registered person for making an outward taxable supply of the same category of goods or services or both or as an element of a taxable composite or mixed supply; of a club, health and fitness centre; 34 (iii) rent-a-cab, life and insurance (A) these services which are ordinary and to the business of the person in or such inward or both of a particular category by a registered person for an outward taxable supply. —the category of goods or services or as part of a taxable supply; and (iv) travel *Taxes are extended to on vacation such as leave or concession. (c) works services where construction of an immovable property is a plant and it is a service for supply of works and a service (d) goods or services or both received by a taxable person for construction of a property (other than plant or machinery) on account including when such goods or services or both are used in the course or furtherance of business. Explanation:—For the purposes of clauses (c) and (d), the "construction" includes reconstruction, renovation, additions or alterations or repairs, to the extent of capitalization, to the said immovable property; (e) (f) (g) (h) (i) goods or services or both on which tax has been paid under section 10; goods or services both received by a taxable person on goods by him; goods or services or both used for personal consumption; goods lost, stolen, destroyed, written off or disposed of by way of gift or free samples any tax paid in terms of sections 74, 1B 130. (6) The Government may prescribe the in credit referred to in sub-sections (1) and (2) may be 35 Explanation:— For the purposes of Chapter VI, the expression "plant and machinery" means equipment, and machinery fixed to earth by foundation or structural support that are used for making outward supply of goods or services or both and includes such foundation, including building- 18. (i) land, building or any other civil (ii) telecommunication towers; and (iii) pipelines laid outside the factory premises. Subject to such restrictions as may be prescribed— (a) a person who has applied for registration under this Act within thirty days from the date on which he becomes liable to and has been granted such registration. shall be entitled to input tax credit in respect of inputs in becoming liable to pay tax (b) a person registered under sub-section (3) of section 25 to take credit of input tax in respect of inputs held in stock and inputs contained in semi-finished or finished held in stock on the day immediately preceding the date of grant of (c) where any registered person ceases to pay tax under section 10, he shall be entitled to input tax credit in respect of inputs held in stock, inputs contained in semi-finished or finished goods held in stock and on capital goods on the day immediately preceding the date from which he becomes liable to pay under section 9: Provided that the credit on capital goods shall be reduced by Availability credit in special circumstances— such percentage points as may be prescribed; (d) where a person supplies goods or services or both as a registered taxable supply, such person shall be entitled to take credit of input tax in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock relating to such supply and on capital goods used for such supply the day preceding the date from which such supply becomes taxable: 36 Provided that the credit shall be such percentage points as may be prescribed. (2) (4) A registered person shall not be entitled to take credit under sub-section (1) in respect of goods or services or both to him after the expiry year from date of issue of tax invoice relating to supply. Where there is a change in the ownership of a registered person on account of sale, merger, demerger, amalgamation, lease or transfer of the business with the specific transfer of liabilities, the said registered person shall be entitled to transfer the tax credit which remains in his electronic credit ledger to such sold, merged, amalgamated, leased or transferred business as may be prescribed. Where any registered person who has availed tax credit to pay tax under section 10 or, where the goods or services or both supplied by him become payable an amount, by way of debit in the electronic ledger or electronic cash ledger, equivalent to the input tax in respect of inputs held in stock and inputs in finished or finished goods held in stock and capital goods, by such percentage points as may be prescribed, on the day immediately preceding the date of exercising of such option or, as the case may be, the date of such exemption: Provided that after payment of such amount, the balance of input tax credit, if any, lying in his electronic credit ledger shall lapse (5) The amount of credit under sub-section (1) and the amount payable under sub-section (4) shall be calculated in such manner as may be prescribed. (6) In case of supply of capital goods or plant machinery, on which input tax credit has been taken, the person shall pay an amount equal to the input tax credit taken on the said capital goods 'or plant' and reduced by such percentage points as may be prescribed or tax on the transaction value of such capital goods or plant and determined under section 15, which is that where fixtures and furniture are supplied as scrap; taxable person shall pay tax on the transaction value of such goods determined under section 19. 37 (1) 'The principal shall,' subject to restrictions as may be prescribed, be entitled to take credit on inputs sent to a job-worker for job-work. (2) Notwithstanding anything contained in sub-section (2) of section 16, the principal shall be entitled to take credit of input tax on inputs if the inputs are directly sent to a job worker for job-work without being first brought to

his place of business. (3) Where the inputs for job work are not received back by the principal after completion of job-work or otherwise or are not supplied from the place of business of the job worker in accordance with clause (a) or clause (b) of sub-section (1) of section 143 within the year of being sent out, it shall be deemed that they have been supplied by the principal to the effect day when the said inputs were sent out. Provided that where the inputs are sent to a job worker for taking input tax credit in respect of inputs sent for job work, the period of the year shall be counted from the date of receipt of inputs by the job worker.

(4) The principal shall, subject to such conditions and restrictions as may be prescribed, be allowed input tax credit on capital goods sent to a job worker for job work.

(5) Notwithstanding anything contained in clause (b) of sub-section (2) of section 16, the principal shall be entitled to take credit of input tax on capital goods even if the capital goods are directly sent to a job worker for job-work without being first brought to his place of business. Where the capital goods sent for job work are not received back by the principal within a period of three years, it shall be deemed that such capital goods have been supplied by the principal to the job worker on the day when the said capital goods were sent out: Provided that where the capital goods are sent directly to a job worker, the period of three years shall be counted from the date of receipt of capital goods by the job worker.

(7) Nothing contained in sub-section (6) shall apply to moulds and dies, jigs and fixtures, or tools sent out to a job worker for job work.

38 Explanation:—For the purpose of this "principal" means the person referred to in section 143.

20. (1) The credit of input tax shall be distributed—

(a) if the credit is attributable to a recipient; (b) if the credit is attributable to more than one recipient, the credit shall be distributed among such recipients in proportion to the turnover in a Union territory of such recipient during the relevant period, to the aggregate of the turnover of all such recipients to whom such input service is attributable and who are operational in the current year, during the said relevant period; (c) if the credit is attributable to all recipients of credit, the credit shall be distributed among such recipients and such distribution shall be pro rata on the basis of the turnover in a State or turnover in a Union territory of such recipient; during the relevant period, to the aggregate of the turnover of all and who are operational in the current year, during the said relevant period.

Explanation:—For the purposes of this section,—

(a) "relevant period" shall be—

(i) if the recipients of credit have turnover in their States or Union territories in the financial year preceding the year during which credit is to be distributed; the financial year; or

(ii) if some or all recipients of credit do not have any turnover in the financial year preceding the year during which the credit is to be distributed, the last quarter for which details of such turnover of an are available, up to the month during which credit is to be distributed;

(b) the expression "recipient or credit" means the supplier of goods or services or both having the same Permanent Account Number as of the Input Service Distributor; (c) the reference to any registered person engaged in the supply of taxable goods as well as goods not taxable under this Act, means value of turnover, reduced by the amount of any duty or tax levied under List I of the Seventh Schedule in proportion to the amount of credit to be recovered from the recipient's interest, and the provisions of section 73 or section 74, as the case may be, shall mutatis mutandis apply for determination of the amount to be recovered;

40 Every supplier making taxable supplies of goods or services or both in a year exceeds twenty lakh rupees: Provided that where such person makes taxable supplies or services or both from any of the special category States, he shall be liable to be registered if his aggregate turnover in a financial year exceeds ten lakh rupees.

41 Every person who, on the day immediately preceding the appointed day, is registered or holds a licence, shall be liable to register under this Act with effect from the day. Where a business carried on by a taxable person registered under this Act is transferred, on account of succession or otherwise, to another person as a going concern, the person or the successor, as the case may be, shall be liable to be registered with effect from the date of such transfer or

Notwithstanding anything contained in sub-section (1) and (3), in a case of transfer pursuant to sanction of a scheme or an arrangement for amalgamation or, as the case may be, demerger of two or more companies pursuant to an order of a High Court, Tribunal or otherwise, the transferee shall be liable to be registered, with effect from the date on which the Registrar of Companies issues a certificate of incorporation giving effect to such order of the High Court.

Explanation:—For the purposes of this section,—

(i) the expression aggregate turnover shall include all supplies made by the taxable person, whether on his own account or made on behalf of all his

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28. Special provisions relating to casual person and non-resident taxable person. (3) 'The amount deposited under sub-section 49 shall be credited to the electronic ledger and shall be utilised in the manner 49, (1) Every registered person and a person to a Unique Identity Number has been the proper officer. Of any ins— furnished the thing in accordance thereto, in such form, manner and within period as may be prescribed. (2) The proper officer may, on the basis of information— furnished under sub-section (1) or as submitted by him, approve or reject in particulars in such manner and 'within may be prescribed: ' Provided that approval of tax be required in respect of amendment be prescribed: 45 Provided further that the proper officer shall not reject the application for amendment in the registration particulars without giving the person an opportunity of being heard. 29. (3) (2) of amendments under the Any rejection or approval Central Goods and Services Tax Act* shall be deemed to be a rejection or approval under this Act. 'The proper officer may on his own motion or on an application filed by the registered person or by his legal heirs, in case of death of such person, cancel the registration, in such manner and within such period as may be prescribed, having regard to the circumstances (a) for reasons mentioned in (1) or of; or (b) there is any: & change of nature of the business; of (c) the taxable person, other than the person registered under sub-section- (3) of section 25, is no longer liable under section 22 or section 24. 'The proper officer may cancel the registration of a person from such date, including any retrospective date, as he may deem fit, where,— (a) ,the registered person has contravened such provisions of the Act or the rules-made thereunder as may be prescribed; or (b) a person paying tax under section 10 has not furnished returns for three consecutive tax periods; or (c) any person; other than a person specified in clause (b), furnished returns. for a continuous period of six months; or (d) any person who has registration under sub-section of section 25 has not commenced business within six months from the date of registration; or (e) registration has been by means of fraud, willful misstatement or suppression of facts: Cancellation of registration. Provided that the proper officer shall not cancel the registration without giving the person an opportunity of being heard. (3) (4) 46 The Cancellation of registration under this section shall not affect the liability of a taxable person to pay tax and any obligation other dues under this Act or to under this Act Or the tax for any period prior to the date whether or not such tax and other dues are determined before or after the date of 'The cancellation of registration under the Central Goods and Services Tax Act shall be deemed to be a cancellation under this Act if a taxable person is cancelled. shall pay amount, by way in electronic credit ledger or electronic cash to the credit, of input tax in respect of inputs in semi-finished goods held in stock or Capital goods or plant and machinery on the day immediately preceding the date of cancellation or the output tax payable on such goods, whichever is higher, calculated in such manner be prescribed: Provided that in case of goods or plant and machinery, the taxable person shall pay an amount equal to the tax credit taken on the said capital goods or plant and machinery, reduced by such percentage points as may be prescribed or the on the transaction value of such capital goods or plant and machinery under section 15, whichever is higher. (6) The amount payable under sub-section (5) shall be calculated in such manner— as may be prescribed. 30. (1) Subject to such conditions as may be prescribed, any registered person, whose registration is cancelled by the proper officer on his own may apply to such officer for revocation of cancellation of the registration in the prescribed manner within thirty days from the date of service of the cancellation order. (2) 'The proper officer may, in such manner and within such period as may be prescribed, by order, either revoke cancellation of the registration or reject the application: (3) - revocation of registration under the Central Goods and Services Tax Act shall be deemed to be a revocation of cancellation of registration under this Act. 31. 47 CHAPTER- 4 AND DEBIT NOTES (1) A goods shall, before or at the time of— (a) removal of goods for supply to the recipient, where the supply movement of goods; (b) delivery of goods or making available thereof to the recipient, in any Tax invoice issue a tax invoice showing quantity and value of goods, the tax charged thereon and particulars as may be Provided that the on recommendations of the Council, by specifying the goods or supplies in respect of, with a tax invoice and it is *d, *thin such manner and in such manner as may be prescribed. (2) A' registered person supplying taxable EL, before or the provision of service but within a period prescribed, issue a tax invoice, showing the description value, thereon and such other particulars as may be prescribed: Provided that may, on the recommendations of the *Council, by notification and subject to the conditions mentioned therein, specify the categories of service in respect of which— (a) any other issued in relation to the supply shall be deemed to be a or (b) tax invoice may not be required to be issued. (3) Notwithstanding anything contained in sub-sections (1) and (a) a registered person may, within one month from the date of issuance of certificate of

registration and in such manner as may be prescribed, issue a receipt against the invoice already issued during the period beginning with the effective date of registration till the date of receipt of certificate of registration to

(b) a registered person may not issue a receipt if the value of goods or services supplied is less than hundred rupees subject to such conditions and in such manner as may be prescribed; (4) (c) a registered person may issue a receipt for goods or services or both, if the value of goods or services supplied is less than two hundred rupees subject to such conditions and in such manner as may be prescribed; (4) (5) (d) a registered person shall, on receipt of advance payment with respect to any of goods or services or both, issue a receipt, containing such particulars as may be prescribed, of such payment; (G). where, On receipt of advance payment with respect to any supply of goods or services or the person issues a receipt voucher, but subsequently no supply is made and no tax invoice is issued in pursuance thereof, the said registered person may issue to the person who had made the payment, a refund voucher against the payment; (f) a registered person who is liable to issue a receipt under sub-section (4) of section 9 shall issue an invoice in respect of goods or services or received by him on the date of receipt of goods or services or both; (5) a registered person who is liable to pay tax under sub-section (3) or sub-section (4) of section 9 shall issue a payment voucher at the time of making payment to the supplier who is not registered under the Act In case of continuous supply of goods, where successive statements of accounts or successive payments are involved, the invoice shall be issued before or at the time each such statement is issued or, as the case may be, each such payment is received Subject to the provisions of clause (d) of sub-section (3), in case of continuous supply of services,— (a) the due date of payment is ascertainable from the contract, the invoice shall be issued on or before the due date of payment (b) where the due date is ascertainable from the contract, the invoice shall be issued before or at the time when the supplier of service receives the payment; (4) (c) where the payment is linked to the completion of an event, the invoice shall be issued on or before the date of the event. (6) In a case where the supply of services ceases under a contract the invoice shall be issued at the time when the supply ceases and such invoice shall be issued to the extent of supply effected before such cessation. (7) In a case where the goods or services or both are removed before the application takes place, the invoice shall be issued before the time of removal or months from the date whichever is earlier. For the purposes of this section, the 'tax invoice' means any invoice issued by the supplier in respect of goods or services supplied. 32. 33. 34. (1) A registered person shall not collect in respect of any goods or service or both any amount by way of tax under the Act (2) No registered person shall collect tax except in accordance with the provisions of this Act or the rules made thereunder. Notwithstanding anything contained in this Act or any other law for the time being in force, where any person is liable to pay tax for supply, every person who is liable to pay tax for supply shall prominently indicate in all documents relating to assessment, tax invoice and other like documents, the amount of tax which shall form part of the price at which such supply is made. (1) Where a tax invoice has been issued for supply of goods or services or both and the taxable value or tax charged in that invoice is found to be less than the taxable value or tax payable in respect of such supply, or where the goods supplied are returned by the recipient, or where goods or services or both supplied are found to be deficient, the registered person, who has supplied such goods or services or both, may issue a credit note containing particulars as may be prescribed. Credit and notes. Any registered person who issues a credit note in relation to a supply of goods or services or both shall declare the details of such credit note in return for the month during which such credit note has been issued but not later than following the end of the financial year in which the supply was made, or the date of filing of the relevant annual return, whichever is earlier, and the tax liability shall be adjusted in such manner as may be prescribed: Provided that no reduction in output tax liability of the supplier shall if the tax interest on such credit note has been passed on to any person. (3) (4) Where a tax has been applied to any supply, the value of tax charged in that invoice is found to be less than the taxable value or tax payable in respect of such supply, the registered person, who has supplied such goods or services or both, shall issue to the recipient a debit note containing such particulars as may be prescribed. Any registered person who issues a debit note in relation to a supply of goods or services or both shall declare the details of such debit note in the return for the month in which such debit note has been issued and the tax liability shall be adjusted in such manner as may be prescribed. For the purposes of this expression "debit note" shall include a supplementary invoice. 51

CHAPTER VIII. ACCOUNTS AND RECORDS Every registered person shall maintain at his principal place of business or at such other place as may be prescribed, a set of accounts and records in such form and in such manner as may be prescribed. (a) (d) (e) (f) production or maintenance of records; (g) or output tax payable and paid; and

such other particulars as may be prescribed: 'Provided that, where kthm one is specified in reØ&ation, to each,placeof;basi.ness shall Provided. further that the registered person may keep and maintain such accounts and other



form in such manner as may be prescribed. (3) Every owner or operator of warehouse or any other place used for storage of goods every transporter, whether a registered person or not, shall maintain the consignment and other documents as may be prescribed. The Commissioner may notify a class of taxable persons to maintain additional accounts or documents for such purpose as may be specified therein. Where the Commissioner considers that any class of taxable persons is not in a position to keep and maintain accounts in accordance with the provisions of this section, he may, for reasons to be recorded in writing, permit such class of taxable persons to maintain accounts in such manner as may be prescribed.

54 (5) Every financial institution or other person who audits a chartered accountant and shall submit a copy of the accounts, (2) of the auditor's report in such manner as may be prescribed. (6) Subject to the provisions of sub-section (5), where the person for the assessment or otherwise in sub-section (1), the proper officer shall determine the tax payable on the goods or services not accounted for, as if such goods or services had been supplied by such person pursuant to section 79 or section 74, as the case may be, mutatis mutandis for determination of such tax. Every registered person required to keep and maintain account or other records under (1) shall retain until the time specified in the order for such accounts and records: is or period of retention of accounts. revision or any proceeding before Revisional Authority or Tribunal or otherwise him or by or is otherwise. The return shall be submitted to the proper officer for the period specified above, whichever is later.

53 CHAPTER- RETURNS (1) Every registered person, other than Input Service Distributor, a non-resident taxable person and a person paying tax under the provisions of section 10, section 51 or section 52, shall furnish, electronically, in such form and manner as may be prescribed, the details of outward supplies of goods or services or both effected, during a tax period on or before the tenth day of the month succeeding the said tax period and such details shall be communicated to the recipient of the said supplies within such time and in such manner as may be prescribed: Provided that the registered person shall not be allowed to furnish the details of outward supplies during the period from the eleventh day to the fifteenth day of the month succeeding the tax period: Provided further that the Commissioner may, for reasons to be recorded in writing by notification, extend the time for furnishing such details, for such class of taxable persons as may be specified therein: Provided also that any extension of time limit notified by the Commissioner of central tax shall be deemed to be notified by the Commissioner. (2) (3) Every registered person who has been communicated the details under sub-section (3) of section 38 or the details pertaining to inward supplies of Input Service Distributor under sub-section (4) of section 38 shall either accept or reject the details so communicated, on or before the seventeenth day, but not before the fifteenth day, of the month succeeding the tax period and the details furnished by him under sub-section (1) shall stand amended accordingly. Any registered person, who has furnished the details under sub-section (1) for any tax period and which have remained unmatched under section 42 or section 43, shall, upon discovery of any error or omission therein, rectify such error or omission in such manner as may be prescribed, and shall pay the tax and interest, if any, in case there is a short payment of tax on account of such error or omission, in the return to be furnished for such tax period.

54 Provided that no rectification of error or omission in respect of the details furnished under sub-section (1) shall be allowed after furnishing of the return under section 39 for the month of September following the end of the financial year to which such details pertain, or furnishing of the relevant annual returns whichever is earlier. Explanation:-For the purposes of this Chapter, the expression "details of outward supplies" shall include details of invoices, debit notes, credit notes and revised invoices issued in relation to outward supplies made during any tax period.

38. (1) Every registered person, other than an Input Service Distributor or a non-resident taxable person or a person paying tax under the provisions of section 10, section 51 or section 52, shall verify, validate, modify or rectify, if required, the details relating to outward supplies and credit or debit notes communicated under sub-section (1) of section 37 to prepare the details of his inward supplies and credit or debit notes and may include therein, the details of inward supplies and credit or debit notes received by him in respect of which details have not been declared by the non-resident taxable person under sub-section (1) of section 37. (2) Every registered person, other than an Input Service Distributor or a taxable person or a person paying tax under section 10, section 51 or section 52, shall furnish, details of inward supplies of taxable goods or or both, including inward supplies of goods or services or both on which the tax is payable on merged basis under this Act and inward supplies of goods or services or both taxable under the Integrated Goods and Services Tax Act or on which integrated goods and services tax is payable under section 3 of the Customs Tariff Act, 1975, and credit or debit notes received in respect of such supplies during a tax period after the tenth day but on or before the fifteenth day of the month succeeding the tax period in such form and manner as may be prescribed.

prescribed: Provided that the Commissioner may, for reasons to be recorded in by notification, extend the time limit for furnishing such details for such class of taxable persons as may be specified therein: further that any extension of time limit notified by the Commissioner of central tax shall be deemed to be notified by the Commissioner. Furnishing details of inward supplies. 55 (3) The details of supplies deleted or included by the recipient and sub-section (2) shall be communicated to the supplier concerned in such manner and within such time as may be prescribed. (4) The details of supplies modified, deleted or included by the recipient in the return furnished under sub-section (2) or sub-section (4) of section 39 shall be communicated to the supplier concerned in manner and within such time as may be prescribed (5) Any registered person, who has furnished the details under sub-section (2) for any tax period and which have remained unmatched under section 42 or section 43, shall upon discovery of any error or omission therein, rectify such error or omission in the tax period during which such error or omission occurred or in such manner as may be prescribed, and shall pay the tax and interest, if any, in case there is a short payment of tax on account of such error or omission, in the return to be furnished for such tax period: Provided that no rectification of error or omission in respect of the details furnished under sub-section (2) shall be allowed after furnishing of the return under section 39 for the month of September following the end of the financial year to which such details pertain, or furnishing of the relevant annual return, whichever is earlier. 39. (1) Every other than an Input Service or a non-Mident taxable person or a person paying tax under the provisions of section 10, section 51 or section 52 shall, for every calendar month or part thereof, furnish, in such form and manner as may be prescribed, a return, electronically, of inward and outward supplies of goods or services or both, input tax credit availed, tax payable, tax paid and other particulars as may be prescribed on or before the twentieth day of the month succeeding such calendar month or part thereof. (2) A registered person paying tax under the provisions of section 10 shall, for each quarter or part thereof, furnish, in such form and manner as may be prescribed, a return, electronically, of inward supplies of goods or services or both, tax payable and tax paid within seven days after the end of such quarter. Furnishing of Return (3) (4) (5) (6) 56 Every registered person required to deduct tax at source under the provisions of section 51 shall furnish, in such form and manner as may be prescribed, a return, electronically, for the month in which such deductions have been made within ten days after the end of such month. Every taxable person registered as an Input Service Distributor shall, for every calendar month or part thereof; furnish, in such form and manner as may be prescribed, a return, electronically, within thirteen days after the end of such month. Every registered non-resident taxable person shall, for every calendar month or part thereof, furnish, in such form and manner as may be prescribed, a return, electronically, within days after the end of a calendar month or within days after the last day of the period of registration. Provided under sub-section (1) of section 27, whichever is The Commissioner may, for reasons to be recorded in writing, by notification extend the time limit for furnishing the return for such class of persons as may be specified. Provided that any extension of time limit notified by the Commissioner of central tax shall be deemed to be notified by the Commissioner. (7) (8) Every registered person, who is required to furnish a return under sub-section (1) or (2) or sub-section (3) or sub-section (5), shall pay to the Government the tax due as per such return not later than the last date on which he is required to furnish such return. Every registered person who is required to furnish a return under (1) or sub-section (2) shall furnish a return for every tax period whether or not any supplies of goods or services or both have been effected during such tax period. 57 (9) Subject to the provisions of sections 37 and 38, if any registered person after furnishing a return under sub-section (1) or sub-section (2) or sub-section (3) or sub-section (4) or sub-section (5) discovers any omission or incorrect particulars therein, other than as a result of scrutiny, audit, inspection or enforcement activity of the tax authorities, he shall rectify such omission or incorrect particulars in the return to be furnished for the month or quarter, as the case may be, during which such omission or incorrect particulars are noticed; subject to payment of interest under this Act: Provided that no such rectification of any omission or incorrect particulars shall be allowed after the due date for furnishing of return for the month of September or second quarter following the end of the financial year, or the actual date of furnishing of relevant annual return, whichever is earlier. 40. 41. 42. (10) A registered person shall not be allowed to furnish a return for a tax period if the return for any of the previous tax periods has not been filed by him. Every registered person who has made outward supplies in the period between the date on which he became liable to registration till the date on which registration has been granted shall declare the same in the first return furnished by him after grant of registration. (1) (2) (1) Every registered person shall, subject to such restrictions as may be prescribed, be entitled to take of input tax, as self-assessed, in his

return and such amount shall be credited on a provisional basis to his electronic credit ledger. The credit referred to in sub-section (1) shall be utilised only for payment of self-assessed output tax as per the return referred to in the said sub-section. The details of every inward supply furnished by a registered person (hereafter in this section as the "recipient") for a tax period shall, in such manner and within such time as may be prescribed, be matched- (a) with the corresponding details of outward supply furnished by the corresponding registered person (hereafter in this section referred to as the "supplier") in his valid return for the same tax period or any preceding tax period; First Return. Claim of input tax credit and provisional acceptance thereof. Matching, reversal and reclaim of input tax credit. 51 of 1975 51 of 1975 (2) (3) (4) (5) (6) (7) 58 (b) with the integrated goods and services tax paid under section 3 of the Customs Tariff Act, 1975 in respect of goods imported by him; and (c) for duplication of claims of input tax credit. The claim of input tax credit in respect of invoices or debit notes relating to inward supply that match with the details of corresponding outward supply or with the integrated goods and services tax paid under section 3 of the

Customs Tariff Act, 1975 in respect of goods imported by him shall be finally accepted and such acceptance shall be communicated, in such manner as may be prescribed, to the recipient. Where the input tax credit claimed by a recipient in respect of an inward supply is in excess of the tax declared by the supplier for the same supply or the outward supply is not declared by the supplier in his valid returns, the discrepancy shall be communicated to both such persons in such manner as may be prescribed. The duplication of claims of input tax credit shall be communicated to the recipient in such manner as may be prescribed. The amount in respect of which any discrepancy is under sub-section (3) and which is not rectified by the supplier in his valid return for the month in which discrepancy is communicated shall be added to the output tax liability of the recipient, in such manner as may be prescribed, in his return for the month succeeding the month in which the discrepancy is communicated. The amount claimed as input tax credit that is found to be in excess on account of duplication of claims shall be added to the output tax liability of the recipient in his return for the month in which the duplication is communicated. The recipient shall be eligible to reduce, from his output tax liability, the amount added under sub-section (5), if the supplier declares the details of the invoice or debit note in his valid return within the time specified in sub-section (9) of section 39. 59 (8) A recipient in whose output tax has been added sub-section (5) or sub-section (6), shall be liable to pay interest at the rate specified under sub-section (1) of section 50 on the amount so added from the date of availing of credit till the corresponding additions are made under the said sub-sections. (9) Where any reduction in output tax liability is accepted under sub-section (7), the interest paid under sub-section (8) shall be refunded to the recipient by crediting the amount in the corresponding head of his electronic cash ledger in such manner as may be prescribed: Provided that the amount of interest to be credited in any case shall not exceed the amount of interest paid by the supplier. (10) The amount reduced

from the output tax liability in contravention of the provisions of sub-section (7) shall be added to the output tax liability of the recipient in his return for the month in which such contravention takes place and such recipient shall be liable to pay interest on the amount so added at the rate specified in sub-section (3) of section 50. (1) The details of every credit note relating to outward supply furnished by a registered person (hereafter in this section referred to as the "supplier") for a tax period shall, in such manner and within such time as may be prescribed, be matched- (a) with the corresponding reduction in the claim for input tax credit by the corresponding registered person (hereafter in this section referred to as the "recipient") in his valid return for the same tax period or any subsequent tax period; and (b) for duplication of claims for reduction in output tax liability. (2) The claim for reduction in output tax liability by the supplier that matches with the corresponding reduction in the claim for input tax credit by the recipient shall be finally accepted and communicated, in such manner as may be prescribed, to the supplier.

Matching, reversal and reclaim of reduction in output tax liability. (3) (4) (5) (6) (7) (8) (9) 60 Where the reduction of output tax liability in respect of supplies exceeds the corresponding reduction for input tax credit or the corresponding credit note is not declared by the recipient in his valid returns, the discrepancy shall be communicated to both such persons in such manner as may be prescribed. The duplication of claims for reduction in output tax liability shall be communicated to the supplier in such manner as may be prescribed. The amount in respect of which any discrepancy is communicated under sub-section and which is not rectified by the supplier in his valid return for the month in which discrepancy is communicated shall be added to the tax liability of the supplier, in such manner as may be prescribed in his return for the month succeeding the month in which the discrepancy is communicated. The amount in respect of any reduction in tax liability

that is found to be on account of duplication of claims as to tax liability of the supplier in his return. Where such duplication is communicated, the supplier shall be eligible to reduce, from his output tax liability, the amount added under sub-section (5) if he declares the details thereof in his valid return within time specified in sub-section (9) of section 39. A supplier in whose output tax liability any amount has been added under sub-section (5) or sub-section (6), shall be liable to pay interest at the rate specified under sub-section (1) of section 50 in respect of the amount so added from the date of such claim for reduction in the output tax liability till the corresponding additions are made under the said sub-sections. Where any reduction in output tax liability is accepted under sub-section (7), the interest paid under sub-section (8) shall be refunded to the supplier by crediting the amount in the corresponding head of his electronic cash ledger in such manner as may be prescribed: Provided that the amount of interest to be credited in any case shall not exceed the amount of interest paid by the recipient. 61 (IO): the amount reduced from output tax liability in 44, 45, 46, 47. (2) contravention of the provisions of sub-section (7), shall be added to the output liability of the supplier in his return for the month in which such contravention takes place and such supplier shall be liable to pay interest on the amount so added at the rate specified in sub-section (3) of 50. Every registered person, other than an Input Service Distributor, a person paying tax under section 51 or section 52, a casual taxable person and a non-resident taxable person, shall furnish an annual return for every financial year electronically in such form and manner as may be prescribed on or before the thirty-first day of December following the end of such financial year. 'Every registered person who is required to get his accounts audited under sub-section (5) of section 35 electronically, : the annual return under sub-section (1) along with the audited copy of the annual accounts and a statement, reconciling the value of supplies declared in the return furnished for the financial year with the audited annual financial statement, and such other particulars as may be prescribed, Every registered person who is required to furnish a return under sub-section (1) of section 39 and whose registration has been cancelled shall furnish a final return within three months of the date of cancellation or date of cancellation order, whichever is later, in such form and manner as may be prescribed. Where a registered person fails to furnish a return under section 39, section 44 or section 45, a notice shall be issued requiring him to furnish such return within fifteen days in such form and manner as may be prescribed. (1) Any registered person who fails to furnish the details of outward or inward supplies required under section 37 or section 38 or returns required under section 39 or section 45 by the due date shall pay a late fee of one hundred rupees for every day during which such failure continues subject to a maximum amount of five thousand rupees. Annual return. Final return. Notice to return defaulters. Levy of late fee. 48. (2) (1) (2) 62 Any person who fails to furnish the return required under section 44 by the due date shall be liable to pay a late fee of one hundred rupees for every day during which such failure continues subject to a maximum amount of an amount calculated at a quarter per cent of his turnover. State. The manner of approval of and services tax practitioners, their eligibility conditions, duties and obligations, manner of removal and other conditions relevant for their functioning shall be such as may be prescribed. A registered person may authorise an approved goods and services tax practitioner to furnish the details of outward supplies under section 37, the details of inward supplies under section 38 and the return under section 39 section 44 in such manner as may be prescribed. (3) Notwithstanding contained in sub-section (2), the responsibility for correctness of any particulars furnished in the return or other details filed by the goods and services tax practitioners shall continue to rest with the registered person on whom the return and details are furnished. 49. 63 CHAPTER-X PAYMENT OF TAX (1) Every amount payable towards tax, interest, penalty, fee or any other amount by a taxable person by internet banking or by using credit or debit cards or National Electronic Fund Transfer or Real Gross Settlement or by such other mode subject to such conditions and restrictions may be prescribed, shall be credited to the electronic cash ledger maintained in such manner as may be prescribed. (2) The input tax credit as self-assessed in the return of a registered person shall be credited to his electronic credit ledgers in accordance with section 41, to be maintained in such manner as may be prescribed. (3) The amount available in the electronic cash ledger may be used for making any payment towards tax, interest, penalty, fees or any other amount payable under the provisions of this Act or the rules made thereunder in such manner and subject to such conditions and within such time as may be prescribed. (4) The amount available in the electronic credit ledger may be used for making any payment towards output tax under this Act or under the Integrated Goods and Services Tax Act in such manner and subject to such conditions and within such time as may be prescribed. (5) The amount of input tax credit available in

the electronic credit ledger of the person on account of— (a) integrated tax shall first be utilised towards payment of integrated tax and the amount remaining, if any, may be utilised towards the payment of central tax and State tax, or as the case may be, Union territory tax, in that order; (b) the central tax shall first be utilised towards payment of central tax and the amount remaining, if any, may be utilised towards the payment of integrated (c) the State tax shall first be utilised towards payment of State tax and the amount remaining, if any, may be utilised towards the payment of integrated tax; Payment of tax, interest, penalty and amounts. 64 (d) the Union territory tax first be utilised towards payment of Union territory tax and the amount remaining, if any, may be utilised towards the payment of integrated tax; (e) the central tax not be utilised towards payment of State tax or Union territory tax; and (f) the State tax or Union territory tax shall not be utilised towards payment of central tax. (6) The balance in the electronic cash ledger or electronic credit ledger after Payment of tax, interest; penalty, fee or any other amount payable under this Act or the rules made thereunder may be refunded in accordance with the provisions of section 54. (7) All liabilities of a taxable person under Act shall be recorded and maintained in an electronic liability register in such manner as may be prescribed. (8) Every taxable person shall his tax and other dues under this Act or the rules made in the following namely:— (a) self-assessed tax, and other dues related to returns of previous tax periods; (b) self-assessed tax, and other dues related to the return of the current tax period; (c) any other amount payable under this Act or the rules made thereunder including: the demand determined under Section 73 or section 74. (9) Every person who has paid the tax on goods or services or both under this Act shall, unless the contrary is proved by him, be deemed to have passed on the full incidence of such tax to the recipient of such goods or services or both Explanation:— For the purposes of this section, (a) the date of credit to the account of the Government in the authorised bank shall be deemed to be the date of deposit in the electronic cash ledger. (b) the (i) "tax dues" means the tax payable under this Act and does not include interest, fee and penalty; and (ii) "other dues" means interest, penalty, fee or any other amount payable under this Act or the rules made thereunder. 50. 51. (1) (2) (3) 65 Every person who is liable to pay tax in with the provision of this Act or the rules made thereunder, fails to pay the tax or any part of the tax to the Government within the period prescribed, shall for the period for which the tax or any part thereof remains unpaid, pay on his own, interest at such rate not exceeding eighteen per cent, as may be notified by the Government on the recommendations of the Council. (b) The interest under sub-section (1) shall be calculated in such manner as may be prescribed from the day succeeding the day on which such tax was due to be paid. A taxable person who makes an undue or excess claim of input tax credit under sub-section (10) of section 42 or undue or reduction in output tax liability under sub-section (10) of section 43, shall pay interest on such undue or excess claim or on such undue or excess reduction, as the case may be, at such rate not exceeding twenty-four per cent, as may be notified by the Government on the recommendations of the Council. Notwithstanding anything to the contrary contained in this Act, the Government may, by order, (a) a department or establishment of the Central Government or State Government; or (b) local authority; or (c) Governmental agencies; or (d) such persons or category of persons as may be notified by the Government on the recommendations of the Council, Interest on delayed payment of Tax at source. (hereafter in this Section referred to as "the deductor"), to deduct tax at the rate of one per cent. from the payment made or credited to the supplier (hereafter in this section referred to as "the deductee") of services or both, •where the total of such supply, under a contract, exceeds two lakh and fifty rupees: Provided that no deduction shall be made if the location of the supplier and the place of supply is in a territory which is different from the State or, as the case may be, Union territory of registration of the recipient. 66 Explanation:— "For the purpose of deduction of tax specified above, the value of the supply shall be as the amount excluding the tax indicated in the invoice. (2) (3) (5) (6) (7) (8) The amount deducted as tax under this section shall be paid to the Government by the deductor within ten days after the end of the month in which such deduction is made, in such manner as may be prescribed. The deductor shall furnish to the deductee a certificate mentioning therein the contract value, rate of deduction, amount deducted, amount paid to the Government and such other particulars in such manner as may be prescribed. If any deductor fails to furnish to the deductee the certificate, after deducting the tax at source, within five days of crediting the amount so deducted to the Government, the deductor shall pay, by way of a late fee, a sum of One hundred rupees per day from the day after the expiry of such five day period until the failure is rectified, subject to a maximum amount of five thousand rupees. The deductee shall claim credit, in his electronic cash ledger, of the tax deducted and reflected in the return of the deductor furnished under sub-section (3) of section 39,

in* such ai may præcribed. If any deductor fails to pay to the Government the amount deducted as tax under sub-section (1), he shall pay interest in accordance with the provisions of sub- section (1) of section 50, in addition to the amount oftax deducted. 'The determination of the amount in default under this section shall be made in the manner specified in-section 73 or 74. The refund to the deductor or the deductéearring on account or erroneous deducdon be dealt with in acéordance with the provisions of section 54: PiO\$ided that no refãhd% tß&deductor shall be ifthe amdtine dédãcted hã been tredited to ãe elécronic cash ledger of the deductee. 52. 67 (1) anything to tne contrary contained in this eery electronic co—rce operator (hereafter in this to as "operator"); not being an agq%shall caladated at such rate not exceeding QNB cent, as may be notified on recommenugqu Qf.the Council, of the net value suppliepadq through it by:other suppliers where the consideration with respect to suan supplies is to be collected by the operator.

Collection of tax at source. ExpWion:-For the purpom of this "net value of tanble suppli"" shall mean, the agy.te yahae of taxable supplie of goods or services or boghwother thanervicg notified under sub-section (5) of section 9, made during by all •registered persons through the operator reduced by the aggregate value of taxable supplies returned to the suppliers during the said month. (2) Thepowerto collect the amount speqifiedin sub-section (1) sh411 be without prejudice to any other mode of recovery from the operator. (3) 'The amount collected under Nib-section (1) shall be paid td the Government by the operator within ten days afér the end of the mdnth in which such collection is made, in such mamer as may be prescribed (4) Evy operator who collects the amount specified sub-secüon(1) shall furnish ä statement, electronically, conta.ining file &tã18 of out*ard suiplies of goods or services &oth 'effected thrp# it, induding the supplies ofgoods or, services or böth returnedthrough it, and the amount collected under sub-section (1) during a month, in such form and manner as may be prescribed, within ten days after the end of such month. '(5) E"ery' operator who collects the amount' specified in sub-section (1) *shan fãrÅish• an annual statement, electronically, containing 1 the details of outward supplies df goods or seme b! both effected through it, inauding the supplie idöds or services or both réturned th8ugh ü, tfie amount collectéd under the said sub-sección duringfthe' financial year, iri such form and manner AS may be prescribed, beföfé the thirty first day df Decerhber folloOãnéO the end of such financial year. (6) 68 If any operator after furnishing a statement under sub-section (4) any omisã.ibüsor incorrect particulars than as a scrutiny, audit, or enk»rcement activity by the tax aUãöHties, he shall t<'6uch omigion or incorrect >-particulars in befurnijhed for the month during whiã such tomii&bæor incorrect p&üculars are nouced, subject 'to payment Of intere, "*Specified in sub-section (1) of sectioni Provided that no such rectification of any omission or incørreet particulars shall be allowed due date for fumßhihg of statement for the nionã of September fdlowing the end of tte or theãziud> date offin•niãi.ng of the statement, whichever uurlier. (7)" 'The "supplier who has supplied the goods or services or both through the operator iall claim credit, in his electronic cash ledger, of tlr amoum collected and in the opaator under subæction (4), in such manner as prescribed. (8) Thedetails ofsupplies furni±edbyevayoperator under sub-section (4) shall be maded with the corresponding details of oiward wpplies furnished by :tfie concemed supplier *tered under this Act in such manner and within such ume as may preseibed. (9) Where the details ofoutwãrd supplies furbished by the operatorrunãeösüb-seeioh (4)do not"match with the corre;pondini deuils fãinished by the supplier under section 37, the discrepancy \$all be communicated to both persops in such manner and within Such time as may be prescribed. (IO) 'The amount in respect of which any discrepancy is communicated under sub-section (9) and which is not rectified by theser iChis valid return or the operator in his statement 'foÉ the month in which discrepancy is be added to the tax liability dfthe said suÉlier, where the value ofbiitWard supplies furnished ffe Q*mtö; is *more than value of outward supplies fukiisfiéã by the supplier, in his return for the month succeeding the month in which the discrepancy is communiqted}g such manner as may be prescribed, 69 (11) 'The concerned supplier, in whose output amount has been added under sub-section (10), shall pay the tax payable in respect of such supply along with interest, at the rate specified under sub-section (1) of section 50 on theamount so added from the date such tax was due till the payment (12) Any authority not below the rank of Deputy Commissioner may serve a notice, either before or during the course of any proceedings under this Act, requiring the operator to frnirish such details relating (a) supplies of goods or septices or both effected through such operator during any period; or (b) stock of goods held by the suppliers making supplies throuØi such operator in the godowns or warehouses, by whatever name called, managed by such operators and declared as additional places of business by such Suppliers, as may be specified in the notice. (13) Every operator on whom a notice has been served under

sub-section (12) shall furnish the required information within fifteen working days of the date of service of such notice. (14) Any person who fails to furnish the information required by the notice served under sub-section (12) shall, without prejudice to any action that may be taken under section 122, be liable to a penalty which may extend to twenty five thousand rupees, Explanation:-For the purposes of this section, the 'concerned supplier' shall mean the supplier of goods or services or both making supplies through the operator

53. On utilisation of input tax credit availed under this Act for payment of tax dues under the Integrated Goods and Services Tax Act in accordance with sub-section (5) of section 49, as reflected in the valid return furnished under section (1) of section 39, the amount collected as State tax shall stand reduced by an amount equal to such credit so utilised and the State Government shall transfer an amount equal to the amount so reduced from the State tax account to the integrated tax account in such manner and within such time as may be prescribed.

54. (1) 70 •CHAPTER XI REFUNDS Any person claiming of any tax and interest paid by him, may paid on Such tax or any other make an the apiry of two years from the relevant date in "rm manna as may be prescribed: Refund tax. 46 of 1947 Provided that a registered person, claiming refund of any balance in the electronic cash ledger per AL-section (6) of section 49, may claim such refund in the return furnished under section 39 in such manner as may be prescribed. (2) A specialized agency of the United Nations Organization or any Multilateral Fund and notified under the Privileges and Immunities) Act, 1947, Consulate or Embassy of foreign countries or any Other person or class of persons as notified under section 54 entitled to a refund of tax paid by it on inward supplies Of goods or services or both* may make an application for in such form and manner as may be prescribed, before the expiry of six months from the last day of the quarter in which such supply was received. (3) Subject to the provisions of sub-section (10), a registered person may claim refund of any unutilised input tax credit at the end of any tax period: Provided that no refund of unutilised input tax credit shall be allowed in cases other than- (i) zero rated supplies made without payment of tax; (ii) where the credit has accumulated on a rate of tax on inputs being higher than the rate of tax on output supplies (other than nil rated or fully exempt supplies), except supplies Of goods or services or both as may be notified on the recommendations of the Council: Provided further that no refund of unutilised input tax shall be allowed in cases where the goods exported out of India are subjected to export duty: Provided also that no refund of input tax credit shall be allowed, if the supplier of goods or services or both avails of drawback or claims refund of the integrated tax paid on such supplies. (4) The application shall be accompanied by— 71 (a) such documentary evidence as be prescribed to establish that a. refund is due to the applicant; and (b) such documentary or other evidence (including the documents referred to in section 33) as the applicant may furnish- to establish that the amount of tax and interest, if any, -paid on such tax or any other amount paid in relation to which such refund is claimed was collected from, or paid by, him and the incidence of such tax and interest had not been passed on to any other person: Provided that where the amount claimed as refund is less than two lakh rupees, it shall not be necessary for the applicant to furnish any documentary and other evidences but he may file a declaration, based on the documentary or other evidences available with him, certifying that the incidence of such tax and interest had not been passed on to any other person. (5) (6) (7) (8) If, on receipt of any such application, the proper officer is satisfied that the whole or part of the amount claimed as refund is refundable, he may make an order accordingly and the amount so determined shall be added to the Fund referred to in section 57. Notwithstanding anything contained in sub-section (5), the proper officer may, in the case of any claim for refund on account of export of goods or service or both made by persons, other than such category of registered persons as maybe notified in this behalf, refund on a provisional basis, ninety per cent. of the total amount so claimed and the amount of input tax credit provisionally accepted, in such manner and subject to such conditions, limitations and safeguards as may be prescribed and thereafter make an order under sub-section for final settlement of the refund claim after due verification of documents furnished by the applicant The proper officer shall issue the order under sub- section (5) within sixty days from the date of of application complete in all respects. Notwithstanding anything contained in sub-section (5), the refundable amount shall, instead of being credited to be paid to the applicant, if such amount is related to — (a) (b) (d) (e) (f) 72 refund of tax on inputs or input services used in the goods or services or both which are exported out of India; refund of unutilised input tax credit under sub- section (3); refund of tax paid on a supply which is not provided, either wholly or partially, and for which invoice has not been issued, or where a refund voucher has been

issued; refund of tax in pursuance of section 77; the tax and interest, if any, or any other amount paid by the applicant* if he not passed on the incidence of tax and interest to any other person; or the tax or interest borne by such other class of applicants as the Government may, on the recommendations of the Council, by notification, (9) to be maintained in any decree, order or Appellate Tribunal or any court in any provisions of this Act or the rules thereunder or in any other law for the time being in force, no refund shall be made except in accordance with the provisions of sub-section (8). (10) Where any refund is due under sub-section (3) to a registered person who has defaulted in furnishing any return or who is required to pay any tax, interest or penalty, which has not been stayed by any court, Tribunal or Appellate Authority by the specified date, the proper officer may— (a) withhold payment of refund due until the said person has furnished the return or paid the tax, interest or as the case may be (b) deduct from the refund due, any tax, interest, penalty, fee or any other amount which the taxable person is liable to pay but which remains unpaid under this Act or under the law. Explanation For the purposes of this section, the expression "specified date" shall mean the last date for filing an appeal under this Act. 73 (11) Where an order giving rise to a refund is the subject matter of an appeal or further proceedings or where any other proceedings under this Act is pending and the Commissioner is of the opinion that grant of such refund is likely to adversely affect the revenue in the said appeal or other proceedings on account of malfeasance or fraud committed, he may, after giving the taxable person an opportunity of being heard, withhold the refund till such time as he may determine. (12) Where a refund is withheld under sub-section (11), the taxable person shall, notwithstanding anything contained in section 56, be entitled to interest at such rate not exceeding six per cent. as may be notified on the recommendations of the Council, if as a result of the or further proceedings he becomes entitled to refund. (13) Notwithstanding anything to the contrary contained in this section, the amount of advance tax deposited by a casual taxable person or a non-resident taxable person under sub-section (2) of section 27, shall not be refunded unless such person has, in respect of the entire period for which the certificate registration granted to him had remained in force, furnished all the returns required under section 39. (14) Notwithstanding anything contained in this section, no refund under sub-section (5) or sub-section (6) shall be paid to an applicant, if the amount is less than one rupee. Explanation:- For the purposes of this section,— (1) (2) "refund" includes refund of input tax credit or input services used in the goods or services or both which are exported out of India, or refund of tax on the supply of goods regarded as deemed exports, or refund of unutilised input tax credit as provided under sub-section (3). "relevant date" means - (a) in the case of goods exported out of India where a refund of tax paid is available in respect of inputs or input services used in such goods, - (i) if the goods are exported by sea or air, the date on which the ship or the aircraft in which such goods are loaded, leaves India; or (b) (c) (d) (e) (f) (g) 74 (ii) if the goods are exported by land, the date on which such goods pass the frontier; or (iii) if the goods are exported by post, the date of despatch of goods by the Post Office concerned to a place in the case of supply of goods regarded as deemed exports where a refund of tax paid is available in respect of the goods, the date on which the return relating to such deemed exports is filed; in the case of services of where a refund of tax paid is available in respect of inputs or input services used in such services, the date of— (i) receipt of payment in convertible foreign exchange, where the supply of services been completed prior to the receipt of such payment; or (ii) issue of invoice, where payment had been received in advance the date of issue of the invoice; in case where the tax becomes refundable as a consequence of judgment, decree, order or direction of the Appellate Authority, Appellate Tribunal or any court, the date of communication of such judgment, decree, order or direction; in the case of refund of unutilised input tax credit under sub-section (3), the end of the financial year in which such claim for refund arises; in the case where tax is paid provisionally under this Act or the rules made thereunder, the date of adjustment of tax after the final assessment thereof; in the case of a person, other than the supplier, the date of receipt of goods or services or both by such person; and (h) in any other case, the date of payment of tax. 46 (f) 1947 75 55. 'The Government may, on the recommendations of the Council,' - by notification, specify any specialized agency of the United Nations Organization or any Multilateral Financial Institution and Organization notified under the United Nations (Privileges and Immunities) Act, 1947, Consulate or foreign countries other person or class of persons as may be in this behalf, who shall, subject to such conditions and restrictions as may be prescribed, be entitled to claim a refund of taxes paid on imported supplies of goods or services or both received by them'

56. If any tax ordered to be refunded under sub-section (5) of section 54 to any applicant is not refunded within sixty days from the date of receipt of application under sub-section (1) of that

section, interest at such rate not exceeding six per cent as may be Specified in the notification issued by the Government on the recommendations of the Council shall be payable in respect of such refund from the date immediately after the expiry of sixty days from the date of receipt of application under the said sub-section 61.1 the date of refund of such tax: Provided that where any claim of arises from an order passed by an adjudicating authority or Appellate Authority or Appellate Tribunal or Court which has attained finality and the same is not refunded within sixty days from the date of receipt of application filed consequent to such order, interest at such rate not exceeding nine per cent as may be notified on the of the Council shall be payable in respect of such refund from the date immediately after the expiry. of sixty days from the date of receipt of application till the date of refund. Explanation:— For the purposes of this section, where order of refund is made by an Appellate Authority, Appellate Tribunal or any court against an order of the proper officer under sub-section (5) of section 54, the order passed by the Appellate Authority, Appellate Tribunal or by the court shall be deemed to be an order passed under the said sub-section (5)

57. The Government shall constitute a Fund, to be called the Consumer Welfare Fund and there shall be credited to the Fund,—(a) the amount of tax referred to in sub-section (5) of section 54; (b) any income from investment of the amount credited to the Fund; and (c) such other monies received by it, in such manner as may be prescribed. Refund in certain cases. on delayed refunds. Consumer Welfare Fund. 58. (1) (2) 76 All sums credited to the Fund shall be utilised by the Government for the welfare of the consumers in such manner as may be prescribed. The Government or authority notified by it shall maintain proper account relevant records in relation to the Fund and an annual statement of accounts in such form as may be prescribed in consultation with the Comptroller and Auditor-General of India. Utilisation of Fund. 59. 60. 77 CHAPTER- ASSESSMENT Every registered person shall self-assess the taxes payable under this Act and furnish a return for each tax period as specified under section 39. Self-Assessment. Provisional Assessment (1) (2) (3) Subject to the provisions of sub-section (2), where the taxable person is unable to determine the value of goods or services or both or determine the rate of tax applicable thereto, he may request the proper officer in writing giving reasons for payment of tax on a provisional basis and the proper officer shall pass an order, within a period not later than ninety days from the date of receipt of such request allowing payment of tax on provisional basis at such rate or on such value as may be specified by 'The payment of tax (in provisional basis may be allowed, if the taxable person executes a bond in such form as may be prescribed, and with such surety or security as the proper officer may deem fit, binding the taxable person for payment of the difference between the amount of tax as may be finally assessed and the of tax provisionally assessed. 'The proper officer shall, within a period not exceeding six months from the date of the communication of the order issued under sub-section (1), pass the final assessment order after taking into account such information as may be required for finalizing the assessment: Provided that the period specified in this "sub-section may, on sufficient cause shown and for reasons to be recorded in writing, be extended by the Joint Commissioner or Additional Commissioner for a further period not exceeding six months and by the Commissioner for such further period not exceeding four years. (4) The registered person shall be liable to pay interest on any tax payable on the supply of goods or services both under provisional assessment but not paid on the due date specified under sub-section (7) of section 39 or the rules made thereunder, at the rate specified under sub- section (1) of section 50, from the first day after the due date of payment of tax in respect of the said supply of goods or services or both till the date of actual payment, whether such amount is paid before or after the issuance of order for final assessment. 61. 62. 78 (5) Where the registered person is entitled to a refund consequent to the order for final assessment under sub- section (3), subject to the provisions of sub-section (8) of section 54, interest shall be paid on such refund as provided in section 56. (1) The proper officer may scrutinize the return and related particulars furnished by the registered person to verify the correctness of the return and inform him of the discrepancies noticed, if any, in such manner as may be prescribed and seek his explanation thereto. (2) In case the explanation is found acceptable, the registered person shall be informed accordingly and no further action shall be taken in this regard (3) In case no satisfactory explanation is furnished within a period of thirty days of being informed by the proper officer or further period as may be permitted by or written to the registered person, upon being the 'order to take the corrective measure in return for the month in which the discrepancy is accepted, the proper officer may initiate appropriate action under section 65 or section or section 67, or proceed to determine the and other dues under section 73 or section 74. (1) Notwithstanding anything to the contrary

contained in section 73 or section 74, where a registered person fails to furnish the return under section 39 or section 45, even after the service of a notice under section 46, the proper officer may proceed to assess the tax liability of the said person to the best of his judgement taking into account all the relevant material which is available or which he has gathered and issue an assessment order within a period of five years from the date specified under section 44 for furnishing of the annual return for the financial year to which the tax not paid relates. (2) Where the registered person furnishes a valid return within thirty days of the service of the assessment order under sub-section (1), the said assessment order shall be deemed to have been withdrawn but the liability for payment of interest under sub-section (1) of section 50 or for payment of late fee under section 47 shall continue, Scrutiny As—ment of non—rs of returns. 63. 79 Notwithstanding anything to the contrary contained in "ction 73 or section 74, where a taxable person fails to obtain registration even though liable to do so or whose registration has been cancelled under (2)' of section 29 but who was liable to pay tax, the proper officer may proceed to assess the tax liability of such taxable person to the best of his judgement for the relevant tax periods and issue an assessment order within a period of five years from the date specified under section 44 for furnishing of annual return for the financial year to which the tax not paid relates: Provided that no such assessment order shall be passed Assessment of unregistered persons. assessment in certain special cases. without giving the person an opportunity of being heard. 64. (1) 'The proper officer may, on any evidence showing a tax liability of a person coming to his notice, with the previous permission of Additional Commissioner or Joint Commissioner, proceed to assess. liability of such person to protect the interest of revenue and issue an assessment order, he has sufficient grounds to believe that any delay in doing so may affect the interest* of Provided that where the taxable person to whom the pertains is not ascertainable and such liability pertains to goods, the person in charge of such goods shall be deemed to be the taxable person liable to be assessed and liable to pay tax and any other amount due under this section. (2) On an application made by the taxable person within thirty days from the date of receipt of order passed under sub-section (1) or on his own motion, if the Commissioner or Joint Commissioner considers that such order is he may withdraw such order and follow the procedure laid down in 73 or 74. 65. (1) (2) (3) (4) 80 CHAPTER AUDIT 'The Commission" or any officer authorised by him, by way of a general or a specific order, may undertake audit (f any registered person for such period, at such frequency and in such manner as may be prescribed. officers referred to in sub-section (1) may conduct audit at the place of business of the registered person or in their office. The registered person shall be informed, by way of a notice less than fifteen working days prior to the conduct of audit in such manner as may be prescribed. 'The audit under sub-section (1) shall be completed within a period of three months from the date of commencement of the audit Audit by tax Provided that where the Commissioner is satisfied that audit in respect Of such registered person be completed within three months, he may, for the reasons to be recorded in writing, extend the period by a further period not exceeding months. Explanation:— For the purpose of this sub-section, the expression "commencement of audit" shall mean the date on which the records and other documents, called for by the tax authorities, are made available by the registered person or the actual institution of audit at the place of business whichever is later. (5) (6) (7) During the course of audit, the authorised officer may require the registered person,— (i) to afford him the necessary facility to verify the books of account or other documents as he may require; (ii) to furnish such information as he may require and render assistance for timely completion of the audit. On conclusion of audit, the proper officer shall, within thirty days, inform the registered person, whose records are audited, about the findings, his rights and obligations and the reasons for such findings, Where the audit conducted under sub-section (1) results in detection of tax not paid or short paid or erroneously refunded, or input tax credit wrongly availed or utilised, the proper officer may initiate action under section 73 or section 74. 66. (1) (2) 81 If at any stage of scrutiny, inquiry, investigation or any other proceedings before him, any officer not below the rank of Assistant Commissioner, having regard to the nature and complexity of the case and the interest of revenue, is of the opinion that the value has not been correctly declared or the credit availed is not within the normal limits, he may, with the prior approval of the Commissioner, direct such registered person by a communication in writing to get his records including books of account examined and audited by a chartered accountant or a cost accountant as may be nominated by the Commissioner. The chartered accountant or cost accountant so nominated shall, within the period of ninety days, submit a report of such audit duly signed and certified by him to the said Assistant Commissioner mentioning therein such other particulars as may be specified: Special audit Provided that the. Assistant Commissioner may, on an

application made to him in this behalf by the registered person or the chartered accountant or cost accountant or for any material and sufficient reason, extend the said period by a further period of ninety days. (3) (4) (5) The provisions of sub-section (1) shall have effect notwithstanding that the accounts of the registered person have been audited under any other provisions of this Act or any other law the time being in force. The registered person shall be given an opportunity of being heard in respect of any material gathered on the basis of special audit under sub-section (1) which is proposed to be used in any proceedings against him under this Act or the rules made thereunder. The expenses of the examination and audit of records under sub-section (1), including the remuneration of such chartered accountant or cost accountant, shall be determined and paid by the Commissioner and such determination shall be final. Where the special audit conducted under sub-section (1) results in detection of tax not paid or short paid or erroneously refunded, or input tax credit wrongly availed or utilised, the proper officer may initiate action under section 73 or section 74. 67. 82 CHAPTER XIV INSPECTION, SEARCH, SEIZURE AND ARREST (1), Where the proper officer, not below the rank of Joint Commissioner & reasons to believe that- (a) a person has suppressed any transaction relating to supply of goods or services or both or stock of goods in hand, or has input tax credit in excess of his entitlement under this Act or has indulged in contravention of any of the provisions of this Act or the rules made thereunder to evade tax under this Act; or (b) any person engaged in the business of goods or an owner or of a warehouse or a godown or any other place is keeping goods which have escaped payment of tax or has kept his accounts or goods in such a manner as is likely to cause evasion of tax payable under this Act, Power of search and seizure. He may authorise in any office of State tax to inspect any places of business of the taxable person or the persons engaged in the business of transporting goods or the owner or the proprietor of warehouse or godown or any other place. (2) officer, not below the rank of Joint either pursuant to an inspection carried out under sub-section (1) or otherwise, has reasons to believe that any goods liable to confiscation or any documents or books or things, which in his opinion shall be useful for or relevant to any proceedings under this Act, are secreted in any place, he may authorise in writing any other officer of State tax to search and seize or may himself search and seize such goods, documents or books or things: Provided that where it is not practicable to seize any such goods, the proper officer or any officer authorised by him, may serve on the owner or the possessor of the goods an order that he shall not remove, part with, or otherwise dispose of the goods except with the previous permission of such officer: Provided further that the documents or books or things so seized be retained by such officer only for so long as may be necessary for their examination and for any inquiry or proceedings under this Act. (3) (4) (5) (6) (7) 83 The documents, books or things referred to in sub-section (2) or any other documents, books or things produced by a person or any other person, which have not been relied on for the issue of notice under this Act or the rules made thereunder, shall be returned to such person within a period not exceeding thirty days of the issue of the said notice. The officer authorised under sub-section (2) shall have the power to seal or break open the door of any premises or to break open any container, electronic devices, box, receptacle in which any goods, accounts, registers or documents of the person are suspected to be concealed, where access to such premises, container, electronic devices, box or receptacle is denied. The person from whose custody any documents are seized under sub-section (2) shall be entitled to make copies thereof or extracts therefrom in the presence of an authorised officer at such time as such officer may indicate in this behalf except making such copies or taking such extracts may, in the opinion of the proper officer, prejudicially affect the goods so seized under sub-section (2) shall be released, on a provisional basis upon execution of a bond and furnishing of a security, in such manner and of such quantum, respectively, as may be prescribed or on payment of applicable tax, interest and penalty payable, as the case may be. Where any goods are seized under (2) and no notice in respect is given within six months of the seizure of the goods, the goods shall be returned to the person from whose custody they were seized: Provided that the period of six months may, on sufficient cause being shown, be extended by the proper officer for a further period not exceeding six months. (8) The Government may, having regard to the perishable or hazardous nature of any goods, depreciation in the value of the goods with the passage of time, constraints of storage space for the goods or any other relevant considerations, by notification, specify the goods or class of goods which shall, as soon as may be after seizure under sub-section (2), be disposed of by the proper officer in such manner as may be prescribed. (9) 84 Where any goods, being goods specified under sub-section (8), have been seized by a proper officer or any officer authorised by him, under sub-section (2), he shall prepare an inventory of such goods in such manner as may be prescribed. 2 of 1974 68. (10) The provisions of the Code

of Criminal Procedure, 1973, relating to search and seizure, shall, so far as may be, apply to search and seizure to the sub-section (5) of section 165 of the said Code shall have effect as if for the word "Strat", wherever it occurs, the word substituted. (11) Where the proper officer has any person has evaded or is attempting to payment of any tax, he may, for reasons to be recorded in writing, seize the accounts, registers or documents of such person produced him and shall want a receipt for the same, and shall retain same for long as may be necessary in connection with any under this Act or the rules made for prosecution. (12) The Commissioner or an authorised by him may cause seizure of any goods or services or by any person authorised from the of any taxable person, to deduct tax invoices or bills of supply by such person, and on return of goods so purchased such officer, such tax*le person or any person in charge of the business premises*an refund the amount so paid towards the goods after cancelling any tax invoice or bill of supply issued earlier. (1) The Government may require the person in charge of a conveyance carrying any consignment of goods of value exceeding such amount as may be specified to carry with him such documents and such devices as may be prescribed. (2) The details of documents required to be carried under sub-section (1) shall be validated in such manner as may be prescribed. (3) Where any conveyance referred to in sub-section (1) is intercepted by the proper officer at any place, he may require the person in charge of the said conveyance, to produce the documents prescribed under the said sub-section and devices for verification, and the said person shall be liable to produce the documents and devices and also allow the inspection of goods. Inspection of goods 1908 69. 70. n. (1) (2) (3) (1) (2) (1) 85 Where the Commissioner has reasons to believe that, any person is committed any offence specified in clause (4) or clause (b) or clause (c) or clause (d) of sub-section (1) of section 132 which is punishable under clause (i) or (ii) of sub-section (1) or sub-section (2) of the said section, he may, by Order, authorise any officer to arrest such person.- Where a person is under sub-section (1) for an offence specified under sub-section (5) of section 132, the officer authorised to arrest a person shall inform such person of the grounds of arrest and produce him before a Magistrate within twenty four hours. Subject to the provisions of the Code of Criminal Procedure, 1973,- (a) where a person is arrested under sub-section (1) for any offence specified under sub-section (4) of section 132, he shall be to bail or in default of bail forwarded to the custody of the Magistrate (b) in the case of a non-cognizable offence, the Deputy Commissioner or the Assistant Commissioner shall, for the purpose of releasing an on bail or otherwise, have the same powers and be subject to the same provisions as an officer-in-charge of a police station. The proper officer under this Act shall have power to summon any person whose attendance he considers necessary either to give evidence or to produce a or any other thing in any inquiry in the same manner as provided in the Code of Civil Procedure, 1908. Every such inquiry referred to in sub-section (1) shall be deemed to be a "judicial proceedings" within the meaning of section 193 and section 228 of the Indian Penal Code. Any officer under this Act authorised by the proper officer not below the rank of Joint Commissioner shall have access to any place of business of a registered person to inspect books of account, documents, computers, computer programs, computer software whether installed in a computer or otherwise and such other things as he may require and which may be available at such place, for the purposes of carrying out any audit, scrutiny, verification and checks as may be necessary to safeguard the interest of revenue. Power to arrest. to persons to give evidence and produce documents. Access to business premises. 18 of 2013 43 of 1981 86 (2) Every person in charge of place referred in sub-section (1) shall, on demand available to the officer authorised under sub-section (1) or the audit party deputed by the proper officer or a cost accountant or chartered accountant nominated under section 66— (i) such records as prepared or by the registered person and declared to the proper officer in such manner as may be prescribed; (ii) trial balance or its equivalent; (iii) statements of annual accounts, duly audited, wherever required; (iv) cost audit report, if any, under section 148 of the Companies Act, 2013; (v) the income-tax audit report, if any, section 44AB of the Income-tax Act, 1961; and (vi) any other relevant record, for the scrutiny by the officer or audit party the chartered accountant or cost accountant within a period not exceeding fifteen working days from day when such is made, or such further period as may be allowed by the officer or the audit party or the chartered accountant or cost accountant. 72. (1) All officers of Police, Railways, Customs, and those engaged in the collection of land revenue, including village officers, and officers of central tax and officers of Union assist the proper officers in the implementation of this Act. The Government may, by notification, empower and require any other class of officers to the officers in the implementation of this Act when called upon to do so by the Commissioner. Officers to assist proper officers. 73. (2) (3) (4) (5) 87 CHAPTER XV DEMANDS

AND RECOVERY Where it appears to the proper officer that any tax has not been paid or short paid or erroneously refunded, or where input tax credit has been 'wrongly availed or utilised for any reason, other than the reason of fraud or any wilful-misstatement or suppression of facts to evade tax, he shall serve notice on the person chargeable with tax which has not been so paid or which has been so short paid or to whom the refund has erroneously been made, or who has wrongly availed or utilised input tax credit, requiring him to show cause why he should not pay' the amount specified in the notice along with interest payable thereon under section 50 and a penalty leviable under the provisions of this Act or the rules made thereunder. The proper officer shall issue the notice under sub-section (1) at least three months prior to the time limit specified in sub-section (10) for issuance of order. Where a notice has been issued for any period under sub-section (1), the proper officer may serve a statement, containing the details of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised for such periods other than those covered under sub-section (1), on the person chargeable with tax. The service of such statement shall be deemed to be service of notice on such person under sub-section (1), subject to the condition that grounds relied upon for such tax periods other than those covered under sub-section (1) are the same as are mentioned in the earlier notice. The person chargeable with tax may, before service of notice under sub-section (1) or, as the case may be, the statement under sub-section (3) pay the amount of tax along with interest payable thereon under section 50 on the basis of his own ascertainment of such tax or the tax as ascertained by the proper officer and inform the proper officer in writing of such payment. Determination of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised for any reason other than fraud or any wilful misstatement or suppression of facts. (6) (7) (8) (9) 88 The proper officer, on receipt of such information, shall not serve any notice under sub-section (1) or, as the case may be, the statement under sub-section (3), in respect of the tax so paid or any penalty payable under the provisions of this Act or the rules made thereunder. Where the proper officer is of the opinion that the amount paid under sub-section (5) falls short of the amount actually payable' he shall proceed to issue the notice as provided for in sub-section (1) in respect of such amount which falls short of the amount actually payable. Where any person chargeable with tax under sub-section (1) or sub-section (3) pays the said tax along with interest payable under section 50 within thirty days of issue of show cause notice, no penalty shall be payable and all proceedings in respect of the said notice shall be deemed to be concluded. The proper officer shall, after considering the representation, if any, by person chargeable with tax, determine the amount of tax, interest and a penalty equivalent to ten per cent of such tax or ten thousand rupees, whichever is higher, due from such person and issue an order. (10) The officer shall issue the order under sub-section (9) within three years from the date for filing of annual return for the financial year to which the tax not paid or short or input tax credit wrongly availed or utilised relates to or within three years from the date of erroneous refund. (11) Notwithstanding anything contained in sub-section (6) or sub-section (8), penalty under sub-section (9) shall be payable where any amount of self-assessed tax or any amount collected as tax has not been paid within a period of thirty days from the due date of payment of such tax. 74, 89 (1) Where it appears to the proper officer that any tax has not been paid or short paid or erroneously refunded where input tax credit has been wrongly availed or utilised by reason of fraud, or any wilful-misstatement or suppression of facts to evade tax, he shall serve notice on the person tax which has not been so paid or which has been so short paid or to whom the refund has erroneously been made, or who has wrongly availed or utilised input tax credit, requiring him to show cause why he should not pay the amount specified in the notice along with interest payable thereon under section 50 and a penalty equivalent to the tax specified in the notice. (2) The proper officer shall issue the notice under sub-section (1) at least six months prior to the time limit specified in sub-section (10) for issuance of order. (3) Where a notice has been issued for any period under sub-section (1) the proper officer may serve a statement, containing the details of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised for such periods other than those covered under sub-section (1), on the person chargeable with tax. (4) The service of statement under sub-section (3) shall be deemed to be service of notice under sub-section (1) of section 73, subject to the condition that the grounds relied upon in the said statement, except the ground of fraud, or any wilful-misstatement or suppression of facts to evade tax, for periods other than those covered under sub-section (1) are the same as are mentioned in the earlier notice. (5) The person chargeable with tax may, before service of notice under sub-section (1), pay the amount of tax along with interest payable under section 50 and a penalty equivalent to fifteen per cent of such tax on the basis of his own ascertainment of such tax or the tax

as ascertained by the proper officer and inform the proper officer in writing of payment (6) "The proper officer, on receipt of such information, shall not serve any notice under sub-section (1), in respect of the tax so paid or any penalty payable under the provisions of this Act or the rules made thereunder. Determination of tax not paid or short paid or erroneously added input tax credit wrongly availed or utilised on account of fraud or any willful-misstatement or suppression of facts. (7) (8) (9) 90 Where the proper officer is of the opinion that the amount paid under sub-section (5) falls short of the amount actually payable, he shall proceed to issue the notice as provided for in sub-section (1) in respect of such amount which falls short of the amount actually payable. Where any person chargeable with tax under sub-section (1) pays the said amount along with interest payable under section 50 and a penalty equivalent to twenty five per cent of such tax thirty days of issue of the order, all proceedings in respect of the said notice shall be deemed to be concluded. The proper officer, after considering the representation, if any, by the person chargeable with tax, determine the amount of tax, interest and penalty due from person and issue an order. (10): The proper officer shall issue an order under sub-section within a period of five years from the date for filing of annual return for the financial year to which the tax not paid or short or input tax credit wrongly availed or utilised relates to or within five years from the date of erroneous refund. (11) any person served with an order issued under sub-section (9) pays the tax along with interest payable thereon under section 50 and a penalty equivalent to fifty percent of such tax within thirty days of communication of the order, all in respect of the said notice shall be deemed to be concluded. Explanation 1.- For the purposes of section 73 and this section, — (i) the "all proceedings in respect of the said notice" shall not include proceedings under section 132; (ii) where the notice under the proceedings is issued to the main person liable to pay tax and some other persons, and such proceedings against the main person have been concluded under section 73 or section 74, proceedings against the persons liable to pay tax under sections 122, 125, 129 and 130 are deemed to be concluded. 91 Explanation, For the purposes of this Act, the expression "suppression" shall mean a declaration of facts or information which a taxable person is required to declare in return, statement, report or otherwise under this Act or the rules made thereunder, or failure to furnish any information on being asked for, in writing; by the proper officer. 75. (1) Where the service of notice or issuance of order is stayed by an Appellate Authority or Appellate Tribunal or court and the period under sub-section (1) of section 74b is not stated, the period of such stay shall be added in computing the period specified in sub-sections (2) and (10) of section 73 or sub-sections (2) and (10) of section 74, as the case may be. (2) Where any Appellate Authority or Appellate Tribunal or court and the period under sub-section (1) of section 74b is not stated, the period of such stay shall be added in computing the period specified in sub-sections (2) and (10) of section 73 or sub-sections (2) and (10) of section 74, as the case may be. (3) Where any order is required to be issued in pursuance of the direction of the Appellate Authority or the Tribunal or a court, such order shall be issued within two years from the date of communication of the said direction. (4) An opportunity of hearing shall be a request is received in from the person with tax or penalty, or, where any adverse is contemplated against such person. (5) shown by the person chargeable with tax, the time to call said person and adjourn the hearing for reasons to be recorded in writing: Provided that no such shall be granted for more than three times to a person during the proceedings. (6) The proper Officer, in his order, shall set out the relevant facts and the basis of his decision. General principle relating to determination (7) (8) (9) 92 The amount of tax, interest and penalty demanded in the order shall not be in excess of amount specified in the notice and no demand shall be on the grounds other than those in the notice. Where the Appellate Authority or Tribunal or court modifies the amount of tax determined by the proper officer, the amount of interest, and penalty shall stand modified accordingly, taking into account the amount of tax so modified. The interest on the tax paid or not paid shall be payable whether or not specified in the order determining the tax liability. (10) The adjudication proceedings shall be deemed to be concluded, if the order is issued three years as provided for in sub-section (10) of section 73 or within five years as for in sub-section (10) of section 74. (11) An order on which Appellate Authority or the Appellate Tribunal or the High Court or the Supreme Court is pending, the period between the date of the decision of the Appellate Authority and that of the Appellate Tribunal or the date of decision of the Appellate Tribunal and that of the High Court or the date of the decision of the High Court or that of the Supreme Court shall be added in computing the period referred to in sub-section (10) of section 73 or sub-section (10) of section 74 where proceedings are initiated by way of issue of a show cause notice under said sections. (12) Notwithstanding anything contained in section 73 or section 74, where any amount of

and assessed tax in accordance with return furnished under section 39 remains unpaid, either wholly or partly, or any amount of interest payable on such tax remains unpaid, the same shall be recovered under section 79, (13) Where any penalty is imposed under section 73 or section 74, no penalty for the same or omission shall be imposed on the same person under any other provision of this Act. (1) (2) (3) (4) (5) (6) (7) (8) 93 Notwithstanding anything to the contrary contained in any order or direction of any Appellate Authority or Appellate Tribunal or court any other provisions of this Act or the rules made thereunder or any other law for the time being in force, every person who has collected from any other person any amount as representing the tax under this Act, and has not paid the said amount to the Government, shall forthwith pay the said amount to the Government, irrespective of whether the supplies in respect of which such amount was collected are taxable or not. Where any amount is required to be paid to the Government under sub-section (1), and which has not been so paid, the proper officer may serve on the person liable to amount a notice requiring him to show cause why the said amount as specified in notice, should not be paid by him to the Government and why a penalty equivalent to the amount in the notice should not be imposed on him under the provisions of this Act. The proper officer shall, after considering the representation, if any, made by the person whom the notice is served under (2), determine the amount due from such person and thereupon such person shall pay the amount so determined. The person referred to in sub-section (1) shall in addition to paying the amount referred to in sub-section (1) or sub-section (3) also be liable to pay interest thereon at the rate specified under section 78 from the date such amount was collected by him to the date such amount is paid by him to the Government. An opportunity of hearing shall be granted where a request is received in writing from the person to whom the notice was issued to show cause. The proper officer shall issue an order within one year from the date of issue of the notice, Where the issuance of order is stayed by an order of the court or Appellate Tribunal, the period of such stay shall be excluded in computing the period of one year. The proper officer, in his order, shall set out the relevant facts and the basis of his decision. Tax collected but not paid to Government. 77. 78. 94 (9) The amount paid to the Government under sub-section (1) or sub-section (3) shall be adjusted against the tax payable, if any, by the person in relation to the supplies referred to in sub-section (10) Where any surplus is left after the adjustment under sub-section (9), the amount of such surplus shall be credited to the Fund or refunded to the person who has borne the incidence of such amount. (11) The person who has borne the incidence of the amount, may apply for the refund of the same in accordance with the provisions of section 54. (1) A registered person who has paid the central and State tax on a transaction considered by him to be an intra-State supply, but which is subsequently held to be an inter-State supply, shall refund the amount of taxes so paid in such manner and subject to such conditions as may be prescribed. (2) A registered person who has paid integrated tax on a transaction considered by him to be an inter-State supply, but which is subsequently held to be an intra-State supply, shall not be required to pay any interest on the amount of State tax payable. Any amount payable by a taxable person in pursuance of an order passed under this Act shall be paid by such person within a period of three months from the date of service of such order failing which recovery proceedings shall be initiated: Provided that where the proper officer considers it Tax wrongfully collected and paid to Government or Government. Initiation of recovery Proceedings. Recovery of tax. in the interest of revenue, he may, for reasons to be recorded in writing, require the said taxable person to make such payment within such period less than a period of three months as may be specified by him. 79. (1) Where any amount payable by a person to the Government under any of the provisions of this Act or the rules made thereunder is not paid, the proper officer shall proceed to recover the amount by one or more of the following modes, namely:— (a) the proper officer may deduct or may require any other specified officer to deduct the amount so payable from any money owing to such person which is payable under the control of the proper officer or such other specified officer; (c) 95 the officer may recover or may require any other to recover the amount so payable and seize any goods belonging to such person which are under the control of the proper officer or such other specified officer; (i) the proper officer may, by a notice in writing, require any other person from whom money is due or may become due to such person or who holds or may subsequently hold money for or on behalf of such person, to pay to the Government either forthwith the money being due or being held, or within the period specified in the notice not being before the money becomes due or is held, so much of the money as is sufficient to pay the amount due from such person or the whole of the money when it is equal to or less than that amount; (ii) every person to whom a notice is issued under sub-clause (i) shall be bound to such notice, and in particular, where any such notice is issued to post office, banking company or an institution, it shall not be necessary to produce any pass

book, deposit receipt, policy or any other for the purpose of any entry, endorsement or the being made before payment is made, rule, practice or requirement to the contrary; (iii) in case the person to whom notice under (iv) sub-clause (i) has been issued, fails to make the payment in thereof to the Government, he shall be deemed to be a defaulter in respect of the amount specified in the notice and all the consequences of Act or the rules made thereunder shall follow; the officer issuing a notice under sub-clause (i) may, at any time, amend, revoke such notice or extend the time for making any payment in pursuance of the notice; (v) (vi) (vii) 96 any person making any payment in compliance with a notice issued under sub-clause (i) shall be deemed to have made the payment under the authority of the person in default and such payment being credited to the account of the person in default shall be deemed to constitute a good and sufficient discharge of the liability of such person to the person in default to the extent of the amount specified in the receipt; any person discharging any liability to the person in default after service on him of the notice issued under sub-clause (i) shall be personally liable to the Government to the extent of the liability discharged or to the extent of the liability of the person in default for tax, interest and penalty, whichever is less; where a person on whom a notice is served under (i) proves to the satisfaction of the officer issuing the notice that the money demanded or any part thereof was not due to him in default or that he did not hold any money for or on account of the person in default, at the time the notice was served on him, nor is the money demanded or any part thereof, likely to become due to the said person or be held for or on account of such person, nothing contained in this section shall be deemed to require the person on whom the notice has been served to pay to the Government any such money or part thereof; (d) the proper officer may, in accordance with the rules to be made in this behalf, distrain any movable or immovable property belonging to or under the control of such person, and detain the same until the amount payable is paid; and in case, any part of the said amount payable or of the cost of the distress or keeping of the same remains unpaid for a period of thirty days next after any such distress, may cause the said property to be sold and with the proceeds of such sale, may satisfy the amount payable and the including cost of sale remaining shall render the surplus amount, if any, to such person; 2 of 1974 (2) (3) (4) 97 (e) the proper officer may prepare a certificate signed by him specifying the amount due from such person and send it to the Collector of the district in which such person owns any property or resides or carries on his or any other authorised by the Government and the said Collector or the said officer, on receipt of such certificate, shall proceed to recover from such person the amount specified thereunder as if it were an arrear of land revenue, (f) Notwithstanding anything contained in the Code of Criminal 1973, the proper officer may file an application to the appropriate Magistrate and such Magistrate may proceed to recover from such person the amount specified thereunder as if it were a fine imposed by him. Where the terms of any bond or other instrument executed under this Act or any rules or regulations made thereunder provide that any amount due under such instrument may be recovered in the manner laid down in sub-section (1), the amount may, without prejudice to any other mode of recovery, be recovered in accordance with the provisions of that sub-section. Where any amount of tax, interest or penalty is payable by a person to the Government under any of the provisions of this Act or the rules made thereunder and which remains unpaid, the proper officer of central tax, during the course of recovery of said tax arrears, may recover the amount from the said person as if it were an arrear of central tax and credit the amount so recovered to the account of the Government. Where the amount recovered under sub-section (3) is less than the amount due to the Central Government and State Government, the amount to be credited to the account of the respective Governments shall be in proportion to the amount due to each such Government 80. On an application filed by a taxable person, the Commissioner may, for reasons to be recorded in writing, extend the time for payment or allow payment of any amount due under this Act, other than the amount due as per the liability self-assessed in any return, by such person in monthly installments not exceeding twenty four, subject to payment of interest under section 50, subject to such conditions and limitations as may be prescribed: Payment of tax and other amount in installments. 98 Provided that where there is default in payment of any one installment on its due date, the whole outstanding balance payable on such date shall become due and payable forthwith and shall, without any further notice being served on the person, be liable for recovery.

81. Where a person, after any amount has become due from him, creates a charge on or parts with the property belonging to him or in his possession by way of sale, mortgage, exchange, or any other mode of transfer whatsoever of any of his properties in favour of any other person with the intention of the Government revenue, such charge or shall be void as against any claim in respect of any or any other sum payable by the said person: Provided that, such charge or transfer shall not be void

if it is made for adequate consideration, in good faith and without notice of the pendency of such proceeding under this Act or without notice of such tax or other sum payable by the said person, or with the previous permission of the proper officer.³¹ of 2016 82



83. Notwithstanding anything to the contrary contained in any law for the time being in force, save as otherwise provided in the Insolvency and Code, 2016, any amount payable by a taxable person or any other person on account of tax, interest or penalty which he is liable to pay to the shall be a first charge on property of such taxable person or such person.(1) Where during the pendency of any

proceedings under section 62 or section 63 or section 64 or section 67 or section 73 or section 74, the Commissioner is of the opinion that for the purpose of protecting the interest of the Government revenue, it is necessary so to do, he may, by order in writing attach provisionally any property, including bank account, belonging to the taxable person in such manner as may be prescribed. (2) Every such provisional attachment shall cease to have effect after the expiry of a period of one year from the date of the order made under sub-section (1). Where any notice of demand in respect of any tax, penalty, interest or any other amount payable under this Act, (hereafter in this section referred to as "Government dues"), is served upon any taxable person or any other person and any appeal or revision application is filed or any other proceedings is initiated in respect of such dues, then- Transfer of property void in certain cases. to first charge on property. Provisional attachment protect revenue in certain Continuation and validation of certain recovery proceedings. (a) (b) 99 where such Government dues are enhanced in such appeal, revision or other proceedings, the Commissioner shall serve upon the taxable person or any other person another notice of demand in respect of the amount by which such Government dues are enhanced and any recovery proceedings in relation to such Government dues as are covered by the notice of demand served upon him before the disposal of appeal, revision or other proceedings may, without the service of any fresh notice of demand, be continued from the stage at which such proceedings stood immediately before such disposal; where such Government dues are reduced in such appeal, revision or in other proceedings— (ii) (iii) it shall not be necessary for the Commissioner to serve upon the taxable person a fresh notice demand; the Commissioner shall give intimation of such reduction to him and to the appropriate authority with whom recovery proceedings is pending; any recovery proceedings initiated on the basis of the demand served upon him prior to the disposal of such appeal, revision or other proceedings may be continued in relation to the amount so reduced from the stage at which such proceedings stood immediately before such disposal. 85. 86. 87. 100

CHAPTER XVI LIABILITY TO PAY IN CERTAIN CASES (I) Where a taxable person liable to pay tax under this Act, transfers his business in whole or in part, by sale, gift, lease, leave and license, hire or in any other manner whatsoever, the taxable person and the person to whom the business is so transferred shall, jointly and severally, be liable to the extent of such transfer, to pay the tax, interest or any penalty due from the taxable person up to the time of such transfer, whether such tax, interest or penalty has been determined before such transfer, but has remained unpaid or is determined thereafter. (2) Where the transferee of a business referred to in sub-section (1) carries on such business either in his own name or in some other name, he shall be liable to pay tax on the supply of goods or services or both effected by him with firm of transfer and also, if he is a within the prescribed time for certificate of registration. Where an agent or receives any taxable goods on behalf of his principal, such agent and his principal shall, jointly and be liable to pay the tax payable on such goods under this Act. Liability in case of transfer of business.

Liability of and principal Liability in case amalgamation or of companies. (1) (2) When two or more companies are amalgamated or merged in pursuance of an order of court or tribunal or otherwise and the order is to take effect from a date earlier to the date of the order and any two or more of such companies

have supplied or received any goods or services or both to or from each other during the period commencing on the date from which the order takes effect till the date of the order, then such transactions of supply and receipt shall be in the turnover of supply or receipt of the respective companies and they shall be liable to pay tax accordingly, Notwithstanding anything contained in the said order, for the purposes of this Act, the said two or companies shall be as distinct companies for the period up to the date of the said order and the registration certificates of the said companies shall be cancelled with effect from the date of the said order. 88. 31 of 2016 89. 18 of 2013 (1) (2) (3) (1) (2) 101 When any company is being wound up whether under the orders of a court or tribunal or otherwise, every person appointed as receiver of any assets of a company (hereafter in this section referred to as the "liquidator") shall, within thirty days after this appointment, give intimation of his appointment to the Commissioner. The Commissioner after making such inquiry or calling for such information as he may deem fit, no the liquidator within three months from the date on which he receives intimation of the appointment of the liquidator, the amount which in the opinion of Commissioner would be sufficient to provide for any tax, interest or penalty which is then or

is likely thereafter to become, payable by the company. When any private company is wound up} and any tax; interest or penalty determined under this Act on the company for any period, whether before, or in the course of or after its liquidation, cannot be recovered, then every person who was a director of such company at any time during the period in which the tax was due shall, jointly and severally, be liable for the payment of such tax, interest or penalty, unless he proves to the satisfaction of the Commissioner that such non-recovery cannot be attributed to any gross neglect, misfeasance or breach of duty on his part in relation to the affairs of the company. Notwithstanding anything contained in the Companies Act, 2013, where any tax, interest or penalty due from a private company in respect of any supply of goods or services or both for any period cannot be recovered, then, every person who was a director of the private company during such period shall, jointly and severally, be liable for the payment of such tax, interest or penalty unless he proves that the non-recovery cannot be attributed to any gross neglect, misfeasance or breach of duty on his part in relation to the affairs of the company. Where a private company is converted into a public company and the tax, interest or penalty in respect of any supply of goods or services or both for any period during which such company was a private company cannot be recovered before such conversion, then, nothing contained in sub-section (1) shall apply to any person who was a director of such private company in relation to any tax, interest or penalty in respect of such supply of goods or services or both of such private company: Provided that nothing in sub-section (1) shall apply to any personal liability of directors of private company. Provided that nothing in sub-section (1) shall apply to any personal liability imposed on such director.

102 Any contract to the contrary and any other law for the time in force, where any firm is liable to pay any tax, interest or penalty under this Act, the firm and each of the partners of the firm shall, jointly and severally, be liable for such payment: Provided that where any partner retires from the firm, he or the firm, shall intimate the date of retirement of the said partner to the other partners by a notice in that behalf in writing and such the Co-partner shall be liable to pay interest or penalty due up to the date of his retirement whether determined or not, on that date: Provided further if no such intimation given within one month from the retirement, the liability of such partner under the first proviso shall continue until the date on which such intimation is received by the Commissioner.

91. 93. 31 of 2016 Where the business in respect of which any interest or penalty is payable under this Act is, carried on by any guardian, trustee or agent of minor or other incapacitated person on behalf of and for the benefit of such minor or other person, the tax, interest or penalty shall be levied upon and recoverable from such guardian, trustee or agent in like manner and to the extent as it would be determined and recoverable from any such minor or incapacitated person, as if he were a major or capacitated person and as if he were conducting the business himself, and all the provisions of this Act shall apply accordingly. Where the estate or any portion of the estate of a taxable person owning a business in respect of which any tax, interest or penalty is payable under this Act is under the control of the Court of Wards, the Administrator General, the Official Trustee or any receiver or manager. (including any person, whatever be his designations who in fact manages the business) appointed by or under any order of a court, the tax, interest or penalty shall be levied upon and be recoverable from such Court of Wards, Administrator General, Official Trustee, receiver or manager in like manner and to the extent as it would be determined and be recoverable from the taxable person as if he were conducting himself, and all the provisions of this Act shall apply accordingly. (1) As otherwise provided in the Insolvency, and Bankruptcy Code, 2016, where a person, liable to pay tax, interest or penalty under this Act, dies, then- (a) if a business carried on by the person is continued after his death by this legal representative or any other person, such legal or other person, shall be liable to pay tax, interest — Ity due from such person under this and Liability of partners firm to pay the liability of guardians, trustees etc. Liability of Court of Wards etc. Special provisions regarding liability to pay tax, interest or penalty in certain cases. 103 (b) if the business carried on by the person is discontinued whether before or after his death, his legal representative shall be liable to pay, out of the estate of the deceased, to the extent to which the estate is available for meeting the charge, the tax, interest or penalty due from such person under this Act whether such tax, interest or penalty has been determined before his death but has remained unpaid or is determined after his death. 31 of 2016 31 of 2016 31 of 2016 (2) (3) (4) Save as otherwise provided in the Insolvency and Bankruptcy Code, 2016, where a taxable person, liable to pay tax, interest or penalty under this Act, is a Hindu undivided family or an association of persons and the property of the Hindu undivided family or the association of persons is partitioned amongst the members, then, each or any of them shall, jointly and severally, be liable to pay the tax, or penalty due from the taxable person under this Act up to the time of the partition whether such tax

Penalty or interest determined before partition but has remained undetermined after the partition. as otherwise provided in the Insolvency and Bankruptcy Code, 2016 where a taxable person, liable to pay tax, interest or penalty under this Act, is a firm, and the firm is dissolved, then, every person who was a partner shall, jointly and severally, be liable to pay the interest or penalty due from the firm under this Act upto the time when the interest or penalty has been determined before the dissolution, but has remained unpaid or undetermined thereupon. (Save as otherwise provided in the Insolvency and Bankruptcy Code, 2016, where a taxable person liable to pay tax, interest or penalty under this Act— (a) is the guardian of the person on whose behalf the business is carried by the guardian; or (b) is a trustee who carries on the business under a trust for a beneficiary, then, if the guardianship is terminated, the ward or the beneficiary shall be liable to pay the tax, interest or penalty due from the taxable person upon the termination of the guardianship or trust, whether such tax, interest or penalty has been determined before the termination of guardianship or trust but has remained unpaid or is determined thereafter. 94. 104 (1) Where a taxable person is a firm or an association of persons or a Hindu undivided family and such firm, association or family has discontinued business- (a) "the tax, interest or penalty payable under this Act by such firm, association or family up to the date of such discontinuance may be determined as if no such discontinuance had taken place; and (b) every person who, at the time of such discontinuance, was a partner of such firm, or a member of such association or family, shall, notwithstanding such discontinuance, and severally, be liable for the payment of tax and interest determined and penalty imposed and payable by such firm, association or family, whether such tax and interest have been determined or penalty imposed prior to or after such discontinuance and subject as aforesaid, provisions of this Act shall, so far as may be, apply as if every such person partner or member were himself a taxable person. (2) Where a change has occurred in the constitution of a firm or of an association of persons, before and as it exists after the reconstitution, shall, without prejudice to the provisions of section 90, jointly and severally, be liable to pay tax, due from such firm or association for any period before its reconstitution. (3) The provisions sub-section (1) shall, so far as may be, apply where the taxable person, being a firm or association of persons is dissolved or where the taxable person, being a Hindu undivided family, has effected partition with respect to the business carried on by it and accordingly references in that sub-section to discontinuance shall be construed as reference to dissolution or, as the case may be, to partition. Liability in other Explanation:-For the purposes of this Chapter,- (a) 743 of 2012 (b) a "Limited Liability Partnership"

formed and registered under. the provisions of the Limited Liability Act, 2012 shall be considered as a firm;

"court" means the court, High Court or Supreme Court. 95. 96. 105 In this 'unapplied' unless required, - (a) "advance ruling" means a decision provided by the Authority to an applicant on matters or on questions specified in Sub-section (2) of section 97 or sub-section (2) of section 100, in relation to the supply of goods undertaken or proposed to be undertaken by the applicant; (b) "Appellate Authority" means the Appellate Authority for Advance Ruling constituted under section 99. (c) registered or eligible for obtaining registration under this Act; (d) "Application" means an application made to the Authority under sub-section (1) of section 97; (e) "Authority" means the Authority for Advance Ruling, constituted under Section 96; (1) The Government shall, by notification, constitute an Authority to be known as the Manipur Appellate Authority for Advance Ruling: Provided that the Government may, on the recommendation of the Council, notify any Authority located in another State to act as the Authority for the State, 97. (2) The Authority shall consist of- (i) one member from amongst the officers of central and (ii) one member from amongst the officers of State tax, to be appointed by the Central Government and the State Government respectively. (3) The qualifications, the method of appointment of the members and the terms and conditions of their services shall be such as may be prescribed. (1) An application for obtaining an advance ruling under this Chapter may be made in such form and manner and accompanied by such fee as may be prescribed* stating the question on which the advance ruling is sought. 3f Definitions. Constitution of Authority for Advance Ruling. Application for advance ruling. (2) 106 The question on which the advance ruling is sought under this Act, shall be with respect to, - (a) classification of any goods or services or both; (b) notification under the provisions of this Act; (c) determination of the value added to the supply of goods or services or both; 98. admissibility of input tax credit of tax paid or deemed to have been paid: (e) determination of the liability to pay tax on any goods or services or both; (f) whether an applicant is required to be registered; (g) whether a particular transaction is done with respect to goods or services or both and amounts to or represents in a supply of goods or services or both, within the meaning of that term. (1) On receipt of an application the Authority shall cause a copy thereof to be forwarded to the concerned officer and, if necessary, call upon him to furnish relevant records: Provided that any records have been called for by the Authority in any case, such records shall be returned to the said concerned officer. (2) The Authority may, after examining the application and the records called for and after hearing the applicant or his authorised representative and the concerned officer or his authorised representative, by order, either admit or reject the application: Provided that the Authority shall not admit the application where a question raised in the application is already pending or decided in any proceedings in the case of an applicant under any of the provisions of this Act: Provided further that no application shall be rejected under this sub-section unless an opportunity of hearing has been given to the applicant: Provided also that where an application is rejected, the reason for such rejection shall be specified in the order. (3) A copy of every application under sub-section (2) shall be sent to the applicant and to the concerned officer. 99. 107 (4) Where an application is admitted under sub-section (2), the Authority shall examine such further material as may be placed before it by the applicant or obtained by the Authority and after being heard by the applicant or his authorised representative as well as by the concerned officer or his authorised representative, pronounce its advance ruling on the question specified in the application. (5) Where the members of the Authority differ on any question on which an advance ruling is sought, they shall state the point or points on which they differ and make a reference to the Appellate Authority for hearing and decision on such question. (6) The Authority shall pronounce its advance ruling within ninety days from the date of receipt of application. (7) A copy of the advance ruling pronounced by the Authority duly signed by the members and certified in such manner as may be prescribed shall be sent to the concerned officer and the jurisdictional officer after such pronouncement. The Government shall, by notification, constitute an Authority to be known as the Manipur Appellate Authority for Advance Ruling for Goods and Services Tax for hearing appeals against the ruling pronounced by the Advance Ruling Authority consisting of- (i) the Chief Commissioner of Central tax as Deputy Commissioner; and (ii) the Commissioner: Provided that the Government may, on the recommendations of the Appellate Authority for Appeal to the Appellate Authority of the Council, notify any Appellate Authority located in another State or Union territory to act as the Appellate Authority for the 100. (1) The concerned officer, the jurisdictional officer of an applicant aggrieved by any advance ruling pronounced under sub-section (4) of section 98, may appeal to the Appellate Authority. (2) Every appeal under this section shall be filed within a period of 30 days from the date on which the ruling is made, or is communicated to the concerned officer, the jurisdictional officer and the applicant: 108 Provided

that the Authority may, if it is satisfied that the appellant was prevented by a sufficient cause from presenting the appeal within the said period of thirty days, allow it to be presented within a further period not exceeding thirty days* (3) Every appeal under this section shall be in such form, accompanied by such fee and verified in such manner as may be prescribed. 101. (1) The Appellate Authority may, after giving the parties to the appeal or reference an opportunity of being heard, pass such order as it thinks fit, confirming or: modifying the ruling appealed against or referred to. (2) The order referred to in sub-section (1) shall be passed within a period from the date of filing of the appeal under section 100 or a sub-section (5) of section 98. (3) Where the Appellate Authority differs on point or referred to in appeal or reference, it shall be deemed that no advance ruling can be issued in respect of the question under the appeal or reference. (4) A copy of the advance ruling pronounced by the Appellate Authority duly by the Member and certified in such manner as may be prescribed shall be sent to the applicant, the concerned officer, the jurisdictional officer and to the Authority after such pronouncement; 102. The Authority or the Appellate passed by it under section 98 or section 101, so as to rectify any error apparent on the face of the record, if such error is noticed by the Authority or the Appellate Authority on its own accord, or is brought to its notice by the concerned officer or the jurisdictional officer or the applicant within a period of six months from the date of the order:

Provided that no rectification which has the effect of enhancing the tax liability or reducing the amount of admissible input tax credit shall be made if the applicant or the appellant has been given an opportunity of being heard. 103. (1) The advance ruling by the Authority or the Appellate Authority under this Chapter shall be binding only — Orders of Authority. = Cancellation of advance ruling. (a) on the applicant where it is in respect of any matter in which section 97 for advance 5 of 1908 2 of 1974 45 of 1860 109 (b) on the officer in respect (2) The advance ruling referred to in sub-section (1) shall be binding unless the law, facts or circumstances supporting the advance ruling have changed. 104. (1)

Where the Appellate Authority finds that an advance ruling under sub-section (4) of section 98 or under sub-section (1) of section 101 has been obtained by the applicant or the appellant by fraud or suppression of material facts or (if facts, it may, by order, declare such ruling to be void ab initio and thereupon all the provisions of this Act or the rules thereunder shall apply to the applicant as if such advance ruling had never been made: Provided that no order shall be passed under this sub-section unless an opportunity of being heard has been given to the applicant Explanation:- The period with date of such advance ruling and ending with the date of order shall be while computing the period specified in sub-sections (2) and (10) of section 73 or sub-section (10) of section 74. (2) A copy of the order made under sub-section (1) shall be sent to the applicant, the concerned officer and the jurisdictional officer. 105. (1) The Authority or the Appellate Authority shall, for the exercise of powers - (a) disciplinary and inspection (b) enforcing the attendance of any person and examining him on oath; (c) issuing of books of account and records, be deemed to be a civil court for the purposes of section 195, but not for the purposes of Chapter XXVI of the Code of Criminal Procedure, 1973, and proceedings before the Authority or the Appellate Authority shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228, and for the purposes of section 196 of the Indian Penal Code. 106. The Authority or the Appellate Authority shall, subject to the provision in this Chapter, have power to regulate its own procedure. Advance ruling to be void in certain circumstances. Powers of Authority and Appellate Authority. Procedure before Authority and Appellate Authority. 107. (1) (2) (3) (4) (5) (6)

110 CHAPTER-XVIII APPEALS AND REVISION Any person by any decision or order passed under this the Central Goods and Services Tax Act by an authority may appeal to such Appellate Authority as may be within three months from the date on which the said decision or order is communicated to such person; The may, on his own motion, or upon request from the Commissioner of central tax, can for and examine the record of any proceeding in which an adjudicating authority has passed any decision or order under this Act or the Central Goods and Services Tax Act, for the purpose of satisfying himself as to the legality or propriety of the said decision or order and may, by order, direct any officer subordinate to him to attend to the Appellate Authority within six months from the date of communication of the said decision or order for the purpose of such points arising out of the said order as may be by the Commissioner in his order, Where, in pursuance of an order under sub-section (2), the authorised officer makes an application to the Appellate Authority, such application shall be dealt with by the Appellate Authority as if it were an appeal made by the decision or order of the adjudicating authority and such authorised officer and the provisions of this Act relating to appeals shall apply to such application. 'Where, if he is satisfied that the appellant was prevented by a sufficient cause from presenting

the appeal within the aforesaid period of three months or six months, as the case may be, allow it to be presented within a further period of one month. Every appeal under this shall be in such form and shall be verified in such manner as may be prescribed. No appeal shall be filed under sub-section (1), unless the appellant has paid— (a) in full, such part of the amount of tax, interest, fine and penalty arising from the appeal as is admitted by him; and Appeals to Authority. (7) (8) (9) (11) (b) a sum equal to ten per cent. of the remaining amount of tax in dispute arising from the said order, in relation to which the appeal has been filed. Where the appellant has paid the amount under sub-section (6), the recovery proceedings for the balance amount shall be deemed to be stayed. The Appellate Authority shall give an opportunity to the appellant to be heard. The Appellate Authority may, if sufficient cause is shown at any stage of the appeal, allow time to the parties or any of them and adjourn the hearing of the appeal for reasons to be recorded in writing: that no such adjournment shall be more than three times to a part of the appeal. (10) The Appellate Authority may, at the time of hearing of an appeal, allow an appellant to add any ground of appeal not in the grounds of if it is satisfied that the omission of that ground from the grounds of appeal was not willful or unreasonable, (11) The Appellate Authority shall, after making such further inquiry as may be necessary, pass such order, as it thinks just and proper, confirming, modifying or annulling the decision or order appealed against but shall not refer the case back to the adjudicating authority that passed the said decision or order: Provided that an order enhancing any fee or penalty or fine in lieu of confiscation or confiscating goods of greater value or reducing the amount of refund or input tax credit shall not be passed unless the appellant has given a opportunity of showing cause against the proposed order: Provided further that where the Appellate Authority is of the opinion that any tax has not been paid or short-paid or erroneously refunded, or where input tax credit has been wrongly availed or utilised, no order requiring the appellant to pay such tax or input tax credit shall be passed unless the appellant is given notice to show cause against the proposed order and the order is passed within the time limit specified under section 73 or section 74. (12) The order of the Appellate Authority disposing of the appeal shall be final and binding and shall state the points for determination, the decision thereon and the reasons for such decision. (13) The Appellate Authority where it is possible to do so, hear and decide every appeal within a period of one year from the date on which it is filed: Provided that where the issuance of order is stayed by an order of a court or Tribunal, the period such stay shall be excluded in computing the period of one year. (14) On disposal of the appeal, the Appellate Authority shall pass by it to the appellate authority, as a copy of the order passed by the Appellate Authority shall also be to the Commissioner or the authority designated by him in this behalf and the jurisdiction of the Commissioner or an authority designated by him in this behalf. (16) Every order passed under this section shall, subject to section 108, be final and binding on the parties. Subject to the provisions of section 121 and any rules made thereunder, the Provisional Authority may on his own motion, or upon information received by him or on request from the Commissioner of central tax, call for and examine the record of any proceedings, and if he considers that any decision or order passed under this Act or under the Central Goods and Services Tax Act, 1992 by any officer subordinate to him is erroneous in so far as it is prejudicial to the interest of revenue and is illegal or improper or has not taken into account certain material facts, whether available at the time of issuance of the said order or not or in consequence of an observation by the Comptroller and Auditor General of India, he may, if necessary, stay the operation of such decision or order for such period as he deems fit and after giving the person concerned an opportunity of being heard and after making such further inquiry as may be necessary, pass such order, as he thinks just and proper, including enhancing or modifying or annulling the said decision or order. The Revisional Authority shall not exercise any power under sub-section (1), if— Powers of Revisional Authority. (113) (a), the order has been subject to an appeal under section 107 or section 117 or section 118; or (b) the period specified under sub-section (2) of section 107 has not yet expired or more than three years have passed since the decision sought to be revised; or (c) the order has already been taken for revision under this section at an earlier stage; or (d) the order is under appeal in the Revisional Authority. (1) on any point which has been decided in an appeal referred to in clause (a) of (2), before the expiry of a period of one year from the date of the order in such appeal or before the expiry of five years referred to in clause (b) of that sub-section, whichever is later. (4) (5) (6) Every order under sub-section (1) shall, subject to the provisions of section 113 or section 117 or section 118, be final and on appeal to the Appellate Tribunal or the High Court its decision in any proceedings and an appeal to the High Court or the Supreme Court against such decision of the Appellate Tribunal or the High Court is

pending, the period between the date of the decision of the Appellate Court and the date of the decision of the Court of Appeal or the date of the High Court and the date of the Supreme Court shall be added in the period referred to in clause (b) of sub-section (2) for having been by way of a notice under this section.

Where the issuance of an order under section (1) is stayed by the order of a court QL Appealate Mbunal, the period of such stay shall extend in computing the period of time in déuge (b) of sub- For the purposes of this section, the term "record" shall include all records relating to any thing at the time of by the 109. (2) The 114 (ii) decisions of the Appellate Tribunal include intimation given by any officer inferior in rank than the Revisional Authority. Suggestions provisions of this Goods and Immutational consuetudine undet- ffe Central *and SertiÜ hct shall be file .Appellate Tribunal for Khoring apiears against ffe orders passed by the Appellate Authority or the Revisional Authority under this Act. [The cor>Situation of the State Bench and the Area Bendas béate4 iA.t.IF State ?hall be in accordance with provisions of section 109 of the Services Tax Act or the rules made thereunder, Qpæiait, salary and allowances, Appellate Tribunal Benches thereof. Prsi&it and of Appellate Tribunal, their qualification, Appointment, con of service, etc. Procedure before Appellate Tribunal. 5 of 1908 5 of 1908 1 of 1872. terms of office, removal of the President and Members of the Area Benches shall be in accordance with die of section 11.0 of the Central Goods and Services Tax Act 111. disposing of any proceedings it or an appeal before it; be bound by the procedure in the Civil Procedure, 1908, but shall be guided by the principles of natural justice and subject to the other provisions of this and Nrzul— made thereunder, the Appellate shall have its own procedure. (2) It shall for, of discharging it & functions under this the same powers as vested in a court under Code of Civil Procedure, 1908 while trying a suit in respect of the following matters, namely:— (a) and attendance of any witness and examining him on oath; (b) Examining the contents and of documents; (c) receiving evidence on affidavits; provisions of sections 123 and 124 of; Act, 1872, requisitioning any or a copy of such record or document Ziy of; (e) issuing commissions for the examination of witnesses or documents; (f) dismissing a representation filed due her deciding matter; (g) Order: of any passed by it ex parte; and 450 of 1860 20 of 1974 115 (h) anything else (3) Any order made by the Appellate Tribunal may be enforced by it in the same manner as if it were a decree made by a court in a suit pending therein, and it shall be lawful for the Appellate Tribunal for execution of orders to the court within the local jurisdiction,— (a) in the case of an order against a company, the registered office of the company is situated; or (b) person concerned resides or carries on business or personally works for gain. (4) All before the Appellate Tribunal shall be deemed to be within the of sections 193 and 128, "d for the purposes of sections 1% of the Indian Code, and the Appellate Tribunal shall to be civil court for the purposes of section 195 add Chapter XXVI of the Code of Criminal Procedure 1973, 112. (1) Any person aggrieved by an order passed against him under section 107 or section 108 of this Act or the Central Goods and Services Tax Act may appeal to the Appellate Tribunal against such order within three months from the date on which the order ought against is communicated to the person preferring the appeal (2) The Appellate Tribunal may, in its discretion, refuse to admit any such appeal where the tax or input tax credit involved or the difference in tax or input tax credit involved or the amount of fine, or penalty determined by such order; does not exceed fifty (3) The Commissioner may, on his own motion, or upon request from the Commissioner of Income-tax, call for and examine the record of any by the Appellate Authority or the under this Act or under the Central Goods And Service Tax Act for the purpose of satisfying himself as to the legality of the order and may, directly or indirectly any officer subordinate to him to enquire into the Appellate Tribunal within months from the date on which the said order has been passed for determination of points arising out of the said order as may be specified by the Commissioner in his order. Appellate Tribunal Tiffur AL, (4) (5) (6) 116

Where in pursuance of an order under sub-section (3) the authorized officer makes an application to the Appellate Tribunal, such application shall be dealt with by the Appellate Tribunal "if it were an appeal made against the order under sub-section (11) of section 107 or under section 108 and the provisions of this Act shall to such application, as they apply in relation to appeals filed under sub-section (1). On receipt of notice that an appeal has been preferred this section, the party against whom appeal has been preferred may, he may not have appealed against such order or any part thereof, file, within forty-five days of the receipt of notice, a memorandum of cross-objections, verified in the prescribed manner, and any part of the order appealed against and such memorandum shall be disposed of by the Appellate Tribunal, as if it were an appeal presented within the time specified in sub-section (i). The Appellate Tribunal may admit appeal within three months of the period referred to in sub-section (1), or permit filing of a memorandum of cross-objections within forty-five days after the expiry of the period referred to in sub-section (5), if it is satisfied that

theewas •wmcient cause for it within that period. An apFäl to the Appellate Tribunal shall be in such form, verifieå WÜhmanner and shall be accompanied by such fee, amay be prescribed. (8) No appeal shall be filed under sub-section the appellant has paid— (a) in fulkarchpart of the amount ofux, interest, fine, fee arising from the impugied order, as is admitted by him, and (b) a sum eq to twenty per cent. of the remaining amount o tax in dispute, in addition to the amount paid under sub-section (6) of the section 107, arising from the 6rder, in reladon to whid the appeal has beal filed. (9) Where the apdlant has paid thenamount as per sub- section (8), the recovery proceedingp for the bdance amount shall be deemed to be stayed till the disposal of the appeal (10) Every application made before the Appelhte Tribunal, — 117 (a) 'in an appeal for recification of error or for any other purpose, or (b) Tor restoration of an aÉpeal or an application, shall be by such &ésas may be prescribed. 113. (l) The Appellate Tribunal may, after giving the parties to the *ppeal an- opportunity of being heard, pass such orders thereon as it thinks fit, confirming, modifring or aßnullinkg the decision or order appealed against or mayfrefer the case to the Appellate Authority, or the Revisional Auåority or to the original adjudicating wiff sud directions ag it may think fit, for a freshc decision after taking addiüonal evidence, if necessary. (2) 'The Ap&tefribunal may, ifsufficientcause is ±bwn, at any stage of hearing of an appeal, gram-&e to the parties or any of them and adjourn the hearing of the appeal for reasons to be recorded in writing: Provided thn rib such adjournment shall be granted more than three times to a party during hearing ofthe appeal. (3) Tie Appellate Tribunal may amend any order passed by (1) so as to recti& any error apparent on the face oftherecord, if such emor is noticed by it on its own accord, or is brought to its by the Commissioner or the Commissioner of central tax or the other party to the appeal within a period of three months from the date of the •order: Provided that no amendment which has the effect ofenhancing an assessment or reducing a refund or input tax credit or otherwise increasing the liability of the other party, shall be made tinder this sub-section, unless the party has been givai an opportunity of being heard. (4) 'The Appellate Tf%unal shall, asfar as possible, hear and decide every appeal within a period of year from the date on which it is filed. (5) 'The Appellate Tribunal shall send a copy of every order passed under this section to the Appellate Authority or the Revisional Authority, or the original adjudicating authority, as the case may be, the appellar* and the Commissioner or the jurisdictional Commissioner of 'Central tax. (6) Save as provided in section 117 or section 118, orders passedbythe Appellate Tribunal on an appeal shall be final and binding on the parties. Or&rs of Appellate Mbunal. 118 114, The State President shall exercise.. Qich Efimncial and administrative powers over the State Bemh and Area Benches of the Appellate Tribunal in a State, as may be prescribed: Pmyided that the State Preddent shall•Azye the authority,tp delegate such of his financial and administrative powers as he may think fit to any other Member or anyoficer of the State Bench Area Benches, subjectto the condition that such Member .or oficer shall While exercising such delegated powers, continue tö act under the direction, control and supervision of the State Presideht

115. Where an amount paid by the appellant und% sub-section (6) of section 107 or under sub-section (8) of ection 112 is required to be refunded consequent to any.order of the Appellate Authority or of the Appellate Tribunal, interest at the rate spcfied under section 56 shall bepayable inrespect of such refund from the date of payment of the amount till the date of refund of sich amount. 116. (l) Any person who is entitled or required to appear before an oficer appointed under this Act, or the Appellate Authority or the Appellate Tribunal in connection with any proceedi. under -this Act, may, otherwiSe than .:when required under this-Act to appar personally eforzami.nation on oåh or afirmathn; subject to the pravmensofthis section, appear by an authorised representative (2) For the ofthis Mithe "a±rised representative" shall mean a person authorised by the person referreåto irfsub-secüön (1) t8 appear on his (a) his relaüveorregular employee; or (b) an advocate who is entitled to practice in any court in India, and who has Mt been debarrd from before any court in India; or (c) any chartered accountant, a cost accountant or a company secretary, who hdds a certificate of pracüce and has not been debarred from practice; or (d) aretiredoficer ofthe Cotpmerqai?l. TmDepartnrnt of any State Govemnt or l..JQion or of the Board who, during his service uno,æ the , had worked in a pqst not below the rank than thatof a Group-B Gazetted,oficer for a period of not less than two years.' Financial administrative power - State President. Interest on refund of amount paid for admission of appeal. Appeårance by authorised representah 119 Provided that stith oficer shall not,-be eifitledt to' appear before any proceedings iinde this Äët förperiod of oneye& from the date of his retireme't or-resignation} br (e) any; persoffü:io 'has b?en authorised "to Qét as a goods and serviéessta*ractitioner Qn behÄf of the concemed regstered persöß: (3) •t No Person,

— (a) who has been convicted of an offence connected with any Goods and Services Tax Act or the Goods and Services Tax Act or the Territory Services Tax Act, or the preceding law includes any of the Acts passed by a State Legislature dealing with the sale of goods or supply of goods or or both; or (c) who has been appointed as an agent shall be qualified to represent any person under sub-section (i) for all in case of persons to in and (ii) for the period during which the insolvency continues in the case of a person referred to in clause (d). (4) Any person who has been disqualified under the provisions of the Central Goods and Services Tax Act or the Goods and Services Tax Act of any other State or the Goods and Services Tax Act shall be disqualified under this Act 117. (1) Any person aggrieved by any order passed by the State Bench or Area Benches of the Appellate Tribunal may file an appeal to the High Court and the Court may grant such appeal, if it is satisfied that the case involves a substantial question of law. (2) An appeal under sub-section (1) shall be filed within a period of one hundred and eighty days from the date on which the order is made and it shall be in such manner as may be prescribed: Provided that the High Court may entertain an appeal after the expiry of the said period if it is satisfied that there is sufficient cause for not filing it within such period. (3) Where the High Court is satisfied that a substantial question of law is involved in any case, it shall formulate that question and the appeal shall be heard only on the question so formulated, and the respondents shall, at the hearing of the appeal, be allowed to argue that the case does not involve such question: Provided that nothing in this sub-section shall be deemed to take away or abridge the power of the court to hear, for reasons to be recorded, the appeal on any other substantial question of law not formulated by it, if it is satisfied that the case involves such question. (5) (6) (7) (8) 5 of 1908 118. (1) The High Court shall decide the question of law so formulated and determine: such judgment thereon. containing the grounds on which such decision is founded and may award such costs as it deems fit. The High Court may determine any issue which— (a) has not been determined by the State Bench or Area Benches (b) has been wrongly determined by the State Bench or Area Benches, by reversal of a decision on such question of law as herein referred to in sub-section. Where an appeal has been filed before the High Court, it shall be heard by a Bench of not less than two Judges of the High Court and decided in accordance with the opinion of such Judges or of the majority, if any, of such Judges. Where there is no such majority, the Judges shall state the point of law upon which they and the case shall, then, be heard upon that point by one or more of the other Judges of the High Court and such point shall be decided according to the opinion of the Judges who have heard the case including those who first heard it. Where the Court delivers a judgment in an appeal filed under this section, a copy shall be given to such judgment by either side on certified copy of the judgment: Save as otherwise provided in this Act, the provisions of Code 1908, relating to appeals to the High Court, as far as they apply in the case of appeals under this section. An appeal shall lie to the Court— (a) from any order passed by the State Bench or Area Benches of the Appellate Tribunal; or Appeal to Supreme Court. (2) 5 of 1908 (3) 121 (b) from any judgment or order passed by the High Court in an appeal made under section 117 in any case which, on its own motion or on an application made by or on behalf of the party aggrieved, immediately after passing of the judgment or order, the High Court certifies that it is fit for appeal to the Supreme Court. The provisions of the Code of Civil Procedure, 1908, relating to appeals to the Supreme Court shall, so far as may be, apply in the case of appeals under this section as they apply in the case of appeals from decrees of a High Court. Where the judgment of the High Court is varied or reversed in the appeal, effect shall be given to the order of the Supreme Court in the manner provided in section 117 in the case of a judgment of the High Court

119. Notwithstanding that an appeal has been preferred to the High Court or the Supreme Court, sums due to the Government as a result of an order passed by the National or Regional Benches of the Appellate Tribunal under sub-section (1) of section 113 or an order passed by the State Bench or Area Benches of the Appellate Tribunal under sub-section (1) of section 113 or an order passed by the High Court under section 117, as the case may be, shall be payable in accordance with the order so passed. Sums due to be paid notwithstanding appeal etc. Appeal not to be filed in certain cases. 120. (1) (2) (3) The Commissioner may, on the recommendations of the Council, from time to time, issue orders or instructions or directions fixing such monetary limits, as he may deem fit, for the purposes of regulating the filing of appeal or application by the officer of the State tax under the provisions of this Chapter. Where, in pursuance of the orders or instructions or directions issued under sub-section (1), the officer of the State tax has not filed an appeal or application against any decision or order passed under the

provisions of this Act, it shall not preclude such officer of the State tax from filing appeal or application in any other case involving the same or similar issues or questions of law. Notwithstanding the fact that no appeal or application has been filed by the officer of the State tax pursuant to the orders or instructions or directions issued under sub-section (1), no person, being a party in appeal or application shall contend that the officer of the State tax has acquiesced in the decision on the disputed issue by not filing an appeal or application. (4) 122 The Appellate Tribunal or court hearing such appeal or application shall have regard to the circumstances under which appeal or application was not filed by the officer of the State tax in pursuance of the orders or instructions or directions issued under sub-section (1)

121. Notwithstanding anything to the contrary in any provisions of this Act, no appeal shall lie against any decision taken or order passed by an officer of State tax if such decision taken or order passed relates to any one or more the following matters, namely:—Non Appealable decisions and orders. (a) (b) (c) (d) an order of the Commissioner or other authority empowered to direct transfer of

proceedings from one officer to another officer; or an order pertaining to the seizure or retention of books of account, register and other documents; or an order sanctioning prosecution under this Act; or an order under section 80. 122. (1) 123 Mx OFFENCES PENALTIES Where a taxable person who— (i) supplies any goods or services or both without issue of any invoice or issues an incorrect or false invoice with regard to any such supply; (ii) issues any invoice or bill without supply of goods or services or both in violation of the provisions of this Act or the rules made thereunder, (iii) collects any amount as tax but fails to pay the same to the Government beyond a period of three months from the date on which such payment becomes due; (iv) collects any tax in contravention of the provisions of this Act but fails to pay the same to the Government beyond a period of three months from the date on which such payment becomes due; (v) fails to deduct the tax in terms of sub-section (1) of section 51, an amount which is less than the amount required to be deducted under the said sub-section, or where he fails to pay to the Government under sub-section (2) thereof, the amount deducted as tax; (vi) fails to collect tax in terms of sub-section (1) of section 52, or collects an amount which is less than the amount, required to be collected under the said sub-section or where he fails to pay to the Government the amount collected as tax under sub-section (3) of Section 52; (vii) takes or, utilizes input tax credit without actual receipt of goods or services or both either fully or partially, in contravention of the provisions of this Act or the rules made thereunder; (viii) fraudulently obtains refund of tax under this Act; (ix) takes or distributes input tax credit in contravention of section or the rules made thereunder; (x) falsifies or substitutes financial records or produces fake accounts or documents or furnishes any false or return with an intention to evade payment of tax; due under this Act: Penalty for certain offences. (xi) (xii) (xiii) (xiv) (xv) (xvi) (xvii) (xviii) (xix) (XX) (xxi) 124 is liable to be registered under this Act but fails to obtain registration; furnishes any false information with regard to registration particulars, either at the time of applying for registration, or subsequently; obstructs or prevents any officer in discharge of his duties under this Act; transports any taxable goods without the cover of documents as may be specified in this behalf; suppresses his turnover leading to evasion of tax under this Act; fails to keep, maintain or retain books of account and other documents in accordance with the provisions of this Act or the rules made thereunder; fails to furnish information or documents called for by an officer in accordance with the provisions of this Act or the rules made thereunder or furnishes false information or documents during any proceedings under this Act; supplies, transports or stores any goods which he has reasons to believe are liable to confiscation under this Act; issues any invoice or document by using the registration number of another registered person; tampers with, or destroys any material evidence or documents; disposes off or tampers with any goods that have been detained, seized, or attached under this Act, he shall be liable to pay a penalty of ten thousand rupees or an amount, equivalent to the tax evaded or the tax not deducted under section 51 or short deducted or deducted but not paid to Government or tax not collected under section 52 or short collected or collected but not paid to the Government or input tax credit availed of or passed on or distributed irregularly, or the refund claimed fraudulently, whichever is higher. (2) Any registered person who supplies any goods or services or both on which any tax has not been paid or short-paid or erroneously refunded, or where the input tax credit has been wrongly availed or utilised for any reason, other than the reason of fraud or willful misstatement or suppression of facts to tax, shall be liable to a penalty of ten thousand rupees or ten per cent of the tax due from such person, whichever is higher. (3) 125 Any person who- (a) aids or abets any of the offences specified in clauses (i) to (xxi) of sub-section (1); (b) acquires possession of, or in any way concerns

himself in transporting, removing, depositing, keeping, concealing, supplying, or purchasing or in any other manner deals with any goods which he knows or has reasons to believe are liable to confiscation under this Act or the rules made thereunder; (c) receives or is in anyway concerned with the supply of, or in any other manner deals with any supply of services which he knows or has reasons to believe are in contravention of any provisions of this Act or the rules made thereunder; (d) fails to appear before the officer of State tax, when issued with a summon for appearance to give evidence or produce a document in an inquiry; (e) fails to issue invoice in accordance with the provisions of this Act or the rules made thereunder or fails to account for an invoice in his books of account, shall be liable to a penalty which may to twenty five thousand rupees

123. If a person who is required to furnish an information return under section 150 fails to do so within the period specified in the notice issued under sub-section (3) thereof, the proper officer may direct, that such person shall be 'liable to pay a penalty of one hundred rupees for each day of the period during which the failure to furnish such return continues: Provided that the penalty imposed under this section shall not exceed five thousand rupees

124. If any person required to furnish any information or return under section 151—(a) without reasonable cause fails to furnish such information or return as may be required under that section, or (b) willfully furnishes or causes to furnish any information or return which he knows to be false, he shall be punishable with a fine which may extend to ten thousand rupees and in case of a continuing offence to a further fine, which may extend to one hundred rupees for each day after the first day during which the offence continues subject to a maximum limit of twenty-five thousand rupees

125. Any person, who contravenes any of the provisions of this Act or any rules made thereunder for which no penalty is separately provided for in this Act, shall be liable to a penalty which may extend to twenty five thousand rupees.Penalty Or failure to furnish information return. Fine for failure to furnish statistics. General penalty. 126. (1) 126 No officer under this Act shall impose any penalty for minor breaches of tax regulations, or procedural requirements and in particular, any omission or mistake in documentation which is easily rectifiable and made without fraudulent intent or gross negligence. Explanation:-For the purpose of this sub-section,- (2) (3) (4) (5) (6) (a) a breach shall be considered a 'minor breach' if the amount of tax involved is less than five thousand rupees; (b) an omission or mistake in documentation shall be considered to be easily rectifiable if the same is an error apparent on the face of record. 'The penalty imposed under this Act shall depend on the facts and circumstances of each case and shall be commensurate with the degree and severity of the breach No penalty shall be imposed on any person without giving him an opportunity of being heard. 'The officer under this Act shall while imposing penalty in an order for a breach of any law, regulation or procedural requirement, specify the nature of the breach and the applicable law, regulation or procedure under which the amount of penalty for the breach has been specified. When a person voluntarily discloses to an officer under this Act the circumstances of a breach of the tax law, regulation or procedural requirement prior to the discovery of the breach by the officer under this Act, the proper officer may consider this fact as a mitigating factor when quantifying a penalty for that person. The provisions of this section shall not apply in such cases where the penalty specified under this Act is either a fixed sum or expressed as a fixed percentage

127. Where the proper officer is of the view that a person is liable to a penalty and the same is not covered under any proceedings under section 62 or section 63 or section 64 or section 73 or section 74 or section 129 or section 130, he may issue an order levying such penalty after giving a reasonable opportunity of being heard to such person

128. The Government may, by notification, waive in part or full, any penalty referred to in section 122 or section 123 or section 125 or any late fee referred to in section 47 for such class of taxpayers and under such mitigating circumstances as may be specified therein on the recommendations of the Council.General disciplines related to penalty. Power to impose penalty in certain cases. Power to waive penalty or fee or both 127 129. (1) Notwithstanding anything contained in this Act, where any person transports any goods or stores any goods while they are in transit in contravention of the provisions of this Act or the rules made thereunder, all such goods and conveyance used as a means of transport for carrying the said goods and documents relating to such goods and conveyances shall be liable to detention or seizure and after detention or seizure, shall be released,- (a) on payment of the applicable tax and penalty

equal to one hundred per cent. of the tax payable on such goods and, in case of exempted goods, on payment of an amount equal to two per cent of the value of goods or twenty five thousand rupees, whichever is less, where the owner of the goods comes forward for payment of such and penalty; (b) on payment of the applicable tax and penalty equal to the fifty per cent. of the value of the goods reduced by the tax amount paid thereon and, in case of exempted goods, on payment of an amount equal to five per cent of the value of goods or twenty five thousand rupees, whichever is less, where the owner of the goods does not come forward for payment of such tax and penalty; (c) upon furnishing a security equivalent to the amount payable under clause (a) or clause (b) in such form and manner as may be prescribed: Provided that no such goods or conveyance shall be detained or seized without serving an order of detention or seizure on the person transporting the goods. (2) The provisions of sub-section (6) of section 67 shall, mutatis mutandis, apply for detention and seizure of goods and conveyances. (3) The proper officer detaining or seizing goods or conveyances shall issue a notice specifying the tax and penalty payable and thereafter, pass an order for payment of tax and penalty under clause (a) or clause (b) or clause (c). (4) No tax, interest or penalty shall be determined under sub-section (2) without giving the person concerned an opportunity of being heard. (5) On payment of amount referred in sub-section (1), all proceedings in respect of the notice specified in sub-section (2) shall be deemed to be concluded. (6) Where the person transporting any goods or the owner of the goods fails to pay the amount of tax and penalty as provided in sub-section (1) within seven days of such detention or seizure, further proceedings shall be initiated in terms of section 130: Detention, Seizure and release of goods and conveyances in transit. 128 Provided that where the detained or seized goods are perishable or hazardous in nature or are likely to depreciate in value with passage of time, the said period of seven days may be reduced by the proper officer. 130, (1) Notwithstanding anything contained in this Act, if any person - (i) supplies or receives any goods in contravention of any of the provisions of this Act or the rules made thereunder with intent to evade payment of tax; or (ii) does not account for any goods on which he is liable to pay tax under this Act; or (iii) supplies any goods liable to tax under this Act without having applied for registration; or (iv) contravenes any of the provisions of this Act or the rules made thereunder with intent to evade payment of tax; or (v) uses any conveyance as a means of transport for carriage of goods in contravention of the provisions of this Act or the rules made thereunder unless the owner of the conveyance proves that it was so used without the knowledge or connivance of the owner himself, his agent, if any, and the person in charge of the conveyance, then, all such goods or conveyances shall be liable to confiscation and the person shall be liable to penalty under section 122. (2) Whenever confiscation of any goods or conveyance is authorised by this Act, the officer adjudging it shall give to the owner of the goods an option to pay in lieu of confiscation, such fine as the said officer thinks fit: Provided that such fine leviable shall not exceed the market value of the goods confiscated, less the tax chargeable thereon: Provided further that the aggregate of such fine and penalty leviable shall not be less than the amount of penalty leviable under sub-section (1) of section 129: Provided also that where any such conveyance is used for the carriage of the goods or passengers for hire, the owner of the conveyance shall be given an option to pay in lieu of the confiscation of the conveyance a fine equal to the tax payable on the goods being transported thereon. (3) Where any fine in lieu of confiscation of goods or conveyance is imposed under sub-section (2), the owner of such goods or conveyance or the person referred to in sub-section (1), shall, in addition, be liable to any tax, penalty and charges payable in respect of such goods or conveyance. . Confiscation of goods or conveyances and levy of penalty. 2 of 1974 129 (4) No order for confiscation of goods or conveyance or for imposition of penalty shall be issued without giving the person an opportunity of being heard. (5) Where any goods or conveyance are confiscated under this Act, the title of such goods or conveyance shall thereupon vest in the (6) The proper officer adjudging confiscation shall take and hold possession of the confiscated and every officer of Police, of such proper officer, shall assist him in taking and holding such possession. (7) The proper officer may, after satisfying himself that the confiscated goods or conveyance are not required in any other proceedings under this Act and after giving reasonable time not exceeding fifteen months to pay fine in lieu of confiscation, dispose of such goods or conveyance and deposit the sale proceeds thereof with the Government 131. Without prejudice to the provisions contained in the Code of Criminal Procedure, 1973, no fine imposed under the provisions of this Act or the rules made thereunder shall prevent the infliction of any other punishment to which the person affected thereby is liable under the provisions of this Act or under any other law for the time being in force. 132. (1)

Whoever commits any of the following offences, namely:- (a) supplies any goods or services or both without issue of any invoice, in violation of the provisions of this Act, with the intention to evade tax; (b) issues any invoice or bill without supply of goods or services or both in violation of this Act, or the rules made thereunder leading to wrongful availment or utilisation of input tax credit or refund of tax; (c) avails input tax credit using such invoice or bill referred to in clause (b); (d) collects any amount as tax but fails to pay the same to the Government beyond period of three months from the date on which such payment becomes due; (e) evades tax, fraudulently avails input tax credit or fraudulently refund and where such offence is not covered under clauses (a) to (d); Confiscation or penalty not to interfere with other punishments. Punishment for certain offences (f) (h) (i) (k) 130 falsifies or substitutes financial records or produces fake accounts documents or furnishes any false information with an intention to evade payment of tax due under this Act; obstructs, or any officer in the discharge of his duties Act; acquires possession of, or in any way, concerns himself in transporting, removing, depositing, keeping, concealing, supplying, or purchasing or in any other manner deals with, any goods which he knows or has reasons to believe are liable to confiscation -under this Act or the rules made thereunder; receives or is in any way concerned with the supply of, or in any other manner deals with any supply of services which he knows or has reasons to believe are in contravention of any provisions of this Act or the rules made thereunder; tampers with or destroys any material evidence or documents; fails to supply information which he is required to supply under this Act or the rules made thereunder or (Unless with a reasonable belief, the burden of proving which shall be upon him, that the information supplied by him is, &ue) supplies false information; or attempts to commit, or abets the commission of any of the offences mentioned in clauses (a) to (k) of this section, shall be punishable— (i) (ii) in cases where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds five hundred lakh rupees, with imprisonment for a term which may extend to five years and with fine; in cases where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds two hundred lakh rupees but does not exceed five hundred lakh rupees, with imprisonment for a term which may extend to three years and with fine; (2) (3) i of 1974 (4) (5) (6) 131 (iii) in the case of any other offence where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds one hundred lakh rupees but does not exceed two hundred lakh rupees, with imprisonment for a term which may extend to one year and with fine; (iv) in cases where he commits or abets the commission of an offence specified in clause (f) or clause (g) or clause (j), he shall be punishable with imprisonment for a term which may extend to six months or with fine or with both. If any person convicted of an offence under this section is again convicted of an offence under this section, then, he shall be punishable for the second and for every subsequent offence with imprisonment for a term which may extend to five years and with fine: "The imprisonment referred to in clauses (i), (ii) and (iii) of sub-section (1) and sub-section (2) shall, in the absence of special and adequate reasons to the contrary to be recorded in the judgment of the Court, be for a term not less than six months, Notwithstanding anything contained in the Code of Criminal Procedure, 1973, all offences under this Act, except the offences referred to in sub-section (5) shall be non-cognizable and bailable or clause (b) or clause (c) or clause (d) of sub-section (1) and punishable under clause (i) of that sub-section shall be cognizable and non-bailable. A person shall not be prosecuted for any offence under this section except with the previous sanction of the Commissioner. Explanation:- For the purposes of this section, the term-"tax" shall include the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or refund wrongly taken under the provisions of this Act, the Central Goods and Services Tax Act, the Integrated Goods and Services Tax Act, and cess levied under the Goods and Services Tax (Compensation to States) Act 133. (1) (2) 132 If any person in connection with the collection of statistics under section 151 or compilation or computerisation thereof or if any officer of State tax having access to information specified under sub-section (1) of section 150, or any person engaged in connection with provisions of service on the common portal or the agent of common portal, wilfully discloses any information or the contents of any return furnished under this Act or rules made thereunder otherwise than in execution of his duties under the said sections or for the purpose of the prosecution of an offence under this Act or under any other Act for the time being in force, he shall be with imprisonment for a term which may extend to six months or with fine which may extend to twenty five thousand rupees, or with both. Any person - (a) who is a Government servant shall not be prosecuted for any offence under this section except with the previous

sanction of the Government; (b) who is not a Government -servant shall not be prosecuted any offence under this section with the previous sanction of the Commissioner

134. No court of any offence punishable under this Act or the rules made thereunder except with the previous sanction of the Commissioner, and no court inferior to that of a Magistrate of the First Class, shall try any such offence

135. In any prosecution for an offence under this Act which requires a culpable mental state on the part of the accused, the court shall presume the existence of such mental state but it shall be a defence for the accused to prove the fact that he had no such mental state with respect to the act charged as an offence in that prosecution. Explanation:- For the purpose of Section, - (i) the expression 'culpable mental state' includes intention, motive, knowledge of a fact, and belief in, or reason to believe, a fact; (ii) a fact is said to be proved only when the court believes it to exist beyond reasonable doubt and not merely when its existence is established by a preponderance of probability

136. A statement made and signed by a person on appearance in response to any summons issued under section 70 during the course of any inquiry or proceedings under this Act shall be relevant, for the purpose of proving, in any prosecution for an offence under this Act, the truth of the facts which it contains,- Liability of officers and certain other persons. Cognizance of offences. Presumption of culpable mental state. Relevancy of statements under certain circumstances. 137. (1) (2) (3) (4) 133 (a) when the person who made the statement is dead or cannot be found, or is incapable of giving evidence, or is kept out of the way by the adverse party, or whose presence cannot be obtained without an amount of delay or expense which, under the circumstances of the case, the court considers unreasonable; or (b) when the person who made the statement is examined as a witness in the case before the court and the court is of the opinion that, having regard to the circumstances of the case, the statement should be admitted in evidence in the interest of justice. Where an offence committed by a person under this Act is a company, every person who, at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly. Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any negligence on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly. Where an offence has been committed by a taxable person being a partnership firm or a Limited Liability Partnership or a Hindu family or a trust, the partner or karta or managing trustee shall be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly and the provisions of sub-section (2) shall mutatis mutandis apply to such persons. Nothing contained in this section shall render any such person liable to any punishment provided in this Act, if he proves that the offence was committed without his knowledge or that he had exercised due diligence to prevent the commission of such offence. Offences by Companies Explanation:- For the purposes of this section, - (i) (ii) 138. (1) 2 of 1974 134 "company" means a body corporate and includes a firm or other association of individuals; and "director", in relation to a firm, means a partner in the firm. Any offence under this Act may, either before or after the institution of prosecution, be compounded by the Commissioner on payment, by the person accused of the offence, to the Central Government or the State Government, as the case may be, of such compounding amount in such manner as may be prescribed: Compounding of offences. Provided that nothing contained in this section shall apply to — (a) (b) (c) (d) (e) (f) a person who has been allowed to compound once in respect of any of the offences specified in clauses (a) to (f) of sub-section (1) of Section 132 and the offences specified in clause (1) which are relatable to offences specified in clauses (a) to (f) of the said sub-section; a person who has been allowed to compound once in respect of any offence, other than those in clause (a), under this Act or under the provisions of any State Goods and Services Tax Act or the Central Goods and Services Tax Act or the Union Territory Goods and Services Tax Act or the Integrated Goods and Services Tax Act in respect of supplies of value exceeding one crore rupees; a person who has been accused of committing an offence under this Act which is also an offence under any other law for the time being in force; a person who has been convicted for an offence under this Act by a court; a person who has been accused of committing offence specified in clause (g) or clause (j) or 'House (k) of sub-section (1) of section 132; and

any other class of persons or offences as may be prescribed: Provided further that any compounding allowed under the provisions of this section shall not affect the proceedings, if any, instituted under any other law: Provided also that compounding shall be allowed only after making payment of tax, interest and penalty involved in such offences. (2) (3) 135 The amount for compounding of offences under this section shall be such as may be prescribed, subject to the minimum amount not being less than ten thousand rupees or fifty per cent of the tax involved, whichever is higher, and the maximum amount not being less than thirty thousand rupees or one hundred and fifty per cent of the tax, whichever is On payment of such compounding amount as may be determined by the Commissioner, no further proceedings shall be initiated under this Act against the accused person in respect of the same offence and any criminal proceedings, if already initiated in respect of the said offence, shall stand abated. 136 CHAPTER XX TRANSITIONAL PROVISIONS 139. (1) On and from the appointed day, every person registered under any of the laws and having a valid Permanent Account Number shall be issued a certificate of registration on provisional basis, subject to. such conditions and in such form and manner as may be prescribed and, unless replaced by a final certificate of registration under sub-section (2), shall be liable to be cancelled if the conditions so prescribed are not complied with. (2) 'The final certificate of registration shall be granted in such form and manner and subject to such conditions as may be prescribed. (3) 'The certificate of registration issued to a person under sub-section (1) shall be deemed to have not been issued if the said registration is cancelled in pursuance of an application filed by such person that he was not liable to registration under section 22 or section 24. 140. (1) A registered person, other than a person opting to pay tax under section 10, shall be entitled to take, in his electronic credit ledger credit of the amount of Value Added Tax, and Entry Tax, if any, carried forward in the return relating to the period ending with the day immediately preceding the appointed day, furnished by him under the existing law, not later than ninety days after the said day, in such manner as may be prescribed: Provided that the registered person shall not be allowed to take credit in the following circumstances, namely:- (i) where the said amount of credit is not admissible as input tax credit under this Act; or (ii) where he has not furnished all the returns required under the existing law for the period of six months immediately preceding the appointed date or (iii) where the said amount of credit relates to goods sold under notification No. 5/6/2002-FD(TAX) Pt-I and dtd. 08/06/2016 claiming refund of value added tax paid thereon (wherever' applicable): Migration of existing taxpayers, Transitional arrangements for input tax credit. 137 Provided further that so much of the said credit as is attributable to any claim related to section 3, subsection (3) of section 5, section 6, section 6A or sub-section (8) of section 80 of the Central Sales Tax 74 of 1956 Act, 1956 that is not substantiated in the manner, and within the period, prescribed in rule 12 of the Central Sales Tax (Registration and Turnover) Rules, 1957 shall not be -eligible to be credited to the electronic credit ledger: Provided also that an amount equivalent to the credit specified in the second proviso shall be refunded under the existing law when the said claims are substantiated in the manner prescribed in rule 12 of the Central Sales Tax (Registration and Turnover) Rules, 1957. (2) A registered person, other than a person opting to pay tax under section 10, shall be entitled to take, in his electronic credit ledger, credit of the unveiled input tax credit in respect of capital goods, not carried forward in a return, furnished under the existing law by him, for the period ending with the day immediately preceding the appointed day in such manner as may be prescribed: Provided that the registered person shall not be allowed to take credit unless the said credit was admissible as input tax credit under the existing law and is also admissible as input tax credit under this Act. Explanation:— For the purposes of this section, the expression "unveiled input tax credit" means the amount that remains after subtracting the amount of input tax credit already availed in respect of capital goods by the taxable person under the existing law from the aggregate amount of input tax credit to which the said person was entitled in respect of the said capital goods under the existing law. (3) A registered person, who was not liable to be registered under the existing law or who was engaged in the sale of exempted or tax free goods, by whatever name called, or goods which have suffered tax at the first point of their sale in the State and the subsequent sales of which are not subject to tax in the State under the existing law but which are liable to tax under this Act or where the person was entitled to the credit of input tax at the time of sale of goods, if any, shall be entitled to take, in his electronic credit ledger, credit of the value added tax and entry tax in respect of inputs held in stock*and inputs contained in semi-finished or finished goods held in stock on the appointed day subject to the following conditions namely:- (i) such inputs or goods are used or intended to be used for making taxable supplies under this Act; (ii) the

said registered person is *eligible for input tax credit on such inputs under this Act; 138 (iii) the said registered person is in possession of invoice or other prescribed documents evidencing payment of tax under the existing law in respect of such inputs; and (iv) such invoices or other prescribed documents were issued not earlier than twelve months immediately preceding the appointed day: Provided that where a registered person, other than a manufacturer or a supplier of services, is not in possession of an invoice or any other documents evidencing payment of tax in respect of inputs, then, such registered person shall, subject to such conditions, limitations and safeguards as may be prescribed, including that the said taxable person shall pass on the benefit of such credit by way of reduced prices to the recipient, be allowed to take credit at such rate and in such manner as may be prescribed. (4) A registered person, who was engaged in the sale of taxable goods as well as exempted goods or tax free goods under the existing law but which are liable to tax under this Act, shall be entitled to take, in his electronic credit ledger,- (a) the amount of credit of the value added tax and entry tax, if any, carried forward in a return furnished under the existing law by him in accordance with the provisions of sub-section (1); and (b) the amount of credit of the value added tax and entry tax, if any, in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock on the appointed day, relating to such exempted goods or tax free goods, by whatever name called, in accordance with the provisions of sub-section (3). (5) A registered person shall be entitled to take, in his electronic credit ledger, credit of value added tax in respect of inputs received on or after the appointed day but the tax in respect of which has been paid by the supplier under the existing law, subject to the condition that the invoice or any other tax paying document of the same was recorded in the books of account of such person within a period of thirty days from the appointed day: Provided that the period of thirty days may, on sufficient being shown, be extended by the Commissioner for a further period not exceeding thirty days: Provided further that the said registered person shall furnish a statement, in such manner as may be prescribed, in respect of credit that has been taken under this sub-section. 139 (6) A registered person, who was either paying tax at a fixed rate or paying a fixed amount in lieu of the tax payable under the existing law shall be entitled to take, in his electronic credit ledger, credit of value added tax in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock on the appointed day subject to the following conditions, namely:- (i) Such inputs or goods are used or intended to be used for making taxable supplies under this Act; (ii) the said registered person is not paying tax under section 10; (iii) the said registered person is eligible for input tax credit on such inputs under this Act; (iv) the said registered person is in possession of invoice or other prescribed documents evidencing payment of tax under the existing law in respect of inputs; and (v) such invoices or other prescribed documents were issued not earlier than twelve months immediately preceding the appointed day. (7) The amount of credit under sub-sections (3), (4) and (6) shall be calculated in such manner as may be prescribed. 141. (1) Where any inputs received at a place of business had been despatched as such or despatched after being partially processed to a job worker for further processing, testing, repair, reconditioning or any other purpose in accordance with the provisions of existing law prior to the appointed day and such inputs are returned to the said place on or after the appointed day, no tax shall be payable if such inputs, after completion of the job work or otherwise, are returned to the said place within six months from the appointed day: Provided that the period of six months may, on sufficient cause being shown, be extended by the Commissioner for a further period not exceeding two months: Provided further that if such inputs are not returned within a period of six months or the extended period from the appointed day, the input tax credit shall be liable to be recovered in accordance with the provisions of clause (a) of sub-section (8) of section 142. Transitional provisions relating to job work (2) Where any semi-finished goods had been despatched from any place of business to any other premises for carrying out certain manufacturing processes in accordance with the provisions of existing law prior to the appointed day, such goods (hereafter in this sub-section referred to as "the said goods") are returned to the said place on or after the appointed day, no tax shall be payable if the said goods, after undergoing manufacturing processes or otherwise, are returned to the said place within six months from the appointed day: Provided that the period of six months may, on sufficient cause being shown, be by the Commissioner for a further period not exceeding two months: Provided further that if the said goods are not returned within a period specified in this sub-section, the input tax credit shall be liable to be recovered in accordance with the provisions of clause (a) of sub-section (8) of section 142: Provided also that the person despatching the goods may, in accordance with the provisions of the existing law, transfer the said goods to the premises of

any registered person for the purpose of supplying therefrom on payment of tax in India or without payment of tax for exports within six months or the extended period, as the case may be, from the appointed day. (3) Where any goods had been despatched from the place of business without payment of tax for carrying out tests or any other process, to any other premises, whether registered or not, in accordance with the provisions of existing law prior to the appointed day and such goods, are returned to the said place of business on or after the appointed day, no tax shall be payable if the said goods, after undergoing tests or any other process, are returned to such place within six months from the appointed day: Provided that the period of six months may, on sufficient cause being shown, be extended by the Commissioner for a further period not exceeding two months: Provided further that if the said goods are not returned within the period specified in this sub-section, the input tax credit shall be liable to be recovered in accordance with the provisions of clause (a) of sub-section (8) of section 142: Provided also that the person despatching the goods may, in accordance with the provisions of the existing law, transfer the said goods from the said other premises on payment of tax in India or without payment of tax for exports within six months or the extended period, as the case may be, from the appointed day. 142. (4) (1) 141 The tax under sub-sections (1), (2) and (3) shall not be payable only if the person despatching the goods and the job worker declare the details of the inputs or goods held in stock by the job worker on behalf of the said person on the appointed day in such form and manner and within such time as may be prescribed. Where any goods on which tax, if any, had been paid under the existing law at the time of sale thereof, not being earlier than six months prior to the appointed day, are returned to any place of business on or after the appointed day, the registered person shall be eligible for refund of the tax paid under the existing law where such goods are returned by a person, other than a registered person, to the said place of business within a period of six months from the appointed day and such goods are identifiable to the satisfaction of the proper officer: Miscellaneous transitional provisions. Provided that if the said goods are returned by a registered person, the return of such goods shall be deemed to be a supply. (2) (a) Where, in pursuance of a contract entered into prior to the appointed day, the price of any goods is revised upwards on or after the appointed day, the registered person who had sold such goods may issue to the recipient a supplementary invoice or debit note, containing such particulars as may be prescribed, within thirty days of such price revision and for the purposes of this Act, such supplementary invoice or debit note shall be deemed to have been issued in respect of an outward supply made under this Act. (b) Where, in pursuance of a contract entered into prior to the appointed day, the price of any goods is revised downwards on or after the appointed day, the registered person who had sold such goods may issue to the recipient a credit note, containing such particulars as may be prescribed, within thirty days of such price revision and for the purposes of this Act such credit note shall be deemed to have been issued in respect of an outward supply made under this Act: Provided that the registered person shall be allowed to reduce his tax liability on account of issue of the credit note only if the recipient of the credit note has reduced his input tax credit corresponding to such reduction of tax liability. (3) Every claim for refund filed by any person before, on or after the appointed day-for refund of any amount of input tax credit, tax, interest or any other amount paid under the existing law, shall be disposed of in accordance with the provisions of existing law and any amount eventually accruing to him shall be refunded to him in cash in accordance with the provisions of the said law: 142 Provided that where any claim for refund of the amount of input tax credit is fully or partially rejected, the amount so rejected shall lapse: Provided further that no refund claim shall be allowed of any amount of input tax credit where the balance of the said amount as on the appointed day has been carried forward under this Act. (4) Every claim for refund filed after the appointed day for refund of any tax paid under the existing law in respect of the goods exported before or after the appointed day shall be disposed of in accordance with the provisions of the existing law: Provided that where any claim for refund of input tax credit is fully or partially rejected, the amount so rejected shall lapse: Provided further that no refund claim shall be allowed of any amount of input tax credit where the balance of the said amount as on the appointed day has been carried forward under this Act. (5) Notwithstanding anything to the contrary contained in this Act, any amount of input tax credit reversed prior to the appointed day; shall not be admissible as input tax credit under this Act. (6) (a) every proceeding of appeal, revision, review or reference relating to a claim for input tax credit initiated whether before, on or after the appointed day under the existing law shall be disposed of in accordance with the provisions of the existing law, and any amount of credit found to be admissible to the claimant shall be refunded to him in cash in accordance

with the provisions of the existing law, and the amount rejected, if any, shall not be admissible as input tax credit under this Act: Provided that no refund claim shall be allowed of any amount of input tax credit where the balance of the said amount as on the appointed day has been carried forward under this Act. (b) Every proceeding of appeal, revision, review or reference relating to recovery of input tax credit initiated whether before, on or after the appointed day, under the existing law shall be disposed of in accordance with the provisions of the existing law, and if any amount of credit becomes recoverable as a result of such appeal, revision, review or reference, the same shall, unless recovered under the existing law, be recovered as an arrear of tax under this Act and the amount so recovered shall not be admissible as input tax credit under this Act. (7) (8) (9) 143 (a) every proceeding of appeal, revision, review or reference relating to any output tax liability initiated whether before, on or after the appointed day under the existing law, shall be disposed of in accordance with the provisions of the existing law; and if any amount becomes recoverable as a result of such appeal, revision, review or reference, the same shall, unless recovered under the existing law, be recovered as an arrear of tax under this Act and amount so recovered shall not be admissible as input tax credit under this Act. (b) Every proceeding of appeal, revision, review or reference relating to any output tax liability initiated whether before, on or after the appointed day under the existing law, shall be disposed of in accordance with the provisions of the existing law, and any amount found to be admissible to the claimant shall be refunded to him in cash in accordance with the provisions of the existing law and the amount rejected, if any, shall not be admissible as input tax credit under this Act. (a) Where in pursuance of an assessment or adjudication proceedings instituted, whether before or on or after the appointed day, under the existing law, any amount of tax, interest, fine or penalty becomes recoverable from the person, the same shall, unless recovered under the existing law, be recovered as an arrear of tax under this Act and the amount so recovered shall not be admissible as input tax credit under this Act. (b) Where in pursuance of an assessment or adjudication proceedings instituted, whether before, on or after the appointed day under the existing law, any amount of tax, interest, fine or penalty becomes refundable to the taxable person, the same shall be refunded to him in cash under the said law, and the amount rejected, if any, shall not be admissible as input tax credit under this Act. (a) Where any return, furnished under the existing law, is revised after the appointed day and if, pursuant to such revision, any amount is found to be recoverable or any amount of input tax credit is found to be inadmissible, the same shall, unless recovered under the existing law, be recovered as an arrear of tax under this Act and the amount so recovered shall not be admissible as input tax credit under this Act, 32 of 1994 --- of --- 32 of 144 (b) Where any return, furnished under the existing law, is revised after the appointed day but within the time limit specified for such revision under the existing law and if, pursuant to such revision, any amount is found to be refundable or input tax credit is found to be admissible to any taxable person, the same shall be refunded to him in cash, under the existing law, and the amount rejected, if any, shall not be admissible as input tax credit under this Act. (10) Save as otherwise provided in this Chapter, the goods or services or both supplied on or after the appointed day in pursuance of a contract entered into prior to the appointed day shall be liable to tax under the provisions of this Act (11) (a) Notwithstanding anything contained in section 12, no tax shall be payable on goods under this Act to the extent the tax was leviable on the said goods under the Value Added Tax Act, 2004, (b) Notwithstanding anything contained in section 13, no tax shall be payable on services under this Act to the extent the tax was leviable on the said services under Chapter V of the Finance Act, 1994. (c) Where tax was paid on any supply, both under the Manipur Value Added Tax Act, 2004 and under Chapter V of the Finance Act, 1994, shall be leviable under this Act and the taxable person shall be entitled to take credit of value added tax service tax paid under the existing law to the extent of supplies made after the appointed day and such credit shall be calculated in such manner as may be prescribed. (12) Where any goods sent on approval basis, not earlier than six months before the appointed day, are rejected or not approved by the buyer and returned to the seller on or after the appointed day, no tax shall be payable thereon if such goods are returned within six months from the appointed day: Provided that the said period of six months may, on sufficient cause being shown, be extended by the Commissioner for a further period not exceeding two months: Provided further that the tax shall be payable by the person returning the goods if such goods are liable to tax under this Act, and are returned after the period specified in this sub-section:- 145 Provided also that tax shall be payable by the person who has sent the goods on approval basis if such goods are liable to tax under this Act, and are not returned within the period specified in this sub-section. (13) Where a supplier has made any sale of goods in of which tax was required to be source under the Manipur Value Added Tax, 2004 also

issued an invoice for the same before, no deduction of tax at source under 51 be made by the deductor or under the self-payment to the said supplier is on appointed day. Explanation:- For the purposes of this Chapter, "capital goods" shall have the same meaning as in Manipur Value Added Tax, 2004. 146

CHAPTER XXI MISCELLANEOUS PROVISIONS 143. (1) A registered person (hereafter in this section referred to as the "principal") may, under intimation and subject to such conditions as may be prescribed, send any inputs or capital goods, without payment of tax, to a job worker for job work and from there subsequently send to another job worker and likewise, and shall,- (a) bring back inputs, after completion of job work or otherwise, or capital goods, other than moulds and dies, jigs and fixtures, or tools, within one and three years, respectively, of their being sent out, to any of his place of business, without payment of tax; (b) supply such inputs, after completion of job work or otherwise, or capital goods, other than moulds and dies, jigs and fixtures, or tools, within one year and three years, respectively, of their being sent out from the place of business of a job worker on payment of tax within India, or with or without payment of tax for export, as the case may be: Provided that the principal shall not supply the goods from the place of business of a job worker in terms of clause (b) unless the said principal declares the place of business of the job-worker as his additional place of business except in a case- Job work procedure. (2) (3) (i) where the job worker is registered under section 25; or (ii) where the principal is engaged in the supply of such goods as may be notified by the Commissioner. The responsibility for keeping proper accounts for the inputs or capital goods shall lie with the principal. Where the inputs sent for job work are not received back by the principal after completion of job work or otherwise in accordance with clause (a) of sub-section (1) or are not supplied from the place of business of the job worker in accordance with clause (b) of sub-section (1) within a period of one year of their being sent out, it shall be deemed that such inputs had been, supplied by the principal to the job-worker on the day when the said inputs were sent out. 147 (4) Where the capital goods, other than moulds and dies, jigs and fixtures, or tools, sent for job work are not received back by the principal in accordance with clause (a) of sub-section (1) or are not supplied from the place of business of the job worker in accordance with clause (b) of sub-section (1) within a period of three years of their being sent out, it shall be deemed that such capital goods had been supplied by the principal to the job-worker on the day when the said capital goods were sent out. (5) Notwithstanding anything contained in sub-sections (1) and (2), any waste and scrap generated during the job work may be supplied by the job worker directly from his place of business on payment of tax, if such job worker is registered, or by the principal, if the job worker is not registered. Explanation . For the purpose of job work, input includes intermediate goods arising from any treatment or process carried out on the inputs by the principal or the job worker

144. Where any document—is produced by any person under this Act or any other law for the time being in force; or (ii) has been seized from the custody or control of any person under this Act or any other law for the time being in force; or (iii) • has been received from any place outside India in the course of any proceedings under this Act or any other law for the time being in force, and such document is tendered by the prosecution in evidence against him or any other person who is tried jointly with him, the court shall,- (a) unless the contrary is proved by such person, presume — (i) the truth of the contents of such document; (ii) that the signature and every other part of such document which purports to be in the handwriting of any particular person or which the court may reasonably assume to have been signed by, or to be in the handwriting of, any particular person, is in that person's handwriting, and in the case of a document executed or attested, that it was executed or attested by the person by whom it purports to have been so executed or attested; Presumption as to documents in certain (b) 145. (1) 148 admit the document in evidence notwithstanding that it is not duly stamped, if such document is otherwise admissible in evidence. Notwithstanding anything contained in any other law for the time being in force, — (a) a micro film of a document or the reproduction of the image or images embodied in such micro film (whether enlarged or not); or (b) a facsimile copy of a document; or (c) a document and included in a printed material produced by a computer, subject to such conditions as may be prescribed; or (d) any information stored electronically in any device or media, including any hard copies made of such information, shall be deemed to be a document for the purposes of this Act and the rules made thereunder and shall be admissible in any proceedings thereunder, without further proof or production of the original, as evidence of any contents of the original or of any fact stated therein of which direct evidence would be admissible. (2) In any proceedings under this Act and or the rules made thereunder, where it is desired to give a

statement in evidence by virtue of this section, a certificate, — (a) identifying the document containing the statement and describing the manner in which it was produced; (b) giving such particulars of any device involved in the production of that document as may be appropriate for the purpose of showing that the document was produced by a computer, shall be evidence of any matter stated in the certificate and for the purposes of this sub-section it shall be sufficient for a matter to be stated to the best of the knowledge and belief of the person stating it

146. The Government may, on the recommendations of the Council, notify the Common Goods and Services Tax Electronic Portal for facilitating registration, payment of tax, furnishing of returns, computation and settlement of integrated tax, electronic way bill and for carrying out such other functions and for such purposes as may be prescribed. Admissibility of micro films, facsimile copies of documents and computer printouts as documents and as evidence. Common Portal. 147. 148. 149. 150. 149 The Government may, on the recommendations of the Council, notify certain supplies of goods as "deemed exports". where goods supplied do not leave India, and payment for such supplies is received either in Indian rupees or in convertible foreign exchange, if such goods are manufactured in India. The Government may, on the recommendations of the Council, and subject to such conditions and safeguards as may be prescribed, notify certain classes of taxable persons, and the special procedures to be followed by such taxable persons including those with regard to registration, furnishing of return, payment of tax and administration of such taxable persons. (1) (2) (3) (1) Every registered person may be assigned a goods and services tax compliance rating score by the Government based on his record of compliance with the provisions of this Act. The goods and services tax compliance rating score may be determined on the basis of such parameters as may be prescribed. The goods and services tax compliance rating score may be updated at periodic intervals and intimated to the registered person and also placed in the public domain in such manner as may be prescribed. Any person, being— Deemed Exports. Special Procedure for certain processes. Goods and services tax compliance rating. Obligation to furnish information return. 43 of 1961 2 of 1934 36 of 2003 (a) (b) (c) (d) (e) (f) a taxable person; or a local authority or other public body or association; or any authority of the State Government responsible for the collection of value added tax or sales tax or State excise duty or an authority of the Central Government responsible for the collection of excise duty or customs duty; or an income tax authority appointed under the provisions of the Income-tax Act, 1961; or a banking company within the meaning of clause (a) of section 45A of the Reserve Bank of India Act, 1934; or a State Electricity Board or an electricity distribution or transmission licensee under the Electricity Act, 2003, or any other entity entrusted with such functions by the Central Government or the State Government; or 16 of 1908 18 of 2013 59 of 1988 30 of 2013 42 of 1956 22 of 1996 2 of 1934 18 of 2013 (g) (h) (i) (j) (k) (m) (n) (o) (p) 150 the Registrar or Sub-Registrar appointed under section 6 of the Registration Act, 1908; or a Registrar within the meaning of the Companies Act, 2013; or the registering authority empowered to register motor vehicles under the Motor Vehicles Act, 1988; or the Collector referred to in clause (c) of section 3 of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013; or the recognised stock exchange referred to in clause (f) of section 2 of the Securities Contracts (Regulation) Act, 1956; or a depository referred to in clause (e) of sub-section (1) of section 2 of the Depositories Act, 1996; or an officer of the Reserve Bank of India as constituted under section 3 of the Reserve Bank of India Act, 1934; or the Goods and Services Tax Network a company registered under the Companies Act, 2013 ; or a person to whom a Unique Identity Number has been granted under sub-section (9) of section 25; or any other person as may be specified, on the recommendations of the Council, by the Government, who is responsible for maintaining record of registration or statement of accounts or any periodic return or document containing details of payment of tax and other details of transaction of goods or services or both or transactions related to a bank account or consumption of electricity or transaction of purchase, sale or exchange of goods or property or right or interest in a property under any law for the time being in force, shall furnish an information return of the same in respect of such periods, within such time, in such form and manner and to such authority or agency as may be prescribed. (2) Where the Commissioner, or an officer authorised by him in this behalf, considers that the information furnished in the information return is defective, he may intimate the defect to the person who has furnished such information return and give him an opportunity of rectifying the defect within a period of thirty days from the date of such intimation or within such further period which, on an application made in this behalf, the said authority may allow and if the defect is not

rectified within the said period of thirty days or the further period so allowed, then, notwithstanding anything contained in any other provisions of this Act, such information return shall be treated as not furnished and the provisions of this Act shall apply. 151. 152. 153. (3) (1) (2) (1) (2) (3) 151 Where a person who is required to furnish information return has not furnished the same within the time specified in sub-section (1) or sub-section (2), the said authority may serve upon him a notice requiring furnishing of such information return within a period not exceeding ninety days from the date of service of the notice and such person shall furnish the information return. The Commissioner may, if he considers that it is necessary so to do, by notification, direct that statistics may be collected relating to any matter dealt with by or in connection with this Act. Upon such notification being issued, the or any person authorised by him in this behalf, may call upon the concerned persons to furnish such information or returns, in such form and manner as may be prescribed, relating to any matter in respect of which statistics is to be collected. No information of any individual return or part thereof with respect to any matter given for the purposes of section 151 shall, without the previous consent in writing of the concerned person or his authorised representative, be published in such manner so as to enable such particulars to be identified as referring to a particular person and no such information shall be used for the purpose of any proceedings under this Act. Except for the purposes of prosecution under this Act, or any other Act for the time being in force, no person who is engaged in the collection of statistics under this Act or compilation or computerisation thereof for the purposes of this Act, shall be permitted to see or have access to any information or any individual return referred to in section 151. Nothing in this section shall apply to the publication of any information relating to a class of taxable persons or class of transactions, if in the opinion of the Commissioner, it is desirable in the public interest to publish such information. to collect statistics Bar on disclosure of information required under section 151. That a Any officer not below the rank of Assistant Commissioner may, having regard to the nature and complexity of the case and the interest of revenue, assistance of any expert at any stage of scrutiny, inquiry, investigation or any other, proceedings before him. 152 154. The Commissioner or an officer authorised by him may take samples of goods from the possession of any taxable person, where he considers it necessary, and provide a receipt for any samples so taken

155. Where any person claims that he is eligible for input tax credit under this Act, the burden of proving such claim shall lie on such person

156. All persons discharging functions under this Act shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code. 45 of 1860 1 of 1872 45 of 1860 49 of 1988 157. (1)

(2) 158. (1) (2) (3) No suit, prosecution or other legal proceedings shall lie against the President, State President, Members, officers or other employees of the Appellate Tribunal or any other person authorised by the said Appellate Tribunal for anything which is in good faith done or intended to be done under this Act or the rules made thereunder, No suit, prosecution or other legal proceedings shall lie against any officer appointed or authorised under this Act for anything which is done or intended to be done in good faith under this Act or the rules made thereunder. All particulars contained in any statement made, return furnished or accounts or documents produced in accordance with this Act, or in any record of evidence given in the course of any proceedings under this Act (other than proceedings before a criminal court), or in any record of any proceedings under this Act shall, save as provided in sub-section (3), not be disclosed. Notwithstanding anything contained in the Indian Evidence Act, 1872, no court shall, save as otherwise provided in sub-section (3), require any officer appointed or authorised under this Act to produce before it or to give evidence before it in respect of particulars referred to in sub-section (1). Nothing contained in this section shall apply to the disclosure of,— (a) any particulars in respect of any statement, return, accounts, documents, evidence, affidavit or deposition, for the purpose of any prosecution under the Indian Penal Code or the Prevention of Corruption Act, 1988, or any other law for the time being in force; or Power to take samples. Burden of Proof. Persons deemed to be public servants. Protection of action taken under this Act. Disclosure of information by a public servant (b) (c) (d) (f) (g) (h) (i) 153 any particulars to the Central Government or the State Government or to any person acting in the implementation of this Act, for the purposes of carrying out the objects of this Act; or any particulars when such disclosure is occasioned by the lawful exercise under this Act of any process for the service of any notice or recovery of any demand; or any particulars to a civil court in any suit or proceedings, to which the Government or any authority under this Act is a party, which relates to any matter arising out of any proceedings under

this Act or under any other law for the time being in force authorising any such authority to exercise any powers thereunder; or any particulars to any officer appointed for the purpose of audit of tax receipts or refunds of the tax imposed by this Act; or any particulars where such particulars are relevant for the purposes of any inquiry into the conduct of any officer appointed or authorised under this Act, to any person or persons appointed as an inquiry officer under any law for the time being in force; or any such particulars to an officer of the Central Government or of any State Government, as may be necessary for the purpose of enabling that Government to levy or realise any tax or duty; or any particulars when such disclosure is occasioned by the lawful exercise by a public servant or any other statutory authority, of his or its powers under any law for the time being in force; or any particulars relevant to any inquiry into a charge of misconduct in connection with any proceedings under this Act against a practising advocate, a tax practitioner* practising cost accountant, a practising chartered accountant, a practising company secretary to the authority empowered to take disciplinary action against the members practising the profession of a legal practitioner, a cost accountant, a chartered accountant or a company secretary, as the case may be; or (j) (k) 154 any particulars to any agency appointed for the purposes of data entry on any automated system or for the purpose of operating, upgrading or maintaining any automated system where such agency is contractually bound not to use or disclose such particulars except for the aforesaid purposes; or any such particulars to an officer of the Government as may be necessary for the purposes of any other law for the time being in force; and any information relating to any class of taxable persons or class of transactions for publication, if, in the opinion of the Commissioner, it is desirable in the public interest, to publish such information. 159. (1) If the Commissioner, or any other officer authorised by him in this behalf, is of the opinion that it is necessary or expedient in the public interest to publish the name of any person and any other particulars relating to any proceedings or prosecution under this Act in respect of such person, it may cause to be published such name and particulars in such manner as it thinks fit. (2) No publication under this section shall be made in relation to any penalty imposed under this Act until the time for presenting an appeal to the Appellate Authority under section 107 has expired without an appeal having been presented or the appeal, if presented, has been disposed of. Explanation:- In the case of firm, company or other association of persons, the names of the partners of the firm, directors, managing agents, secretaries and treasurers or managers of the company, or the members of the association, as the case may be, may also be published if, in the opinion of the Commissioner, or any other officer authorised by him in this behalf, circumstances of the case justify it 160. (1) No assessment, re-assessment, adjudication, review, revision, appeal, rectification, notice, summons or other proceedings done, accepted, made, issued, initiated, or purported to have been done, accepted, made, issued, initiated in pursuance of any of the provisions of this Act shall be invalid or deemed to be invalid merely by reason of any mistake, defect or omission therein, if such assessment, re-assessment, adjudication, review, revision, appeal, rectification, notice, summons or other proceedings are in substance and effect in conformity with or according to the intents, purposes and requirements of this Act or any existing law. Publication of information respecting persons in certain cases. Assessment proceedings, etc. not to be invalid on certain grounds. (2) 155 The service of any notice, order or communication shall not be called in question, if the notice, order or communication, as the case may be, has already been acted upon by the Person to whom it is issued or where such service has not been called in question- at or in the earlier proceedings commenced, continued or finalised pursuant to such notice, order or communication

161. Without prejudice to the provisions of section 160, and notwithstanding anything contained in any other provisions of this Act, any authority, who has passed or issued any decision or order or notice or certificate or any other document; may rectify any error which is apparent on the face of record in such decision or order or notice or certificate or any other document, either on its own motion or where such error is brought to its notice by any officer appointed under this Act or an officer appointed under the Central Goods and Services Tax Act or by the affected person within a period of three months from the date of issue of such decision or order or notice or certificate or any other document, as the case may be: Provided that no such rectification shall be done after a period of six months from the date of issue of such decision or order or notice or certificate or any other document: Provided further that the said period of six months shall not apply in such cases where the rectification is purely in the nature of correction of a clerical or arithmetical error, arising from any accidental slip or omission: Provided also that where such

rectification adversely affects any person, the principles of natural justice shall be followed by the authority carrying out such rectification

162. Save as provided in sections 117 and 118, civil court shall have jurisdiction to deal with or decide any question arising from or relating to anything done or purported to be done under this Act

163. Wherever a copy of any order or document is to be provided to any person on an application made by him for that purpose, there shall be paid such fee as may be prescribed.

164. (1) The Government may, on the recommendations of the Council, by notification, make rules for carrying out the provisions of this Act. Rectification of errors apparent from record. Bar on jurisdiction of civil courts. Levy of fee. Power of Government to make rules. 156 (2) Without prejudice to the generality of the provisions of sub-section (1), the Government may make rules for all or any of the matters which by this Act are required to be, or may be, prescribed or in respect of which provisions are to be or may be made by rules. (3) The power to make rules conferred by this section shall include the power to give retrospective effect to the rules or any of them from a date not earlier than the date on which the provisions of this Act come into force. (4) Any rules made under sub-section (1) may provide that a contravention thereof shall be liable to a penalty not exceeding ten thousand rupees. 165. The Government may, by notification, make regulations consistent with this Act and the rules made thereunder to carry out the provisions of this Act

166. Every rule made by the Government, every regulation made by the Government and every notification issued by the Government under this Act, shall be laid, as soon as may be after it is made or issued, before the State Legislature, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, the State Legislature agrees in making any modification in the rule or regulation or in the notification, as the case may be, or the State Legislature agrees that the rule or regulation or the notification should not be made, the rule or regulation or notification, as the case may be, shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or amendment shall be without prejudice to the validity of anything previously done under that rule or regulation or notification, as the case may be

167. The Commissioner may, by notification, direct that subject to such conditions, if any, as may be specified in the notification, any power exercisable by any authority or officer under this Act may be exercisable also by another authority or officer as may be specified in such notification.

Power to make regulations. Laying of rules, regulations and notifications. Delegation of power 157 168. The Commissioner may, if he considers it necessary or expedient so to do for the purpose of uniformity in the implementation of this Act, issue such orders, instructions or directions to the State tax officers as it may deem fit, and thereupon all such officers and all other persons employed in the implementation of this Act shall observe and follow such orders, instructions or directions. 169. (1) Any decision, order, summons, notice or other communication under this Act or the rules made thereunder shall be served by any one of the following methods, namely:- (a) by giving or tendering it directly or by a messenger including a courier to the addressee or the taxable person or to his manager or authorised representative or an advocate or a tax practitioner holding authority to appear in the proceedings on behalf of the taxable person or to a person regularly employed by him in connection with the business, or to any adult member of family residing with the taxable person; or (b) by registered post or speed post or courier with acknowledgement due, to the person for whom it is intended or his authorised representative, if any, at his last known place of business or residence; or (c) by sending a communication to his e-mail address provided at the time of registration or as amended from time to time; or (d) by making it available on the common portal; or (e) by publication in a newspaper circulating in the locality in which the taxable person or the person to whom it is issued is last known to have resided, carried on business or personally worked for gain; or (f) if none of the modes aforesaid is practicable, by affixing it in some conspicuous place at his last known place of business or residence and if such mode is not practicable for any reason, then by affixing a copy thereof on the notice board of the office of the concerned officer or authority who or which passed such decision or order or issued such summons or notice. Power to issue instructions or directions. Service of notice in certain circumstances. (2) (3) 158 Every decision, order, summons, notice or any communication shall be deemed to have been served on the date on which it is tendered or published or a copy thereof is affixed in the manner provided in sub-section (1). When such decision, order, summons, notice or any

communication is sent by registered post or speed post, it shall be deemed to have been received by the addressee at the expiry of the period normally taken by such post in transit unless the contrary is proved* 170. 171. 172. The amount of tax, interest, penalty, fine or any other sum payable, and the amount of refund or any other sum due, under the provisions of this Act shall be rounded off to the nearest rupee and, for this purpose, where such amount contains a part of a rupee consisting of paise then, if such part is fifty paise or more, it shall be increased to one rupee and if such part is less than fifty paise it shall be ignored. (1) (2) (3) (1) Any reduction in rate of tax on any supply of goods or services or the benefit of input tax credit shall be passed on to the recipient by way of commensurate reduction in prices. The Central Government may on recommendations of the Council, by notification, constitute an Authority, or empower an existing Authority constituted under any law for the time being in force, to examine whether input tax credits availed by any registered person or the reduction in the tax rate have actually resulted in a commensurate reduction in the price of the goods or services or both supplied by him. The Authority referred to in sub-section (2) shall exercise such powers and discharge such functions as may be prescribed. If any difficulty arises in giving effect to any provisions of this Act, the Government may, on the recommendations of the Council, by a general or a special order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act or the rules or regulations made thereunder, as may be necessary or expedient for the purpose of removing the said difficulty : Rounding of tax etc. Anti-profiteering Measure. Removal of difficulties. Provided that no such order shall be made after the expiry of a period of three years from the date of commencement of this Act. (2) shall be laid, as soon as it is made, before the State Legislature. 173. in this Act, on and from the date of Municipalities Act, 1993 in section 75, in sub- (1), clauses (c), and (i) shall be omitted; So far as otherwise provided in this Act, on and from the date of commencement of this Act, Amendment of certain Acts Repeal and saving 6 of 1988 (2) (ii) (iii) the Manipur Value Added Tax Act, 2004, except in respect of goods included in the Entry 54 of the State List of the Seventh Schedule to the Constitution, the Assam Amusement and Betting Tax Act, 1939 (as extended to Manipur), the Manipur Tax on Luxury (Hotel & Lodging Houses) Act, 2000 (hereafter referred to as the repealed Acts) are hereby repealed. The repeal of the said Acts and the amendment of the Acts specified in section 173 (hereafter referred to as "such amendment" or "amended Act", as the case may be) to the extent mentioned in sub-section (1) or section 173 shall not— (a) revive anything not in force or existing at the time of such repeal; or (b) affect the previous operation of the repealed Acts and orders or anything duly done or suffered thereunder; or (c) affect any right, privilege, obligation, or liability acquired, accrued or incurred under the repealed Acts or orders under such repealed Acts: Provided that any tax exemption granted as an incentive against investment through a notification shall not continue as privilege if the said notification is rescinded on or after the appointed day; or (d) (e) (f) 160 affect any tax, surcharge, penalty, interest as are due or may become due or any forfeiture or punishment incurred or inflicted in respect of any offence or violation committed against the provisions of the repealed Acts; or affect any investigation, inquiry, assessment proceedings, adjudication and any other legal proceedings or recovery of arrears or remedy in respect of any such tax, surcharge, penalty, fine, interest, right, privilege, obligation, liability, forfeiture or punishment, as aforesaid, and any such investigation, inquiry, assessment proceedings, adjudication and other legal proceedings or recovery of arrears or remedy may be instituted, continued or enforced, and any such tax, surcharge, penalty, fine, interest, forfeiture or punishment may be levied or imposed as if these Acts had not been so repealed; or affect any proceedings including that relating to an appeal, revision, review or reference, instituted before, on or after the appointed day under the said repealed Acts and such proceedings shall be continued under the said repealed Acts as if this Act had not come into force and the said Acts had not been amended or repealed. (3) 10 of 1997 The mention of the particular matters referred to in section 173 and sub-section (1) shall not be held to prejudice or affect the general application of section 6 of the Manipur General Clauses Act, 1997 (Act No. 10 of 1997) with regard to the effect of repeal. 161 SCHEDULE ACTIVITIES TO BE TREATED AS SUPPLY EVEN IF MADE WITH- 1

2. OUT OF CONSIDERATION Permanent transfer or disposal of business assets where input tax credit has been availed on such assets. Supply of goods or services or both between related persons or between distinct persons specified in section 25, when made in the course or furtherance of business: Provided that gifts not exceeding fifty thousand rupees in value in a financial year by an employer to an employee shall not be treated as supply of goods or services or both. 3

4. Supply of goods—' (a) by a principal to his agent where the agent undertakes to supply such goods on behalf of the principal; or (b) by an agent to his principal where the agent undertakes to receive such goods on behalf of the principal. Import of services by a taxable person from a related person or from any of his other establishments outside India, in the course or furtherance of business. 162 SCHEDULE [See section 7] ACTIVITIES TO BE TREATED AS SUPPLY OF GOODS OR SUPPLY OF SERVICES 1. 2

3. Transfer (a) any transfer of the title in goods is a supply of goods; (b) any transfer of right in goods or of undivided share in goods without the transfer of title thereof, is a supply of services; (c) any transfer of title in goods under an agreement which stipulates that property in goods shall pass at a future date upon payment of full consideration as agreed, is a supply of goods. Land and Building (a) any lease, tenancy, easement, licence to occupy land is a supply of services; (b) any lease or letting out of the building including a commercial, industrial or residential complex for business or commerce, either wholly or partly, is a supply of services. Treatment or process Any treatment or process which is applied to another person's goods is a supply of services. 4

5. Transfer of business assets (a) (b) (c) where goods forming part of the assets of a business are transferred or disposed of by or under the directions of the person carrying on the business so as no longer to form part of those assets, whether or not for a consideration, such transfer or disposal is a supply of goods by the person; • where, by or under the direction of a person carrying on a business, goods held or used for the purposes of the business are put to any private use or are used, or made available to any person for use, for any purpose other than a purpose of the business, whether or not for a consideration, the usage or making available of such goods is a supply of services; where any person ceases to be a taxable person, any goods forming part of the assets of any business carried on by him shall be deemed to be supplied by him in the course or furtherance of his business immediately before he ceases to be a taxable person, unless—(i) the business is transferred as a going concern to another person; or (ii) the business is carried on by a personal representative who is deemed to be a taxable person. Supply of services The following shall be treated as supply of service, namely:- (a) renting of immovable property; 163 construction of a building, civil structure or a (b) part thereof, including a complex or building intended for sale to a buyer, wholly or partly, except where the entire consideration has been received after issuance of completion certificate, • where required* by the competent authority or after its first occupation, whichever is earlier. Explanation:- For the purposes of this clause- (1) "competent authority" means the Government or any authority authorised to issue completion certificate under any law for the time being in force and in case of non-requirement of such certificate from such authority, from any of the following, namely:- 20 of 1972 83 (i) (ii) (iii) (2) (c) (d) (f) an architect registered with the Council of Architecture constituted under the Architects Act, 1972; or a chartered engineer registered with the Institution of Engineers (India); or a licensed surveyor of the respective local body of the city or town or village or development or planning authority; the expression •"construction" includes additions, alterations, replacements or remodelling of any existing civil structure; temporary transfer or permitting the use or enjoyment of any intellectual property right; development, design, programming, customisation, adaptation, upgradation, enhancement, implementation of information technology software; agreeing to the obligation to refrain from an act, or to tolerate an act or a situation, or to do an act; and transfer of the right to use any goods for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration

6. Composite supply The following composite supplies shall be treated as a supply of services namely:- (a) works contract as defined in clause (119) of section 2; and (b) supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink (other than alcoholic liquor for human consumption), where such supply or service is* for cash, deferred payment or other valuable consideration. Supply of Goods 7. The following shall be treated as supply of goods, namely:- Supply of goods by any unincorporated association or body of persons to a member thereof for cash, deferred payment or other valuable consideration. 164 SCHEDULE 111 to be added 71 Activities OR TRANSACTIONS WHICH ARE TREATED AS SUPPLY OF GOODS 1. 2. 3. 4, 5, 6. NOTE RJPZOF8BRV as Service by an employee to the employer In the course of or in relation to employment. Service by any other person established under any law for the time being in force. (b) (c) the motion passed by the Member of the Council of State LeBlat Dre, Members of Pandayats, Members of Mudawade and Members of Other local

authorities; the duties performed by any person who holds any position in pursuance of the provisions of the Constitution in that capacity; or the duties performed by any person as a Chairperson or a Member or Director in a body established by the Central Government or a State Government or local authority and who is not deemed as an employee before the commencement of Services of funeral, burial, cremation or mortuary including transportation of deceased; Sale of land and, subject to clause (b) of paragraph 5 of Schedule 11, gift of building. Actionable claims, other than lottery; betting and gambling.— For the purpose of paragraph 2 the term 'court' District Court, High Court and Supreme Court, TH. KAMINI KUMAR SINGH, Secretary (Law) to the Govt. of Manipur. Printed at the Directorate of Printing & Stationery, Government of Manipur/405-C/19-06-2017.

