

**PART III**  
**GOVERNMENT OF PUNJAB**  
DEPARTMENT OF EXCISE AND TAXATION  
(EXCISE AND TAXATION-II BRANCH)

**NOTIFICATION**

The 22nd July, 2022

**No. G.S.R. 56/P.A.5/2017/S.164/Amd.(48)/2022.-** In exercise of the powers conferred by section 164 of the Punjab Goods and Services Tax Act, 2017 (Punjab Act No. 5 of 2017), and all other powers enabling him in this behalf, the Governor of Punjab, on the recommendations of the Council, is pleased to make the following rules further to amend the Punjab Goods and Services Tax Rules, 2017, namely: -

**1. Short title and commencement.** - (1) These rules may be called the Punjab Goods and Services Tax (Sixth Amendment) Rules, 2022.

(2) They shall come into force on 22<sup>nd</sup> day of December, 2020.

**2.** In the Punjab Goods and Services Tax Rules, 2017 (hereinafter referred to as the said rules), in rule 8, for sub-rule (4A), with effect from a date to be notified, the following sub-rule shall be substituted, namely: -

“(4A)Every application made under rule (4) shall be followed by—

(a) biometric-based Aadhaar authentication and taking photograph, unless exempted under sub-section (6D) of section 25, if he has opted for authentication of Aadhaar number; or

(b) taking biometric information, photograph and verification of such other KYC documents, as notified, unless the applicant is exempted under sub-section (6D) of section 25, if he has opted not to get Aadhaar authentication done,

of the applicant where the applicant is an individual or of such individuals in relation to the applicant as notified under sub-section (6C) of section 25 where the applicant is not an individual, along with the verification of the original copy of the documents uploaded with the application in **FORM GST REG-01** at one of the Facilitation Centres notified by the Commissioner for the purpose of this sub-rule and the application shall be deemed to be complete only after completion of the process laid down under this sub-rule.”.

**3.** In the said rules, in rule 9,-

(a) in sub-rule (1), -

(i) after the words “applicant within a period of”, for the word “three”, the word “seven” shall be substituted;

(ii) for the proviso, the following provisos shall be substituted, namely: -

“Provided that where-

(a) a person, other than a person notified under sub-section (6D) of section 25, fails to undergo authentication of Aadhaar number as specified in sub-rule (4A) of rule 8 or does not opt for authentication of Aadhaar number; or

(b) the proper officer, with the approval of an officer authorised by the Commissioner not below the rank of Assistant Commissioner, deems it fit to carry out physical verification of places of business,

the registration shall be granted within thirty days of submission of application, after physical verification of the place of business in the presence of the said person, in the manner provided under rule 25 and verification of such documents as the proper officer may deem fit.”;

(b) in sub-rule (2), -

(i) for the word “three”, the word “seven” shall be substituted;

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

“Provided that where-

- (a) a person, other than a person notified under sub-section (6D) of section 25, fails to undergo authentication of Aadhaar number as specified in sub-rule (4A) of rule 8 or does not opt for authentication of Aadhaar number; or
- (b) the proper officer, with the approval of an officer authorised by the Commissioner not below the rank of Assistant Commissioner, deems it fit to carry out physical verification of places of business, the notice in **FORM GST REG-03** may be issued not later than thirty days from the date of submission of the application.”;
- (c) for sub-rule (5), the following sub-rule shall be substituted, namely: -
- “(5) If the proper officer fails to take any action, -
- (a) within a period of seven working days from the date of submission of the application in cases where the person is not covered under proviso to sub-rule (1); or
- (b) within a period of thirty days from the date of submission of the application in cases where a person is covered under proviso to sub-rule (1); or
- (c) within a period of seven working days from the date of the receipt of the clarification, information or documents furnished by the applicant under sub-rule (2),
- the application for grant of registration shall be deemed to have been approved.”.
4. In the said rules, in rule 21,-
- (a) in clause (b), after the words “goods or services”, the words “or both” shall be inserted;
- (b) after clause (d), the following clauses shall be inserted, namely:-
- “(e) avails input tax credit in violation of the provisions of section 16 of the Act or the rules made thereunder; or
- (f) furnishes the details of outward supplies in **FORM GSTR-1** under section 37 for one or more tax periods which is in excess of the outward supplies declared by him in his valid return under section 39 for the said tax periods; or
- (g) violates the provision of rule 86B.”.
5. In the said rules, in rule 21A,-
- (a) in sub-rule (2), the words “,after affording the said person a reasonable opportunity of being heard,” shall be omitted;
- (b) after sub-rule (2), the following sub-rule shall be inserted, namely: -
- “(2A) Where, a comparison of the returns furnished by a registered person under section 39 with
- (a) the details of outward supplies furnished in **FORM GSTR-1**; or
- (b) the details of inward supplies derived based on the details of outward supplies furnished by his suppliers in their **FORM GSTR-1**,
- or such other analysis, as may be carried out on the recommendations of the Council, show that there are significant differences or anomalies indicating contravention of the provisions of the Act or the rules made thereunder, leading to cancellation of registration of the said person, his registration shall be suspended and the said person shall be intimated in **FORM GST REG-31**, electronically, on the common portal, or by sending a communication to his e-mail address provided at the time of registration or as amended from time to time, highlighting the said differences and anomalies and asking him to explain, within a period of thirty days, as to why his registration shall not be cancelled.”;
- (c) in sub-rule (3), after the words, brackets and figure “or sub-rule (2)”, the words, brackets, figure and letter “or sub-rule (2A)” shall be inserted;
- (d) after sub-rule (3), the following sub-rule shall be inserted, namely: -
- “(3A) A registered person, whose registration has been suspended under sub-rule (2) or sub-rule (2A), shall not be granted any refund under section 54, during the period of suspension of his registration.”;
- (e) in sub-rule (4), -
- (i) after the words, brackets and figure “or sub-rule (2)”, the words, brackets, figure and letter “or sub-rule (2A)” shall be inserted;

(ii) the following proviso shall be inserted, namely: -  
"Provided that the suspension of registration under this rule may be revoked by the proper officer, anytime during the pendency of the proceedings for cancellation, if he deems fit."

6. In the said rules, in rule 22,-

- (a) in sub-rule (3), after the words, brackets and figure "the show cause issued under sub-rule (1)", the words, brackets, figures and letters "or under sub-rule (2A) of rule 21A" shall be inserted;
- (b) in sub-rule (4), after the words, brackets and figure "reply furnished under sub-rule (2)", the words, brackets, figures and letters "or in response to the notice issued under sub-rule (2A) of rule 21A" shall be inserted.

7. In the said rules, in rule 36, in sub-rule (4), with effect from the 1<sup>st</sup> day of January, 2021,-

- (a) for the word "uploaded", at both the places where it occurs, the word "furnished" shall be substituted;
- (b) after the words, brackets and figures "by the suppliers under sub-section (1) of section 37", at both the places where they occur, the words, letters and figure "in **FORM GSTR-1** or using the invoice furnishing facility" shall be inserted;
- (c) for the figures and words "10 per cent.", the figure and words "5 per cent." shall be substituted.

8. In the said rules, in rule 59, after sub-rule (4), the following sub-rule shall be inserted, namely: -

"(5) Notwithstanding anything contained in this rule, -

- (a) a registered person shall not be allowed to furnish the details of outward supplies of goods or services or both under section 37 in **FORM GSTR-1**, if he has not furnished the return in **FORM GSTR-3B** for preceding two months;
- (b) a registered person, required to furnish return for every quarter under the proviso to sub-section (1) of section 39, shall not be allowed to furnish the details of outward supplies of goods or services or both under section 37 in **FORM GSTR-1** or using the invoice furnishing facility, if he has not furnished the return in **FORM GSTR-3B** for preceding tax period;
- (c) a registered person, who is restricted from using the amount available in electronic credit ledger to discharge his liability towards tax in excess of ninety-nine per cent. of such tax liability under rule 86B, shall not be allowed to furnish the details of outward supplies of goods or services or both under section 37 in **FORM GSTR-1** or using the invoice furnishing facility, if he has not furnished the return in **FORM GSTR-3B** for preceding tax period."

9. In the said rules, after rule 86A, with effect from the 1<sup>st</sup> day of January, 2021, the following rule shall be inserted, namely: -

"**86B. Restrictions on use of amount available in electronic credit ledger.**-Notwithstanding anything contained in these rules, the registered person shall not use the amount available in electronic credit ledger to discharge his liability towards output tax in excess of ninety-nine per cent. of such tax liability, in cases where the value of taxable supply other than exempt supply and zero-rated supply, in a month exceeds fifty lakh rupees:

Provided that the said restriction shall not apply where -

- (a) the said person or the proprietor or karta or the managing director or any of its two partners, whole-time Directors, Members of Managing Committee of Associations or Board of Trustees, as the case may be, have paid more than one lakh rupees as income tax under the Income-tax Act, 1961(43 of 1961) in each of the last two financial years for which the time limit to file return of income under subsection (1) of section 139 of the said Act has expired; or
- (b) the registered person has received a refund amount of more than one lakh rupees in the preceding financial year on account of unutilised input tax credit under clause (i) of first proviso of sub-section (3) of section 54; or
- (c) the registered person has received a refund amount of more than one lakh rupees in the preceding financial year on account of unutilised input tax credit under clause (ii) of first proviso of sub-section (3) of section 54; or
- (d) the registered person has discharged his liability towards output tax through the electronic cash ledger for an amount which is in excess of 1% of the total output tax liability, applied cumulatively, upto the said month in the current financial year; or

- (e) the registered person is –
  - (i) Government Department; or
  - (ii) a Public Sector Undertaking; or
  - (iii) a local authority; or
  - (iv) a statutory body;

Provided further that the Commissioner or an officer authorised by him in this behalf may remove the said restriction after such verifications and such safeguards as he may deem fit.”

10. In the said rules, in rule 138, in sub-rule (10), with effect from the 1<sup>st</sup> day of January, 2021,-  
(a) in the Table, against serial number 1, in column 2, for the figures and letters “100 km.”, the figures and letters “200 km.” shall be substituted;  
(b) in the Table, against serial number 2, in column 2, for the figures and letters “100 km.”, the figures and letters “200 km.” shall be substituted.
11. In the said rules, in rule 138E, -  
(a) in clause (b), for the words “two months”, the words “two tax periods” shall be substituted;  
(b) after clause (c), the following clause shall be inserted, namely:-  
“(d) being a person, whose registration has been suspended under the provisions of sub-rule (1) or sub-rule (2) or sub-rule (2A) of rule 21A.”.

12. In the said rules, after **FORM GST REG-30**, the following **FORM** shall be inserted, namely-

**“FORM GST REG – 31**  
[See rule 21A]

Reference No.  
To,

Date: <DD><MM><YYYY>

GSTIN  
Name:  
Address:

**Intimation for suspension and notice for cancellation of registration**

In a comparison of the following, namely,

- (i) returns furnished by you under section 39 of the Punjab Goods and Services Tax Act, 2017;
  - (ii) outwards supplies details furnished by you in **FORM GSTR-1**;
  - (iii) auto-generated details of your inwards supplies
- for the period \_\_\_\_\_ to \_\_\_\_\_;
- (iv) ..... (specify)

and other available information, the following discrepancies/ anomalies have been revealed:

- Observation 1
- Observation 2
- Observation 3

*(details to be filled based on the criteria relevant for the taxpayer).*

2. These discrepancies/anomalies prima facie indicate contravention of the provisions of the Punjab Goods and Services Tax Act, 2017 and the rules made thereunder, such that if not explained satisfactorily, shall make your registration liable to be cancelled.

3. Considering that the above discrepancies/anomalies are grave and pose a serious threat to interest of revenue, as an immediate measure, your registration stands suspended, with effect from the date of this communication, in terms of sub-rule (2A) of rule 21 A.

4. You are requested to submit a reply to the jurisdictional tax officer within thirty days from the receipt of this notice, providing explanation to the above stated discrepancy/ anomaly. Any possible misuse of your credentials on GST common portal, by any person, in any manner,

may also be specifically brought to the notice of jurisdictional officer.

5. The suspension of registration shall be lifted on satisfaction of the jurisdictional officer with the reply along with documents furnished by you, and any further verification as jurisdictional officer considers necessary.

6. You may please note that your registration may be cancelled in case you fail to furnish a reply within the prescribed period or do not furnish a satisfactory reply.

Name:

Designation:

NB: This is a system generated notice and does not require signature by the issuing authority.”

**AJOY SHARMA,  
Financial Commissioner (Taxation)  
to Government of Punjab  
Department of Excise and Taxation.**