

ॐ सह नाववतु ।
सह नौ भुनक्तु ।
सह वीर्यं करवावहै ।
तेजस्वि नावधीतमस्तु मा विद्विषावहै ।
ॐ शान्तिः शान्तिः शान्तिः ॥

Om, May God Protect us Both (the Teacher and the students),

May God Nourish us Both,

May we Work Together with Energy and Vigour,

May our Study be Enlightening and not give rise to Hostility,

Om, Peace, Peace, Peace.



TOPICS COVERED

53rd GST Council Meeting

- CIRCULARS/ NOTFICATIONS YET TO COME
 - CIRCULARS/ NOTFICATIONS ALREADY COME
- 



DRESS RELEASE



ANALYSIS



NOTIFICATION



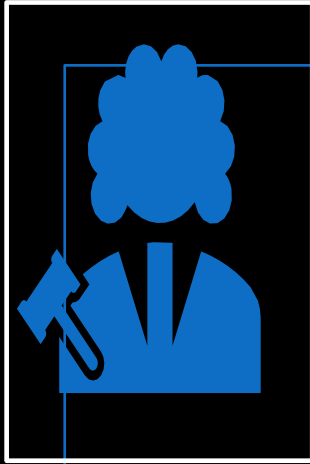
Ab Samajh Mai Agaya 240 mai wo
dum hai jo 303 mai nahi tha

Recommendations yet
to Notify -
Applicable to All
Taxpayers

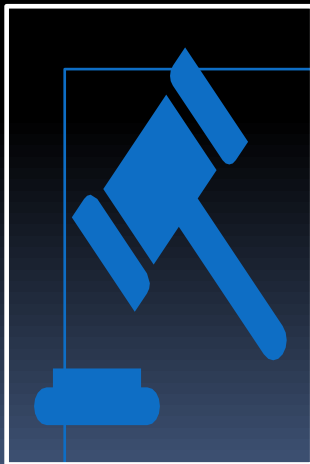
TIME LIMIT FOR SECTION 16(4)



TIME LIMIT FOR SECTION 16(4)



What is Section 16(4) of the GST Act?



Time limit for availment of ITC prescribed – i.e.
The last date for avaiment of ITC prescribed was
due date of furnishing of GSTR-3B of September
of next year



TIME LIMIT FOR SECTION 16(4)

The time limit to avail ITC w.r.t. any invoice or debit note under Section 16(4) of CGST Act, through any GSTR 3B return filed up to 30.11.2021 for FY 2017-18, 2018-19, 2019-20 and 2020-21, may be deemed to be 30.11.2021



The amendment applies retrospectively.

CONCERNS - TIME LIMIT FOR SECTION 16(4)

What will Happen if there is
Diff between 3B Vs 2A for
Previous Years ?

Whether ITC is eligible only if
availed in GSTR-3B up to
September however 3B filed
delayed?

CONCERNS - TIME LIMIT FOR SECTION 16(4)

It will also benefit taxpayers who have filed GST returns under the Amnesty Scheme..

Whether same is Applicable if ITC is not availed at all till the time?

CONCERNS - TIME LIMIT FOR SECTION 16(4)

What about refund of ITC
already reversed?

What about previous
matter pending in
appeal?


What if Recovery
already Done by
Department ?

Whether ITC is eligible in
case of delay in filing of
GSTR-1 by the supplier



TIME LIMIT FOR SECTION 16(4)

Also, recommended that ITC to be eligible if return filed post revocation of cancellation of registration if returns are filed within 30 days of revocation Order



CONDITIONAL WAIVER OF
INTEREST OR PENALTY OR BOTH
FOR DEMAND NOTICE ISSUED
UNDER SECTION 73





CONDITIONAL WAIVER OF INTEREST OR PENALTY OR BOTH
FOR DEMAND NOTICE ISSUED UNDER SECTION 73



Recommended insertion of
new section 128A



CONDITIONAL WAIVER OF INTEREST OR PENALTY OR BOTH FOR DEMAND NOTICE ISSUED UNDER SECTION 73

- Applicable to

- ⑩ Demand order u/s 73 of CGST Act, 2017 for the fiscal years 2017-18, 2018-19 and 2019-20

- Benefit under Scheme

- ⑩ Waiver of interest and penalties

- Conditions if any

- ⑩ Full tax demanded is paid up to 31.03.2025.

CONCERNS - CONDITIONAL WAIVER OF INTEREST OR PENALTY OR BOTH FOR DEMAND NOTICE ISSUED UNDER SECTION 73

It may reduce litigation, but the litigation of demand notices issued under section 74 will still be uncertain.

What if interest and/or penalty already paid ?


CONCERNS - CONDITIONAL WAIVER OF INTEREST OR PENALTY OR BOTH FOR DEMAND NOTICE ISSUED UNDER SECTION 73

What if one OIO for numerous issues including interpretational issue?

OIO issued u/s 74 of the CGST Act as well u/s 73 of the CGST act for same issue and/or subject matter.

TO PROVIDE FOR COMMON TIME LIMIT
FOR ISSUANCE OF DEMAND NOTICES
AND ORDERS FOR SECTION 73 AND 74
OF THE CGST ACT.





Common Time Limit For Issuance Of Demand Notices And Orders For Sec 73 & 74 Of CGST Act




Proposed insertion of a new Section 74A
in CGST Act,



TO PROVIDE FOR COMMON TIME LIMIT FOR ISSUANCE OF DEMAND NOTICES AND ORDERS FOR SECTION 73 AND 74 OF THE CGST ACT

Common time limit for issuance of Demand Notices

The time limit for the taxpayers to avail the benefit of reduced penalty, by paying the tax demanded along with interest, has been recommended to be increased from 30 days to 60 days [For Section 74 of the CGST Act]



REDUCTION OF THE AMOUNT OF PRE-DEPOSIT FOR FILING OF APPEALS





Reduction Of The Amount Of Pre Deposits For Filing Appeals

Proposed Amendments in Section 107
and Section 112 of CGST Act





REDUCTION OF THE AMOUNT OF PRE-DEPOSIT FOR FILING OF APPEALS

Pre-deposit for Appeal GST Appellate Tribunal - At Present

- 20% with a maximum amount of Rs. 50 crores CGST and Rs. 50 crores SGST to



Appeal GST Appellate Tribunal – Proposed


- 10 % with a maximum of Rs. 20 crores CGST and Rs. 20 crores SGST
- 

OTHER RECOMMENDATION






Insertion Of Section 11A

- Recommended inserting a new Section 11A in CGST Act to give powers to the Government, on the recommendations of the Council, to allow regularization of non-levy or short levy of GST, where tax was being short paid or not paid **due to common trade practices.**
- 



Sunset Clause For Anti-Profiteering

Recommended amendment in section 171 and section 109 of CGST Act, 2017 to provide a sunset clause for anti-profiteering under GST and to provide for handling of anti-profiteering cases by Principal bench of GST Appellate Tribunal (GSTAT). **Council has also recommended the sunset date of 01.04.2025 for receipt of any new application regarding anti-profiteering.**

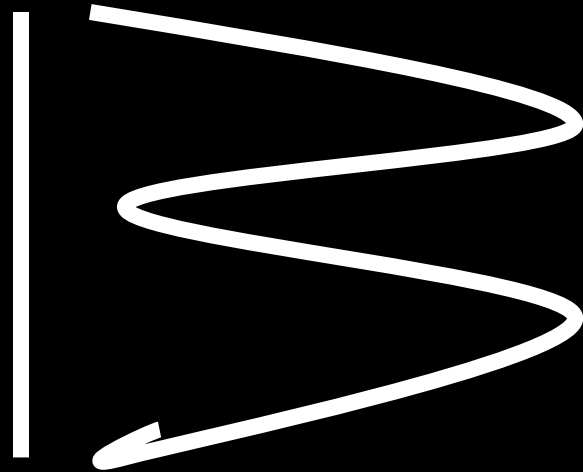





GST CIRCULARS 207 -229

THINGS YOU MUST KNOW!

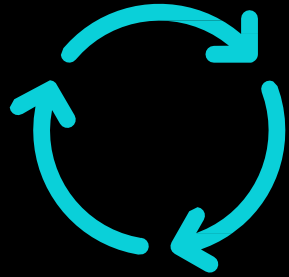




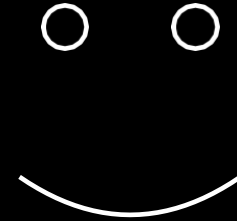
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OVERVIEW



[Circular No. 207/1/2024-GST](#)



Applicable to

Filing appeals or applications by the
Department before GSTAT, High Courts and
Supreme Court



Legal Provision

Sec-120 - Appeal not to be filed in certain cases

*120. (1) The Board may, on the recommendations of the Council, from time to time, **issue orders or instructions or directions fixing such monetary limits,** as it may deem fit, for the purposes of regulating the filing of appeal or application by the officer of the central tax under the provisions of this Chapter.*

OBJECT

Reducing unnecessary
litigation

Providing certainty to
taxpayers on their tax
assessment while
taking a decision
regarding filing an
appeal.

MONETARY LIMIT PRESCRIBED FOR FILING AN APPEAL

Rs. 20 lakh

- GST Appellate Tribunal

Rs. 1 crore

- High Court

Rs. 2 crore

- Supreme Court

HOW TO DETERMINING MONETARY LIMITS?

Dispute Pertains to demand
of

- Tax (With or Without interest and /or penalty)
- Interest Only
- Penalty only
- late fee only

Monetary Limit

- The Aggregate of the amount of tax in dispute
- The amount of interest
- the amount of penalty
- The amount of late fee

HOW TO DETERMINING MONETARY LIMITS?

**Dispute
Pertains to
demand of**

the interest, penalty and/or late fee (Without any tax)
Erroneous refund

**Monetary
Limit**

the aggregate of amount of interest, penalty and late fee
The amount of refund in dispute

CIRCUMSTANCES WHERE MONITORY LIMIT NOT APPLICABLE !

In the Circumstances below the decision to file appeal shall be taken on merits irrespective of the said monetary limits

Where

- Provisions of the Act
- Rules or regulations made under Act
- Any order, notification, instruction, or circular

Held to be

- Ultra vires to the Constitution of India;
- Ultra vires to the parent Act
- Ultra vires to the Act and rules thereunder

CIRCUMSTANCES WHERE MONITORY LIMIT NOT APPLICABLE

In the circumstances given below the decision to file appeal shall be taken on merits irrespective of the said monetary limits

- Where the matter is related to
 - a. Valuation of goods or services; or
 - b. Classification of goods or services; or
 - c. Refunds; or
 - d. Place of Supply; or
 - e. Any other issue,
 - Which is recurring in nature and/or involves interpretation of the provisions of the Act /the Rules/ notification/circular/order/instruction etc; or

CIRCUMSTANCES WHERE MONITORY LIMIT NOT APPLICABLE

Where strictures/adverse comments have been passed and/or cost has been imposed against the Government/Department or their officers; or

Any other case or class of cases, where in the opinion of the Board, it is necessary to contest in the interest of justice or revenue

CONCERNS - MONETARY LIMIT PRESCRIBED FOR FILING AN APPEAL

Whether It will aid in reducing
litigation?

What are the cases it could
cover?


What about previous appeals
filed by the Department? Will
the monetary limit also apply to
them?

Whether it can be presumed that the
Department has accepted contention
only if Appeal not filed only on
account of monetary limit


KEY HIGHLIGHTS - MONETARY LIMIT PRESCRIBED FOR FILING AN APPEAL

Whether it can be presumed that the Department has accepted contention only if Appeal not filed only on account of monetary limit and whether same can be relied for similar matter for the same taxpayer or in case of any other taxpayers?

Whether Non-filing of appeal based on monetary limits lead to preclude that the tax officer not allowed to file appeal in any other case involving the same or similar issues?

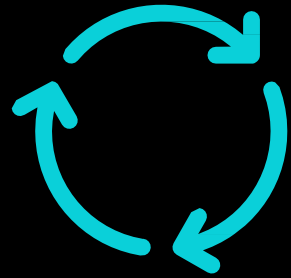


Clarifications on various issues pertaining to special procedure for the manufacturers of the specified commodities.

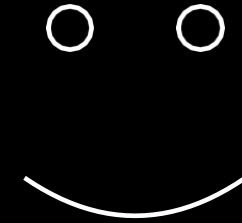


Reference: Circular No. 208/1/2024-GST

OVERVIEW



[Circular No.209/3/2024-GST`](#)



Applicable to supply of goods to unregistered
persons

SECTION 10 OF THE IGST ACT

(1) The place of supply of goods, other than supply of goods imported into, or exported from India, shall be as under,—

- (a) where the supply **involves movement** of goods, whether by the supplier or the recipient or by any other person, the place of supply of such goods shall be the location of the goods at the time **at which the movement of goods terminates for delivery to the recipient**;
- (b).....
- c) where the **supply does not involve movement of goods**, whether by the supplier or the recipient, the place of supply shall be the location of such goods at the time of the delivery to the recipient;
- (ca) where the supply of goods is made to a person **other than a registered person**, the place of supply shall, **notwithstanding** anything contrary contained in clause (a) or clause (c), be the location as per the address of the said person recorded in the invoice issued in respect of the said supply and the location of the supplier where the address of the said person is not recorded in the invoice.

Explanation.—For the purposes of this clause, recording of the name of the State of the said person in the invoice shall be deemed to be the recording of the address of the said person;


Amendment Act 2023

1. Inserts 10(1)(ca)
2. [NT-02/2023-IT](#) - Notifies 1-10-2023 as date Amendment Act 2023 comes in force




SECTION 10 OF THE IGST ACT

- According to Rule 46 (e) of CGST Act –
- *“name and address of the recipient and the address of delivery, along with the name of the State and its code, if such recipient is un-registered and where the value of the taxable supply is less than fifty thousand rupees and the recipient requests that such details be recorded in the tax invoice.”*

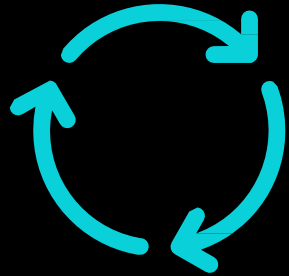


Circular No.209/3/2024-GST dated 26th June 2024

Clarification where billing address is different from the address of delivery of goods [especially in the context of supply being made through e-commerce platforms

- Place of supply shall be the address of delivery of goods recorded on the invoice
- 

OVERVIEW



[Circular No.210/4/2024-GST](#)



Applicable to
Valuation of supply of import of services by a
related person

S. NO. 4 OF SCHEDULE I OF CGST ACT

- **SCHEDULE I**

ACTIVITIES TO BE TREATED AS SUPPLY EVEN IF MADE WITHOUT CONSIDERATION

4. 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.

Valuation of supply of import of services by a related person

Applicable to

- Where the foreign affiliate is providing certain services to the related domestic entity, and where full input tax credit is available to the said related domestic entity [Related Party]

Value for Levy of GST

- **If declared in the invoice by the said related domestic entity**
 - The said Value may be deemed as open market value
- **If the invoice is not issued by the related domestic entity**
 - the value of such services may be deemed to be declared as Nil, and may be deemed as open market value



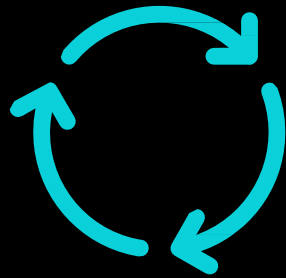
Concerns →



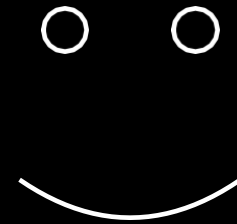
What is the meaning of full ITC available?

Whether it can be contended even for other RCM liability that the same is not liable to be recovered as revenue neutral transaction? (like domestic RCM) where recipient is eligible for full ITC.

OVERVIEW



[Circular No. 211/5/2024-GST](#)



Applicable to

Time limit under Section 16(4) of CGST Act, in
respect of RCM supplies received from
unregistered persons

RELEVANT LEGAL PROVISIONS

Section 16(4) of CGST Act, as amended vide the Finance Act, 2022,

*“A registered person shall not be entitled to take input tax credit in respect of any invoice or debit note for supply of goods or services or both after **the thirtieth day of November following the end of financial year to which such invoice or debit note pertains** or furnishing of the relevant annual return, whichever is earlier.”*

Section 16(4) of CGST Act, before the said amendment

*A registered person shall not be entitled to take input tax credit in respect of any invoice or debit note for supply of goods or services or both after **the due date of furnishing of the return under section 39 for the month of September following the end of financial year to which such invoice or debit note pertains** or furnishing of the relevant annual return, whichever is earlier.”*

RELEVANT LEGAL PROVISIONS

Section 16(2)(a)

Possession of a tax invoice or debit note or such other tax paying documents as may be prescribed

Section 31(3)(f)

*(f) a registered person who is liable to pay tax under sub-section (3) or sub-section (4) of [section 9](#) shall issue an invoice in respect of goods or services or both received by him from the supplier who is not registered on the date of receipt of goods or **services or both;***

TIME OF SUPPLY OF SERVICES. (SECTION 13 OF THE CGST ACT)

- Receipt of Goods
- Payment
- 30 days form the date of issue of invoice or any document by the supplier
- Not possible as aforesaid – then date of entry in the books

RCM - Goods



- Payment
- 60 days form the date of issue of invoice by the supplier or any Document by the Supplier
- Not possible as aforesaid – then date of entry in the books

RCM - Service



Time limit under Section 16(4) of CGST Act, in respect of RCM supplies received from unregistered persons

Clarification

- It is clarified that in cases of supplies received from unregistered suppliers, where tax has to be paid under RCM and where invoice is to be issued by the recipient of the supplies in accordance with section 31(3)(f) of CGST Act, the relevant financial year for calculation of time limit for availment of ITC will be the financial year in which the invoice has been issued by the recipient under section 31(3)(f) of CGST Act, subject to payment of tax on the said supply by the recipient and fulfilment of other conditions and restrictions of section 16 and 17 of CGST Act.
- In case, **the recipient issues the invoice after the time of supply, he will be required to pay interest on such delayed payment of tax.** Further, in cases of such delayed issuance of invoice by the recipient, he may **also be liable to penal action under the provisions of Section 122 of CGST Act.**

Concerns →

Whether clarification is for RCM applicable to both section (i.e. Section 9(3) of the CGST Act and Section 9(4) of the CGST Act.

Whether Interest and/or Penalty is mandatory for eligibility of ITC in case of delayed payment of RCM?

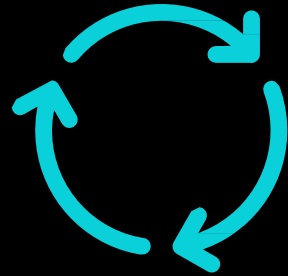
Whether clarification is applicable if supply received from registered person?

What about availability of ITC with respect to RCM paid for Previous Period?

Availability of ITC with respect to RCM paid for Previous Period?

No.	Paid	Methodology by which same Paid	Self Invoice Issued	Notice Issued U/s	ITC Availed in GSTR-3B	Eligibility of ITC
1.	YES	GSTR-3B	YES	73	YES	?
2.	YES	DRC-03	YES	73	No	?
2.	No	-	-	73	-	?
3.	YES	GSTR-3B/DRC-03	YES	74	YES	?
4.	YES	GSTR-3B/DRC-03	No	74	No	?

OVERVIEW



Applicable to
Evidence of compliance of conditions of
Section 15(3)(b)(ii) of the CGST Act, 2017 by
the suppliers

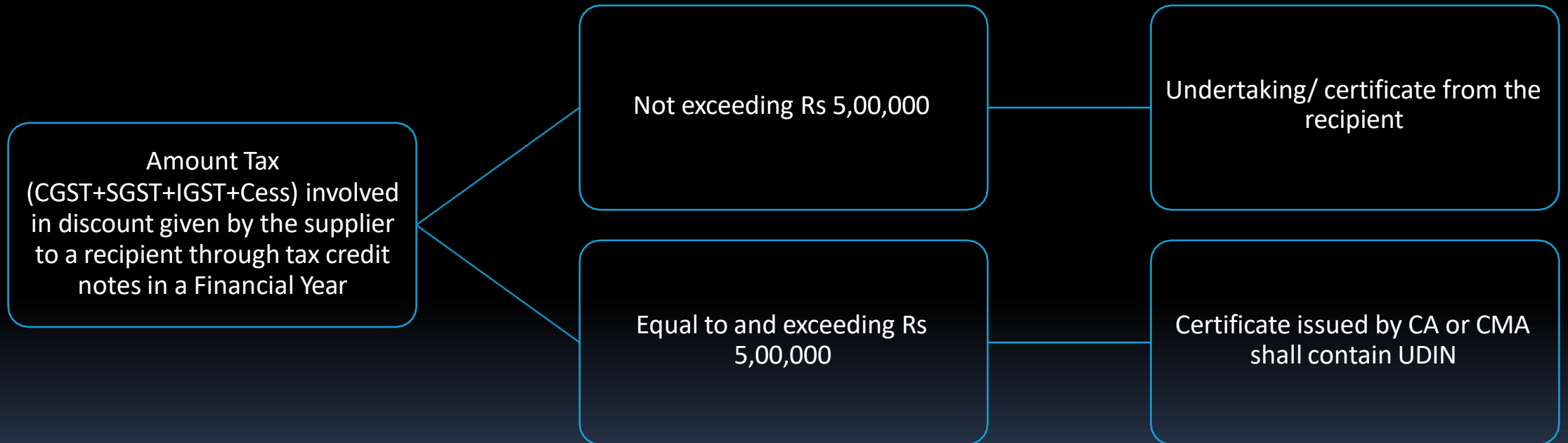
[Circular No.-212/6/2024-GST](#)

RELEVANT LEGAL PROVISIONS

Any discount which is given after the supply has been effected shall not be included in the value of the supply, only if it satisfies the following conditions:
[Section 15(3)(b)]

- Such discount is established in terms of an agreement entered into at or before the time of such supply;
- Such discount must be specifically linked to the relevant invoices
- **ITC attributable to such discount on the basis of document issued by the supplier has been duly reversed by the recipient**

EVIDENCE OF COMPLIANCE OF CONDITIONS OF SECTION 15(3)(B)(II)



EVIDENCE OF COMPLIANCE OF CONDITIONS OF SECTION 15(3)(B)(II)

Content of Certificate and or Declaration

Details of the credit notes,

the details of the relevant invoice number against which the said credit note has been issued,

the amount of ITC reversal in respect of each of the said credit notes

The details of the DRC-03/ return/any other relevant document through which such reversal of ITC has been made by the recipient.

Concerns →

What about Past Period?

What is the frequency at which
this declaration is to be
obtained?

Whether it can be applicable to
all types of Credit Note Issued?
Like Credit note issued for
goods return, Quality issue etc.


TAXABILITY OF ESOPS

GST is not leviable on the compensation paid to the employee by the employer as per the terms of employment contract which involve transfer of securities/shares of the foreign holding company to the employees of domestic subsidiary company.



Taxability of reimbursement of cost recovered by the Foreign holding company from Indian subsidiary company .


- If done on cost to cost basis then no GST
- If mark-up charged then GST is leviable.



Clarification on the requirement of reversal of input tax credit in respect of the portion of the premium for life insurance policies which is not included in taxable value



Reference: 214/07/2024-GST

- 
- **It is clarified that the amount of the premium for taxable life insurance policies, which is not included in the taxable value as determined under rule 32(4) of CGST Rules, cannot be considered as pertaining to a non-taxable or exempt supply and therefore, there is no requirement of reversal of input tax credit as per provisions of Rule 42 or rule 43 of CGST Rules, read with sub-section (1) and sub-section (2) of Section 17 of CGST Act, in respect of the said amount.**

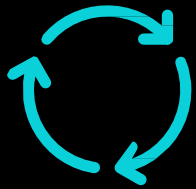
Reference: [214/07/2024-GST](#)



Clarification on taxability of wreck and salvage values in motor insurance claims.

- In cases where due to the conditions mentioned in the contract itself, general insurance companies are deducting the value of salvage as deductibles from the claim amount the salvage remains the property of insured and insurance companies are not liable to discharge GST liability on the same
- However, in cases where the insurance claim is settled on full claim amount without deduction of value of salvage/ wreckage (as per the terms of the contract), the salvage becomes the property of the insurance company and the insurance company will be obligated to discharge GST on supply of salvage to the salvage buyer.

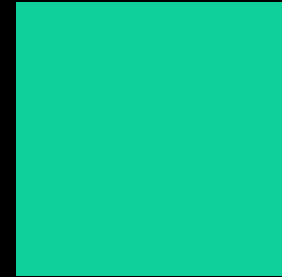
OVERVIEW



[Circular No. 216/10/2024-GST](#)



Applicable to
GST liability and ITC availability
in cases involving Warranty/
Extended Warranty



Earlier clarification with
respect to Warranty
Circular No. 195/07/2023-GST
dated 17.07.2023

GST ON WARRANTY SUPPLY BY MANUFACTURER!

In cases where warranty is provided by the manufacturer/ suppliers to the customers in respect of any goods, and if any defect is detected in the said goods during the warranty period, the manufacturer may be required to replace either one or more parts or the goods as such, depending upon the extent of damage/ defect noticed in the said goods.

GST is not payable on the same and neither ITC is to be reversed

This is in line with Circular No. 195/07/2023-GST dated 17.07.2023

GST ON WARRANTY SUPPLY BY DISTRIBUTOR!

There may be cases where the distributor replaces the goods or its parts to the customer under warranty by using his stock and then raises a requisition to the manufacturer for the goods or the parts, as the case may be.

The manufacturer then provides the said goods or the parts, as the case may be, to the distributor through a delivery challan, without separately charging any consideration at the time of such replenishment

In such a case, no GST is payable on such replenishment of goods or the parts, as the case may be. Further, no reversal of ITC is required to be made by the manufacturer in respect of the goods or the parts, as the case may be, so replenished to the distributor.”


GOODS SOLD BY ONE PERSON BUT WARRANTY GIVEN BY ANOTHER PERSON!

Supplier of the goods may be the dealer say showroom while the supplier of extended warranty may be the OEM or third party say Car Manufacturer

The supplies being made by different suppliers **cannot be treated as part of the composite supply**

In such cases, supply of extended warranty will be **treated as a separate supply from the original supply of goods.**



The same principle to apply when extended warranty is sold separately after sale of **original goods**



Entitlement of ITC by the insurance companies on the expenses incurred for repair of motor vehicles in case of reimbursement mode of insurance claim settlement.



Reference: Circular No. 217/12/2024-GST

- 
- **Issue 1:**
 - The insurance companies, which are engaged in providing general insurance services in respect of insurance of motor vehicles, insure the cost of repairs/damages of motor vehicles incurred by the policyholders and settle the claims in two modes i.e., Cashless or Reimbursement. Whether ITC is available to insurance companies in respect of repair expenses reimbursed by the insurance company in case of reimbursement mode of claim settlement.
 - **Clarification:**
 - It has been clarified that ITC is available to Insurance Companies in respect of motor vehicle repair expenses incurred by them in case of reimbursement mode of claim settlement.
- 


Reference: Circular No. 217/12/2024-GST

- **Issue 2:**

- Where the invoice raised by the garage also includes an amount in excess of the approved claim cost, the insurance company only reimburses the approved claim cost to the garage after considering the standard deductions viz. the compulsory deductibles to be borne by the insured, depreciation, improvements outside the coverage, value of salvage of the damaged parts of the motor vehicles, etc. The remaining amount is to be paid by the insured to the garage. What is the extent of ITC available to the insurer in such cases?

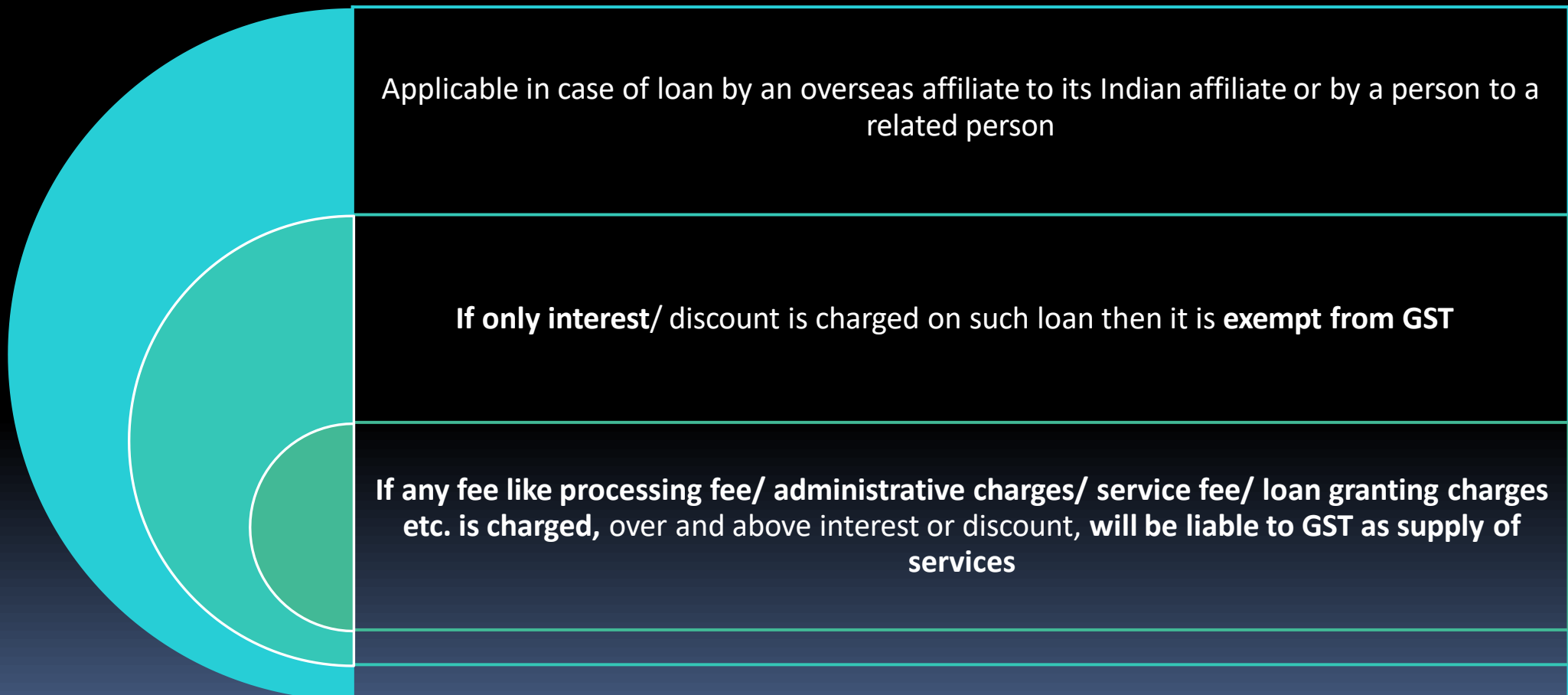
- **Clarification:**

- Where the garage issues 2 separate invoices in respect of the repair services,
 - one to the insurance company in respect of approved claim cost and
 - second to the customer for the amount of repair service in excess of the approved claim cost,
- ITC may be available to the insurance company on the said invoice issued to the insurance company subject to reimbursement of said amount by insurance company to the customer.
- If the invoice for full amount for repair services is issued to the insurance company while the insurance company makes reimbursement to the insured only for the approved claim cost then, the ITC may be available to the insurance company only to the extent of reimbursement of the approved claim cost to the insured, and not on the full invoice value.

- 
- Issue 3:
 - Whether ITC is available to the insurer where the invoice for the repair of the vehicle is not in name of the insurance company.
 - Clarification:
 - No.

Reference: Circular No. 217/12/2024-GST


TAXABILITY OF LOAN GIVEN TO RELATED PARTY!



Applicable in case of loan by an overseas affiliate to its Indian affiliate or by a person to a related person

If only interest/ discount is charged on such loan then it is exempt from GST

If any fee like processing fee/ administrative charges/ service fee/ loan granting charges etc. is charged, over and above interest or discount, will be liable to GST as supply of services



Clarification on availability of input tax credit on ducts and manholes used in network of optical fiber cables (OFCs) in terms of section 17(5) of the CGST Act, 2017



Reference: Circular No. 219/12/2024-GST

- It appears that ducts and manholes are covered under the definition of “plant and machinery” as they are used as part of the OFC network for making outward supply of transmission of telecommunication signals from one point to another. Moreover, ducts and manholes used in network of optical fiber cables (OFCs) have not been specifically excluded from the definition of “plant and machinery” in the Explanation to section 17 of CGST Act, as they are neither in nature of land, building or civil structures nor are in nature of telecommunication towers or pipelines laid outside the factory premises.
- Accordingly, it is clarified that availment of input tax credit is not restricted in respect of such ducts and manhole used in network of optical fiber cables (OFCs), either under clause (c) or under clause (d) of sub-section (5) of section 17 of CGST Act 2017.



Reference: Circular No. 219/12/2024-GST



Clarification on place of supply applicable for custodial services provided by banks to Foreign Portfolio Investors



Reference: Circular No. 220/12/2024-GST

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- It is clarified that the custodial services provided by banks or financial institutions to Foreign Portfolio Investors (FPI) are not to be treated as services provided to 'account holder' as per clarification given in Education Guide under Service Tax Regime, the custodial services are not considered to be covered under the services provided by bank to account holders, but have been considered to be covered under the services which are not provided to account holder. Therefore, the said services are not covered under Section 13(8)(a) of the IGST act. Therefore, the place of supply of such services is not to be determined under Section 13(8)(a) of the IGST Act but has to be determined under the default provision i.e., sub-section (2) of section 13 of the IGST Act.

Reference: Circular No. 220/12/2024-GST

TOS FOR CONSTRUCTION & MAINTENANCE OF ROADS UNDER HAM MODELS

Construction of road and maintenance of road will be treated as single contract only!

The payment is made spread over the contract period in installments

Hence it will be 'Continuous supply of services' as defined under section 2(33) of the CGST Act.

TOS FOR CONSTRUCTION & MAINTENANCE OF ROADS UNDER HAM MODELS

If invoice is **issued on or before the specified due date** of payment as mentioned in contract, then GST payable as **on date of invoice or receipt of payment whichever is earlier.**


If invoice is **not issued** on or before the specified due date of payment as mentioned in contract, then **GST payable as on the date of provision of the service, or date of receipt of payment, whichever is earlier.**

Interest recovered by supplier, will also be leviable to GST as section 15(2)(d) of the CGST Act.


Reference: Circular No.--221/15/2024-GST




Time of supply in respect of supply of allotment of Spectrum to Telecom companies



Reference: Circular No.--222/15/2024-GST




Amendment in circular no. 1/1/2017 in respect of Proper officer for provisions relating to Registration and Composition levy under the Central Goods and Services Tax Act, 2017 or the rules made thereunder.



Reference: Circular No.--223/15/2024-GST

Recovery Till Tribunal is established

- - Stay would be granted against the demand pending after first appeal upon the following compliances:
 - Make the payment of predeposit and set off against pending demand
 - • File an undertaking with jurisdictional officer that he intends to file an appeal
 - • File the appeal before the Tribunal within the time lines prescribed when established
 - ➤ For pre-deposit, File DRC-03A, if payment made in DRC-03 and not set off against outstanding demand
 - ➤ Till DRC-03A becomes functional, mere intimation to the officer that payment made in DRC-03 would suffice
- (Circular no. 224/18/2024-GST dated 11th July 2024)




Clarification on various issues pertaining to
taxability and valuation of
supply of services of providing corporate
guarantee between related persons.



Reference: Circular No.--225/15/2024-GST

Amendment in GST Act relating to corporate guarantee Rule 28(2) provided that the value of service of providing corporate guarantee to related person would be 1% of guarantee offered or actual consideration whichever is higher.

- Crux of amendment / clarification
- 1) Rule 28(2) would not apply in case corporate guarantee provided to related person located outside India (foreign related entity)
- 2) Valuation of 1% is per annum basis. i.e. if corporate guarantee is for 5 years, then GST would be payable on value of 1% of guarantee amount every year.
- 3) Proviso to Rule 28(2) inserted to provide that where the recipient is eligible to full ITC, then invoice amount would be deemed to be the value.
- 4) Rule 28(2) was inserted vide 26th October 2023 and has to be given prospective effect. Hence, for corporate guarantee provided prior to such date, the valuation would not be determined under Rule 28(2).
- 5) 1% value is to be computed of the amount of guarantee offered and is not based upon the actual amount of loan disbursed by banks.
- 6) No need to again pay GST on corporate guarantee in case of takeover of loan by another bank
- 7) If corporate guarantee is provided by multiple related entities, then each such party is required to pay GST @ 1% of the amount of guarantee offered by it or actual consideration received, which ever is Higher.



Mechanism for refund of additional Integrated Tax (IGST) paid on account of upward revision in price of the goods subsequent to exports— reg.




Reference: Circular No.--226/15/2024-GST




Processing of refund applications filed by Canteen Stores Department (CSD)

Reference: Circular No.--227/15/2024-GST









Clarifications regarding applicability of GST on certain services – reg. In exercise of the powers conferred under section 168(1) of the Central Goods and Services Tax Act, 2017 and on the recommendations of the 53rd GST Council in its meeting held on 22nd June, 2024, at New Delhi, clarifications, related to the following issues are being issued through this circular:




Reference: Circular No.--228/15/2024-GST

- 
- i. GST exemption on the outward supplies made by the Ministry of Railways (Indian Railways).
 - ii. GST exemption on the transactions between Special Purpose Vehicles (SPVs) and Ministry of Railways (Indian Railways).
 - iii. Applicability of GST on the statutory collections made by the Real Estate Regulatory Authority (RERA) in accordance with the Real Estate (Regulation and Development) Act, 2016.
 - iv. Applicability of GST on the incentive amount shared by acquiring bank with other stakeholders in the digital payment ecosystem under the notified Incentive Scheme for promotion of Ru Pay Debit Cards and low value BHIM-UPI transactions.
 - v. GST liability on the reinsurance of specified general and life insurance schemes.


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- vi. GST liability on the reinsurance of insurance schemes for which total premium is paid by the Government.
 - vii. Applicability of GST on retrocession services.
 - viii. GST liability on certain accommodation services.



Clarification regarding GST rates & classification (goods) based on the recommendations of the GST Council in its 53rd meeting held on 22nd June, 2024, at New Delhi -reg.



Reference: Circular No.--229/15/2024-GST

- 
1. Clarification regarding GST rate on Solar Cookers:
 2. Clarification regarding GST rate on Fire Water Sprinklers:
 3. Clarification regarding GST rate on parts of Poultry-keeping machinery:
 4. Clarification regarding the scope of expression pre-packaged and labeled for supply of agricultural farm produce:
 5. Clarification regarding supplies of goods made to or by agency engaged by Government

Reference: Circular No.--229/15/2024-GST

GENERAL CONCERNS !


- I. What for Pending assessment of 19-20 as Notification for Amnesty may get delayed due to Law Amendment Required?
- II. What for Department Recovery mechanism for 17-18 to 19-20 where no Appeals are filed and dealer wants to pay Tax before 31-03-25 and wants to avail amnesty benefits?
- III. What about Matters where wrong demand is created and dealer is not able to file appeal due to Delay?
- IV. What about Matters where registration got cancelled and dealer is not able to file appeal due to Delay?
- V. In initial Years Got orders / Audit findings under Section 74 however same issues are covered under Section 73 How to rectify these orders?




GST Notifications



THINGS YOU MUST KNOW!





Notification no. 12/2017-CT dated 12th
July 2024



- 
- 
- Appeal would be filed online in APL-05 electronically only and the provisional acknowledgement would be issued
 - ➤ Appeal can be filed manually only if the Registrar issues a general or specific order to this effect
 - ➤ The same provision is applicable for memorandum of cross objections in APL-06
 - ➤ Final acknowledgement would be issued only upon removal of defects in the application if any Tribunal.
 - ➤ Self certified copy of the order is to be submitted within 7 days if the appeal is filed physically

(Notification no. 12/2017-CT dated 12th July 2024)

- ➤ Fees for filing would be 1000 for every Rs. 1 lakhs. However, the following would be the minimum and maximum amount:
 - • Minimum – Rs. 5000
 - • Maximum – Rs. 25000
- ➤ The appeal can be withdrawn anytime before the issuance of order
- ➤ If the final acknowledgement is issued, the withdrawal would be subject to the approval of the Appellate
- Upon making payment in DRC-03, the proper officer would be required to electronically issue acknowledgement in DRC-04

(Notification no. 12/2017-CT dated 12th July 2024)

Acknowledgement of payment / submission in DRC-01A


- Upon receipt of reply in DRC-01A, there is no official mechanism to determine if the officer has accepted / rejected the submissions / payment against it.
- ➤ To circumvent this, upon receipt of reply / payment against DRC-01A, the proper officer may issue an intimation in Part-C of FORM GST DRC-01A, accepting the payment or the submissions or both, as the case may be, made by the said person.

(Notification no. 12/2017-CT dated 12th July 2024)

Setting of DRC-03 against the outstanding demand


- Where a person makes a payment through DRC-03 under 'voluntary' or 'others' category without selecting the option to set off demand in Electronic Liability ledger, the liability on the electronic credit ledger remains open
- ➤ Instead of crediting the said amount in the electronic liability register in FORM GST PMT -01 against the debit entry created for the said demand, the said person may file an application in FORM GST DRC-03A electronically on the common portal

(Notification no. 12/2017-CT dated 12th July 2024)

- 
- ➤ The amount so paid and intimated through FORM GST DRC-03 shall be credited in Electronic Liability Register in FORM GST PMT –01 against the debit entry created for the said demand
 - ➤ Where an order in FORM GST DRC-05 has been issued in terms of sub-rule (3) concluding the proceedings, in respect of the payment of an amount in FORM GST DRC-03, an application in FORM GST DRC-03A cannot be filed



(Notification no. 12/2017-CT dated 12th July 2024)



Interest on amount lying in electronic cash ledger at the time of filing of return

- Amendment in rule 88B of CGST Rules to provide that an amount, which is available in the Electronic Cash Ledger on the due date of filing of return in FORM GSTR-3B, and is debited while filing the said return, shall not be included while calculating interest under section 50 of the CGST Act in respect of delayed filing of the said return.





(Notification no. 12/2017-CT dated 12th July 2024)

New authentication mechanism upon registration

- Following mechanisms of authentication would be required for every new registration application for all the states in order to control fake invoicing:
- a) Biometric based Aadhaar Based Authentication – This would be rolled out in a phased wise manner across the country. It is applicable only when a person opts for Aadhaar Authentication, and the GST portal requires the same based on data analysis and risk parameters. It would require the following:
 - i) Taking photo of the applicant / key management of the entity
 - ii) Biometric authentication
 - iii) Verification of original copy of documents uploaded on portal

(Notification no. 12/2017-CT dated 12th July 2024)



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- b) Non-biometric based Aadhaar based authentication – If a person opts for aadhaar authentication and the portal does not require biometrics, then the OTP based validation and submission of KYC documents online would suffice.
 - c) Non-aadhaar based authentication – If a person does not opt for aadhaar based authentication, the following steps would still be needed at one of the facilitation centers:
 - i) Taking photo of the applicant / key management of the entity
 - ii) Verification of original copy of documents uploaded on portal

(Notification no. 12/2017-CT dated 12th July 2024)

New form GSTR-1A prescribed through rules

- It is an additional facility provided to add any particulars of current tax period missed out in reporting in FORM GSTR-1 of current tax period or amend any particulars already declared FORM GSTR-1 of current tax period
- The FORM will be available on the portal after due date of filing of FORM GSTR -1 or the actual date of filing of FORM GSTR -1 ,whichever is later, till filing of corresponding FORM GSTR-3B of the same tax period
- The particulars declared in FORM GSTR-1A along with particulars declared in FORM GSTR-1 shall be made available in FORM GSTR-3B

(Notification no. 12/2017-CT dated 12th July 2024)

- 
- Amendment of a document which is related to change of Recipient's GSTIN shall not be allowed in GSTR-1A.
 - In addition to the GSTR-2B already generated, GSTR-2B shall also consist of all the supplies declared by the respective suppliers in GSTR-1A. However, supplies declared or amended in FORM GSTR-1A shall be made available in the next open FORM GSTR-2B.
- 



Change in limit for B2C in GSTR-1

- Invoice-wise declaration of B2C supplies were applicable only in case of inter-state supplies and the invoice value is above Rs. 250,000
- From 1st August 2024, this limit has been revised to Rs. 100,000



(Notification no. 12/2017-CT dated 12th July 2024)

Registration cancelled if return not filed upon revocation of earlier cancelled registration

- All returns due for the period from the date of the order of cancellation of registration till the date of the order of revocation of cancellation of registration is to be furnished by the said person within a period of **thirty days from the date of order of revocation of cancellation of registration**
- Where the registration has been **cancelled with retrospective effect**, the registered person shall furnish all returns relating to period from the effective date of cancellation of registration till the date of order of revocation of cancellation of registration within a period of **thirty days from the date of order of revocation of cancellation of registration**

(Notification no. 12/2017-CT dated 12th July 2024)

ISD mechanism through rules

- ISD mechanism was made compulsory through the Finance Act 2024 and the mechanism of such distribution was to be prescribed through the rules. The said mechanism has now been prescribed on similar lines.
- ITC in respect of reverse charge is also to be distributed as common credit if the same is attributable to any other GSTIN. Such distribution would be only for RCM paid by another distinct person / branch registered in the same state as that of ISD.
- It is imperative that all multi location entities should evaluate whether any branch is receiving invoice on behalf of another and determine their requirements to distribute ITC as ISD.

(Notification no. 12/2017-CT dated 12th July 2024)

- Change in due date of GSTR-4 →
- FORM **GSTR-4 from FY 2024-25 onwards** shall be required to be furnished by the registered person till **30th June** of the following financial year


- Changes in GSTR-2B
- ➤ In case of **negative balance** in forward charge, import of goods, ISD or RCM, the figures would be shown under **reversal in 4B(2)**
- ➤ Reversal under Rule 37A i.e. **where the supplier has not filed GSTR-1 but not GSTR-3B** within the prescribed limit, it would be reflected in **GSTR-2B for prompting ITC reversal on it.**

(Notification no. 12/2017-CT dated 12th July 2024)



Changes in GSTR-3B

- In GSTR-3B, any negative liability of previous tax period would be allowed to be adjusted in the current period's GSTR-3B



(Notification no. 12/2017-CT dated 12th July 2024)

Summary of changes in GSTR-9

- Supplies under 9(5) would be reported by the ecommerce operator and the supplier respectively in a separate column in the return
- Non-GST supply is to be mandatorily reported in the relevant column in Table 5F
- Table 8A would be autopopulated from GSTR-2B from FY 2023-24
- ITC reversed in Previous year and reclaimed in current year would not be reported in Table 13
- The limit for filing of Annual return would continue to be Rs 2 crores


(Notification no. 12/2017-CT dated 12th July 2024)

(Notification no. 15/2017-CT dated 12th July 2024)



Reduction of rate of TCS

- ➤ The rate of TCS has been reduced in aggregate from 1% to 0.5%



(Notification no. 12/2017-CT dated 12th July 2024)

Refund of additional IGST on account of upward revision in export prices

- Any person, claiming refund of additional integrated tax paid on account of upward revision in price of the goods subsequent to exports can make application in **RFD-01** in any other category.
- The refund is to be filed within 2 years from the date of export.
- For the refund pending for the exports already made till date, **2 years would be from the date of notification of this rule.**
- Relevant documentation for such refund has also been revised
- The excess refund should be **deposited back in case of downward revision of prices**

(Notification no. 12/2017-CT dated 12th July 2024)

Time limit for realization of consideration in case of export of services

- Earlier the time limit for realization of consideration for export of services without payment of tax was 15 days after:
 - Expiry of 1 year from the date of invoice or
 - Such further period allowed by the Commissioner
- The aforementioned time limit has been revised to be 15 days after the following period:
 - Expiry of 1 year from the date of invoice or
 - Period allowed under FEMA including any extension allowed by RBI

(Notification no. 12/2017-CT dated 12th July 2024)

- 
- Seeks to implement bio metric based authentication and risk based physical verification of registration applicants all over India. (Rescinds the Notification No.27/2022 - Central Tax dated 26.12.2022 w.e.f.10.07.2024)



Notification No.13/2024 - CT (10.07.2024)

- 
- Seeks to exempt taxpayers having turnover up to Rs.2 Crores from filing Annual Return in GSTR-9 for FY 2023-24.




Notification No.14/2024 - CT (10.07.2024)



CBIC notifies GST rate changes of Goods as recommended by 53rd GST Council Meeting:

Notification No.02/2024 w.e.f. July 15, 2024.

No.	Tarif Item	Description Of Goods	Rate - BEFORE	Rate – AFTER
121A.	4819 10, 4819 20	Cartons, boxes and cases of, – (a) corrugated paper or paper board; or (b) non-corrugated paper or paper board”;	18%	12%
180A.	7310, 7323, 7612, or 7615	Milk cans made of Iron, Steel, or Aluminum	18%	12%
183A.	7321 or 8516	Solar cookers	18%	12%



CBIC exempts Accommodation Services Up to Rs. 20,000/- Month for Continuous Periods of 90 Days : the CBIC vide Notification No.04/2024 –w.e.f. July 15, 2024.

- CBIC exempts the services provided by Indian Railways to the general public & services provided by Special Purpose Vehicles to Indian Railways: The CBIC vide Notification No. 04/2024 – Central Tax (Rate) dated July 12, 2024, w.e.f. July 15, 2024:

CBIC exempts GST on agricultural farm produce for packages exceeding 25 kg/liters:

- CBIC issued Notification No. 6/2022-Central Tax (Rate) dated July 13, 2022 to substitute the “brand name” definition with “pre-packaged and labelled” definition by amending Notification No.1/2017-Central Tax (Rate), dated June 28, 2017 (“the CGST Rate Notification”) wherein GST was made applicable on such food items when it is “pre-packaged and labelled”
- Explanation. – For the purposes of this notification,-
- (i)
- (ii) The expression ‘pre-packaged and labelled’ means a ‘pre-packaged commodity’ as defined in clause (l) of section 2 of the Legal Metrology Act, 2009 (1 of 2010) where, the package in which the commodity is pre-packed or a label securely affixed thereto is required to bear the declarations under the provisions of the Legal Metrology Act, 2009 (1 of 2010) and the rules made thereunder.
- “Provided that notwithstanding anything contained in the Legal Metrology Act, 2009 (1 of 2010) and the rules made thereunder, as amended from time to time, the supply of agricultural farm produce in package(s) of commodities containing quantity of more than 25 kilogram or 25 liter shall not be considered as a supply made within the scope of expression ‘pre-packaged and labelled’.”.

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- GST- Garam Se Thanda
 - GST Council Meeting to Jhaki Hain - Budget to Abhi Baki Hai.....

GST KAL –AAJ- Aur KAL



Arun Jaitley

Nirmala Sitharaman



**ARE
YOU
READY
FOR
GST?**

गुरु ब्रह्मा गुरुर् विष्णुः
गुरु देवो महेश्वरः ।
गुरु साक्षात् परब्रह्मा
तस्मै श्री गुरवे नमः॥

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