



Newsletter

December 2024 – Volume 88

GST



THE INSTITUTE OF
Company Secretaries of India

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

(Under the jurisdiction of Ministry of Corporate Affairs)



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GST COLLECTION UPDATES

₹ 1,82,269 crore gross GST revenue collected during November 2024; records Year-on-Year (Y-o-Y) growth of 9.3%

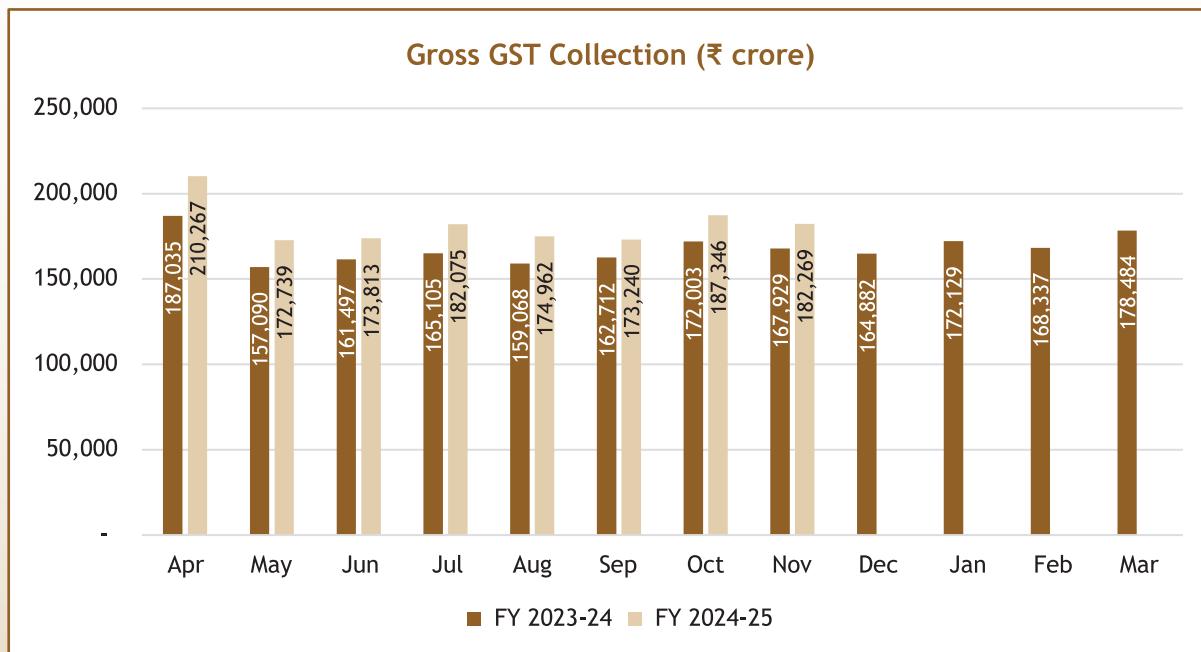
Net revenue at ₹1.63 lakh crore is up 11.1% for the month and up by 9.2% for the year

Gross Goods and Services Tax (GST) revenue collected for November 2024 is ₹ 1,82,269 crore, an 8.5% increase compared to that in the same month in 2023. This growth was driven by a 9.4% rise in GST from domestic transactions. GST revenue net of refunds for November 2024 is ₹1.63 lakh crore which is a growth of 11.1% over that for the same period last year.

Breakdown of November 2024 Collections:

- Central Goods and Services Tax (CGST): ₹34,141 crore
- State Goods and Services Tax (SGST): ₹43,047 crore
- Integrated Goods and Services Tax (IGST): ₹91,828 crore, including ₹41,736 crore collected on imported goods
- Cess: ₹13,253 crore, including ₹855 crore collected on imported goods

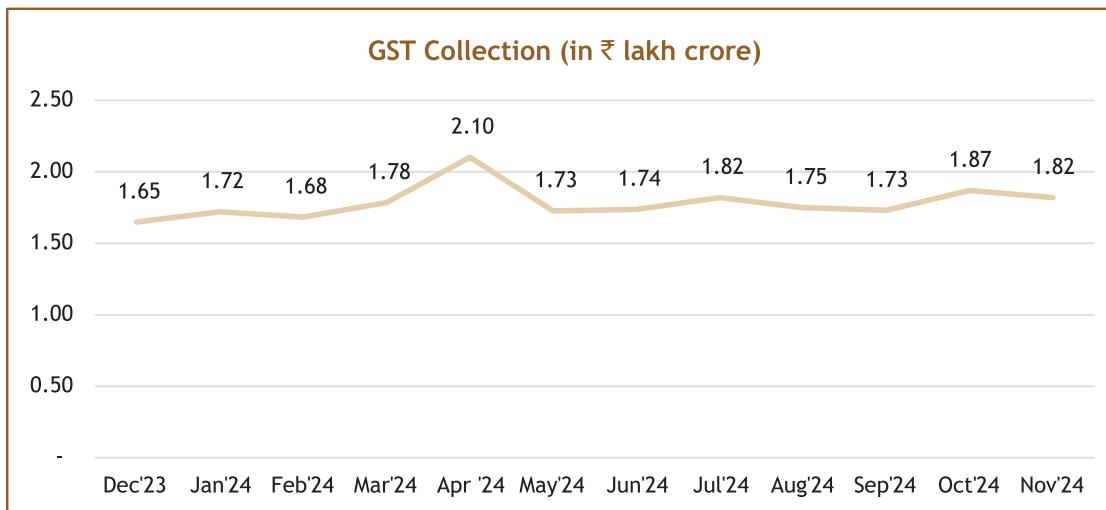
The chart below shows trends in monthly gross GST revenues during the current financial year



Source: https://tutorial.gst.gov.in/downloads/news/approved_monthly_gst_data_for_publishing_nov_2024.pdf

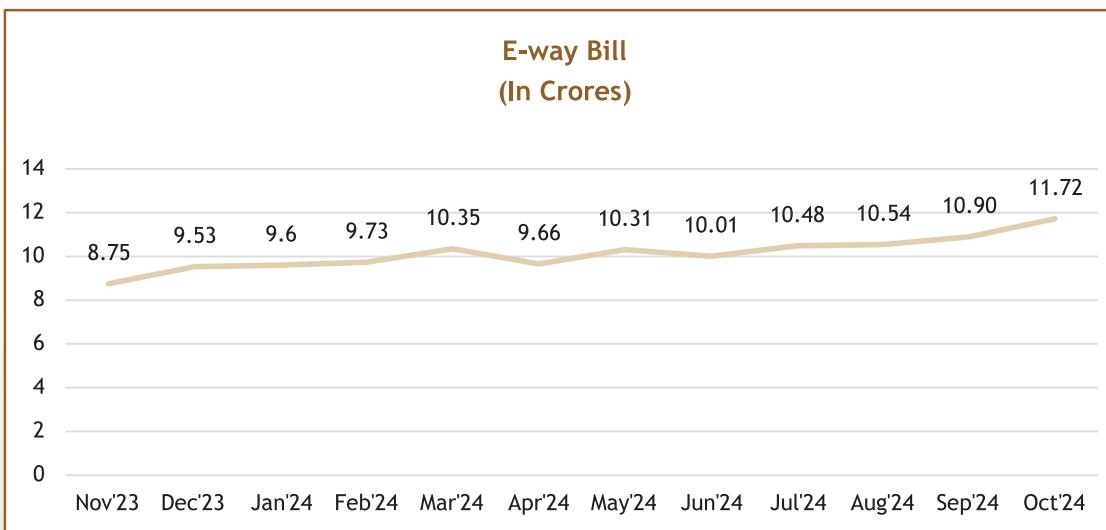
TRENDS IN GST COLLECTION AND E-WAY BILLS GENERATED

The chart below shows trends in monthly gross GST revenues during the last one year



Source: https://tutorial.gst.gov.in/downloads/news/approved_monthly_gst_data_for_publishing_nov_2024.pdf

E-WAY BILL STATISTICS



Source: <https://gstn.org.in/>

Note: The revenue collections in the current month pertains to the transactions conducted in the previous month. For example: Revenue collections for the month of Dec '23 (as per PIB release) reflects the transactions conducted in Nov '23. Therefore, in the above charts e-way bills generated in Nov'23 is shown corresponding to the GST Revenue collection for Dec '23 and so on.

NOTIFICATIONS

Notification No. 26/2024-Central Tax dated 18th November 2024

The due date for filing FORM GSTR-3B for October 2024 has been extended to November 21, 2024, for registered persons whose principal place of business is in the state of Maharashtra and Jharkhand and are required to furnish return under sub- section (1) of section 39 read with clause (i) of sub-rule (1) of rule 61 of the Central Goods and Services Tax Rules, 2017.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1010221/ENG/Notifications>

Notification No. 27/2024-Central Tax dated 25th November 2024

This notification amends Notification No. 02/2017-Central Tax, specifying the powers of Additional or Joint Commissioners of Central Tax to pass orders on notices issued by the Directorate General of GST Intelligence under various sections of the CGST Act. The amendments take effect from 1st December 2024.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1010227/ENG/Notifications>

Notification No. 28/2024-Central Tax dated 27th November 2024

The notification empowers adjudicating authorities (Joint/Additional Commissioners) from specified Central GST Commissionerates for passing an order or decision in respect of notices issued by the Directorate General of GST Intelligence under sections 73, 74, 122, 125, and 127 of the CGST Act, 2017. It lists the noticees, case details, and assigned authorities.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1010228/ENG/Notifications>

Notification No. 29/2024-Central Tax dated 27th November 2024

The due date for filing FORM GSTR-3B for October 2024 has been extended to November 30, 2024, for registered persons whose principal place of business is in the state of Manipur and are required to furnish return under sub-section (1) of section 39 read with clause (i) of sub-rule (1) of rule 61 of the Central Goods and Services Tax Rules, 2017.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1010229/ENG/Notifications>

GST PORTAL UPDATES

Advisory: Time Limit for Reporting e-Invoice on the IRP Portal - Lowering of Threshold to Annualised Aggregate Turnover (AATO) 10 Crores and above

Referring to the advisory dated 13th September 2023 (<https://einvoice.gst.gov.in/einvoice/newsandupdates/read-602>), which implemented a 30-day time limit for reporting e-Invoices on the IRP portal for taxpayers with an AATO of 100 crores and above, the threshold has now been reduced to cover taxpayers with an AATO of 10 crores and above.

Effective from 1st April 2025, taxpayers with an AATO of 10 crores and above will not be permitted to report e-Invoices that are older than 30 days from the date of reporting on the IRP portal.

This restriction will apply to all document types (Invoices, Credit Notes, Debit Notes) for which an IRN must be generated.

For instance, an invoice dated 1st April 2025 must be reported by 30th April 2025. The IRP validation will prevent reporting beyond the 30-day window. It is crucial for taxpayers to report e-Invoices within this 30-day period.

Please note that taxpayers with an AATO of less than 10 crores are not subject to this restriction at this time.

The aforementioned time limit will come into effect on 1st April 2025 to provide adequate time for compliance.

Source: <https://services.gst.gov.in/services/advisoryandreleases/read/543>

Advisory for Form GST DRC-03A

It has been noted that some taxpayers have paid the demanded amount vide DRC 07/DRC 08/MOV 09/MOV 11/APL 04 through DRC-03 instead of using the 'Payment towards demand' facility available on the GST portal. As a result, while the payment has been made, the demand remains open in the electronic liability register. To resolve this issue, the government introduced a new form, GST DRC-03A, through Notification No. 12/2024 dated 10th July 2024.

The GST portal now offers Form GST DRC-03A, which allows taxpayers to adjust the payment made through DRC-03 against the corresponding demand order. Taxpayers should use this form to link the payment made via DRC-03 to the relevant demand order. Only DRC-03 forms with the cause of payment marked as 'Voluntary' or 'Others' are eligible for use in GST DRC-03A.

Taxpayers will need to enter the ARN of the DRC-03 and the demand order number on the portal. The system will automatically populate relevant details from both the DRC-03 form and the selected demand order once the ARN and demand order are entered.

After the adjustment is completed, corresponding entries will be updated in the taxpayer's liability ledger to reflect the revised status of demands.

For a detailed process, please refer to the Detailed Advisory.

Taxpayers may consult the FAQs related to this topic.

In case of technical issues, taxpayers are advised to raise a ticket under the 'DRC-03A-Filing' category on the Grievance Redressal Portal: <https://selfservice.gstsystem.in>.

Source: <https://services.gst.gov.in/services/advisoryandreleases/read/544>

Advisory For Waiver Scheme Under Section 128A

To reduce tax disputes and provide relief to taxpayers, the GST Council, in its 53rd meeting on 22nd June 2024, recommended a waiver of interest and penalties in demand notices or orders issued under Section 73 of the CGST Act, 2017 (excluding cases involving fraud, suppression, or willful misstatement) for the financial years 2017-18, 2018-19, and 2019-20. To avail of this waiver, the full tax demanded must be paid by 31st March 2025.

In line with this, Rule 164 of the CGST Rules, 2017 was notified via Notification No. 20/2024 on 8th October 2024, effective from 1st November 2024, providing procedural guidelines for the waiver scheme. Under the scheme, taxpayers must file an application in FORM GST SPL-01 or FORM GST SPL-02 on the common portal within three months from the notified date, i.e., by 31st March 2025, for demand notices/orders under Section 73 for FYs 2017-18, 2018-19, and 2019-20.

Please note that Form GST SPL-01 and Form GST SPL-02 are currently under development and are expected to be available on the common portal from the first week of January 2025. In the interim, taxpayers are advised to pay the demanded tax amount by 31st March 2025 to ensure eligibility for the waiver.

Taxpayers can make the payment through the "Payment towards Demand" facility for demand orders or via Form GST DRC-03 for notices. If the payment has already been made via Form GST DRC-03 for any demand order, taxpayers must link the DRC-03 with the respective demand order using Form GST DRC-03A, now available on the common portal.

Source: <https://services.gst.gov.in/services/advisoryandreleases/read/546>

Advisory regarding IMS during initial phase of its implementation

The Invoice Management System (IMS), introduced on the GST Portal from October 2024, is an optional feature that allows recipients to accept, reject, or keep invoices/records pending, which are saved by suppliers in GSTR-1/1A/IFF. The recipient's action on the IMS will determine the content of their GSTR-2B, generated on the 14th of the subsequent month.

Taxpayers can verify and take action on the invoices/records on IMS. If an invoice is rejected, the Input Tax Credit (ITC) for that record will not appear in the recipient's GSTR-2B. Additionally, the liability and ITC details are auto-populated in the taxpayer's GSTR-3B based on their GSTR-1/1A and GSTR-2B information. However, the taxpayer can modify these auto-populated details in GSTR-3B prior to filing.

As IMS is a new feature, errors in actions taken (accept/reject/keep pending) by recipients may occur

GST Portal Updates

during its initial implementation. Any mistakes could lead to incorrect ITC information being reflected in GSTR-2B and auto-populated into GSTR-3B. In such cases, the recipient can amend the action on the IMS (e.g., change from rejected to accepted) and recompute GSTR-2B at any point before filing GSTR-3B, ensuring accurate ITC data.

However, some cases may arise where the recipient is unable to correct the action taken on IMS, resulting in incorrect ITC or liability being auto-populated in GSTR-3B. In such instances, taxpayers are advised that before filing GSTR-3B, they should edit the incorrectly populated ITC or liability in GSTR-3B to reflect the correct amounts based on the available documents/records.

Source: <https://services.gst.gov.in/services/advisoryandreleases/read/547>

Advisory on IMS on Supplier View

The Invoice Management System (IMS) is available on the GST Portal from 14th October 2024, enabling recipient taxpayers to accept, reject, or keep invoices pending that have been filed by suppliers in GSTR-1/1A/IFF. The first GSTR-2B based on these actions will be generated on 14th November 2024 for the October 2024 period.

A new “Supplier View” has been introduced to help suppliers track the actions taken by recipients on their invoices/records in GSTR-1/1A/IFF. This feature enables suppliers to see actions taken on their outward supplies, ensuring the avoidance of incorrect actions by recipients.

Please note that the following records/invoices are visible in the Supplier View with the status “No Action Taken” and cannot be acted upon by the recipient in IMS:

- Documents where ITC is not eligible due to POS rules or Section 16(4) of the CGST Act.
- Records related to Reverse Charge Mechanism (RCM) supplies.

It is reiterated that any action taken by the recipient on IMS can be modified until the filing of GSTR-3B for the relevant return period. If any changes are made after GSTR-2B generation, the recipient must click the GSTR-2B recompute button to update the GSTR-2B based on the new actions.

Source: <https://services.gst.gov.in/services/advisoryandreleases/read/548>

Important advisory on GSTR 2B and IMS

Some taxpayers have reported that their GSTR-2B for the October 2024 period was not generated on 14th November 2024. It is important to note that, as per the design of IMS, GSTR-2B will not be generated in the following scenarios:

- i. **Quarterly Filers under QRMP Scheme:** For taxpayers opting for the QRMP scheme, GSTR-2B will only be generated for the last month of the quarter. For example, for the quarter Oct-Dec 2024, GSTR-2B will be generated for December 2024, but not for October or November 2024.
- ii. **Pending GSTR-3B Filings:** If the taxpayer has not filed their GSTR-3B for the previous period, GSTR-2B will not be generated. Taxpayers must file their pending GSTR-3B to generate the GSTR-2B on demand. For example, if GSTR-3B for September 2024 is pending, GSTR-2B for October 2024 will not be generated. Once the GSTR-3B for September 2024 is filed, GSTR-2B for

October 2024 can be generated by clicking the “Compute GSTR-2B (OCT 2024)” button on the IMS dashboard.

For further details, please refer <https://services.gst.gov.in/services/advisoryandreleases/read/549>

Advisory for Reporting TDS Deducted by scrap Dealers in October 2024

As per **Notification No. 25/2024-Central Tax**, effective from 10th October 2024, registered persons receiving supplies of metal scrap classified under Chapters 72 to 81 of the First Schedule to the Customs Tariff Act, 1975, from another registered person, must deduct TDS under Section 51 of the CGST Act, 2017.

Several taxpayers have reported issues with filing TDS deductions for October 2024. This problem arises because taxpayers who applied for GST registration in October 2024 (as required by the above notification) had their registrations approved in November 2024. Due to the current GSTN system design, returns for tax periods prior to the registration month are not enabled, resulting in October 2024 being unavailable in the return filing dropdown for these taxpayers.

To address this, taxpayers granted registration in November 2024 but who deducted TDS between 10th October 2024 and 31st October 2024 are advised to report the **consolidated TDS amount for the period 10th October 2024 to 30th November 2024** in their **GSTR-7 return for November 2024**.

For further assistance, taxpayers may contact the GSTN helpdesk.

Source: <https://services.gst.gov.in/services/advisoryandreleases/read/551>

Advisory: Authorised e-Invoice Verification Apps

GSTN has compiled a consolidated document listing authorized B2B e-Invoice verification apps. This document serves as a reference to ensure taxpayers have the latest information on approved e-Invoice verification apps.

Taxpayers can access and download the PDF document using the link below:

Authorized e-Invoice Verification Apps

Source: <https://services.gst.gov.in/services/advisoryandreleases/read/553>

Advisory: E-Invoice Glossary and Steps

An informative resource in the form of an e-invoice glossary and a step-by-step guide has been prepared by GSTN which can be accessed by following the below link.

1. E-Invoice Glossary:

https://tutorial.gst.gov.in/downloads/news/glossary_on_e_invoicing_v1_1.pdf

2. Step by Step Guide:

https://tutorial.gst.gov.in/downloads/news/e_invoice_overview.pdf

Source: <https://services.gst.gov.in/services/advisoryandreleases/read/461>

GST IN NEWS

Safari Retreats: Apex court's decision on GST tax credits brings relief to construction sector

The Supreme Court has clarified GST credit eligibility for construction expenses, providing relief to the construction sector. The ruling highlights two key conditions: (1) the property must be leased or sold before completion, and (2) it must qualify as plant or machinery. While this decision benefits taxpayers engaged in commercial leasing, careful evaluation of the “functionality test” remains crucial.

Under Section 17(5)(d) of the CGST Act, GST law disallows tax credits on construction expenses for immovable property (excluding plant or machinery) if the construction is for the taxpayer's own account. The ruling addresses this limitation, offering much-needed clarity to the sector.

Source: <https://www.moneycontrol.com/news/opinion/safari-retreats-apex-courts-decision-on-gst-tax-credits-brings-relief-to-construction-sector-12860166.html>

GST Council to Use Section 11A for Retrospective Tax Relief in Rare Cases: Revenue Secretary

Section 11A of the GST Act, 2017, introduced through a recent amendment, will be invoked only in the “rarest of rare cases” to provide retrospective tax relief, clarified Revenue Secretary Sanjay Malhotra following the GST Council meeting. This provision is expected to benefit industries such as the real-money gaming (RMG) sector.

Initially proposed in the Council's June meeting as a safeguard against retroactive tax demands, Section 11A awaits a corresponding circular to outline its application and interpretation. The Revenue Secretary noted that this circular is under discussion and will provide detailed guidance once approved by the Council.

Source: <https://www.moneycontrol.com/news/business/economy/gst-council-to-use-section-11a-for-retro-tax-relief-in-rare-cases-revenue-secy-12818024.html>



GST QUIZ

1. What is the new Aggregate Annual Turnover (AATO) threshold for the 30-day e-invoice reporting time limit on the IRP portal, effective from 1st April 2025?

- a) ₹100 crores
- b) ₹50 crores
- c) ₹10 crores
- d) ₹5 crores

2. Which of the following document types are subject to the 30-day reporting restriction for e-invoices on the IRP portal?

- a) Invoices only
- b) Credit Notes and Debit Notes only
- c) All document types requiring an IRN (Invoices, Credit Notes, Debit Notes)
- d) None of the above

3. What is the purpose of Form GST DRC-03A introduced by Notification No. 12/2024?

- a) To file annual GST returns
- b) To adjust payments made via DRC-03 against corresponding demand orders
- c) To report TDS deductions for scrap dealers
- d) To amend invoices on the IRP portal

4. Under the IMS feature introduced in October 2024, what happens if a recipient rejects an invoice?

- a) ITC for the rejected record will not appear in GSTR-2B
- b) The supplier must reissue the invoice
- c) The rejected invoice is auto-deleted from the portal
- d) The liability for the recipient increases

5. For taxpayers opting for the QRMP scheme, when will GSTR-2B be generated?

- a) Monthly for each period
- b) Only for the last month of the quarter
- c) On the 1st of every month
- d) When the supplier files GSTR-1



Answers: 1(c), 2(c), 3(b), 4(a), 5(b)

NOTES

Motto

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