



Newsletter

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GST



**THE INSTITUTE OF
Company Secretaries of India**

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

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GST COLLECTION UPDATES

GST Revenue collection for November 2023, at ₹1,67,929 lakh crore records highest growth rate of 15% Y-o-Y

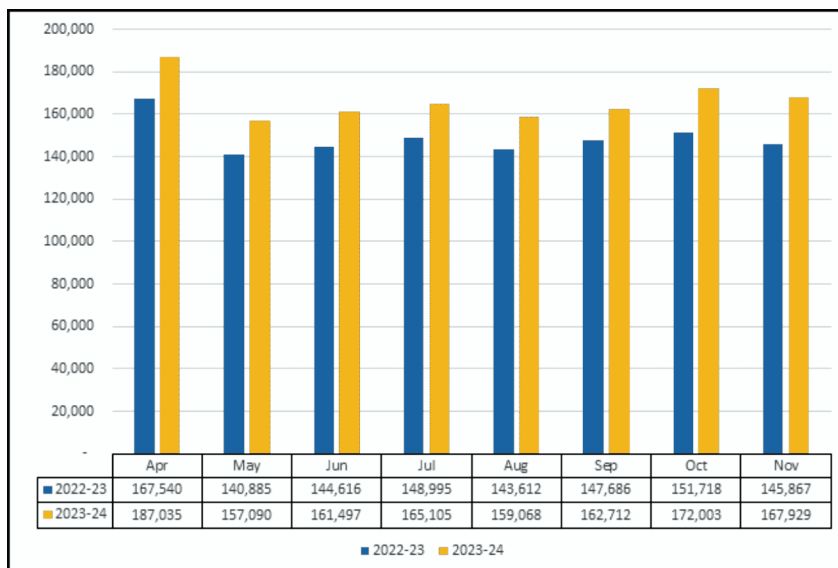
Gross GST collection crosses ₹1.60 lakh crore mark for the sixth time in FY 2023-24
GST collection higher by 11.9% Y-o-Y for FY2023-24 upto November, 2023

The gross GST revenue collected in the month of November, 2023 is ₹1,67,929 crore out of which CGST is ₹30,420 crore, SGST is ₹38,226 crore, IGST is ₹87,009 crore (including ₹39,198 crore collected on import of goods) and cess is ₹12,274 crore (including ₹1,036 crore collected on import of goods).

The government has settled ₹37,878 crore to CGST and ₹31,557 crore to SGST from IGST. The total revenue of Centre and the States in the month of November, 2023 after regular settlement is ₹68,297 crore for CGST and ₹69,783 crore for the SGST.

The revenues for the month of November, 2023 are 15% higher than the GST revenues in the same month last year and highest for any month year-on-year during 2023-24, upto November 2023. During the month, the revenues from domestic transactions (including import of services) are 20% higher than the revenues from these sources during the same month last year. It is for the sixth time that the gross GST collection has crossed ₹1.60 lakh crore mark in FY 2023-24. The gross GST collection for the FY 2023-24 ending November, 2023 [₹13,32,440 crore, averaging ₹1.66 lakh per month] is 11.9 % higher than the gross GST collection for the FY 2022-23 ending November, 2022 [₹11,90,920 crore, averaging ₹1.49 lakh crore per month].

Chart: Gross GST Collection (₹ crore)



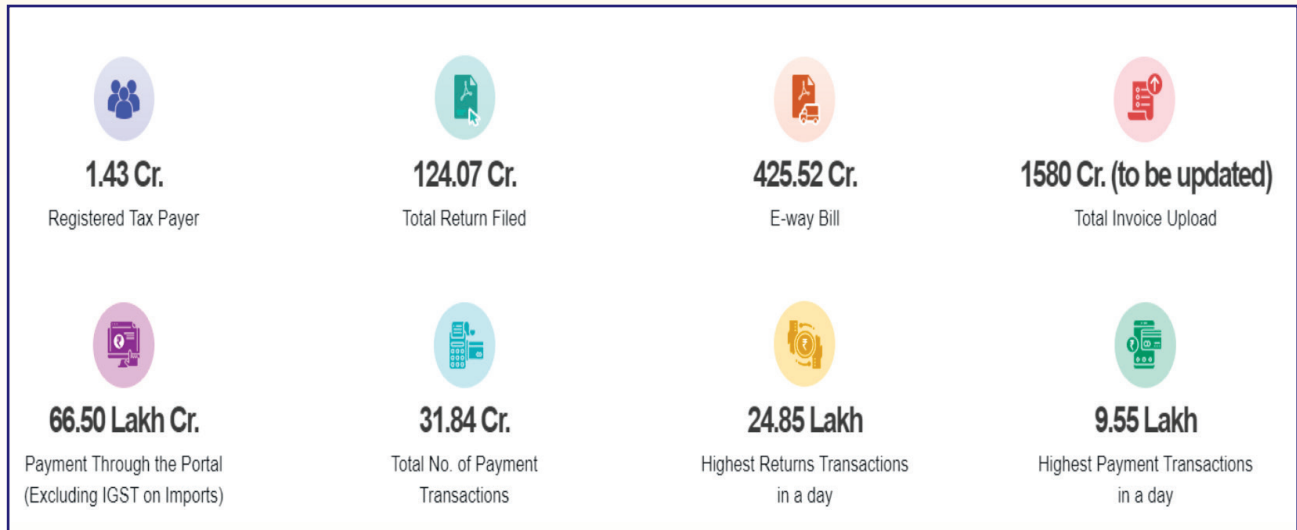
Source: - <https://pib.gov.in/PressReleaseSelfframePage.aspx?PRID=1981642>



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



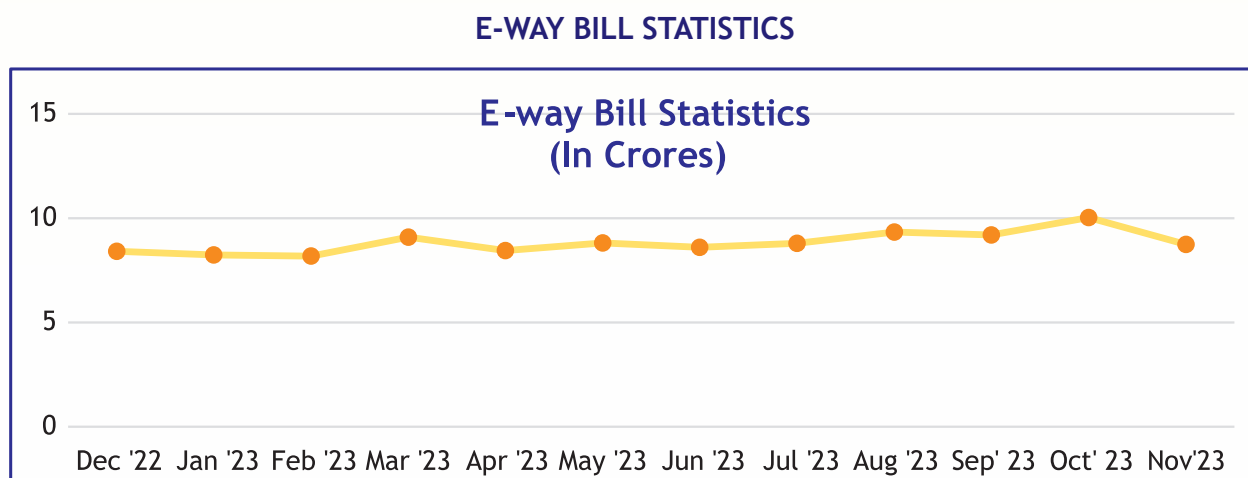
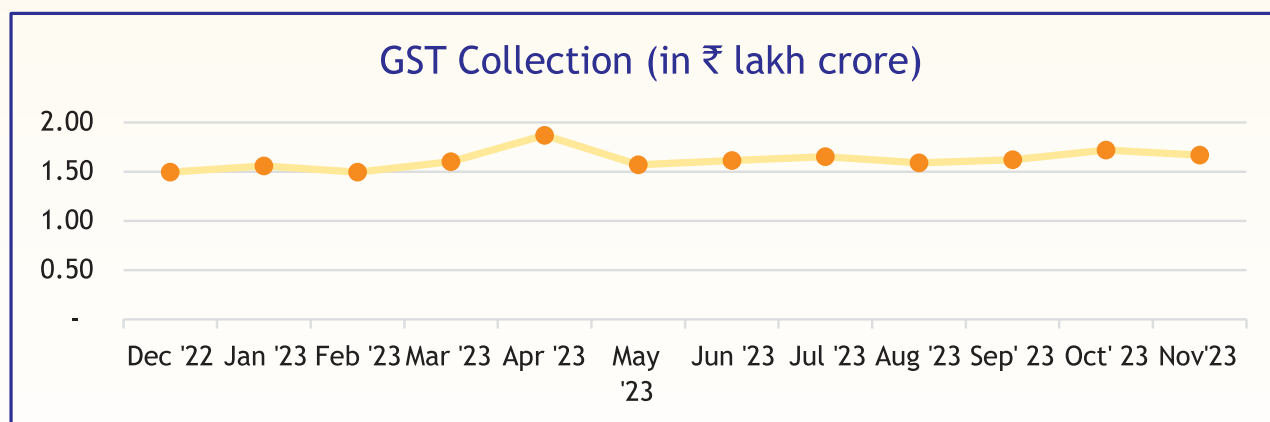
GST SYSTEM STATISTICS FOR REGISTERED TAXPAYERS, TOTAL RETURNS FILED, E-WAY BILLS, PAYMENTS, ETC.*



*As on 30th November, 2023

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

TRENDS IN GST COLLECTION AND E-WAY BILLS GENERATED



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.

SUMMARY OF NOTIFICATIONS

CENTRAL TAX NOTIFICATIONS

NOTIFICATION NO. 53/2023- CENTRAL TAX DATED 2ND NOVEMBER, 2023

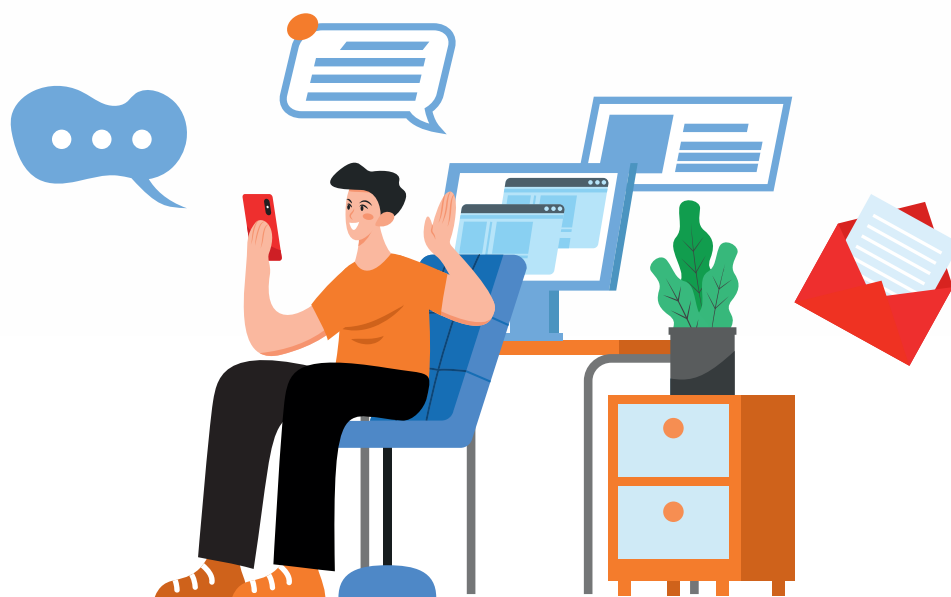
This notification seeks to notify a special procedure for condonation of delay in filing of appeals against demand orders passed until 31st March, 2023.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1009932/ENG/Notifications>

NOTIFICATION NO. 54/2023- CENTRAL TAX DATED 17TH NOVEMBER, 2023

This notification seeks to amend Notification No. 27/2022 dated 26.12.2022 to notify biometric-based Aadhaar authentication for GST registration in the State of Andhra Pradesh.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1009941/ENG/Notifications>



ADVISORY ISSUED BY GSTN AND RECENT DEVELOPMENTS IN GST

ADVISORY ISSUED BY GSTN

(i) Advisory for the procedures and provisions related to the amnesty for taxpayers who missed the appeal filing deadline for the orders passed on or before March 31, 2023

1. **Amnesty for Taxpayers:** The GST Council, in its 52nd meeting, recommended granting amnesty to taxpayers who could not file an appeal under section 107 of the CGST (Central Goods and Services Tax) Act, 2017, against the demand order under section 73 or 74 of the CGST Act, 2017, passed on or before March 31, 2023, or whose appeal against the said order was rejected due to not being filed within the specified time frame in sub-section (1) of section 107.
2. In compliance with the above GST Council recommendation, the government has issued Notification No. 53/2023 on November 2, 2023.
3. Taxpayers can now file an appeal in FORM GST APL-01 on the GST portal on or before January 31, 2024, for the order passed by the proper officer on or before March 31, 2023.

It is further advised that the taxpayers should make payments for entertaining the appeal by the Appellate officer as per the provisions of Notification No. 53/2023.

The GST Portal allows taxpayers to choose the mode of payment (electronic Credit/Cash ledger), and it is the responsibility of the taxpayer to select the appropriate ledgers and make the correct payments.

Further, the office of the Appellate Authority shall check the correctness of the payment before entertaining the appeal and any appeal filed without proper payment may be dealt with as per the legal provisions.

4. If a taxpayer has already filed an appeal and wants it to be covered by the benefit of the amnesty scheme would need to make differential payments to comply with Notification No. 53/2023.

The payment should be made against the demand order using the “Payment towards demand” facility available on the GST portal.

The navigation step for making this payment is provided: Login >> Services >> Ledgers >> Payment towards Demand.

5. Taxpayers who have previously filed an appeal but it was rejected as time barred in APL-02 by the Appellate authority, then the taxpayer would be able to refile the appeal.

However, in case, the taxpayers face any issue while re-filing APL-01, a ticket shall be raised on the Grievance redressal portal: <https://selfservice.gstsystem.in>.

The taxpayer shall select the Category “Amnesty Scheme” and the sub-category “Amnesty scheme- Issue in appeal filing” while raising a ticket.

6. Furthermore, if the Appellate authority has issued a rejection order in APL-04 due to the appeal application being time-barred, then the taxpayer has to approach the respective Appellate authority office well in advance to comply with the dates in the said notification.

The Appellate authority after checking the eligibility of the taxpayer for the amnesty scheme will forward the case to GSTN through the State Nodal officer.

7. Also, it is important to note that for the APL 04 issued cases no direct representations will be entertained by GSTN or through the Grievance redressal portal. APL 04-issued cases have to be compulsorily forwarded through the State Nodal officer.
8. Post receiving the case from the State nodal officer, GSTN will enable the taxpayer to file an appeal against the concerned order.

Source: <https://www.gst.gov.in/newsandupdates/read/612>

(ii) Difference in Input Tax Credit (ITC) available in GSTR-2B & ITC claimed in the GSTR-R3B

1. GSTN has developed a functionality to generate automated intimation in Form GST DRC-01C which enables the taxpayer to explain the difference in Input tax credit available in GSTR-2B statement & ITC claimed in GSTR-3B return online as directed by the GST Council. This feature is now live on the GST portal.
2. This functionality compares the ITC declared in GSTR-3B/3BQ with the ITC available in GSTR-2B/2BQ for each return period. If the claimed ITC in GSTR 3B exceeds the available ITC in GSTR-2B by a predefined limit or the percentage difference exceeds the configurable threshold, taxpayer will receive an intimation in the form of DRC-01C.
3. Upon receiving an intimation, the taxpayer must file a response using Form DRC-01C Part B. The taxpayer has the option to either provide details of the payment made to settle the difference using Form DRC-03, or provide an explanation for the difference, or even choose a combination of both options.
4. In case, no response is filed by the impacted taxpayers in Form DRC-01C Part B, such taxpayers will not be able to file their subsequent period GSTR-1/IFF.

Source: <https://www.gst.gov.in/newsandupdates/read/614>

(iii) ITC Reversal on Account of Rule 37(A)

Vide Rule 37A of CGST Rules, 2017 the taxpayers have to reverse the Input Tax Credit (ITC) availed on such invoice or debit note, the details of which have been furnished by their supplier in their GSTR-1/

IFF but the return in FORM GSTR-3B for the said period has not been furnished by their supplier till the 30th day of September following the end of financial year in which the Input Tax Credit in respect of such invoice or debit note had been availed.

The said amount of ITC is required to be reversed by such taxpayers, while furnishing a return in FORM GSTR-3B on or before the 30th day of November following the end of such financial year, as part of this legal obligation.

Source: <https://www.gst.gov.in/newsandupdates/read/613>

(iv) Advisory for Pilot Project of Biometric-Based Aadhaar Authentication and Document Verification for GST Registration Applicants of Gujarat and Puducherry

The recent developments concerning the application process for GST registration. It is advised to keep the following key points in mind during the registration process.

1. Rule 8 of the CGST Rules, 2017 has been amended to provide that an applicant can be identified on the common portal, based on data analysis and risk parameters for Biometric-based Aadhaar Authentication and taking photograph of the applicant along with the verification of the original copy of the documents uploaded with the application.
2. The above-said functionality has been developed by GSTN. It was launched in Puducherry on 30th August 2023 and will be rolled out in Gujarat on 7th November 2023.
3. The said functionality now also provides for the document verification and appointment booking process. After the submission of the application in Form GST REG-01, the applicant will receive either of the following links in the e-mail,
 - (a) A Link for OTP-based Aadhaar Authentication OR
 - (b) A link for booking an appointment with a message to visit a GST Suvidha Kendra (GSK) along with the details of the GSK and jurisdiction, for Biometric-based Aadhaar Authentication and document verification (the intimation e-mail)
4. If the applicant receives the link for OTP-based Aadhaar Authentication as mentioned in point 3(a), she/he can proceed with the application as per the existing process.
5. However, if the applicant receives the link as mentioned in point 3(b), she/he will be required to book the appointment to visit the designated GSK, using the link provided in the e-mail.

Once the applicant gets the confirmation of appointment through e-mail (the appointment confirmation e-mail), she/he will be able to visit the designated GSK as per the chosen schedule.
6. At the time of the visit of GSK, the applicant is required to carry the following details.
 - (a) a copy (hard/soft) of the appointment confirmation e-mail

- (b) the details of jurisdiction as mentioned in the intimation e-mail
 - (c) Aadhaar Number
 - (d) the original documents that were uploaded with the application, as communicated by the intimation e-mail.
7. The biometric authentication and document verification will be done at the GSK, for all the required individuals as per the GST application Form REG-01.
 8. The applicant is required to choose an appointment for the biometric verification during the maximum permissible period for the application as indicated in the intimation e-mail. In such cases, ARNs will be generated once the Biometric-based Aadhaar Authentication process and document verification are completed.
 9. The feature of booking an appointment to visit a designated GSK is currently available for the applicants of the Gujarat State and it will be extended to the other notified States/UTs shortly.
 10. The operation days and hours of GSKs will be as per the guidelines provided by the administration in respective state.



Source: <https://www.gst.gov.in/newsandupdates/read/611>

RECENT DEVELOPMENTS IN GST

REFUND RELATED MEASURES

- (a) A new functionality has been made available on the common portal which allows unregistered persons to take a temporary registration and apply for refund. Also, the manner and procedure for filing of refund applications by unregistered persons in certain circumstances has been prescribed vide Circular no. 188/20/2022-GST dated 27.12.2022.
- (b) Manner for processing and sanction of such IGST refunds, which were withheld on account of exporters being flagged as risky on the basis of risk parameters and data analytics, was prescribed vide Instruction No.04/2022- GST dated 28.11.2022.

REGISTRATION RELATED MEASURES

- (a) A proviso (3rd proviso) has been inserted in rule 21A (4) to provide for automatic revocation of such system-based suspension upon compliance with provisions of rule 10A.
- (b) Amendment has been made in rule 9 and rule 25 of CGST Rules, 2017 to do away with the requirement of the presence of the applicant for the physical verification of business premises and also to provide for physical verification in high-risk cases even where Aadhaar has been authenticated.
- (c) Vide Notification No. 03/2023-CT dated 31.03.2023, for such registrations which were cancelled for non-filing of returns on or before 31.12.2022 and application for revocation was not filed or appeal has been rejected or appeal is pending within the specified time, the time limit for filing of application for revocation of cancellation of registration, was extended till 30.06.2023. Further, vide Notification No. 23/2023-CT dated 17.07.2023, the time limit for filing of application for revocation of such cancellation of registration, was extended till 31.08.2023.
- (d) Vide Notification No. 33/2023-CT dated 31.07.2023, “Account Aggregator” has been notified as the systems with which information may be shared by the common portal based on consent provided by the registered person/taxpayer. This will help MSMEs in getting credit/business loan based on their GST registration.

Other facilitation measures:

- (a) In order to simplify and decriminalize certain provisions of the GST Act, based on the recommendation of GST Council, amendments have been made in provisions of CGST Act, 2017.
- (b) Provision for automatic restoration of provisionally attached property after completion of one year: An amendment in sub-rule (2) of Rule 159 of CGST Rules, 2017 and FORM GST DRC-22 has

been made to provide that the order for provisional attachment in FORM GST DRC-22 shall not be valid after expiry of one year from the date of the said order. This will facilitate release of provisionally attached properties after expiry of period of one year, without need for separate specific written order from the Commissioner.

- (c) Vide notification no. 26/2022- Central Tax dated 26.12.2022, Rule 109C and FORM GST APL-01/03W has been inserted in the CGST Rules, 2017 w.e.f. 26.12.2022 to provide for the facility for withdrawal of an application of appeal up to certain specified stage.
- (d) Measure for improving cash flow: Provision has been made to provide for transfer of balance in electronic cash ledger of a registered person to electronic cash ledger of a distinct person. This provision would help taxpayer in easily transferring unutilized balance in cash ledger between the registered persons having same PAN, without need for filing refund claim with tax officers. This would provide ease of doing business and would improve liquidity and cash flows of such taxpayers.
- (e) This threshold limit for E-invoicing has been further reduced to annual aggregate turnover of Rs 5 crore with effect from 01.08.2023 vide notification no. 10/2023-Central Tax dated 10.05.2023.
- (f) Sub-rule (3) of rule 108 and rule 109 of the CGST Rules, 2017 have been amended w.e.f. 26.12.2022 to provide clarity on the requirement of submission of certified copy of the order appealed against and the issuance of final acknowledgment by the appellate authority.
- (g) Vide notification no. 18/2022- Central Tax dated 28.09.2022, w.e.f. 01.10.2022, amendments have been brought in the CGST Act to extend the time period for rectification/amendment of returns/ issuance of credit notes and for availment of input tax credit unto 30th day of November following the end of the financial year to which such details pertain. Earlier it was allowed up to the due date for furnishing of return for the month of September. This provides additional time to the taxpayers for rectification/amendment of returns. Issuance of credit notes and for availment of input tax credit.
- (h) Rule 37A has been inserted in CGST Rules, 2017 vide notification no. 26/2022- Central Tax dated 26.12.2022 w.e.f 26.12.2022 to prescribe the mechanism for reversal and re-availment of input tax credit in the case of non-payment of tax by the supplier. The said rule provides that in cases where return in FORM GSTR3B for a certain tax period has not been furnished by the supplier till the 30th day of September following the end of financial year and recipient has availed input tax credit in respect of such invoice or debit note as filed in supplier's GSTR-1 for that period, the said amount of input tax credit is required to be reversed by the recipient while furnishing a return in FORM GSTR-3B on or before the 30th day of November following the end of such financial year. This facilitates and eases compliance of Section 16 (2) (c) of CGST Act for the taxpayers.
- (i) The requisite amendments in the GST Act have been made by Finance Act, 2023 for allowing unregistered suppliers and composition taxpayers to make intra-state supply of goods through

E-Commerce Operators (ECOs), subject to certain conditions. These amendments have been notified w.e.f. 01.10.2023 vide Notification No. 34/2023-CT dated 31.07.2023. Lakhs of small taxpayers would be benefited from the waiver of requirement of mandatory registration. This would open the huge e-commerce market for them to sell their goods without getting mandatory registration upto threshold turnover of registration. Extension of the benefit of making intra-state supply of goods through an E-commerce Operator (ECO) to the composition taxpayers shows government's commitment to support small businesses.

Source: https://old.cbic.gov.in/resources//htdocs-cbec/gst/latest-updates-in-gst_nov.pdf



GST IN NEWS

Punjab govt gets Rs 3,670 cr of GST compensation after it lodged new claim

Punjab Finance Minister Harpal Singh Cheema informed the House that the state government has received Rs 3,670 crore of Goods and Services Tax (GST) compensation from the Centre after it lodged a new claim of Rs 5,005 crore with it.

After tabling the Punjab Fiscal Responsibility and Budget Management (Amendment) Bill, 2023 in the House on the first day of the two-day winter session of the assembly, Cheema said the state government lodged the new claim of GST compensation worth Rs 5,005 crore with the Centre.

Source: https://www.business-standard.com/india-news/punjab-govt-gets-rs-3-670-cr-of-gst-compensation-after-it-lodged-new-claim-123112801160_1.html

“Out of which Rs 3,670 crore has come to the state exchequer,” Cheema informed the House.

Source: https://www.business-standard.com/india-news/punjab-govt-gets-rs-3-670-cr-of-gst-compensation-after-it-lodged-new-claim-123112801160_1.html

West Bengal to reduce intrastate e-way bill threshold to Rs 50,000

West Bengal will reduce the intrastate e-way bill threshold from Rs 1 lakh to Rs 50,000 from December to bring parity with the rest of the country and prevent GST slippage.

A recent West Bengal GST notification said that an e-way bill will be required for the movement of goods valued at over Rs 50,000 within the state. The provision will also apply to job work goods.

Source: https://www.business-standard.com/india-news/west-bengal-to-reduce-intrastate-e-way-bill-threshold-to-rs-50-000-123111300616_1.html

The revenue records

Tax-to-GDP ratio, a critical economic metric, has increased over the last few years.

Source: <https://timesofindia.indiatimes.com/topic/india-gst/news>

Online real- money gaming stares at a squeeze: Report

The online real-money gaming (RMG) industry in India is expected to decline after the government imposed a 28% tax on the industry's revenues. However, a report by Lumikai and Google predicts that the industry will still grow at a CAGR of 20% between FY 23 and FY 28.

Source: <https://timesofindia.indiatimes.com/business/online-real-money-gaming-stares-at-a-squeeze-report/articleshow/104928129.cms>

Govt registers 1 crore GST-exempted informal micro enterprises for access to priority sector loans

The number of informal micro units (IMEs), which are not covered under the Goods and Services Tax (GST) regime or exempted from the CGST Act, 2017, registering for the Udyam certificate via the government's Udyam Assist Platform (UAP) to be eligible for priority sector loans (PSL) has crossed the 1-crore mark. At the time of filing this report, 1.01 crore IMEs were Udyam-registered, according to the data from the Udyam portal.

Source: <https://www.financialexpress.com/business/sme/govt-registers-1-crore-gst-exempted-informal-micro-enterprises-for-access-to-priority-sector-loans/3314106/>



GST QUIZ

1. Advance Ruling under GST can be sought for:

- (A) Determination of time and value of supply of goods or services or both
- (B) Classification of any goods or services or both
- (C) Admissibility of input tax credit or tax paid or deemed to have been paid
- (D) All of the above

2. Which of the following product is 'nil' rated in GST?

- (A) Tobacco
- (B) High Speed Diesel
- (C) Petroleum crude
- (D) Electricity

3. Madan (P) Ltd. has annual taxable turnover which always exceeded ₹ 500 lakh. How many digits of HSN code to be mentioned in the tax invoice?

- (A) 4 digits when it is B2B
- (B) 4 digits when it is B2C
- (C) 6 digits when it is B2B
- (D) 6 digits when for both B2B and B2C

4. Invent & Co. participated in an exhibition at Pragati Maidan, Delhi to show case its products. It applied for registration as casual taxable person. For how many maximum days it will be granted registration as casual taxable person?

- (A) 30 days
- (B) 45 days
- (C) 60 days
- (D) 90 days

5. PQR of Mumbai is engaged in both taxable supply of goods and exempt supplies. When should PQR seek registration under GST?

- (A) When taxable supply exceeds ₹ 40 lakh
- (B) When both taxable and exempt supply together exceeds ₹ 40 lakh
- (C) When exempt supply exceeds ₹ 40 lakh
- (D) When taxable supply exceeds ₹ 20 lakh



Answers: 1(D), 2(D), 3(D), 4(D), 5(B)

[illegible]

Motto

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