



Newsletter

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GST



**THE INSTITUTE OF
Company Secretaries of India**

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

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GST COLLECTION UPDATES

₹ 1,73,240 crore gross GST revenue collected during September 2024;
records Year-on-Year (Y-o-Y) growth of 6.5%

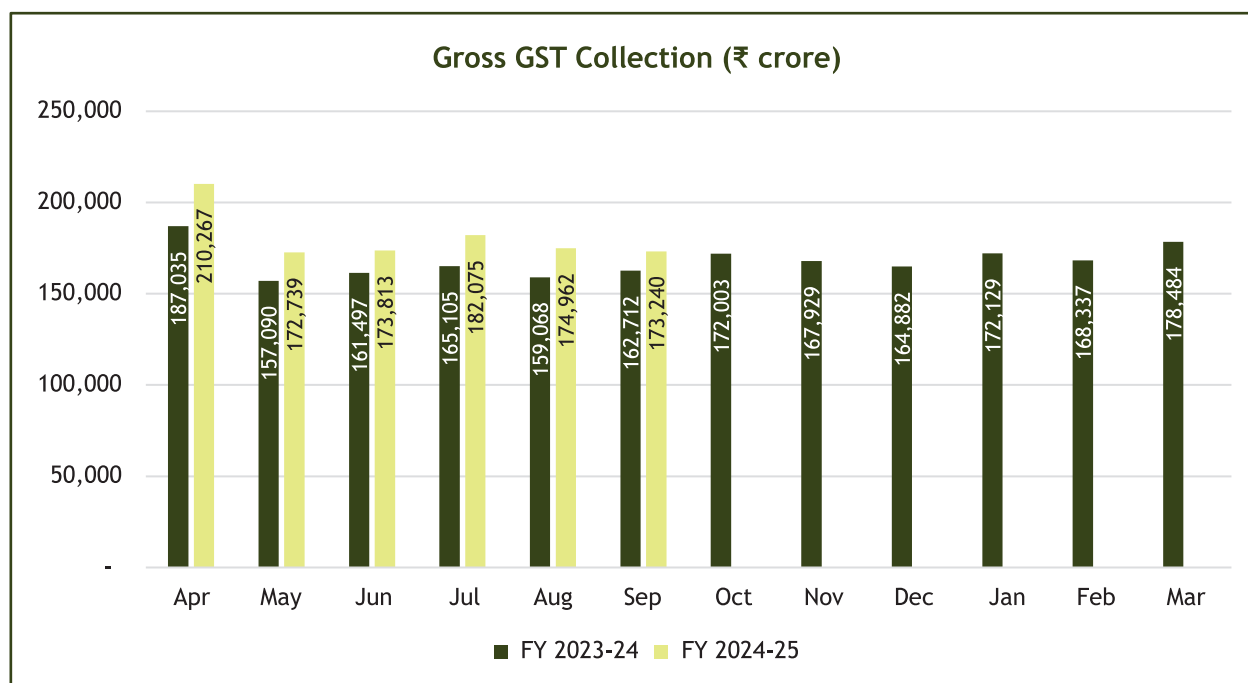
Net revenue at ₹1.52 lakh crore is up 3.9% for the month and up by 9.1% for the year

Gross Goods and Services Tax (GST) revenue collected for September 2024 is **₹1,73,240 crore**, a **6.5%** increase compared to that in the same month in 2023. This growth was driven by a 5.9% rise in GST from domestic transactions. GST revenue net of refunds for September 2024 is **₹1.52 lakh crore** which is a growth of 9.1% over that for the same period last year.

Breakdown of September 2024 Collections:

- Central Goods and Services Tax (CGST): ₹31,422 crore
- State Goods and Services Tax (SGST): ₹39,283 crore
- Integrated Goods and Services Tax (IGST): ₹90,594 crore, including ₹44,507 crore collected on imported goods
- Cess: ₹11,941 crore, including ₹883 crore collected on imported goods

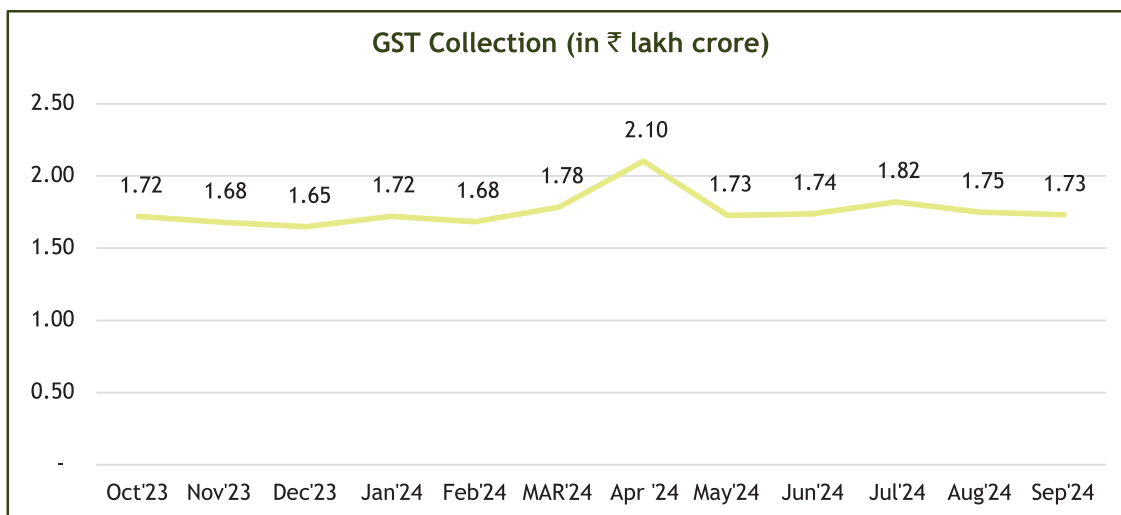
The chart below shows trends in monthly gross GST revenues during the current financial year



Source: https://tutorial.gst.gov.in/downloads/news/revenue_report_sep24.pdf

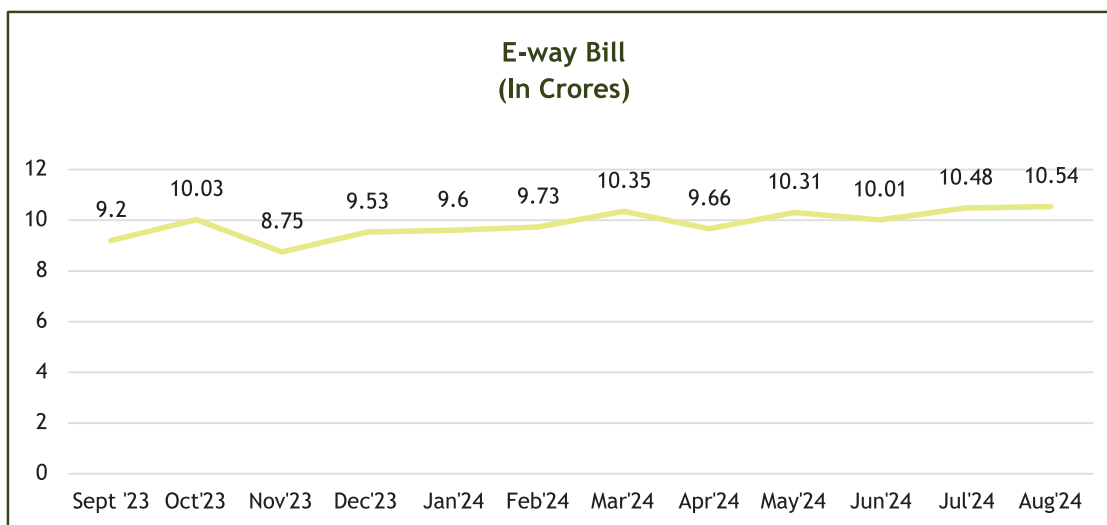
TRENDS IN GST COLLECTION AND E-WAY BILLS GENERATED

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



Source: https://tutorial.gst.gov.in/downloads/news/revenue_report_sep24.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 Oct 23 (as per GST website) reflects the transactions conducted in Sep 23. Therefore, in the above charts e-way bills generated in Sep '23 is shown corresponding to the GST Revenue collection for Oct '23 and so on.

NOTIFICATIONS AND CIRCULARS

NOTIFICATIONS

Notification No. 17/2024-Central Tax dated the 27th September, 2024.

- (a) The date of publication of this notification in the Official Gazette, i.e., 27th September 2024 shall be the date on which the provisions of sections 118, 142, 148 and 150 of the Finance Act 2024 shall come into force; and

Section 118 of the said act provides insertion of sub-sections in section 16 of the CGST act 2017 which contains the provisions related to eligibility and conditions for taking Input Tax Credit under GST.

Section 142 of the said act provides insertion of the proviso in sub section (1), (2) and sub section (5) section 171 of the CGST Act 2017.

Section 148 of the said act provides insertion of the proviso and explanation in sub section (2) section 171 of the CGST Act 2017.

Section 150 of the said act provides that No refund shall be made of all the tax paid or the input tax credit reversed, which would not have been so paid, or not reversed, had section 118 been in force at all material times.

- (b) The 1st day of November, 2024, as the date on which the provisions of sections 114 to 117, 119 to 141, 143 to 147, 149 and 151 to 157 of the Finance Act 2024 shall come into force.

Section 114 of the finance act provides to amend section 9 of the CGST act, 2017. In the said amendment after the words “alcoholic liquor for human consumption”, the words “and undenatured extra neutral alcohol or rectified spirit used for manufacture of alcoholic liquor, for human consumption” shall be inserted.

Section 117 of the finance act provides to amend section 13 of the CGST act, 2017 which provides provisions related to time and value of supply.

Section 141 of the finance act provides to amend section 107 of the CGST act, 2017 which provides conditions for filing appeal before the appellate authority under GST.

Section 143 of the finance act provides to amend section 112 of the CGST act, 2017 which provides provisions related to Appeals to Appellate Tribunal

Section 147 of the finance act provides to amend section 140 of the CGST act, 2017 which provides transitional provisions related to GST.

Section 149 of the finance act provides to amend schedule III of the CGST act, 2017 which provides details provisions related to activities which shall be treated neither as supply of goods nor a supply of services.

Section 151 of the finance act provides to amend section 5 of the IGST act, 2017 it provides that in section 5, in sub-section (1), after the words “alcoholic liquor for human consumption”, the words “and un-denatured extra neutral alcohol or rectified spirit used for manufacture of alcoholic liquor, for human consumption” shall be inserted.

Section 157 of the finance act provides to amend by inserting section 8A of the Goods and Services Tax (Compensation to States) Act, 2017, which contains the provisions related to Power not to recover cess not levied or short levied as a result of general practice.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1010163/ENG/Notifications>

Notification No. 18/2024-Central Tax dated the 30th September, 2024.

By this notification Central Government, on the recommendations of the Goods and Services Tax Council, hereby empowers the Principal Bench of the Appellate Tribunal, constituted under sub-section (3) of section 109 of the said Act, to examine whether input tax credits availed by any registered person or the reduction in the tax rate have actually resulted in a commensurate reduction in the price of the goods or services or both supplied by that registered person.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1010166/ENG/Notifications>

Notification No. 19/2024-Central Tax dated the 30th September, 2024.

By this notification central government on the recommendations of the Goods and Services Tax Council, appoints the 1st day of April, 2025 as the date from which the Authority referred to in the said section shall not accept any request for examination as to whether input tax credits availed by any registered person or the reduction in the tax rate have actually resulted in a commensurate reduction in the price of the goods or services or both supplied by that registered person.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1010167/ENG/Notifications>

CIRCULARS

Circular No. 233/27/2024-GST dated the 10th September, 2024

Clarification regarding regularization of refund of IGST availed in contravention of rule 96(10) of CGST Rules, 2017, in cases where the exporters had imported certain inputs without payment of integrated taxes and compensation cess.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1003232/ENG/Circulars>

Circular No. 232/26/2024-GST dated the 10th September, 2024

Clarification on place of supply of data hosting services provided by service providers located in India to cloud computing service providers located outside India-reg.

The issues and clarifications pertaining to such issues in this matter are provided in the circular which can be accessed by following the given URL.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1003231/ENG/Circulars>

Circular No. 231/25/2024-GST dated the 10th September, 2024

Clarification on availability of input tax credit in respect of demo vehicles-reg.

The issues and clarifications pertaining to such issues in this matter are provided in the circular which can be accessed by following the given URL.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1003230/ENG/Circulars>

Circular No. 230/24/2024-GST dated the 10th September, 2024

Clarification in respect of advertising services provided to foreign clients-reg.

The issues and clarifications pertaining to such issues in this matter are provided in the circular which can be accessed by following the given URL.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1003229/ENG/Circulars>



GST PORTAL UPDATES

Invoice Management System

To efficiently address invoice corrections/amendments with their suppliers through the portal, a new communication process called the Invoice Management System (IMS) is being brought up at portal. This will also facilitate taxpayer in matching of their records/invoices vis a vis issued by their suppliers for availing the correct Input Tax Credit (ITC) and shall allow the recipient taxpayers to either accept or reject an invoice or to keep it pending in the system, which can be availed later.

This facility is available to the taxpayer from 1st October onwards on the GST portal.

Complete advisory related to the IMS can be accessed at : [revised_advisory_on_ims.pdf](#)

Source: <https://services.gst.gov.in/services/advisoryandreleased/read/517>

Advisory on Reporting of supplies to un-registered dealers in GSTR1/GSTR 5

Government has reduced the threshold limit for reporting of invoice wise details of inter-state taxable outward supplies made to unregistered dealers from 2.5 Lakh to 1 Lakh which needs to be reported in Table 5 of Form GSTR-1 and Table 6 of GSTR-5.

Source: <https://services.gst.gov.in/services/advisoryandreleased/read/518>

Draft Manual on Invoice Management System

Revolutionizing the way recipient taxpayers interact with invoices a new facility, the Invoice Management System (IMS) has been launched. This innovative feature empowers taxpayers to seamlessly accept, reject, or keep invoices pending in the system to avail later as and when required, streamlining the reconciliation process, and ensuring greater accuracy and efficiency in GST compliance.

The new system shall facilitate taxpayers in matching their records/invoices vis a vis issued by their suppliers for availing the correct Input Tax Credit (ITC). This facility is set to transform the way businesses manage their GST obligations, reducing errors, and saving time and resources.

The draft manual is available on the portal which can be accessed by following the given link:

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

Source: <https://services.gst.gov.in/services/advisoryandreleased/read/521>

Re-opening of Reporting ITC Reversal Opening Balance

The Government introduced certain changes in Table 4 of Form GSTR-3B regarding availment & reversal of ITC along-with reporting of re-claimed and ineligible ITC. Accordingly, the re-claimable ITC earlier

reversed in Table 4(B)2 may be subsequently claimed in Table 4(A)5 on fulfilment of necessary conditions and such reclaimed ITC also needs to be reported in Table 4D(1).

To facilitate the taxpayers in correct and accurate reporting of ITC reversal and reclaim thereof and to avoid clerical mistakes, a new ledger namely Electronic Credit Reversal and Re-claimed Statement was introduced on the GST portal from August 2023 return period for monthly taxpayers and from July-September 2023 quarter for quarterly taxpayers. The taxpayers were also given an opportunity to report their cumulative ITC reversal as an opening balance in the newly introduced Electronic Credit Reversal and Re-claimed Statement.

Extension of due dates for reporting opening balance:

Taxpayers are being provided with one final opportunity to report their cumulative ITC reversal (ITC that has been reversed earlier and has not yet been reclaimed) as opening balance for “Electronic Credit Reversal and Re-claimed Statement”, if any, before hard locking the reversal and reclaim ledger.

Important dates to report opening balance are mentioned below.

- i. The functionality to reporting the opening balance will be available from 15th September 2024 to 31st October 2024.
- ii. The amendments in declared opening balance will be available till 30th November, 2024.
- iii. Taxpayers having monthly filing frequency are required to report their opening balance considering the ITC reversal done till the return period of July 2023 only. As after this period balance is already available in ledger.
- iv. Quarterly taxpayers shall report their opening balance up to Q1 of the financial year 2023-24, considering the ITC reversal made till the April-June 2023 return period only. As after this period balance is already available in ledger.

4. It may be noted that soon system would not allow to re-claim of ITC in excess of the amount reversed earlier and the taxpayers will not be able to reclaim excess ITC compared to the balance available in their Electronic Credit Reversal and Re-claimed Statement. Therefore, it is advised to make use of this extended period to ensure that all relevant information is reported accurately.

Detailed advisory on Electronic Credit Reversal and Re-claimed Statement can be accessed by following the given link:

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

Source: <https://services.gst.gov.in/services/advisoryandreleaseds/read/520>

Introduction of Invoice Management System (IMS) and FAQs thereon

FAQs related to IMS for better understanding of the new functionality can be accessed by following the given link:

https://tutorial.gst.gov.in/downloads/news/final_faqs_on_ims_22_09_2024.pdf

Source: <https://services.gst.gov.in/services/advisoryandreleaseds/read/522>

Archival of GST Returns data on GST portal

1. Section 39 (11) of the CGST Act, 2017, implemented w.e.f 01-10-2023 vide Notification No. 28/2023 - Central Tax dated 31st July, 2023, provides that the taxpayers shall not be allowed file their GST returns after the expiry of a period of three years from the due date of furnishing the said return.
2. Further, as per GST portal data policy, data for view of taxpayer to be retained for seven years only. Therefore, the same data policy is being implemented on the GST portal. Thus, return data will not be available to view beyond 7 years for taxpayers.
3. Accordingly, on 01st August 2024 return filed for July 2017 has been archived and on 01st September 2024, data for August 2017 has been archived. Further, this data archival is going to be a monthly activity hence on 01st October, 2024 data of September 2017 shall be taken down from the GST portal and so on so forth.

Source: <https://services.gst.gov.in/services/advisoryandreleased/read/523>

Advisory on issuance of Notices/Orders without digital signatures of the issuing authorities

To bring the clarity regarding the validity of documents issued by the tax officers on the common portal viz. SCN/Orders without the Digital signatures on the pdf. document downloaded from the common portal, it is clarified that such documents are generated on the common portal from the login of the officer, who logs in through Digital Signatures. These documents being computer generated on the command of the officer, may not require physical signatures of the officer as these documents can be issued by the officer only after logging into the common portal using Digital Signature. Thus, all these documents in JSON format containing the order details along with the issuing officer details are stored in the GST system with the digital signature of the issuing officer.

Source: <https://services.gst.gov.in/services/advisoryandreleased/read/524>

Restoration of GST Returns data on Portal

With reference to advisory issued on 24th September, 2024 regarding the archival of return data from the Common Portal after seven years. This data was archived in line with data archival policy. Data archival process was implemented on a monthly basis. Consequently, the return data for July, 2017 and August, 2017 was archived on 01st August and on 01st September respectively.

However, in view of the requests received from the trade due to the difficulties faced, data has been restored back on the portal. We recommend you to download and save the data if needed, as the archival policy shall be implemented again after giving advance information.

Source: <https://services.gst.gov.in/services/advisoryandreleased/read/526>

GST IN NEWS

GST relief on health insurance may lead to ₹ 3,500 crore revenue loss, says govt official

The potential benefits of such an exemption are also under discussion. Some experts believe that making health insurance more affordable could increase its appeal among consumers.

A proposal to exempt health insurance policies from the 18 percent goods and services tax (GST) could deal a ₹ 3,500 crore blow to government revenues annually, according to a senior official who is part of the Fitment Committee considering the plan ahead of the GST Council's September 9 meeting.

The Fitment Committee, comprising state and central government revenue officials, is tasked with weighing the potential benefits of relieving consumers of a significant financial burden against the revenue loss to the exchequer and making recommendations to the council.

Source: <https://www.moneycontrol.com/news/business/economy/gst-relief-on-health-insurance-may-lead-to-rs-3500-crore-revenue-loss-says-govt-official-12811908.html>

No consensus among states on GST relief for health insurance premium

Options under consideration include partial relief to reducing the tax rate in to lessen revenue loss to the exchequer.

The states continue to remain divided over a proposal to exempt health insurance premium from Goods and Services Tax (GST), with the Fitment Committee, comprising revenue officials from both the state and Union governments, struggling to reach a consensus on the contentious issue.

Source: <https://www.moneycontrol.com/news/business/economy/no-consensus-among-states-on-gst-relief-for-health-insurance-premium-12814166.html>

GST tax rate at 12.2%, much below revenue neutral rate, says FM Sitharaman

Union Finance Minister Nirmala Sitharaman has said the Goods and Services Tax (GST) rate is much below the revenue neutral rate (RNR), originally suggested at 15.3 percent. The current average GST rate has decreased to 12.2 percent as of 2023, she said.

The revenue neutral rate is the rate of tax at which the government collects the same amount of revenue even after changes in tax laws. Since its implementation, the GST system has undergone several revisions to streamline the process and promote ease of doing business.

Source: <https://www.moneycontrol.com/news/india/we-are-much-below-revenue-neutral-rate-in-gst-says-fm-sitharaman-12814987.html>

GST evasion doubles to Rs 2.01 lakh crore in FY24

Overall, the total GST evasion detected by DGGI officers and the Central GST zones for FY24 reached over ₹ 2.37 lakh crore across 20,576 cases, including ₹ 2.01 lakh crore by DGGI and ₹ 35,377 crore by CGST zones.

Tax evasion under the Goods and Services Tax (GST) regime has surged to ₹ 2.01 lakh crore for the financial year 2023-24, nearly doubling from ₹ 1.01 lakh crore in the previous fiscal year, according to data released by the Directorate General of GST Intelligence (DGGI) on Saturday. The increase in detected evasion highlights a growing challenge in GST enforcement.

Source: <https://www.moneycontrol.com/news/business/gst-evasion-doubles-to-rs-2-01-lakh-crore-in-fy24-this-city-tops-the-list-12822016.html>

MoS Finance likely to be convenor of GoM on GST compensation cess

A Group of Ministers will suggest future apportionment of GST compensation cess between Centre and states after loan repayment, set to be completed by early 2026.

The official further said the Terms of Reference (ToR) and the members of the GoM are in the process of getting finalised. “The GoM will have to suggest how the cess collected on demerit and luxury goods will be apportioned between Centre and states and suggest the legal changes that would be required to enforce the change,” the official said.

Source: <https://www.moneycontrol.com/news/india/mos-finance-likely-to-be-convenor-of-gom-on-gst-compensation-cess-12822056.html>

GoM decision on GST rate cut on life and health insurance deferred, next meet on Oct 19

During the October 19 meeting, the GoM will deliberate upon health insurance-related matters for senior citizens, life insurance, term life insurance, group insurance, etc.

No final decision was made on the proposal to cut goods and services tax (GST) rates on life and health insurance during the Group of Ministers (GoM) meeting held on September 25, sources said.

Source: <https://www.moneycontrol.com/news/business/economy/gom-decision-on-gst-rate-cut-on-life-and-health-insurance-deferred-next-meet-on-oct-19-12829559.html>

GST QUIZ

1. A facility in GST system, where the invoices/records saved/filed by the supplier in GSTR-1/1A/IFF, can be accepted, rejected or kept pending by recipients in order to correctly avail ITC is _____ .

- a) IMS (Inventory Management System)
- b) IMS (Invoice Management System)
- c) BMS (Bills Management System)
- d) None of the above

2. All the _____ original invoices/records and their amendments by suppliers through GSTR1/1A/IFF will be available to the recipient for taking actions in IMS

- a) Saved or Filed
- b) Generated
- c) Received
- d) Collected

3. The GST IMS integrates which of the following systems?

- a) GST Return Filing System
- b) GST Payment System
- c) GST E-Way Bill System
- d) All of the above

4. Which of the following is a key feature of the GST Integrated Management System (IMS)?

- a) Centralized GST data management
- b) Integration with state government tax systems
- c) Cloud-based storage for tax-related data
- d) All of the above

5. What is the primary purpose of the Invoice Management System (IMS) introduced on the GST portal?

- a) To streamline the filing of annual GST returns
- b) To facilitate taxpayers in matching invoices with suppliers for accurate Input Tax Credit (ITC) claims
- c) To provide a ledger for ITC reversals and reclaims
- d) To allow inter-state supply reporting for unregistered dealers



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

This image shows a single sheet of white paper with horizontal blue ruling lines. The lines are evenly spaced and run across the width of the page. There is no handwriting or other markings on the paper.

Motto

सत्यं वद। धर्मं चर।

इष्टार्क तेह त्पार्क. अबेवेट by तेह लव.

Vision

"To be a global leader in promoting good corporate governance"

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