58th Edition

ICAI-GST NEWSLETTER

ICAI-SET UP BY AN ACT OF PARLIAMENT | SEPTEMBER 2025

GST 2.0 Growth

Newsletter from The Institute of Chartered Accountants of India on GST

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President's Communication

Dear Professional Colleagues,

Greetings!

India's GST revenue for September 2025 reached ₹1,60,360 crore, reflecting a 5% increase from ₹1,52,787 crore in September 2024—signalling continued economic momentum and improved tax compliance.

The 56 th meeting of the GST Council, aimed to simplify the GST structure, enhance the ease of doing business, and strengthen compliance mechanism. These included steps like rationalisation of rates, procedural reforms, and greater clarity in legal provisions marking the beginning of **GST 2.0**. The recent **NextGen GST reforms** represent a landmark step towards simplifying the taxation system and providing direct relief to citizens and businesses alike.

A key feature of these reforms is the introduction of a two-slab structure **of 5% and 18%** and substantial reductions on essentials, healthcare, and agricultural equipment. These changes are designed to reduce household expenses, enhance purchasing power, strengthen MSMEs, and support the common man. Going forward, these measures are expected to improve compliance, foster transparency, and create a fair, people-centric framework- one that uplifts the middle and lower-income groups while advancing the nation's economic goals.

As a trusted partner in nation-building, ICAI, through its GST and Indirect Taxes Committee, actively supports the capacity-building efforts of the Government. The Committee organises and facilitates training programmes on GST for officers of the Central as well as State GST departments. Recently, the Committee extended faculty support to the zonal campus of **National Academy of Customs, Indirect Taxes & Narcotics (NACIN) in Shillong**, for an "Induction Training Programme for Inspectors of CBIC" from 20 th August to 4th September 2025 as well as for a "Two Week Certificate Course for GST Sahyogis" organised at Dimapur, Nagaland. These initiatives further reinforce our commitment to professional excellence and public service.

Since the implementation of GST, Chartered Accountants have played a pivotal role in simplifying compliance, assisting businesses in navigating the evolving tax structure, and ensuring timely and accurate filings. As the backbone of tax governance, CAs continue to bridge the gap between policy formulation and its effective implementation—helping businesses, large and small, to adapt to regulatory changes and remain compliant with the law.

I hope this edition of the Newsletter proves to be a valuable resource in your professional journey. I encourage all of you to continue enhancing your knowledge and skills, as our collective growth strengthens the profession and benefits society—driving us towards greater achievements.

CA. Charanjot Singh Nanda
President
The Institute of Chartered Accountants of India

PHOTOGRAPHS

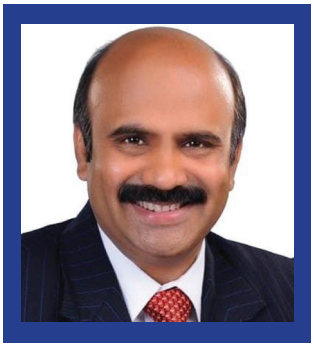
CA Rajendra Kumar P, Chairman, GST&IDTC, met Mr. Balasubramanian Krishnamurthy, Jt. Secy, TPRU, FATF& ST, Ministry of Fin. on 29.9.2025.

Webinar on "Key Recommendations made in the 56th GST Council Meeting" organised by GST & IDTC on 5.9.2025

CA Rajendra Kumar P, Chairman, GST & IDTC, delivered the Keynote Address at the event "E-invoicing in Oman & UAE – A Game-Changing Reform" held on 08.09.2025 in Muscat, Oman.

Half Day Seminar on Recent Changes in GST dated 28.9.2025 organised by GST & IDTC and hosted by Chhatrapati Sambhajinagar Branch (WIRC)

Chairman's Communication



Esteemed Member,

Warm Greetings!

I trust this message finds you well and thriving in your respective roles. I am delighted to share the 58th edition of the ICAI GST Newsletter, providing you with the latest GST updates, judicial pronouncements, and other GST-related news.

This September marked a defining moment in India's fiscal journey, with the 56th meeting of the GST Council ushering in GST 2.0—a new phase of simplified and progressive tax reforms. Alongside large-scale rate rationalisation, several forward-looking measures have been introduced to foster trust-based governance and ease of compliance.

An optional simplified registration scheme has been proposed for low-risk applicants and those with a self-assessed monthly B2B output tax liability up to ₹2.5 lakh, enabling automatic approval within three working days and benefiting nearly 96% of new applicants. Registered persons with turnover up to ₹2 crore have been exempted from filing annual returns from FY 2024–25 onwards, providing compliance relief for small taxpayers.

Another important facilitative step has been taken to streamline refund processing. The rules now provide for grant of 90% provisional refund based on system-driven risk evaluation, with detailed scrutiny reserved only for exceptional cases. A similar mechanism has been proposed for inverted duty structure refunds through amendment in the law. These measures are expected to expedite refund disbursal and ease working capital constraints for taxpayers.

Equally significant is the recent GSTN advisory restricting filing of returns beyond three years from their due dates—applicable from the September 2025 period. Taxpayers, therefore, must file all pending returns promptly to uphold compliance discipline and ensure data reliability.

The GST & Indirect Taxes Committee of ICAI proactively hosted a webinar on "Key Recommendations made in the 56th GST Council Meeting" on September 5, 2025 to provide members with timely insights on the key aspects of GST 2.0 in an easy and comprehensible manner.

The Committee strives to uphold the highest standards of professional excellence whether it's recent amendments, clarifications, or compliance best practices, this Newsletter is your go-to resource for staying informed and ahead in the realm of GST. I encourage you to share your feedback and ideas. Together, let us continue to foster knowledge, strengthen compliance, and contribute meaningfully to the dynamic GST ecosystem.

CA. Rajendra Kumar P
Chairman
GST & Indirect Taxes Committee
The Institute of Chartered Accountants of India

GST AND INTERMEDIARY: A CROSS BORDER VIEW

Taxation of Intermediaries has long been controversial, especially under India's GST regime, which imposes stricter conditions than many other jurisdictions. Despite their vital role in the economy, intermediaries face frequent and avoidable litigation under GST, hindering economic growth and burdening courts. In today's e-commerce-driven, fast-paced world, addressing key cross-border issues—like place of supply and export of services provisions are crucial. This article explores the GST treatment of intermediaries in the international context.

At the outset it is important to gain an understanding of certain terms which are important for establishing how Intermediary services are supply and hence are a subject matter of discussion.

The meaning of supply, the trigger mechanism of GST is outlined in Section 7 of the CGST Act.

- Section 7 of the Central Goods and Services Tax defines 'supply'

  (1) For the purposes of this Act, the expression - "supply" includes-

  (a) all forms of supply of goods or services or both such as sale, transfer, barter, exchange, licence, rental, lease or disposal made or agreed to be made for a consideration by a person in the course or furtherance of business;

- Section 2(13) of the Integrated Goods and Service Tax defines Intermediary:

  "intermediary" means a broker, an agent or any other person, by whatever name called, who arranges or facilitates the supply of goods or services or both, or securities, between two or more persons, but does not include a person who supplies such goods or services or both or securities on his own account.

- Section 2(17) of the Central Goods and Services Tax defines 'business'

  "business" includes –

  (a) any trade, commerce, manufacture, profession, vocation, adventure, wager or any other similar activity, whether or not it is for a pecuniary benefit;

  (b) any activity or transaction in connection with or incidental or ancillary to sub-clause (a);

  From the above, it is evident that the vital elements to constitute a supply are:

  - An activity such as sale, barter etc.…
  - Consideration
  - Made or agreed to be made
  - In the course of business

All these elements are present in the act of an Intermediary.

An intermediary is involved in an activity i.e. a service of arranging or facilitating the supply of goods or services or both between two or more persons, and they also collect a consideration in the form of commission for the same. Their services may be immediate or as agreed at a future point of time and are in the course of business when the act of facilitating a transaction is done with business intent. Hence the services of intermediary clearly fall within the definition of supply.

Once we conclude that the Intermediary services fall within the ambit of supply, the next question arises about its taxability 'how' and 'where' especially in terms of the location aka the place of supply (POS).

To understand the 'where' and 'how' of Intermediary Services, let us discuss the concept of 'Export of Services' and the relevant POS provisions.

- Section 2(6) of the Integrated Goods and Service Tax Act, 2017 (IGST Act) defines 'Export of Services' as:

  "Export of services" means the supply of any service when,

  (i) the supplier of service is located in India;
  (ii) the recipient of service is located outside India;
  (iii) the place of supply of service is outside India;
  (iv) the payment for such service has been received by the supplier of service in convertible foreign exchange or in Indian rupees wherever permitted by the Reserve Bank of India; and
  (v) the supplier of service and the recipient of service are not merely establishments of a distinct person in accordance with Explanation 1 in section 8.

In context with the intermediary services rendered to the person outside India, place of supply plays a crucial role to determine the taxability on the transaction. Provisions for Place of Supply of service when services cross Indian borders are laid down in Section 13 of the IGST Act. Section 13(8) specifically deals with the cross border Intermediary Services as follows:

(8) The place of supply of the following services shall be the location of the supplier of services, namely: -

……

(b) intermediary services;

……

Therefore, if a person, acting as an Intermediary in/from India facilitates a Vendor or a Customer outside India, then in such a case, for that particular Supply, the Place of Supply would be the Location of the Intermediary i.e. in India and services are not said to be exported even if they

actually leave India. Also, the following important factors are not taken into consideration:

- Where does the Underlying Supply lie
- What is the Nature of Underlying Supply- is it B2B or B2C?
- Consumption based principle of GST law.

This particular point poses numerous challenges as undermentioned:

ISSUE 1: WHETHER CROSS BORDER INTERMEDIARY SERVICES QUALIFY AS EXPORT OF SERVICES?

- Every indirect tax regime is destination-based, meaning tax is levied where goods or services are consumed, not where they originate. To protect foreign exchange and India's global trade standing, taxes on cross-border transactions should be neutralized. Excluding cross-border intermediary services from 'export of services'—and thereby denying refunds—raises costs and discourages exports, which contradicts GST's purpose of boosting exports and promoting 'Ease of Doing Business' for a growing economy."

  In this regard it would be important to note that the Countries from which GST has been borrowed are not harsh to the Cross-Border Intermediary Services. They have either explicitly exempted the Intermediary Services or have made the Place of Supply of these Services as outside their Jurisdiction. These instances are discussed below:

1. UK VAT has treated such supplies as being out of the Scope of UK VAT. These supplies may be liable for the Tax at Destination Country. Rather, in this context, it has gone a further step by providing that Intermediary Services making arrangements for Export of Goods or Supply of Services outside UK are explicitly Zero Rated.

   B2B supplies of Intermediary are held to be at the place where the Customer Belongs as per the General Rules of UK VAT.

2. Also, The European Union VAT rules, which inspired India's GST place-of-supply provisions, clarify how intermediary services are treated. Intermediary services are exempt if they relate to exports, cross-border transport within the EU, transactions outside the EU, importation of goods, or activities listed in Annex X, Part B.

   Further for services to non-taxable persons, the place of supply is where the underlying supply occurs if the intermediary acts in another's name and on their behalf. Hence, travel agents for services outside the EU, insurance agents, and gold purchasing agents also benefit from this exemption.

3. In this regard, it is important to refer to the case of Dutch Supreme Court case decided on 17 July 2021 judgment:

   A Netherlands-based intermediary arranged employment contracts between Dutch volleyball players and foreign clubs, where the players' sporting activities abroad were outside the scope of VAT. The Dutch tax authorities argued that the intermediary's services were taxable in the Netherlands under Article 44(1) of the VAT Directive, which sets the B2C place-of-supply rule (VAT applicable in country where underlying supply occurs) for intermediary services. Upon examination by Hon'ble Supreme Court, it was held that Article 44 applies even if the underlying supply is VAT-exempt, but the place of supply is where the core activity—sports performance—occurs, which is abroad; therefore, no Dutch VAT applies. While intermediaries may need to register abroad, administrative burdens do not override the legal place-of-supply rule.

4. In Singapore, supplies made by financial agents, insurance agents, travel agents etc. have been made zero rated. Some other transactions are also relaxed from tax if they fulfill certain conditions and benefit the foreign principals.

In short, the Foreign Laws have treated the Intermediary Services with due care by not imposing taxes in case the POS lies outside their jurisdiction.

On the other hand, the Indian GST law goes against the favor of the Intermediary and consequently our whole economy which is evident from the significant rulings and pronouncements discussed hereunder:

In *M/s Airbus Group India Pvt. Ltd. (AAAR), Karnataka — Order No. KAR/AAAR/Appeal-09/2021-22, dated 09-11-2021*. the Appellant Airbus India provided procurement related services such as supplier identification, quality assessments etc. to Airbus France. It contested that its services qualified as export of services and were therefore not liable to GST. However, the Karnataka AAAR while upholding Karnataka AAR's ruling held that an "intermediary" includes anyone facilitating a supply, not just agents or brokers, and Airbus India's role connects three parties, fulfilling the tripartite condition. *CBIC Circular 159/15/2021* confirms such facilitation is intermediary service. For intermediary services, the POS is the location of supplier i.e. Airbus India in this case whereas one of the conditions in the definition of export of service is 'POS should be outside India', hence the service will not qualify as export of service. Hence, the services are taxable at 18% GST, not exports.

In the matter of *Mrs. Vishakhar Prashant Bhave (Prop. M/s Micro Instruments) [10-08-2018]*, the Maharashtra Authority for Advance Ruling examined whether the commission received in foreign exchange by Mrs. Bhave—as an intermediary in facilitating the purchase of laboratory equipment from Germany by Indian buyers—qualified as an "export of service" under Section 2(6) of the IGST Act.

Mrs. Bhave, a registered GST provider, secured purchase orders from Indian customers and negotiated prices above the floor rate fixed by the German principals. This

difference was remitted to her in Euros as commission. The AAR here held that the applicant is an "intermediary" under Section 2(13) acting as a broker/facilitator between exporter and importer and the Place of supply in such case is India per Section 13(8)(b), hence the service is not an export and is taxable under GST.

Further, the High courts have also held that the position for intermediaries is correctly classified u/s 13(8)(b) and the provision is valid and not unconstitutional

In the case of *Material Recycling Association of India* ***vs.*** *Union of India [24-07-2020]*, it was held that: - "66. It therefore, appears that the basic logic or inception of section 13(8)(b) of the IGST Act, 2017 considering the place of supply in case of intermediary to be the location of supply of service is in order to levy CGST and SGST and such intermediary service therefore, would be out of the purview of IGST. There is no distinction between the intermediary services provided by a person in India or outside India. Only because, the invoices are raised on the person outside India with regard to the commission and foreign exchange is received in India, it would not qualify to be export of services, more particularly when the legislature has thought it fit to consider the place of supply of services as place of person who provides such service in India.

Therefore, there is no deeming provision as tried to be canvassed by the petitioner, but there is stipulation by the Act legislated by the parliament to consider the location of the service provider of intermediary to be place of supply. Similar situation was also existing in service tax regime w.e.f. 1st October 2014 and as such same situation is continued in GST regime also. Therefore, this being a consistent stand of the respondents to tax the service provided by intermediary in India, the same cannot be treated as "export of services" under the IGST Act, 2017 and therefore, rightly included in section 13(8)(b) of the IGST Act to consider the location of supplier of service as place of supply so as to attract CGST and SGST….

In view of the foregoing reasons, it cannot be said that the provision of section 13(8)(b) r.w. section 2(13)of the IGST Act, 2017 are ultra vires or unconstitutional in any manner…"

Similar pronouncement was made in the case of *Dharmendra M. Jani vs. Union of India [06-06-2023].*

ISSUE 2: OWN ACCOUNT OR INTERMEDIARY?

It is seen in various cases that the Department is trying to bring services supplied by suppliers on their own account within the scope of "intermediary services," which is unfair and contrary to the intent of the law. This approach has been evident in the following instances:

In the case of *Genpact India Pvt. Ltd. Vs. Union Of India and others,* export of services was being misinterpreted as intermediary services by the Department. Genpact India (petitioner) a BPO service provider located in India entered into a Master Services Sub-Contracting Agreement (MSA) with Genpact International (GI) located outside India. GI was providing services to its clients for commission, however Additional Commissioner CGST (Appeals) held that services provided by petitioner were in nature of "Intermediary Services" as per section 2(13) of IGST Act and did not qualify as "export of services" and thereby rejected refund claim of un-utilized ITC used in making zero rated supplies of services without payment of IGST.

The Hon'ble High Court upon examination of the matter held that it was a case of sub-contracting and not intermediary services since Petitioner had no direct contract with customers of GI nor was petitioner liaisoning or acting as an "intermediary" between GI and its Customers. Thus, it was held to be export of services and refund claim of un-utilized Input Tax Credit (ITC) used in making zero rated supplies of services without payment of IGST was allowed.

In the case of *Ernst & Young Ltd. vs. Additional Commissioner [23-03-2023]*, the Delhi High Court considered whether E&Y India's delivery of audit, advisory, and consulting services to its overseas EY group affiliates constituted "intermediary services" under Section 2(13) of the IGST Act—thereby negating its eligibility for an input tax credit (ITC) refund. The tax authorities had denied refunds for the period December 2017–March 2020, treating E&Y India as merely "arranging or facilitating" services on behalf of its UK head office and applying Section 13(8)(b) to localize the place of supply in India. E&Y countered that it directly rendered professional services to overseas entities, invoiced them in foreign currency, and was the true supplier on its own account. Upon examination, the Hon'ble HC held that EY provided services on its own account, not merely arranging or facilitating, so it is not an intermediary under Section 2(13). The services qualify as exports under Section 2(6); POS is outside India.

In re *Infinera India (P.) Ltd. (AAAR–Karnataka) [20-01-2020],* a wholly owned export oriented subsidiary of Infinera US, operating under the STPI scheme, sought an advance ruling on whether its "pre sale and marketing services"—including market research, product presentations, and promotional coordination for optical networking equipment in India—should be classified as "intermediary services" under Section 2(13) of the IGST Act. The AAR had ruled that because Infinera India facilitated sales on behalf of its US principal without binding authority, it fell within the intermediary definition and thus its services attracted GST. In the appeal, the AAAR examined whether these activities truly amounted to arranging or facilitating supply between parties without bearing principal responsibility or they were on own account.

Upon examination, AAAR held that since Infinera India facilitates the supply of goods and services between Infinera USA and customers in India, it is an intermediary service. Regarding the fact that the final contract for supply was between Infinera US and customers and not Infinera India, the AAAR ruled that Infinera India was nevertheless

clearly a "facilitator' of such supply and hence well covered within the definition of 'Intermediary' under Section 2(13). Hence Place of supply was held to be India under Section 13(8)(b) thus disqualifying them as exports and making them liable to GST.

In the case of *Boks Business Services (P.) Ltd. vs. Commissioner of Central Goods and Services Tax [22-08-2023],* the Delhi High Court examined whether Boks, which provided bookkeeping, payroll, and accounting services via cloud technology to its UK affiliate, was an "intermediary" under Section 2(13) of the IGST Act—and thus ineligible for export-based ITC refunds. Though their contract referred to them as an "agent," the Court found that Boks did not merely facilitate or arrange services on behalf of others; it was the principal service provider directly contracted to perform core accounting functions. The services were also held to qualify as zero-rated exports under Section 2(6).

Similar decision was given in case of *Athene Technologies India LLP vs. State of Karnataka [28-04-2025]*

In the case of *Columbia Sportswear India Sourcing (P.) Ltd. vs. Union of India [26-04-2025],* the Karnataka High Court addressed whether the "buying support services"—involving supplier coordination, quality control, sourcing assessment, and shipment monitoring—provided by Columbia India to its U.S.-based parent company performed a role of an "intermediary" under Section 2(13) of the IGST Act, or were instead direct principal-to-principal export services. The revenue authorities had denied zero rated treatment and input tax credit refunds by treating the services as intermediary services however the Hon'ble HC confirmed that an intermediary must arrange/facilitate between two other parties. Columbia provided services on its own account as an independent contractor, so it did not meet the intermediary test, rather it was an export of services.

The consistent litigation around whether certain services qualify as "intermediary" under Section 2(13) and the place of supply rule in Section 13(8)(b) of the IGST Act has become very noticeable. This provision often disqualifies genuine export services from zero-rated status, adversely impacting India's export sector, foreign exchange reserves, and market competitiveness.

A simple amendment to the place of supply rule could resolve this recurring issue, reduce court burdens, and make India a more attractive hub for agents, brokers, and related service industries.

While *Notification No. 20/2019, Central Tax* provided limited relief by exempting intermediary services when both supplier and recipient are outside India, it does not address the broader problem faced by Indian service providers acting for foreign clients.

ISSUE 3: INTERMEDIARY SERVICES TO FIIs- WHETHER EXPORT OF SERVICES?

The current Place of supply rule under Section 13(8) makes brokerage services to Foreign Institutional Investors (FIIs) taxable as domestic intermediary services. This means brokers must charge GST, which cannot be treated as an export, increasing costs for FIIs and discouraging investment in India's stock market.

This single provision burdens the export sector and raises costs for foreign investors, harming both the economy and capital markets. Removing intermediary services from Section 13(8) would fix this issue, lower transaction costs, and align India's tax regime with global norms—making it easier to do business and invest in India.

An expected relief

Seeing the nationwide negative impact of this particular provision, the GST Council, in its 56th meeting held in September, 2025 has recommended to change the whole scenario by altering the POS for intermediary services from its governing subsection (8) i.e. location of the supplier to subsection (2), the general provision i.e. the location of the recipient.

Impact

If this change is adopted, it will altogether remove all those unnecessary litigations and restrictions faced by the exporter intermediaries as now they will satisfy all the conditions for the export of services as laid down in the Section 2(6) of the Act. Now the provision of POS for intermediaries in the Indian GST will actually be in line with the practices followed by the countries from which it was borrowed

Conclusion:

India adopted its GST framework inspired by global regimes, yet a crucial sector—intermediary services—remains constrained by provisions that are treated more progressively in the very countries from which our GST model was drawn.

To sustain economic growth, boost the stock market, and reduce repetitive litigation clogging our courts, it is essential to remove intermediary services from the restrictive place of supply rule under Section 13(8). A single legislative change here would resolve multiple avoidable disputes, provide clarity, and prevent unintended losses to compliant taxpayers.

It is expected that recommendation of the GST will be implemented soon as the spirit of GST is "Ease of Doing Business," not merely "Ease of Increasing Government Collections." True ease comes from enabling growth sectors—like consulting, sourcing, buying support, and back-end services—to flourish globally without unnecessary tax barriers.

Aligning our treatment of intermediary services with international best practices will unlock India's full export potential, strengthen foreign exchange inflows, and send a clear signal that India welcomes global business with modern, fair, and growth-friendly tax rules.

Contributed by CA. Manuj Garg

JUDICIAL PRONOUNCEMENTS

1. **GST Refund of unutilised ITC lying in Electronic Credit Ledger upon closure of business is not permissible *[(Union of India vs. SICPA India (P.) Ltd.)– High Court of Sikkim – W.A. No. 02 of 2025 dated 05.09.2025]***

   Appellant is engaged in manufacturing security inks, discontinued its operations due to lack of orders. It sold its machinery/assets and claimed refund of unutilised ITC of ₹ 4.37 Crores lying in its Electronic Credit Ledger (ECL) under Section 49(6) of the CGST Act. Assistant Commissioner and Appellate Authority rejected the refund application.

   Hon'ble Court relied on the pronouncement in the matter of *Union of India v. VKC Footsteps India (P.) Ltd.* (SC) which clarified that refund is allowed only in two cases under Section 54(3):

   - Zero-rated supplies without payment of tax, or
   - Inverted duty structure (inputs taxed at higher rate than outputs).

   Closure of business is not covered under Section 54(3). Section 49(6) merely provides for refund subject to Section 54, not an independent right. There is no constitutional/statutory right to refund exists; refund is purely statutory. Hence, rejection of refund upon closure of business was not permissible and rightly rejected.

2. **SLP dismissed against impugned order of High Court that technical error in shipping address on auto-populated e-way bill cannot justify seizure or penalty when no discrepancy exists in quantity or quality of goods *[(Additional Commissioner Grade-2 vs. Zhuzoor Infratech Pvt. Ltd.)-Supreme Court of India - Diary no. 44104 OF 2025 dated 08.09.2025]***

   Appellant ordered 16mm TMT Bars from a manufacturer with invoice billing to the assessee and delivery at New Delhi. The e-way bill auto-populated by the GST portal mistakenly showed West Bengal as the shipping address. Goods were intercepted in transit; authorities-imposed penalty citing mismatch in shipping address, though no issue was found in quantity or quality of goods.

   Hon'ble High Court held that purpose of e-way bill is to inform department about movement of goods so transaction does not escape tax assessment. Auto-populated details fetched by GST portal system cannot lead to adverse inference against assessee. Technical error in shipping address without other defects cannot justify seizure or penalty. Impugned penalty orders were to be quashed. This SLP was filed against impugned order.

   Hon'ble Supreme Court observed that they were not satisfied that it was a fit case to exercise discretion under Article 136 of Constitution of India. Accordingly, SLP filed by Revenue was to be dismissed and upheld the reasoning that technical error in e-way bill address alone is not sufficient to justify penalty if goods match invoices and no evasion is shown.

3. **Where petitioner, a subsidiary of an Australian company, used to provide services with regard to student's placement in foreign universities under a bipartite arrangement, petitioner could not be considered as intermediary and its services qualified as export *[(IDP Education India Pvt. Ltd. v. Union of India & Ors.) – High Court of Rajasthan-NOS. 9933 and 9967 of 2024 dated 04.09.2025]***

   IDP Education India, a subsidiary of Australian company IDP Education Ltd., provided student counselling and placement services for foreign universities. It rendered services only to its parent company in Australia under a bipartite service agreement and classified them as export of services, claiming refund of IGST. Authorities rejected refund, treating IDP India as an "intermediary", holding that place of supply was in India.

   Hon'ble Rajasthan High Court observed that agreement was strictly between IDP India and IDP Australia; hence only two parties involved. Petitioners had no control over admissions and no privity of contract with students/universities. Therefore, petitioners cannot be treated as intermediaries and services qualify as export of services. Accordingly, assessee was eligible for the refund.

4. **Supporting materials of alleged evasion of tax were never made available to assessee to deal with, demand notice and orders passed thereafter were bad in law and could not be sustained; matter remanded for fresh adjudication *[(Khokan Motors Works Pvt. Ltd. Versus Senior Joint Commissioner of State Tax) – High Court of Calcutta- WPA No. 1783 of 2025 dated 03.09.2025]***

   Khokan Motors was issued a pre-show cause notice (24.08.2023) and a show cause notice (31.08.2023) alleging tax evasion of over ₹ 1.10 crore for 2018–19, but without disclosing supporting materials. An adjudication order (04.10.2023) fixed liability at ₹ 1.15 crore, later rectified to ₹ 40,37,877/- (16.10.2023). The appellate authority (17.02.2025) upheld this rectified demand and directed adjustment of payments already made. The company challenged the rectified order, appellate order, and the consequential demand notice.

   The Court held that when proceedings have civil consequences, disclosure of material evidence at the initial stage is essential. As the basis of the tax evasion charge was never shared with the petitioner, the adjudication and appellate orders were unsustainable. The Court quashed the rectification order, the appellate

order to that extent, and the ₹ 40,37,877/- demand notice, and remanded the matter to the adjudicating authority for fresh adjudication with full disclosure and proper hearing within eight weeks.

5. SCN issued post cancellation of GST registration and petitioner did not get opportunity to file reply *[(Shivi Kansal v. Union of India through its Secretary & Others) – High Court of Delhi – W.P.(C) No. 13744 of 2025 dated 08.09.2025]*

The petitioner's father, late Mr. Naresh Kansal, had obtained GST registration for his sole proprietorship firm, M/s Kansal Associates. After his death on 28.04.2021, the petitioner filed Form GST REG-16 to cancel the registration, stating that no proceedings were pending. Later, a show cause notice (25.07.2022) was issued alleging non-payment of collected tax, but the petitioner was unaware of it and could not respond. The GST registration was cancelled retrospectively w.e.f. 01.07.2017 by an order dated 09.08.2023, which came to light only when suppliers faced refund issues.

The Court upheld that since the petitioner had no opportunity to deal with the SCN and the cancellation followed the death of the sole proprietor during the pandemic, the principles of natural justice required a fresh hearing. The impugned cancellation order was set aside, the petitioner was permitted to file a reply to the SCN by 31.10.2025, and the GST department was directed to restore portal access, grant a personal hearing, and pass a reasoned order thereafter.

6. Provisional attachment of bank account is invalid beyond one year as prescribed under section 83(2) *[(Kanta Food Products v. Union of India) – High Court of Delhi – W.P.(C) 10398 of 2024 dated 12.09.2025]*

M/s Kanta Food Product, engaged in food manufacturing, was served with a show cause notice (02.02.2024) and its bank account was provisionally attached on 07.03.2024 by the Directorate General of GST Intelligence (DGGI). A request to defreeze the account was rejected on 15.07.2024, citing the need to protect government revenue. The petitioner challenged the continuing attachment, arguing that the order had lapsed under Section 83 of the CGST Act.

The Court observed that Section 83(2) mandates that every provisional attachment ceases to have effect after one year from the date of the order. As the statutory period had expired, the attachment could not be sustained. The Court set aside the attachment order and directed the bank to allow the petitioner to freely operate the account without requiring any further communication from the DGGI.

7. Petitioner sought adjournment after receiving Show Cause Notice, however without allowing same, impugned order was passed and no proper personal hearing was given. Assessee also challenged CBIC Notification no. 56/2023-Central tax and 9/2023-Central Tax which were already under challenge before Supreme Court *[(Baldev Metals Pvt. Ltd. v. Principal Commissioner of Delhi Goods and Services Tax & Ors.)-High Court of Delhi –W.P.(C) No. 15898 of 2024 dated 10.09.2025]*

Baldev Metals (P.) Ltd. challenged a show cause notice (29.05.2024) and order (20.08.2024) raising a demand of ₹ 2.25 crore for FY 2019-20 under Section 73 of the CGST/Delhi GST Act. The company sought adjournment to file a reply but the adjudicating authority passed the order without granting the requested hearing. The petition also questioned the validity of CBIC Notifications 9/2023 and 56/2023, which extended time limits for issuing orders, as well as related state notifications.

The Court noted that the petitioner was denied a proper hearing and the order was passed without a reply to the SCN. Such action violated natural justice. The Court therefore set aside the impugned order and remanded the matter to the adjudicating authority, granting time till 31.10.2025 to file a reply and directing a fresh personal hearing before passing a reasoned order. On the challenge to the CBIC notifications, the Court left the issue open, making the proceedings subject to the outcome of the Supreme Court's decision in pending cases.

Contributed by CA. Ashit Shah

GST UPDATES

I. DIN not required for eOffice communications with issue number

Circular No. 252/09/2025-GST dated 23.09.2025 has been issued to clarify that communications issued through CBIC's eOffice application, which already bear a verifiable unique Issue Number will not require a separate Document Identification Number (DIN). This issue number can be verified at newly developed and functional portal viz., https://verifydocument.cbic.gov.in. Upon verification, this utility confirms the Issue number, and other details and provides information to authenticate the document, like, -

a) File number
b) Date of issuing the document,
c) Type of communication,
d) Name of Office issuing the document,
e) Recipient name (masked),
f) Recipient address (masked),
g) Recipient email (masked).

Hence, the Issue Number itself will be treated as DIN and such communications shall be valid. However, for communications not dispatched via eOffice or not carrying a verifiable Reference Number (RFN) from the GST portal, quoting DIN remains mandatory. Earlier Circulars stand modified to this extent.

II. Recommendations made in 56th GST Council meeting: -

Following rate notifications have been issued:

1. **Supersession of *Notification No. 1/2017-CT(R) dated 28.06.2017***

   Notification No. 1/2017-CT(R) dated 28.06.2017 which prescribes the rate on goods has been superseded by *Notification No. 09/2025-CT(R) dated 17.09.2025*.

2. **Supersession of *Notification No. 2/2027- CT(R) dated 28.06.2017***

   Notification No. 2/2017-CT(R) dated 28.06.2017 which exempts GST on certain goods has been superseded by *Notification No. 10/2025-CT(R) dated 17.09.2025*

3. **Amendment in rate of Petroleum Operations**

   The rate of Petroleum Operations and coal bed methane as described in *Notification No. 03/2017-CT(R) dated 28.06.2017* has been increased from 2.5% to 9% vide *Notification No. 11/2025-CT(R) dated 17.09.2025.*

4. **Amendment in *Notification No. 08/2018-CT(R) dated 25.01.2018***

   With effect from 22.09.2025, the reference in *Notification No. 8/2018-Central Tax (Rate) dated 25.01.2018*, which exempts the central tax on intra-State supplies on old and used motor vehicles as described in the Table given in the said notification from so much tax which is in excess of 9% specified in Schedule IV of *Notification No. 1/2017-Central Tax (Rate) dated 28.06.2017* has been substituted.

   The reference has now been made to Schedule II or Schedule III of *Notification No. 9/2025- Central Tax (Rate) dated 17.09.2025* due to supersession of *Notification No. 1/2017 -Central Tax (Rate) dated 28.06.2017*.

   Notification No. 12/2025-CT(R) dated 17.09.2025

5. **Amendment in *Notification No. 21/2018-CT(R) dated 26.07.2018***

   The Table in *Notification No. 21/2018-CT(R) dated 26.07.2018* which prescribes concessional rate on specified handicraft items has been substituted with a new Table prescribing new rates vide *Notification No. 13/2025-CT(R) dated 17.09.2025*.

6. **Notification of GST rates on Bricks**

   The Government has retained the rate of 12% (inter-State) on the following goods by issuing a fresh notification:

   a) Fly ash bricks; Fly ash aggregates; Fly ash block
   b) Bricks of fossil meals or similar siliceous earth
   c) Building brick
   d) Earthen or roofing tile

   Notification No. 14/2025-Central Tax (R) dated 17.09.2025

7. **Amendment in Rate Notification of Services**

   Notification No. 11/2017-CT(R) dated 28.06.2017 which notifies the rate applicable on supply of services has been amended vide *Notification No. 15/2025-CT(R) dated 17.09.2025*. Significant amendments relate to transport of goods in containers by rail by any person other than Indian Railways, multimodal transportation of goods where at least two different modes of transport are used by a multimodal transporter from the place of acceptance of goods to the place of delivery of goods, renting of goods carriage where the cost of fuel is included in the consideration charged from the service recipient, delivery services, job work services, Beauty and physical well-being services, etc.

   The following shall take effect from 01.04.2025-

   - The definition of 'goods transport agency' has been substituted to mean any person who provides

service in relation to transport of goods by road and issues a consignment note by whatever name called, but does not include (i) electronic commerce operator by whom services of local delivery are provided; (ii) electronic commerce operator through whom services of local delivery are provided".

- Definitions of 'recognised sporting event', 'handicraft goods', 'mode of transport' and 'multimodal transporter' have been inserted.

8. Amendment in Exemption notification of Services

a) Exemption available to service by way of transportation of goods shall not apply to local delivery services provided by or through an Electronic Commerce Operator.

b) Following new entries have been inserted for the purpose of exemption:

- Services of life insurance business provided by an insurer to the insured, where the insured is not a group
- Services of health insurance business provided by an insurer to the insured, where the insured is not a group.

The above exemptions shall apply to a contract of insurance where the insured is an individual, or an individual and family of the said individual. Family shall include all individuals insured as family in the contract of insurance.

- Reinsurance of abovementioned insurance services Further clarifications -

'group' means group of persons who join together with a commonality of purpose or for engaging in a common economic activity, other than availing insurance, and includes

- Employer – employee groups, where an employer-employee relationship exists between the master/group policyholder and the members of the group in accordance with the applicable laws;
- Non employer – employee groups, where a clearly evident relationship exists between the master/group policyholder and the members of the group, for services/ activities other than insurance.

'Health insurance business' means the effecting of contracts which provide for sickness benefits or medical, surgical or hospital expense benefits, whether in-patient or out- patient, travel cover and personal accident cover;"

Notification No. 16/2025-CT(R) dated 17.09.2025

9. Local delivery Service notified under section 9(5) of the CGST Act, 2017

Services by way of local delivery have been notified under Section 9(5) of the CGST Act, 2017. Consequently, the obligation to discharge GST on such services shall be on the electronic commerce operator (ECO). This provision, however, shall not apply in cases where the supplier of such services, providing them through the ECO platform, is independently liable for registration under Section 22(1) of the Act.

Notification No. 17/2025-CT(R) dated 17.09.2025

All the above Notifications shall take effect from 22.09.2025, unless otherwise specified. Similar Notifications have been issued under IGST Act, 2017 as also UTGST Act, 2017

Following non-rate notifications have been issued:

(Applicable with effect from 22.09.2025, unless otherwise specified):

1. Amendment in CGST Rules, 2017 – *Notification No. 13/2025 - CT dated 17.09.2025*

a) Amendment in Rule 31A – Value of Supply in case of lottery, betting, gambling and horse racing

The figure "128" has been substituted with "140" to align the valuation formula of Lottery with the enhanced GST rate on lottery from 28% to 40%.

b) Amendment in Rule 39 – Procedure for distribution of input tax credit by Input Service Distributor

With effect from 01.04.2025, sub-rule (1A) of rule 39 has been amended to bring IGST reverse charge under sections 5(3) and 5(4) of the IGST Act, 2017 within the ISD framework.

c) Amendment in Rule 91 – Grant of Provisional refund

With effect from 01.10.2025, sub-rule (2) of Rule 91 has been substituted to revise the procedure for grant of provisional refund. The amended provision empowers the proper officer to issue an order in FORM GST RFD-04 within seven days of the acknowledgement under Rule 90(1) or 90(2), based on system-driven identification and risk evaluation, instead of the earlier requirement of manual scrutiny and prima facie satisfaction of the refund claim. It further provides that the proper officer, for reasons to be recorded in writing, may not grant refund on provisional basis and proceed with the order under rule 92.

Following category of registered persons have been

notified vide *Notification No. 14/2025- CT dated 17.09.2025* who shall not be allowed refund on provisional basis:

- Any person, who has not undergone Aadhaar authentication under Rule 10B of CGST Rules, 2017
- Any person, who is engaged in the supply of Areca nuts, Pan masala, Tobacco and manufactured tobacco substitute and Essential oils.

d) Amendment in Rule 110 – Appeal to Appellate Tribunal

- Sub-rule (1) has been amended to require that the provisional acknowledgement of an appeal, issued electronically, must be captured in Part A of FORM GST APL-02A.
- The proviso to rule 110(2) that prescribes manual filing of memorandum of cross objections has been now omitted.
- Sub-rule (4) has been amended to replace every reference to "FORM GST APL-02" with "Part B of FORM GST APL-02A" implying that the final acknowledgement of an appeal to the GST Appellate Tribunal, which was earlier required to be issued in FORM GST APL-02, will now be issued in Part B of the newly introduced FORM GST APL-02A, aligning the rule with the updated two-part format (Part A for provisional acknowledgement and Part B for final acknowledgement) and ensuring consistency in the electronic appeal process.

e) Insertion of Rule 110A - Procedure for the Appeals to be heard by a single Member Bench

Rule 110A empowers the President of the GST Appellate Tribunal or the Vice-President if authorised, in respect of any State Bench, may either on his own motion or an application filed by the parties to the appeal, to scrutinise an appeal and transfer it to a single-member bench of the respective State if the case does not involve any question of law.

If, during the hearing, the single-member bench finds that a question of law is involved, it must record the reasons in writing and return the appeal for reconsideration by the President or Vice-President. While scrutinising or reconsidering an appeal, they must also check whether the same issue for the same taxable person, for the same or a different tax period— has already been decided by a two-member bench (one Technical and one Judicial Member), if so, the appeal must be heard by such a two-member bench.

For the monetary threshold of ₹50 lakh under section 109(8), the cumulative tax, input tax credit, fine, fee, or penalty involved is to be calculated across all issues and tax periods covered in the order under appeal.

f) Amendment in Rule 111 - Application to the Appellate Tribunal

- Sub-rule (1) has been amended to require that the provisional acknowledgement of an appeal, issued electronically, must be captured in Part A of FORM GST APL-02A.
- The proviso to rule 111(1) that prescribes manual filing of appeal to Appellate Authority has been now omitted.
- The proviso to rule 111(2) that prescribes manual filing of memorandum of cross objections has been now omitted.
- Sub-rule (4) has been amended to replace every reference to "in FORM GST APL-02" with "in Part B of FORM GST APL-02A". This means that the final acknowledgement of an appeal, which was earlier required to be issued in FORM GST APL-02, will now be issued in Part B of the newly introduced FORM GST APL-02A, aligning the rule with the updated two-part format (Part A for provisional acknowledgement and Part B for final acknowledgement) and ensuring consistency in the electronic appeal process.
- In the second proviso to sub-rule (4), the words "self-certified copy" has been substituted with the words "self-attested copy".

g) Amendment in Rule 113 – Order of Appellate Authority or Appellate Tribunal

Rule 113(2) has been substituted to require that the GST Appellate Tribunal, along with its final order under section 113(1), shall issue a summary of the order in FORM GST APL- 04A, clearly indicating the final amount of demand confirmed by the Tribunal.

h) Newly introduced Forms

- Form APL-02A
  - Part A - Provisional Acknowledgment for submission of Appeal/Application
  - Part B - Final Acknowledgement communicating registration/rejection of Appeal/Application
- Form APL-04A: Summary of the order and demand after issue of order by the Goods and Services Tax Appellate Tribunal

i) Forms amended

- Form GSTR 9
- Form GSTR 9C

j) Forms Substituted

- Form GST APL-05: Appeal to the Goods and Services Tax Appellate Tribunal
- FORM GST APL-06: Cross-objections before the Appellate Tribunal under sub-section (5) of section 112
- FORM GST APL-07: Application to the Appellate Tribunal under sub section (3) of Section 112

2. Exemption from filing Annual Return

From Financial Year 2024-25 onwards, registered persons with aggregate turnover upto Rs. 2 crores in any financial year have been exempted from filing Annual Return under Section 44(1) for that financial year.

Notification No. 15/2025-CT dated 17.09.2025

3. Enforcement of The Finance Act, 2025

All the provisions of The Finance Act, 2025 (except section 125 - section 20 of CGST Act, 2017 which had already taken effect from 01.04.2025) shall take effect from 01.10.2025.

Notification No. 16/2025-CT dated 17.09.2025

III. CBIC has issued following clarifications regarding the treatment of secondary or post sale discounts under GST to ensure uniformity in implementation:

1. Availability of ITC when the recipients make discounted payments to the supplier of goods on account of financial/ commercial credit notes issued by the said supplier.

As per *Circular 92/11/2019-GST dated 7th March 2019,* supplier of goods can issue financial/ commercial credit notes and in such cases, he will not be eligible to reduce his original tax liability. As the transaction value is not allowed to be reduced on account of issuance of financial/ commercial credit note, accordingly the tax charged from the recipient would also not get reduced. Hence, it has been clarified that when suppliers issue financial or commercial credit notes (without reducing tax liability), recipients are not required to reverse such ITC, since the original transaction value and tax liability remain unchanged.

2. Whether a post-sale discount offered by a manufacturer to its dealer/ distributor would be treated as a consideration paid by the manufacturer for the dealer's supply of the same goods to the end customer?

If the dealer independently sells goods to end customers (principal-to-principal basis) and there is no agreement between the manufacturer and the end customer, such discounts are only a reduction in sale price and not treated as consideration for inducement of further supply of such goods. However, if there is an agreement between manufacturer and end customer requiring supply at discounted price and the manufacturer issues commercial or financial credit notes to the dealer, enabling such dealer to provide the goods at the agreed discounted rate to the end consumer, such discounts will form part of consideration as they act as inducement towards supply.

3. Post-Sale Discounts as Consideration for Promotional Activities

When dealers receive such post-sale discounts, they may engage in promotional activities to boost sales, which ultimately enhance the sale of goods that the dealers themselves own, thereby increasing their own revenue. In this context, the discount merely reduces the sale price of the goods and is not linked to any independent service rendered to the manufacturer. Therefore, it is clarified that post-sale discounts offered by manufacturers to dealers in such cases shall not be treated as consideration for a separate transaction of supply of services. However, if specific promotional or service activities (advertising, co-branding, exhibitions, customer support, etc.) are agreed upon with defined consideration between the manufacturer and the dealer, then these constitute a separate taxable supply and GST is payable.

GSTN ADVISORIES

I. Advisory for new changes in invoice management system (IMS)

This is to bring to your notice that several new changes have been introduced in the Invoice Management System (IMS) to simplify the taxation system and reduce the compliance burden on the taxpayers. The following are the key updates

Pending action for specified records: Taxpayers can keep specified records pending for a limited time period. For monthly taxpayers, this period is one tax period (months), for quarterly taxpayers also it is one tax period (quarter) only. The specified records which can be kept pending in the system are mentioned below

a. Credit notes, or upward amendment of credit note
b. Downward amendment of CN where original CN rejected
c. Downward amendment of Invoice / DN only where original Invoice already accepted and 3B has been filed
d. ECO-Document downward amendment only where original accepted, and 3B has been filed

Declaring ITC reduction amount:

It is clarified that, in cases where the recipient has not availed Input Tax Credit (ITC) in respect of the relevant invoice or document, no reversal of ITC shall be warranted. Further, in cases where ITC has been availed only partially, the obligation to reverse ITC shall be limited to the extent of such availment.

Therefore, In IMS a facility has been made available to taxpayers to declare the amount of ITC actually availed and, to the extent applicable, required to be reversed in respect of the selected record. The said facility permits reversal of ITC, either in full or in part, by entering the amount availed to be reversed. This facility may also be utilized in cases where the taxpayer has already effected such reversal, either wholly or partially, at an earlier point of time, or where the ITC pertaining to the relevant invoice or document was never availed. Such facility is provided for the afore-mentioned specified records.

Option to save remarks: Taxpayers can now save remarks while taking reject or pending action on records. This optional facility allows taxpayers to add remarks (will be rolled out shortly). Such remarks will be visible in GSTR-2B for future reference and to suppliers in the Outward Supplies view dashboard, to take corrective measures.

Important dates:

The changes of keeping credit notes pending and declaring the ITC amount, as mentioned above shall be made effective on the portal from October tax period.

Due date for keeping records pending: The due date for keeping records pending is calculated based on the date/ tax period in which such documents has been communicated by the supplier.

Prospective Application:

The new changes will be available only for records filed by suppliers after the production rollout of these changes. Taxpayers are advised to carefully review these changes before taking action and filing their returns.

II. Advisory to file pending returns before expiry of three years

As per the Finance Act, 2023 (8 of 2023), dt. 31-03-2023, implemented w.e.f. 01-10-2023 vide *Notification No. 28/2023 – Central Tax dated 31th July, 2023*, 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 under Section 37 (Outward Supply), Section 39 (payment of liability), Section 44 (Annual Return) and Section 52 (Tax Collected at Source). These Sections cover GSTR-1, GSR-1A, GSTR 3B, GSTR-4, GSTR-5, GSTR-5A, GSTR-6, GSTR 7, GSTR 8 and GSTR 9 or 9C.

Hence, above mentioned returns will be barred for filing after expiry of three years. The said restriction will be implemented on the GST portal from October 2025 Tax period. Which means any return for which due date was three years back or more and hasn't been filed till October Tax period will be barred from Filling. In this regard an advisory was already issued by GSTN on 29th October, 2024

Illustration: For ease of reference and better clarity, the latest GST returns that will be barred from filing w.e.f. 1st November 2025 are detailed in the table below:

GST Forms	Barred Period (w.e.f. 1st November,2025)
GSTR-1/IFF	September-2022
GSTR-1Q	July-Sep 2022
GSTR-3B/M	September-2022
GSTR-3BQ	July-Sep 2022
GSTR-4	FY 2021-22
GSTR-5	September-2022
GSTR-6	September-2022
GSTR-7	September-2022
GSTR-8	September-2022
GSTR-9/9C	FY 2020-21

Hence, the taxpayers are once again advised to reconcile their records and file their GST Returns as soon as possible if not filed till now.

GST Compliance Schedule

Compliances for the month of October, 2025

Forms	Compliance Particulars	Due Dates
GSTR 7	Return to be furnished by the registered persons who are required to deduct tax at source.	10.11.2025
GSTR 8	Return to be furnished by the registered electronic commerce operators who are required to collect tax at source on the net value of taxable supplies made through it.	10.11.2025
GSTR 1	Statement of outward supplies by the taxpayers having an aggregate turnover of more than Rs. 5 crore or the taxpayers who have opted for monthly return filing.	11.11.2025
IFF	Statement of outward supplies by the taxpayers having an aggregate turnover up to Rs. 5 crore and who have opted for the QRMP scheme.	13.11.2025
GSTR 1A	Amendment of outward supplies of goods or services for the current tax period	
GSTR 5	Return to be furnished by the non-resident taxable persons containing details of outward supplies and inward supplies.	13.11.2025
GSTR 6	Return to be furnished by every Input Service Distributor (ISD) containing details of the input tax credit received and its distribution.	13.11.2025
GSTR 3B	Return to be furnished by all the taxpayers other than who have opted for QRMP scheme comprising consolidated summary of outward and inward supplies.	20.11.2025
GSTR 5A	Return to be furnished by Online Information and Data base Access or Retrieval (OIDAR) services provider for providing services from a place outside India to non-taxable online recipient (as defined in Integrated Goods and Services Tax Act, 2017) and to registered persons in India and details of supplies of online money gaming by a person outside India to a person in India.	20.11.2025
GSTR-11	UIN holders	28.11.2025

Invitation to write articles on GST

Chartered Accountants and other experts, with academic passion and flair for writing are invited to share their expertise on GST through ICAI-GST Newsletter. The article may be on any topic related to GST Law. While submitting the articles, please keep the following aspects in mind:

1) Article should be of 2000-2500 words.
2) An executive summary of about 100 words may accompany the article.
3) It should be original and not published/should not have been sent for publishing anywhere else.
4) Copyright of the selected article shall vest with the ICAI.

Please send editable soft copy of the article at *gst@icai.in*.

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QUIZ

1. **As per Section 122B of the CGST Act, 2017, what penalty shall be imposed for failure to comply with the track and trace mechanism prescribed under Section 148A of the said Act?**
   A) ₹50,000 or 5% of the tax payable, whichever is higher
   B) ₹1,00,000 or 10% of the tax payable, whichever is higher
   C) ₹2,00,000 or 20% of the tax payable, whichever is higher
   D) ₹75,000 or 8% of the tax payable, whichever is higher
2. **As per Rule 31A of the CGST Rules, 2017, the value of supply of lottery shall be deemed as:**
   A) 100/128 of the face value of ticket or the price notified in the Official Gazette, whichever is higher.
   B) 100/140 of the face value of ticket or the price notified in the Official Gazette, whichever is higher.
   C) 100% of the face value of the ticket.
   D) 128/100 of the face value of the ticket or the price notified.
3. **What is the time of supply of service if the invoice is not issued within 30 days from the date of provision of service?**
   A) Date of issue of invoice
   B) Date on which the supplier receives payment
   C) Date of provision of service
   D) Earlier of (B) & (C)
4. **The value of supply under Section 15 of the CGST Act, 2017 includes:**
   A) Any non-GST taxes, duties, cess, fees charged separately by supplier
   B) Interest, late fee or penalty for delayed payment of any consideration for any supply
   C) Subsidies directly linked to the price except subsidies provided by the Central and State Governments
   D) All of the above
5. **PQL Ltd. a trader has got itself registered in Delhi on 1.2.2025 in composition scheme. In the month of August 2025, it makes supply of taxable goods worth ₹ 3 Lakhs and exempted goods worth ₹ 1 lac. On what value, it shall pay the GST to the Government?**
   A) ₹ 1 lac
   B) ₹ 3 lacs
   C) ₹ 4 lacs
   D) ₹ 2 lacs
6. **On supply of Online Information Database Access and Retrieval Services by a person located in taxable territory to a non-taxable online recipient, who is liable to pay GST?**
   A) Recipient
   B) Supplier
   C) Both
   D) None
7. **Which of the following are not covered in the ambit of the adjudicating authority?**
   A) Revisional Authority
   B) Appellate Authority for advance ruling
   C) Central Board of Indirect taxes and Customs
   D) All of the above
8. **Can the goods supplied by a job worker on behalf of the principal be included in the job worker's total turnover?**
   A) Yes
   B) No
   C) Only exempt supplies will be included
   D) Only if the job worker issues the invoice in his own name
9. **As per Rule 110A of the CGST Rules, 2017, an appeal can be transferred to a Single Member Bench only if:**
   A) The amount involved is more than ₹50 lakh.
   B) The appeal does not involve a question of law.
   C) The taxpayer files a written request in FORM GST APL-01.
   D) The matter relates exclusively to interest or late fee.
10. **Decent Multiplex, a registered under GST, is running movie shows in Delhi. It does not issue e-tickets for the movies. The ticket price is ₹190 per person. Is Decent Multiplex required to issue a separate tax invoice under the CGST Act?**
    A) Yes, because the ticket value is more than ₹100
    B) No, because a cinema ticket itself is treated as a tax invoice if its value does not exceed ₹200
    C) Yes, because Decent is not issuing e-tickets
    D) No, because the ticket value is not more than ₹500

The names of first five members who were the top scorers in the last Quiz are as under:

Name	Membership No.
CA. Zeeshan Ahmed	466638
CA. Aman Kabra	449858
CA. Ankit Bhargava	460883
CA. Kanishk singh	478180
CA. Rinkesh Ashokkumar Mamrawala	611603

Please provide reply of the above MCQs in the link given below. ***Top five scorers will be awarded hard copy of the publication 'GST Act(s) and Rule(s)- Bare Law' & their names will be published in the next edition of the Newsletter.***
Link to reply: - ***https://forms.gle/yfL5NvLhbacaUX9E8***

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- Upcoming Events

GST STATUTES

- GST Acts
- GST Rules
- Notifications including the amended notifications
- Circulars/ Orders

- Minutes of GST Council meetings
- GSTN Advisories
- GST Press releases
- Other useful links
- Instructions/ Guidelines

Your suggestions on the website are welcome at gst@icai.in

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