



The Institute of Chartered Accountants of India

GST & Indirect Taxes Committee

GOODS & SERVICES TAX UPDATE - 266

To give effect to the recommendations made in 56th GST Council meeting, following 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(1) that prescribes manual filing of appeal to Appellate Tribunal has been now omitted.
- 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](#)

Readers can access all updated Notifications on the Committee's website <https://idtc.icai.org/> under the 'GST Statutes' section.

Vice – Chairman
GST & Indirect Taxes Committee

Chairman
GST & Indirect Taxes Committee

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