



The Institute of Chartered Accountants of India GST & Indirect Taxes Committee

GOODS & SERVICES TAX UPDATE-256

1. Notification of date for applicability of certain CGST Rules

[Notification No. 09/2025 – CT dated 11.02.2024](#) has notified the date for applicability of amendments in certain CGST rules made vide [Notification No. 12/2024-CT dated 10.07.2024](#).

The following amendments have become applicable with effect from **11.02.2025**:

a) **Amendment in rule 8(4A) – Application for registration**

A second proviso has been inserted in rule 8 after sub-rule (4A) laying down that every registration application filed by a person, who has **not opted** for authentication of Aadhar number, shall be followed by taking photograph of the applicant along with verification of the original copy of the documents uploaded with the application in Form GST REG-01 at any of the notified Facilitation Centers to complete the application process.

b) **Amendment in rule 138 – Information to be furnished prior to commencement of movement of goods and generation of e-way bill**

In sub-rule (3), after the third proviso, a proviso has been inserted to lay down that the unregistered person, who is exempted from obtaining registration under section 24(i)/(ii), and generates e-way bill in respect of inter-State movement of handicraft goods irrespective of value of consignment, shall submit the details electronically, on the common portal, in Form GST ENR-03 either directly or through a Facilitation Centre notified by the Commissioner.

Similarly, the unregistered person who opts to generate e-way bill in Form GST EWB-01 on the common portal shall also submit the details electronically, on the common portal, in Form GST ENR-03.

Once the details so provided are validated, a unique enrolment number will be generated and communicated to the said unregistered person.

c) **Amendment in Form GSTR-3B**

Form GSTR-3B has been amended to provide for the adjustment for negative liability of

previous tax period.

The following amendments shall become applicable with effect from **01.04.2025**:

d) Amendments in rule 39 - Procedure for distribution of input tax credit by input service distributor (ISD)

The Finance Act, 2024 has amended the definition of ISD as provided under section 2(61) of the CGST Act, 2017 and substituted section 20 of the said Act which prescribes the provisions for manner of distribution of credit by ISD. This amendment shall become effective from 01.04.2025.

Consequent to the afore-mentioned amendments, rule 39 which lays down the procedure for distribution of input tax credit by ISD has also been amended. The clauses and explanation that formed part of unamended section 20 have been incorporated in the amended rule 39.

A new sub-rule (1A) has been inserted in the rule to provide the manner of distribution of credit in respect of input services, attributable to one or more distinct persons, which are subject to reverse charge under sections 9(3) and 9(4). The sub-rule lays down that the registered person, having the same PAN and State code as an ISD, may issue an invoice/credit note/debit note as per rule 54(1A) to transfer the credit of such common input services to the ISD, which will then distribute the credit in the prescribed manner.

e) Amendment in Form GSTR-7

Form GSTR-7 has been amended to provide for invoice-level details (No., Date & Value) in Table 3 & 4.

f) Amendment in Form GSTR-8

Form GSTR-8 has been amended to provide for the detail of the place of supply in Tables 3 & 4.

2. Clarifications regarding GST Rates & Classification

a) Classification and GST rate on pepper of genus Piper

Pepper of genus Piper, whether green (fresh), white or black, is covered under HS 0904 and attracts 5% GST.

It has been further clarified that an agriculturist supplying dried pepper from their plantation, being produced out of the cultivation of land is not liable for registration under GST as per Section 23(1) of the CGST Act, 2017.

b) Clarification regarding raisins supplied by an agriculturist

It has been clarified that an agriculturist supplying raisins is not liable to be registered under section 23(1) of the CGST Act and is exempt from GST.

c) Clarification on GST rate on ready to eat popcorn

S. No.	Type	Clarification
1.	Ready to eat popcorn mixed with salt and spices, classifiable under HS 2106 90 99	5%, if other than pre-packaged and labelled
		12%, if sold as packaged and labelled
2.	Popcorn mixed with sugar thereby changing its character to sugar confectionary (e.g. caramel popcorn), classifiable under HS 1704 90 90	18%

The issue for the past period up to 14.2.2025 has been regularized on '*as is where is*' basis.

d) Fly ash based Autoclaved Aerated Concrete Blocks (AAC)

S. No.	Type	Rate Clarification
1.	Fly ash bricks, fly ash aggregates and fly ash blocks classifiable under HS 6815.	12%
2.	Articles of cement, of concrete or of artificial stone, whether or not reinforced classifiable under HS 6810.	18%
3.	Autoclaved aerated concrete (AAC) blocks containing more than 50% fly ash content will classify under HSN 6815.	12%

e) Effective date of amended entry regarding ground clearance

Prior to the 50th GST Council meeting, motor vehicles with an engine capacity exceeding 1500 cc (SUVs and utility vehicles) attracted a 22% Compensation Cess.

After the 50th GST Council meeting, Notification No. 03/2023- Compensation Cess (Rate) dated 26.07.2023 substituted entry 52B to apply the cess to all motor vehicles classified as utility vehicles (regardless of the name), with engine capacity exceeding 1500cc, a length over 4000mm, and ground clearance of 170 mm or more. Further, an explanation was added, clarifying that "ground clearance" refers to the unladen condition.

The GST Council has clarified that this amendment will be effective from 26.07.2023.

Circular No. 247/04/2025-GST dated 14.02.2025

3. Procedure to be followed in department appeal filed against interest and/or penalty only, related to Section 128A of the CGST Act, 2017

In cases where the tax amount has been fully paid by the taxpayer on demands made under section 73 of the CGST Act and the department is in appeal or under the process of filing an appeal only on account of wrong interest calculation and/or wrong imposition or non-imposition of penalty amount under the provisions of CGST Act or IGST Act and the taxpayer fulfils other conditions of section 128A and the rules made thereunder, the proper officer may proceed towards withdrawing such appeal filed and in case where the order under section 73 is under review stage only, accept the same.

Instruction No. 02/2025-GST dated 07.02.2025

***Vice – Chairman
GST & Indirect Taxes Committee***

***Chairman
GST & Indirect Taxes Committee***

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