

# GST Trail

## Key Highlights of GST Notifications and Clarification Circulars

October 2024



## Notification Updates

### Notification 20/2024-Central Tax dated 08 October 2024

The Central Board of Indirect Taxes and Customs (CBIC) has issued a notification to amend specific Central Goods and Services Tax Rules, 2017 (CGST Rules). Some of the important amendments are highlighted as follows:

1. Rule 46 – The option of raising a consolidated self-invoice in a month for a registered person has been removed for supplies covered under section 9(4) of the Central Goods and Services Tax Act, 2017 (CGST Act), where the value of such supplies exceeds rupees five thousand in a day from any or all the suppliers.
2. Rule 47A – A new rule has been inserted: RCM Self Invoice to be raised within 30 days by a registered person liable to pay tax under sub-section (3) or sub-section (4) of section 9 from the date of receipt of goods or services.
3. Rule 96 – Sub-rule (10) of rule 96 shall be omitted.
4. Rule 164 – A new rule has been inserted, procedure and conditions for closure of proceedings under section 128A in respect of demands issued under section 73 for the FY 2017-18, FY 2018-19, and FY 2019-20.

This notification shall come into effect from 01 November 2024.

### Notification 21/2024-Central Tax dated 08 October 2024

The Central Government has notified the dates upto which payment of tax as per the notice, statement, or order issued under Section 73 of the CGST Act, 2017 must be made in order to avail waiver of interest, or penalty under Section 128A of CGST Act, 2017. They are as follows:

1. 31 March 2025, in case of registered persons to whom notice, statement, or order has been issued under clause (a), (b) or (c) of Section 128A.
2. Completion of 6 months from the date of redetermination order under Section 73 of the CGST Act, 2017, in case of a registered persons issued notices under Section 74(1) of the CGST Act pertaining to the period 01 July 2017 to 31 March 2020, which is now unsustainable and hence, an order is passed or required to be passed for determining tax as if the said notice was issued under Section 73 of CGST Act.

This notification shall come into effect from 01 November 2024.

### Notification 22/2024-Central Tax dated 08 October 2024

The Central Government has notified a special procedure to be followed by registered persons for rectification of orders issued under Section 73, 74, 107, or 108 of the CGST Act, confirming the demand on wrong availment of ITC in contravention of Section 16(4) of the CGST Act, which is now available under Section 16(5) of 16(6) of CGST Act and where an appeal has not been filed against the said order.

The person should file an application for rectification within six months from the date of issuance of this notification.

### Notification 23/2024-Central Tax dated 08 October 2024

The said notification seeks to waive the late fee payable under Section 47 of the CGST Act in respect of delay in furnishing information in FORM GSTR-7 for June 2021 onwards by persons required to deduct TDS. The same is as below:

1. The late fee has been capped at INR 25 per day

2. The total late fee has been capped at INR 1,000
3. Entire late fee has been waived in cases where the TDS liability is nil.

This notification shall come into effect from 01 November 2024.

### Notification 24/2024-Central Tax dated 08 October 2024

The Central Government, through this notification, amends notification no. 5/2017 – Central Tax dated 19 June 2017. In the said notification, a proviso has been inserted as below:

“Provided that nothing contained in this notification shall apply to any person engaged in the supply of metal scrap, falling under Chapters 72 to 81 in the first schedule to the Customs Tariff Act, 1975 (51 of 1975).”

This notification shall come into effect from 10 October 2024.

### Notification 25/2024-Central Tax dated 08 October 2024

The Central Government through this notification amends notification no. 50/2018 – Central Tax dated 13 September 2018. In the said notification, a new clause has been inserted as below:

“(d) any registered person receiving supplies of metal scrap falling under Chapters 72 to 81 in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), from other registered person.”

Further, the following proviso shall be substituted:

“Provided also that nothing in this notification shall apply to the supply of goods or services or both, which takes place between one person to another person specified under clauses (a), (b), (c) and (d) of sub-section (1) of Section 51 of the said Act, except the person referred to in clause (d) of this notification.”

This notification shall come into effect from 10 October 2024.

### Notification 05/2024-Central Tax (Rate) dated 08 October 2024

The said notification seeks to amend Notification 01/2017-Central Tax (Rate) dated 28 June 2017, with effect from 10 October 2017. Through this notification, GST rates have been decreased/increased:

1. Drugs Trastuzumab Deruxtecan, Osimertinib, and Durvalumab have now been included in List 1 of Schedule I, and the GST has been reduced from 12% to 5%
2. GST rate on extruded or expanded products, savory or salted (other than un-fried or un-cooked snack pellets), is now reduced from 18% to 12%
3. GST rate on car seats has been increased from 18% to 28%

On a similar line to the Central Tax (Rate) notification, the Central Government has also issued IGST and UTGST notifications, as below:

[Notification 05/2024-Integrated Tax \(Rate\) dated 08 October 2024](#)

[Notification 05/2024-Union territory Tax \(Rate\) dated 08 October 2024](#)

The said notification seeks to amend Notification 4/2017- Central Tax (Rate) dated 28 June 2017, with effect from 10 October 2017. Through this notification, applicability of RCM has been introduced to metal scrap falling under Chapters 72 to 81 in the first schedule to the Customs Tariff Act, 1975 when supplied by unregistered person to an registered person.

On a similar line to the Central Tax (Rate) notification, the Central Government has also issued IGST and UTGST notifications, as below:

[Notification 06/2024-Integrated Tax \(Rate\) dated 08 October 2024](#)

[Notification 06/2024-Union Territory Tax \(Rate\) dated 08 October 2024](#)

### [Notification 07/2024-Central Tax \(Rate\) dated 08 October 2024](#)

The said notification seeks to amend Notification 11/2017-Central Tax (Rate) dated 28 June 2017, with effect from 10 October 2017. Through this notification, the GST rate on transportation of passengers in a helicopter on a seat share basis is notified as 5% provided ITC on goods used in supplying the service has not been availed.

On a similar line to the Central Tax (Rate) notification, the Central Government has also issued IGST and UTGST notifications, as below:

[Notification 07/2024-Integrated Tax \(Rate\) dated 08 October 2024](#)

[Notification 07/2024-Union Territory Tax \(Rate\) dated 08 October 2024](#)

### [Notification 08/2024-Central Tax \(Rate\) dated 08 October 2024](#)

The said notification seeks to amend Notification 12/2017-Central Tax (Rate) dated 28 June 2017, with effect from 10 October 2017. The amendments provides exemption to below services:

1. Supply of various services such as renting charges on metering equipment, testing meters/transformers/capacitors releasing electricity connection, shifting

of meters/service lines, issuing duplicate bills etc, which are incidental or ancillary to the supply of transmission and distribution of electricity.

2. Research and development services by a government entity or research association, university, college, etc, notified under clauses (ii) or (iii) of sub-section (1) of section 35 of the Income Tax Act, 1961, against grants received provided that the entity, association, university, college is so notified at the time of supply.
3. Affiliation services provided by Central or State Educational Board or Councils or similar bodies to Government schools.

On a similar line to the Central Tax (Rate) notification, the Central Government has also issued IGST and UTGST notifications, as below:

[Notification 08/2024-Union Territory Tax \(Rate\) dated 08 October 2024](#)

[Notification 08/2024-Integrated Tax \(Rate\) dated 08 October 2024](#)

[Notification 09/2024-Central Tax \(Rate\) dated 08 October 2024 and Corrigendum dated 22 October 2024](#)

The said notifications, with effect from 10 October 2024, introduce RCM applicability on renting of any immovable property other than a residential dwelling by an unregistered person to the registered person.

On a similar line to the Central Tax (Rate) notification, the Central Government has also issued IGST and UTGST notifications, as below:

[Notification 09/2024-Union Territory Tax \(Rate\) dated 08 October 2024](#)

[Notification 09/2024-Integrated Tax \(Rate\) dated 08 October 2024](#)



## Circular Updates

### Circular [234/28/2024](#) dated 11 October 2024

1. Supply of affiliation services by universities to colleges and by Central or State educational boards to non-government schools are not covered under exemption entries and are taxable at the rate of 18%. Payment of GST to schools for the period 01 July 2017 to 17 June 2021 is to be regularized on “as is where is” basis.
2. Directorate General of Civil Aviation (DGCA) approved flying training courses conducted by approved Flying Training Organizations (FTOs), which have been exempted under Sl. No. 66 of Notification No. 12/2017.
3. Payment of GST on transportation of passengers in a helicopter on a seat share basis for the period 01 July 2017 to 09 October 2024 is to be regularized on an “as is where is” basis. W.e.f. 10 October 2024, the said service is leviable @ 5%.
4. Ancillary services such as loading/unloading, packing, unpacking, transshipment, and temporary warehousing provided in relation to the transport of goods by road are to be treated as composite supply. However, if the said services are not provided in the course of transportation and are invoiced separately, they shall not be treated as composite supply.
5. Payment of GST on import of services by any establishment of foreign airlines company from a related person or any other establishment outside India for 01 July 2017 to 09 October 2024 is to be regularized on an “as is where is” basis. W.e.f. 10 October 2024, the said service is exempt subject to certain conditions.
6. Preferential Location charges (PLC) paid along with consideration for construction of residential/commercial/industrial complex before the issuance of completion certificate shall be treated as composite supply with construction services being the principal supply.
7. Payment of GST on services provided by an electricity transmission or distribution utility as composite supplies for 01 July 2017 to 09 October 2024 is to be regularized on an “as is where is” basis. W.e.f. 10 October 2024, the said service is exempt.
8. Payment of GST on service of granting theatrical rights by distributors to exhibitors for 01 July 2017 to 30 September 2021 is to be regularized on an “as is where is” basis.

### **Circular 235/29/2024 dated 11 October 2024**

1. The reduced rate of 12% on extruded or expanded products, savoury or salted (other than un-fried or un-cooked snack pellets) shall apply prospectively from 10 October 2024 and GST at the rate of 18% shall be payable for the past period.
2. Roof Mounted Packing Unit(RMPU) Air conditioning machines have been classified under HSN 8415, attracting a GST rate of 28%.
3. Car seats classifiable under HSN 9401 will attract a GST rate of 28%, prospectively in line with two-wheeler seats which are classifiable under HSN 8714, attracting a GST rate of 28%.

### **Circular 236/30/2024 dated 11 October 2024**

The said circular seeks clarifies that the meaning of the phrase “regularized on as is where is basis” is that the payment made at a lower rate or exemption claimed by taxpayer shall be accepted, and no refund shall be made if tax has been paid at a higher rate.

### **Circular 237/31/2024 dated 15 October 2024**

The said circular clarifies issues relating to the implementation of sub-sections (5)

and (6) of Section 16 of CGST Act inserted retrospectively vide Section 118 of Finance (No.2) Act, 2024

The proper officer shall take cognizance of the above-mentioned sub-sections in the following scenarios:

1. Proceedings in respect of availment of ITC in contravention of Section 16(4) or DRC -01A have been issued, but no demand notice/statement under Section 73 or 74 of the CGST Act has been issued.
2. Demand notice/statement under Section 73 or 74 of the CGST Act has been issued, but no order under the said sections has been issued.
3. Order under the said sections has been issued, and an appeal has been filed under Section 107, but no order has been issued under the latter section.
4. Order under Section 73 or 74 has been issued, and proceedings under Section 108 have been initiated, but no order under 108 has been passed.
5. Order under Section 73 or 74 has been issued, but no appeal against the said order has been filed, or where order under Section 107 or 108 has been issued, but no further appeal has been filed.

The taxpayer may apply for rectification of such order as per the special procedure mentioned in Notification 22/2024-Central Tax, within a period of six months from the date of issuance of said notification.

## [Circular 238/32/2024 dated 15 October 2024](#)

The said circular seeks to clarify various doubts raised by the trade and the field formations in respect of implementation of provisions of Section 128A of the CGST Act, relating to waiver of interest or penalty or both in respect of demands under section 73 of the CGST Act pertaining to Financial Years 2017-18, 2018-19 and 2019-20.

The procedure as prescribed to be followed by the taxpayers and the tax officers to avail and implement the benefit provided under Section 128A.

## Instructions and Guidelines

### [Instruction 04/2024-GST dated 04 October 2024](#)

An instruction recommending to immediately de-map officers from GSTN portal after his reliving from charge. This has been issued because of an instance of a GST officer fraudulently sanctioning a refund as he was not de-mapped immediately.

A compliance report ensuring the implementation of above has to be submitted within a specified time period to Jurisdictional or Principal Commissioner or equivalent by Joint or Additional Commissioner as per the directions issued by the Directorate General of Vigilance (DGoV).

## Technical Updates

### [Gross and Net GST revenue collections for the month of September 2024](#)

Team GSTN has announced Gross and Net GST revenue collections for the month of September 2024.

### [GSTN e-Services App to Replace e-Invoice QR Code Verifier App Shortly](#)

Team GSTN has announced the launch of a new GSTN e-services app, which will be available on the Google Play Store and shall replace the e-Invoice QR code verifier app.

### [Advisory on Proper Entry of RR No./Parcel Way Bill \(PWB\) Numbers in EWB system Post EWB-PMS](#)

Team GSTN has informed the integration of the Parcel Management System (PMS) of Indian Railways with the E-Way Bill system, facilitating seamless transfer of RR No./Parcel Way Bill number from Railways to the e-way bill portal.

## [Advisory for Biometric-Based Aadhaar Authentication and Document Verification for GST Registration Applicants of Kerala, Nagaland and Telangana](#)

In accordance with the amended Rule 8 of the CGST Rules, 2017, which provides that an applicant can be identified on the common portal, based on data analysis and risk parameters for Biometric-based Aadhaar Authentication and taking a photograph of the applicant along with the verification of the original copy of the documents uploaded with the application, the GSTN has developed said functionality. The same has been introduced in Kerala, Nagaland, and Telangana on 05 October 2024.

## [Advisory for Taxpayers: New GST Provision for Metal Scrap Transactions](#)

In accordance with Notification 25/2024-Central Tax, which mandates the registration of suppliers supplying metal scrap, FORM GST-REG 07 shall be made available soon.

## [Advisory on IMS](#)

Invoice Management System (IMS) is made available from 14 October 2024. The first GSTR-2B for the month of October 2024 would be generated on 14 November 2024.

## [Important advisory for GSTR-9/9C](#)

Starting from FY 2023-24, eligible ITC for domestic supplies (excluding reverse charge and ITC on imports) shall be auto-populated from GSTR-2B to Table 8A of GSTR-9 from 15 October 2024.

## [Hard - Locking of auto-populated liability in GSTR-3B](#)

In order to assist taxpayers in filing their returns and minimizing human errors, Team GSTN tentatively, from January 2025, will restrict manual changes to outward liabilities in auto-populated figures of pre-filled GSTR-3B. Any change required in outward liability is to be given effect via GSTR-1A.

However, the locking of auto-populated ITC in GSTR-3B, after the rollout of IMS, will be implemented at a later date. For the same, a separate advisory would be issued after addressing all the issues related to IMS raised by the trade.

### [Additional FAQs on IMS](#)

Team GSTN has issued FAQs on IMS to ensure clarity in interpretation. The same can be accessed [here](#).

### [Validation of bank account details while adding bank account as Non Core amendment](#)

Team GSTN has issued a procedure for validating bank account details to be amended in Non Core amendment. The same can be accessed [here](#).

### [Advisory - Reg 07](#)

Team GSTN has issued advisory for FORM GST-REG 07, clarifying the details to be entered. Taxpayers should select "Others" in Part B of Table 2 under the "Constitution of Business" section post, in which a text box shall appear where "Metal Scrap Dealers" must be entered, and the remaining details should be filled in as per the requirements of Notification 25/2024 - Central Tax.

### [Barring of GST Return on expiry of three years](#)

Team GSTN advised the taxpayers to reconcile their records and file their pending GST Returns if not filed till now since taxpayers shall not be allowed to file various GST returns after the expiry of three years from the due date of the respective return, from early 2025.

## About Nexdigm

Nexdigm is an employee-owned, privately held, independent global organization that helps companies across geographies meet the needs of a dynamic business environment. Our focus on problem-solving, supported by our multifunctional expertise enables us to provide customized solutions for our clients.

We provide integrated, digitally driven solutions encompassing Business and Professional Services, that help companies navigate challenges across all stages of their life-cycle. Through our direct operations in the USA, Poland, UAE, and India, we serve a diverse range of clients, spanning multinationals, listed companies, privately-owned companies, and family-owned businesses from over 50 countries.

Our multidisciplinary teams serve a wide range of industries, with a specific focus on healthcare, food processing, and banking and financial services. Over the last decade, we have built and leveraged capabilities across key global markets to provide transnational support to numerous clients.

From inception, our founders have propagated a culture that values professional standards and personalized service. An emphasis on collaboration and ethical conduct drives us to serve our clients with integrity while delivering high quality, innovative results. We act as partners to our clients, and take a proactive stance in understanding their needs and constraints, to provide integrated solutions. Quality at Nexdigm is of utmost importance, and we are ISO/IEC 27001 certified for information security and ISO 9001 certified for quality management.

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