



### Inside this edition

Notifications and updates from CBIC regarding various issues of GST

Royalty for Mining Operators Not Considered a Tax

*& more...*

## Notifications & Updates

### CBIC notifies to upload the photograph of the applicant along with an original copy of the documents who has not opted for authentication of Aadhaar number for GST registration

The CBIC, vide **Notification No. 12/2024 – Central Tax dated July 10, 2024**, has inserted a second proviso to sub-rule (4A) of Rule 8 of the CGST Rules. This proviso states that applicants who do not opt for the authentication of their Aadhaar number may submit a photograph along with the verification of the original documents uploaded with the application in FORM GST REG-01 at one of the Facilitation Centers.

**Source: GST Notifications**

### CBIC notifies procedure for distribution of input tax credit by Input Service Distributor

The CBIC, vide **Notification No. 12/2024 – Central Tax dated July 10, 2024**, in the exercise of its powers conferred by Section 164 of the CGST Act, has substituted Rule 39 of the CGST Act (effective from a date yet to be notified) to specify the procedure for the distribution of input tax credit by Input Service Distributors (ISD).

**Source: GST Notifications**

### CBIC notifies FORM GSTR-1A to facilitate the taxpayers to amend the details in FORM GSTR-1

The CBIC, vide **Notification No. 12/2024 – Central Tax dated July 10, 2024**, in the exercise of its powers conferred by Section 164 of the CGST Act, has introduced a new optional facility through FORM GSTR-1A. This allows registered taxpayers to amend details in FORM GSTR-1 for a tax period and/or declare additional details, if any, before filing the return in FORM GSTR-3B. Accordingly, the following amendments have been made to the CGST Rules.

**Source: GST Notifications**





### CBIC amends to furnish B2C inter-state supplies with invoice values from Rs. 2.5 lakh to Rs. 1 lakh

The CBIC, vide **Notification No. 12/2024 – Central Tax dated July 10, 2024**, in the exercise of its powers conferred by Section 164 under the CGST Act, has reduced the threshold for furnishing the details of outward supplies of goods or services or both in Table 5 of FORM GSTR-1 made to unregistered persons from Rs. 2.5 lakh to Rs. 1 lakh for each rate of tax, effective August 01, 2024.

*Source: GST Notifications*

### CBIC notifies to file FORM GSTR-4 by the 30th day of June following the end of such financial year from FY 2024-25 onwards

The CBIC, vide **Notification No. 12/2024 – Central Tax dated July 10, 2024**, has extended the due date for registered taxpayers paying tax under Section 10 of the CGST Act (Composition Levy) to file their Annual Return in FORM GSTR-4. From FY 2024-25 onwards, the new due date is June 30th of the following financial year, instead of the previous due date of April 30th. However, the due date for filing FORM GSTR-4 for FY 2023-24 remains unchanged at April 30th following the end of that financial year.

*Source: GST Notifications*



## Notifications & Updates

### CBIC notifies to considered E-cash ledger while calculating interest for delayed filing of the return

The CBIC, vide **Notification No. 12/2024 – Central Tax dated July 10, 2024**, has introduced a proviso to Rule 88B of the CGST Rules, offering significant relief to registered persons regarding interest payments for delays in filing FORM GSTR-3B. Under this provision, interest will not be levied on amounts credited to the Electronic Cash Ledger by the return filing due date but debited for tax payment after that date, provided the amount remained in the ledger from the due date until its debit during the FORM GSTR-3B filing.

**Source: GST Notifications**

### CBIC notifies procedure for Refund of additional Integrated Tax due to Price Revision of Exported Goods

The CBIC, vide **Notification No. 12/2024 – Central Tax dated July 10, 2024**, has introduced a proviso to Rule 89 of the CGST Rules, offering relief to registered persons seeking a refund of additional IGST tax paid due to a price increase of exported goods after the initial export. If the refund of IGST tax on the original export has already been sanctioned under Rule 96 of the CGST Rules, these persons can claim a refund by electronically filing an application in FORM GST RFD-01 through the common portal.

This application must include detailed documentation such as:

- Export invoices





Source: GST Notifications

- Shipping bills
- Bank Realisation Certificate
- Details of earlier refunds
- Supplementary invoices or debit notes for price revision
- Proof of additional tax payment and interest
- Foreign inward remittance certificates
- Certificates from chartered accountants or cost accountants validating the foreign exchange remittance due to price revision

Additionally, a reconciliation statement is required if supplementary invoices or debit notes are issued.

This provision aims to facilitate a substantial number of taxpayers who are obligated to pay additional IGST due to post-export price revisions, enabling them to claim refunds for such additional IGST payments.

Source: GST Notifications

### CBIC notifies Refund of tax paid on inward supplies of goods received by the Canteen Stores Department under the Ministry of Defence

The CBIC, vide **Notification No. 12/2024 – Central Tax** dated July 10, 2024, has inserted a new Rule 95B into the CGST Rules. This rule pertains to the refund of tax paid on inward supplies of goods received by the Canteen Stores Department (CSD) under the Ministry of Defence.

## Notifications & Updates

### CBIC extends the time limit for filing a bond or a Letter of Undertaking in FORM GST RFD-11

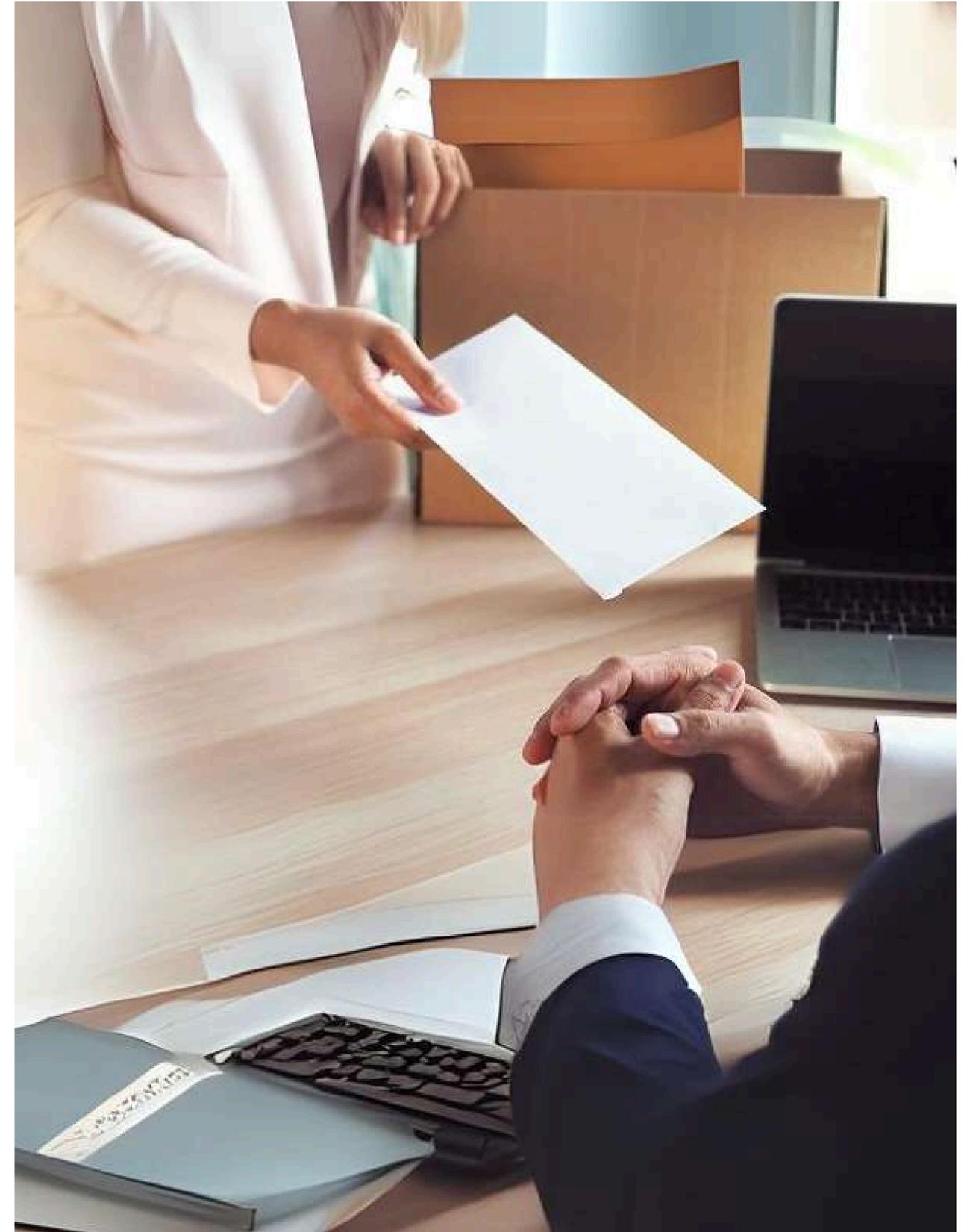
The CBIC vide **Notification No.12/2024 – Central Tax dated July 10, 2024**, has extended the deadline for filing a bond or a Letter of Undertaking in FORM GST RFD-11. Registered persons opting to supply goods or services for export without payment of integrated tax before export must submit this form within fifteen days after one year from the date of the export invoice issuance, or within the period allowed under the Foreign Exchange Management Act, 1999 (including extensions by the RBI), whichever is later.

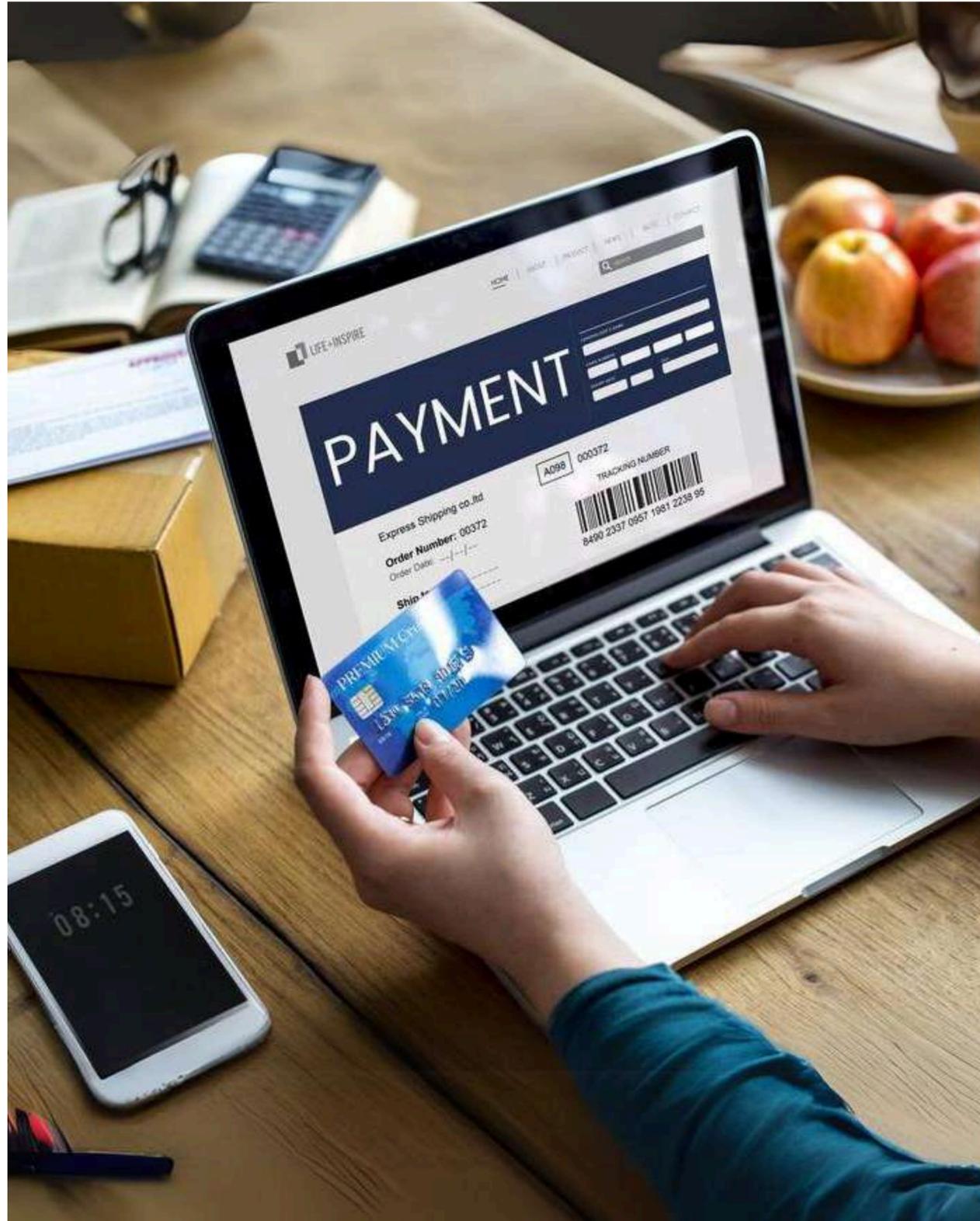
**Source: GST Notifications**

### CBIC notifies unregistered person required to generate an E-way bill

The CBIC, vide **Notification No. 12/2024 – Central Tax dated July 10, 2024**, has inserted the fourth proviso to sub-rule (3) of Rule 138 of the CGST Rules (effective from a date yet to be notified). This proviso allows unregistered taxable persons to generate an E-way Bill in FORM GST EWB-01. This can be done either directly on the GST Portal by submitting details electronically in FORM GST ENR-03 or through a Facilitation Centre.

**Source: GST Notifications**





Source: GST Notifications

### CBIC notifies the procedures for handling voluntarily tax payments made by the registered taxpayer and issuing orders and acknowledgment by the proper officer

The CBIC, vide **Notification No. 12/2024 – Central Tax** dated July 10, 2024, has amended Rule 142 of the CGST Rules, effective from July 10, 2024, to specify the procedure for handling voluntary tax payments made by registered taxpayers and issuing orders and acknowledgments by the proper officer. The key changes are as follows:

#### Voluntary Tax Payments:

1. When a taxpayer pays tax and interest as per Section 73(5) of the CGST Act, or tax, interest, and penalty as per Section 74(5) of the CGST Act, or any amount due under the CGST Act, they must inform the proper officer using FORM GST DRC-03.
2. An acknowledgment in FORM GST DRC-04 will be provided electronically by the proper officer.

#### Partial Payments and Arguments:

1. If the taxpayer makes a partial payment or wants to submit arguments against the proposed liability, they can do so in Part B of FORM GST DRC-01A.
2. The proper officer will issue an intimation in Part C of FORM GST DRC-01A, accepting the payment, submissions, or both.



## Notifications & Updates

### Form GST DRC-03A:

1. For amounts paid through FORM GST DRC-03 under various sections as mentioned above, instead of crediting this amount directly to the electronic liability register, the taxpayer can file FORM GST DRC-03A electronically.
2. This ensures the amount paid and notified via FORM GST DRC-03 is credited appropriately against the demand in FORM GST PMT-01 as if paid on the date of intimation.

### Restrictions on Filing FORM GST DRC-03A:

1. If an order in FORM GST DRC-05 has been issued concluding proceedings for a payment made in FORM GST DRC-03, the taxpayer cannot file FORM GST DRC-03A for that payment.

*Source: GST Notifications*

### CBIC notifies to exempt from the filing of Annual Returns whose aggregate turnover in the FY 2023-24 is up to 2 crores

The CBIC vide Notification No.14/2024 – Central Tax dated July 10, 2024, exempts the registered person whose aggregate turnover in the financial year 2023-24 is up to two crore rupees, from filing annual return for the said financial year.

*Source: GST Notifications*





### CBIC notifies to reduce the TCS rate from 1 percent to 0.5 percent

The CBIC vide **Notification No.15/2024 – Central Tax** dated July 10, 2024, reduces the TCS rate from the present 1% (0.5% CGST + 0.5% SGST/UTGST, or 1% IGST) to 0.5 % (0.25% CGST + 0.25% SGST/UTGST, or 0.5% IGST) of the net value of intra-State taxable supplies made through it by other suppliers, where the consideration for such supplies is to be collected by the ECOs w.e.f. July 10, 2024

*Source: GST Notifications*

### CBIC exempts GST on agricultural farm produce for packages exceeding 25 kg/ltrs.

the CBIC vide **Notification No.02/2024 – Central Tax (Rate)** dated July 12, 2024, enacted a significant amendment affecting the agricultural sector. Notwithstanding the provisions of the Legal Metrology Act, 2009, the supply of agricultural farm produce in packages exceeding 25 kilograms or 25 liters shall not be considered as “pre-packaged and labelled” and thus, is exempt from GST.

*Source: GST Notifications*



## Notifications & Updates

### CBIC notifies GST rate changes of Goods as recommended by 53rd GST Council Meeting

The CBIC vide **Notification No.02/2024 – Central Tax (Rate) dated July 12, 2024**, amends **Notification No.1/2017-Central Tax (Rate), dated June 28, 2017** to change GST rates for the following goods, w.e.f. July 15, 2024:

- All milk cans (of steel, iron and aluminium) irrespective of their use will attract 12%;
- carton, boxes and cases of both corrugated and non-corrugated paper or paper board (HSN 4819 10; 4819 20) to be reduced from 18% to 12%; and
- All solar cookers whether single or dual energy source, will attract 12% GST

**Source: GST Notifications**

### CBIC exempts services as recommended by 53rd GST Council Meeting

The CBIC vide **Notification No. 04/2024 – Central Tax (Rate) dated July 12, 2024**, mends **Notification No.12/2017-Central Tax (Rate), dated June 28, 2017** to exempt services provided as follows:

·Services provided by Ministry of Railways (Indian Railways) to individuals by way of –

i.sale of platform tickets;

ii.facility of retiring rooms/waiting rooms;

iii.cloak room services;

iv.battery operated car services

- Services provided by one zone/division under Ministry of Railways (Indian Railways) to another zone(s)/division(s) under Ministry of Railways (Indian Railways).
- Services provided by Special Purpose Vehicles (SPVs) to Ministry of Railways (Indian Railways) by way of allowing Ministry of Railways (Indian Railways) to use the infrastructure built and owned by them during the concession period against consideration and services of maintenance supplied by Ministry of Railways (Indian Railways) to SPVs in relation to the said infrastructure built and owned by the SPVs during the concession period against consideration.
- Supply of accommodation services under Heading 9963 having value of supply less than or equal to 20,000 per person per month provided that the accommodation service is supplied for a minimum continuous period of ninety days.

**Source: GST Notifications**



## Judgements

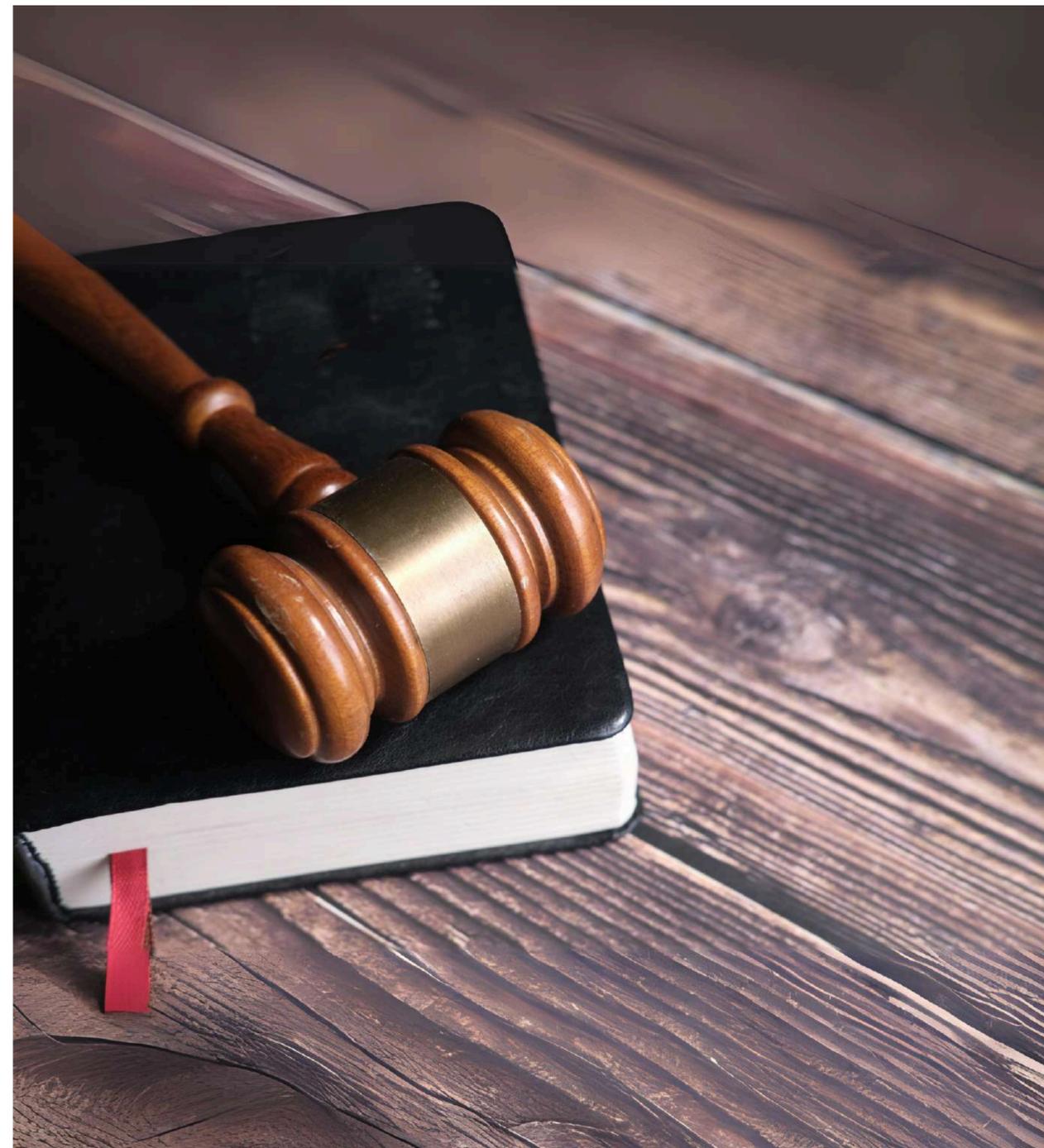
### Royalty for Mining Operators Not Considered a Tax

In the case of **Mineral Area Development v. M/S Steel Authority of India & Ors [Civil Application No. Civil Appeal Nos. 4056-4064 of 1999 dated July 25, 2024]**, the Hon'ble Supreme Court of India delivered a landmark judgment distinguishing 'royalty' from 'tax' under the Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act). An eight-judge majority of a nine-judge Constitution Bench ruled that royalties paid under Section 9 of the MMDR Act are not taxes. Chief Justice DY Chandrachud authored the majority opinion, emphasizing that royalties are contractual obligations rather than sovereign impositions. Justice BV Nagarathna dissented, suggesting that royalty's function similarly to taxes.

#### Held

- The Hon'ble Supreme Court, by a majority decision, held that royalties are not taxes. The Court reasoned that royalties are contractual obligations arising from lease agreements between the lessor and the lessee, rather than payments mandated by law. The Court distinguished royalties from taxes on three grounds: they are based on a contractual relationship, demanded by the lessor rather than a public authority, and intended as consideration for granting access to mineral resources. Justice Nagarathna, in her dissent, argued that royalties should be considered a form of tax, as they are statutory payments linked to mineral extraction.

The ruling clarifies the legal framework for mineral rights and payments, emphasizing the distinction between royalties and state-imposed taxes on mineral rights.



## Judgements

### **GST is not applicable on services of design engineering and contraction of water tanks by the Government Authority**

The Uttarakhand AAR, in the case of **M/s. THDC India Limited, In re [Advance Ruling No. 06/2023-24 dated February 26, 2024]** held that there is no applicability of the RCM as per the provisions of the **Notification No. 13/2017-Central Tax (Rate) dated June 28, 2017**, as the supplier of services is not a "Local Authority". Also, the services provided under the referred MOU i.e. design engineering and contraction of the water tank by the Government Authority are exempt in view of the provisions of the **Notification No. 12/2017-Central Tax (Rate), dated June 28, 2017**, as amended, as the supplier of services falls under the category of a "Governmental Authority". In the instant case, the applicant being a receiver of services, there was no applicability of GST under Forward Charge.

### **Held**

The Uttarakhand, AAR in **Advance Ruling No. 06/2023-24** held as that, this Authority in an application filed by **M/s Uttarakhand Peyjal Sansadhan Vikas Evam Nirman Nigam, Mohini Road, Dehradun-248001 vide Ruling No: 05/2023-24 dated February 21, 2024** ruled that M/s Uttarakhand Peyjal Sansadhan Vikas Evam Nirman Nigam is not a 'local authority', vid thin the meaning and ambit of the provisions of the CGST/SGST Act but is a "governmental authority" and held that the applicability of the provisions of the **Notification No. 13/2017-Central Tax (Rate) dated June 28, 2017**,

does not arise in the instant case. It was held that by virtue of provisions of Sl.No. 4 & 5 of the **Notification No. 12/2017-Central Tax (Rate), dated June 28, 2017**, as amended, services by governmental authority under service code of Chapter 99 will be taxed as 'NIL' rate under the category of "Services by governmental authority by way of any activity in relation to any function entrusted to a municipality under Article 243W of the Constitution and Services by a Governmental Authority by way of any activity in relation to any function entrusted to a Panchayat under Article 243G of the Constitution and since the construction of an overhead water tank at Rishikesh in the M/s THDC colony is a construction service and pertains to supply of water which is an activity in relation to a function entrusted to a Municipality & Panchayat under Article 243W & 243G, respectively of the Constitution of India the said service is exempted from payment of tax.



### Clarification on the Implementation of ICEGATE at non IT/ITES SEZs with effect from July 01, 2024

The Government of India, Ministry of Commerce and Industry, Department of Commerce (SEZ Division) vide **Letter No. J.16/3/2007-SEZ Vol-V dated June 29, 2024** issued a Clarification on the Implementation of ICEGATE at non IT/ITES SEZs with effect from July 01, 2024.

I am directed to refer to this Department's letter of even number dated 22.06.2024 on the subject mentioned above informing the roll-out of Customs Automated System (ICEGATE) across all non-IT/ITES SEZs with effect from July 01, 2024 and to issue public notices accordingly.

Department of Commerce has received several issues/queries from various stakeholders regarding smooth migration from SEZ-Online to ICEGATE with effect from July 01, 2024. This Department has also been requested to allow parallel filing in ICEGATE as well as SEZ-Online platform during the initial period of transition. The issues / apprehensions as well as requests have been examined in consultation with ADG (Systems), CBIC and following has been decided:

- a.** ICEGATE shall be rolled out across all non-IT/ITES SEZs w.e.f. July 01, 2024. Accordingly, all stakeholders should be encouraged to use ICEGATE portal and discouraged to use SEZ-Online portal.
- b.** SEZ Units which migrate to ICEGATE w.e.f. July 01, 2024 shall be eligible to avail benefits under the RODTEP Scheme. Units filing the documents on

on SEZ-Online shall not be eligible to claim the said benefits.

**c.** On the requests received from various stakeholders, filing of documents by the units will also be allowed on SEZ-Online till July 15, 2024. However, it is clarified that no RODTEP benefits shall be available to such Units during the said period unless they migrate to ICEGATE.

**d.** It must be ensured that the Units which have once migrated to ICEGATE are not allowed to file documents on SEZ-Online portal again. However, the Development Commissioner may allow filing of documents/details to continue on SEZ-Online in respect of such modules which are not yet available on ICEGATE till the availability of the corresponding module(s) on ICEGATE.

**e.** Bills of Entry (B/E) for clearance of goods imported prior to roll-out of ICEGATE for SEZs may continue to be filed on SEZ-Online, such imported goods having no footprint on ICEGATE. The "T" type B/E in ICEGATE meant for DTA clearance from trading/warehousing unit cannot be filed unless there is a corresponding "Z" type B/E, such details being mandatory.

**f.** Documents for clearance filed till June 30, 2024 [Bills of Entry (Import/DTA Sale), Shipping Bills, TR/PR, Zone to Zone Transfer) will be processed on SEZ-Online, as no record or footprint of goods imported would be available on ICEGATE.

You are requested to inform all stakeholders accordingly.

# Let's Connect

+91.135.2743283, +91.135.2747084

---

3rd Floor, MJ Tower, 55, Rajpur Road, Dehradun - 248001

---

E: [info@vkalra.com](mailto:info@vkalra.com) | W: [vkalra.com](http://vkalra.com)

---

Follow us on [!\[\]\(2020723f97c3fe13d8ecf52b30807736\_img.jpg\)](#) [!\[\]\(9a38ae13328715dc384f8945d159df2b\_img.jpg\)](#) [!\[\]\(b15dd462e7d4a517ba7caad2b8ab9921\_img.jpg\)](#) [!\[\]\(c081b8d9a2d8690174755d560498fedd\_img.jpg\)](#) [!\[\]\(8a7718b558232c304ad131ce50713c00\_img.jpg\)](#)

**For any further assistance contact our team at [kmt@vkalra.com](mailto:kmt@vkalra.com)**

© 2024 Verendra Kalra & Co. All rights reserved.

This publication contains information in summary form and is therefore intended for general guidance only. It is not a substitute for detailed research or the exercise of professional judgment. Neither VKC nor any member can accept any responsibility for loss occasioned to any person acting or refraining from actions as a result of any material in this publication. On any specific matter, reference should be made to the appropriate advisor.

