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1. Extension of due date of GST Returns:

Time limit for furnishing the details of outward supplies in FORM GSTR-1 for the tax period December 2024 shall be extended till January 13, 2025 and for quarterly filers, for the tax period October to December 2024, shall be extended till January 15, 2025. The time limit for filing GSTR-3B for the month of December 2024 has been extended till January 22, 2025 and for quarterly filers till January 24th or 26th as the case may be.

Source: Notification No 01/2025-Central Tax and Notification No. 02/2025 -Central Tax

2. Implementation of Phase-III for mandatory HSN reporting in Table 12 in GSTR-1 & 1A :

GSTN issues updated advisory on reporting of HSN codes in Table 12 of GSTR-1/1A; After successful implementation of Phase I and Phase II, mandatory mentioning of HSN code in GSTR-1 and GSTR-1A from February 2025 return filing period i.e 11th March / 13th March 2025 has now been floated. Table-12 has been bifurcated into two tabs namely B2B and B2C, to report these supplies separately.

Source : GST News and Updates

3. Enabling filing of Application for Rectification as per Notn. 22/2024-CT, dtd. 08/10/24, 2024:





Source : GST News and Updates

A functionality has now been made available on the portal for taxpayers to file an application for rectification of such orders issued under section 73/74. They can file it, post login by selecting "Application for rectification of order" in the Application Type field and clicking on the NEW APPLICATION button. A hyperlink has also been provided on the portal to download the proforma in Annexure A in word format, required to be uploaded after entering details of the demand order of the ITC wrongly availed on account of contravention of sub-section (4) of section 16 of the CGST Act, now eligible as per sub-section (5) and/or (6) of section 16 of the CGST Act, while filing the application for rectification.

Source: GST News and Updates

4. Advisory for Waiver Scheme under Section 128A:

Taxpayers can apply for the waiver scheme under Section 128A using Forms GST SPL 01 and GST SPL 02 on the GST portal. To be eligible, they must withdraw any appeal applications (APL 01) filed against the relevant demand order/notice. While the withdrawal option is available for appeals before the First Appellate Authority, it is not available for appeals filed before March 21, 2023. In such cases, taxpayers should request withdrawal from the concerned Appellate Authority, which will forward the request to GSTN via the State Nodal Officer for backend processing.



5. Clarification on Annual GST Return Filing and Late Fee Waiver:

The government has clarified the rules for filing annual GST returns to ensure uniform implementation. Before 01.08.2021, businesses with a turnover above ₹2 crore had to get their accounts audited and submit Form GSTR-9C along with Form GSTR-9. After 01.08.2021, this requirement changed, and only businesses with a turnover above ₹5 crore need to submit a self-certified reconciliation statement along with GSTR-9. A late fee applies if the complete annual return (both GSTR-9 and, if required, GSTR-9C) is not filed on time, and it is charged from the due date until both forms are submitted. However, to provide relief, the government has waived additional late fees for financial years up to 2022-23 if GSTR-9C is filed by 31st March 2025. No extra late fee will be charged in such cases, but any late fee already paid will not be refunded.

Source: GST Circulars

6. Clarifications regarding applicability of GST on certain services:

S.No	Service	Key Update
1	GST on Penal Charges by Banks & NBFCs	From 01.01.2024, RBI replaced penal interest with penal fees. GST is not applicable as it is not a separate service.

2	GST Exemption for Payment Aggregators	Payment Aggregators qualify for GST exemption like acquiring banks since they handle payments. Payment Gateways (PGs) do not qualify as they only provide infrastructure.
3	GST on Research & Development (R&D) Services	From 10.10.2024, R&D services funded by government grants are exempt from GST. Past GST paid (01.07.2017 – 09.10.2024) is regularized
4	GST on Skilling Services	GST exemption for NSDC-approved training partners was removed on 10.10.2024 and restored on 16.01.2025. GST paid during the gap is regularized.
5	GST on Facility Management for MCD Headquarters	MCD sought exemption for facility services, but they do not qualify as municipal functions. Standard GST rates apply.
6	Delhi Development Authority (DDA) as a Local Authority	DDA is not a local authority under GST law and will not get tax benefits meant for municipalities.
7	GST on Renting Commercial Property	From 10.10.2024, renting by unregistered landlords to registered persons falls under RCM. From 16.01.2025, composition taxpayers are exempt from this rule.

Source: GST Circulars





7. GST Exemption on Co-Insurance Transactions

In co-insurance, multiple insurers share the risk of an insurance policy. The lead insurer collects the full premium from the insured and later distributes a portion to the co-insurers. Previously, this distribution was considered a taxable supply, but now, it has been included in Schedule III of the CGST Act, 2017, meaning it is not treated as a supply of goods or services and is exempt from GST. However, the lead insurer must continue to pay GST on the total premium collected from the insured, ensuring compliance with tax regulations.

Source: GST Circulars

8. GST Exemption on Reinsurance Commission

In reinsurance, an insurer transfers part of its risk to another insurance company (reinsurer) by paying a reinsurance premium. A portion of this premium is deducted as ceding commission/reinsurance commission before making the payment to the reinsurer. Previously, this deduction was considered a separate taxable supply, but now it has been included in Schedule III, meaning no GST will apply to this commission deduction. However, the reinsurer must pay GST on the full reinsurance premium, including the deducted commission, ensuring a single point of taxation and avoiding double taxation.

Source: GST Circulars

9. Delhi HC Rules License Fees Collected by Electricity Regulators Exempt from GST:

The Delhi High Court quashed the GST demand on license fees collected by CERC and DERC, ruling that their regulatory and adjudicatory functions are exempt under Schedule III of the CGST Act. It held that issuing licenses is a statutory duty, not a business activity, and the fees collected are not payments for goods or services. The court invalidated the tax demand and related notices.

Source: Judgement of Delhi High Court (W.P.(C) 10680/2024 & CM APPL. 43919/2024 (Stay))

10. Gujarat High Court Rules No GST on Permanent Transfer of Leasehold Rights:

The Gujarat High Court has ruled that GST is not applicable on the permanent transfer of leasehold rights in land. In this case, a company had leased an industrial plot from Gujarat Industrial Development Corporation (GIDC) in 2012 and later, in 2018, sold its factory to another company, including the permanent transfer of lease rights. The tax authorities demanded 18% GST on this transfer, treating it as a lease service. However, the court held that a permanent transfer of leasehold rights is not the same as renting or leasing but is instead similar to a land sale, which is not taxable under GST as per Schedule III of the GST Act. By quashing the tax notices, the court clarified that such transactions are outside the scope of GST, providing relief to

businesses engaging in similar transactions.

Source: Gujarat Chamber of Commerce and Industry v. Union of India, Special Civil Application 11345 of 2023



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