

GST NEWSLETTER



GST Council Secretariat, New Delhi

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Goods and Services Tax Council





MESSAGE

The month of March witnessed encouraging performance, with the second-highest GST collection ever recorded at ₹1.78 lakh crore, marking an impressive 11.5% year-on-year growth. The gross GST collections for the FY 2023-24 also mark a milestone with collection of Rs. 20.18 lakh crore exceeding the previous year collections by an impressive 11.7%. This financial year has showcased encouraging performance reflecting tax buoyancy.

In line with the commitment to Ease of Doing Business, CBIC has issued guidelines for CGST field formations engaged in investigations. These guidelines aim to streamline various processes, including the initiation of investigations, seeking information/documents, and timely conclusion to ensure fairness and prevent undue harassment to taxpayers while maintaining compliance with legal provisions. Importantly, they also establish a Grievance Officer to address the concerns of regular taxpayers related to ongoing investigations.

Additionally, State Coordination Committees, comprising GST authorities from State and Central Tax Administrations which aim to improve coordination, data sharing, and knowledge exchange to combat tax evasion and promote compliance etc. were formed. These Committees hold quarterly meetings, with almost all States having conducted meetings for the previous quarter.

Until next month!

**Pankaj Kumar Singh,
Additional Secretary**

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Second highest monthly Gross GST Revenue collection in March at ₹1.78 lakh crore; Records 11.5% y-o-y growth (18.4% on net basis)

Gross Good and Services Tax (GST) revenue for March, 2024 witnessed the second highest collection ever at ₹1.78 lakh crore, with a 11.5% year-on-year growth. This surge was driven by a significant rise in GST collection from domestic transactions at 17.6%. GST revenue net of refunds for March, 2024 is ₹1.65 lakh crore which is growth of 18.4% over same period last year.

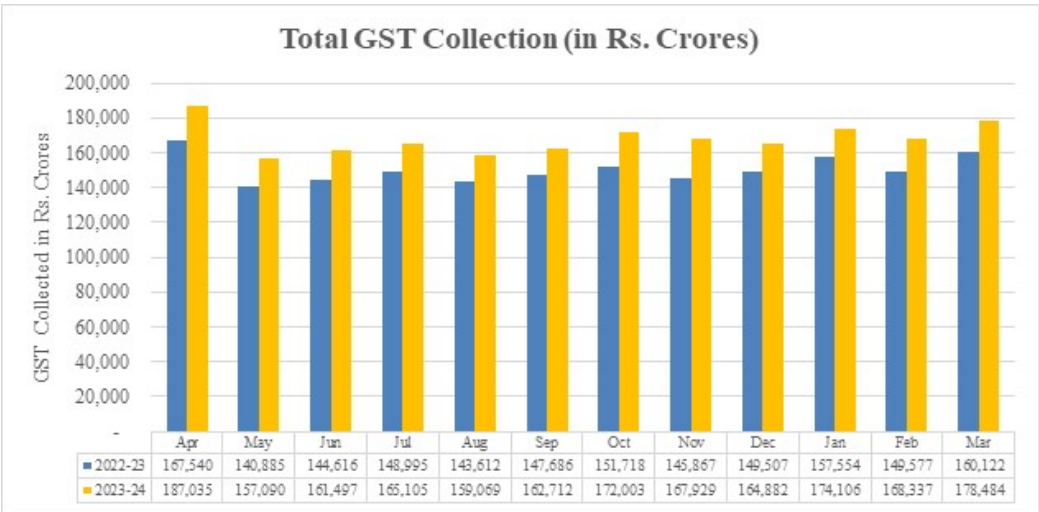
Strong Consistent Performance in FY 2023-24: FY 2023-24 marks a milestone with total gross GST collection of Rs. 20.18 lakh crore exceeding ₹20 lakh crore, a 11.7% increase compared to the previous year. The average monthly collection for this fiscal year stands at ₹1.68 lakh crore, surpassing the previous year's average of ₹1.5 lakh crore. GST revenue net of refunds as of March, 2024 for the current fiscal year is ₹18.01 lakh crore which is a growth of 13.4% over same period last year.

Positive Performance Across Components:
Breakdown of March, 2024 Collections:

- Central Goods and Services Tax (CGST): ₹34,532 crore;
 - State Goods and Services Tax (SGST): ₹43,746 crore;
 - Integrated Goods and Services Tax (IGST): ₹87,947 crore, including ₹40,322 crore collected on imported goods;
 - Cess: ₹12,259 crore, including ₹996 crore collected on imported goods.
- Similar positive trends are observed in the entire FY 2023-24 collections:
- Central Goods and Services Tax (CGST): ₹3,75,710 crore;
 - State Goods and Services Tax (SGST): ₹4,71,195 crore;
 - Integrated Goods and Services Tax (IGST): ₹10,26,790 crore, including ₹4,83,086 crore collected on imported goods;
 - Cess: ₹1, 44,554 crore, including ₹11,915 crore collected on imported goods.

Inter-Governmental Settlement: In the month of March, 2024, the Central Government settled ₹43,264 crore to CGST and ₹37,704 crore to SGST from the IGST collected. This translates to a total revenue of ₹77,796 crore for CGST and ₹81,450 crore for SGST for March, 2024 after regular settlement. For the FY 2023-24, the central government settled ₹4, 87,039 crore to CGST and ₹4, 12,028 crore to SGST from the IGST collected. The chart below shows trends in monthly gross GST revenues during the current year.

Chart: Trends in GST Collection



Source: PIB Press Release dated 01.04.2024

Hon’ble Union Finance Minister Smt. Nirmala Sitharaman inaugurates first-ever National Conference of Enforcement Chiefs of the State and the Central GST Formations in New Delhi

Hon’ble Union Minister for Finance and Corporate Affairs Smt. Nirmala Sitharaman inaugurated the first-ever National Conference of Enforcement Chiefs of the State and the Central GST Formations, in New Delhi on 04.03.2024. The conference provided one more step towards facilitating understanding and streamlining operations of the tax authorities in enforcement actions undertaken by different indirect tax authorities.



Hon’ble Union Minister of State for Finance Shri Pankaj Chaudhary; Shri Sanjay Malhotra, Secretary, Department of Revenue, Ministry of Finance; Shri Sanjay Kumar Agarwal, Chairman, Central Board of Indirect Taxes and Customs (CBIC); other senior officers of the Department of Revenue, GST Enforcement Chiefs of the States and Central GST authorities, CEO and representative of GSTN, other heads of enforcement like the Chairman, Central Board of Direct Taxes (CBDT); Director, Directorate of Enforcement (ED); Director Central Narcotics Bureau (NCB); and DG, Central Economic Intelligence Bureau (CEIB) were also present at the occasion.

In her address on the occasion, the Hon’ble Union Finance Minister commended the untiring efforts of both the Centre and States GST formations since 2017 in making the GST a reliable, goal-oriented and capable system by leveraging technology.



The Hon’ble Union Finance Minister urged all the GST formations to leverage technology to plug the loopholes as well provide better taxpayer services. Highlighting the importance of innovation, she advocated for sharing of emerging best practices, emphasizing the need for seamless coordination across States in the larger national interest.

Further, Hon’ble Union Finance Minister stressed on the significance of holding such meetings regularly among enforcement chiefs of Centre and States, and to leverage this platform for discussing obstacles, exchanging successful strategies, and collectively advance towards a more robust and harmonious tax infrastructure.

She also stressed that clarity on classification related issues should be looked into at the earliest through appropriate channels. She said that the past 10 years under the leadership of Hon'ble Prime Minister Shri Narendra Modi have shown that systems can be cleansed and made more effective through persistent efforts.

Hon'ble Union Finance Minister exhorted the GST officials to engage with stakeholders to understand their concerns, enhance compliance, streamline processes, and work collaboratively towards making the tax system more transparent and efficient.

Appreciating the initiative of organizing this conference, Shri Chaudhary said that it will help to streamline the various issues related to indirect tax enforcement and also help in developing strategies for oncoming challenges through brainstorming during the conference.



Hailing GST as a big reform in India, he said that GST has simplified indirect taxation and brought down the effective tax rate, thereby made lives of people easier. He exhorted the GST formations to work towards facilitating more and more taxpayers.

Citing the multi-fold increase in GST collections, he appreciated the contribution of the GST authorities in achieving the vision of Hon'ble Prime Minister towards achieving 'Sabka Saath, Sabka Vikas'. He credited the leadership of Hon'ble Prime Minister and Finance Minister in propelling India's economic journey from fragile five in 2014 to top five now. He expressed optimism about achieving a monthly target of Rs. 2 lakh crore in GST revenue soon.

In his address on the occasion, Shri Sanjay Malhotra, Revenue Secretary emphasized the crucial role of enforcement in ensuring the success of the GST system. He outlined key priorities - targeting high-risk areas, combating tax evaders, balancing enforcement with taxpayer rights, strengthening collaboration between central and state authorities, and gathering feedback for improvement in policy and technological interventions.



Setting the context of the one-day conference, Shri Sanjay Kumar Agarwal, CBIC Chairman said that fake entities and GST evasion not only erode our national revenue but also distort fair competition and fuel an underground economy. He highlighted the importance of strong data analytics and use of technology and the need to stay ahead of the perpetrators of GST evasion. He reminded the officers to follow the instructions issued by CBIC in respect of procedure to be followed during enforcement action.



In his welcome address, Additional Secretary, Revenue, highlighted this platform's unique potential for fostering collaboration and sharing best practices in GST enforcement, bringing together Central and State GST authorities.

During the one-day conference, various presentations were also made by the GST formations. As per data presented by GST Council Secretariat, the nationwide crackdown on fake registrations and bogus billing from May, 2023 alone has resulted in detection of ITC tax evasion of Rs.49,623 crore involving 31,512 bogus firms. CBIC presented that it has detected fake ITC evasion of Rs.1,14,755 crore from the year 2020 till date.

Maharashtra State GST showcased the real time monitoring dashboard of suspected non-genuine tax payers (NGTPs). As on 29th February 2024, State has identified 41,601 suspected NGTPs out of which 6,034 NGTPs were detected. It was further highlighted that detection was based on various intelligence gathered during registration, e-way bills and inputs from CBIC/other states and outlined the steps taken to improve detection rate at an early stage.

During the focused thematic sessions, the delegates from Central and State GST formations discussed various issues through in-depth discussions such as GST evasion typologies, preferred methods, and prevalent sectors, importance of collaborative efforts, need to utilize technology effectively, not only to detect existing fraudulent behavior but also to proactively prevent it by identifying high-risk taxpayers.

Participants deliberated on addressing the menace of fake invoicing and its associated issues like money laundering, identity theft, and circular trading. Best practices and deterrent actions implemented by Directorate General of GST Intelligence were also shared.



The conference discussed navigating legal and operational challenges faced by enforcement authorities while ensuring minimal disruption for businesses. It was highlighted that CBIC and DGGI have issued instructions emphasizing the need to have more taxpayer-friendly approach to GST enforcement, focusing on avoiding unnecessary audits on issues involving prevalent trade practices and prioritizing evidence-based inquiries. It also advocates for considering location convenience and requesting information formally through letters instead of using summons.

GSTN and DG Systems, CBIC outlined the various analytical tools available to the tax officers to detect risky taxpayers and combat GST evasion. Discussion was also centered around ways of streamlining the tools and to make them available to all GST enforcement formations. DG Analytics and Risk Management showcased risk analytical tool to detect potential GST evaders early in the cycle even before filing of first return.

Gujarat highlighted the recent success of GST Seva Kendras in reducing the number of fake registrations. The recent case involving fake registration wherein 20 people have been arrested under Gujarat Control of Terrorism and Organized Crime Act, 2015 was also highlighted as a case study of best practice.

Karnataka highlighted unique case typologies such as bill trading in services sector and mild steel scrap, misclassification etc. West Bengal highlighted the benefits of establishing a cyber forensic lab aiding investigation of GST frauds. Uttarakhand, Sikkim and Andhra Pradesh also presented their best practices in GST enforcement.

The conference facilitated experience sharing and knowledge transfer between various states and the central government. Participants reviewed past enforcement actions, extracted valuable learnings, and explored future work areas for tax enforcement officers.

Based on the positive feedback, the conference established the need for regular experience sharing. It was decided to conduct the National Conference of Enforcement Chiefs of State and Central GST Formations bi-annually moving forward.

[Source: PIB Press Release dated 04.03.2024](#)

Instructions

➤ **Instruction No. 01/2023-24-[GST-INV] regarding guidelines for CGST field formations in maintaining ease of doing business while engaging in investigation with regular taxpayers**

The CBIC vide the said Instruction has issued comprehensive guidelines for CGST field formations to ensure uniformity and ease of doing business while undertaking enforcement activities involving regular taxpayers. Here's a summary of the key points:

- Within the allocated jurisdiction of Commissionerate under notification No. 2/2017-Central Tax dated 19.06.2017, the (Pr.) Commissioner shall be responsible for developing and approving any intelligence, conducting search, and completing investigation in a case and the relevant subsequent action, including in the divisional formations, etc.
- Investigations must be initiated only with the approval of the Principal Commissioner, except in specific situations requiring approval from the zonal (Pr.) Chief Commissioner as elaborated in the said Instruction.
- Prior confirmation of ongoing inquiries by other investigating offices or tax administrations on the same subject matter with respect to the same taxpayer/GSTIN is required before initiating investigations.
- When the Commissioner ate discovers that both the DGGI and State GST department are separately investigating the same taxpayer on different matters, the (Pr.) Commissioner must coordinate with both offices to consolidate the investigations under one. If consolidation isn't possible, reasons for maintaining separate investigations must be documented by the (Pr.) Commissioner.
- In cases where investigation with respect to a GSTIN in a jurisdiction is initiated but the issue is relevant to some or all of that taxpayers' GSTINs registered (under the same PAN) in multiple jurisdictions, then the (Pr.) Commissioner shall expeditiously make a self-contained reference to its zonal (Pr.) Chief Commissioner who shall request the Pr. DG, DGGI to take up the matter in accordance with DGGI guidelines. The Instruction also contains the action that shall be taken where the issue is relevant to other taxpayers' GSTINs registered (under multiple PANs) across various CGST jurisdictions.
- In cases where interpretation differences may lead to litigation or practice changes, a reference should be made to the relevant policy wing of the Board i.e. the GST Policy or TRU. This reference should ideally be made before concluding the investigation to promote uniformity and potentially avoid litigation.
- Investigations should conclude within one year, and delay in issuing show because notices or closure reports should be avoided.
- The Addl./Jt. Commissioner in-charge of investigation is the Grievance Officer whom taxpayers may approach (through letter, email or by appointment) with grievance, if any, related to an ongoing investigation, for appropriate redress. In case the reasonable grievance persists, the (Pr.) Commissioner may consider meeting, by appointment, the taxpayer.

These guidelines aim to streamline investigation processes, ensure fairness, and prevent undue harassment to taxpayers while maintaining compliance with legal provisions and promoting ease of doing business. For the detailed Instruction please click [here](#).

GST Portal Updates

➤ **Advisory: Integration of e-waybill system with New IRP Portals**

GSTN announced the successful integration of e-waybill services with four new IRP portals via NIC, enabling taxpayers to generate e-waybills alongside e-invoicing on these four IRPs.

This new facility complements the existing services available on the NIC-IRP portal, making e-waybill services, along with e-invoicing, available across all six IRPs. Please [click here](#) for the complete advisory.

[Portal update on 08.03.2024](#)

➤ Advisory on GSTR-1/IFF: Introduction of New 14A and 15A tables

As per Notification No. 26/2022 – Central Tax dated 26th December, 2022, two new Table 14A and Table 15A have been introduced in GSTR-1 to capture the amendment details of the supplies made through e-commerce operators (ECO) on which e-commerce operators are liable to collect tax under section 52 or liable to pay tax u/s 9(5) of the CGST Act, 2017. These tables have now been made live on the GST common portal and will be available in GSTR-1/IFF from February, 2024 tax period onwards.

These amendment tables are relevant for those taxpayers who have reported the supplies in Table 14 or Table 15 in earlier tax periods. Please [click here](#) to view the complete advisory on the captioned subject.

[Portal update on 12.03.2024](#)

Best Practices/ Outreach Programmes across India

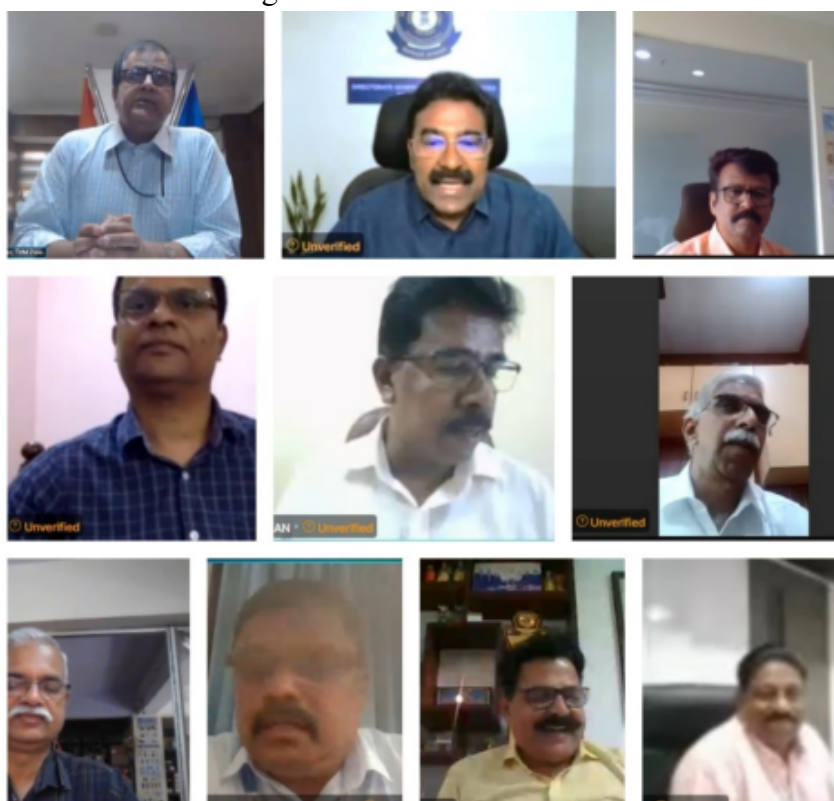
➤ DGTS Ahmedabad conducted a seminar for the students on GST

DGTS AZU conducted Seminar at Shri Vinay Vidhya Mandir, Vill. Khoraj to bring awareness in Students about role of GST in nation building, early financial planning & safe practices in the Cyber World. 50 students of 11th Commerce & Humanities participated in the seminar.



➤ DGTS, Bengaluru conducted a webinar on notice issued in their regional language as an awareness campaign program

DGTS BZU in association with other organisations/companies conducted a webinar on 21.03.2024. The topic of discussion was related to notice issued under gst in malayalam language. The session was hosted by Shri Manoj Kumar Arora, IRS, CC CGST & Customs,Tvm. 551 participants attended the session and it was a huge success.



In the picture above: Participants attending the webinar on notice issued under gst in malayalam language.

➤ The 6th GRC meeting held in Rajasthan and detailed procedure for Amnesty Scheme-2024 unveiled

The 6th GRC meeting for State of Rajasthan was conducted on 13.03.2024. The meeting was co-chaired by Shri Mahendra Ranga, CC, Central Tax and Dr. Ravi Kumar Surpur, CC, State Tax and attended by representatives of GSTN, Associations of Tax Professionals & Trade Associations.



In the picture above: The 6th GRC meeting for State of Rajasthan being held.



In the picture above (left to right): Shri. Shri Mahendra Ranga, CC, Central Tax, Dr. Ravi Kumar Surpur, CC, State Tax.

Also, in order to bring transparency and fostering a more transparent and an efficient tax administration system, the Rajasthan GST Department introduced the Amnesty Scheme-2024 vide a Notification on 08.02.2024 with an objective of streamlining the outstanding demands and pending issues and to provide real time solutions to those problems. The Government has further notified the detailed procedure for Amnesty Scheme-2024 through a notification dated 29.02.2024. The initiative aims to alleviate the burden on taxpayers and enhance compliance

➤ Grievance Redressal Committee Meeting with various Trade and Industry Associations conducted in Nagpur

The discussion on various issues points sponsored by industry and trade members was held on the GRC meeting . Grievance Redressal Committee Meeting with various Trade and Industry Associations was conducted on 09.02.2024 by Nagpur CGST Zone under the chairmanship of K C Johny, Chief Commissioner, Nagpur Zone. Other officers were also present.



➤ **State Coordination Committee Meetings held in various States in the month of March**

Various States and UTs like Goa, Assam, Meghalaya, Tripura, Manipur, Mizoram, Nagaland, Chandigarh, Puducherry, Maharashtra, J&K, Himachal Pradesh, Punjab, Gujarat, Arunachal Pradesh, Rajasthan, Chhatisgarh, Madhya Pradesh, Delhi and Bihar conducted the State Coordination Committee meeting in the month of March that is to be held every quarter to enhance coordination between the Central and State authorities and address tax evasion. Discussions in this quarter primarily focused on coordination efforts related to enforcement and other policy issues.

➤ **Training on GST Audit of Banking Sector for Centre and State GST Audit Officers by NACIN Palasamudram**

Training on GST Audit of Banking Sector for Centre and State GST Audit Officers by NACIN Palasamudram from 04.03.2024 to 07.03.2024. Multiple sessions were conducted on various topics including Model Audit Manual and Procedure for Audit, Risk parameters for Banking Sector and discussions of the AICC and case studies in GST Audit of Banking Sector. The sessions were taken by Mr. Upender Gupta, Retd. Chief Commissioner, CBIC; Ms. Sudha Koka, ADG; Mr. Amandeep Singh, ADG, DG(Audit); Mr. Hardeep Batra, Commissioner(Audit); Ms. Ashima Bansal, J.S., GST Council Secretariat; ICAI and KPMG.

Welcome

We extend a warm welcome to Mr. Sridhar Das [IRS(C&IT 2016)], Deputy Commissioner, Rourkela Commissionerate, GST & CX Bhubaneswar Zone appointed as Under Secretary in the GST Council Secretariat. We are sure that his experience will bring a wealth of knowledge in our team and the field of indirect tax.

We also extend a warm welcome to Sayan Banerjee, hailing from West Bengal, who joins our team as a Research Fellow. Sayan holds a B.A.LLB with a specialization in Energy Laws and a L.L.M with a specialization in Corporate and Securities Laws from the University of Petroleum and Energy Studies, Dehradun. We look forward to his valuable contributions to our team.

Legal Corner

➤ **Vigilantibus non dormientibus Jura subveniunt**

The Latin legal maxim "Vigilantibus non dormientibus jura subveniunt" translates to "the laws aid the vigilant, not those who sleep." This principle emphasizes that individuals who are diligent, alert, and proactive in safeguarding their rights are more likely to receive legal protection and assistance compared to those who are negligent or inactive.

The principle behind this maxim is rooted in the notion that legal rights are not self-enforcing; they require active assertion and defense. In other words, individuals who are vigilant in asserting their rights, staying informed about their legal obligations, and promptly addressing any violations or infringements are more likely to receive legal support and protection.

This maxim expands upon through the Limitation Act of 1963, which entails that if the suffered/ aggrieved party does not file a suit for relief within the stipulated period, for the breach of his rights, then it cannot be claimed at a later stage.

For instance, the Hon’ble Supreme Court has recently emphasized the importance of vigilance for all litigants regarding matters governed by the Insolvency and Bankruptcy Code, 2016 (‘Code’). While the Code itself imposes strict timelines, the Supreme Court's ruling in V. Nagarajan v. SKS Ispat and Power Limited and Others [2021 SCC OnLine SC 959] underscores that the responsibility to exercise vigilance lies with the litigant

when determining the commencement of the limitation period for filing appeals against Orders issued by the National Company Law Tribunal (‘NCLT’). This decision sheds new light on the age-old maxim of "Vigilantibus, et non dormientibus, jura subveniunt", challenging traditional interpretations of limitation periods and when it would commence.

Despite this overarching obligation in litigation, there have been numerous instances where courts, leveraging the suo motu order, have extended deadlines in the interest of justice. A recent example is seen in the case of Prakash Corporates v. Dee Vee Projects Limited [2022 SCCOnline SC 180] , where the Supreme Court enlarged the time for filing a written statement in a suit, citing the suo motu order and emphasizing the advancement of justice.

In the case of Nacinchandra N. Majithia vs. State of Maharashtra & Ors (2000), the Apex Court made a key observation with respect to the application of this maxim. Given the aphorism that ‘to err, is human’, could practically lead to unintentional situations despite being vigilant, which could attract the commission of an offense. The Courts should not always find means to pull down the shutters of adjudication before a party seeking justice, instead should take measures to entertain all possible cases of grievances, if it is genuine.

In the case of Vanka Radhamanohari v Vanke Venkata Reddy and Ors. [1993 (2) BLJR 875] “an exception to this maxim was observed in this which involved a criminal case of cruelty to a woman under Section 498-A. The Court observed that, given the gravity of the offense committed and with respect to the specific facts and circumstances of this case, the maxim would not be applicable in this case and the case will be admitted in case of offenses relating to cruelty against women.”

Hence, while the obligation of vigilance remains central in matters of limitation, it's essential to acknowledge the circumstances where the interest of justice necessitates a relaxation of this principle.