

GST NEWSLETTER



GST Council Secretariat, New Delhi

Issue-62, May, 2024



Goods and Services Tax Council





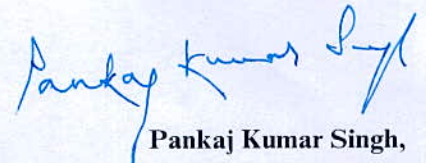
MESSAGE

Hon'ble Union Finance Minister administered the oath to Justice (Retd.) Sanjaya Kumar Mishra as the President of the GST Appellate Tribunal (GSTAT) on 6th May, 2024. This marks the beginning of GSTAT's operations, aimed at resolving GST related disputes efficiently. The GSTAT includes a Principal Bench in New Delhi and 31 State Benches nationwide. Justice Mishra, former Chief Justice of the Jharkhand High Court, was selected by a Search-cum-Selection Committee headed by the Hon'ble Chief Justice of India. The Tribunal will go a long way in reducing the burden on Higher Courts.

GSTN launched an enhanced version of the GST portal on 3rd May, 2024, improving user experience with a new News and Updates section, an improved user interface, and an updated website policy. Also, CBIC is set to transition to the GSTN Back Office on 1st June, 2024. During the transitional phase from 25th May to 31st May, new GST registration applications will be managed by State Tax Authorities. Furthermore, NIC has also released the e-way bill 2 Portal on 1st June, 2024. This portal, running parallel to the main portal, ensures high availability and synchronization within seconds, providing independent operation when there are technical glitches in e-way bill main portal. These updates and transitions aim to enhance compliance, reduce operational burdens, and provide a more transparent and efficient tax environment for both taxpayers and tax authorities.

Additionally, the Government has mandated manufacturers of Pan Masala and Tobacco products to submit information via two forms: GST SRM-I for machine registration and disposal, and GST SRM-II for monthly data on input and output. The facility to register the machines have been made available on the GST Portal to file the information in Form GST SRM-I, with Form GST SRM-II to be available soon.

Warm Regards


Pankaj Kumar Singh,
Additional Secretary

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Gross GST Revenue Collection in May 2024 stands at ₹1.73 lakh crore; Records 10% y-o-y growth

The gross Goods and Services Tax (GST) revenue for the month of May, 2024 stood at ₹1.73 lakh crore. This represents a 10% year-on-year growth, driven by a strong increase in domestic transactions (up 15.3%) and slowing of imports (down 4.3%). After accounting for refunds, the net GST revenue for May, 2024 stands at ₹1.44 lakh crore, reflecting a growth of 6.9% compared to the same period last year.

Breakdown of May, 2024 Collections:

- Central Goods and Services Tax (CGST): ₹32,409 crore;
- State Goods and Services Tax (SGST): ₹40,265 crore;
- Integrated Goods and Services Tax (IGST): ₹87,781 crore, including ₹39,879 crore collected on imported goods;
- Cess: ₹12,284 crore, including ₹1,076 crore collected on imported goods.

The gross GST collections in the FY 2024-25 till May, 2024 stood at ₹3.83 lakh crore. This represents an impressive 11.3% year-on-year growth, driven by a strong increase in domestic transactions (up 14.2%) and marginal increase in imports (up 1.4%). After accounting for refunds, the net GST revenue in the FY 2024-25 till May, 2024 stands at ₹3.36 lakh crore, reflecting a growth of 11.6% compared to the same period last year.

Breakdown of collections in the FY 2024-25 till May, 2024, are as below:

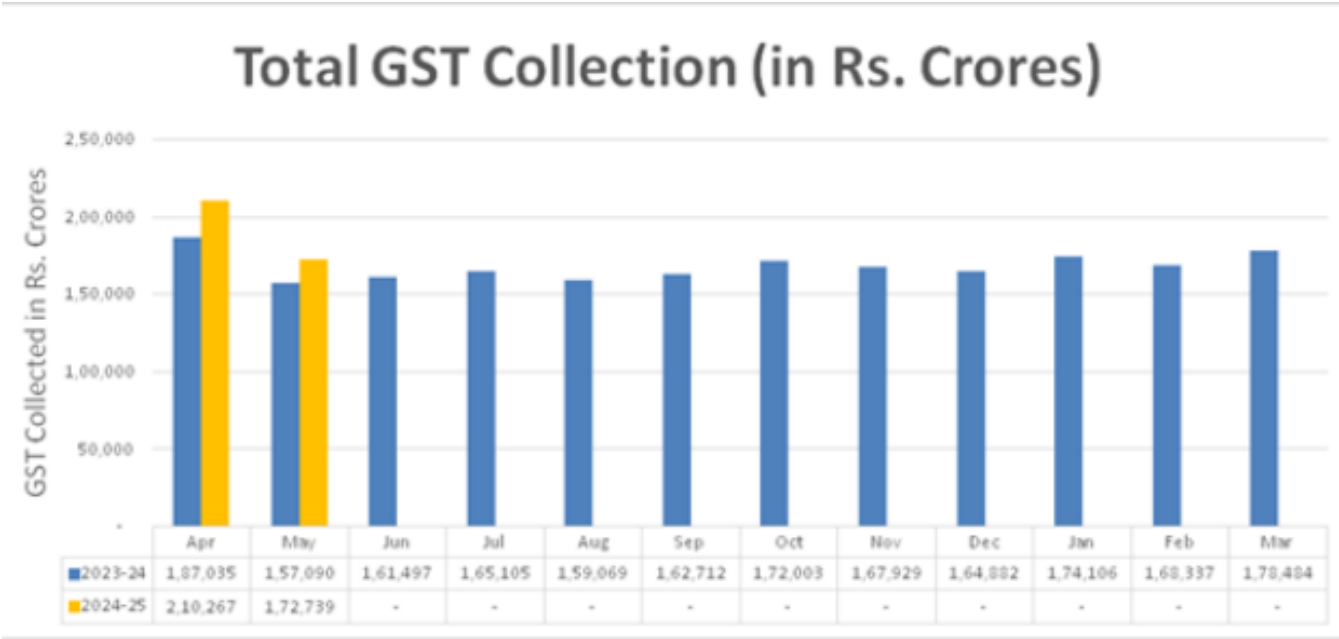
- Central Goods and Services Tax (CGST): ₹76,255 crore;
- State Goods and Services Tax (SGST): ₹93,804 crore;
- Integrated Goods and Services Tax (IGST): ₹1,87,404 crore, including ₹77,706 crore collected on imported goods;
- Cess: ₹25,544 crore, including ₹2,084 crore collected on imported goods.

Inter-Governmental Settlement:

In the month of May, 2024, the Central Government settled ₹38,519 crore to CGST and ₹32,733 crore to SGST from the net IGST collected of ₹67,204 crore. This translates to a total revenue of ₹70,928 crore for CGST and ₹72,999 crore for SGST in May, 2024, after regular settlement.

Similarly, in the FY 2024-25 till May, 2024 the Central Government settled ₹88,827 crore to CGST and ₹74,333 crore to SGST from the net IGST collected of ₹1,54,671 crore. This translates to a total revenue of ₹1,65,081 crore for CGST and ₹1,68,137 crore for SGST in FY 2024-25 till May, 2024 after regular settlement.

The chart below shows trends in monthly gross GST revenues during the current year.



Source: PIB Press Release dated 01.06.2024

Appointment of First President of GSTAT

Union Finance Minister Smt. Nirmala Sitharaman administers Oath of Office to Justice (Retd.) Sanjaya Kumar Mishra as the first President of GST Appellate Tribunal in New Delhi

Union Minister for Finance and Corporate Affairs Smt. Nirmala Sitharaman administered the oath of integrity and secrecy to Justice (Retd.) Sanjaya Kumar Mishra as the President of the GST Appellate Tribunal (GSTAT), in New Delhi. Justice (Retd.) Mishra’s appointment marks the beginning of the operationalisation of the GSTAT, a crucial body for resolving GST-related disputes.



The GSTAT is the Appellate Authority established under the Central Goods and Services Tax Act, 2017, to hear various appeals under the said Act and the respective State/Union Territories GST Acts against the orders of the first appellate authority. It consists of a Principal Bench and various State Benches. As per the approval of the GST Council, the Government has notified the Principal Bench, to be located at New Delhi, and 31 State Benches at various locations across the country. Process for appointment of Judicial Members and Technical Members is already in progress.

The Tribunal will ensure swift, fair, judicious and effective resolution to GST disputes, besides significantly reducing the burden on higher courts. The establishment of the GSTAT would further enhance the effectiveness of the GST system in India and foster a more transparent and efficient tax environment in the country.

GSTAT's first President, Justice (Retd.) Mishra was a former Chief Justice of the Jharkhand High Court and was selected by a Search-cum-Selection Committee headed by the Hon'ble Chief Justice of India.

[Source: PIB Press Release dated 06.05.2024](#)

Notifications

➡ **Notification No. 10/2024 - GST dated 29.05.2024 seeks to amend the Notification No. 02/2017-CT dated 19.06.2017 with effect from 05.08.2023**

The Central Government vide the said Notification has amended the Territorial Jurisdiction of Principal Commissioner/Commissioner of Central Tax under the Central Goods and Services Tax (CGST) Act, 2017, and the Integrated Goods and Services Tax (IGST) Act, 2017. These amendments are particularly significant for various districts in the state of Rajasthan and will take effect from 05.08.2023.

➡ **Notification No. 11/2024 - GST dated 30.05.2024 seeks to amend Notification No. 02/2017-CT dated 19.06.2017 to assign district of Kotputli-Behrur to CGST Alwar Commissionerate**

The Central Government vide the said Notification has amended Notification No. 02/2017 – CT dated 19.06.2017 to assign district of Kotputli-Behrur to CGST Alwar Commissionerate.

Instructions

➡ **Instruction No. 01/2024 - GST dated 30.05.2024 regarding the guidelines for initiation of recovery proceedings before three months from the date of service of demand order**

This notification clarifies the procedures for initiating recovery proceedings under Sections 78 and 79 of the Central Goods and Services Tax Act, 2017 (CGST Act). Section 78 of the said Act specifies that any amount payable by a taxable person in pursuance of an order under the said Act shall be paid within three months from the date of such order. However, in exceptional cases, the proper officer can require payment within a period less than the three months from the date of service of such order if it is in the interest of revenue after the reasons for this are recorded in writing. Section 79 outlines that if the amount is not paid, the proper officer will recover it using methods specified in the said section.

Recovery proceedings should typically commence after three months from the date of the order. Early recovery, before the three-month period, is permissible only if specified by the proper officer with written justification. The proper officer for recovery proceedings under Section 79 is the jurisdictional Deputy or Assistant Commissioner of Central Tax. However, for recovery before the completion of three months from the date of service of the order, the matter must be presented to the jurisdictional Principal Commissioner/Commissioner of Central Tax by the jurisdictional Deputy or Assistant Commissioner of Central Tax with reasons/justifications for such an action. The Principal Commissioner/Commissioner shall examine the justification for early recovery at the earliest, and if satisfied that it is expedient in the interest of the revenue, record the reasons in writing and issue directions specifying the payment period within which the concerned taxable person has to pay the said recovery amount.

The notification emphasizes that specific reasons for early payment must be provided, such as high risk to revenue, potential business closure, financial decline, or impending insolvency. Credible evidence must support the apprehension of risk to revenue. Additionally, the taxable person's financial health, status of business operations, infrastructure, and credibility should be considered and shall strike to balance revenue interests and ease of doing business. Such directions for early payment of the confirmed demand should not be issued in a mechanical manner, and must be issued only in cases where interest of revenue is required to be safeguarded due to specific apprehension/ circumstances in the said case. If the taxable person fails to pay within the specified period, the jurisdictional Deputy or Assistant Commissioner will initiate recovery proceedings as per Section 79 of the said Act.

Best Practices/ Outreach Programmes across India.

➡ DGTS Mumbai Zone successfully organised an insightful webinar on important features of Works Contract in GST



DGTS, Mumbai Zone successfully organized an insightful webinar on ‘Important Features of Works Contract in GST’ in association with Marathwada Association of Small Scale Industries & Agriculture and Chamber of Associations of Maharashtra Industry & Trade, followed by a Q&A session.

➡ Symposium on “Delayed payments to MSMEs” held at Puducherry by GST & Central Excise Puducherry Commissionerate.



The symposium on “Delayed payments to MSMEs” curated by Smt. N Padmasri, Commissioner, CGST, Puducherry was held on 25th May, 2024 at the MSME Tech Centre of Puducherry. Representatives of MSME Associations, CII, Income Tax, MSME Council, Chartered Accountants &CGST officers shared their inputs and clarified doubts.

➡ GSTN enables GST Payments through UPI/Credit/Debit Cards in Jammu and Kashmir

On January 19, 2024, GSTN issued an advisory introducing two new e-payment methods for GST i.e. cards (Credit/Debit) and unified payments interface (UPI), in addition to net banking. These methods are now available in 16 states: Assam, Delhi, Goa, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Odisha, Rajasthan, Tripura, and Uttar Pradesh. With the latest addition of Jammu & Kashmir, nationwide tax compliance has been made easier by the Government.

➡ The State Coordination meeting held in Bihar on 30.05.2024

State Coordination meeting between CGST authorities and SGST was held in the month of May in Bihar to streamline tax administration, enhance capacity building and fostering compliances.

Welcome

We are delighted to extend a warm welcome to Mr. Satbir Saha from Siwan District, who has joined our office as a Tax Assistant in the GST Council Secretariat. We eagerly anticipate his valuable contributions to our team.

Farewell

We extend our heartfelt farewell to Vijay Malik, Inspector, GST Council Secretariat, as they embark on new journeys. We are deeply grateful for their invaluable contributions and dedicated service. Their commitment and hard work have left a lasting impact, and they will be greatly missed. We wish them all the best in their future endeavors.

GST Portal Updates

➡ Information from manufacturers of Pan Masala and Tobacco taxpayers.

Government issued Notification No. 04/2024 – Central Tax dated 05.01.2024 to seek information from taxpayers dealing in the goods mentioned therein. . Two forms have been notified vide this notification namely GST SRM-I and GST SRM-II. The former pertains to registration and disposal of machines, while the later asks for information on inputs and outputs during a month.

Facility to register the machines have been made available on the GST Portal to file the information in Form GST SRM-I. All taxpayers dealing in the items mentioned in the said notification may use the facility to file the information about machines. Form GST SRM-II will also be made available on the portal shortly.

[*Source: Portal update dated 16.05.2024*](#)

➡ Advisory on launch of e-way bill 2 portal.

NIC has released the e-way bill 2 Portal on 1st June, 2024. This portal will ensure high availability and runs in parallel to the e-way bill main portal. The e-way bill 2 portal will synchronises the e-way bill details with main portal within a few seconds. The highlights of the portal are as follows:

- Presently, e-way bill 2 portal provides the critical services of e-way bill system, and gradually it will be extended with other services of e-way bill system.
- E-way bills can be generated and updated on the e-way bill 2 portal independently.
- E-way bill 2 portal provides the web and API modes of operations for e-way bill services.
- The taxpayers and logistic operators can use the e-way bill 2 portal with the login credentials of the main portal.
- The taxpayers and logistic operators can use the e-way bill 2 portal during technical glitches in e-way bill main portal or any other exigencies.
- The criss-cross operations of printing and updating of Part-B of e-way bills can be carried out on these portals. That is, updating of Part-B of the e-way bills of portal 1 can be done at portal 2 and vice versa.
- The criss-cross operations of printing and updating of Part-B of e-way bills can be carried out on these portals. That is, updating of Part-B of the e-way bills of portal 1 can be done at portal 2 and vice versa.
- For further details, please visit the e-way bill portals.

[*Source: Portal update dated 28.05.2024*](#)

Legal Corner

➡ De Minimis Non Curat Lex

The Doctrine of De Minimis non-curat lex implies that the law does not concern itself with trifles. The Latin word of De Minimis mean ‘about minimal things’ and the maxim means “that the law is not concerned with small things”. The rationale is to ensure judicial efficiency by avoiding the wastage of time and resources on trivial issues that do not materially affect the parties involved.

- Early Applications: The maxim has been cited in numerous cases over centuries. One of the earliest recorded uses in English law was in the case of York v. York (1431), where it was held that no action lies for waste of trivial value, such as cutting down a few trees.
- Modern Usage: The maxim is often used as an interpretive tool in modern legal systems. Section 95 IPC is itself based on the maxim ‘de minimis non curat lex’. This section is intended to prevent the punishment of negligible mistakes or trivial offenses.

Principal and Function

- Judicial Efficiency: The principal function of the maxim is to inject reason into technical rules of law, ensuring that only matters of significant consequence are given judicial attention.
- Equity and Fairness: It serves to round off the sharp corners of legal formalism, ensuring that justice is not hindered by insignificant technicalities.

➡ Case Laws

In *India TV Independent News Service Pvt. Ltd. and Ors. v. Yashraj Films Pvt. Ltd.* (2012), the Hon'ble Delhi High Court applied the 'de minimis' principle under Section 52 of the Indian Copyright Act. India TV had used five words from a song owned by Yashraj Films. After evaluating factors like the purpose and amount of use, the court found the infringement trivial and dismissed the claim, emphasizing that minor infringements should not overburden the legal system.

In *Makhan Lal And Anr. vs Suraj Prasad And Musammat Kamla* (1922), the Allahabad High Court applied the 'de minimis' principle to overlook a minor discrepancy in a financial matter. The court emphasized that the small amount in question was insignificant compared to the overall sum, and thus did not warrant legal intervention.

However, there are certain exceptions to the principle that are as follows:

- **Substantive Rights:** The maxim does not apply when the minor issue affects substantive rights. Courts will address such issues to protect individual freedoms and fundamental rights.
- **Cumulative Effect:** If minor issues collectively have a significant impact, they will be considered by the courts. Repeated small infractions can accumulate to form a substantial issue.
- **Public Interest:** In cases where even a minor violation has significant public health or safety implications, the maxim does not apply. For instance, the adulteration of food items, regardless of the extent, is not covered by this doctrine.
- **Intent and Context:** The nature of the injury, the position of the parties, and the intent behind the action are considered to determine if the doctrine applies.

In *Tarapore & Co., Madras vs M/S. V/O Tractors Export, Moscow* (1970), AIR 891, the Hon'ble Supreme Court emphasized the need for meticulous scrutiny of documents in financial transactions involving letters of credit. It clarified that the maxim "De Minimis Non Curat Lex" does not apply in such cases. Once the seller meets the terms of the letter of credit, the bank is obligated to pay, regardless of disputes over whether the goods conform to the contract. The decision highlighted the importance of strict compliance with contractual terms in commercial dealings.

In *Raj Kumar vs The State of Uttar Pradesh* (2019), the Hon'ble Supreme Court did not apply the maxim "De Minimis Non Curat Lex" regarding slight violations under the Prevention of Food Adulteration Act, 1954. The Court emphasized that even minor deviations from food safety standards could adversely affect public health. Therefore, it upheld stringent enforcement of the Act, prioritizing public welfare over the principle that the law does not concern itself with trifling matters.

The doctrine of "De Minimis Non Curat Lex" is essential for judicial efficiency, ensuring that courts focus on substantial issues. However, its application is not absolute and depends on the context, intent, cumulative impact, and public interest involved in each case. The principle's primary goal is to prevent trivial matters from clogging the judicial system while ensuring justice in cases with significant implications.

3rd National Coordination Meeting Gallery



In the picture above: Sh. Sanjay Malhotra, Revenue Secretary, DoR



In the picture above (left to right): Shri Alok Shukla, Member (Administration & Vigilance), CBIC; Sh. Shashank Priya, Member (GST), CBIC; Sh. Sanjay Kumar Agarwal, Chairman CBIC



In the picture above (left to right): Sh. Rajiv Talwar, Member (Compliance Management), CBIC; Ms. Aruna Narayan Gupta, Member (IT), CBIC; Sh. Vivek Ranjan, Member (Tax Policy), CBIC



In the picture above: Ms. Seema Arora, Pr. DG, DGGST; Sh. Sujit Bhujabal, Member (Customs), CBIC



In the picture above: Ms. Simmi Jain DG, Audit; Sh. Vivek Aggarwal, Additional Secretary, DoR



In the picture above (left to right): Sh. Anil Kumar Gupta, Pr. DG, DGGI; Sh. Yogendra Garg, Pr DG, DG Systems



In the picture above (left to right): Sh. Pankaj Kumar Singh, Additional Secretary, GSTCS; Ms. Ashima Bansal, Joint Secretary, GSTCS; B. Sumidaa Devi, Joint Secretary, GSTCS



In the picture above Left to Right seated: Ms. Ministhy S, Commissioner of State Tax, Uttar Pradesh; Sh. I. S. Brijwal, Additional Commissioner (Sp. pay), State Tax, Uttarakhand; Sh. Devi Prasad Karanam, Commissioner of Commercial Taxes, West Bengal



In the picture above Left to Right: Sh. Arvind Mishra, Advisor, Rajasthan; Dr. Ravi Kumar Surpur, Chief Commissioner of Commercial Taxes, Rajasthan; Sh. Manoj Rai, Commissioner of Commercial Taxes, Sikkim



In the picture above (left to right): Ms. Limatula Yaden, JS, TRU; Sh. Sanjay Mangal, Pr. Commissioner, GSTPW; Sh. Balasubramanian Krishnamurthy, JS, DoR/TPRU



In the picture (left to right): Sh. Sanjay Kumar Singh, Chief Commissioner of CT & GST, Odisha; Harpinderpal Singh Ghotra, Additional Commissioner State Taxes, Punjab



In the picture above (left to right): Sh. Swatantra Kumar Singh, Commissioner of State Tax, Madhya Pradesh; Sh. Asheesh Sharma, Commissioner of State Tax, Maharashtra



In the picture above (left to right): Sh. Santosh Kumar Vatsa,, Commissioner State Tax, Jharkhand ; Ms. C. Shikha, Commissioner of State Tax, Karnataka; Dr. A. Jaythilak, Additional Chief Secretary to Government, Kerala



In the picture above (left to right): Sh. Sarpreet Singh Gill, Commissioner of State Tax, Goa; Sh. Samir Vakil, Chief Commissioner of State Tax, Gujarat



In the picture (left to right): Sh. S. Shekar, Additional Commissioner of State taxes, (IT wing), Andhra Pradesh; Shri Lobsang Tsering, Commissioner of State Tax, Arunachal Pradesh



In the picture above (left to right): Dr. Hemant Kumar, AETC; Dr. Yunus, Commissioner of State Tax, Himachal Pradesh; Sh. P.K. Bhatt, Commissioner of State Taxes, Jammu & Kashmir



In the picture above (left to right): Sh. Ramen Kr. Barman, Special Commissioner of State Tax, Assam; Sh. Binod Kumar Jha, Additional Commissioner State Tax, Bihar; Sh. Rajat Bansal, Commissioner of State Tax, Chhattisgarh



In the picture above (left to right): Shri Yumnam Indrakumar Singh, Joint Commissioner of Taxes, Manipur; Sh. Vember R. Challam, Deputy Commissioner of Taxes, Meghalaya



In the pictures above (left to right): Dr. D. Jagannathan, Commissioner of Commercial Taxes, Tamil Nadu; Dr. T.K. Sridevi, Commissioner of State Taxes, Telangana; Ms. Rakhi Biswas, Chief Commissioner of State Tax, Tripura



In the picture above (left to right): Sh. C.P. Goyal, Chief Commissioner, Bhopal Zone; Sh. Roopam Kapoor, Principal Chief Commissioner, Bengaluru Zone; Shri Chandrakant R. Valvi, Principal Commissioner, CGST Ahmedabad South



In the picture above (left to right): Sh. Venkatesham Anamala, Additional Commissioner (CCO), Nagpur Zone; Sh. Srinivas Murty Tata, Principal Chief Commissioner, Mumbai and Pune Zone; Sh. Rajeev Jain, Chief Commissioner, Customs & CGST Meerut



In the left picture (left to right): Sh. Sandeep Kumar, Superintendent; Sh. Vijay Malik, Inspector; Sh. Vineet Kumar, Superintendent; Sh. Shyam Bihari Meena, Tax Assistant; Sh. Sridhar Das, Under Secretary; Smt. P.R. Reshmi, Under Secretary; B. Sumidaa Devi, Joint Secretary; Sh. Pankaj Kumar Singh, Additional Secretary; Ms. Ashima Bansal, Joint Secretary; Sh. Kshitendra Verma, Director; Sh. Vikas Kumar, Tax Assistant; Ms. Sonia Kapoor, Superintendent; Ms. Ambika Rani, Superintendent; Sh. Himanshu Bhardwaj, Superintendent; Sh. Mohan Lal, Superintendent; Sh. Anand Singh, Inspector

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