

GST NEWSLETTER



GST Council Secretariat, New Delhi

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Goods and Services Tax Council





MESSAGE

The Goods and Services Tax (GST) framework continues to evolve, marked by significant reforms and robust revenue growth. In February 2025, gross GST collections surged to ₹1.83 lakh crores, reflecting a strong year-on-year growth of 9.1%, driven by increased domestic consumption and improved compliance. Net GST collections rose by 8.1% compared to the same month last year, while refunds issued saw a notable 17.3% increase, underscoring enhanced efficiency in tax administration.

The Government has notified amendments to the CGST Rules, with major changes effective from February 11, 2025. These include verification via facilitation centre if the person do not opt for Aadhaar authentication for GST registration, mandatory Unique Enrolment No. (FORM GST ENR-03) for e-way bill generation by an unregistered persons, and amendments in GSTR-3B to allow businesses to adjust negative tax liabilities of period tax period. Further amendments, effective April 1, 2025, include amendments for Input Service Distributors (ISD), changes in GSTR-7 to include invoice details and enhanced TCS reporting for e-commerce operators (GSTR-8). Additionally, GSTN has introduced home-state biometric authentication for promoters and directors, eliminating the need for visits to a designated GST Suvidha Kendra mapped to the business's jurisdiction, simplifying the registration process.

In a significant international engagement, a high-level Brazilian delegation, led by Hon'ble Governor Ronaldo Ramos Caiado, visited India to study its GST success story. Discussions focused on revenue-sharing model among States and Centre, tax administration, and digital governance. With these reforms and continued global collaboration, GST is set to become even more efficient, transparent, and business-friendly in the coming months.

Warm Regards

Pankaj Kumar Singh,
Additional Secretary

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High-Level Brazilian Delegation Engages in Knowledge Exchange on India's Successful GST Implementation



A high-level delegation from Brazil, led by the Hon'ble Governor Ronaldo Ramos Caiado, visited India to engage in a knowledge exchange on the country's successful implementation of Goods and Services Tax (GST). The delegation expressed keen interest in understanding India's GST framework and the strategies that contributed to its successful implementation, with a view to informing potential tax reforms in Brazil.



The discussions focused on India's approach to overcoming regional challenges, revenue sharing among various States, streamlining tax administration, and ensuring seamless coordination between the Central and State governments. The delegation acknowledged India's achievements and appreciated the insights shared during the interactions.



During the visit, the GST Council Secretariat presented an overview of GST and its successful journey, while GSTN provided insights into the technical aspects of the system. Gujarat shared its perspective on GST adoption at the state level and its broader impact, whereas DGGI highlighted key enforcement measures.

The visit facilitated a productive exchange of ideas, strengthening bilateral engagement and fostering opportunities for collaborative learning in tax administration and policy reforms.

➡ **Notification No. 09/2025 - Central Tax dated 11.02.2025 seeks to bring rules 2, 8, 24, 27, 32, 37, 38 of the CGST (Amendment) Rules, 2024 in to force**

The Central Government vide the said Notification has notified effective dates for various amendments to the Central Goods and Services Tax (CGST) Rules as introduced through Notification No. 12/2024-Central Tax, dated 10.07. 2024.

The amendments that will be effective from 11.02.2025 are:

Rules 2: It inserted proviso to Rule 8(4A) to streamline Aadhaar authentication for GST registration. Applicants those who do not opt for Aadhaar authentication must visit a Facilitation Centre for photograph and document verification.

Rule 24: It inserted proviso to Rule 138(3), introducing FORM GST ENR-03 for unregistered persons to generate e-way bills, assigning a Unique Enrolment Number (UEN) upon successful validation.

Rule 27: It introduced new Form GST ENR-03.

Rule 32: It has substituted Table 6.1 and omitted Table 6.2 of the FORM GSTR-3B.

The amendments that will be effective from 01.04.2025 are:

Rule 8: It amends Rule 39 concerning Input Service Distributors (ISD). Key changes include restricting ITC distribution to the available credit and introducing sub-rule (1A) for distribution of RCM credit within the same PAN and State code.

Rule 37: It introduced changes to GSTR-7 . The revised format amends Table 3 and Table 4.

Clause (ii) of Rule 38: It introduced changes to GSTR-8 .

Circulars

➡ **Circular No. 247/04/2025-GST dated 14.02.2025 regarding GST rates & classification (goods) based on the recommendations of the GST Council in its 55th meeting**

The Central Government vide the said Circular has clarified regarding the applicability of GST on following goods:

i) It is clarified that pepper of genus Piper, whether green (fresh), white or black falls under HS 0904 and attracts 5% GST vide S. No. 38 of Schedule I of Notification No. 1/2017-CTR dated 28.06.2017. Further, as per Section 23(1)(b) of the CGST Act, agriculturists supplying dried pepper from their plantations, to the extent of supply of produce out of cultivation of land is not liable to take registration and are exempt from GST.

ii) It is also clarified that an agriculturist supplying raisins is not liable to be registered under Section 23(1) of the CGST Act and is exempt from GST.

iii) It is clarified that ready to eat popcorn which is mixed with salt and spices are classifiable under HS 2106 90 99. It is also clarified that such ready to eat popcorn mixed with salt and spices classifiable under

HS 2106 90 99 attracts 5% GST if other than pre-packaged and labelled vide S. No. 101A of Schedule I of Notification No. 1/2017-Central Tax (Rate) dated the 28.06.2017 and 12% GST if sold as packaged and labelled vide S. No. 46 of Schedule II of Notification No. 1/2017-Central Tax (Rate) dated the 28.06.2017, as it has the essential character of namkeens. However, when the popcorn is mixed with sugar thereby changing its character to sugar confectionery (e.g. caramel popcorn), it would be classifiable under HS 1704 90 90 attracting 18% GST vide S. No. 12 of Schedule II of Notification No. 1/2017-Central Tax (Rate) dated the 28.06.2017. Further, in view of the prevailing genuine doubts regarding the applicability of GST rate on ready to eat popcorn mixed with salt and spices, it has been clarified that the issue for past period up to 14.2.2025 is regularized on 'as is where is' basis.

iv) It is clarified that fly ash bricks, fly ash aggregates and fly ash blocks classifiable under HS 6815 attract 12% GST vide S. No. 176B of Schedule II of Notification No.1/2017-Central Tax (Rate) dated 28.06.2017. Articles of cement, of concrete or of artificial stone, whether or not reinforced, classifiable under HS 6810 attract 18% GST vide S. No. 181 of Schedule III of Notification No. 1/2017-Central Tax (Rate) dated 28.06.2017. It is also clarified that autoclaved aerated concrete (AAC) blocks containing more than 50% fly ash content will fall under HS 6815 and attract 12% GST.

v) Prior to the 50th GST Council meeting, vide entry at S.No. 52B in the Notification No. 01/2017-Compensation Cess (Rate) dated 28.06.2017, motor vehicles of engine capacity exceeding 1500 cc, popularly known as SUVs, including utility vehicles attracted 22% Compensation Cess. Following the 50th GST Council meeting, vide Notification No. 03/2023- Compensation Cess (Rate) dated 26.07.2023, the entry 52B was substituted to provide that the cess will be applicable to all motor vehicles known as utility vehicles by whatever name called, with engine capacity exceeding 1500cc, length exceeding 4000mm and ground clearance of 170mm and above. Further, a new explanation was added that ground clearance means ground clearance in unladen condition. It is clarified that the amendment carried out vide Notification No. 03/2023- Compensation Cess (Rate) dated 26.07.2023 will apply on or after 26.07.2023.

Instructions/Guidelines

➡ **Instruction No. 02/2025-GST dated 07.02.2025 regarding procedure to be followed in department appeal filed against interest and/or penalty only, related to Section 128A of the CGST Act, 2017**

Section 128A of the CGST Act, 2017, read with Rule 164 of the CGST Rules, provides waiver of interest or penalty or both, relating to demands under Section 73 of the CGST Act for FY 2017-18, 2018-19, and 2019-20, subject to certain conditions. Further vide Circular No. 238/32/2024-GST dated 15.10.2024, various doubts related to section 128A were clarified. It is clarified that cases where the tax due has already been paid and the notice or demand orders under Section 73 only pertain to interest and/or penalty shall be considered for availing the benefit of Section 128A. Further, it is clarified that just because the department has gone in appeal or is in the process of filing an appeal, a taxpayer who is otherwise eligible for availing the benefit of Section 128A should not be denied the benefits.

Based on the above, in cases where the tax amount has been fully paid by the taxpayer on demands made under Section 73 and the department is in appeal or under the process of filing an appeal only on account of wrong interest calculation and/or wrong imposition or non-imposition of penalty under the CGST Act or IGST Act, and the taxpayer fulfills other conditions of Section 128A and the rules made thereunder, the proper officer may proceed towards withdrawing such appeal filed and, in cases where the order under Section 73 is under review stage only, accept the same.

➡ **Advisory for Biometric-Based Aadhaar Authentication and Document Verification for GST Registration Applicants of Jharkhand and Andaman and Nicobar Islands**

GSTN vide this advisory has informed the taxpayers about the recent developments concerning the application process of the GST registration. They have listed some key points to be kept in mind during the registration process.

The above-said functionality has been developed by GSTN. It has been rolled out in Jharkhand and Andaman and Nicobar Islands on 15.02.2025. Rule 8 of the CGST Rules, 2017 has been amended to provide 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 detailed guidelines are available at the link provided below.

[Portal update on 18.02.2025](#)

➡ **Advisory on Introduction of Form ENR-03 for Enrolment of Unregistered Dealers/Persons in e-Way Bill Portal for generating e-way Bill**

A new feature has been introduced in the E-Way Bill (EWB) system to facilitate the enrolment of unregistered dealers supplying goods, with effect from 11.02.2025. In accordance with Notification No. 12/2024 dated 10th July 2024, Form ENR-03 has been introduced for the enrolment of unregistered dealers.

Unregistered dealers engaged in the movement or transportation of goods can now generate e-Way Bills by enrolling themselves on the EWB portal and obtaining a unique Enrolment ID. This ID will serve as an alternative to the Supplier GSTIN or Recipient GSTIN for generating e-Way Bills.

For detailed advisory on user guide for ENR-03 Enrolment, please visit the link mentioned below:

https://tutorial.gst.gov.in/downloads/news/user_manual_for_enr_03_final.pdf

[Portal update on 15.02.2025](#)

➡ **Advisory for GST Registration Process (Rule 8 of CGST Rules, 2017)**

In line with recent developments in the GST registration process, applicants must adhere to the following steps as per Rule 8 of the CGST Rules, 2017:

1. Applicants Not Opting for Aadhaar Authentication:

- Must visit the designated GST Suvidha Kendra (GSK) for photo capturing and document verification.
- Upon selecting "NO" for Aadhaar authentication, an email will be sent with GSK details and required documents.
- Schedule an appointment via the provided link and visit the GSK at the scheduled time.

2. Applicants Opting for Aadhaar Authentication and Identified for Biometric Authentication:

- Promoters/Partners must visit the GSK for biometric authentication and photo capturing followed by the Primary Authorized Signatory (PAS).
- The Primary Authorized Signatory (PAS) is required to carry the documents listed in the intimation email for verification at the GSK. Additionally, the PAS must undergo photo capturing and biometric

authentication at the GSK as part of the process.

- If a Promoter/Partner has already been biometric verified in any State/UT during a previous registration, they will not need to visit the GSK again for photo capturing, biometric authentication, or document verification for any other entity where they act as Promoter/Partner. However, if she/he becomes the PAS of the entity, only document verification at the GSK will be required.
- In case PAS has already been biometric verified in any State/UT during a previous registration, she/he will need to visit the GSK only for document verification.
- If the Promoter/Partner and PAS are the same individual, she/he must visit the GSK for photo capturing, biometric authentication, and document verification. If already biometric verified in the past, only document verification at the GSK is required.

3. Non-Generation of ARN:

- If any Promoter/Partner or PAS fails to complete biometric authentication or document verification within 15 days of submitting Part B of REG-01, the ARN will not be generated. Ensure Aadhaar details are accurate to avoid authentication failures. If any discrepancies occur, update Aadhaar and visit the GSK within 15 days.
- For non-Aadhaar applicants: If photo capturing or document verification is not completed within 15 days, the ARN will not be generated.

Taxpayers are urged to follow this advisory for smooth GST registration processing.

Portal update on 12.02.2025

➡ **Advisory for Biometric-Based Aadhaar Authentication and Document Verification for GST Registration Applicants of Maharashtra and Lakshadweep**

GSTN vide this advisory has informed the taxpayers about the recent developments concerning the application process of the GST registration. They have listed some key points to be kept in mind during the registration process.

The above-said functionality has been developed by GSTN. It has been rolled out in Maharashtra and Lakshadweep on 08.02.2025. Rule 8 of the CGST Rules, 2017 has been amended to provide 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 detailed guidelines are available at the link provided below.

Portal update on 08.02.2025

➡ **Advisory on e-way bill generation for goods under Chapter 71**

Rule 138(14) of the Central Goods and Services Tax (CGST) Rules, 2017, read with its Annexure S.Nos. 4 and 5, states that goods covered under Chapter 71 viz., Natural or cultured pearls and precious or semi-precious stones; precious metals and metals clad with precious metal, Jewellery, goldsmiths', and silversmiths' articles, except those classified under HSN 7117(Imitation Jewellery), are exempt from the mandatory requirement of generating an E-Way Bill.

Pursuant to the introduction of the E-Way Bill (EWB) for goods classified under Chapter 71, excluding HSN 7117 (Imitation Jewellery), in the state of Kerala for intra-state movement, the National Informatics Centre (NIC) has provided an option to generate EWBs for goods covered under Chapter 71 except 7117 under the category "EWB for Gold" on the EWB portal.

It has been observed that various industry stakeholders have voluntarily been generating EWBs for goods under Chapter 71 due to the availability of this option in the EWB system. In this regard, it is clarified that while the system previously allowed EWB generation for goods under Chapter 71, this facility has now been withdrawn.

Accordingly, taxpayers and transporters engaged in the movement of goods under Chapter 71 (except HSN 7117) are advised that EWB generation is not required. However, it may be noted that for the intrastate movement of such goods within the state of Kerala, the generation of an EWB has been mandated vide Notification No.10/24-State Tax dated 27/12/24 issued by the state of Kerala. An advisory dated 27.01.2025 has already been issued in this regard.

Industry stakeholders are requested to take note of this clarification and ensure compliance with the applicable regulatory provisions.

Portal update on 06.02.2025

➡ Gross and Net GST revenue collections for the month of Jan, 2025

Gross and Net GST revenue collections for the month of January, 2025 and the same is given below.

https://tutorial.gst.gov.in/downloads/news/approved_monthly_gst_data_for_publishing_jan_2025.pdf

Portal update on 01.02.2025

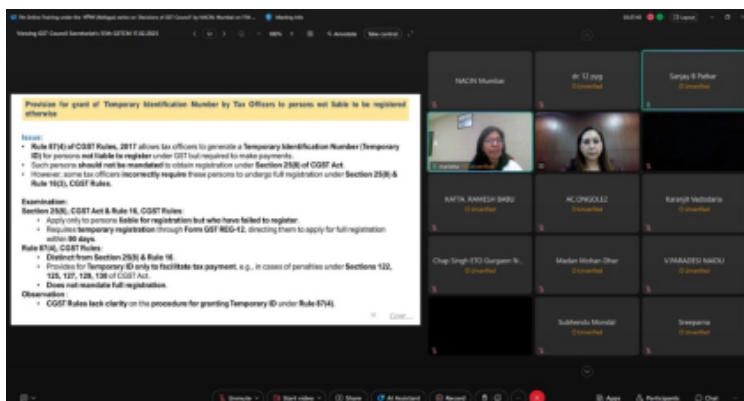
Best Practices/Outreach Programmes across India

➡ Interactive Session with Industry & Trade Associations: Strengthening Collaboration



Great insights were shared during the interactive session with the industry and trade association, led by Sh. Shashank Priya, Member, CGST, CBIC. The session fostered a productive dialogue between industry leaders and trade associations, aiming to enhance collaboration and drive growth in the sector.

➡ NACIN Mumbai Conducts Training on 'Decisions of GST Council'



As part of its Abhigya series, NACIN Mumbai organized an online training on 'Decisions of GST Council' on 17.02.2025. The session was conducted by Dr. Shaifali G. Singh (IRS), Director, GST Council Secretariat and was attended by 415 officers from State Tax and CGST across India.

Farewell



In the Picture above: Sh. Pankaj Kumar Singh, Additional Secretary felicitating Smt. B. Sumidaa Devi, Joint Secretary. We extend our heartfelt best wishes to Smt. B. Sumidaa Devi, Joint Secretary (GSTCS), as she joins CBIC. We are grateful for her invaluable contributions and dedicated services. We wish all the best for her future endeavours.



In the Picture above(left to right): Dr. Shaifali G. Singh, Director; Sh. Sudhir Kumar, Section Officer; Sh. Pankaj Kumar Singh, Additional Secretary; Sh. Anil Kumar, Dy. Secretary. We also extend our best wishes to Sh. Sridhar Das, Under Secretary, as he joins GSTAT. We also bid farewell to Sh. Sudhir Kumar, Section Officer, on his superannuation. We are grateful for his dedicated service and wish him the very best for the future.

Welcome

We extend a warm welcome to Smt. Shailja Singh, Section Officer and Sh. Jitender, Superintendent who have joined the GST Council Secretariat. We look forward to working closely with them and excited for fresh perspectives that they both will bring to our organisation.

➡ *Res Integra*

The legal maxim *Res Integra* refers to a matter that is entirely new or has not been previously adjudicated. When a point of law remains undecided, courts have the discretion to rule on it without being bound by past precedents. However, once settled through judicial pronouncements, it is no longer *res integra*, and courts must adhere to established principles for consistency and legal certainty.

The Supreme Court has reaffirmed this in various rulings. In *Union of India Vs. K.V. Lakshman* (2016), it was held that the powers of a first appellate court are well-defined and no longer *res integra*. Similarly, in *Manuara Khatun Vs. Rajesh Kr. Singh* (2017), it was ruled that an insurer's liability in compensation claims has been repeatedly settled, making it no longer *res integra*. Likewise, in *Kanachur Islamic Education Trust Vs. Union of India* (2017), it was held that the right to a fair hearing is a fundamental aspect of natural justice and is no longer *res integra*.

Exceptions exist where settled principles may be reconsidered, such as in cases of conflicting precedents, statutory amendments, or significantly different factual circumstances. While *res integra* ensures judicial efficiency by preventing re-litigation of settled issues, courts may revisit past rulings when necessary for legal evolution or correction.

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