

GST NEWSLETTER



GST Council Secretariat, New Delhi

Issue-73, April, 2025



Goods and Services Tax Council





MESSAGE

The Government remains committed to enhancing the taxpayer experience and strengthening compliance systems. In response to grievances regarding the GST registration process, new instructions have been issued to ensure that officers strictly adhere to the prescribed documentation norms. These measures aim to simplify procedures, avoid unnecessary notices, and promote a more transparent and efficient registration system.

To further assist applicants, CBIC has set up a dedicated email-based grievance mechanism under Instruction No.04/2025 dated 02.05.2025 for Central-jurisdiction GST registration applicants to raise issues/queries (with ARN, jurisdiction, and brief summary). State-jurisdiction cases will be forwarded appropriately, and zonal heads will ensure timely resolution and submit monthly report to the DGGST. It is to ensure direct communication and quicker resolution of registration issues.

The Government has clarified that reports suggesting GST on UPI transactions over ₹2,000 are entirely false and baseless. There is no such proposal under consideration. As no Merchant Discount Rate (MDR) is charged on Person-to-Merchant (P2M) UPI transactions, following its removal in January 2020, GST is not applicable. To promote digital payments, an Incentive Scheme has been in place since FY 2021-22, supporting low-value UPI (P2M) transactions and benefiting small merchants by reducing costs and encouraging wider adoption.

Meanwhile, GST collections in April, 2025 touched an all-time high of ₹2.36 lakh crore, marking a 12.6% increase Y-o-Y, reflecting robust economic activity and effectiveness of cooperative federalism.

Warm Regards

Pankaj Kumar Singh,
Additional Secretary

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No GST on UPI Transactions Over ₹2,000: Government Denies Claims

The claims that the Government is considering levying Goods and Services Tax (GST) on UPI transactions over ₹2,000 are completely false, misleading, and without any basis. Currently, there is no such proposal before the Government. GST is levied on charges, such as the Merchant Discount Rate (MDR), relating to payments made using certain instruments.

Effective January 2020, the Central Board of Direct Taxes (CBDT) has removed the MDR on Person-to-Merchant (P2M) UPI transactions through the Gazette Notification dated 30th December 2019.

Since currently no MDR is charged on UPI transactions, there is consequently no GST applicable to these transactions.

The Government remains committed to promoting digital payments via UPI.

To support and sustain the growth of UPI, an Incentive Scheme has been operational from FY 2021-22. This scheme specifically targets low-value UPI (P2M) transactions, benefiting small merchants by alleviating transaction costs and promoting wider participation and innovation in digital payments.

The total incentive payouts under this scheme over the years reflect the Government's sustained commitment to promoting UPI-based digital payments. Allocation under the scheme over the years has been:

- FY2021-22: ₹1,389 crore
- FY2022-23: ₹2,210 crore
- FY2023-24: ₹3,631 crore

These measures have significantly contributed to India's robust digital payments ecosystem. According to the ACI Worldwide Report 2024, India accounted for 49% of global real-time transactions in 2023, reaffirming its position as a global leader in digital payments innovation. UPI transaction values have seen an exponential increase, growing from ₹21.3 lakh crore in FY 2019-20 to ₹260.56 lakh crore by March 2025. Specifically, P2M transactions have reached ₹59.3 lakh crore, reflecting growing merchant adoption and consumer confidence in digital payment methods.

[Source: PIB release dated 18.04.2025](#)

CBIC issues revised instructions for processing applications for GST registration by CBIC formations

Several grievances have been received by the Central Board of Indirect Taxes and Customs (CBIC), Department of Revenue, Ministry of Finance, regarding difficulties being faced by applicants during the GST registration process, mainly on account of queries raised by officers on the grounds of seeking additional documents.

To resolve these grievances and to smoothen GST registration process, CBIC has issued instructions on 17th April, 2025 (Instruction No. 03/2025-GST) to the officers for processing GST registration applications. Officers have been instructed to strictly adhere to the prescribed list of documents provided in registration application form. Requisite documents in specific cases to be uploaded with registration application form have also been delineated in the instructions.

Officers have been directed not to issue notices based on presumptive grounds, minor discrepancies, or for additional documents that are not essential for processing applications. Officers have been also directed to seek approval of the concerned Deputy/Assistant Commissioner in cases where document apart from the listed documents is required to be sought.

The Zonal Principal Chief Commissioner/Chief Commissioners have been advised to devise mechanism to closely monitor and issue suitable trade notices, wherever required. It has also been advised that the strict action should be taken against the officers deviating from these instructions.

This will further facilitate in the process of getting GST registration, ease compliance burden, and promote ease of doing business.

Please follow the following links for detailed instructions:

<https://taxinformation.cbic.gov.in/VIEW-PDF/1000532/ENG/INSTRUCTIONS>

[CLICK HERE FOR ALTERNATE LINK OF INSTRUCTION NO. 03/2025-GST](#)

[Source: PIB release dated 18.04.2025](#)

Instructions/Guidelines

➡ **Instruction No. 03/2025-GST dated 17.03.2025 regarding instructions for processing of applications for GST registration**

The Central Board of Indirect Taxes and Customs (CBIC) has issued fresh and detailed guidelines to ensure transparency, uniformity, and efficiency in the processing of applications for GST registration. This step has been taken in view of multiple grievances received from taxpayers about undue delays and unwarranted demands for additional documents. While reiterating the need to remain vigilant against fraudulent entities seeking registration, the CBIC has clarified that bona fide applicants should not face unnecessary procedural obstacles.

Although earlier guidelines were issued vide Instruction No. 03/2023-GST dated 14.06.2023, given changes in the back office system and increasing complaints, comprehensive instructions are now being issued to supersede the earlier ones and provide clarity to officers.

An indicative list of documents has been prescribed in FORM GST REG-01, for submission along with the registration application. The officers handling registration applications should go through the documents list referred to above and should strictly adhere to the following instructions in respect of processing of registration application:

For proof of Principal Place of Business (PPOB), in cases where the premises are owned, any one document from the prescribed list such as property tax receipt, municipal khata copy, or copy of electricity bill of the owner or any similar document such as water bill or any other document prescribed under the State or the local laws which clearly establishes the ownership of the premises submitted by the applicant should suffice. No additional documents should be requested. While processing registration application, query should not be raised by the officer seeking original physical copy of these documents.

In cases where premise is rented, the applicant must upload a valid rent /lease agreement along with one document as mentioned for evidencing ownership of the premises by the lessor. Documents such as the lessor's PAN card, Aadhaar card, or photographs are not required. Further, it is advised that if the rent/lease agreement is unregistered, then agreement along with any one of the documents mentioned in the above list and a copy of the identity proof of the lessor should be sufficient. If registered, then no identity proof of the lessor is required. Furthermore, if the utility bill is in the applicant's name, then that along with the rent agreement is sufficient.

For premises where the ownership of premises is with spouse, relative etc., a consent letter in plain paper by the concerned owner of the premises along with a copy of the identity proof of the person granting consent along with any one of the documents as mentioned in list of documents appended to FORM GST REG-01 in support of ownership of the premises of the consenter should suffice.

Similarly, in shared premises where a rent/lease agreement is available, uploading that along with his identity proof of the consenter and any of the said documents in support of ownership of the premises of the consenter is sufficient. In case of rented/leased premises, where rent or lease agreement is not available, an affidavit to that effect along with any document prescribed in the FORM GST REG-01. If the principal place of business is located in the Special Economic Zone or the applicant is a Special Economic Zone developer, necessary documents/certificates issued by the Government of India are required to be uploaded.

With respect to the constitution of business, applicants who are partners in a firm must upload the partnership deed. No additional documents such as Udyam certificate, MSME certificate, shop establishment license, or trade license etc. should be sought. In cases, where the applicant is Society, Trust, Club, Government Department, Association of Persons or Body of Individuals, Local Authority, Statutory Body and Others etc., Registration Certificate/Proof of Constitution is required to be uploaded by the applicant.

Officers are advised not to raise presumptive queries which is not related to the documents or information submitted by the applicant, such as the residential address of the applicant /Managing Director/Authorized Signatory being in a different state or city, or the unsuitability of the registered premise for a particular business activity etc.

While processing applications, officers must ensure that all documents uploaded in FORM GST REG-01 are legible, complete, and relevant. Details provided should be carefully examined by the proper officer to check completeness of the same, to correlate and cross-verify the same with the uploaded documents and to check the authenticity of the applicant. The details of the address of principal and additional places of business and the corresponding documents uploaded with the application as proof of address may be closely scrutinised to verify completeness and correctness of address of such places of business. Further, to the extent possible, the authenticity of the documents furnished as proof of address may be cross-verified from the publicly available sources.

Applications not flagged as risky should be approved within 7 working days if complete and without deficiency. However, if the application has undergone aadhar authentication and is flagged as risky, or fails to undergo authentication of Aadhar number, or does not opt for Aadhar

authentication, or, if the officer deems it fit to conduct physical verification, then registration must be granted within 30 days after such physical verification. Officers must upload physical verification reports in FORM GST REG-30, along with other documents, at least 5 days prior to the expiry of the time period 30 days from the date of submission of application. Clarifications from the applicant might be sought through FORM GST REG-03 in certain cases as specified in the Instruction at Para 8 (v). Such notices must be issued within 7 working days for non-risky applications and within 30 days where the applications have been flagged as risky as mentioned in para 8(v) of the said Instruction. However, if any document apart from the listed documents is required to be sought, the officer shall seek the same only after the approval of the concerned Deputy/Assistant Commissioner. Officers must avoid raising queries based on minor or irrelevant deficiencies.

Applicants are required to respond to notices in FORM GST REG-04 within 7 working days from the date of receipt of notice issued in FORM GST REG-03. The proper Officer must examine these replies carefully and, if satisfied, approve the registration within 7 working days from the date of receipt of such reply. However, where the proper officer is not satisfied with the clarification, information or documents furnished by the applicant, he may, for reasons to be recorded in writing, reject such application and inform the applicant electronically in FORM GST REG-05 within 07 working days from the date of receipt of reply.

In cases where no reply to the notice is furnished by the applicant within 07 working days from the date of issuance of notice in FORM GST REG-03, the officer may, for reasons to be recorded in writing, reject such application and inform the applicant electronically in FORM GST REG-05 within 07 working days from the date of expiry of time limit of filing reply.

GST Portal Updates

➡ **Advisory on reporting values in Table 3.2 of GSTR-3B**

GSTN vide this advisory has informed the taxpayers about the recent developments on reporting values in Table 3.2 of GSTR-3B. They have listed some key points to be kept in mind during reporting values in Table 3.2 of GSTR-3B.

1. From April-2025 tax period, inter-state supplies auto-populated in Table 3.2 of GSTR-3B will be made non-editable. The GSTR-3B shall be filed with the auto-populated values as generated by the system only.
2. In case any modification/amendment is required in auto-populated values of Table 3.2 of GSTR-3B, same can be done only by amending the corresponding values in respective tables of GSTR-1A or through Form GSTR-1/IFF filed for subsequent tax periods.
3. To ensure that GSTR-3B is filed accurately with the correct values of inter-state supplies, it is advised to report the correct values in GSTR-1, GSTR-1A, or IFF. This will ensure the auto-populated values in Table 3.2 of GSTR-3B are accurate and compliant with GST regulations.

It has also been stated that there is no cut-off date for filing Form GSTR-1A before GSTR-3B which means Form GSTR-1A can be filed after filing Form GSTR-1 and till the time of filing Form GSTR-3B. Hence, any amendment required in auto-populated values of table 3.2, same can be carried out

through Form GSTR-1A till the moment of filing GSTR-3B.

The detailed guidelines are available at the link provided below.

[Portal update on 11.04.2025](#)

➡ **Advisory on Case Insensitivity in IRN Generation**

GSTN vide this advisory has informed the taxpayers that, effective 1st June 2025, the IRP (Invoice Reporting Portal) would treat invoice/document numbers as case-insensitive for the purpose of IRN generation. To ensure consistency and avoid duplication, invoice numbers reported in any format (e.g., "abc", "ABC", or "Abc") would be automatically converted to uppercase before IRN generation. This change aligns with the treatment of invoice numbers in GSTR-1, which already treats them as case-insensitive.

The detailed guidelines are available at the link provided below.

[Portal update on 04.04.2025](#)

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

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 Assam on 01.04.2025. 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 02.04.2025](#)

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

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

https://tutorial.gst.gov.in/downloads/news/approved_monthly_gst_data_for_publishing_mar_2025.pdf

[Portal update on 01.04.2025](#)

Best Practices/Outreach Programmes across India

➡ **GRC Meeting Held at CGST & Customs, Nagpur Zone**

The Grievance Redressal Committee (GRC) meeting was held on 04.04.2025 at the CGST & Customs office, Nagpur Zone. The meeting was chaired by Shri K.C. Johny, Chief Commissioner, CGST & Customs, Nagpur Zone. Officers from State GST and representatives of major Trade Associations also participated in the meeting.



➡ Launch of DISHA – Self-Help App for Visitors and Taxpayers

DISHA, a self-help mobile application designed to assist visitors and taxpayers in locating offices and sections within the CGST & Customs Pune Zone, was launched by Shri Mayank Kumar, Chief Commissioner, CGST & Customs Pune Zone.



In – House Activity



In the Picture above: Dr. Shailfali G. Singh, Director and Ms. P.R. Reshmi, Under Secretary, GSTCS felicitating Ms. Shreyansee Jain, Ms. Harini K R and Mr. Jarad Pratik Anil (IAS officers of 2023 batch, attached as Assistant Secretaries in Department of Revenue)

Training of 2023 batch IAS probationers was conducted by the GST Council Secretariat on 29.04.2025 to familiarize them with GST-related matters, including compliance burden reduction, broadening the taxpayer base, and curbing tax evasion.

Legal Corner

➡ **Factum Probandum**

The principle of Factum Probandum refers to the main or ultimate fact that a party must prove in a legal proceeding in order to succeed. It is a Latin term meaning “the fact to be proved,” and is foundational in the law of evidence. The Bharatiya Sakshya Adhiniyam, 2023 (BSA), Section 2(1)(g) defines facts in issue (Factum Probandum) as facts that must be proven to establish the rights or liabilities of the parties. Section 3 of the BSA allows evidence of such facts to be presented in legal proceedings. Key Features of Factum Probandum:

It is the main fact in issue.

It must be proved for a party to succeed.

It is determined by substantive law and framed in the issues of a case.

Evidence (facta probantia) is led to establish it.

In contrast, "factum probans" denotes the evidentiary or subordinate facts presented to prove the factum probandum. These are the pieces of evidence—such as documents, witness testimonies, or physical objects—that support or establish the main fact in issue. The distinction between these two is crucial: while factum probandum outlines what needs to be proven, factum probans comprises the means by which it is proven. The relationship between factum probandum and factum probans is foundational in understanding legal proceedings. For instance, in a dispute where a taxpayer claims input tax credit (ITC) under GST, the factum probandum may be the existence of a valid and genuine supply, while the factum probans could include invoices, GST returns, payment records, and transport documents.

The burden of proof and factum probandum are closely related to each other. While the burden of proving the factum probandum typically lies with the party asserting it, certain legal provisions can shift this burden. For example, under the Protection of Children from Sexual Offences (POCSO) Act, the burden may shift to the accused to prove innocence once the prosecution establishes certain foundational facts. Such exceptions underscore the importance of understanding the interplay between factum probandum and factum probans, as well as the allocation of the burden of proof in various legal contexts.

The concept of factum probandum is integral to legal proceedings, guiding the identification of the main fact in issue that requires proof. Its distinction from factum probans ensures clarity in legal arguments and the presentation of evidence, thereby facilitating the court's ability to adjudicate matters effectively.

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5th Floor, Tower-II, Jeevan Bharati Building, Connaught Place, New Delhi 110 001

Ph: 011- 23762656

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