

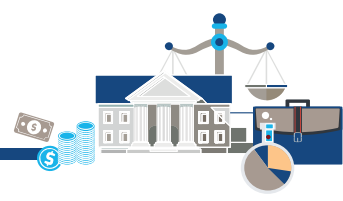
Key Notifications Post 54th GST Council Meeting

The Central Government, through various notifications, has implemented the rate changes proposed in the 54th GST Council meeting. In addition to the rate changes, notifications have also been issued to prescribe the procedure for rectification of orders issued for violations of Section 16(4) of the CGST Act, 2017 and to give effect to the CGST (Second Amendment) Rules, 2024.

This alert captures the key changes:

Amendments effective from October 8, 2024	
Subject	Particulars
Procedure for rectification of order notified ¹	<ul style="list-style-type: none"> • Registered persons against whom an order has been issued under Sections 73, 74, 107, or 108 of the Central Goods and Services Tax Act, 2017 ('CGST Act') for wrongful availment of Input Tax Credit (ITC) due to a violation of Section 16(4), may seek rectification if the ITC is now deemed valid under Section 16(5) or (6) and no appeal has been filed against the said order. The following procedures must be adhered to for rectification: <ul style="list-style-type: none"> – Eligible persons must submit an electronic application on the GST portal within six months from the date of this notification, providing the requisite details in the prescribed format – The officer who issued the original order shall act as the proper officer responsible for processing the rectification application – The rectification order must be issued within three months from the date of the application – If the original order pertains to Sections 73 or 74, the summary of rectified order shall be uploaded in Form GST DRC-08 – If the original order pertains to Sections 107 or 108, the summary of rectified order shall be uploaded in Form GST APL-04 • If the rectification adversely affects the taxpayer, the authority must ensure adherence to the principles of natural justice throughout the process

¹Notification No 22/2024-Central Tax dated October 8, 2024



Amendments effective from October 10, 2024

Subject	Particulars															
Extension of GST Exemption²	<ul style="list-style-type: none"> Services such as renting metering equipment, testing meters/ transformers/ capacitors, providing new electricity connections, shifting meters/service lines and issuing duplicate bills, incidental or ancillary to the supply of electricity transmission and distribution Research and development services provided against consideration received in the form of grants supplied by: <ul style="list-style-type: none"> Government Entity, or Research association, university, college or any institution notified under Income Tax Act, 1961 provided they are notified as such at the time of supplying the research and development services Affiliation services provided by a Central or State Educational Board, Council or similar body to a school established, owned or managed by the Central Government, State Government, Union Territory, local authority, governmental authority or government entity 															
Change in GST rates³	<table border="1"> <thead> <tr> <th>Product description</th> <th>Old Rate</th> <th>New Rate</th> </tr> </thead> <tbody> <tr> <td>Extruded or Expanded Products savoury or salted, other than un-fried or un-cooked snack pellets by whatever name called, manufactured through process of extrusion</td> <td>18%</td> <td>12%</td> </tr> <tr> <td>Cancer drugs namely (Trastuzumab Deruxtecan, Osimertinib and Durvalumab)</td> <td>12%</td> <td>5%</td> </tr> <tr> <td>Seats of kind used for motor vehicles (HSN 9401 2000)</td> <td>18%</td> <td>28%</td> </tr> <tr> <td>Transportation of passengers by air in a helicopter on a seat-share basis⁴</td> <td>12%</td> <td>5%</td> </tr> </tbody> </table> <p>Dhruva Comments: While increasing the GST rate on motor vehicle seats, no change has been made on the rate on parts of seat under HSN 94019100/ 94019900</p>	Product description	Old Rate	New Rate	Extruded or Expanded Products savoury or salted, other than un-fried or un-cooked snack pellets by whatever name called, manufactured through process of extrusion	18%	12%	Cancer drugs namely (Trastuzumab Deruxtecan, Osimertinib and Durvalumab)	12%	5%	Seats of kind used for motor vehicles (HSN 9401 2000)	18%	28%	Transportation of passengers by air in a helicopter on a seat-share basis ⁴	12%	5%
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Reverse Charge Mechanism (RCM) levy expanded	<ul style="list-style-type: none"> Purchase of metal scrap by a registered person from an unregistered person⁵ Renting of any property, excluding residential dwellings by a registered person from an unregistered person⁶ <p>Dhruva Comments: The Notification while prescribing the RCM levy on renting uses the phrase renting of “any property” and hence creates an ambiguity on the applicability of reverse charge on any property vis-à-vis commercial property as recommended by GST Council</p>															

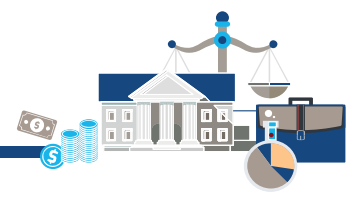
² Notification No 08/2024-Central Tax (Rate) dated October 8, 2024

³ Notification No 05/2024-Central Tax (Rate) dated October 8, 2024

⁴ Notification No 07/2024-Central Tax (Rate) dated October 8, 2024

⁵ Notification No 06/2024-Central Tax (Rate) dated October 8, 2024

⁶ Notification No 09/2024-Central Tax (Rate) dated October 8, 2024



Amendments effective from November 1, 2024

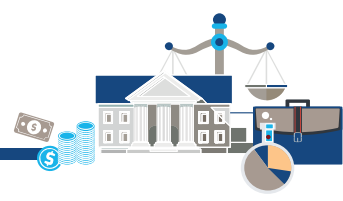
Subject	Particulars						
Timelines to pay tax under amnesty scheme⁷	<ul style="list-style-type: none"> In accordance with Section 128A, to avail the benefit of interest and penalty waiver upon full payment of tax (on demands raised under Section 73 for the Financial Years 2017-18 to 2019-20), the notified timelines for making such tax payments are as follows: <table border="1"> <thead> <tr> <th>Particulars</th> <th>Last date for payment</th> </tr> </thead> <tbody> <tr> <td>For notice, statement or order as referred in Section 128A (a), (b) or (c)</td> <td>March 31, 2025</td> </tr> <tr> <td>Notices issued under Section 74(1) to be treated as issued under Section 73(1) if an order is passed or required to be passed under Section 75(2) as directed by the Appellate Authority, Tribunal, or Court</td> <td>6 months from the date of issuance of the order under Section 73</td> </tr> </tbody> </table>	Particulars	Last date for payment	For notice, statement or order as referred in Section 128A (a), (b) or (c)	March 31, 2025	Notices issued under Section 74(1) to be treated as issued under Section 73(1) if an order is passed or required to be passed under Section 75(2) as directed by the Appellate Authority, Tribunal, or Court	6 months from the date of issuance of the order under Section 73
Particulars	Last date for payment						
For notice, statement or order as referred in Section 128A (a), (b) or (c)	March 31, 2025						
Notices issued under Section 74(1) to be treated as issued under Section 73(1) if an order is passed or required to be passed under Section 75(2) as directed by the Appellate Authority, Tribunal, or Court	6 months from the date of issuance of the order under Section 73						
Waiver of late fees in filing Form GSTR-7⁸	<ul style="list-style-type: none"> Late fees exceeding ₹25 per day for delayed filing of Form GSTR-7 (TDS returns) from June 2021 onwards waived with a maximum cap of ₹1,000 In cases of NIL return, the entire late fee is waived 						
TDS provisions expanded⁹	<ul style="list-style-type: none"> A registered person receiving supplies of metal scrap from another registered person, shall deduct TDS under Section 51 of the CGST Act at the rate of 1% 						
CGST (Second Amendment) Rules, 2024¹⁰	<ul style="list-style-type: none"> Rule 47A has been inserted, providing a timeline of 30 days for issuing an invoice or self-invoice from the date of receipt of goods or services (or both) by a registered person liable to pay tax under the Reverse Charge Mechanism (RCM) as per Section 9(3) or 9(4) of the CGST Act The facility allowing a registered person liable to pay tax under Section 9(4) to generate a consolidated invoice based on the aggregate daily value has been removed by omitting the second proviso to Rule 46 In relation to Section 128A of the CGST Act, a new Rule 164 has been inserted, outlining the procedure for closing proceedings related to demands under Section 73. The rule specifies that eligible taxpayers can electronically file applications in the prescribed forms (Form GST SPL-01 or Form GST SPL-02) through the GST portal. A detailed alert on the scheme and the procedure prescribed therein will be issued separately 						

⁷ Notification No 21/2024-Central Tax dated October 8, 2024

⁸ Notification No 23/2024-Central Tax dated October 8, 2024

⁹ Notification No 25/2024-Central Tax dated October 9, 2024

¹⁰ Notification No 20/2024-Central Tax dated October 8, 2024



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