



Greetings to all our readers!

The month of March not just represents a closure to financial year, but also represents month for numerous year-end tasks and next year's intimations for GST compliances. Here's a summary of the key tasks for your ready reference:

Year-end Task:

- a. To avoid interest liabilities due to short reversals, compute the **annual workings under Rule 42/43** and reflect the necessary adjustments in the GSTR-3B for March 2025
- b. **Reconcile tax liabilities** declared in Form GSTR-1, those paid via Form GSTR-3B, and the amounts recorded in the books of accounts.

Intimation tasks for next FY:

- c. Ensure the **submission of Letter of Undertaking** on the common GST portal by March 31st to facilitate seamless export operations in the upcoming fiscal year.
- d. Small taxpayers must decide whether to avail the **Composition Scheme for FY 2025-26**. To opt in, Form CMP-02 must be filed before the end of March
- e. **For GTAs, Filing of Annexure** V (opting to pay tax under FCM) or Annexure VI (opting to pay tax under RCM) by 31<sup>st</sup> March. If the GTA wishes to retain their existing tax structure, no annexure filing is required.

Through this month's newsletter, we bring to you a summary of recent developments in GST, divided into the following sections:

A. [What's New?](#)

B. [Recent decisions from the Judiciary](#)

C. [GST Compliance Chart for the month of March 2025](#)

We look forward to hearing from you for any feedback or suggestion.

Team SBGCo



## **A. What's New?**

### **I. Notifications issued during the month**

- **Amendments introduced in July 2024 now assigned implementation date.**

- The Department has introduced a lot of amendments to CGST Rules in July 2024 vide Notification No. 12/2024 - Central Tax dated 10.07.2024. However, a few of the provisions were only announced without any implementation dates assigned to them. Now, in February 2025, the Government has announced their effective date as under:

Particulars	Short description of amendment	Effective Date
Rule 8 (Application for Registration)	ARN to be generated for non-aadhaar based registration only after visiting to GST Suvidha Kendra for physical verification	11.02.2025
Rule 39 (Distribution of credit by ISD)	New procedure to be followed for distribution of credit by ISD, including distribution of tax paid under RCM by ISD.	01.04.2025
Rule 138 (E-way Bill Rules)	Unregistered person can now apply for registration on EWB portal to generate EWBs	11.02.2025
Form GSTR 3B	Negative liability adjustments in Table 6.1 of Form GSTR 3B	11.02.2025

*Notification No. 09/2025 - Central Tax dated 11.02.2025*

### **II. Circulars/ Instructions issued during the month**

- **Clarifications regarding decisions taken in 55<sup>th</sup> GST Council Meeting:**

- Pepper of genus piper (HS 0904 - whether green, white or black) is liable to GST of 5%.
- Agriculturist supplying dried pepper and raisings produced out of their cultivation are not liable for registration under GST to the extent of such supply.
- Clarification for GST rate on pop-corns:

Nature	Whether pre-packed and labelled?	HS code	GST Rate
Popcorn with Salt and Spices	No	2106 90 99	5%
	Yes	2106 90 99	12%
Popcorn mixed with sugar (Eg. Caramelized)	Not relevant	1704 90 90	18%

Additionally, it was clarified that GST rate on ready to eat popcorn mixed with salt and spices has been regularized for periods upto 01.04.2025.

- Autoclaved aerated concrete (AAC) containing more than 50% fly ash content will be covered by HSN 6815 and leviable to GST at 12%.
- Amendment to compensation cess vide notification 03/2023 - Compensation Cess (Rate) dated 26.07.2023 will be applicable from 26.07.2023 and not retrospectively.

*Circular No. 247/04/2025 - GST dated 14.02.2025.*



### **III. Portal updates**

- **Enhancements in Biometric Functionality - Allowing Directors to opt for Biometric in their Home State:**

- Certain taxpayers identified through data analysis and risk parameters, require to undergo Biometric-Based Aadhaar Authentication, at the time of applying for fresh GST registrations. This process is managed by the GST Suvidha Kendra (GSK)
- This caused some challenge for Directors/ promoters to travel to other states for this purposes. Hence, GSTN has now introduced an additional facility allowing certain Promoters/Directors to complete their Biometric Authentication at any GSK in their Home State.
- This facility applies to individuals listed in the Promoter/ Partner tab of the following types of business:
  - a. Private Limited Company
  - b. Public Limited Company
  - c. Unlimited Company
  - d. Foreign Company
- The selection of a GSK in the Home State is a one-time facility and cannot be changed once selected.
- This facility is currently available in 33 States/ UTs where Biometric Authentication has been enabled
- If the Promoter/Director and the Primary Authorized Signatory (PAS) are the same person, the Home-State GSK selection option will not be available. The PAS must visit the designated jurisdictional GSK for the required process, including document verification.

*The above GSTN advisory is issued on 03.03.2025.*

- **E-way Bill portal now permits Application for Enrolment of unregistered persons for generation of E-way Bills.**

- In line with the amendment proposed in July 2024, the E-way bill portal now permits unregistered persons to create login credentials and proceed with generation of EWBs.



**B. Recent Decision from the Judiciary:**

**Category: Issuance of SCN for FY 2020-21**

**1. Cotton Corporation of India vs Asst. Commissioner (ST) [2025-TIOL-280-HC-AP-GST]**

**Background facts:**

SCN issued for FY 2020-21 on 30.11.2024 u/s 73 alleging short payment of tax.

**Key Issue Raised:**

What is the last day to issue SCN for FY 2020-21 - is it 28.11.2024 or 30.11.2024? Whether issuance of SCN beyond statutory timeline can be condoned?

**Gist of the Decisions:**

The Hon'ble High Court held that when a time period is prescribed for performing a certain action is expressed in terms of months, the calculation of such a period should be done by identifying the corresponding date in the corresponding month. This means that if a deadline is set as a certain number of months from a given date, the last day to take action will be the same numerical date in the corresponding month.

In the present case, the cutoff date for issuing an order is 28.02.2025 in FY 2020-21. The three months period which would elapse from this date would be 28.11.2024. Since the notice was issued on 30.11.2024, it would be beyond the time stipulated under Section 73(2) of the GST Act.

Secondly, the Hon'ble HC also held that the time period set out under 73(2) of the Act is mandatory and any violation of that time period cannot be condoned. Hence, the HC set aside the SCN issued after 28.11.2024.

**SBGCO comments:**

This decision from the High Court has relied on past settled Supreme Court cases to determine the last date for issuance of SCN for FY 2020-21. As a taxpayer, if you have received a notice u/s 73 for FY 2020-21 after 28.11.2024, this decision of the Hon'ble HC will be useful decision to set aside the SCN itself.

Another take-away from this decision is that no compliance activity should be kept till last day as such surprises / timeline challenges can hamper the entire activity. Hence, as a taxpayer, one must always keep a few buffer days from due date to provide for any last minute exigencies.

**Category: Onus for proof of claim of ITC**

**2. Devi Traders vs. State Tax Officer [2025-TIOL-351-HC-MAD-GST]**

**Background facts:**

A particular tax payer's GST registration was cancelled retrospectively by the department. Consequently, the petitioner was issued SCN whereby the ITC claimed from such supplier (whose GSTIN had cancelled retrospectively) was rejected on grounds that such claim of ITC is ineligible.

**Key Issue Raised:**

Can the department reject the claim of ITC in the hands of recipient if the registration of the supplier is cancelled?



**Gist of the Decisions:**

The Hon'ble High Court observed that for availing ITC validly, the recipient has to be in possession of not only tax invoice or debit note issued by the registered supplier but also documents to establish physical supply of goods and receipt thereof. In the present case, there were no documentary proof available with the petitioner to establish that the goods had been received by them and accompanied by e-Way bill. Hence, the HC held that since the petitioner has not proved that ITC has been claimed validly, such ITC would be treated as provisional till then and accordingly the same has to be paid back to the Government.

**SBGCO comments:**

Section 155 of the CGST Act states that the burden to prove that the ITC is claimed correctly is on the recipient who claims the credit. Accordingly, it has become easier for the Department to allege wrong claim of ITC which then requires the recipient to prove that his claim is genuine. As a recipient of services, it is a must to ensure that documentary evidences are kept as a part of the records to ensure that such challenges to claim of credit can be defended.

As a recipient, the taxpayer is expected to maintain all possible proofs for valid claim of ITC. W.r.t. goods, some indicative list of documents includes purchase order, delivery note, E-way bill, consignment note, payment to vendor and so on. Similarly, W.r.t. services, some indicative list of documents includes service order, email communications, proof of service, payment to vendor, and so on.

**Category: Refund of Pre-deposit**

**3. BLA Infrastructure Pvt Ltd vs. State of Jharkhand [2025-TIOL-220-HC-JHARKHAND-GST]**

**Background facts:**

Favourable order passed by the appellate authority on 10.02.2022. Application for refund of the pre-deposit amount made on 11.09.2024. Deficiency memo issued proposing to reject the refund application on the grounds of time barring.

**Key Issue Raised:**

W.r.t. refund of pre-deposit, whether such application for refund made beyond a period of 2 years should be entertained or not?

**Gist of the Decisions:**

The Hon'ble HC held that once it is held that amount is due to the taxpayer by way of statutory exercise, the same cannot be retained neither by the State, nor by Centre, by taking shelter under Section 54 which uses the word "may" (...*"may" make an application before the expiry of 2 years from the relevant date...*). The HC held that "may" has to be interpreted as directory in nature and not mandatory.

Further, the HC also noted that refund of statutory pre-deposit is a right vested on an assessee after an appeal is allowed in its favour and the same cannot be forfeited taking aid of section 54 of the CGST Act. Hence, the HC allowed the pre-deposit refund application of the petitioner.



**SBGCO comments:**

The petitioner, in this case, had to struggle all the way to the High Court to get back what was due to them and the primary reason for the same was lack of awareness of filing refund claim within directed timelines. Had the timelines been followed, the refund would have been granted by the ground level officers itself. Hence, as a taxpayer, one must be aware of the way forward or seek professional guidance when it comes to outcomes of any appeal/ petition/ replies.

On the other hand, this is also a welcome judgement for taxpayers stuck in similar issue wherein the refund of pre-deposit has not been issued on account of time-barred application. This judgement should come to the aid of such taxpayers in claiming the refund of pre-deposit where application has been filed belatedly.

**Category: GST registration**

**4. Tirumala Balaji Marbles and Granites vs. Asst. Commissioner of ST [2025-TIOL-293-HC-AP-GST]**

**Background facts:**

Petitioner sought registration under Andhra Pradesh GST Act for its place of business situated at Rajamahendravaram. Application was rejected by the Department on the grounds that applicant does not belong to Andhra Pradesh and the authorized representative put forward also does not belong to Andhra Pradesh.

**Key Issue Raised:**

Can registration be denied on the ground that there would be a scope for tax evasion as none of the responsible persons are from Andhra Pradesh?

**Gist of the Decisions:**

The Hon'ble HC held that the apprehension of the department may not be misplaced, but rejecting registration on mere apprehensions is not a valid reason under the law. The HC also placed reliance on Article 19 of the Constitution of India which grants every citizen of this Country, the right to set up and do business anywhere in the country. Hence, the rejection order was set aside on the grounds that it was without any basis of the law.

**SBGCO comments:**

The present decision of the HC is again a welcome decision for taxpayers looking to expand business in new territories but cannot dilute the signatory powers to respective state level employees. This decision also highlights that decisions cannot be taken by officers on assumptions but has to be backed by law and evidence.





**C. GST Compliance chart for March 2025**

<b>SN</b>	<b>Due Date</b>	<b>Form</b>	<b>Period</b>	<b>Periodicity</b>	<b>Special Remarks</b>
1.	10.03.2025	GSTR - 7	Feb 2025	Monthly	To be filed by those who are required to deduct TDS under GST
2.	10.03.2025	GSTR - 8	Feb 2025	Monthly	To be filed by those who are required to collect TCS under GST
3.	11.03.2025	GSTR - 1	Feb 2025	Monthly	Taxpayers filing GSTR - 1 monthly
4.	13.03.2025	GSTR - 5	Feb 2025	Monthly	To be filed by a non-resident foreign taxpayer registered in GST
5.	13.03.2025	GSTR - 6	Feb 2025	Monthly	To be filed by an ISD
6.	13.03.2025	IFF	Feb 2025	Monthly	To be filed by those under QRMP Scheme (optional)
7.	20.03.2025	GSTR - 3B	Feb 2025	Monthly	To be filed by Taxpayer filing monthly GSTR 3B
8.	20.03.2025	GSTR - 5A	Feb 2025	Monthly	To be filed by non-resident Online Information and Database Access or Retrieval (OIDAR) services provider
9.	25.03.2025	PMT - 06	Feb 2025	Monthly	Challan to be filed for payment by those under QRMP Scheme

(#) Last date for filing return without late fees and interest for the states of Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, the Union Territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands, and Lakshadweep.

(\$) Last date for filing return without late fees and interest for the states of Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand, Odisha, the Union Territories of Jammu and Kashmir, Ladakh, Chandigarh and Delhi.



## **Disclaimer**

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