

GST Trail

Key Highlights of GST Notifications and Clarification Circulars

August 2023



Notification Updates

Notification [36/2023](#) and [37/2023](#) – Central Tax – dated 4 August 2023

With effect from 1 October 2023, Electronic Commerce Operators (ECOs) will be required to follow the following special procedure in respect of supply of goods made through them by unregistered persons covered under Notification [34/2023](#) – Central Tax dated 31 July 2023 and composition taxpayers:

Unregistered Persons	Composition Taxpayers
ECO shall not allow any inter-state supply of goods;	ECO shall not allow any inter-state supply of goods;
ECO shall not collect tax at source under Section 52(1) of CGST Act in respect of such supply;	ECO shall collect tax at source under Section 52(1) of CGST Act in respect of such supply and pay as per Section 52(3) of said Act; and
ECO shall furnish details of such supplies in FORM GSTR-8 ; and	ECO shall furnish details of such supplies in FORM GSTR-8 .
ECO shall allow such supply of goods only after allotment of enrolment number.	

Notification [38/2023](#) – Central Tax – dated 4 August 2023

The Central Board of Indirect Taxes and Customs (CBIC) has notified amendments to the CGST Rules through Central Goods and Services Tax (Second Amendment) Rules, 2023.

The major changes are summarized below:

CGST Rule	Amendment Summary
9	The personal presence of the registrant applicant is no longer required for physical verification of business premises.
10A	The time limit for furnishing bank account details has been reduced from 45 days to 30 days from the grant of registration or before filing a statement of outward supplies in FORM GSTR-1/ IFF, whichever is earlier.
21A	Rule 21(2A) substituted to provide for suspension of registration of taxpayers in the following cases: <ol style="list-style-type: none"> where a comparison of GSTR-3B with GSTR-1 or GSTR-2A/2B or such other analysis shows significant differences or anomalies indicating contravention, leading to cancellation of registration of the said person, or where a registered person fails to comply with the provisions of Rule 10A.
43	Value of supply of goods from Duty-Free Shops (at arrival terminal in international airports to the incoming passengers) to be included in the value of exempt supplies for the purpose of ITC reversal, effective 1 October 2023.
46	Clause (f) amended to provide for the requirement of only 'name of the State of the recipient,' in lieu of the existing requirement of 'name and full address of the recipient,' on the tax invoice in cases of supply of taxable services by or through an ECO or by a supplier of OIDAR services to an unregistered recipient (B2C).
59	Newly introduced Rule 59(6)(e) and (f) seeks to disallow a registered taxpayer who has been served an intimation under Rule 88D(1) for one or more tax periods or who has not supplied the bank account details in compliance with Rule 10A from filing Form GSTR-1 or using IFF for upcoming tax periods.
88D	Newly introduced Rule 88D seeks to dictate the manner of dealing with differences of GSTR-2B and 3B. In case of excess availment of ITC, the registered taxpayer will be issued a notice in Form GST DRC-01C. The registered person can take action for the excess credit, either in full or partially with interest, through FORM GST DRC-03, detailing it in FORM GST DRC-01C within the stipulated timeframe.

Notification [39/2023](#) – Central Tax – dated 17 August 2023

The CBIC has, w.e.f. 4 April 2022 clarified the areas to be included in the case of Guntur, Tirupati and Visakhapatnam.

Notification [40/2023](#) – Central Tax – dated 17 August 2023

The CBIC has appointed a common adjudicating authority in respect of the show cause notice issued in favor of M/s United Spirits Ltd.

Notification [41/2023](#), [42/2023](#), [43/2023](#) and [44/2023](#) – Central Tax – dated 25 August 2023

The due date for filing Form GSTR-1, GSTR-3B and GSTR-7 for April 2023, May 2023, June 2023 and July 2023 and the quarter April 2023 to June 2023 has been extended to 25 August 2023 for a person whose Principal Place of business is situated in Manipur.

Circular Updates

Circular No. [200/12/2023-GST](#) dated 1 August 2023

The CBIC has issued clarification regarding GST rates and classification of the following goods based on the recommendations of the GST Council in its 50th meeting held on 11 July 2023.

1. Un-fried or un-cooked snack pellets, by whatever name called, manufactured through process of extrusion;
2. Fish Soluble Paste;
3. Desiccated coconut;
4. Biomass briquettes;
5. Imitation zari thread or yarn known by any name in trade parlance;
6. Supply of raw cotton by agriculturist to cooperatives;
7. Plates, cups made from areca leaves;
8. Goods falling under HSN heading 9021.

Circular No. [201/13/2023-GST](#) dated 1 August 2023

The CBIC has issued clarification regarding the applicability of GST on the following services:

1. Services supplied by the Director of a company in his personal capacity, such as renting of immovable property to the company or body corporate:

Such services are not taxable under the Reverse Charge Mechanism (RCM). Only those services supplied by the Director of the company or body corporate, which are supplied by him as or in the capacity of the Director of that company or body corporate, shall be taxable under RCM in the hands of the company or body corporate.

2. Supply of food or beverages in the cinema hall:

Such supply of food or beverages in a cinema hall is taxable as 'restaurant service' as long as:

- a. the food or beverages are supplied by way of or as part of a service, and
- b. supplied independent of the cinema exhibition service.

Technical Updates

Services Offered by the Four New Invoice Registration Portals (IRPs)

The Goods and Services Tax Network (GSTN) had launched the e-invoice registration services through multiple private IRPs by advisory dated 4 March 2023 in compliance with the GST Council's suggestion. GSTN has launched four new IRPs and outlined the services provided by each.

Mera Bill Mera Adhikaar Scheme

With a view to encourage customers to demand invoices for all purchases they make proactively, the 'Mera Bill Mera Adhikaar' Invoice Incentive Scheme will be launched on 1 September 2023. Customers can upload B2C invoices issued by GST-registered suppliers via the mobile application 'Mera Bill Mera Adhikaar' and on the web portal 'web.merabill.gst.gov.in' to participate in the lucky draw and the process can be accessed at [User Manual Mera Bill Mera Adhikaar](#).

Advisory for applicants where GST Registration application marked for Biometric-based Aadhaar Authentication

Rule 8 of CGST Rules has been amended to provide that those applicants who had opted for authentication of Aadhaar number and identified on the common portal, based on data analysis and risk parameters, shall be placed for biometric-based Aadhaar authentication and taking photograph(s) of the applicant. The pilot for the implementation of the above change is ready and the functionality is ready for rollout by the GSTN portal. This functionality is being launched in Puducherry from 30 August 2023 in the pilot phase.

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