

53rd GST Council Meeting Recommendations



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AMNESTY SCHEME

- ✓ Insertion of New Section 128A in the Main Act to provide conditional complete waiver of interest or penalty or both, relating to demand notices issued under Section 73, for FY 2017-18 to FY 2019-20, where the taxpayer pays the full amount of tax demanded in the notice up-to 31.03.2025.
- ✓ The waiver of interest or penalty or both will not cover demand of erroneous refunds made u/s 73.
- ✓ The waiver will not apply to cases involving fraud, suppression of facts, willful misstatement etc. falling u/s 74.

Tattvam Comments:

- The above recommendation is a welcome change as it acknowledges the difficulties faced by taxpayers in compliances during the initial stages of implementation of GST and the frequent changes made in the GST law in the early years of GST.
- However, as on date, demand notices issued u/s 73, pertaining to FY 2017-18 and 2018-19 (in some cases FY 2019-20), have already been adjudicated and these matters are mainly pending before Appellate Authority.

Points to Ponder:

Notices covering multiple issues

- The Press Release provides that the relief will be available where the taxpayer pays **the full amount of tax demanded in the notice** upto 31.03.2025. Thus, it appears that the benefit will not be available in case of partial payment of tax in respect of some issues when the notice is issued for multiple issues.
- Clarity regarding above issues will be available only after going through the provisions of the proposed Section 128A.

Interest and Penalty already paid

- It is to be seen how this amendment will provide waiver of interest and penalty already paid in respect of demand notices pertaining to FY 2017-18 to 2019-20 retrospectively. Whether the Government will implement any mechanism to provide 'refund' of interest and penalty already paid in pursuance of Notices issued for FY 2017-18 to FY 19-20 or not.

Notices only demanding interest and penalty

- Whether complete waiver of interest and penalty will be applicable where no tax is demanded in the notice and 'only' interest or penalty or both is being demanded?
- In such cases, it may be important to see whether the notice is seeking appropriation of amount already paid against the tax demand.

KEY RECOMMENDATIONS

Time limit for availment of ITC through GSTR-3B pertaining to FY 2017-18, 2018-19, 2019-20 & 2020-21 is recommended to be GSTR-3B filed upto 30.11.2021 in terms of Section 16(4) of the CGST Act with retrospective effect i.e., w.e.f. 01.07.2017.

Tattvam Comments:

- The above recommendation is a welcome change and will minimize the past litigation as various cases are pending wherein reversal of ITC has been demanded on account of being time-barred.
- The benefit will be available where the taxpayer has availed ITC in GSTR-3B filed belatedly but on or before 30.11.2021. Further, ITC would also be available if the same has been availed in any GSTR-3B filed on or before 30.11.2021.
- In case the taxpayer has not availed the ITC till now as the same was not availed within the timelines prescribed under Section 16(4), the taxpayer will not have an opportunity to avail the ITC now.

Tattvam Comments:

- In the case of ***Shanti Motors Vs. Union of India [SLP (C) Diary No(s). 4474/2024 dated 09.02.2024]***, Supreme Court admitted the SLP challenging the Constitutional validity of the time limit prescribed under Section 16(4) for claiming ITC.
- Kerala HC in the case ***M/s M. Trade Links vs. Union of India [WP(C) No. 31559 of 2019 dated 04.06.2024]*** held that the amendment to Section 16(4) is procedural in nature and allowed petitioners to avail ITC if claimed after 20th October but before 30th November of the following FY from 2017-18 onwards.

Points to Ponder:

- Whether the taxpayers can re-avail the ITC reversed (either through electronic cash ledger or electronic credit ledger) earlier on account of contravention of time limit prescribed under Section 16(4)?
- Where interest and penalty had also been discharged at the time of reversal of ITC, whether refund of the same can be sought?

Relaxation u/s 16(4) to be provided retrospectively w.e.f. 01.07.2017 to the taxpayers who have filed their returns for the period from the date (or effective date) of cancellation of GSTIN till the date of revocation of cancellation of the GSTIN within 30 days of order of the revocation.

Tattvam Comments:

- The above recommendation is a welcome change and will minimize the past litigation.
- Gujarat HC in the case of ***Jap Modular Furniture Concepts Pvt. Ltd. Vs. State of Gujarat [2021 (49) GSTL 249 (Guj.)]*** allowed the taxpayers to claim ITC in respect of the purchases made during the period in which the registration under the GST Act was blocked / inactivated and gave a direction that no dispute of time limit under Section 16(4) be raised as ITC was not allowed to be claimed on account of blocking / inactivation of the registration.

Point to ponder:

- Whether the said relaxation would be applicable in the case of suspension of GST registration.

- ✓ Section 16(4) restricts availment of ITC i.r.o. any invoice/debit note after 30th November following the end of financial year to which such invoice/debit note pertains.
- ✓ It is recommended to clarify that in case of **supplies received from unregistered suppliers** where tax has to be paid by the recipient under RCM and invoice is to be issued by the recipient only the relevant financial year for calculation of time limit for availment of ITC u/s 16(4) is **the financial year in which the invoice has been issued by the recipient.**

Tattvam Comments:

- This clarification will specifically cover a situation wherein tax under RCM was paid belatedly in respect of supplies received from an unregistered person. In such cases, the ITC has to be availed on the basis of the self-invoice issued by the recipient. The clarification will provide that the time limit for availment of ITC under Section 16(4) will be determined on the basis of the date of issuance of self-invoice and not on the basis of the financial year in which the service was received.

- In certain cases, such as government supplies, secondment of employees of overseas group company etc., the tax under RCM has been paid belatedly by various entities. There was doubt as to whether in such cases, the ITC can be availed by such entities on account of the restriction under Section 16(4).
- This can be seen as a welcome move for the industry as this clarification confirms the industry practice to avail ITC on RCM supplies from unregistered suppliers in the year in which self-invoice for the same is issued by registered recipient.
- On perusal of the clarification, it will have to be seen whether this clarification shall cover cases of ITC on RCM supplies received from registered supplier for which GST invoice is issued by registered supplier only.

Rule 88B to be amended to provide that no interest can be levied to the extent of balances available in Electronic Cash Ledger (ECL) on the due date of payment of tax/filing of GSTR-3B in case of delayed filing of said return.

Tattvam Comments:

- This recommendation is in line with the judgment in case of ***M/S. Eicher Motors Limited Vs The Superintendent of GST and Central Excise [2024 (1) TMI 1111 - Madras HC]*** wherein Madras HC held that once the amount is paid by generating GST PMT-06, the said amount will be initially credited to the account of the Government immediately upon deposit, at which point, the tax liability of a registered person will be discharged to the extent of the deposit made to the Government. Thereafter, for the purpose of accounting only, it will be deemed to be credited to the ECL as stated in the Explanation (a) to Section 49(11). Accordingly, interest under Section 50 would not be applicable if the amount is available in the ECL is equal to the tax due.

Point to ponder:

- Whether such benefit would be available with retrospective effect?

- ✓ W.e.f. 28.10.2023, Sub-rule (2) had been inserted in Rule 28 of CGST Rules, 2017 to provide that the value of supply of corporate guarantee services by a related person to another shall be deemed to be 1% of the amount of such guarantee offered, or the actual consideration, whichever is higher.
- ✓ Now, it is recommended to clarify, *inter alia*, that said valuation method would not be applicable in following cases:
 - in case of export of such services;
 - Where the recipient is eligible for full ITC.
- ✓ It is recommended that Rule 28(2) will be amended retrospectively with effect from 26.10.2023 and a circular shall be issued to clarify various issues regarding valuation of services of providing corporate guarantees between related parties.

Tattvam Comments:

- This recommendation shall give relief to taxpayers across industries who were required to pay tax on 1% value of corporate guarantee under Rule 28(2) of CGST Rules. The deeming fiction considering the value of corporate guarantee as 1% of the amount of such guarantee offered will not be retrospectively applicable w.e.f. 28.10.2023 where the recipient is eligible for full ITC.
- However, cases where full ITC is not available, tax on corporate guarantee will have to be discharged considering the value of corporate guarantee as 1% of the amount of such guarantee offered.
- Recently, Hon'ble High Court of Punjab & Haryana in the case of *Acme Cleantech Solutions Pvt Ltd vs. Union of India 2024-VIL-448-P&H* and Hon'ble High Court of Delhi in the case of *Sterlite Power Transmission Limited & Ors vs. Union of India 2024-VIL-212-DEL* granted interim relief to taxpayers wherein taxability of corporate guarantee under Rule 28(2) was challenged. This recommendation shall be helpful in settling down such disputes.

Valuation of Import of Services by a Related Person where Recipient is Eligible to Avail Full ITC

- ✓ **In cases where** the foreign affiliate is providing certain services to the related domestic entity, for which full ITC is available to the said related domestic entity –
 - the value of such supply of services **declared in the self-invoice by the said related domestic entity** may be **deemed as open market value** in terms of second proviso to Rule 28(1) of CGST Rules.
- ✓ **In cases where** the invoice is not issued by the related domestic entity with respect to any service provided by the foreign affiliate to it –
 - the **value of such services may be deemed to be declared as Nil**, and may be deemed as open market value in terms of second proviso to Rule 28(1) of CGST Rules.

Tattvam Comments:

- This clarification may help to resolve various issues wherein tax liability has not been discharged under RCM on the services received from overseas related parties. However, the benefit of this clarification will be available only in cases wherein full ITC of the service will be available to the recipient.
 - **Cases where no consideration is paid:** Under GST law, import of service from a related party constitutes as supply, even if the same is without consideration. In such cases, Department has issued notices for recovery of tax if tax is not already discharged by the taxpayers, e.g., use of brand name/trade name, provision of corporate guarantee. This clarification will help to settle down such disputes since value in such cases can now be taken as NIL.
 - It will have to be examined at the end of the recipient whether full ITC of such import of services will be available or not.

- **Cases where consideration is paid:** On perusal of the clarification, it will have to be seen whether the same will be applicable in cases the overseas entity is charging some consideration from the domestic related party for the provision of services. In such cases, the question arises as to whether different values can be mentioned in the commercial invoice issued by the overseas entity and the self-invoice issued by the domestic entity under GST law for the same service.
- In case the said benefit is available to cases where consideration is being paid to the overseas related party, the said clarification may provide relaxation to the taxpayers in respect of various issues such as secondment of employees from overseas entity etc.

- ✓ Insertion of a new Section 74A in the Main Act, to provide for common time limit for issuance of demand notices and orders irrespective of whether case involves fraud, suppression, willful misstatement etc., or not for FY 2024-25 onwards;
- ✓ Extending time limit from 30 days to 60 days to provide benefit of reduced penalty, to the taxpayers, by paying the tax demanded along with interest;

Tattvam Comments:

- Presently, Sections 73 and 74, outline the time limits for issuing demand notices and orders related to tax discrepancies. Section 73 deals with cases other than fraud, suppression, willful misstatement etc. while Section 74 covers cases involving such fraudulent activities.
- The amendment and introduction of a new Section 74A aim to streamline these processes by establishing a common time limit for all cases, regardless of the nature of the discrepancy. This change is intended to reduce administrative burden and ensure a more uniform approach to tax recovery.

- Extending the time limit from 30 to 60 days for availing reduced penalties under Sections 73(8) and 74(8) of the CGST Act is a taxpayer-friendly measure.
- Under the current GST framework, taxpayers can avail benefit of a reduced penalty on their own if they pay the tax demanded along with interest within 30 days of the issuance of a demand notice. This provision is stipulated in sub-section (8) of Section 73 and sub-section (8) of Section 74 of the CGST Act.
- The time period of 30-day was often insufficient for taxpayers to analyze the demand notice, arrange funds, and make the payment.
- This extension aims to provide taxpayers with more time to comply with the demand notices and benefit from reduced penalties.

Introduction of a mechanism for claiming a refund of additional IGST paid due to upward price revisions after export to facilitate large number of exporters of goods who were financially burdened due to non-availability of refund of tax paid towards post-export price adjustments

Tattvam Comments:

- Where the goods were initially exported on payment of IGST, the exporters were required to discharge additional GST by raising debit notes in case of subsequent increase in price of the goods after export. In such cases, the shipping bill is considered to be the refund application and there was no mechanism prescribed under law for claiming the refund of the additional GST amount paid subsequently.
- This recommendation will be a huge financial relief to exporters of goods by allowing them to claim the refund of the additional taxes paid.

- ✓ To exempt accommodation services having value of supply of accommodation up to Rs. 20,000/- per month per person subject to the condition that the accommodation service is supplied for a minimum continuous period of 90 days.
- ✓ To extend similar benefit for past cases.

Tattvam Comments:

- Earlier, accommodation services for residential purposes, having value of supply of a unit of accommodation below or equal to Rs. 1,000/- per day was exempt vide S. No. 14 of *NN. 12/2017-CTR dated 28.06.2017 which was omitted vide NN. 4/2022-CTR w.e.f. 18.07.2022.*
- Further, Serial No. 12 of *NN. 12/2017-CTR* exempts services by way of renting of residential dwelling for use as residence except where the residential dwelling is rented to a registered person.

Tattvam Comments:

- Post, deletion of S. No. 14 of *NN. 12/2017-CTR*, the taxpayers operating hostels contended that hostels are residential dwellings and sought to claim exemption under Serial No. 12 of the Notification.
- Madras HC in ***Thai Mookambikaa Ladies Hostel v. Union of India*** held that renting out hostel rooms to girl students and working women by petitioners is exclusively for residential purpose is eligible for exemption in S. No. 12 of *Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017*.
- The proposed entry will put the above issue to rest and will provide exemption to hostels and other similar institutions which are providing accommodation services having value of supply of accommodation up to Rs. 20,000/- per month per person subject to the condition that the accommodation service is supplied for a minimum continuous period of 90 days.

Amendment in Section 140(7) of CGST Act i.r.o. Distribution of Transitional Credit by ISD

- ✓ Section 140(7) of CGST Act provides that Input Service Distributor (ISD) shall be eligible for distribution of ITC as credit under CGST Act i.r.o. any services received prior to the appointed day even if the invoices relating to such services are received on or after the appointed day.
- ✓ The Council recommended amendment in Section 140(7) of CGST Act retrospectively w.e.f. 01.07.2017 to provide for transitional credit in respect of invoices pertaining to services provided before appointed date, and where invoices were received by Input Service Distributor (ISD) before the appointed date.

Tattvam Comments:

- Transition of credit by ISD registration has been challenged by Department in multiple cases and the Courts have granted relief to taxpayers by allowing transition of such credit:
 - *Hero Motocorp Ltd. Vs. Union of India & Ors. [2022-VIL-719-DEL]*
 - *Unichem Laboratories Limited Vs. Union of India and 4 Ors., 2022-VIL-716-BOM*
 - *Bodal Chemicals Ltd. Vs. Union of India, 2022-VIL-124-GUJ*
- Now, it is proposed to amend the provision itself with retrospective effect. This move is expected to settle the ongoing dispute.

Description	Recommendation
Availability of ITC on ducts and manholes used in the network of Optical Fiber Cables (OFCs)	✓ Clarification that ITC is not restricted in respect of ducts and manhole used in network of OFCs, under clause (c) or under clause (d) of sub-section (5) of section 17 of CGST Act, 2017

Tattvam Comments:

- The proposed Circular will provide clarity and will resolve a long term dispute of the entities engaged in laying down the network of OFCs.

APPEAL RELATED RECOMMENDATIONS

- ✓ Amendment in Section 112 of the CGST Act, 2017 to allow the **three-month period** for filing appeals before GSTAT **starting from a date to be notified by the Government** in respect of appeal/revision orders already passed.

Tattvam Comments:

- This is a significant step towards providing adequate time for taxpayers to file appeals before the GSTAT. This change is expected to ensure a fair and efficient appellate process.
- Earlier, the CGST (9th Removal of Difficulties) Order, 2019, dated 03.12.2019 clarified that the start of the 3 months period under Section 112 shall be later of (a) the date of communication of the order, or (b) the date on which the President or the State President, as the case may be, of the Appellate Tribunal after its constitution under Section 109, enters office.

- Recently on 06.05.2024, HMJ (Retd.) Sanjay Kumar Mishra was appointed as the President of GSTAT.
- This appointment had raised a confusion about the time period for filing appeals before the GSTAT, as after taking the oath, the President of GSTAT had entered office and the period of limitation of 3 months for filing of appeal was expected to commence.
- However, there was no infrastructure and procedure for filing of appeals to GSTAT.
- Now, with the proposal to amend Section 112, to notify a date from which the time limit of 3 months for filing of appeals/revisions shall start, will positively ensure to provide adequate time to file Appeal before GSTAT.
- The taxpayers will get a fair opportunity to contest decisions without the pressure of a stringent deadline as the notification will provide clarity and a definitive timeline for taxpayers.

Description	Recommendation
Pre-Deposits for filing Appeal	<ul style="list-style-type: none"> ✓ Reduction in maximum amount of pre-deposit from Rs. 50 Crore (CGST+SGST) to Rs. 40 Crore (CGST+SGST) in case of filing of appeal before Appellate Authority; and ✓ Reduction in pre-deposit from 20% with maximum amount of Rs. 50 Crore (CGST+SGST) to 10% with maximum amount of Rs. 40 Crore (CGST+SGST) in case of filing of appeal before GSTAT
Payment made through DRC-03 in Pre-Deposit	<ul style="list-style-type: none"> ✓ Amendment in Rule 142 and Issuance of a circular to prescribe a mechanism for adjustment of an amount paid in respect of a demand through FORM GST DRC-03 against the amount to be paid as pre-deposit for filing appeal.
Increase in monetary limits for appeals by department	<ul style="list-style-type: none"> ✓ Subject to certain exclusions, fixing monetary limits for filing appeals by the Department before GSTAT (Rs. 20 Lakhs or more), High Courts (Rs. 1 Crore or more), and Supreme Court (Rs. 2 Crore or more)

RETURN RELATED RECOMMENDATIONS

It is recommended that a new FORM GSTR-1A shall be provided to facilitate:

- 01** amendment of the details in FORM GSTR-1 for a tax period
- 02** to declare additional details missed in GSTR-1

- ✓ GSTR-1A has to be filed before filing of GSTR-3B for the relevant tax period.
- ✓ This will be an optional facility.
- ✓ This will facilitate taxpayer to add or modify any particulars of supply of the current tax period to ensure that correct liability is auto-populated in FORM GSTR-3B.

Tattvam Comments:

This is a facilitation measure and shall benefit taxpayers by reducing reconciliation differences arising on account of short-reporting/mis-reporting of details of outward supplies in GSTR-1 vis-à-vis tax discharged through GSTR-3B.

GSTR-9

Filing of annual return in FORM GSTR-9/9A for the FY 2023-24 may be exempted for taxpayers having aggregate annual turnover upto Rs. 2 crores.

GSTR-1

Threshold for reporting of B2C inter-State supplies invoice-wise in Table 5 of FORM GSTR-1 recommended to be reduced from Rs 2.5 Lakh to Rs 1 Lakh.

GSTR-7

- ✓ Return in FORM GSTR-7, to be filed by the registered persons who are required to deduct TDS u/s 51 of CGST Act, is to be filed every month irrespective of whether any tax has been deducted during the said month or not.
- ✓ No late fee may be payable for delayed filing of Nil FORM GSTR-7 return.
- ✓ Invoice-wise details may be required to be furnished in GSTR-7.

CHANGE IN RATE OF TAX

Change in rate of tax

Particulars	Recommendation/ New GST Rate
Import of parts, components, testing equipment, tools and tool-kits of aircrafts, irrespective of their HS classification to support MRO activities subject to specified conditions	5%
All Milk cans (made of steel, iron and aluminium) irrespective of their use	12%
Carton, boxes and cases of both corrugated and non-corrugated paper or paper-board	12%
Solar cookers whether single or dual energy source	12%
Parts of Poultry keeping Machinery	12%. Past practice to be regularized on 'as is where is' basis
Import of specified items for Defence Forces	IGST exemption extended till 30.06.2029

Change in rate of tax

Particulars	Recommendation/ New GST Rate
Imports of research equipment/buoys imported under the Research Moored Array for African-Asian-Australian Monsoon Analysis and Prediction (RAMA) programme subject to specified conditions	Exemption from IGST
Imports in SEZ by SEZ Unit/developers for authorised operations	Exemption of Compensation Cess from 01.07.2017
Aerated beverages and energy drinks to authorised customers by Unit Run Canteens under Ministry of Defence	Exemption of Compensation Cess
Imports of technical documentation for AK-203 rifle kits imported for Indian Defence forces	Adhoc IGST exemption

Particulars	Recommendation/ New GST Rate
Services provided by Indian Railways to general public, namely, sale of platform tickets, facility of retiring rooms/waiting rooms, cloak room services and battery-operated car services and Intra-Railway transactions	Exempted. Regularize for past period from 20.10.2023 till date of issuance of exemption notification
Services provided by Special Purpose Vehicles (SPV) to Indian Railway by way of allowing Indian Railway to use infrastructure built & owned by SPV during the concession period and maintenance services supplied by Indian Railways to SPV	Exempted. Regularize for past period from 01.07.2017 till date of issuance of exemption notification

- ✓ All types of sprinklers including fire water sprinklers will attract 12% GST and to regularize the past practice on 'as is where is' basis.
- ✓ That statutory collections made by Real Estate Regulatory Authority (RERA) are exempt from GST as they fall within the scope of S. No. 4 of NN. 12/2017-CTR dated 28.06.2017
- ✓ That further sharing of the incentive by acquiring bank with other stakeholders, where the sharing of such incentive is clearly defined under Incentive scheme for promotion of RuPay Debit Cards and low value BHIM-UPI transactions and is decided in the proportion and manner by NPCI in consultation with the participating banks is not taxable.

MISCELLANEOUS

Description	Recommendation
Extra Neutral Alcohol (ENA)	✓Amendment in Section 9(1) of the CGST Act, 2017 to not levy GST on ENA used for manufacture of alcoholic liquor for human consumption
TCS Rate	✓Reduction in rate of TCS collected by ECOs for supplies being made through them from 1% to 0.5% (0.25% CGST + 0.25% SGST/UTGST, or 0.5% IGST)
Composition Taxpayer	✓Extension of time limit for filing GSTR-4 from 30th April to 30th June from FY 2024-25 onwards
Regularization of non-levy or short-levy of GST due to common trade practice	✓Insertion of new provision in the main act to empower the Government to not recover duties not levied or short levied as a result of general trade practice
Custodial Service by Indian Bank to Foreign Investors	✓Clarification regarding place of supply (POS) for custodial service should be location of recipient instead of location of supplier to make eligible for export benefits

Description	Recommendation
Sunset Clause for Anti-Profiteering	<ul style="list-style-type: none">✓Amendment to include a sunset clause for anti-profiteering provisions, with new applications accepted only until April 1, 2025.✓Amendment to enable the Principal Bench of GSTAT to handle anti-profiteering cases, ensuring their expeditious disposal
Relief from penal action for ECOs	<ul style="list-style-type: none">✓A retrospective amendment w.e.f. 01.10.2023 to be introduced u/s 122(1B) of the CGST Act for the applicability of penal provisions only w.r.t. ECOs who collect TDS and not for other ECOs.
Aadhaar Authentication	<ul style="list-style-type: none">✓In order to strengthen the registration process under GST law and to help in curbing the fraudulent ITC claims made through fake invoices, GST Council has recommended for implementation of bio-metric based Aadhaar authentication on PAN-India basis

Miscellaneous recommendations

Description	Recommendation
No refund for export duty	✓Amendments to be introduced u/s 16 of IGST Act and u/s 54 of CGST Act for restricting refund in respect of goods which are subjected to export duty irrespective of whether the said goods are exported/supplied to SEZ Developer with or without payment of IGST

Clarification on following issues shall be provided clarity to trade and tax officers and to reduce litigation-

- ✓ Taxability of **re-imbursement of securities/shares as ESOP/ESPP/RSU** provided by a company to its employees
- ✓ Requirement of **reversal of input tax credit in respect of amount of premium in Life Insurance services**, which is not included in the taxable value as per Rule 32(4) of CGST Rules
- ✓ Taxability of wreck and salvage values in **motor insurance claims**
- ✓ **Warranty/ Extended Warranty** provided by Manufacturers to the end customers
- ✓ Availability of input tax credit on **repair expenses incurred by the insurance companies** in case of reimbursement mode of settlement of motor vehicle insurance claims
- ✓ Taxability of **loans granted between related person** or between group companies


Clarification on following issues shall be provided clarity to trade and tax officers and to reduce litigation-


- ✓ Time of supply on Annuity Payments under **Hybrid Annual Model (HAM) Projects**
- ✓ Time of supply in respect of **allotment of Spectrum to Telecom companies** in cases where payment of licence fee and Spectrum usage charges is to be made in instalments
- ✓ **Place of supply of goods supplied to unregistered persons**, where delivery address is different from the billing address
- ✓ Mechanism for providing evidence by the suppliers for **compliance of the conditions of Section 15(3)(b)(ii)** of CGST Act, 2017 in respect of post-sale discounts, to the effect that input tax credit has been reversed by the recipient on the said amount
- ✓ Various issues pertaining to **special procedure for the manufacturers of the specified commodities**, like pan masala, tobacco etc


- ✓ Co-insurance premium apportioned by lead insurer to the co-insurer for the supply of insurance service by lead and co-insurer to the insured in coinsurance agreements, to be declared as no supply under Schedule III of the CGST Act and past cases to be regularized on 'as is where is' basis.
- ✓ Transaction of ceding commission/re-insurance commission between insurer and re-insurer to be declared as no supply under Schedule III of CGST Act and past cases may be regularized on 'as is where is' basis.
- ✓ GST liability on reinsurance services of specified insurance schemes covered by S. No. 35 & 36 of NN.12/2017-CTR dated 28.06.2017 may be regularized on 'as is where is' basis for the period from 01.07.2017 to 24.01.2018.
- ✓ Issue clarification to define retrocession as the 're-insurance of re-insurance', making it eligible for exemption under S. No. 36A of notification No. 12/2017-CTR dated 28.06.2017.
- ✓ GST liability on reinsurance services of the insurance schemes for which total premium is paid by the Government that are covered under S. No. 40 of NN.12/2017-CTR dated 28.06.2017 may be regularized on 'as is where is' basis for the period from 01.07.2017 to 26.07.2018.

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Thank You