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Message from Partner

Dear Reader,

I would like to express my gratitude for taking out your valuable time to read our monthly newsletter “**GST Times**”. We are particularly grateful to our regular reader for unwavering support to keep the knowledge-sharing initiative alive in the form of monthly newsletter, articles, knowledge videos, etc



GST is now the single largest indirect tax levied within India on the supply of goods and services which impacts every individual or business staying/operating in India. In such situation, it becomes essential to keep ourselves updated with all compliances and government notification related to GST.

Our objective of releasing this newsletter is imparting expert analysis and knowledge on all GST-related clarifications, circular, notifications, periodic updates, news, government policies, etc. We also combine the “Compliance Calendar” in this newsletter giving the due date on GST to make sure you file before the due dates.

We, as ASC, always believe in strengthening the relationship between our clients. We understand and value holistic growth through our expert consultancy services in the field of taxation, assurance, financial and legal dimensions.

I am hopeful that reading this newsletter would be rewarding to the readers. This small initiative shall go a long way in building our healthy relationships and create the platform to work together in near future. I would like to request my readers to kindly share your valuable comments & suggestions on this initiative for its further improvisation.

ASC Group, continues to leader for financial, legal, taxation, secretarial and business consulting firm for 27+ years, operation in 14 location globally with 1000+ functional clients. Our team of 300+ professionals consists of experienced Chartered Accountant, Companies Secretaries, Lawyers, Investment Advisory, and Management Consultant who continuously contribute towards the ease o doing business across the world.

I wish to close my note with the words “Content could be anything, but it should add value to the reader's life”.

Deepak Kumar Das
Partner
ASC Group

Compliance Calender

S. No.	Due date	Form	Period	Description
1.	10 th October 2024	GSTR-7	September 2024	Summary of Tax Deducted at Source (TDS) and deposited under GST Laws.
2.	10 th October 2024	GSTR-8	September 2024	Summary of Tax Collected at Source (TCS) and deposited by e-commerce operators under GST Laws.
3.	11 th October 2024	GSTR-1	September 2024	Due date for reporting the details of the outward supply by a registered person having an aggregate turnover exceeding INR 5 crores during the preceding financial year or any registered person who have opted for monthly return filing.
4.	13 th October 2024	GSTR-1 (IFF)	September 2024	Due date for reporting the details of the outward supply by a registered person having turnover up to INR 5 crores during the preceding year and who has opted for quarterly filing of return under QRMP scheme.
5.	13 th October 2024	GSTR-5	September 2024	Due date for filing the return and payment if the tax by a Non-Resident taxable person.
6.	13 th October 2024	GSTR-6	September 2024	Return filed by a taxable person who is registered as an Input Service Distributor.
7.	18 th October 2024	CMP-08	July-September 2024	Composition Taxpayer who has opted for quarterly filing of return under QRMP.
8.	20 th October 2024	GSTR-3B	September 2024	Due date for filing the GST Return for payment of tax liability or carry forward of the ITC by the registered person whose aggregate turnover in the preceding financial year either exceeds or up to INR 5 Crores and who has not opted for QRMP scheme.
9.	20 th October 2024	GSTR-5A	September 2024	Summary of outward taxable supplies and tax payable by a person supplying OIDAR service.
10.	24 th October 2024	GSTR-3B	July-September 2024.	The due date for filing the GST Return for payment of tax liability or carry forward of the ITC by the registered person whose aggregate turnover in the preceding financial year is up to INR 5 Crores and who has opted for QRMP scheme. (State Specific)
11.	28 th October 2023	GSTR-11	September 2024	A person having Unique Identification Number (UIN) is required to file the return to claim the refund of the tax paid on the inward supply received by him in the previous month.

ADVISORY on Various Issues

A. 517 - Invoice Management System (IMS)

A New communication process called Invoice Management System (IMS) has been brought on the portal where the taxpayer can correct or amend the invoice issued by the supplier on the portal itself. It facilitates taxpayer in matching invoices/records for correct availing of ITC and allow the recipient taxpayer to either accept or reject an invoice or to keep it pending in the system to avail it later. **This facility shall be available on the portal from 1ST October 2024 onwards.**



- The invoices which are accepted by the recipient would become part of Form GSTR-2B for claiming of the ITC.
- The action of accepting, rejecting or keeping it pending is only available from time of saving the records in Form GSTR-1/IFF/IA by the supplier till the recipient files Form GSTR-3B.
- If the recipient did not perform any action, then it will be considered as deemed accepted and such invoices will be reflected in GSTR-2B.
- In case, if the supplier amends the details of the saved invoices in the GSTR-1, before filing the GSTR-1, then in such case, the amended invoice will replace the original invoice in MIS, irrespective of the action taken by the recipient on the original invoice.
- In case supplier has amended any invoice filed in GSTR-1 through GSTR-1A then same will also flow to IMS, however, ITC corresponding to the same will flow in GSTR-2B of the recipient, generated for the subsequent month only.
- Inward RCM supplies where supplier has reported in the Table 4B of IFF/GSTR-1 or GSTR-1A or supplies where ITC is not eligible due to section 16(4) of CGST Act or on account of POS rule will not go to IMS and will be directly populated in GSTR-3B.

B. 518 - Reporting of supplies to un-registered dealers in GSTR-1/5

The supplies made to an interstate unregistered person having invoice value of INR 2,50,000 and above, is needed to be reported under table 5 of GSTR-1 and under table 6 of GSTR-5. Vide Notification No 12/2024 - Central Tax dated 10th July 2024, there is a reduction of amount from 2.5 lakh to 1 lakh.

C. 520 – Re-opening of Reporting ITC Reversal Opening Balance

- There has been changes in table 4 of GSTR-3B regarding availment & reversal of ITC along-with reporting of re-claimed and ineligible ITC, which has been introduced vide Notification No. 14/2022 - Central Tax dated 05th July 2022 (read with circular 170/02/2022-GST, dated 6th July 2022). By adhering such changes, the reclaimable ITC earlier reversed under table 4(B)(2) may be subsequently claimed in Table 4(A)5 and such reclaimed ITC also needs to be reported in Table 4(D)(1).
- To facilitate the same, Electronic Credit Reversal and Re-claimed Statement was introduced to report the cumulative ITC reversal as an opening balance in August 23 for monthly return filers and for July-September 23 for quarterly taxpayer.
- There is a re-opening of statement for 15th September 24 to 31st October 24.
- Amendment can be done till 30th November 24.
- Taxpayer having monthly filing frequency are required to report their opening balance considering the ITC reversal done till July 23 return as after this period balance is already available in ledger
- Quarterly taxpayers shall report their opening balance up to Q1 of the financial year 2023-24, considering the ITC reversal made till the April-June 2023 return period only. As after this period balance is already available in ledger.

D. 522 – FAQ on IMS

Government has introduced FAQs on IMS to provide better understanding of the new functionality. The same is annexed herewith as Appendix 1.

E. 524 – Issuance of Notices/Orders without digital signature of the issuing authorities.

The Notices or Orders issued by the issuing authority are generated through common portal from the login of the officer, who logs in through Digital Signature. Since, these are computer generated documents thus, may not require physical signatures of the officer. The validity and the purpose of these documents can be verified by following the path

Post Login: - Login>Dashboard>Services>User Services>Verify RFN.

Pre- Login: - <https://services.gst.gov.in/services/verifyRfn>.

F. Biometric Based Aadhar Authentication and Document Verification for GST Registration Applicant of Odisha.

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

Aadhaar Authentication and taking a photograph of the applicant along with the verification of the original copy of the documents uploaded with the application.

It has been rolled out in the state of Odisha on 28th September 2024.

After submission of the application in Form GST REG-01, the applicant will receive either of the following links in the email for document verification and appointment booking

- (i) A link for OTP- based Aadhar Authentication; or
- (ii) A link for booking an appointment with a message to visit a GST Suvidha Kendra (GSK) along with the details of the GSK and jurisdiction.

Documents to carry at the time of visit to GSK are: -

- (I) A copy (hard/soft) of the appointment confirmation e-mail.
- (II) The details of jurisdiction as mentioned in the intimation e-mail.
- (III) Aadhar Card and Pan Card (Original Copies).
- (IV) The original documents that were uploaded with the application, as communicated by the intimation e-mail.

The applicant is required to choose an appointment for the biometric verification during the maximum permissible period as indicated in the intimation e-mail. ARNs will be generated once the Biometric based Aadhar Authentication process and document verification are completed.



Circulars issued in the month of September 2024

A. Clarification in respect of Advertising Services provided to foreign Clients: - No 230/24/2024- GST dated 10-09-2024.

A foreign company or firm hires an advertising company/agency in India for advertisement of its goods or services and may enter into a comprehensive agreement with them encompassing all the issued related to advertising services.



In this event, media owners raise invoice to the advertising agency and the advertising agency then raise invoice to the foreign client for rendering such services and receives the payment in foreign currency.

Clarification Issued on: -

(i) Whether the advertising company can be considered as an “intermediary” between the foreign client and media owner as per Section 2(13) of CGST Act, 2017?

Section 2(13) of CGST Act, 2017, read with Circular No. 159/15/2021- GST dated 20-09-2021, a broker, agent or any other person who arranges or facilitates the main supply of goods or services or both or securities and has not involved himself in the main supply on his own account is considered as intermediary.

In this instant case, the advertising agency, enters into two agreements:

(a) With the client located outside India for providing a one stop solution starting from designing the advertisement to its display in the media as agreed to with the client. The advertising company raises invoice to its foreign client for the above advertising services and the payments of the same is received from the foreign client in foreign exchange.

(b) With the media company to procure media space for display of the advertisement and to monitor campaign progress based on data shared by the media company. The media company bills the advertising agency and the payment for same is made by the advertising agency to the media company.

The advertising agency is involved in the supply of services on principal-to-principal basis and from its own account and thus cannot be considered as an intermediary service.

(ii) Whether the representative of the foreign client in India or the target audience of the advertisement in India can be considered as the 'recipient' of the services being supplied by the advertising company under Section 2(93) of CGST Act, 2017?

In accordance with Section 2(93)(a) of the CGST Act, 2017, the "recipient" of the services means the person who is liable to pay the consideration where a consideration is payable for the supply of goods or services or both.

In this case, the foreign entity is liable to pay the consideration instead of consumer or the target audience. Further, even if a representative of the said foreign client is based in India, including a subsidiary or related person of the said foreign client, is interacting with the advertising company on behalf of the said foreign client, the said representative based in India cannot be considered as a recipient of the service, if the agreement is between the foreign client and the advertising company, the invoice is being issued for the said service by the advertising company to the foreign client and the payment for the said service is received by the advertising company directly from the said foreign client. Thus, the recipient of the services is a foreign entity and cannot be considered as target audience bases in India.

(iii) Whether the advertising services provided by the advertising companies to foreign clients can be considered as performance-based services as per section 13(3) of the IGST Act?

Section 13(3)(a) of the IGST Act, 2017 relates to services supplied in respect of goods which are required to be made physically available by the recipient of services and in the instant case, there is no good involved. Hence, it is not to be invoked.

As per Section 13(3)(b) of the IGST Act, 2017 provides the place of supply shall be the location where the services are actually performed in case, where

- (a) Services are supplies to an individual,
- (b) Represented either as the recipient of service or a person acting on behalf of the recipient, and
- (c) Which requires the physical presence of the recipient or the person acting on his behalf, with the supplier for the supply of services.

In the instant case, the supply of advertisement services does not require physical presence of the recipient with the advertising company for availing the said services.

Hence, the place of supply of such services cannot be determined in accordance with Section 13 of IGST Act, 2017.

Hence, the place of supply of providing the advertising services can be determined in accordance with Section 13(2) of the IGST Act, 2017 i.e., location of the recipient of the services. Since, the recipient of the services is located outside India, then such services is to be considered as export of services.

Moreover, if the advertising agency provide the services by acting as an agent, then invoice is to be issued by the media owner directly to the foreign entity and remits the payment in foreign currency and thus, the place of supply is to be considered in accordance with Section 13(8)(b) of the IGST Act, 2017, i.e., location of the supplier of services, i.e., location of advertising company.

B. Clarification on Availability of Input Tax Credit in respect of Demo Vehicles: - No 231/25/2024- GST dated 10-09-2024.

Demo Vehicles are the vehicles purchased by authorized dealers from the vehicle manufacturers against tax invoices and are reflected as Capital Assets in books of accounts of the authorized dealers. As per dealership norms, these vehicles may be required to be held by the authorized dealers as demo vehicle for certain mandatory period and may, thereafter, be sold by the dealer at a written down value and applicable tax is payable at that point of time.

Clarification Issued on: -

(i) Availability of ITC on such motor vehicle having seating capacity not more than 13 persons (including the driver) in terms of clause(a) of Section 17(5) of CGST Act, 2017.

Clause (a) of Section 17(5) of CGST Act restricts claiming of the ITC where the seating capacity is not more than 13 persons (including the driver), except when they are used for making following taxable supplies, namely

- (a) Further supply of such motor vehicles, or
- (b) Transportation of passengers, or
- (c) Imparting training on driving such motor vehicles.

There is an exclusion as mentioned in the Section 17(5)(a) which is based on the nature of outward taxable supplies being made using the said motor vehicle. The ITC on demo vehicle does not fall under clause (b) or (c) of the said Section. Regarding clause (a), there is a mention of word 'such motor vehicle' instead of 'said motor vehicle'. This implies that the not only the motor vehicle which itself is supplied is excluded but motor vehicle which is being used for purpose of further supply of similar type is also

to be excluded from the restriction imposed for claiming the ITC. Since, the demo cars are used to promote the sale of similar type of vehicle, it can be said that these are 'used for further supply of such motor vehicles.' Hence, it is not blocked in accordance with Section 17(5)(a) of CGST Act, 2017.

If the said vehicle is not used for making further supply like transportation of its staff/employee/management, etc. then ITC will be blocked in accordance with Section 17(5)(a) of CGST Act, 2017

If the authorized dealers act as an agent to provide test drives but the actual sale or purchase of the vehicle has been done directly from the manufacturer, then the authorized dealer is only providing facilitation services and is not making any further supply on its own. Hence, ITC will be blocked in accordance with Section 17(5)(a) of CGST Act, 2017.

(ii) Availability of input tax credit on demo vehicles in cases where such vehicles are capitalized in the books of account by the authorized dealers.

As per Section 2(19) of CGST Act, 2017, 'capital goods' means goods, the value of which is capitalized in the books of account of the person claiming the input tax credit and which are used or intended to be used in the course or furtherance of business.

Section 16(1) of CGST Act, 2017 nowhere restricts availability of ITC on demo vehicles even if the same is capitalised on the books of accounts of the authorized dealers, subject to other provisions of the Act. But if the authorized dealer has claimed the depreciation on the tax component of the cost of capital goods, then as per Section 16(3) of the CGST Act, 2017 does not allow ITC on the said tax component. In case of sale of demo vehicles by authorized dealers, the amount or tax as per Section 18(6) of CGST Act, 2017 read with rule 44(6) of CGST Rules, 2017 is required to be paid.

C. Clarification on Place of Supply of Data Hosting Services provided by Service Providers located in India to Cloud Computing Service Provides located outside India: - No 232/26/2024-GST dated 10-09-2024.

Clarification issued on: -

(i) Whether data hosting service provider qualifies as 'Intermediary' between the cloud computing service provider and their end customers/users/subscribers as per Section 2(13) of the IGST Act and whether the services provided by data hosting service provider to cloud computing service providers are covered as intermediary services and whether the place of supply of the same is to be determined as per section 13(8)(b) of IGST Act?

The cloud computing service provider enters contract with data hosting service provider to use their data centres for hosting cloud computing services. The data hosting service provider provide the said supply of data hosting services to cloud computing service providers.

The data hosting service provider provides data hosting services to the cloud computing service provider on a web platform through computing and networking equipment for the purpose of collecting, storing, processing, distributing, or allowing access to large amounts of data. The data hosting service provider does not deal with end users/consumers of cloud computing services. Hence, the service provided by data hosting service providers to cloud computing services provider on principal-to-principal basis and is not to be considered as an intermediary service and such supply cannot be determined as per Section 13(8)(b) of IGST Act, 2017.

(ii) Whether the data hosting services are provided in relation to goods "made available" by recipient of services to service provider for supply of such services and whether the place of supply of the same is to be determined as per section 13(3)(a) of the IGST Act, 2017?

Section 13(3)(a) of the IGST Act, 2017 provides that in cases where the services are supplied in respect of goods which are made physically available by the recipient of services to service provider, the place of supply will be location of service provider.

The data hosting service provider owns premises for data centre or operates data centre on leased premises, independently handles, monitors and maintains the premises, hardware and software infrastructure, personnel and in such scenario, the overseas cloud computing service providers cannot be considered to own the said infrastructure and make the same physically available to the data hosting service provider for supply of the said services. Hence, the place of supply of the same cannot be determined under Section 13(3)(a) of IGST Act, 2017.

(iii) Whether the data hosting services are provided directly in relation to "immovable property" and whether the place of supply of the same is to be determined as per section 13(4) of the IGST Act?

Section 13(4) of the IGST Act provides for the place of supply where services supplied are directly in relation to immovable property. The data hosting service providers either use owned or leased premises for keeping IT infrastructure and other hardware required for providing data hosting services. The data hosting service are not passive supply of services directly in respect of immovable property but are supply of comprehensive service related to data and hence cannot be considered as the service provided directly in relation to immovable property or physical premises and hence, the place of supply of such services cannot be determined under Section 13(4) of IGST Act, 2017.

Thus, the services provided by the data hosting services provider located in India to overseas cloud computing service providers is to be determined in accordance with Section 13(2) of IGST Act which states that the location of the recipient of the services and in this case, it falls outside India and considered as export of service.

D. Clarification regarding regularization of refund of IGST availed in contravention of Rule 96(10) of CGST Rules, 2017, in cases where the exporters had imported certain inputs without payment of Integrated Taxes and Compensation Cess: - No. 233/27/2024 – GST dated 10-09-2024.

This circular provides clarification related to regularization of the refund of IGST for exporters who initially imported without payment of IGST and compensation cess but subsequently, IGST and compensation cess on such imported inputs is paid at later date, along with the interest.

Hence, the Rule 96(10) of CGST Rules, 2017 previously barred the refund of IGST on export if certain concessional or exemption notification were used for the import of inputs. The new guidelines clarify that exporter who initially imported inputs without paying IGST and compensation cess under Notification No 78/2017- Customs and 79/2017- Customs can still claim IGST refunds on their exports if they subsequently pay the IGST and compensation cess along with interest.



Notification issued in the month of September 2024

A. Notification No. 18/2024- Central Tax dated 30-09-2024.

This notification empowers the Principal Bench of Appellant Tribunal to examine whether ITC availed by any registered person or reduction in the tax rate have actually resulted in commensurate reduction in the price of the goods or services or both supplied by that person.



The Notification shall come into force with effect from 1st October 2024.

B. Notification No 17/2024-Central Tax dated 27-09-2024.

List Of Sections which shall come into force from the date as specified through the table mentioned below: -

Relevant Section of Finance (No.2) of 2024	Relevant Section as per GST Act	Particulars	Effective Date
Section 118	Section 16(5) and 16(6) of CGST Act, 2017	Section 16(5): - Timeline for availing the ITC for the period July 2017 to March 2021 is 30 th November 2021. Section 16(6): - Timeline for availing the ITC in case of cancellation of supplier's registration and subsequent revocation.	27-09-2024
Section 142	Section 109 of CGST Act, 2017	Empowering GSTAT Principal bench to adjudicate or examine the Anti profiteering matters	27-09-2024
Section 148	Section 171 of CGST Act, 2017	Sunset clause for Anti Profiteering provision.	27-09-2024
Section 150	N.A.	No refund of taxes paid, or ITC reversed in light of violation of provisions of Section 16(4) of CGST Act, 2017.	27-09-2024
Section 114	Section 9 of CGST Act, 2017	Insertion of words "and un-denatured extra neutral alcohol or rectified spirit used for manufacture of alcoholic liquor, for human consumption" after the words "alcoholic liquor for human consumption".	01-11-2024

Section 114	Section 9 of CGST Act, 2017	Insertion of words “and un-denatured extra neutral alcohol or rectified spirit used for manufacture of alcoholic liquor, for human consumption” after the words “alcoholic liquor for human consumption”.	01-11-2024
Section 115	Section 10(5) of CGST Act, 2017	Insertion of words ‘or Section 74A’ after the words ‘Section 73 or Section 74’.	01-11-2024
Section 116	NA	Insertion of New Section 11A where the government can not recover the GST not levied or short levied as a result of general practice.	01-11-2024
Section 117	Section 13(3) of CGST Act, 2017	Inclusion of date of invoice issued by the either supplier or recipient, as the case may be, for considering the time of supply in case of supply of service for where tax is to be paid under RCM.	01-11-2024
Section 121	Section 30(2) of CGST Act, 2017	Insertion of Second proviso to Section 30(2) of CGST Act, 2017 which provides revocation of cancellation of registration subject to conditions or restrictions.	01-11-2024
Section 122	Section 31(3)(f) of CGST Act, 2017	Insertion of the words ‘within the period as may be prescribed’ after the words of ‘Section 9 shall’ Explanation inserted to clarify that supplier for the purpose of this clause shall include a person registered for deduction of TDS	01-11-2024
Section 124	Section 39(3) of CGST Act, 2017	The registered person who is required to deduct TDS under Section 51 of CGST Act, 2017 is required to file the monthly return even if there is no deduction in that month. Nil return is also to be filed which was not required before such amendment.	01-11-2024
Section 128	Section 54 of CGST Act, 2017	New sub section 15 is inserted where there is no refund of Unutilised ITC or tax paid on zero rated supply of goods which is subject to export duty.	01-11-2024
Section 136 and 137	Section 73 and 74 of CGST Act, 2017	The provisions of these sections are applicable for determining of tax pertaining to period up to FY 2023-24.	01-11-2024
Section 138	NA	The new section 74A is introduced for determining the tax, interest and penalty for the FY 24-25 and onwards, covering the grounds of both Section 73 and 74.	01-11-2024
Section 141	Section 107 of CGST Act, 2017	The capping limit of pre deposit has been reduced from 25 crores to 20 crores.	01-11-2024
Section 143	Section 112 of CGST Act, 2017	Reduction of percentage of pre deposit from 20% to 10% and reduction of capping limit reduced from 50 crores to 20 Crores.	01-11-2024
Section 146	NA	Insertion of Section 128A where there is waiver of the interest or penalty or both relating to demand raised in accordance with Notice or statement issued in Section 73 of CGST Act, 2017 pertaining to period July 2017 to March 2020.	01-11-2024
Section 147	Section 140 of CGST Act, 2017	ISD shall be allowed to distribute the ITC available in respect of services received prior to 01.07.2017 whether the invoice is received prior or on or after 01.07.2017.	01-11-2024
Section 149	Schedule III	Apportionment of co-insurance premium and ceding commission or reinsurance commission deducted by insurer from reinsurance premium is neither to be considered as supply of goods or supply of services.	01-11-2024

Frequently Asked Questions: Invoice Management System (IMS)

Sr No.	Question	Reply
1.	What is Invoice Management System (IMS)?	Invoice Management System (IMS) is a facility in GST system, where the invoices/records saved/filed by the supplier in GSTR-1/1A/IFF, can be accepted, rejected or kept pending by recipients in order to correctly avail ITC.
2	How can I access IMS?	IMS can be accessed using below path on GST Portal : Dashboard > Services > Returns > Invoice Management System (IMS) Dashboard .
3	When will IMS be made available to taxpayers?	IMS will be launched on the GST Portal from 1 st October 2024 and shall be available to the taxpayers for taking actions on the received invoices/records from 14 th October 2024 onwards.
4	What all records will be available in IMS for taking an action?	All the saved or filed original invoices/records and their amendments by suppliers through GSTR-1/1A/IFF will be available to the recipient for taking actions in IMS. However, the documents where ITC is not eligible either due to: <ul style="list-style-type: none"> i. POS rule or ii. Section 16(4) of the CGST Act, will not appear on IMS and will directly go to 'ITC Not Available' section of GSTR-2B.
5	What will happen to the accepted and rejected record?	All the accepted/rejected records belonging to a particular GSTR-2B period will be removed from IMS on filing of GSTR-3B for that particular period. Only the pending record and the invoices/records belongs to future tax period shall remain in IMS.
6	When will the documents be flown to IMS?	The documents will be available in IMS as soon as they are saved by the supplier in their corresponding GSTR-1/1A/IFF.

7	When can the recipient taxpayer take action on a record?	As soon as a supplier/ taxpayer saves an Invoice/ records in GSTR-1/1A/IFF, it is shown and is available to the recipient taxpayer in IMS for taking actions.
8	What all documents will not be made available in IMS but will be part of GSTR-2B?	<p>Below records will not be part of IMS but will directly flow to GSTR-2B:</p> <ol style="list-style-type: none"> 1. Document flowing from the following forms: <ul style="list-style-type: none"> • GSTR 5 • GSTR 6 2. ICEGATE documents 3. RCM records 4. Document where ITC is ineligible due to: <ul style="list-style-type: none"> • POS rules • Section 16(4) of CGST Act 5. Documents where ITC to be reversed on account of Rule 37A
9.	Who will have access to IMS functionality?	Taxpayers registered as normal taxpayers (including SEZ unit/Developer) and casual taxpayers will be able to access IMS functionality.
10	What are the actions that I can take on an IMS ?	<p>Below actions are allowed to take in IMS:</p> <ol style="list-style-type: none"> i. Accept ii. Reject iii. Pending <p>Note: By default all the records will flow into "No Action" category and records with "No Action" will be deemed accepted at the time of GSTR-2B generation.</p>
11	Are there any invoices/records where pending action is not allowed in IMS?	<p>Yes, for the following 4 scenarios, pending action would not be available :-</p> <ol style="list-style-type: none"> A. Original Credit note B. Upward amendment of the credit note irrespective of the action taken by recipient on the original credit note C. Downward amendment of the credit note if original credit note was rejected by him, D. Downward amendment of Invoice/ Debit note where original Invoice/ Debit note was accepted by him and respective GSTR 3B has also been filed

12	Can I take actions multiple time on a document?	Yes, action can be taken multiple times on an invoice/record before filling of GSTR 3B. In case of multiple actions on a record, latest action will overwrite the previous action. However, the action taken will be frozen at the time of filing the corresponding GSTR-3B by the recipient.
13	What happens to the original Tax Invoice/Debit Note if the same record is amended by the supplier?	<p>If original and amended Tax Invoice/Debit Note belongs to 2 different GSTR 2B return period, then it is mandatory to take action on original Tax Invoice/Debit Note and file the respective GSTR 3B before taking action on amended Tax Invoice/Debit Note (amended through GSTR-1/1A/IFF). In case if recipient take the action on amended Tax Invoice/Debit Note first then system will not allow to save the action in IMS.</p> <p>In case both the original Tax Invoice/Debit Note and amended Tax Invoice/Debit Note belong to same period GSTR-2B, the action taken on amended Tax Invoice/Debit Note will prevail over the action taken on original Tax Invoice/Debit Note. However, you need to first bring the original invoice/ debit note from pending status to either accept or reject status before taking action of amended invoice/debit note as otherwise system will not allow you to take any action on amended invoice.</p>
14	What happens to the original Credit Note if the same is amended by the supplier?	If original and amended credit note both are available in IMS whether it belong to two different GSTR-2B period or same GSTR-2B period, the action taken on amended credit note will prevail over the action taken on original credit note.
15	What will happen to documents on which taxpayers has taken an action on IMS?	<p>The documents will be treated in following manner based on different kind of action:</p> <ul style="list-style-type: none"> i. Accept –Accepted records will become part of 'ITC Available' section of respective GSTR 2B. ITC of accepted records will auto-populate in GSTR 3B. ii. Reject –Rejected records will become part of 'ITC Rejected' section of respective GSTR 2B. ITC of rejected records will not auto-populate in GSTR 3B.

		<p>iii. Pending –Pending records will not become part of GSTR 2B and GSTR 3B. Such records will remain on IMS dashboard till the time same is accepted or rejected or till the time timeline prescribed in Section 16(4) of CGST Act.</p> <p>iv. No Action - <i>records with “No Action” status will be deemed accepted at the time of GSTR-2B generation.</i></p>
16	Which documents will be considered for GSTR-2B generation?	All the filed and accepted (no action will be treated as deemed accepted) or rejected records will be considered for GSTR-2B generation as per the cut-off dated of GSTR-2B.
17	What If I have taken an action on a document in saved status but the same is edited/changed by the supplier before filing his GSTR-1?	<p>In case a saved record is edited before filing of GSTR-1 by the supplier, the edited record will replace the saved document in IMS and the action taken on such record by the recipient will be reset. Thus, the edited record will be available for recipient for fresh action in IMS.</p> <p>Similarly, if a document is deleted before filing of GSTR-1/1A/IFF by supplier then such document will be removed from IMS also.</p>
18	Will Reverse Charge document received from registered suppliers also form part of IMS ?	No, RCM invoices are not part of IMS but will continue to be part of GSTR-2B as it is being reflected today.
19	As a taxpayer what all will I be able to view on the IMS?	<p>The IMS has two different view:</p> <p>i. Recipient view : As a recipient, a taxpayer will have an “inward supply” view to see all the specified documents which are saved or filed by your respective supplier. These documents will be available for actions by the recipient.</p> <p>ii. Supplier view: As a supplier, a taxpayer will have an “Outward supply” view to see actions taken on all the specified documents by their respective recipient. *It will be made available shortly.</p>

20	What happens if recipient reject a record?	<ol style="list-style-type: none"> 1. If the recipient rejects the record before filing of GSTR 1 by supplier, then the invoice/record can be edited and supplier can file the GSTR 1 with revised detail. This edited record will be made available in the IMS for action by the recipient. 2. If the recipient rejects after filing of GSTR 1 by supplier, then the supplier needs to amend/add the invoice/record in GSTR-1A or in subsequent GSTR 1/ IFF with same or revised details, as the case may be. Amended record will be made available in the IMS for action by the recipient.
21	What will happen to the documents in IMS on filing of GSTR 3B by recipient?	All the accepted/rejected records belonging to a particular GSTR-2B period will be removed from IMS on filing of GSTR-3B for that particular period.
22	What will happen to the documents kept pending in IMS?	<p>Pending records will continue to be in IMS till the time of cut-off date as per section 16(4) of CGST Act, 2017.</p> <p>Once records crossed the timeline prescribed in section 16(4) of CGST Act, it will be removed from IMS.</p>
23	Can I download all the data available in IMS?	Yes, excel download facility is available to download the IMS data .
24	What is draft GSTR 2B?	GSTR-2B will continue to be generated on 14 th of every month with the same logic as current GSTR-2B which will now be considered as draft GSTR 2B. This draft will consist of all the accepted / deemed accepted records and rejected records. Here, rejected records are for view only and will not flow in GSTR-3B.
25	Can I take any action after generation of draft GSTR 2B?	Yes, the recipient will be allowed to take an action on any record available in draft GSTR 2B also, till the filing of GSTR-3B. In such cases, at the time of filing GSTR-3B recipient will require to recompute his GSTR 2B to have impact of actions taken after 14 th in his GSTR-3B.
26	Is there any scenario where draft GSTR 2B will not be generated by system on 14 th of subsequent month?	Yes, In case the previous period GSTR 3B is not filed by the taxpayer then the system will not generate their draft GSTR 2B on 14 th of the subsequent month.

		However, the taxpayer can generate their GSTR 2B from the IMS dashboard after filing their previous GSTR 3B.
27	How many times can I regenerate GSTR 2B?	Before filling of GSTR 3B, there is no restriction on number of times such GSTR-2B can be recomputed/regenerated.
28	What about GSTR-2B for quarterly taxpayers?	For quarterly taxpayers, GSTR-2B will not be generated for the months M1 and M2 of the quarter. However, GSTR-2BQ for the quarter (M1, M2 and M3 combined) will be generated on 14 th of Q+1 month and re-computation of 2B will be allowed on or after 14 th of Q+1 month till filing of corresponding GSTR-3B. The same logic as is there for monthly GSTR-2B / 3B will be applicable.
29	What will happen to GSTR-2A?	GSTR-2A shall continue to be generated as it is.
30	Is it mandatory to re-compute GSTR 2B?	If there is any change made by recipient on IMS dashboard after draft GSTR 2B generation by system, it is mandatory to re-compute GSTR 2B
31	How to take an action on records available on IMS dashboard	<p>1. Action on Individual record: To take action on individual record, recipient can select the action by clicking on the radio button available at line-item level and then click on save button to save the action taken.</p> <p>2. Action on multiple records: To take action on multiple records in one go, recipient can select multiple records or all the records through check-box option available on screen. After selecting multiple records, system will enable main action buttons on heading of action radio buttons with count of selected records. Through these action buttons recipient can take action on multiple records in one go.</p> <p>Note: On all the multiple selected records, only one type of action can be taken.</p>

32	<p>What will happen if the recipient rejects the Tax Invoice or Debit Note for the supplies of FY 23-24 which was eligible for GSTR 2B of Oct'24, given the deadline to avail the ITC by 30th November?</p>	<p>Taxpayer are advised to reconcile their records before filling of their GSTR 1 for October 2024 tax period for which due date is 11th November 2024.</p> <p>The Taxpayer can accept/reject the record on IMS after due verification. The ITC for the rejected record will not flow to GSTR 2B for Oct'24.</p> <p>However, recipient can change the action from rejected to accepted in IMS and recompute GSTR 2B at the time of filing GSTR 3B and take corresponding ITC in the GSTR 3B for Oct'24.</p>
33	<p>Can a supplier amend FCM invoice to RCM invoice and what will the impact on the ITC?</p>	<p>Yes, the supplier can amend an Invoice from FCM to RCM subject to the time limit as per GST law.</p> <p>The system shall reduce the ITC of the amended FCM Invoice in case the said invoice was accepted by the recipient.</p> <p>Further, the RCM invoice shall flow to GSTR 2B of the recipient.</p>
34	<p>Can the place of supply be changed by the supplier in the GSTR 1 and what will be the impact on the ITC?</p>	<p>Yes, place of supply can be changed by the supplier in the GSTR 1 subject to the time limit given in the GST law.</p> <p>Further if the ITC become ineligible due to change in place of supply, then recipient should reverse the ITC in the Table 4B1.</p>
35	<p>What will happen if the recipient rejects the original Credit Note or upward amended Credit Note?</p>	<p>If the recipient rejects the Credit note and furnished the GSTR 3B then the corresponding liability will be added to the supplier liability in the GSTR 3B of subsequent tax period.</p>

Annexure-A: Impact on ITC and on liability of supplier under different scenerios

Other than Reverse Charge Records							
Record Type	Action taken on IMS and impact on R2B ITC credit			Supplier 3B Liability			
	Action on Original Record	ITC Amount	Action on Amendment Record	ITC Amount	Liability of the Record	Incr laibility on action taken	
B2B/DN/ECO [9/5] Invoice	Accept	+ Full Amount			+ Full Amount	Nil	
	Reject	Nil					
	Pending	Nil					
B2BA/DN Upward	Accept	+ Full Amount	Accept	+ Delta	+ Delta	Nil	
			Reject	Nil			
			Pending				
	Reject	Nil	Accept	+ Full Amount	+ Delta	Nil	
			Reject	Nil			
			Pending				
	Pending	Nil	Accept	+ Full Amount	+ Delta	Nil	
			Reject	Nil			
			Pending				
B2BA/DNA Downward	Accept	+ Full Amount	Accept	- Delta	- Delta	Nil	
			Reject	Nil		+ Delta	
			Pending	Not Allowed		NA	
	Reject	Nil	Accept	+ Full Amount	- Delta	Nil	
			Reject	Nil			
			Pending				
	Pending	Nil	Accept	+ Full Amount	- Delta	Nil	
			Reject	Nil			
			Pending				
CN	Accept	- Full Amount			- Full Amount	Nil	
	Reject	Nil				+ Full Amount	
	Pending	Not Allowed					
CNA Upward	Accept	- Full Amount	Accept	- Delta	- Delta	Nil	
			Reject	Nil		+ Delta	
			Pending	NA		NA	
	Reject	Nil	Accept	- Full Amount	- Full Amount	Nil	
			Reject	Nil		+ Full Amount	
			Pending	NA		NA	
	Pending	Not Allowed			Not Allowed		
	CNA Downward	Accept	- Full Amount	Accept	+ Delta	+ Delta	Nil
				Reject	Nil		
Pending				Nil			
Reject		Nil	Accept	- Full Amount		Nil	

			Reject	Nil	- Full Amount	+ Full Amount
			Pending	NA	Not Allowed	
	Pending	Not Allowed			Not Allowed	

RCM to Forward charge						
RCM to FCM - Inv/DN			Accept	+ Full Amount	+ Full Amount	Nil
			Reject	Nil		
			Pending	Nil		
RCM to FCM - CN			Accept	- Full Amount	- Full Amount	Nil
			Reject	Nil		+ Full Amount
			Pending	Not allowed	Not Allowed	
FCM to RCM - Inv/DN	Accept	+ Full Amount	3.1d & 4A(3)	- Full Amount	- Full Amount	
	Reject	Nil				
	Pending	Nil				
FCM CN to RCM CN	Accept	- Full Amount		+ Full Amount	+ Full Amount	
	Reject	Nil				
	Pending	Not Allowed				

Note: "Delta" indicates the change in value.

** The scenarios outlined in the table regarding liability and the associated availability of Input Tax Credit (ITC) have been meticulously prepared to ensure precision and clarity. However, this information is intended solely for advisory and informational purposes. The same should not be construed as a statement of law or used for any legal purposes or any litigation as a legal and binding advice from the GST department/GSTN. GSTN hereby expressly disowns and repudiates any claim or liabilities in relation to accuracy, completeness, usefulness of any information available through the above table or FAQs and against any intended purposes by use thereof, by the taxpayer directly or indirectly. Taxpayer is advised to refer Act, Rules or regulation made thereunder in case of any confusion or contradiction, if any.*

Thanking You
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