



GST UPDATES

**GST Advisory – Key Updates from the GST Portal
and Recent Notifications**

KEY UPDATES FROM THE GST PORTAL AND RECENT NOTIFICATIONS

These advisory highlights the latest updates introduced on the GST Portal along with key notifications issued by the GST authorities. The changes are aimed at streamlining return filing, improving system validations, and strengthening compliance mechanisms.

1. Advisory on Implementation of Validations for Electronic Credit Reversal and Re-claimed Statement & RCM Liability/ITC Statement.

a) The ITC Reclaim Ledger (Electronic Credit Reversals & Re- claimed Statement)

- **What it tracks:** ITC reversed in Table 4(B)2 and subsequently reclaimed in Table 4(A)5 & 4(D)1.
- **The New Rule:** You can no longer reclaim more ITC than what is available in your ledger balance.
- **The Block:** If Table 4(D)1 > (Closing Balance + Current Reversals), the portal will block your filing.
- **Fix:** If you have a negative balance, you must reverse the excess in Table 4(B)2 of your current return.

b) The RCM Liability/ ITC Statement

- **What it tracks:** RCM liability reported in Table 3.1(d) vs. RCM ITC claimed in Table 4A(2) & 4A(3).
- **The New Rule:** ITC claimed under RCM cannot exceed the RCM liability paid in the current period plus any previously available balance in the statement.
- **The Block:** Excess RCM ITC claims will result in a filing failure.
- **Fix:** To clear a negative balance, you must either pay the additional liability in Table 3.1(d) or reduce your ITC claim in the current period.

For more information on Electronic Credit Reversal and Re-claimed Statement please refer the advisory dated 17th September 2024 issued by GSTN by clicking below link https://tutorial.gst.gov.in/downloads/news/itc_pending_ledger.pdf.

Also, detailed advisory on Introduction of RCM Liability/ITC Statement can be seen by clicking on below link:

<https://services.gst.gov.in/services/advisoryandreleases/read/514>

2. Advisory on Filing Opt-In Declaration for Specified Premises, 2025

The GSTN has launched an online facility for hotel accommodation providers to declare their properties as "Specified Premises" under Notification No. 05/2025. This allows eligible taxpayers to opt for specific tax treatments as per the 2025 GST reforms.

a) Who Can File?

- **Existing Taxpayers:** Regular registered persons (including those under suspension) providing hotel services.
- **New Applicants:** Those applying for a fresh GST registration.

Note: Not applicable to Composition, TDS/TCS, SEZ, or Casual taxpayers.

b) Types of Online Forms

- **Annexure VII:** For existing registered taxpayers (Opt-in for the next FY).
- **Annexure VIII:** For new registration applicants (Opt-in at the time of joining).
- **Annexure IX:** Opt-out declaration (To be released soon).

c) Important Deadlines

- **For Existing Taxpayers (FY 2026-27):** You must file between January 1st, 2026, and March 31st, 2026.
- **For New Applicants:** Must file within 15 days of generating their Application Reference Number (ARN). If missed, you must wait for the Jan-March window.
- **Automatic Renewal:** Once opted in, the status continues for future years unless you manually opt out.

d) Filing Process & Limits

- **Path:** Log in to GST Portal > Services > Registration > Declaration for Specified Premises.
- **Capacity:** You can select a maximum of 10 premises per declaration. For more than 10, multiple declarations must be filed.
- **Verification:** Submission is completed via EVC, and a unique reference number is generated for each property.

e) Crucial Transition Note

If you filed your declaration manually for FY 2025–26, you must file it again electronically for FY 2026–27 during the current window (Jan–March 2026) to maintain your status on the portal.

3. Advisory regarding Reporting Values in Table 3.2 of GSTR-3B

The GST Network (GSTN) has introduced a major change to enforce consistency between outward supply records and final tax returns. Starting from the November 2025 filing period, Table 3.2 is now a "hard-locked" field.

a) Scope of Table 3.2

This table captures specific inter-State supplies made to:

- Unregistered Persons (B2C)
- Composition Taxpayers
- UIN Holders

b) The "Hard-Lock" Change

- **System-Generated Only:** Values are auto-populated from GSTR-1, GSTR-1A, and IFF.
- **Non-Editable:** Taxpayers can no longer manually edit or overwrite these figures directly within the GSTR-3B form. You must file using the system-generated totals.

c) How to Rectify Errors

If you notice incorrect values in Table 3.2, you cannot fix them in GSTR-3B. Instead, use these routes:

- **Primary Correction (GSTR-1A):** File Form GSTR-1A for the same tax period. Amendments made here will instantly update Table 3.2 in GSTR-3B.
- **Subsequent Correction (GSTR-1/IFF):** Alternatively, you can report corrections in the GSTR-1 or IFF of future periods, though this will only affect the GSTR-3B of that future month.

4. GSTN issued update on Mandatory Furnishing of Bank Account details under Rule 10A

The GSTN on 05.12.2025 has issued an update on mandatory furnishing of Bank account details under Rule 10A. Rule 10A of the CGST Rules mandates that every registered taxpayer (other than those registered under TCS, TDS, or suo-motu registrations) must furnish their bank account details within 30 days of grant of registration, Before filing GSTR-1 or IFF, whichever is earlier.

a) Automatic Suspension (The "Lock")

- **Trigger:** If bank details are not provided within 30 days of registration or before filing GSTR-1/IFF (whichever is earlier), the system will automatically suspend the GSTIN.
- **Consequences:** Suspended taxpayers cannot file returns or generate E-way bills.
- **Verification:** View the suspension order via: Services → User Services → View Notices and Orders.

b) Resolution & Reactivation (The "Key")

- **Updating Details:** Furnish details (Account No., IFSC, and proof) via a Non-Core Amendment: Services → Registration → Amendment of Registration (Non-Core Fields).
- **Auto-Restoration:** Once details are successfully uploaded, the system automatically drops cancellation proceedings and restores the status to "Active."
- **Manual Override:** If the status does not update on the same day, use the "Initiate Drop Proceedings" button under View Notices and Orders to manually trigger the restoration.

c) Exemptions & Special Conditions

- **Exempt Entities:** OIDAR (Online Services) and NRTP (Non-Resident Taxable Persons) are generally exempt from this mandatory requirement.
- **The OIDAR Exception:** If an OIDAR provider appoints an Authorized Representative in India, furnishing bank details becomes mandatory.

5. Changes in GST Rates through various Notifications:

a) CBIC Notifies New GST 40% on Tobacco, Panmasala and Cigarettes w.e.f. 01.02.2026

The CBIC has issued Notification No. 19/2025- Central Tax (Rate) dated 31.12.2025, to amend Notification No. 9/2025- Central Tax (Rate) to provided new GST rates for sin goods w.e.f. 01.02.2026.

These are summarized as under –

Chapter/Headin g/Sub- Heading/ Tariff item	Description of goods	Existing	Changed to
2403 19 21, 2403 19 29	Biris	14%	9% (IGST – 9% + 9%)
2106 90 20	Pan masala	14%	20% (IGST 20% +20%)
2401	Unmanufactured tobacco; tobacco refuse [other than tobacco leaves]	14%	20% (IGST 20% +20%)
2402	Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes;	14%	20% (IGST 20% +20%)
2403 (other than 2403 19 21, 2403 19 29)	Other manufactured tobacco and manufactured tobacco substitutes; homogenised or reconstituted tobacco; tobacco extracts and essences [other than biris]	14%	20% (IGST 20% +20%)
2404 11 00	Products containing tobacco or reconstituted tobacco and intended for inhalation without combustion	14%	20% (IGST 20% +20%)

2404 19 00	Products containing tobacco or nicotine substitutes and intended for inhalation without combustion;	14%	20% (IGST 20% +20%)
------------	---	-----	---------------------

Similar Notification has been issued under Integrated Tax vide Notification No. 19/2025- Integrated Tax (Rate) and Union Territory Tax vide Notification No. 19/2025- Union Territory Tax (Rate).

b) Compensation Cess on all Goods specified in the schedule had been withdrawn w.e.f. 01.02.2026.

The CBIC has issued notification no. 03/2025-compensation cess(rate) dated 31.12.2025, amended Notification No. 1/2017–Compensation Cess (Rate) dated 28 June 2017. By this amendment, the Compensation Cess rate has been reduced to “Nil” for all entries listed in the Schedule. Effectively, no Compensation Cess will be leviable on any goods covered under the Schedule to the said notification.

DISCLAIMER:

The information contained herein is in summary form and is prepared based on the provisions of GST and allied laws and related Rules, Circulars, Notifications, judgments/orders, press releases, trade notices etc therein. For details, please refer the relevant provisions. While the information is believed to be accurate to the best of our knowledge, we do not make any representations or warranties, express or implied, as to the accuracy or completeness of this information. Reader should conduct and rely upon their own examination and analysis and are advised to seek their own professional advice. We accept no responsibility for any errors it may contain, whether caused by negligence or otherwise or for any loss, howsoever caused or sustained, by the person who relies upon it.

CONTACT US

NOIDA OFFICE

DPNC GLOBAL LLP

 Windsor Grand, 15th Floor,
Plot No. 1C, Sector-126,
Noida-201303, Uttar Pradesh

 +91.120.6456990

 dpnc@dpncglobal.com

 <https://dpncglobal.com/>

GURGAON OFFICE

DPNC GLOBAL LLP

120, Vipul Business Park,
Sector-48, Sohna Road,
Gurugram, Haryana-122018

FOLLOW US ON

