



HAPPY NEW YEAR

January, 2022

TAX Bulletin

★ ★ VOLUME - 103 ★ ★



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

Statutory Body under an Act of Parliament

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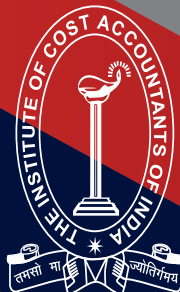
1. Preparation of Suggestions and Analysis of various Tax matters for best Management Practices and for the professional development of the members of the Institute in the field of Taxation.
2. Conducting webinars, seminars and conferences etc. on various taxation related matters as per relevance to the profession and use by various stakeholders.
3. Submit representations to the Ministry from time to time for the betterment and financial inclusion of the Economy.
4. Evaluating opportunities for CMAs to make way for further development and sustenance of the opportunities.
5. Conducting and monitoring of Certificate Courses on Direct and Indirect Tax for members, practitioners and stake holders and also Crash Courses on GST for Colleges and Universities.

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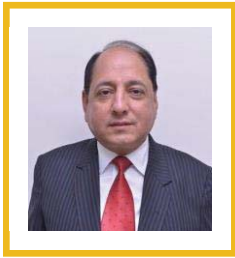
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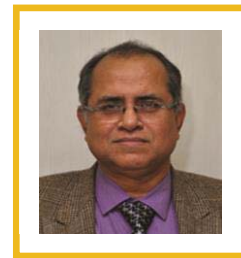
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CMA Rakesh Bhalla
Chairman, Direct Taxation Committee



CMA Chittaranjan Chattopadhyay
Chairman, Indirect Taxation Committee

FROM THE DESK OF CHAIRMAN

Dear Friends and Professional Colleagues,

New Year Greetings from all of us at the Tax Research Department!!!

When we look at the by gone year, we feel that we should thank all our readers and stakeholders for bringing in endless sparkles in our lives. Your support, appreciation and good wishes has always helped us to walk through these challenging times.

But among these festivities we should always remember that omicron cases are picking up pace in India. Some state Governments like, Delhi, Maharashtra and Karnataka has already announced the rule of Night curfew and all State and National level legislative structures are trying their level best to curb the onset of this disease. We urge the reader to follow the safety measures stringently to save the lives of ours and our loved ones.

The department has prepared a list of changes that have been notified over 2021 and has been appended in this bulletin. The Government has also made some important announcement in the Taxation front in this fortnight, some which are highlighted below.

The updates from CBIC:

- The Central Government vide Notification No. 38/2021-CT dated 21.12.2021 has notified January 1, 2022 as the date of implementation for Rule 10B of CGST Rules, 2017. As per the said rule, it has been made mandatory for the registered person to undergo Aadhaar authentication for the below purposes:
 - Filing of application for revocation of cancellation of registration in FORM GST REG-21 under Rule 23 of CGST Rules, 2017
 - Filing of refund application in FORM RFD-01 under Rule 89 of CGST Rules, 2017
 - Refund of the IGST paid on goods exported out of India under Rule 96 of CGST Rules, 2017.
- The Government has been providing an invitation for Indian taxpayers to become Invoice Registration Portal (IRP) partners of the goods and services tax network. The last date of registration is 15th Jan 2022.

- From January 1st, 2022, the tax on supplies of restaurant services supplied through E-commerce operators (ECOs) has to be paid by the concerned ECOs. Accordingly, the ECOs will no longer be required to collect TCS and file GSTR 8 in respect of restaurant services on which it pays tax in terms of section 9(5). In this regard notification No. 17/2021 dated 18.11.2021 has been issued.

The updates from CBDT:

- The Central Board of Direct Taxes (CBDT) has issued press release stating that the figures of Direct Tax collections for the Financial Year 2021-22, as of 16.12.2021, shows that the net collections are at Rs. 9,45,276.6 crore which for the corresponding period of the preceding financial year, i.e. F.Y. 2020-21 was Rs. 5,87,702.9 crores. It represents an increase of 60.8%.
- As per The Income-tax department press release, it may be seen that, above 3.59 crores Income tax returns have been filed on e-portal till 15th December, 2021 and per day average is more than 6 lakhs.
- The Income Tax Portal has added notification No. 136/2021/ [F. No. 370142/53/2021-TPL (Part-II)] on the portal which is related to Income-tax 33rd Amendment Rules, 2021.

A very informative webinar on Direct Tax has been conducted on the 28th of this month by CMA S Venkanna which addressed the important aspects of 'Annual Information Statement'. It was widely appreciated by the participants.

The various other Taxation Courses are being conducted seamlessly on an online platform and is being widely appreciated by the students. The Taxation Portal is also being updated from time to time.

We would like to conclude by wishing everyone a happy, healthy and prosperous year ahead. Suggestions are sought from our readers for any modifications or improvisations.

Jai Hind.

Warm Regards

CMA Rakesh Bhalla
3rd January 2022

CMA Chittaranjan Chattopadhyay
3rd January 2022



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Articles on the Topics of Direct and Indirect Taxation are invited from readers and authors. Along with the article please share a recent passport-sized photograph, a brief profile and the contact details. The articles should be the author's own original.

Please send the articles to

trd@icmai.in /trd.ad1@icmai.in



IMPORTANT CHANGES IN GST MADE EFFECTIVE W.E.F. 1ST JANUARY 2022



CMA Ashok Nawal
Founder - Bizsolindia Services Pvt. Ltd

Finance Bill Clause	Section	Existing	Amendment	Author's Analysis
108	7(1)(aa)	<p>Scope of supply:</p> <p>(1) For the purposes of this Act, the expression supply includes—</p> <p>(a) all forms of supply of goods or services or both such as sale, transfer, barter, exchange, licence, rental, lease or disposal made or agreed to be made for a consideration by a person in the course or furtherance of business;</p>	<p>Scope of supply:</p> <p>(1) For the purposes of this Act, the expression supply includes—</p> <p>(a) all forms of supply of goods or services or both such as sale, transfer, barter, exchange, licence, rental, lease or disposal made or agreed to be made for a consideration by a person in the course or furtherance of business</p> <p>(aa) the activities or transactions, by a person, other than an individual, to its members or constituents or vice-versa, for cash, deferred payment or other valuable consideration.</p> <p>Explanation: For the purposes of this clause, it is hereby clarified that, notwithstanding anything contained in any other law for the time being in force or any judgment, decree or order of any Court, tribunal or authority, the person and its members or constituents shall be deemed to be two separate persons and the supply of activities or transactions inter se shall be deemed to take place from one such person to another;</p>	<p>Clause (aa) inserted</p> <p>Supply of activities or transactions inter se between a person & its members or constituents shall be deemed to take place from one such person to another – hence shall be treated as a supply.</p> <p>Paragraph 7 of Schedule II specifying supply (of goods) by any unincorporated association or body of persons to a member as a supply of goods accordingly has been omitted retrospectively due to inclusion of the same in Section 7.</p> <p>In view of the above, the decision of Kolkata Club has been negated.</p>
109	16	<p>Eligibility and conditions for taking input tax credit</p>	<p>Eligibility and conditions for taking input tax credit:</p> <p>(aa) the details of the invoice or debit note referred to in clause (a) has been</p>	<p>Clause (aa) inserted, so that eligible ITC can only be allowed when supplier has uploaded the transactions on the</p>



Finance Bill Clause	Section	Existing	Amendment	Author's Analysis
			furnished by the supplier in the statement of outward supplies and such details have been communicated to the recipient of such invoice or debit note in the manner specified under section 37;”	portal and appearing on GSTR-2B. This will be effective from 1st January 2022. Prior to 1st January 2022, when ITC is availed without considering GSTR-2A or the provisions of Rule 36(4) will be litigated but there are fair chances to still be eligible prior to 01.01.2022. Thereafter, only credit can be availed only when such supplies are uploaded and appearing in GSTR-2B
113	74	Determination of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised by reason of fraud or any willful misstatement or suppression of facts Explanation 1: For the purposes of section 73 and this section: (i) the expression - all proceedings in respect of the said notice shall not include proceedings under section 132; (ii) where the notice under the same proceedings is issued to the main person liable to pay tax and some other persons, and such proceedings against the main person have been concluded under section 73 or section 74, the proceedings against all the persons liable to pay penalty under sections 122, 125, 129 and 130 are deemed to be concluded.	Determination of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised by reason of fraud or any willful misstatement or suppression of facts Explanation 1: For the purposes of section 73 and this section: (i) the expression - all proceedings in respect of the said notice shall not include proceedings under section 132; (ii) where the notice under the same proceedings is issued to the main person liable to pay tax and some other persons, and such proceedings against the main person have been concluded under section 73 or section 74, the proceedings against all the persons liable to pay penalty under sections 122 & 125 are deemed to be concluded.	Substituted Explanation The proceedings-initiated u/s 129 & 130 for E-way bill violations, i.e. detention, seizure and confiscation of goods or conveyances shall be independent proceedings and closure of parallel proceedings u/s 73 or 74 (in respect of any person including the subject person) shall not result in the deemed closure of the proceedings initiated u/s 129 & 130. In another words, even if demand issued under Section 73 & 74 has been concluded in the adjudication, any action initiated for violation of E-Way Bill condition will still be continued and it will be considered as independent adjudication / proceedings.
114	75	75. General provisions relating to determination of tax	Explanation: For the purposes of this sub-section, the expression “self-assessed tax” shall include the tax payable in respect of details of outward supplies furnished under section 37, but not included in the return furnished under section 39.	Explanation inserted GSTR-1 is notified under Section 37 and GSTR-3B is notified under Section 39. Therefore, self-assessed tax will include only detailed transactions

Finance Bill Clause	Section	Existing	Amendment	Author's Analysis
				furnished in GSTR-1 and therefore, it is important to file correct return in GSTR-1. Otherwise proceedings will be initiated even if tax might have been paid and reported in GSTR-3B for the transactions not reported in GSTR-1.
115	83(1)	<p>83. Provisional attachment to protect revenue in certain cases.</p> <p>(1) Where during the pendency of any proceedings under section 62 or section 63 or section 64 or section 67 or section 73 or section 74, the Commissioner is of the opinion that for the purpose of protecting the interest of the Government revenue, it is necessary so to do, he may, by order in writing attach provisionally any property, including bank account, belonging to the taxable person in such manner as may be prescribed.</p>	<p>(1) Where, after the initiation of any proceeding under Chapter XII, Chapter XIV or Chapter XV, the Commissioner is of the opinion that for the purpose of protecting the interest of the Government revenue it is necessary so to do, he may, by order in writing, attach provisionally, any property, including bank account, belonging to the taxable person or any person specified in sub-section (1A) of section 122, in such manner as may be prescribed.</p>	<p>Substituted Sub-Section (1) Powers of provisional attachment have been extended to proceeding under Chapter XII (Assessment), XIV (Inspection, Search, Seizure and Arrest) or XV (Demands and Recovery) for attachment of property including bank account belonging to the taxable person or person who has retained benefits of offences under 122(1A).</p> <p>Due to this amendment, the Commissioner has been empowered to initiate provisional attachment proceedings even during the assessment, investigation etc., if he feels that PA is necessary to protect the revenue. However, for the time being, the rule is that for initiating the PA proceedings, it is necessary to determine the liability and give reasonable time to discharge the obligation.</p> <p>This will be real harassment to the tax payer considering flimsy proceedings or notices in Form ASMT-10 etc. or mismatch provision prior to 1st Jan 2022. Officers will be having powers for provisional attachment.</p>

Finance Bill Clause	Section	Existing	Amendment	Author's Analysis
116	107	107. Appeals to Appellate Authority:	Provided that no appeal shall be filed against an order under sub-section (3) of section 129, unless a sum equal to twenty-five per cent. of the penalty has been paid by the appellant.	Proviso inserted Pre-deposit includes 10% of the duty demand and 25% of the penalty, otherwise appeal will not get admitted.
117	129(1) (a)&(b)	129. Detention, seizure and release of goods and conveyances in transit: (a) on payment of the applicable tax and penalty equal to one hundred per cent. of the tax payable on such goods and, in case of exempted goods, on payment of an amount equal to two per cent. of the value of goods or twenty-five thousand rupees, whichever is less, where the owner of the goods comes forward for payment of such tax and penalty; (b) on payment of the applicable tax and penalty equal to the fifty per cent. of the value of the goods reduced by the tax amount paid thereon and, in case of exempted goods, on payment of an amount equal to five per cent. of the value of goods or twenty-five thousand rupees, whichever is less, where the owner of the goods does not come forward for payment of such tax and penalty;	(a) on payment of penalty equal to two hundred per cent. Of the tax payable on such goods and, in case of exempted goods, on payment of an amount equal to two per cent. of the value of goods or twenty-five thousand rupees, whichever is less, where the owner of the goods comes forward for payment of such penalty; (b) on payment of penalty equal to fifty per cent. of the value of the goods or two hundred per cent. of the tax payable on such goods, whichever is higher, and in case of exempted goods, on payment of an amount equal to five per cent. of the value of goods or twenty-five thousand rupees, whichever is less, where the owner of the goods does not come forward for payment of such penalty	Sub-Section (a) & (b) Substituted In case of violation of any of the condition for E-Way bill, penalty for taxable goods will be 200% of the tax amount OR 2% of value of the exempted supply OR Rs.25,000/-, whichever is higher. If such person volunteer for the payment of penalty otherwise penalty will be 50% of value of taxable goods OR 200% of tax amount, whichever is higher. For exempted supply, 5% of value of goods OR Rs. 25,000 whichever is less.
	129(2)	(2) The provisions of sub-section (6) of section 67 shall, mutatis mutandis, apply for detention and seizure of goods and conveyances.	(2) The provisions of sub-section (6) of section 67 shall, mutatis mutandis, apply for detention and seizure of goods and conveyances.	Sub-section (2) omitted. No provisions of sub-section (6) of Section 67 will not be applicable for detention of and seizure of goods and conveyance.

Finance Bill Clause	Section	Existing	Amendment	Author's Analysis
		<p>(3) The proper officer detaining or seizing goods or conveyances shall issue a notice specifying the tax and penalty payable and thereafter, pass an order for payment of tax and penalty under clause (a) or clause (b) or clause (c).</p> <p>(4) No tax, interest or penalty shall be determined under sub-section (3) without giving the person concerned an opportunity of being heard.</p> <p>(6) Where the person transporting any goods or the owner of the goods fails to pay the amount of tax and penalty as provided in sub-section (1) within [fourteen days]¹⁰¹ of such detention or seizure, further proceedings shall be initiated in accordance with the provisions of section 130:</p> <p>Provided that where the detained or seized goods are perishable or hazardous in nature or are likely to depreciate in value with passage of time, the said period of [fourteen days]¹⁰² may be reduced by the proper officer.</p>	<p>(3) The proper officer detaining or seizing goods or conveyance shall issue a notice within seven days of such detention or seizure, specifying the penalty payable, and thereafter, pass an order within a period of seven days from the date of service of such notice, for payment of penalty under clause (a) or clause (b) of sub-section (1).</p> <p>(4) No penalty shall be determined under sub-section (3) without giving the person concerned an opportunity of being heard.</p> <p>(6) Where the person transporting any goods or the owner of such goods fails to pay the amount of penalty under sub-section (1) within fifteen days from the date of receipt of the copy of the order passed under sub-section (3), the goods or conveyance so detained or seized shall be liable to be sold or disposed of otherwise, in such manner and within such time as may be prescribed, to recover the penalty payable under sub-section (3):</p> <p>Provided that the conveyance shall be released on payment by the transporter of penalty under sub-section (3) or one lakh rupees, whichever is less:</p> <p>Provided further that where the detained or seized goods are perishable or hazardous in nature or are likely to depreciate in value with passage of time, the said period of fifteen days may be reduced by the proper officer.</p>	<p>Sub-Section (3) Substituted.</p> <p>Proper officer will have to issue the order specifying the penalty amount within 7 days of issue of notice.</p> <p>Sub-Section (4) Substituted.</p> <p>No penalty can be levied without granting the opportunity of personal hearing.</p> <p>Sub-Section (6) Substituted.</p> <p>The person on whom penalty is levied have to pay the amount within 15 days of the receipt of order otherwise seized goods will be disposed off for recovery of penalty amount.</p> <p>However, seized conveyance can be released on payment of penalty of Rs. 1 Lac or the penalty which is specified above, whichever is lesser.</p>
118	130	<p>130. Confiscation of goods or conveyances and levy of penalty:</p> <p>(1) Notwithstanding anything contained in this Act, if any person—</p>	<p>130. Confiscation of goods or conveyances and levy of penalty:</p> <p>(1) Where” any person—</p>	<p>Sub-Section (1) and (2) Substituted</p> <p>The wider powers provided in the Act for confiscation of goods has been limited for certain specified act as clarified in the section.</p>

Finance Bill Clause	Section	Existing	Amendment	Author's Analysis
		<p>(i) supplies or receives any goods in contravention of any of the provisions of this Act or the rules made thereunder with intent to evade payment of tax; or</p> <p>(ii) does not account for any goods on which he is liable to pay tax under this Act; or</p> <p>(iii) supplies any goods liable to tax under this Act without having applied for registration; or</p> <p>(iv) contravenes any of the provisions of this Act or the rules made thereunder with intent to evade payment of tax; or</p> <p>(v) uses any conveyance as a means of transport for carriage of goods in contravention of the provisions of this Act or the rules made thereunder unless the owner of the conveyance proves that it was so used without the knowledge or connivance of the owner himself, his agent, if any, and the person in charge of the conveyance, then, all such goods or conveyances shall be liable to confiscation and the person shall be liable to penalty under section 122.</p> <p>(2) Whenever confiscation of any goods or conveyance is authorised by this Act, the officer adjudging it shall give to the owner of the goods an option to pay in lieu of confiscation, such fine as the</p>	<p>(i) supplies or receives any goods in contravention of any of the provisions of this Act or the rules made thereunder with intent to evade payment of tax; or</p> <p>(ii) does not account for any goods on which he is liable to pay tax under this Act; or</p> <p>(iii) supplies any goods liable to tax under this Act without having applied for registration; or</p> <p>(iv) contravenes any of the provisions of this Act or the rules made thereunder with intent to evade payment of tax; or</p> <p>(v) uses any conveyance as a means of transport for carriage of goods in contravention of the provisions of this Act or the rules made thereunder unless the owner of the conveyance proves that it was so used without the knowledge or connivance of the owner himself, his agent, if any, and the person in charge of the conveyance, then, all such goods or conveyances shall be liable to confiscation and the person shall be liable to penalty under section 122.</p> <p>(2) Whenever confiscation of any goods or conveyance is authorised by this Act, the officer adjudging it shall give to the owner of the goods an option to pay in lieu of confiscation, such fine as the said officer thinks fit:</p>	

Finance Bill Clause	Section	Existing	Amendment	Author's Analysis
		<p>said officer thinks fit:</p> <p>Provided that such fine leviable shall not exceed the marketvalue of the goodsconfiscated, less the tax chargeable thereon:</p> <p>Provided further that the aggregate of such fine and penalty leviable shall not beless than the amount of penalty leviable under sub-section (1) of section 129:</p> <p>Provided also that where any such conveyance is used for the carriage of the goodsor passengers for hire, the owner of the conveyance shall be given an option to pay in lieuof the confiscation of the conveyance a fine equal to the tax payable on the goods being transported thereon.</p> <p>(3) Where any fine in lieu of confiscation of goods or conveyance is imposedunder sub-section (2), the owner of such goods or conveyance or the person referred to insub-section (1), shall, in addition, be liable to any tax, penalty and charges payable inrespect of such goods or conveyance.</p>	<p>Provided that such fine leviable shall not exceed the market value of the goodsconfiscated, less the tax chargeable thereon:</p> <p>Provided further that the aggregate of such fine and penalty leviable shall not be less than the penalty equal to hundred per cent. of the tax payable on such goods</p> <p>Provided also that where any such conveyance is used for the carriage of the goodsor passengers for hire, the owner of the conveyance shall be given an option to pay in lie of the confiscation of the conveyance a fine equal to the tax payable on the goods beingtransported thereon.</p>	<p>Maximum penalty is specified.</p> <p>Sub-Section (3) omitted.</p> <p>Clause w.r.t. fine in lieu of confiscation is removed.</p>
119	151	<p>151. Power to collect statistics:</p> <p>(1) The Commissioner may, if he considers that it is necessary so to do, by notification, direct that statistics may be collected relating to any matter dealt with by or in connection with this Act</p>	<p>151. Power to call for information.</p> <p>The Commissioner or an officer authorised by him may, by an order, direct any person to furnish information relating to any matter dealt with in connection with this Act, within such time, in such form, and in such manner, as may be specified therein.</p>	<p>Section 151 substituted with New Section</p> <p>At present, the Commissioner has the right to demand the Statistics only by issuing a notification. But from 1st January, he will be empowered to direct</p>

Finance Bill Clause	Section	Existing	Amendment	Author's Analysis
		(2) Upon such notification being issued, the Commissioner, or any person authorised by him in this behalf, may call upon the concerned persons to furnish such information or returns, in such form and manner as may be prescribed, relating to any matter in respect of which statistics is to be collected.		any person to furnish information relating to any matter dealt with in connection with this Act, within such time, in such form, and such manner, as may be specified therein. And the person in front will be obliged to give that information.
120	152	<p>152. Bar on disclosure of information</p> <p>(1) No information of any individual return or part thereof with respect to any matter given for the purposes of section 150 or</p> <p>section 151 shall, without the previous consent in writing of the concerned person or his authorized representative, be published in such manner so as to enable such particulars to be identified as referring to a particular person and no such information shall be used for the purpose of any proceedings under this Act.</p> <p>(2) Except for the purposes of prosecution under this Act or any other Act for the time being in force, no person who is not engaged in the collection of statistics under this Act or compilation or computerization thereof for the purposes of this Act, shall be permitted to see or have access to any information or any individual return referred to in section 151.</p>	<p>152. Bar on disclosure of information</p> <p>(1) No information of any individual return or part thereof with respect to any matter given for the purposes of section 150 or section 151 shall, without the previous consent in writing of the concerned person or his authorized representative, be published in such manner so as to enable such particulars to be identified as referring to a particular person and no such information shall be used for the purpose of any proceedings under this Act without giving an opportunity of being heard to the person concerned.</p> <p>(2) Except for the purposes of prosecution under this Act or any other Act for the time being in force, no person who is not engaged in the collection of statistics under this Act or compilation or computerization thereof for the purposes of this Act, shall be permitted to see or have access to any information or any individual return referred to in section 151.</p>	<p>Sub-section 1 substituted</p> <p>Any information obtained through return or otherwise cannot be disclosed without giving an opportunity of personal hearing.</p>
121	168	<p>168. Power to issue instructions or directions</p> <p>(2) The Commissioner specified in clause (91) of section 2, sub-section (3) of</p>	<p>168. Power to issue instructions or directions</p> <p>(2) The Commissioner specified in clause (91) of section 2, sub-section (3) of section</p>	Subsection 2 substituted

Finance Bill Clause	Section	Existing	Amendment	Author's Analysis
		section 5, clause (b) of sub-section (9) of section 25, sub-sections (3) and (4) of section 35, sub-section (1) of section 37, sub-section (2) of section 38, sub-section (6) of section 39, [sub-section (1) of section 44, sub-sections (4) and (5) of section 52]119, [sub-section (1) of section 143, except the second proviso thereof]120, sub-section (1) of section 151, clause (l) of sub-section (3) of section 158 and section 167 shall mean a Commissioner or Joint Secretary posted in the Board and such Commissioner or Joint Secretary shall exercise the powers specified in the said sections with the approval of the Board.	5, clause (b) of sub-section (9) of section 25, sub-sections (3) and (4) of section 35, sub-section (1) of section 37, sub-section (2) of section 38, sub-section (6) of section 39, [sub-section (1) of section 44, sub-sections (4) and (5) of section 52]119, [sub-section (1) of section 143, except the second proviso thereof]120, sub-section (1) of section 151, clause (l) of sub-section (3) of section 158 and section 167 shall mean a Commissioner or Joint Secretary posted in the Board and such Commissioner or Joint Secretary shall exercise the powers specified in the said sections with the approval of the Board.	
122	Schedule II	7. Supply of Goods The following shall be treated as supply of goods, namely:— Supply of goods by any unincorporated association or body of persons to a member thereof for cash, deferred payment or other valuable consideration.	7. Supply of Goods The following shall be treated as supply of goods, namely:— Supply of goods by any unincorporated association or body of persons to a member thereof for cash, deferred payment or other valuable consideration.	Para 7 Omitted from Schedule II.

- Mandatory Aadhar authentication for GST Refund application and GST for GST Registration Revocation application from 1st Jan 2022.
- Clarification issued regarding modalities of compliance in respect of supply of "Restaurant Service" through E-Commerce Operators w.e.f. 01.01.2022.
- ★ ECOS will no longer be required to collect TCS and file GSTR-8 in respect of 'restaurant services' on which it pays tax under section 9(5) of the CGST Act, 2017, but will continue to collect TCS and file GSTR-8 for other services.
- ★ As ECOS are registered in accordance with rule 8 of the CGST Rules, 2017 and there would be no mandatory requirement of taking separate registration by ECOs for payment of tax on restaurant service.
- ★ ECOs will be liable to pay GST on restaurant service supplied through them including by an un-registered

person.

The aggregate turnover of person supplying restaurant service through ECOs shall be computed as defined in section 2(6) of the CGST Act, 2017 and shall include the aggregate value of supplies made by the restaurant through ECOs.

- ★ ECO shall not be required to reverse ITC on account of restaurant services on which it pays GST in terms of section 9(5) of the Act.
- ★ ECO shall pay the entire GST liability in cash on restaurant service (No ITC could be utilized for payment of GST on restaurant service supplied through ECO).
- ★ Registered persons supplying restaurant services through ECOs under section 9(5) will report such supplies in Table 8 of GSTR-1 and Table 3.1 (c) of GSTR-3B, for the time being.

SHATTERED DREAM OF SEAMLESS FLOW OF CREDIT WITH UN-MATCHED INVOICES IN GST REGIME

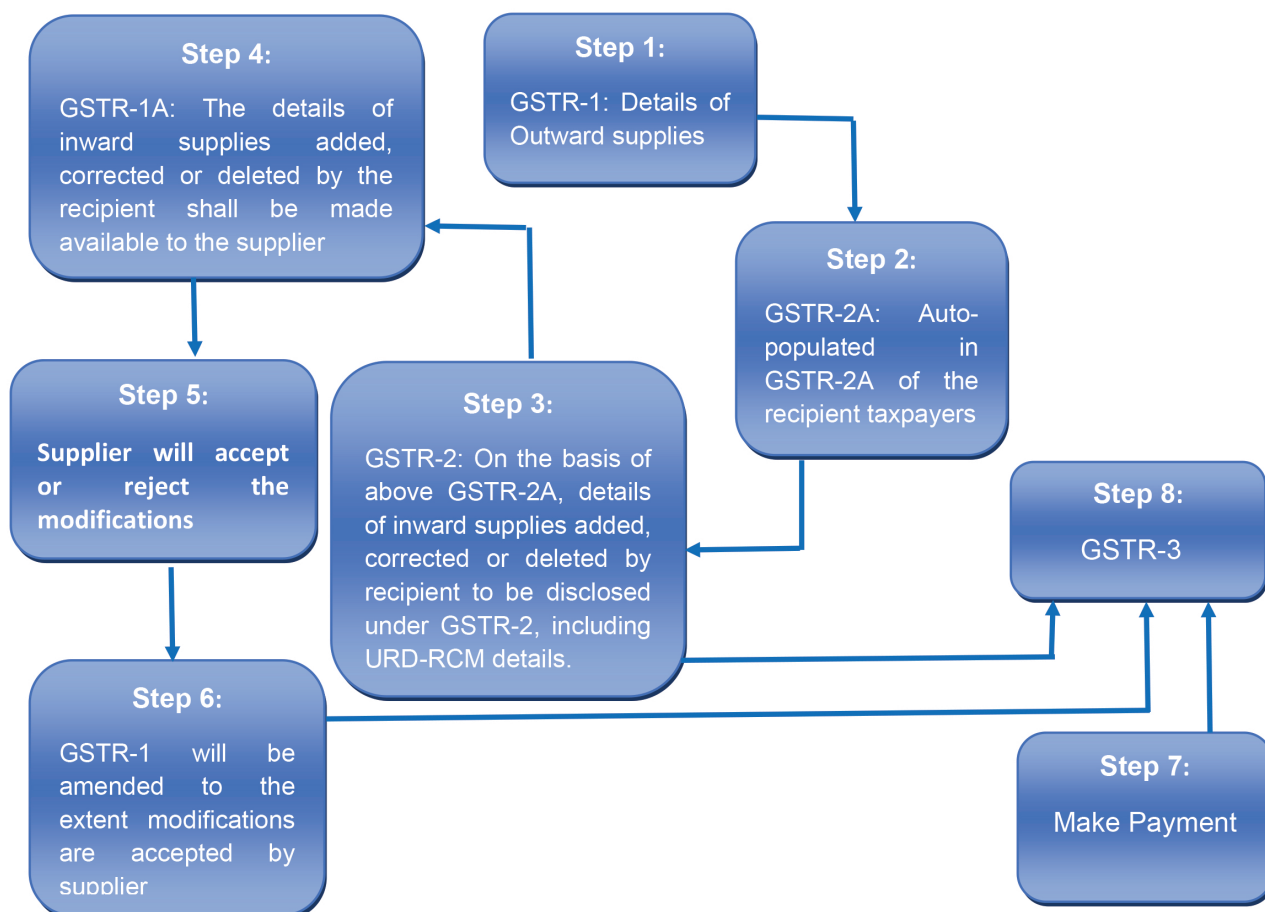


CMA. Susanta Kumar Saha
Tax and Management Consultant

Promulgation of GST law has been the biggest reform in indirect taxation in India which mandated integration entire nation's diverse majority tax portfolio into a single taxation system. One of the major objectives was to remove cascading effect that was

prevailing in the erstwhile regime, with uninterrupted and seamless flow of credit to the taxpayers. Denial of benefit of input tax credit to a taxpayer only adds cost to the goods or services. And accordingly the GST law was originally formulated and designed.

A. Scheme originally envisaged in GST Law:





Section 37 of the CGST Act, 2017 stipulates, every registered person, other than those specified in the Act, shall furnish, electronically details of outward supplies.

Section 38(1) of the CGST Act, 2017 stipulates, every registered person, other than those specified in the Act, shall verify, validate, modify or delete, if required, the details relating to outward supplies and credit or debit notes communicated under sub-section (1) of section 37 to prepare the details of his inward supplies and credit or debit notes. Recipient registered taxpayer shall not only verify, validate, modify or delete auto-populated inward invoices but shall also include/add details of inward invoices, debit notes or credit notes that were not declared by the supplier. Thus, the purchase register of a registered taxpayer was proposed to have been built on matching invoice/Debit notes/Credit notes when such inward supply of goods or services were supplied by another registered taxpayer.

Section 39(1) of the CGST Act, 2017 stipulates that every registered person, other than those specified therein shall, for every calendar month or part thereof, furnish, a return, electronically, of inward and outward supplies of goods or services or both, input tax credit availed, tax payable, tax paid and such other particulars, in such form and manner, and within such time, as may be prescribed.

Section 42 of the CGST Act, 2017 stipulates mechanism of matching, reversal and reclaim of input tax credit wherein it is categorically stated that the details of every inward supply furnished by a registered person (hereafter in this section referred to as the “recipient”) for a tax period shall, in such manner and within such time as may be prescribed. accordingly,

Rule 69 of the CGST Rules, 2017 stipulates matching of claim of input tax credit which inter-alia includes input tax credit on inward supplies including imports, provisionally allowed under section 41 of the CGST Act, 2021, shall be matched under section 42 after the due date for furnishing the return in FORM GSTR-3. First proviso to Rule 69 states that where the time limit for furnishing FORM GSTR-1 specified under section 37 and FORM GSTR-2 specified under section 38 has been extended, the date of matching relating to claim of input tax credit shall also be extended accordingly. It was further explained that the claim of input tax credit in respect of invoices and debit notes in FORM GSTR-2 that were accepted by the recipient on the basis of FORM GSTR-2A without amendment shall be treated as matched if the corresponding supplier has furnished a valid return. **Thus, the emphasis was given to matching of outward invoices and debit notes raised by the**

supplier with inward supply of invoices and debit notes of the recipient for the purpose of claiming the benefit of input tax credit.

However, Form GSTR-2 and Form GSTR-3 couldn't be made operational due to different operational issues. This had resulted in extension of time limits for filing Form GSTR-2 and Form GSTR-3 from time to time in the initial period through different notifications, and subsequently for an indefinite period.

Thus, for the purpose of claiming the benefit of input tax credit, system (portal) based procedure of matching outward and inward invoices/debit notes/credit notes by and between the supplier and the recipient, both, as were originally envisaged, couldn't even start. In the event of inoperative Form GSTR-2 and Form GSTR-3 in the online platform, section 42 of the CGST Act, 2017 read with Rule 69 of the CGST Rules, 2017 become non-operational since promulgation of the law itself.

B. Alternative Scheme brought:

It appears, acknowledging the difficulty to make Form GSTR-2 and Form GSTR-3 operational, government proposed an alternative procedure through section 43A of the CGST Act, 2017 for the purpose of laying down the procedure for furnishing return and availing input tax credit. Few salient points of this section are as under: -

- Sub-section (1): notwithstanding section 16(2), section 37 or section 38, every registered person shall furnish return under section 39(1), verify, modify or delete the details of supplies furnished by the suppliers.
- Sub-section (2): for availing of the benefit of the input tax credit, the procedure to be followed as may be prescribed notwithstanding anything contained in section 41, section 42 or section 43. This proposes to give an overriding effect on section 42, *ibid*.
- Sub-section (3): the procedure for furnishing the details of outward supplies by the suppliers, for claiming the benefit of input tax credit by the recipients, as may be specified.
- Sub-section (4): the procedure for claiming the benefit of input tax credit for outward invoices **not furnished** by the suppliers shall be as may be specified including the maximum amount of input tax credit which can be so claimed, **not exceeding maximum twenty per cent** of the available input tax credit based on the details furnished by the suppliers.
- Sub-section (6): the **supplier** and the **recipient** of a

supply **shall be jointly and severally liable** to pay tax or to pay the input tax credit availed, as the case may be in case of contravention as stipulated under sub-section (3) or sub-section (4), stated above.

Section 43(A) of the CGST Act, 2017 was brought through the CGST (Amendment) Act, 2018 which, incidentally has not yet been enforced gives an occasion to sense that the government has scrapped the idea of new returns too.

In short, the recipient of goods or services or both, has been liable to pay tax on the input tax credit claimed if tax on such supply (outward) has not been paid by the supplier to the Government Exchequer. Whereas the recipient has not been provided any mechanism to ascertain whether the tax on an outward supply has been paid by the supplier to the government exchequer. The legal maxim '**Lex Non Cogit ad Impossibilia**' means that law does not compel a man to do that which cannot be possibly be performed. Lot of case laws may be relied upon in this regard.

C. Twist in the tale:

Although the section 43A has not been notified, *ibid*, but sub-section (4) of section 43A, was introduced through introduction of rule 36(4) of the CGST Rules, 2017 w.e.f 09.10.2019, vide Notification No. 49/2019 – Central Tax dated 9th October, 2019 which inter-alia states that "**Input tax credit to be availed by a registered person** in respect of invoices or debit notes, the details of which have not been uploaded by the suppliers under sub-section (1) of section 37, **shall not exceed 20 per cent. of the eligible credit available** in respect of invoices or debit notes the details of which have been uploaded by the suppliers under sub-section (1) of section 37." Rule 36(4) has re-opened the chapter of invoice matching for the purpose of claiming the benefit of input tax credit based on the details of outward invoices/debit notes (DN)/credit notes (CN) furnished by the supplier.

Assuming but not admitting, the application of matching of invoices/DN/CN on the strength of rule 36(4) is binding on the taxpayer with effect from 09.10.2019, itself, signifies that such matching of invoices, restriction of input tax credit to 120% of the matched invoices/DN/CN, was not applicable till 08.10.2019 in the absence of machinery provision. Thus, the claim to deny the benefit of input tax credit on the pre-text of not auto-populated in Form GSTR-2A/Form GSTR-2B by the revenue department till 08.10.2019 may be argued along with other relevant points.

Rule 36(4) of the CGST Rules, 2017 has been introduced

without any support from the corresponding Act, more particularly in the light of inoperative sections, viz, section 42, section 43 and section 43A and non-operation Form GSTR-2 and Form GSTR-3. This give rise to the question as to whether rule can override act which is likely to be determined in the court of law. In this regard, reliance may be placed on **UNION OF INDIA VERSUS S. SRINIVASAN [2012 (7) TMI 710 - SUPREME COURT]** wherein the Hon'ble judges held in affirmative when said bench examined whether the Rule which has travelled beyond the scope and ambit of the Act, and, in fact, directly runs counter to the provisions in the Act and, therefore, deserves to be declared ultra-virus. Similar view was upheld in the case of **UNION OF INDIA AND ANR. VERSUS M/S. INTERCONTINENTAL CONSULTANTS AND TECHNOCRATS PVT. LTD. [2018 (3) TMI 357 - SUPREME COURT]** when the Hon'ble judges examined whether Section 67 of the Act permits the subordinate legislation to be enacted in the said manner, as has been done for the purpose of includibility (valuation) of Rule 5 of the Service Tax (Determination of Values) Rules, 2006. There are many such cases which can be relied upon. **Thus, it can be argued that Rule 36(4) suffers from various legal infirmities.**

D. Conditions for claiming the benefit of input tax credit:

Section 16 stipulates the eligibility and the conditions for taking input tax credit, *inter alia* includes:

Sub-section (2) stipulates that no registered person shall be entitled to the credit of any input tax in respect of any supply of goods or services or both to him unless, -

- a) the taxpayer is in possession of a tax invoice or debit note issued by a supplier, registered under the act;
 - aa) the details of the invoice or debit note referred to in clause (a) has been furnished by the supplier in the statement of outward supplies and such details have been communicated to the recipient of such invoice or debit note in the manner specified under section 37;
- b) the taxpayer has received the goods or services or both;
- c) subject to the provisions of section 41 or section 43A, the tax charged in respect of such supply has been actually paid to the Government, either in cash or through utilisation of input tax credit admissible in respect of the said supply; and
- d) he has furnished the return under section 39.



In the absence of an appropriate mechanism to ascertain as to:

- i) whether tax under an invoice/DN has been paid to the government exchequer is an impossible task to perform by the recipient of supply, and
- ii) denial of input tax credit of the recipient due to un-matched invoices/DNs who has otherwise fulfilled all other three conditions seems to be very harsh and are questionable.

A few case laws may be relied upon by a recipient taxpayer which are discussed below:

1. UNION OF INDIA VERSUS BHARTI AIRTEL LTD. & ORS. [2021 (11) TMI 109 – SUPREME COURT] dated 28.10.2021

The Hon'ble Court has observed that **Form GSTR-2A is merely a facilitation to the recipient** to know that their supplier has uploaded their outward tax invoices/DN/CN in the common portal. Instead of relying on Form GSTR-2A, the recipient should rely on his books of accounts to claim the benefit of input tax credit. Thus, on the strength of the said ruling, it can be argued that Form GSTR-2A need not to be considered for the purpose of claiming the benefits of input tax credit.

2. M/S. D.Y. BEATHEL ENTERPRISES VERSUS THE STATE TAX OFFICER (DATA CELL), (INVESTIGATION WING) COMMERCIAL TAX BUILDINGS, TIRUNELVELI. [2021 (3) TMI 1020 – MARDAS HIGH COURT]

The petitioner (M/s. D. Y. Beathel Enterprises) had purchased goods from one Charles and his wife Shanthi (hereinafter stated as supplier, in short) who is also a registered tax payer under the GST law, paid significant amount through banking channel including the tax amount to the supplier, which on scrutiny was found to have been not paid to the government exchequer by the supplier. The STO initiated action against the petitioner straight way who was alleged to have failed to furnish any proof of payment of tax on which the Hon'ble Court observed that the respondent (STO) will initiate enquiry afresh against the supplier, and parallelly will initiate recovery action against the supplier.

Thus, action against the recipient on the ground of not payment of tax by the supplier on the strength of section 16(2)(c) was not encouraged.

3) ON QUEST MERCHANDISING INDIA PVT. LTD., SUVASINI CHARITABLE TRUST, ARISE INDIA LIMITED, VINAYAK TREXIM, K.R. ANAND, APARICI CERAMICA,

ARUN JAIN (HUF) , DAMSON TECHNOLOGIES PVT. LTD., SOLVOCHEM, M/S. MEENU TRADING CO., & MAHAN POLYMERS VERSUS GOVERNMENT OF NCT OF DELHI & ORS. & COMMISSIONER OF TRADE & TAXES, DELHI AND ORS. [2017 (10) TMI 1020 - DELHI HIGH COURT]

The hon'ble Court, in the above referred matters, opined that the legislature to make a distinction between purchasing dealers who have bona fide transacted with the selling dealer by taking all precautions as required by the Act and those that have not.

Therefore, there was need to restrict the denial of ITC only to the selling dealers who had failed to deposit the tax collected by them and not punish bona fide purchasing dealers. The latter cannot be expected to do the impossible. It is trite that a law that is not capable of honest compliance will fail in achieving its objective. If it seeks to visit disobedience with disproportionate consequences to a bona fide purchasing dealer, it will become vulnerable to invalidation on the touchstone of Article 14 of the Constitution.

4) M/S. BHARAT ALUMINIUM COMPANY LIMITED VERSES UNION OF INDIA AND OTHERS [2021 (6) TMI 1052 - CHHATTISGARH HIGH COURT]

Judgement passed by the Hon'ble Madras High Court was followed in this case. It was opined that if the default is made by non-payment of tax by the seller, the recovery shall be made from the seller and only in exceptional circumstances, it can be recovered from the recipient. Therefore, the input tax credit which was claimed by the petitioner cannot be denied for the reason that the seller has not uploaded their invoices on time.

It was directed that on petitioner's depositing 5% amount of 14,93,79,211/- demanded vide order dated 22.01.2021, issued by the respondent, within a period of 15 days, no coercive steps shall be taken pursuant to the said order. And the respondent was given four weeks time to submit their reply.

In short, ITC cannot be denied merely on the ground that the invoices are not reflected in Form GSTR-2A.

5) LGW Industries Limited & Ors. Vs Union of India & Ors. (Calcutta High Court) [WPA No. 23512 of 2019] Date of Judgement/Order: 13/12/2021

Hon'ble Calcutta Court, in this case, directed the respondent (GST Authorities) to consider the cases afresh, the case of the petitioner on the issue of their entitlement of benefit of input tax credit in question by considering

the documents which the petitioner wants to rely upon in support of their claim of **genuineness of the transactions** in question and shall also consider as to whether payments on purchases in question along with GST were actually paid or not to the suppliers (RTP) and also to consider as to whether the transactions and purchases were made before or after the cancellation of registration of the suppliers and also consider as to compliance of statutory obligation by the petitioners in verification of identity of the suppliers (RTP).

If it is found upon considering the relevant documents that all the **purchases and transactions** in question **are genuine and supported by valid documents and transactions** in question **were made before the cancellation of registration** of those suppliers and after taking into consideration the judgments of the Supreme Court and various High Courts which have been referred in this order and in that event **the petitioners shall be given the benefit of input tax credit in question.**

Thus, a transaction cannot be said to be fake in the event of cancellation of registration of a taxpayer at a later date with retrospective effect. And in the event, the transactions are verified to be genuine, duly supported by the documents and records of the recipient, i.e., other conditions of section 16(2) of the GST law are fulfilled, the supplier was a registered taxpayer at the time of transactions entered into, benefit of ITC cannot be denied.

E. Recent Notification:

Section 16(2)(aa) was inserted into CGST Act, 2017 by section 109 of The Finance Act, 2021 (13 of 2021), shall come into force with effect from 1st day of January, 2022 as has been notified vide Notification No. 39/2021 – Central Tax dated 21.12.2021.

Now, revenue may argue that claiming the benefit

of input tax credit based on the auto-populated inward invoices/DN/CN in Form GSTR-2A/Form GSTR-2B of the recipient taxpayer, is backed by an applicable provision of the Act. Although, the issue of denial of input tax credit on un-matched invoices/DN/CN which are duly recorded in books of accounts and, otherwise satisfy the remaining conditions of section 16(2), may continue to remain a disputed matter.

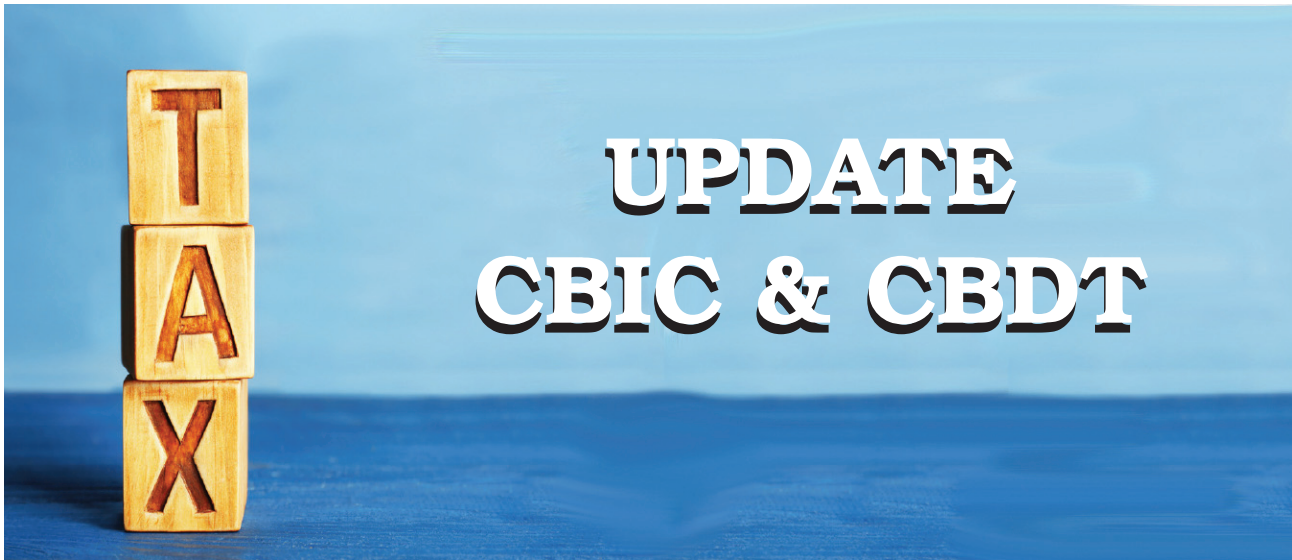
F. End Note:

Hon'ble Calcutta High Court has very rightly put an emphasis on to identify the bonafide and non-bonafide taxpayers. Issues discussed above only cause hardship to the honest taxpayers. Admittedly there have been plenty of cases unearthed by the revenue where recipients have claimed input tax credit based on fake invoices, i.e., where goods or services or both, have not been supplied by the suppliers which is violative of section 16(2)(b) of the Act. And such cases no doubt cause a great loss to the government exchequer. All the recovery mechanism be initiated from the non-bonafide taxpayers to protect the loss of revenue. But sparing the honest taxpayers from denial of input tax credit due to unmatched invoices/DNs will not only uphold the spirit of law, reduce litigation but also promote the 'ease of doing business' campaign of the government for which law and technology, both, need to play appropriate role. And revenue department needs to strike a proper balance in this regard.

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INDIRECT TAX UPDATES FROM 1ST JAN 2021 TO 31ST DEC 2021 (CBIC)

1. The Central Board of Indirect Taxes and Customs (CBIC) has extended the deadline of GST Annual Returns (GSTR-9 and GSTR-9C) for the financial year 2020-21 from 31st December 2021 to February 28th, 2021.
2. The Government has issued the office memorandum of 46th Meeting of the GST Council will be held on December 31, 2021 in New Delhi at 1100 hours under the provisions contained in the proviso to sub-clause (2) of clause 3 of the Procedure and Conduct of Business Regulations of the GST Council.
3. The Central Government vide Notification No. 38/2021-CT dated 21.12.2021 has notified January 1, 2022 as the date of implementation for Rule 10B of CGST Rules, 2017. As per the said rule, it has been made mandatory for the registered person to undergo Aadhaar authentication for the below purposes:
 - ❖ Filing of application for revocation of cancellation of registration in FORM GST REG-21 under Rule 23 of CGST Rules, 2017
 - ❖ Filing of refund application in FORM RFD-01 under Rule 89 of CGST Rules, 2017
 - ❖ Refund of the IGST paid on goods exported out of India under Rule 96 of CGST Rules, 2017.
4. The Government has been providing an invitation for Indian taxpayers to become Invoice Registration Portal (IRP) partners of the goods and services tax network. The last date of registration is 15th Jan 2022.
5. From January 1st, 2022, the tax on supplies of restaurant services supplied through E- commerce operators (ECOs) has to be paid by the concerned ECOs. Accordingly, the ECOs will no longer be required to collect TCS and file GSTR 8 in respect of restaurant services on which it pays tax in terms of section 9(5). In this regard notification No. 17/2021 dated 18.11.2021 has been issued.
6. The CBIC has introduced a new information portal for the taxpayers to check out new amended rules, regulations, notifications and circulars related to GST, custom, central excise, and services tax.
7. GSTN has made several new module-wise functionalities for GST stakeholders on the official portal during November 2021.
8. The GSTIN has increased the performance of the GSTR1/IFF dashboard along with merging several user friendly options to improve the taxpayer experience.
9. The CBIC has notified the update related to the registration of cancellation form REG-16 on the gst.gov.in website. "Taxpayers can now withdraw their application for cancellation of registration (filed in



- Form REG16) unless the tax officer has initiated action on it.”
10. The CBIC government department has notified the fresh instructions on the issuance of SCNs along with the adjudication procedure in the pre-GST system.
 11. The Central Board of Indirect Taxes and Customs (CBIC) has notified the withdrawal of the 12% GST rate for government contracts and the applicable rate of GST will be 18% from January 1, 2022.
 12. The indirect tax department has notified the GST rate from 5 percent to 12 percent on Apparel, Fabrics, Footwear from Jan 2022.
 13. The Union Minister of State, Ministry of Finance, Dr. Bhagwat Kisanrao Karad has presented his opinions about the GST revenue collection for the month October 2021. He compared last year's figure for the same month in GST collection and said that it was the second-highest revenue collection since 1st July 2017. The Oct - 2021 collection was over Rs 1.30 lakh crore. The gross GST revenue collected for the month of October 2021 is Rs. 1,30,127 crores of which CGST is Rs. 23,861 crores, SGST is Rs. 30,421 crores, IGST is Rs. 67,361 crore including Rs. 32,998 crore collected on import of goods and cess is Rs. 8,484 crore including Rs. 699 crore collected on import of goods. "Exceeding expectations of Rs 1 lakh crore GST collection, we have achieved Rs 1.30 lakh in GST collection. This buoyant GST collection shows we are on the path to economic recovery": Dr. Bhagwat Kisanrao Karad said.
 14. Kerala High Court has ordered GST Council to make a list of appropriate reasons for not including petroleum products under GST within 10 Days.
 15. Under back-to-back loan facility in-lieu of GST compensation, the Govt. of India has released balance amount of Rs. 44,000 crore to States & UTs.
 16. It was held at the Hon'ble Supreme Court that law permits rectification of errors, omissions only at the initial stages of Forms GSTR-1 and GSTR-3 in the specified manner.
 17. The Director General of Foreign Trade (DGFT) had invited the Public/ Industry comments on Draft policy on General Authorization for export of chemical related equipment (GAEC) of chemical related equipment of SCOMET items.
 18. The Board has updated a user manual advisory of auto-drafted ITC statement of GSTR 2B form for the taxpayers.
 19. The CBIC has also provided a new update related to the availability of ITC for FY 2020-21.
 20. GSTR-2B is now available from the date of 14th October, 2021 as its generation commenced after the end of the due date of GSTR-1/IFF filing on the 13th October, 2021.
 21. The Government of India has released 40,000 crore rupees to States/ UTs with Legislature in-lieu of GST compensation shortfall.
 22. The CBIC has temporarily suspended the blocking of the E-way bill generation facility for the taxpayers who fail to file the basis of their returns on monthly or quarterly due to the Covid pandemic.
 23. GST Council meeting has not yet taken any decision on bringing petroleum products under the ambit of GST regime.
 24. The Council relaxed compliance requirements for ITC-04 where Entities having same PAN can transfer unutilized balance in CGST and IGST Cash Ledger.
 25. Late fee for delayed filing of FORM GSTR-1 to be auto-populated and collected in next open return in FORM GSTR-3B.
 26. Indian Companies and Foreign Entities shall be treated as Separate Entities for considering a Supply of Service as Export of Services
 27. The GST Council has decided to form two Groups of Ministers (GoMs) to study the issues on GST rate rationalization and E-way bills, FASTags and Technology, etc, The GoMs shall study the issues and submit their reports within two months.
 28. Aadhaar authentication of registration to be made mandatory for being eligible for filing refund claim and application for revocation of cancellation of registration.
 29. Reconciliation statement (GSTR-9C) Form is available for e-Filing for FY 2020-21 on the GST official web portal.
 30. The Central Board of Indirect Taxes and Customs [CBIC] vide notification No. 32/2021 – Central Tax has extended the due date of Electronic Verification Code [EVC] based filing for GSTR-1 and GSTR-3B for companies till 31st Oct 2021.



31. The CBIC vide notification No. 33/2021 – Central Tax has extended the benefit of reduced late fees for filing GSTR-3B in GST Amnesty Scheme upto 30th Nov 2021.
33. Implementation of Rule-59(6) on GST Portal: As per this rule, a registered person shall not be allowed to furnish FORM GSTR-1, if he has not furnished the return in FORM GSTR-3B for the preceding two months. If a registered person has opted for QRMP, he shall not be allowed to furnish FORM GSTR-1 or use IFF, if he has not furnished the return in FORM GSTR-3B for the preceding tax period.
34. The Goods and Service Tax Network (GSTN) issued the Advisory on HSN and GSTR-1 Filing.
35. The Central Board of Indirect Tax and Customs (CBIC) has enabled payment of customs duty on Express Cargo Clearance System (ECCS) courier imports through it's e-payment gateway for faster and better taxpayer service
36. The government has disclosed a new advisory related to blocking e waybill creation facility. The CBIC department has removed this facility till 15th August 2021 for the taxpayers.
37. GSTR 9 Annual return form is available for e-Filing for FY 2020-21 on the GST official web portal
38. CBIC has organised the webinar for recent changes in GST Audit on Thursday 12th August 2021
39. CBIC has issued the notification related to clarifying the inevitability of IGST on the recommendation of the GST Council.
40. It also circulated advisory for negative liability issues while filing GSTR 4 form. Also, the government has shared the reason with the solution via update.
41. CBIC also shared the latest update about upcoming functionalities for the taxpayers on the GST official portal in July 2021 month.
42. The GSTIN has allowed the request option of adjournment for PH (Personal Hearing) in the authorized government GST portal
43. The CBIC has implemented new changes in GST QRMP Scheme for the taxpayers on the GSTN portal. The new changes include auto-population of form GSTR-3B, NIL filing of GSTR-1 via SMS, and related to the registration cancellation.
44. 43rd GST Council Meeting has announced:
 - ❖ GST Exemption to some COVID-19 supplies till 31st August 2021
 - ❖ A Particular Medicine for Black Fungus also exempted
 - ❖ Amnesty scheme has been recommended for reducing late fee To benefit around 89% of GST taxpayers,
 - ❖ Rationalization of Late fee for Small Taxpayers to be applicable to future liabilities
 - ❖ Annual Return Filing will continue to be optional for 2020-21, for small Tax payers with turnover less than Rs. 2 Crore
 - ❖ GST Audit for FY 2020-21 is not required (Taxpayers would be able to self-certify the reconciliation statement Form GSTR 9C)
 - ❖ A Special Session on GST Compensation Cess before 22nd July 2021
 - ❖ GoM (Group of Ministers) to consider GST Exemption on COVID Vaccines provided by private hospitals
45. Waiver of interest and late fee to normal taxpayers (filing return on monthly or quarterly basis) and composition taxpayers, for the tax periods of March and April, 2021
46. New Functionalities have been made available for Taxpayers on GST Portal (April, 2021)
47. GSTIN new facility is available on GST portal for different modules such as registration, returns, advance ruling, payment and other miscellaneous topics
48. In view of Notification No. 14/2021 dt. 01.05.2021, the timeline for filing the 'Application for Revocation of Cancellation' has been extended to 180 days from 90 days which will be valid up to 15th June 2021
49. Taxpayers registered under the Companies Act, 2013, can now file their Form GSTR-1 and GSTR-3B with EVC also, apart from using DSC, on GST Portal.
50. CBIC seeks to waive penalty payable for non-compliance of provisions of Notification No. 14/2020 dated 21st March 2020.

51. CBIC has provided a new update related to GSTR-1, GSTR-3B and matching offline tool in the QRMP scheme.
52. New features of Form GSTR-2B & GSTR-3B made available to taxpayers under QRMP Scheme
53. Waiver of interest and late fee to normal taxpayers (filing return on monthly or quarterly basis) and composition taxpayers, for the tax periods of March and April, 2021.
54. Taxpayers registered under Companies Act, 2013, can now file their Form GSTR-1 and GSTR-3B with EVC also, apart from using DSC, on GST Portal.
55. The CBIC has provided a new update related to GSTR-1, GSTR-3B and matching offline tool in the QRMP scheme.
56. The CBIC has released auto-generation in GSTR 2B and auto-population of ITC in GSTR 3B form for the QRMP taxpayers.
57. The CBIC department has provided monthly payment guidance of the QRMP scheme along with quarterly basis return filing for the taxpayers.
58. The GSTIN has made several module wise new functionalities for GST stakeholders on the official portal from January 2020 to March 2021.
59. The CBIC has updated the latest update regarding GSTR-1 (Q) filing for Jan-Mar 2021 under the new QRMP Scheme.
60. The Indirect Tax Department has issued a notification for requirement of HSN code on B2B tax invoices.
61. The CBIC has extended the Dynamic QR code applicability in B2C invoices by a GST registered taxpayer till 1st July 2021. The extension is only for businesses whose aggregate turnover exceeds INR 500 Crore.
62. The CBIC has introduced guidelines for Opting GST Composition Scheme for those taxpayers who want to switch registration type.
63. The CBIC has notified "Taxpayers are free to utilise the Input Tax Credit (ITC) available in their credit ledger, as permissible in law, to discharge their GST dues for the month of March, 2021"
64. The taxpayers have to choose their business activity from manufacturer, wholesaler, distributor, retailer, service providers & others only once after login based on highest turnover amongst.
65. Eight bank IFSC codes have been updated due to the merger of the organizations. The account holders should update their banking details via refund application and non-core amendments, in the case of validation error by Public Financial Management System (PFMS).
66. The new facility has been available on GST portal for different modules such as registration, returns, advance ruling, payment and other miscellaneous topics.
67. The GST compensation 19th installment shortfall has released INR 1.10 lakh crore to the States & UTs with Legislative Assembly.
68. The MSME under Udyam Registration, GSTIN is not Mandatory for the register.
69. GST Network has added the "Reset" function in GSTR 1 and invoice Furnishing facility (IFF) on the GST portal.
70. The CBIC has notified central tax notification no.5 related to e-invoicing. The GST-invoicing is mandatory for companies having an aggregate turnover of more than Rs. 50 Cr from 1st April 2021.
71. GST Network has approved the new feature to choose core company activity on the official portal.
72. The CBIC has extended due date for annual return form GSTR 9 and 9C till 31st March for FY 2019-20.
73. The CBIC has released circular no.146 dated on 23/02/2021 for Dynamic Quick Response (QR) Code on B2C invoices.
74. The Important FAQs and details of filing IFF and payment of tax (in Form GST PMT-06) under QRMP scheme have been available in GSTN portal.
75. The CBIC has released Circular No. 12/2018-Customs dated 29.05.2018 extension for sanction of Integrated Goods and Services Tax (IGST) refund claims pending having no records transmitted to ICEGATE due to GSTR-1 & GSTR- 3B mismatch error.
76. The Finance Minister has delivered the 16th installment of INR 5,000 crore to the states for trying to complete the GST shortfall compensation amount.
77. The Standard Operating Procedure (SOP) has been



- implemented for the provision of suspension of registrations under sub-rule (2A) of rule 21A of CGST Rules, 2017.
78. In the budget 2021, the Hon'ble Finance Minister Mrs. Nirmala Sitharaman has obliged to remove around 400 exemptions old in nature as to improve the track of GST scheme and further clarify the regime to the taxpayer in better manner.
 79. The GSTR 9C has been proposed to be abolished by the government in a bid to further clarify the overall GST scheme and making taxpayer relieved from much more filing procedure.
 80. As per the government report regarding GST revenue collection in the month of January 2021 has reached higher than ever with INR 1.20 lakh crore.
 81. The due date is 25th Jan 2021 (October to December 2020) for filing the ITC 04 form in respect to inputs/capital goods sent or received from a job worker.
 82. GSTIN has displayed module wise new functionalities for October-December, 2020 on the GST portal.
 83. 12th Instalment of Rs. 6,000 crores have been released to the States as back to back loan to meet the GST compensation shortfall.
 84. Quarterly Return Monthly Payment (QRMP) project has started and the taxpayers up to Rs. 5 Cr turnover have the right to file their GSTR-1 and GSTR-3B returns quarterly.
 85. Statement of GST HSN (Harmonized System of Nomenclature) code starting from 1 April 2021 for B2B and B2C supplies according to the turnover.
 86. Estimates of Rs. 6.9 lakh crore goods and services tax revenue collections in the fiscal year 2019-20 declared by SBI report.
 87. New features Aadhaar authentication & electronic KYC (E-KYC) has been available on the GST portal for existing taxpayers.
 88. GSTN has started a new Invoice Furnishing Facility (IFF) under quarterly return filing & monthly payment scheme for taxpayers.
 89. The central government has released the 10th installment of INR 6 thousand crores to the states as a loan to meet the goods and services tax compensation shortfall.

DIRECT TAX UPDATES FROM 1ST JAN 2021 TO 31ST DEC 2021 (CBDT)

1. The Central Board of Direct Taxes (CBDT) has issued press release stating that the figures of Direct Tax collections for the Financial Year 2021-22, as of 16.12.2021, shows that the net collections are at Rs. 9,45,276.6 crore which for the corresponding period of the preceding financial year, i.e. F.Y. 2020-21 was Rs. 5,87,702.9 crores. It represents an increase of 60.8%.
2. As per The Income-tax department press release, it may be seen that, above 3.59 crores Income tax returns have been filed on e-portal till 15th December, 2021 and per day average is more than 6 lakhs.
3. The Income Tax Portal has added notification No. 136/2021/ [F. No. 370142/53/2021-TPL (Part-II)] on the portal which is related to Income-tax 33rd Amendment Rules, 2021.
4. The CBDT Notification No. 135/2021/F. No. 503/07/95-FTD-II has been showcased by the Income-tax department which is an agreement for the issue of double taxation between the Indian government and the government of the Kyrgyz Republic.
5. More than 3 crore Income Tax Returns have now been filed on the new e Filing portal of the Income Tax Department as on 3rd December 2021. The number of ITRs filed per day is over 4 lakhs and increasing everyday – As per the Income-tax department press release.
6. The CBDT department has decreased the time period to reopen tax assessment from 6 to 3 years. "The assessment can be reopened up to 10 years, only when there is evidence of concealment of income of more than Rs. 50 lakhs in a year with the approval of the Principal Chief Commissioner of Income Tax."
7. The income tax department has issued notification

- No. 134/2021/F. No. 178/4/2021-ITA-I related to the Life Insurance Corporation of India for AY 2021-22.
8. The Income-tax department has issued the circular number 20/2021 related to guidelines under Income tax act sub-section (4) of section 194-0, sub-section (3) of section 194Q, and subsection (I-I) of section 206C required to deduct an amount 1 to 0.1 % if the income is more than fifty lakhs.
 9. The Income tax department has organised the India International Trade Fair (ITTF) for the taxpayers. It is related to the e-PAN, linking PAN with Aadhar, e-filing form 26AS, and many more queries.
 10. The Income Tax Department has announced the latest Annual Information Statement (AIS) on the Government Tax Portal 2.0 which gives a comprehensive view of all the details to an Indian taxpayer. This was earlier known as Form No. 26AS. Originally, Form No. 26AS contained the details of TDS, TCS & Advance Tax. However, the scope has been widened subsequently so as to disclose information more than that of Tax and so nomenclature has been changed to "Annual Information Statement (AIS)". It also gives the facility to capture feedback through the online process.
 11. The CBDT has received more than 2.16 crores ITRs for AY 2021-22 and issued tax refunds of INR 64 lakh plus.
 12. The Income-tax department has issued notification No. 129/2021 related to the e-Settlement Scheme 2021.
 13. The CBDT has showcased the latest notification number 131 which is related to the 'Assam building and other construction worker's welfare boards'.
 14. The Income-tax department has issued the new order U/S 285BB increasing the scope of the other information in form 26AS such as foreign remittances, income tax return details, etc.
 15. The CBDT has issued the guidelines under clause (23FE) of section 10 related to the TPL Division via a circular no.19 on 26th October 2021.
 16. CBDT has launched a new tax audit utility for the financial year 2020-21.
 17. The Income-tax department has received more than 2 crores ITRs for AY 2021-22 and issued tax refunds of INR 36 lakh.
 18. The department has provided the press release related to the search investigation on digital marketing and campaign management groups.
 19. The CBDT has issued the notification related to the ITR filing exemption for certain NRI investors, foreign investors.
 20. The Income-tax department has issued the press release related to the total numbers of ITRs filed on the e-Filing portal till 13th October 2021.
 21. The Income-tax department has also issued a notification no.120/2021 for relaxation of validation (Section 119 of the Finance Act, 2012).
 22. The Income-tax department has issued a press release related to the investigation of cases of Pandora Paper leaks.
 23. The Income Tax department issued the press release related to the carry forward of losses in the shareholding case due to disinvestment.
 24. The department also issued notification related to authentication of an electronic record under electronic verification code under sub-section (7) of Section 144B of the Income Tax Act, 1961.
 25. The CBDT inserted a new Rule 14C to ease authentication of electronic records submitted in faceless assessment proceedings. If electronic records are submitted through the registered account of a taxpayer on the income tax portal, separate authentication through EVC is not required to be done."
 26. The Income Tax department released the press release regarding the extension of due dates for filing ITR forms, Tax Audit Reports, etc. under the Income-tax Act, 1961.
 27. The Central Board of Direct Taxes (CBDT) has extended the date under section 3 of the Vivad se Vishwas Act. The last date for payment of the amount (with additional amount) under Vivad se Vishwas Act has been notified as 31st October, 2021.
 28. The CBDT has again extended the due dates for Electronic Filing of various Income Tax Forms under the Income Tax Act, 1961.
 29. The CBDT has invited comments on Framing Rules for Amendments made by the Taxation Laws (Amendment) Act, 2021.
 30. The Central Board of Direct Taxes again extended



the due date of electronic filing for Income Tax Forms 15CA/15CB till 15th August 2021.

31. The Central Board of Direct Taxes issued the press release related to searches of PAN India on a prominent business group such as. Real Estate, Media, Textiles, etc whose turnover is more than Rs. 6,000 crores.

32. The Central Board of Direct Taxes has extended the time for processing refunds in non-scrutiny cases for assessment year 2017-18 up to September 30.

33. The Central Board of Direct Taxes (CBDT) observed the 161st Income Tax Day (also known as Aaykar Diwas) on 24th July 2021. In India, the Income Tax Day is celebrated every year on July 24th, as it was on 24th July 1980 that Income Tax was introduced for the first time in India by Sir James Wilson.

❖ Honest taxpayers deserve to be recognised for the contribution they are making to the progress of the nation by dutifully paying their due share of taxes, Union Finance Minister Mrs. Nirmala Sitharaman said.

❖ Taxes are not just a source of revenue for the Govt. But also an effective instrument for achieving certain socio-economic objectives, the Ministry of State (Finance) Dr. Bhagwat Kishanrao Karad added.

34. The Income Tax department has launched a new income tax filing portal on 07.06.2021 which aims to provide a more user-friendly, modern and seamless experience to taxpayers. It will provide various advantages to the taxpayers and will make the process of tax payment easy. The main benefits of this portal may be enumerated as follows:

❖ It offers free Income Tax Returns (ITR) preparation software for forms ITR-1,4 (online and offline) and ITR-2 (offline).

❖ It is merged with the processing of ITs which will enable the taxpayers to get a quick refund. The new software will be taxpayer-friendly and easy to use.

❖ It will also assist the taxpayers to file Income Tax forms, submit responses to various scrutiny and appeals and also add tax professionals.

❖ A single dashboard will be present for the taxpayers on the new online tax portal to assist them with multiple interactions and uploads. One

can also follow all their pending requests easily now on the new tax portal.

❖ In an attempt to help the taxpayers and make the process of taxpaying hassle-free, a new call centre will be set up by the income tax department.

❖ On the new e-portal, the taxpayers can update all their professional details like salary, house rent, and other relevant information related to their business which will be used at the time of filing ITRs.

❖ The new portal will also have a new online tax payment system with various options like net banking, credit card, UPI, NEFT and RTGS for easy payment of taxes. thus, making it much more convenient, safe and transparent for the taxpayers to pay their taxes and improve their liaison with the department.

35. Amendment in TDS & TCS Rules and TDS/TCS Return Forms: CBDT has Notified (Notification Number 71/2021 dated 8th June 2021.)

36. Relaxation in electronic filing of Income Tax Forms 15CA/15CB.

37. Guidelines for compulsory selection of returns for Complete Scrutiny during the Financial Year 2021-22 – conduct of assessment proceedings in such cases.

38. CBIC govt department issued the latest notification 70/2021 related to Income tax act 1961 rules 5C and 5E.

39. New income tax e-filing portal to be launched from June 7, existing portal will be unavailable from 1st June, 2021 to 6th June, 2021.

40. CBDT has issued circular no.9 related to the deadline of extension of tax compliance under the Income Tax Act 1961

41. The CBDT has issued notification for furnishing and uploading of form No. 34BB to exercise option under u/s245.

42. Sec 269ST Relaxation on Cash Payment of More than Rs 2 Lakhs Made to Hospitals, Dispensaries, Nursing Homes, Covid Care Centres or Similar Other Medical Facilities Providing Covid Treatment.

43. Exemption for Cash Allowance In lieu of Leave Travel Concession (LTC) for salaried class.

44. The CBDT notifies pension fund, namely, 'OMERS

Administration Corporation' under sub-clause (iv) of clause (c) of the Explanation 1 to clause (23FE) of section 10 of the Income-tax Act, 1961 in respect of the eligible investment made by it in India on or after 13th May 2021 but on or before the 31st day of March, 2024.

45. The income tax department has issued the notification related to the due date extension for direct tax Vivad se Vishwas Act. Vivad se vishwas scheme has been extended till 30th June, 2021 due to covid19.
46. The CBDT issues notification specifying format, procedure and guidelines for submission of Statement of Financial Transactions (SFT) for Dividend income under Income Tax Act, 1961.
47. The Income tax department has suspended the Java and Excel-based income tax return utilities and they have released JSON Utilities for ITR-1 & ITR-4 forms for FY 2020-21.
48. The CBDT has released the notification for issuing Unique Registration Number (URN) for applicants under sub-rule (5).
49. The Direct Tax department has issued notification between the Government of the Republic of India and the Government of the Islamic Republic of Iran for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.
50. The official CBDT department has suspended the Java and Excel-based income tax return utilities. Also, the department released JSON Utilities for ITR-1 & ITR-4 forms for FY 2020-21.
51. The Indian government has revised the due date for linking Aadhaar with PAN (Permanent Account Number) Card due to the COVID-19 pandemic from 31st March 2021 to 30th June 2021.
52. The income tax department has issued circular No.5 for reporting under clause 30C and clause 44 of the tax audit report.
53. The CBDT has issued due date extended notification [Notification No. 09/2021/ F.No. IT(A)/01/2020-TPL] for Direct Tax Vivad se Vishwas Act till 31st March.
54. Budget 2021

- ❖ The Finance minister said that the senior citizens are not needed to furnish the ITR who only gets the pension and interest on the income.

- ❖ In the normal event: from 6 years the time limit has been decreased from 3 years.
- ❖ In some serious tax theft event: the evaluation can take place till 10 years when hiding of the income exceeds Rs 50 lakh.
- ❖ The faceless dispute resolution committee and the mechanism are set to cut the litigations for the smaller assessee, said the finance minister. Any assessee with a taxable income of Rs 50 lakh and the disputed income of Rs 10 lakh can take upon the society.
- ❖ FM urges the faceless income tax appellate tribunal (ITAT) towards producing online solutions.
- ❖ The tax audit limit beneath section 44AB has been prolonged from Rs 10 cr to Rs 5 cr in which 95% of the transaction concern to the businesses will get implemented through the digital method.
- ❖ The Finance minister said that the advance tax liability on dividend income will increase on the condition post to the dividend payment or declaration.
- ❖ Finance minister that the deduction beneath section 80EEA is urged to be get prolonged to the loans taken up to 31/03/2022.
- ❖ Finance minister 31/03/2022 is the said date there is no need to furnish the tax for the affordable housing project.
- ❖ Tax incentives towards the IFSC as well as tax rest for aircraft leasing and rental firms declared by FM.
- ❖ FM declares the pre-filled ITR in Budget 2021: Salary, Tax Payments, TDS are pre-filled previously. The Capital Gains, dividend incomes, and interest income have been enabled to get pre-filled.
- ❖ FM said that for the event of the PF amount was cut down while not getting deposited through the employer it will not be permitted as a deduction for the employer.
- ❖ Beneath section 80IAC the deduction will be prolonged upto 31/03/2021 said FM.

55. CBDT department has revised the due date for filing AY 2020-21 ITRs. Accordingly, the income tax returns are changed to update the 234A interest and 234F fee calculation. These forms are ready for download.



TAX UPDATES, NOTIFICATIONS AND CIRCULARS

INDIRECT TAX

GST NOTIFICATIONS AND CIRCULARS

Central Tax

Notification No. 38/2021 – Central Tax

Seeks to bring sub-rule (2) and sub-rule (3), clause (i) of sub-rule (6) and sub-rule (7) of rule 2 of the CGST (Eighth Amendment) Rules, 2021 into force w.e.f. 01.01.2022

Dated – 21st December, 2021

Aadhaar authentication shall be mandatory w.e.f. 01.01.2022 for specified purposes. Article explains who has to undergo the Aadhaar Authentication, what are the purposes for which Aadhaar Authentication is mandatory, what if the Aadhaar number has not been assigned and who is exempted from Aadhaar authentication for the specified purposes?

For more details, please follow:

<https://www.cbic.gov.in/resources/htdocs-cbec/gst/notfctn-38-central-tax-english-2021.pdf>

Notification No. 39/2021 – Central Tax

Seeks to notify 01.01.2022 as the date on which provisions of section 108, 109 and 113 to 122 of the Finance Act, 2021 shall come into force

Dated – 21st December, 2021

Government has made an amendment on which provisions of section 108, 109 and 113 to 122 of the Finance Act, 2021 shall come into force from 1st January, 2022

For more details, please follow:

<https://www.cbic.gov.in/resources/htdocs-cbec/gst/notfctn-39-central-tax-english-2021.pdf>

Notification No. 40/2021 – Central Tax

Seeks to make amendments (Tenth Amendment, 2021) to the CGST Rules, 2017

Dated – 29th December, 2021

Notification No. 40/2021-Central Tax has been issued to notify the Central Goods and Services Tax (Tenth

Amendment) Rules, 2021. The key changes to come into effect are as follows:

1. Rule 36(4) has been substituted to provide that ITC shall not be available to the registered person unless such invoices/debit notes have been reflected in GSTR-2B of the said person.
2. Due date for GSTR-9 as well as GSTR-9C for the F.Y 2020-21 has been extended from 31st Dec, 2021 to 28th Feb, 2022.
3. Rule 95 has been amended to provide that where Unique Identity Number of the applicant is not mentioned in a tax invoice, the refund of tax paid by the applicant on such invoice shall be available only if the copy of the invoice, duly attested by the authorized representative of the applicant, is submitted along with the refund application in FORM GST RFD-10.
4. Rule 142 has been amended to align it with new provisions of Sec 129 providing for 7 days' time for issuance of notice and further 7 days for issuance of order.
5. A new rule 144A has been inserted providing for -Recovery of penalty by sale of goods or conveyance detained or seized in transit.
6. Rule 154 has been substituted to provide for -Disposal of proceeds of sale of goods or conveyance and movable or immovable property.
7. Rule 159 has been amended to provide that a copy of order of attachment in FORM DRC-22 shall also be sent to the person whose property is being attached under section 83.
8. Other changes in Rule 159 have been made to incorporate the changes made in Sec 83 providing for attachment of property of a person other than the taxable person i.e any person specified in sub-section (1A) of section 122.
9. Any objection to the order of provisional attachment of property is to be filed in FORM DRC-22A whose format has also been notified now.

10. Changes have been made in FORM DRC-10, DRC-11, DRC-12, DRC-22, DRC-23 and APL-01 to incorporate above changes as well as the changes brought vide N.N 39/2021-CT dated 21st Dec, 2021.

For more details, please follow:

<https://www.cbic.gov.in/resources/htdocs-cbec/gst/notfctn-40-central-tax-english-2021.pdf>

Notification No. 18/2021-Central Tax (Rate)

Seeks to amend Notification No 1/2017- Central Tax (Rate) dated 28.06.2017

Dated – 28th December, 2021

CBIC has changed in GST Rate on Goods w.e.f 01.01.2022 vide Notification No. 18/2021- Central Tax (Rate), Dated: 28.12.2021 by amending Notification No.1/2017- Central Tax (Rate) dated the 28th June, 2017.

For more details, please follow:

<https://www.cbic.gov.in/resources/htdocs-cbec/gst/notfctn-18-2021-cgst-rate.pdf>

Notification No. 19/2021-Central Tax (Rate)

Seeks to amend Notification No 2/2017- Central Tax (Rate) dated 28.06.2017.

Dated – 28th December, 2021

CBIC has notified the amendment in list of exempt goods w.e.f. 01.01.2022

In the said notification, in the Schedule, -

- (i) against S. No. 22, for the entry in column (2), the entry “0303, 0304, 0305, 0306, 0307, 0308, 0309” shall be substituted;
- (ii) against S. No. 43B, in column (3), for the entry, the entry “Vegetables provisionally preserved, but unsuitable in that state for immediate consumption” shall be substituted;
- (iii) against S. No. 49, in column (3), for the entry, the entry “Other nuts, fresh such as Almonds, Hazelnuts or filberts (Corylus spp.), walnuts, Chestnuts (Castanea spp.), Pistachios, Macadamia nuts, Kola nuts (Cola spp.), Areca nuts, Pine nuts, fresh, whether or not shelled or peeled” shall be substituted;
- (iv) after S. No. 97 and entries relating thereto, the following S. No. and entries shall be inserted, namely:-

“97A	2009 89 90	Tender coconut water other than those put up in unit container and, (a) bearing a registered brand name; or (b) bearing a brand name on which an actionable claim or enforceable right in a court of law is available [other than those where any such actionable claim or enforceable right in respect of such brand name has been voluntarily foregone, subject to the conditions as specified in the ANNEXURE I]”;
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(v) No. 101 and the entries relating thereto shall be omitted;

(vi) against S. No. 141, for the entry in column (2), the entry “8807” shall be substituted;

For more details, please follow:

<https://www.cbic.gov.in/resources/htdocs-cbec/gst/notfctn-19-2021-cgst-rate.pdf>

Notification No. 20/2021-Central Tax (Rate)

Seeks to amend Notification No 21/2018- Central Tax (Rate) dated 26.07.2018

Dated – 28th December, 2021

Central Government has made the following amendments in the notification No. 21/2018-Central Tax (Rate), dated the 26th July, 2018. In this notification, in the TABLE, -

- (i) against S. No. 4, for the entry in column (2), the entry “4414” shall be substituted;
- (ii) against S. No. 29, for the entry in column (2), the entry “7419 80” shall be substituted; 2. This notification shall come into force on the 1st day of January, 2022.

For more details, please follow:

<https://www.cbic.gov.in/resources/htdocs-cbec/gst/notfctn-20-2021-cgst-rate.pdf>

Notification No. 18/2021-Integrated Tax (Rate)

Seeks to amend Notification No 1/2017- Integrated Tax (Rate) dated 28.06.2017

Dated – 28th December, 2021

CBIC has changed in IGST Rate on Goods w.e.f 01.01.2022



vide Notification No. 18/2021- Central Tax (Rate), Dated: 28.12.2021 by amending Notification No.1/2017- Notification No. 18/2021-Integrated Tax (Rate) dated 28th June, 2017.

For more details, please follow:

<https://www.cbic.gov.in/resources/htdocs-cbec/gst/notfctn-18-2021-igst-rate-english.pdf>

Notification No. 19/2021-Integrated Tax (Rate)
Seeks to amend Notification No 2/2017- Integrated Tax (Rate) dated 28.06.2017.

Dated – 28th December, 2021

CBIC has notified the amendment in list of exempt goods wef 01.01.2022

In the said notification, in the Schedule, -

- (i) against S. No. 22, for the entry in column (2), the entry “0303, 0304, 0305, 0306, 0307, 0308, 0309” shall be substituted;
- (ii) against S. No. 43B, in column (3), for the entry, the entry “Vegetables provisionally preserved, but unsuitable in that state for immediate consumption” shall be substituted;
- (iii) against S. No. 49, in column (3), for the entry, the entry “Other nuts, fresh such as Almonds, Hazelnuts or filberts (Corylus spp.), walnuts, Chestnuts (Castanea spp.), Pistachios, Macadamia nuts, Kola nuts (Cola spp.), Areca nuts, Pine nuts, fresh, whether or not shelled or peeled” shall be substituted;
- (iv) after S. No. 97 and entries relating thereto, the following S. No. and entries shall be inserted, namely:-

“97A	2009 89 90	Tender coconut water other than those put up in unit container and, (a) bearing a registered brand name; or (b) bearing a brand name on which an actionable claim or enforceable right in a court of law is available [other than those where any such actionable claim or enforceable right in respect of such brand name has been voluntarily foregone, subject to the conditions as specified in the ANNEXURE I]”;
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(V) No. 101 and the entries relating thereto shall be omitted;

(IV) against S. No. 141, for the entry in column (2), the entry “8807” shall be substituted;

For more details, please follow:

<https://www.cbic.gov.in/resources/htdocs-cbec/gst/notfctn-19-2021-igst-rate-english.pdf>

Notification No. 20/2021-Integrated Tax (Rate)

Seeks to amend Notification No 22/2018- Integrated Tax (Rate) dated 26.07.2018

Dated – 28th December, 2021

Central Government has made the following amendments in the notification No. 22/2018-Integrated Tax (Rate), dated the 26th July, 2018. In this notification, in the TABLE, -

- (i) against S. No. 4, for the entry in column (2), the entry “4414” shall be substituted;
- (ii) against S. No. 29, for the entry in column (2), the entry “7419 80” shall be substituted; 2. This notification shall come into force on the 1st day of January, 2022.

For more details, please follow:

<https://www.cbic.gov.in/resources/htdocs-cbec/gst/notfctn-20-2021-igst-rate-english.pdf>

Notification No. 18/2021-Union Territory Tax (Rate)

Seeks to amend Notification No 1/2017- Union territory Tax (Rate) dated 28.06.2017

Dated – 28th December, 2021

CBIC has changed in UTGST Rate on Goods w.e.f 01.01.2022 vide Notification No. 18/2021- Central Tax (Rate), Dated: 28.12.2021 by amending Notification No.1/2017- Notification No 1/2017- Union territory Tax (Rate) dated the 28th June, 2017.

For more details, please follow:

<https://www.cbic.gov.in/resources/htdocs-cbec/gst/notfctn-18-2021-utgst-rate.pdf>

Notification No. 19/2021- Union Territory Tax (Rate)

Seeks to amend Notification No 2/2017- Union territory Tax (Rate) dated 28.06.2017

Dated – 28th December, 2021

CBIC has notified the amendment in list of exempt goods wef 01.01.2022

In the said notification, in the Schedule, -

- (i) against S. No. 22, for the entry in column (2), the entry “0303, 0304, 0305, 0306, 0307, 0308, 0309” shall be substituted;

- (ii) against S. No. 43B, in column (3), for the entry, the entry “Vegetables provisionally preserved, but unsuitable in that state for immediate consumption” shall be substituted;
- (iii) against S. No. 49, in column (3), for the entry, the entry “Other nuts, fresh such as Almonds, Hazelnuts or filberts (Corylus spp.), walnuts, Chestnuts (Castanea spp.), Pistachios, Macadamia nuts, Kola nuts (Cola spp.), Areca nuts, Pine nuts, fresh, whether or not shelled or peeled” shall be substituted;
- (iv) after S. No. 97 and entries relating thereto, the following S. No. and entries shall be inserted, namely:-

“97A	2009 89 90	Tender coconut water other than those put up in unit container and, (a) bearing a registered brand name; or (b) bearing a brand name on which an actionable claim or enforceable right in a court of law is available [other than those where any such actionable claim or enforceable right in respect of such brand name has been voluntarily foregone, subject to the conditions as specified in the ANNEXURE I]”;
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- (v) No. 101 and the entries relating thereto shall be omitted;
- (vi) against S. No. 141, for the entry in column (2), the entry “8807” shall be substituted;

For more details, please follow:

<https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-19-2021-utgst-rate.pdf>

Notification No. 20/2021-Union Territory Tax (Rate)

Seeks to amend Notification No 21/2018- Union territory Tax (Rate) dated 26.07.2018

Dated – 28th December, 2021

Central Government has made the following amendments in the notification No. 21/2018- Union Territory Tax (Rate), dated the 26th July, 2018. In this notification, in the TABLE:

- (i) against S. No. 4, for the entry in column (2), the entry “4414” shall be substituted;

- (ii) against S. No. 29, for the entry in column (2), the entry “7419 80” shall be substituted; 2. This notification shall come into force on the 1st day of January, 2022.

For more details, please follow:

<https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-20-2021-utgst-rate.pdf>

Notification No. 2/2021-Compensation Cess (Rate)

Seeks to amend Notification No 1/2017- Compensation Cess (Rate) dated 28.06.2017.

Dated – 28th December, 2021

Central Government has made the following further amendments in the notification No. 1/2017-Compensation Cess (Rate), dated the 28th June, 2017.

In this notification, in the Schedule,

- (i) against S. No. 25, for the entry in column (2), the entry “2403 91 00 or 2404 11 00” shall be substituted;
- (ii) against S. No. 37, for the entry in column (2), the entry “2403 99 90 or 2404 11 00 or 2404 19 00” shall be substituted;
- (iii) against S. No. 38, for the entry in column (2), the entry “2403 99 90 or 2404 11 00 or 2404 19 00” shall be substituted;
- (iv) against S. No. 54, for the entry in column (2), the entry “8802 or 8806” shall be substituted.

This notification shall come into force on the 1st day of January, 2022.

For more details, please follow:

https://www.cbic.gov.in/resources//htdocs-cbec/gst/Compensation_Cess02_2021_rate_eng.pdf

Circular

Circular No. 167/23/2021-GST

GST on service supplied by restaurants through e-commerce operators

Dated – 17th December, 2021

The GST Council in its 45th meeting held on 17th September, 2021 recommended to notify “Restaurant Service” under section 9(5) of the CGST Act, 2017. Accordingly, the tax on supplies of restaurant service supplied through e-commerce operators shall be paid by the e-commerce operator. In this regard notification No. 17/2021 dated



18.11.2021 has been issued.

For more details, please follow:

<https://www.cbic.gov.in/resources/htdocs-cbec/gst/Circular-167-2021-GST.pdf>

Circular No. 168/24/2021-GST
GST refund filing Mechanism for taxpayers registered in erstwhile UT of Daman & Diu
Dated – 30th December, 2021

CBIC has notified Mechanism for filing of refund claim by the taxpayers registered in erstwhile Union Territory of Daman & Diu for period prior to merger with U.T. of Dadra & Nagar Haveli.

For more details, please follow:

<https://www.cbic.gov.in/resources/htdocs-cbec/gst/Circular-168-2021-GST.pdf>

CUSTOMS NOTIFICATIONS AND CIRCULARS

Tariff Notification

Notification No. 53/2021 - Customs
Reduction of BCD on Refined palm oil and its fractions
Dated – 20th December, 2021

Central Government has made the following amendment in the notification No. 48/2021-Customs which was issued on 13th October. As per this notification BCD on Refined palm oil and its fractions has been reduced from 17.5% to 12.5% till 31.03.2022.

This notification has effected on the 21st December, 2021.

For more details, please follow:

<https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-tarr2021/cs53-2021.pdf>

Notification No. 54/2021 - Customs
Seeks to further amend notification No. 46/2011-Customs dated 01-06-2011 to give effect to 13th tranche of preferential tariff as per ASEAN India Trade in Goods Agreement (AITIGA)
Dated – 24th December, 2021

Central Government has made the following further amendments in the notification No.46/2011-Customs which was issued on 1st June, 2011. This notification has into forced with effect from the 1st January, 2022.

In this notification, in the Table:

- against serial number 80, for the entry in column (5), the entry “48.0” shall be substituted;
- against serial number 81, for the entry in column (5), the entry “48.0” shall be substituted;
- against serial number 83, for the entry in column (5), the entry “51.0” shall be substituted;
- against serial number 124, for the entry in column (5), the entry “41.0” shall be substituted; and
- against serial number 125, for the entry in column (5), the entry “51.0” shall be substituted.

For more details, please follow:

<https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-tarr2021/cs54-2021.pdf>

Non-Tariff Notification
Notification No. 97/2021-Customs (NT)
Fixation of Tariff Value of Edible Oils, Brass Scrap, Areca Nut, Gold and Silver
Dated – 15th December, 2021

CBIC has made the following amendments in the notification No. 36/2001-Customs (N.T.) which was issued on 3rd August, 2001. In this notification the following shall be substituted in TABLE-1, TABLE-2 and TABLE-3

TABLE - 1

Sl. No	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value (US \$ Per Metric Tonne)
(1)	(2)	(3)	(4)
1	1511 10 00	Crude Palm Oil	1323
2	1511 90 10	RBD Palm Oil	1348
3	1511 90 90	Others – Palm Oil	1336
4	1511 10 00	Crude Palmolein	1354
5	1511 90 20	RBD Palmolein	1357
6	1511 90 90	Others – Palmolein	1356
7	1507 10 00	Crude Soya bean Oil	1450

Sl. No	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value (US \$ Per Metric Tonne)
8	7404 00 22	Brass Scrap (all grades)	5528

TABLE - 2

Sl No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value (US \$)
(1)	(2)	(3)	(4)
1	71 or 98	Gold, in any form, in respect of which the benefit of entries at serial number 356 of the Notification No. 50/2017-Customs dated 30.06.2017 is availed	572 per 10 grams
2	71 or 98	Silver, in any form, in respect of which the benefit of entries at serial number 357 of the Notification No. 50	716 per kilo-gram
3	71	(i) Silver, in any form, other than medallions and silver coins having silver content not below 99.9% or semi-manufactured forms of silver falling under sub-heading 7106 92; (ii) Medallions and silver coins having silver content not below 99.9% or semi-manufactured forms of silver falling under sub-heading 7106 92, other than imports of such goods through post, courier or baggage. Explanation. - For the purposes of this entry, silver in any form shall not include foreign currency coins, jewellery made of silver or articles made of silver.	716 per kilo-gram

Sl No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value (US \$)
4	71	(i) Gold bars, other than tola bars, bearing manufacturers or refiner's engraved serial number and weight expressed in metric units; (ii) Gold coins having gold content not below 99.5% and gold findings, other than imports of such goods through post, courier or baggage. Explanation. - For the purposes of this entry, "gold findings" means a small component such as hook, clasp, clamp, pin, catch, screw back used to hold the whole or a part of a piece of Jewellery in place.	572 per 10 grams

TABLE - 3

Sl. No	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value (US \$ Per Metric Tonne)
(1)	(2)	(3)	(4)
1	080280	Areca nuts	4937

For more details, please follow:

<https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-nt2021/csnt97-2021.pdf>

Notification No. 98/2021-Customs (NT)

Exchange rates Notification

Dated – 16th December, 2021

CBIC has determined the rate of exchange of conversion of each of the foreign currencies into Indian currency or vice versa which is specified in Schedule I and Schedule II and has effected from 17th December, 2021.



SCHEDULE-I

Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
	For Imported Goods	For Exported Goods
Australian Dollar	55.85	53.50
Bahraini Dinar	208.85	196.15
Canadian Dollar	60.40	58.35
Chinese Yuan	12.15	11.80
EURO	87.70	84.55
US Dollar	77.15	75.45

SCHEDULE-II

Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
	For Imported Goods	For Exported Goods
Japanese Yen	68.05	65.65
Korean Won	6.65	6.25

For more details, please follow:

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-nt2021/csnt98-2021.pdf>

Notification No. 99/2021-Customs (NT) Exchange rates Notification Dated – 17th December, 2021

CBIC has made the following amendments in Notification No.98/2021-CUSTOMS (N.T.) which was issued on 16th December, 2021 with effect from 18th December, 2021.

SCHEDULE-I

SI No.	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
		For Imported Goods	For Exported Goods
(1)	(2)	(3)	(4)
18	Turkish Lira	5.00	4.70

For more details, please follow:

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-nt2021/csnt99-2021.pdf>

Notification No. 100/2021-Customs (NT) Exchange rates Notification Dated – 20th December, 2021

CBIC has made the following amendments in Notification No.98/2021-CUSTOMS (N.T.) which was issued on 16th December, 2021 with effect from 21st December, 2021.

SCHEDULE-I

SI No.	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
		For Imported Goods	For Exported Goods
(1)	(2)	(3)	(4)
18	Turkish Lira	4.70	4.40

For more details, please follow:

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-nt2021/csnt100-2021.pdf>

Notification No. 101/2021-Customs (NT) Exchange rates Notification Dated – 21st December, 2021

CBIC has made the following amendments in Notification No.98/2021-CUSTOMS (N.T.) which was issued on 16th December, 2021 with effect from 22nd December, 2021.

SCHEDULE-I

SI No.	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
		For Imported Goods	For Exported Goods
(1)	(2)	(3)	(4)
18	Turkish Lira	5.80	5.45

For more details, please follow:

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-nt2021/csnt101-2021.pdf>

Notification No. 102/2021-Customs (NT) Exchange rates Notification Dated – 22nd December, 2021

CBIC has made the following amendments in Notification No.98/2021-CUSTOMS (N.T.) which was issued on 16th December, 2021 with effect from 23rd December, 2021.

SCHEDULE-I

Sl. No.	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
		For Imported Goods	For Exported Goods
(1)	(2)	(3)	(4)
18	Turkish Lira	6.30	5.90

For more details, please follow:

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-nt2021/csnt102-2021.pdf>

Notification No. 103/2021-Customs (NT) Exchange rates Notification Dated – 24th December, 2021

CBIC has made the following amendments in Notification No.98/2021-CUSTOMS (N.T.) which was issued on 16th December, 2021 with effect from 23rd December, 2021.

SCHEDULE-I

Sl. No.	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
		For Imported Goods	For Exported Goods
(1)	(2)	(3)	(4)
18	Turkish Lira	6.70	6.30

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-nt2021/csnt103-2021.pdf>

Anti-Dumping

Notification No. 70/2021- Customs (ADD)
Anti-Dumping on Natural Mica based Pearl Industrial Pigment excluding cosmetic grade
Dated – 17th December, 2021

Central Government has imposed the anti-dumping duty

on regarding levy of anti-dumping duty on “Natural Mica based Pearl Industrial Pigment excluding cosmetic grade” to amend the name of exporter from “Nanyang Lingbao Pearl Pigment Company Limited Materials” to “Henan Lingbao New Materials Technology Co., Ltd.”

For more details, please follow:

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd70-2021.pdf>

Notification No. 71/2021- Customs (ADD) Anti-Dumping Duty on Imports of Sodium Hydrosulphite Dated – 17th December, 2021

Central Government has imposed Anti-Dumping Duty on Imports of Sodium Hydrosulphite from China PR and Korea RP. This notification shall be effective for a period of five years (unless revoked, superseded or amended earlier) from the date of publication of this notification in the Official Gazette and shall be paid in Indian currency.

For more details, please follow:

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd70-2021.pdf>

Notification No. 72/2021- Customs (ADD) Anti-Dumping Duty on Imports of hydrogen peroxide from Bangladesh Dated – 17th December, 2021

Provisional assessment has provided on Hydrogen Peroxide exported from Bangladesh by M/s. Al-Razi Chemical Complex Limited (Producer/ Exporter) till the final findings of New Shipper Review in this regard are received.

For more details, please follow:

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd72-2021.pdf>

Notification No. 73/2021- Customs (ADD) Anti-Dumping Duty on Imports of calcined gypsum powder Dated – 17th December, 2021

Central Government has imposed Anti-Dumping duty on Imports of calcined gypsum powder from Iran, Oman, Saudi Arabia and United Arab Emirates (UAE).

The anti-dumping duty imposed under this notification



shall be effective for a period of five years (unless revoked, superseded or amended earlier) from the date of publication of this notification in the Official Gazette and shall be paid in Indian currency.

For more details, please follow:

<https://taxguru.in/custom-duty/anti-dumping-duty-imports-calcined-gypsum-powder.html>

Notification No. 74/2021- Customs (ADD)
Anti-Dumping duty on imports of 'Silicone Sealant'
Dated – 21st December, 2021

Central Government has imposed Anti-Dumping duty on of 'Silicone Sealant' originating in or exported from China PR for a period of five years.

The anti-dumping duty imposed under this notification shall be levied for a period of five years (unless revoked, superseded or amended earlier) from the date of publication of this notification in the Official Gazette and shall be payable in Indian currency.

For more details, please follow:

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd74-2021.pdf>

Notification No. 75/2021- Customs (ADD)
Anti-Dumping Duty on Hydrofluorocarbon (HFC) component R-32
Dated – 21st December, 2021

Central Government has imposed Anti-Dumping duty on Imports of Hydrofluorocarbon (HFC) component R-32 from China PR.

The anti-dumping duty imposed under this notification shall be levied for a period of five years (unless revoked, superseded or amended earlier) from the date of publication of this notification in the Official Gazette and shall be payable in Indian currency.

For more details, please follow:

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd75-2021.pdf>

Notification No. 76/2021- Customs (ADD)
Anti-Dumping duty on imports of 'Hydrofluorocarbon Blends

Dated – 22nd December, 2021

Central Government has imposed Anti-Dumping duty on imports of 'Hydrofluorocarbon Blends (All blends other than 407 and 410 are excluded)' originating in or exported from China PR for a period of five years.

The anti-dumping duty imposed under this notification shall be levied for a period of five years (unless revoked, superseded or amended earlier) from the date of publication of this notification in the Official Gazette and shall be payable in Indian currency.

For more details, please follow:

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd76-2021.pdf>

Notification No. 77/2021- Customs (ADD)
Anti-Dumping duty on "Decor Paper"
Dated – 27th December, 2021

Central Government has imposed Anti-Dumping duty on "Decor Paper" originating in or exported from China PR.

The anti-dumping duty imposed under this notification shall be levied for a period of five years (unless revoked, superseded or amended earlier) from the date of publication of this notification in the Official Gazette and shall be payable in Indian currency.

For more details, please follow:

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd77-2021.pdf>

DIRECT TAX

Notification No. 138/2021
Income-tax (34th Amendment) Rules, 2021
Dated – 27th December, 2021

CBDT has notified Income-tax (34th Amendment) Rules, 2021. CBDT has inserted Income Tax Rule 2DD. Computation of exempt income of specified fund for the purposes of clause (23FF) of section 10, has notified New Forms i.e., Form No. 10-II – Statement of exempt income under clause (23FF) of section 10 of the Income-tax Act, 1961 and Form No. 10-IJ – Certificate to be issued by accountant under clause (23FF) of section 10 of the Income-tax Act, 1961.

For more details, please follow:

<https://www.incometaxindia.gov.in/communications/notification/notification-138-2021.pdf>

Notification No. 139/2021
Faceless Appeal Scheme, 2021
Dated – 28th December, 2021

CBDT has notified Faceless Appeal Scheme, 2021. As per Faceless Appeal Scheme, 2021 a personal hearing through Video Conference (VC) can be requested by Assessee to CIT (A) and when such request is made and the same shall be allowed by CIT(A). No discretion with the CIT (A) to refuse such request of oral hearing through VC.

For more details, please follow:

https://www.incometaxindia.gov.in/communications/notification/notification_no_139_2021.pdf

Notification No. 140/2021
Income-tax (35th Amendment) Rules, 2021

Dated – 29th December, 2021

CBDT has notified Rule 16DD. Form of particulars to be furnished along with return of income for claiming deduction under clause (b) of sub-section (1B) of section 10A and New Form No. 56FF – Particulars to be furnished under clause (b) of sub-section (1B) of section 10A of the Income-tax Act, 1961.

For more details, please follow:

https://www.incometaxindia.gov.in/communications/notification/notification_no_140_2021.pdf

Circular

Circular No. 21/2021

Relaxation for verification of all income tax-returns e-filed for the Assessment Year 2020-21

Dated – 29th December, 2021

CBDT has issued a notification for One-time relaxation for verification of all income tax-returns e-filed for the Assessment Year 2020-21 which are pending for verification and processing of such returns.

In respect of an Income-tax Return (ITR) which was filed electronically without a digital signature, the taxpayer is required to verify it using any one of the following modes within the time limit of 120 days from date of uploading the ITR: –

- i. Through Aadhaar OTP
- ii. By logging into e-filing account through net banking
- iii. EVC through Bank Account Number
- iv. EVC through Demat Account Number.
- v. EVC through Bank ATM
- vi. By sending a duly signed physical copy of ITR-V through post to the CPC, Bengaluru.

Therefore, in respect of all ITRs for Assessment Year 2020-21 which were uploaded electronically by the taxpayers within the time allowed under section 139 of the Act and which have remained incomplete due to non-submission of ITR-V Form/ pending e-Verification, the Board, in exercise of its powers under section 119(2)(a) of the Act, hereby has permitted verification of such returns either by sending a duly signed physical copy of ITR-V to CPC, Bengaluru through speed post or through EVC/ OTP modes as listed in para 1 above. Such verification process must be completed by 28.02.2022.

For more details, please follow:

<https://www.incometaxindia.gov.in/communications/circular/circular-no21-2021.pdf>

PRESS RELEASE

DIRECT TAX

Income Tax Department conducts searches in Tamil Nadu

21st December, 2021

The Income Tax Department carried out search and seizure operation on 16.12.2021 on a Neyveli based group, engaged in the business of chit funds, finance and real estate. The group also runs educational institutions through its trusts. The search action covered around 30 premises located at various places like Neyveli, Chennai, Coimbatore, Nilgiris, etc.

During the course of the search operations, a remotely located cloud server containing parallel set of books of account secretly maintained by key persons of the group has been unearthed. Various documentary and digital evidences have also been seized. The preliminary analysis of these digital evidences and other related evidences clearly reveals the details of unaccounted money generated through under-reporting of income from chit fund business and deposits received in cash from various parties. The seized evidences also indicate that the unaccounted money, so generated, has been utilised to make 'on-money' payments for investments in real estate business. Prima facie analysis indicates the quantum of unaccounted cash transactions in immovable properties to be to the tune of Rs. 250 crore.

The search action has led to seizure of unaccounted cash of more than Rs.12 crore.

Further investigations are in progress.

Income Tax Department conducts searches in West Bengal

21st December, 2021

The Income Tax Department carried out search and seizure operation on 16.12.2021 on two prominent Asansol based groups, engaged in business of iron and steel products, infrastructure, cement, poly fabs, agro-tech & food processing, etc. The search action covered more than 30 premises spread over West Bengal.

A large number of incriminating evidences in the form of documents and digital data stored in SD cards, WhatsApp chats, etc. have been found and seized. The search team

has detected that SD cards have been used to keep details of a parallel set of unaccounted sales, excel sheets of actual production data, parallel tally accounts files, cash payment details made to various parties etc.

A preliminary analysis of seized SD cards and related evidences reveal that these contain unaccounted cash handled by key employees of the directors and owners of the entities. The key persons of one of the groups have admitted that unaccounted income of more than Rs. 66 crore has been generated through unaccounted cash sales from its manufacturing units during the financial year FY 20- 21. In certain other entities, evidences have been found relating to claim of unsubstantiated purchases, out of which purchases to the extent of Rs. 20 crore have also been admitted by the directors as undisclosed income.

Further, analysis of seized evidences of another group reveals that many paper companies, which are run by entry operators, have been used to provide accommodation entries to its flagship concerns. These shell entities have been found to have routed back the unaccounted money of the group in the guise of share capital/unsecured loan into the books of account of these entities. It has been corroborated, with admission by directors of these entities concerned, that, quantum of such routing exceeds Rs. 40 crore.

Thus, the search action has unearthed various methods of tax evasion adopted by the groups such as unaccounted cash sales, inflation of expenses through claim of bogus purchases and routing of unaccounted income through accommodation entries.

The search has resulted in seizure of unaccounted cash and jewellery of more than Rs.2 crore and has, so far, led to detection of total unaccounted income exceeding Rs. 125 crore.

Further investigations are in progress.

Income Tax Department conducts searches in Rajasthan

28th December, 2021

The Income Tax Department carried out search and seizure operations on 22.12.2021 on two groups and their business entities. One group is engaged in the business

of manufacturing electrical switches, wires, LEDs, real estate and hotel business in Rajasthan, Maharashtra and Uttarakhand whereas, the other group is engaged in money lending business in Jaipur and nearby cities. The search action has covered more than 50 premises spread over various locations including Jaipur, Mumbai, and Haridwar.

A large number of incriminating documents and digital data have been found and seized during the search action.

A preliminary analysis of seized evidence reveals that several entities, engaged in the business of manufacturing switches, wires, LEDs, etc., have been selling such goods which are not recorded in the regular books of account. During the investigation, it was also noticed that they were claiming bogus expenses to reduce taxable income. The trail of receipt of cash component on unaccounted sale of goods has also been found. In the case of this group, the search team has detected transactions evidencing undisclosed income of more than Rs.150 crore. The key person of the group has admitted Rs.55 crore as undisclosed income and has offered to pay tax thereon.

The analysis of seized and other related documents relating to the other group has revealed that most of the loans are given in cash and a relatively high rate of interest has been charged on these loans. Neither the loans advanced nor the interest income earned thereon, have been disclosed in the returns of income of the persons engaged in this business. Evidence relating to undisclosed income of more than Rs.150 crore has been detected in this group.

The search action, so far, has resulted in total seizure of unaccounted cash and jewellery worth Rs.17 crore.

Further investigations are in progress.

Income Tax Department conducts searches in Maharashtra

28th December, 2021

The Income Tax Department carried out search and seizure operations on 22.12.2021 on two business groups of Nandurbar and Dhule districts of Maharashtra. These groups are engaged in the business of civil construction and land development. The search operation covered more than 25 premises spread across Nandurbar, Dhule and Nashik.

During the search and seizure operation many incriminating documents, loose papers, and digital

evidences have been found and seized.

In the case of entities belonging to the first group, the seized documents clearly reveal that they have resorted to large-scale suppression of taxable income by inflating their expenses, primarily by way of the claim of non-genuine sub-contract expenses and unverifiable old sundry creditors. The search team has detected that these sub contracts have been awarded to family members and their employees who have not rendered services in this regard. Evidence has also been gathered about unrecorded expenses incurred in cash. The preliminary investigation indicates that this group has evaded income to the extent of Rs. 150 crore on account of the above malpractices.

In the case of the land developers, it has been found that a substantial part of the land transactions have been carried out in cash which are not accounted for in the regular books of account. Further, incriminating documents evidencing receipt of 'on-money' on land transactions and cash loans exceeding Rs. 52 crore have been found and seized.

The search action has, so far, resulted in the seizure of unaccounted cash of more than Rs. 5 crore and jewellery valued at Rs.5 crore.

Further investigations are in progress.

Income Tax Department conducts searches in Chhattisgarh

29th December, 2021

The Income Tax Department carried out search and seizure operations on 22.12.2021 on two prominent groups of Raipur and Korba, engaged in the business of manufacturing of iron & steel products, coal washery and transportation, etc. The search action covered more than 35 premises spread over Raipur, Korba, Bilaspur and Raigarh districts of Chhattisgarh.

During the course of the search action, in one of the groups, various incriminating documents and digital evidences have been found and seized including a parallel set of cash books. The preliminary analysis of these parallel set of cash books reveals that it contains a systematic record of unaccounted transactions of more than Rs. 200 crore. Evidences collected also suggest that certain entities of this group have been found to be indulging in suppression of actual production and subsequent unaccounted sales made in cash, which are not recorded in the regular books of account. In the case of one such entity, parallel set of books of account

evidencing transactions of about Rs.50 crore, which are not reflected in the regular books of account, have been found and seized. The search team has also found that this group is evading their taxable income by obtaining bogus purchase invoices from related group entities engaged in transportation as well as from entry providers.

The analysis of incriminating documents and other related evidences in the case of another group clearly indicates that this group has indulged in various

malpractices to evade taxes on its income by resorting to obtaining of share capital with unsubstantiated share premium and claim of expenses on bogus purchases. The key person of this group has admitted an undisclosed income of Rs.20 crore.

So far, the search action has led to the seizure of unexplained cash and jewellery of more than Rs. 3 crore.

Further investigations are in progress. 

JUDGEMENTS INDIRECT TAX

ITC available on 12% GST paid on Supplying, Operating, and Maintaining Air-Conditioned Electrically operated Buses: The AAR, Maharashtra

Fact of the Case

The Applicant, MH Ecolife E-Mobility Pvt. Ltd. and Navi Mumbai Transport Undertaking (NMMT) have entered into an Operator Agreement dated 25.02.2020 which, Applicant shall be responsible to procure and supply air conditioned electric buses to NMMT on gross contract basis to be plied on the routes identified by NMMT. During the term of the Agreement, ownership of the buses to be vested with the Applicant.

In terms of the Agreement, the Applicant, as an Operator, will be responsible for operating and maintaining the buses by employing drivers and other staff necessary for the operation and maintenance of buses. Further, Applicant shall incur all expenses for operating the buses including expenses on repairs, maintenance, procurement of spare parts, charging of batteries etc. NMMT or a third party appointed by NMMT, shall collect appropriate fare from the passengers.

The applicant has sought the advance ruling on the issues

- ✱ whether services provided by the applicant to NMMT under the Agreement, by way of supplying, operating and maintaining air-conditioned electrically operated buses are taxable and subject to GST and whether Applicant shall be eligible to avail the input tax credit of tax paid on the procurement of input supplies used in supplying services to NMMT under the Agreement.

Decision of the Case

The Coram ruled that services provided by the applicant to NMMT under the Agreement, by way of supplying, operating and maintaining air-conditioned electrically operated buses the appropriate SAC (Services Accounting Code) for classifying the services provided by the applicant is Tariff Heading 9966. The rate of GST is 12% (with availment of ITC) or 5% (without availment of ITC).

The Maharashtra Authority of Advance Ruling (AAR) held that Input Tax Credit (ITC) available on 12% GST paid on supplying, operating and maintaining

air-conditioned electrically operated buses.

5% GST payable on Dried and Polished Turmeric: The AAR, Maharashtra

Fact of the Case

The Applicant, Nitin Bapusheb Patil has been a registered person under GST Act, 2017, as a 'Commission Agent' in APMC, Sangli, Maharashtra, renders his services to the farmers in relation to the supply of Turmeric' (Whole Turmeric Not in powder form) to traders in APMC, Sangli.

Applicant is also registered as a 'Commission Agent' under the APMC Rules and Regulation. Based on the tender/auction, if farmer and buyer mutually agree to sale and purchase, the Applicant, as a commission agent, facilitates activities ancillary to supply of agriculture product Turmeric in APMC, for which he gets a fixed commission at the rate of 3% as per APMC regulations. Applicant does not do any sort of trading of turmeric.

The applicant has sought the advance ruling on the issue that

- ✱ whether the Turmeric (Turmeric in Whole form – not in powder form) is covered under the definition of 'Agriculture Produce and exempted from GST and what is the HSN code of Turmeric.
- ✱ Yet another issue raised was Whether services rendered by Applicant as a Commission Agent in APMC, Sangli are liable to GST in terms of Sl. 54 Heading 9986 of Notification No.12/2017 CT(R) dated 28.06.2017 read with Sl. No. 24 of Notification No. 11/2017-C.T. (Rate) dated 28.06.2017 and whether the applicants required to be registered under the CGST Act, 2017 for his activities.

Decision of the Case

The Coram held that dried and polished Turmeric as in the instant case, is not covered under the definition of 'Agriculture Produce and is not exempted from GST. The HSN code of the impugned product is 0910 30 20 and the rate of GST is 5% (2.5% each of CGST and SGST). "The impugned services rendered by the applicant are taxable under GST and not exempt terms of Sl. 54 Heading 9986 of Notification No.12/2017 CT(R) dated 28.06.2017 read



with Sl. No. 24 of Notification No. 11/2017-C.T. (Rate) dated 28.06.2017,” the AAR ruled.

The AAR further observed that The applicant is required to be registered under the relevant provisions of the CGST Act, 2017 for his impugned activities.

The Maharashtra Authority of Advance Ruling (AAR) held that 5% GST payable on Dried and Polished Turmeric.

No ITC available on GST paid on Motor Cars of Seating Capacity not exceeding 13 leased or rented with Operators to Vendors: The AAR, Tamil Nadu

Fact of the Case

The applicant, New Pandian Travels Private Limited has been engaged in transporting passengers as a Rent-a-cab operator by providing the Motor Vehicle on hire or rental basis either directly to passengers or to the organizations and they have establishments at Chennai, Bengaluru, Vijayawada, Hyderabad and other places that are duly registered under GST law. They are in the service sector for more than a decade and contribute significant revenue to the exchequer. The service provided by them is Rent-a Cab operator and classified basically under SAC 996601.

The applicant has sought the advance ruling on the issues

- ✱ whether the GST paid on the Motor cars of seating capacity not exceeding 13 (including Driver) leased or rented to customers will be available to it as ITC in terms of Section 17(5)(a)(A) of Central Goods and Service Tax Act, 2017;
- ✱ whether the GST paid on the Motor cars of seating capacity not exceeding 13 (including Driver) registered as public vehicle with RTO to transport passengers, provided to their different customers on lease or rental or hire will be available to it as ITC in terms of Section 17(5)(a)(B) of Central Goods and Service Tax Act, 2017 and
- ✱ whether the supply of services by way of Renting or Leasing or Hiring Motor Vehicles to SEZ to transport the employees of the customers without payment of IGST under LUT is deemed as taxable supply and whether ITC is admissible on Motor Vehicles procured and used commonly for such supply to SEZ and other than SEZ supplies.

Decision of the Case

The Coram ruled that GST paid on the Motor cars of

seating capacity not exceeding 13 (including Driver) leased or rented with Operators to the Vendors is not available to the applicant as ITC in terms of Section 17(5)(a)(A) of Central Goods and Service Tax Act.

“GST paid on the Motor cars of seating capacity not exceeding 13 (including Driver) registered as a public vehicle with RTO to transport passengers, provided to their different customers on lease or rental or hire will NOT be available to as ITC,” the AAR said.

The AAR further held that supply of services by way of Renting or Leasing or Hiring Motor Vehicles to SEZ to transport the employees of the customers without payment of IGST under LUT is deemed as taxable supply ITC is not admissible on Motor Vehicles procured as the same is restricted at S.17(5)(a)(n) of the Act.

The Tamil Nadu Authority of Advance Ruling (AAR) ruled that no Input Tax Credit (ITC) available on GST paid on the Motor cars of seating capacity not exceeding 13 (including Driver) leased or rented with Operators to Vendors.

12% GST payable on Supply of Stator Coil for use in WOEG: The AAR, Tamil Nadu

Fact of the Case

The applicant, Coral Coil India Private Limited has received purchase orders from Coral Manufacturing Works India Private Ltd for the manufacture and supply of stator coils for wind operated electricity generators (WOEG); that buyer has stated in the PO that the item ordered is for use solely and principally with Enercon WOEG production; that the applicant has a dedicated coil manufacturing facility at the registered location, which caters to all types of customers such as OEMs (original equipment manufacturers) and re-winders all over the world; that the stator coils so manufactured by the applicant have utility in all types of generators.

The applicant has sought the advance ruling on the issue

- ✱ whether the supply of Stator Coil by the Applicant to M/s. Coral Manufacturing Works India Private Ltd., will be eligible for the levy of 2.5% CGST in terms of Sl. No. 234 in the notification 1-CTR dated 28 June 2017 and 2.5% SGST in terms of the corresponding SGST notification.

Decision of the Case

The Coram ruled that the supply of Stator Coil by the Applicant to M/s. Coral Manufacturing Works India private

Limited for use in the WOEg will be eligible for the levy of 6% CGST in terms of Sl.No.201 A in the Schedule II in the notification 1 CTR dated 28 June 2017 (as amended) and 6% SGST in terms of corresponding SGST notification with effect from October 1, 2021, subject to the self-assessment of the applicant that all such supplies are for the manufacture of the Generators for Renewable Energy, based on the Purchase Orders or Supply Contracts for each of such supply.

The Tamil Nadu Authority of Advance Ruling (AAR) ruled that the 12% GST payable on supply of Stator Coil for use in wind operated electricity generators (WOEG).

12% GST payable on 'Diagnostic and Laboratory reagents: The AAR, Karnataka

Fact of the Case

The Applicant, Bio-Rad Laboratories India is a limited company, registered under the GST Acts (CGST/KGST) 2017, engaged in the business of import and sale of medical & laboratory instruments, laboratory reagents and diagnostic reagents, falling under tariff heading 3822, in India.

The applicant has sought advance ruling in respect of the issue whether 'diagnostic and laboratory, reagents' imported and supplied by the applicant and classified under heading 3822 of the Customs Tariff Act, 1975 are covered under Entry No. 80 of Schedule II to the Notification No.

1/2017 Integrated Tax (Rate) dated 28.06.2017 attracting a levy of Integrated Tax at the rate of 12%.

Decision of the Case

The Coram held that the 'diagnostic and laboratory reagents' imported and supplied by the applicant and classified under heading 3822 of the Customs Tariff Act, 1975 are covered under Entry No. 80 of Schedule II to the Notification No. 1/2017 Integrated Tax (Rate) dated 28.06.2017 attracting a levy of Integrated Tax at the rate of 12%, in terms of the clarification issued vide para No. 10 of the Circular No. 163/19/2021-GST dated 6h October, 2021.

"The CBIC, vide para 10 of the Circular No. 163/19/2021-GST dated 6th October, 2021, clarified the issue of "whether the benefit of concessional rate of 12% would be available to laboratory agents and other goods falling under heading 3822". It is held that the intention of the entry at S. No. 80 of Schedule II of notification No.1/2017-Integrated Tax (Rate) dated 28.6.2017 was to prescribe GST rate of 12% to all goods, whether diagnostic or laboratory reagents, falling under heading 3822. Accordingly, it is clarified that concessional GST rate of 12% is applicable on all goods falling under heading 3822, vide Entry at S. No. 80 of Schedule II of notification No.1/2017-Integrated Tax (Rate) dated 28.6.2017," the AAR observed.

The Karnataka Authority of Advance Ruling (AAR) ruled that 12% GST payable on 'diagnostic and laboratory reagents.

JUDGEMENTS DIRECT TAX

Relief to Senior Advocate Harish Salve: ITAT allows Credit of Taxes paid on Overseas Income

Fact of the Case

In the present case Mr. Salve is the assessee who filed his income tax return declaring his income from Business, Capital Gain and Other Sources amounting to a total income of Rs. 93,05,67,910/-. Thereafter assessee filed revised return of income on 31.03.2017 revising the total income of Rs.93,40,35,870/-.

The case was selected for scrutiny and thereafter assessment was framed u/s 143(3) of the Act vide order dated 27.11.2017 and the total income was determined at Rs.94,40,20,730/-. Aggrieved by the order of AO, assessee carried the matter before CIT(A) who dismissed the appeal of the assessee.

During the course of assessment proceedings and on perusal of the 'Profit & Loss' account, AO noticed that the assessee had claimed Rs. 99,84,863/- under the head 'Assistance to Law Students'. The assessee was asked to justify as to how the facts for earlier years were different from the year under consideration and why the aforesaid expenses were not disallowed as in earlier years.

Assessee filed detailed submissions and inter alia submitted that assessee was focusing on building an international practice and spent considerable amount of time on international arbitration.

Decision of the Case

The coram of Judicial Member, Amit Shukla and Accountant Member, Anil Chaturvedi noted that the overseas income earned by the assessee in UK has been offered to tax by the assessee in India and out of the total tax of Rs.11,71,22,901/- paid by assessee in UK, assessee is claiming credit of Rs.8,57,07,736/- u/s 90 of the Act since the corresponding amount of income has already been offered to tax in India and has also been accepted by Revenue.

In a major relief to Senior Advocate Harish Salve, the Delhi Bench of Income Tax Appellate Tribunal (ITAT) allowed the credit of Taxes paid on Overseas Income.

Payment for Facebook Ads and Other Digital Advertising Companies not subject to TDS as per DTAA: ITAT

Fact of the Case

Moonfrog Labs Pvt. Ltd is the assessee in the present case

Before the Tribunal, the assessee contended that the advertisement expenses were paid among others to Facebook, Ireland, Tapjoy, USA and Motive Inc, USA. They submitted the TRCs, no PE declarations and explained that the advertisement expenses paid to Facebook Inc, and other entities are not liable for TDS under section 195.

However, the Assessing Officer held that the advertisement expenses paid to Facebook, Tapjoy and Motive Inc shall be disallowed under section 40(a)(i) for non-deduction of tax at source under section 195.

Decision of the Case

The bench comprising Judicial Member Ms. Beena Pillai and Accountant Member Mr. Chandra Pujari held that the payments made for advertising through Facebook and other digital advertising companies shall not be subject to TDS under section 195 of the Income Tax Act, 1961 since the same is not in the nature of "royalty" as per the double taxation avoidance agreement (DTAA).

Assessee entitled to Deduction of Employees' Contribution of PF, ESI as contribution made was prior to due date of Final Return: ITAT

Fact of the Case

In the present case M/s. Infobells Interactive Solutions is the assessee

The assessee, preferred an appeal before the First Appellate Authority. It was contended that the assessee has paid the employees' contribution prior to the due date of final return under section 139(1) of the Act. Therefore, it was submitted assessee is entitled to the deduction of the employees' contribution of PF and ESI having regard to the

provision to section 43B of the Act.

In the relevant Assessment Year, return of income was filed on 02.11.2018 declaring income of Rs.2,36,35,483/-. The Central Processing Centre (CPC) issued an intimation under section 143(1) of the Income Tax Act, 1961 (hereinafter called 'the Act') by assessing a sum of Rs.2,36,35,483/-. The reason for the difference between returned income and the assessed income under section 143(1) of the Act was on account of a disallowance of a sum of Rs.5,47,631/- being late remittance of employees' contribution of PF and ESI under the respective Acts.

Decision of the Case

The CORAM of Accountant Member Chandra Poojari and Judicial Member George George K. held that the assessee was entitled to the deduction of employees' contribution of PF, and ESI as the contribution made was prior to the due date of final return.

ITAT deletes Disallowance made on account of Depreciation on Right to Collect Annuity on Toll Roads

Fact of the Case

In the present case the assessee, M/s. Gorakhpur Infrastructure Co. Ltd. is engaged in the business of executing the project for design, construction, finance and maintenance of Gorakhpur By-pass on NH-28(Project Highway) in the state of Uttar Pradesh on Build, Operate and Transfer (BOT) basis under the annuity scheme.

The assessee entered into concession agreement with National Highway Authority of India (NHAI) and as per concession agreement, NHAI had granted exclusive right, license and authority during the subsistence of the concession agreement to implement the project and the concession in respect of the Project Highway for a period of 20 years.

The assessee had incurred total cost amounting to Rs.721,28,78,487/- on construction and development of the Project Highway, pursuant to which the assessee was able to receive annuity from NHAI under the concession agreement.

The assessee classified such cost incurred and right to receive annuity on the toll road as an intangible asset eligible for depreciation u/s.32(1)(ii) of the Act. This depreciation was denied by the Id. AO. The Id.

AO held that assessee is not entitled for depreciation at all on the cost incurred on the project. The CIT(A) however, granted depreciation

Decision of the Case

The coram Judicial Member, Amarjit Singh and Accountant Member, M. Balaganesh held that the assessee was awarded the work of constructing a part of the National Highway no.5, under BOT basis.

Therefore, entire investment/finance for developing the infrastructure facility was borne by the assessee. By making such investment what the assessee received in return was a right to collect annuity over the period of concession.

Thus, the investment made by the assessee for acquiring such right certainly is an intangible asset coming within the purview of section 32(1)(ii) of the Act. Therefore, the assessee would be eligible to claim depreciation.

Relief to Nokia India: ITAT deletes Disallowance worth Rs. 41.6 Cr

In a major relief to Nokia India, the Delhi Bench of Income Tax Appellate Tribunal (ITAT) deleted the disallowance worth Rs. 41.6 Crores.

Fact of the Case

The assessee NOKIA India has contended that the AO and DRP have erred in disallowing an amount of INR 6,26,25,925 incurred by the appellant on account of trade price protection paid to distributors

During the course of assessment proceedings, the assessee was asked as to why the payment of Rs.3,77,92,00,000/- should not be disallowed in view of section 40(a)(i) of the Act on account of non-withholding of tax. In response thereto, the assessee filed its reply.

Further, the Assessing Officer noticed that during the year under consideration, the assessee had offered trade incentive to distributor of Rs.7,01,71,57,547/-. The assessee was asked as to why the tax is not deductible. The response of the assessee was not found acceptable to the Assessing Officer.

Further, the Assessing Officer during the course of assessment proceedings, asked the assessee to furnish the details for trade discounts including the policy of trade discounts. The assessee in response to the show cause notice, stated that it

had incurred expenditure of Rs.16,07,03,454/- as Trade Price Protection discount. The Assessing Officer further observed that in this case, an amount of Rs.9,80,77,529/- pertains to HCL Infosystems Ltd. which has been considered by the DRP. Therefore, no benefit of trade price protection of Rs.6,26,25,925/- was allowable to the assessee

Decision of the Case

In a major relief to Nokia India, the Delhi Bench of

Income Tax Appellate Tribunal (ITAT) deleted the disallowance worth Rs. 41.6 Crores.

The coram of Accountant Member, R.K.Panda and Judicial Member, Kul Bharat found that this issue is also squarely covered in favour of the assessee by the decision of the Coordinate Bench of the Tribunal in assessee's own case vide ITA No.1883/Del/2017 for Assessment Year 2011-12 and also in ITA No. 6501/Del/2017 for Assessment Year 2012-13. ■

GST CALENDAR

Relaxation to Normal Taxpayers in Filing of Monthly Return in Form GSTR-3B

Tax Period	Class of Taxpayer (Based on AATO)	Due date of filing
December, 2021	> Rs. 5 Cr.	

Relaxation in filing of Form GSTR-3B (Voluntary Monthly Taxpayer less than 5 cr)

December, 2021	Category A	22nd January, 2022
December, 2021	Category B	24th January, 2022

Others Returns

From	Description	Due Date
GSTR - 1	Monthly	
	December, 2021	11th January, 2022
	Quarterly (If opted for QRMP)	
	October to December	13th January, 2022
CMP - 08	Composition Scheme	
	October to December	18th January, 2022
GSTR - 5 & 5A	Filed by Non-resident taxable person and OIDAR respectively	
	December, 2021	20th January, 2022
GSTR - 6	For input Services Distributor who are required to furnish details of invoice on which credit has been received	
	December, 2021	13th January, 2022

Others Returns		
From	Description	Due Date
PMT - 06	Challan for deposit of Goods and Services Tax	
	November, 2021 (ORMP)	25th December, 2021
GSTR - 7	Filed by person required to deduct TDS under GST	
	December, 2021	10th January, 2022
GSTR - 8	E-commerce operator who are required to deduct TCS	
	December, 2021	10th January, 2022
GSTR - 9 & 9C	GST Annual Return (GSTR – 9) & Reconciliation Statements (GSTR - 9C)	
	For the Financial year 2020-2021	28 February, 2022

DIRECT TAX CALENDAR

INCOME TAX EXTENSION FOR A.Y. 2021-22			
Particulars	Original Due Date	Extended Due Date	Further Extended Due Date
Income Tax Return for Regular Assesseees(Non-Audit)	31.07.2021	30.09.2021	31.12.2021
Tax Audit Assesseees	31.10.2021	30.11.2021	15.02.2022
Assesseees with Transfer Pricing Report	30.11.2021	31.12.2021	28.02.2022
Belated/Revised (ITR)	31.12.2021	31.01.2022	31.03.2022
Furnishing Tax Audit Report	30.09.2021	31.10.2021	15.01.2022
Transfer Pricing (TP) Report	31.10.2021	30.11.2021	31.01.2022

COURSES OFFERED BY THE TAX RESEARCH DEPARTMENT

Eligibility criterion for admission in TRD Courses

- The members of the Institute of Cost Accountants of India
- Other Professionals (CS, CA, MBA, M.Com, Lawyers)
- Executives from Industries and Tax Practitioners
- Students who are either CMA qualified or CMA pursuing

CERTIFICATE COURSE ON TDS

Course Fee - Rs. 10,000 + 18% GST
20% Discount for Members, CMA Final Passed Candidates and CMA Final pursuing Students

Exam Fees - Rs. 1,000 + 18% GST

Duration - 30 Hours

Mode of Class - Online

CERTIFICATE COURSE ON INCOME TAX RETURN FILLING

Course Fee - Rs. 10,000 + 18% GST
20% Discount for Members, CMA Final Passed Candidates and CMA Final pursuing Students

Exam Fees - Rs. 1,000 + 18% GST

Duration - 30 Hours

Mode of Class - Online

CERTIFICATE COURSE ON GST

Course Fee - Rs. 10,000 + 18% GST
20% Discount for Members, CMA Final Passed Candidates and CMA Final pursuing Students

Exam Fees - Rs. 1,000 + 18% GST

Duration - 72 Hours

Mode of Class - Online

** Special Discount for Corporate*

ADVANCED CERTIFICATE COURSE ON GST

Course Fee - Rs. 14,000 + 18% GST
20% Discount for Members, CMA Final Passed Candidates and CMA Final pursuing Students

Exam Fees - Rs. 1,000 + 18% GST

Duration - 40 Hours

Mode of Class - Online

ADVANCED COURSE ON GST AUDIT AND ASSESSMENT PROCEDURE

Course Fee - Rs. 12,000 + 18% GST [Including Exam Fee]

Duration - 30 Hours

Mode of Class - Online

ADVANCED COURSE ON INCOME TAX ASSESSMENT AND APPEAL

Course Fee - Rs. 12,000 + 18% GST [Including Exam Fee]

Duration - 30 Hours

Mode of Class - Online

Admissions Link - <https://eicmai.in/advsc/DelegatesApplicationForm-new.aspx>

GST COURSE - COLLEGE AND UNIVERSITY STUDENTS

Batch Size - 50 (Minimum)

Eligibility criterion - B.COM/B.B.A pursuing or completed
M.COM/M.B.A pursuing or completed

Course Fee - Rs. 1,000 + 18% GST

Exam Fees - Rs. 200 + 18% GST

Course Duration - 32 Hours

CRASH COURSE ON INCOME TAX OVERVIEW

Batch Size - 50 (Minimum)

Eligibility criterion - B.COM/B.B.A pursuing or completed
M.COM/M.B.A pursuing or completed

Course Fee - Rs. 1,500 + 18% GST

Exam Fees - Rs. 500 + 18% GST

Course Duration - 32 Hours

For enquiry about courses, mail at – trd@icmai.in

E-PUBLICATIONS OF TAX RESEARCH DEPARTMENT

Impact of GST on Real Estate	Handbook on GST on Service Sector
Insight into Customs - Procedure & Practice	Handbook on Works Contract
Input Tax Credit & In depth Discussion	Handbook on Impact of GST on MSME Sector
Exemptions under the Income Tax Act, 1961	Insight into Assessment including E-Assessment
Taxation on Co-operative Sector	Impact on GST on Education Sector
Guidance Note on GST Annual Return & Audit	Addendum_Guidance Note on GST Annual Return & Audit
Sabka Vishwas-Legacy Dispute Resolution Scheme 2019	An insight to the Direct Tax- Vivad se Vishwas Scheme 2020
Guidance Note on Anti Profiteering	International Taxation and Transfer Pricing
Advance Rulings in GST	Handbook on E-Way Bill
Handbook on Special Economic Zone and Export Oriented Units	Taxation on Works Contract

For E-Publications, Please visit Taxation Portal -
<https://icmai.in/TaxationPortal/>



20 dotted lines for writing content.

TAXATION COMMITTEES - PLAN OF ACTION

Proposed Action Plan:

1. Successful conduct of Certificate Course on GST.
2. Publication and Circulation of Tax bulletin (both in electronic and printed formats) for the awareness and knowledge updation of stakeholders, members, traders, Chambers of Commerce, Universities.
3. Publication of Handbooks on Taxation related topics helping stakeholders in their job deliberations.
4. Carry out webinars for the Capacity building of Members - Trainers in the locality to facilitate the traders/ registered dealers.
5. Conducting Seminars and workshops on industry specific issues, in association with the Trade associations/ Traders/ Chamber of commerce in different location on practical issues/aspects associated with GST.
6. Tendering representation to the Government on practical difficulties faced by the stakeholders in Taxation related matters.
7. Updating Government about the steps taken by the Institute in removing the practical difficulties in implementing various Tax Laws including GST.
8. Facilitating general public other than members through GST Help-Desk opened at Head quarter of the Institute and other places of country.
9. Introducing advance level courses for the professionals on GST and Income Tax.
10. Extending Crash Courses on Taxation to Corporates, Universities, Trade Associations etc.

Disclaimer:

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