

April, 2022

75
Azadi Ka
Amrit Mahotsav

TAX Bulletin

★ ★ VOLUME - 110 ★ ★



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

Statutory Body under an Act of Parliament

www.icmai.in

Headquarters: CMA Bhawan, 12 Sudder Street, Kolkata - 700016

Ph: 091-33-2252 1031/34/35/1602/1492

Delhi Office: CMA Bhawan, 3 Institutional Area, Lodhi Road, New Delhi - 110003

Ph: 091-11-24666100

MISSION STATEMENT

“The CMA Professionals would ethically drive enterprises globally by creating value to stakeholders in the socio-economic context through competencies drawn from the integration of strategy, management and accounting.”

VISION STATEMENT

“The Institute of Cost Accountants of India would be the preferred source of resources and professionals for the financial leadership of enterprises globally.”

Objectives of Taxation Committees:

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.

April, 2022

TAX Bulletin

★ ★ VOLUME - 110 ★ ★



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

Statutory Body under an Act of Parliament

www.icmai.in

Headquarters: CMA Bhawan, 12 Sudder Street, Kolkata - 700016

Ph: 091-33-2252 1031/34/35/1602/1492

Delhi Office: CMA Bhawan, 3 Institutional Area, Lodhi Road, New Delhi - 110003

Ph: 091-11-24666100



The Institute of Cost Accountants of India

Statutory Body under an Act of Parliament

www.icmai.in

Certificate Courses Offered by the Tax Research Department

1. Certificate Course on GST (CCGST)
2. Advanced Certificate Course on GST (ACCGST)
3. Advanced Certificate Course on GST Audit and Assessment Procedure (ACGAA)
4. Certificate Course on TDS (CCTDS)
5. Certificate Course on Filing of Returns (CCFOF)
6. Advanced Course on Income Tax Assessment and Appeals (ACIAA)
7. Certificate Course on International Trade (CCIT)

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

Modalities

Description	Course Name						
	CCGST	ACCGST	ACGAA	CCTDS	CCFOF	ACIAA	CCIT
Hours	72	40	30	30	30	30	50
Mode of Class	Offline/ Online	Online					
Course Fee* (₹)	10,000	14,000	12,000	10,000	10,000	12,000	10,000
Exam Fee* (₹)	1,000 per attempt						
Discounts	20% Discount for CMA Members, CMA Qualified and CMA Final Pursuing Students						

*18% GST is applicable on both Course fee and Exam fee

Eligibility Criteria for Admission

- ▲ Members of the Institute of Cost Accountants of India
- ▲ Other Professionals (CA, CS, MBA, M.Com, Lawyers)
- ▲ Executives from Industries and Tax Practitioners
- ▲ Students including CMA Qualified and CMA Pursuing

On passing the examination with 50% marks a Certificate would be awarded to the participant with the signature of the President of the Institute

Course Details

<https://icmai.in/TaxationPortal/OnlineCourses/index.php>

Courses for Colleges & Universities by the Tax Research Department

Modalities

Eligibility

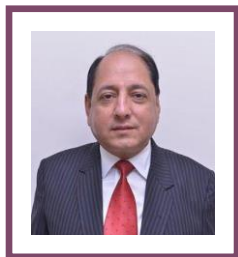
- ▲ B.Com/ BBA pursuing or completed
- ▲ M.Com/ MBA pursuing or completed

Description	Courses for Colleges and Universities	
	GST Course	Income Tax
Batch Size	Minimum 50 Students per Batch per course	
Course Fee* (₹)	1,000	1,500
Exam Fee* (₹)	200	500
Duration (Hrs)	32	32

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

*18% GST is applicable on both Course fee and Exam fee

Behind every successful business decision, there is always a **CMA**



CMA Rakesh Bhalla
Chairman, Direct Taxation Committee



CMA Chittaranjan Chattopadhyay
Chairman, Indirect Taxation Committee

FROM THE DESK OF CHAIRMAN

Dear Friends and Professional Colleagues,

Greetings from the Tax Research Department...!!!

We would start off by drawing your attention to the latest changes that has been brought in by CBIC, which include:

- The various new functionalities have implemented on the GST Portal, for GST stakeholders. These functionalities pertain to different modules such as Registration, Returns, Advance Ruling, Payment, Refund and other miscellaneous topics.
- The CBIC has issued exemption from levy of Customs Duty and Agriculture Infrastructure & Development Cess (AIDC) on import of goods namely Cotton, not carded or combed falling under HSN 5201 w.e.f. 14th April, 2022.
- The gross GST collection in March 2022 is all time high breaching earlier record of Rs. 1,40,986 crores collected in the Month of January 2022. The revenues for the month of March 2022 are 15% higher than the GST revenues in the same month last year and 46% higher than the GST revenues in March 2020.

The latest Direct Tax Updates by CBDT is

- The Income-tax department has launched a common JSON offline utility for AY 2022-23 where ITR 1 and ITR 4 can be filed.
- The Department has notified (Notification No. 27/2022/F. No. 370142/5/2022-TPL-Part1 (Part1), Dt 5th April 2022) related to the e-Dispute resolution scheme.
- The Central Board of Direct Taxes has published notification No. 28/2022/F. No. 370142/4/2022-TPL on the portal about Income-tax (8th Amendment) Rules, 2022 under the Income-tax Rules, 1962.
- The E-filing Portal of Income Tax Department has enabled Functionality of Compliance Check for Section 206AB & 206CCA for FY 2022-23.

GST course for colleges and universities has commenced at Taradevi Harakhchand Kankaria Jain College. 50 students are participating in the course. Even at Bemina College, Kashmir the exam is scheduled to be conducted on 23.04.2022.

The ensuing batches of all the Taxation Courses have commenced and classes are going on in full swing. One, important workshop has been designed to help the students understand and the members to clear their doubts on basics. The topic for the workshop would be "Income from Salary - Calculations and Practical Approach".

Again two webinars have been scheduled. They are

- (i) Topic - Treatment of Income from Religious Trust under Income Tax Act
Date - 28th April 2022
Time - 11.00 a.m to 12.30 p.m
Faculty - CMA Seshappa Venkanna

- (ii) Topic - GST on NGO and Religious Trust
Date - 26th April 2022
Time - 3.00 p.m to 4.30 p.m
Faculty - CMA Vishwanath Bhat

All the activities of the department are being carried on seamlessly. We seek any further suggestions/observations from the esteemed readers and urge one and all to stay safe.

Jai Hind.

Warm Regards



(Rakesh Bhalla)

CMA Rakesh Bhalla
17th April 2022



CMA Chittaranjan Chattopadhyay
17th April 2022

TAXATION COMMITTEES 2021 - 2022

Indirect Taxation Committee

Permanent Invitees

CMA P. Raju Iyer - President
CMA Vijender Sharma - Vice-President

Chairman

1. CMA Chittaranjan Chattopadhyay

Members

2. CMA Biswarup Basu
3. CMA Ashwin G. Dalwadi
4. CMA Debasish Mitra
5. CMA H. Padmanabhan
6. CMA Papa Rao Sunkara
7. CMA (Dr.) V. Murali
8. CMA (Dr.) K Ch A V S N Murthy
9. CMA Rakesh Bhalla
10. CA Mukesh Singh Kushwah, Govt. Nominee
11. CMA V.S. Datey (Co-opted)
12. CMA Debasis Ghosh (Co-opted)
13. CMA T. K. Jagannathan (Co-opted)
14. CMA Vandit Trivedi (Co-opted)

Secretary

CMA Rajat Kumar Basu, Addl. Director

Direct Taxation Committee

Permanent Invitees

CMA P. Raju Iyer - President
CMA Vijender Sharma - Vice-President

Chairman

1. CMA Rakesh Bhalla

Members

2. CMA Ashwin G. Dalwadi
3. CMA Neeraj D. Joshi
4. CMA (Dr.) Ashish P. Thatte
5. CMA H. Padmanabhan
6. CMA Papa Rao Sunkara
7. CMA Niranjan Mishra
8. CMA Chittaranjan Chattopadhyay
9. CMA Rakesh Sinha (Co-opted)
10. CMA Subhasis Chakraborty (Co-opted)

Secretary

CMA Rajat Kumar Basu, Addl. Director

EDITORIAL BOARD

CMA B M Gupta

CMA Rahul Renavirkar

CMA Navneet Jain

CMA Mrityunjay Acharjee

ACKNOWLEDGEMENTS

CMA Ashok B. Nawal

CMA Mrityunjay Acharjee

CMA Amit Sarker

CMA Vishwanath Bhat

CMA Bhogavalli Mallikarjuna Gupta

CMA T K Jagannathan

CMA Shiba Prasad Padhi

CMA Niranjan Swain

CMA Navneet Kumar Jain

CMA Anil Sharma

CMA Arindam Goswami

CMA Manmohan Daga

CMA Ashok Nawal

CMA Ajith Sivadas

TEAM - TAX RESEARCH DEPARTMENT

CMA Rajat Kumar Basu

CMA Tinku Ghosh Das

CMA Priyanka Roy

Ms. Mukulika Poddar

CMA Debasmita Jana

CMA Priyadarsan Sahu

- Additional Director - Tax Research
- Deputy Director - Tax Research
- Assistant Director - Tax Research
- Officer - Tax Research
- Associate - Tax Research
- Research Associate

CONTENTS

ARTICLES		
DIRECT TAX		
01	COMPETITIVENESS IN INTERNATIONAL TRADE THROUGH FOREIGN TRADE POLICY	
	CMA Ashok Nawal	Page - 1
02	DECODING PROPOSED SEC 38 OF CGST ACT	
	CMA Ajith Sivadas	Page - 9
TAX UPDATES, NOTIFICATIONS AND CIRCULARS		
	Indirect Tax	Page - 15
	Direct Tax	Page - 16
JUDGEMENTS		
	Indirect Tax	Page - 19
	Direct Tax	Page - 21
TAX COMPLIANCE CALENDAR AT A GLANCE		
	Direct Tax	Page - 24
	Indirect Tax	Page - 25
	E-Publications of Tax Research Department	Page - 26

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

COMPETITIVENESS IN INTERNATIONAL TRADE THROUGH FOREIGN TRADE POLICY



CMA Ashok Nawal
Founder - Bizsolindia Services Pvt. Ltd

Foreign Trade Policy is announced by Ministry of Commerce and Industry which promotes, monitors and grow the trade in the international market, which also impact balance of payment. Foreign Trade Policy was notified for the year 2015-20 and it was further extended upto March'21 and thereafter, once again extended and it has been further extended till 30" Sept 2022. We are expecting new foreign trade policy to be announced on 1* October 2022 at least. It is important to note, while drafting the Foreign Trade Policy and promoting the growth of Foreign Trade, Ministry of Commerce are abided by the terms of agreement of WTO.

Important aspects of WTO Agreement needs to be studied on this background.

1. In terms of Agreement on Subsidies and Countervailing Measures (ASCM), no export subsidies are allowed. It means following benefits will never be allowed to the developed countries. India having completed 10 years from the date of agreement, criteria of the same is applicable to India.

2. In terms of the ASCM agreement followings are not allowed :

- Direct Transfer of funds
- Financial contribution by a government or any public body
- Subsidy upon Export Performance, whether solely or other conditions and
- Subsidy upon use of domestic over imported goods.

3. In terms of ASCM agreement, Government can grant exemption of an exported product from duties or taxes borne by the like product when destined for domestic consumption, or the remission of such duties or taxes in amounts not in excess of those which have accrued.

4. Footnote 1 read with Annex I to Article provides for nature subsidies, which shall not be prohibited and the same is summarized in the following chart:

#I	Footnote 1	Annex I (g)	Annex I (h)	Annex I (i)
1	Exemption or remission	Exemption or remission, including (footnote 58) refund or rebate	Exemption, remission, or deferral, including (footnote 58) refund or rebate	Remission or drawback, including (footnote 58) full or partial exemption or deferral



#1	Footnote 1	Annex I (g)	Annex I (h)	Annex I (i)
2	of duties or taxes	of indirect taxes (defined in footnote 58)	of prior-stage cumulative indirect taxes (defined in footnote 58)	of import charges (defined in footnote 58)
3	on an exported product	in respect of the production and distribution of exported products	on inputs that are consumed in the production of the exported product (defined in footnote 61; see also Annex II)	on imported inputs that are consumed in the production of the exported product (defined in footnote 61; see also Annex II)
4	not in excess of the duties and taxes which have accrued	not in excess of those levied in respect of the production and distribution of like products when sold for domestic consumption	(not in excess of those) levied on those inputs ³⁰¹	not in excess of those levied on those inputs (or on substitute inputs in case of substitution drawback, on which see Annex III)

5. Illustrative list of prohibited subsidies under Article 3.1 read with Article 1 is given below:

- Provision by governments of direct subsidies to a firm or an industry contingent upon export performance
- The full or partial exemption remission, or deferral specifically related to exports, of direct taxes or social welfare charges paid or payable by industrial or commercial enterprises.
- The exemption or remission, in respect of the production and distribution of exported products, of indirect taxes/ import charges in excess of those levied in respect of the production and distribution of like products when sold for domestic consumption.

Already, United State of America have filed the case against India challenging EOU Scheme, Advance Authorization Scheme, EPCG Scheme, SEZ Scheme, MEIS Scheme and Appellate Authority have accepted their grounds and of course, India has filed the appeal against the said order WT/DS541/R dtd 31st October 2019. Government has already initiated the steps of not allowing MEIS and introducing RoDTEP.

However, India still struggling against competitive

disadvantage on account of following factors:

- High transaction costs
- High cost of finance
- Infrastructural bottlenecks
- Inadequate infrastructure
- Sub optimal connectivity with global transport networks
- low transport capabilities and complicated administrative requirements that causes delays at ports & customs
- Over reliance on USA as export destination (more than 15% of exports are to US)
- High Interest Rate
- Taxes on Indirect Material & Services

Ministry of Commerce & Industry have to balance between WTO agreement and parameters as stated above as well as resolve the issues, so that competitive disadvantages to the Indian Exporters will be eliminated, which is really tough task. Simultaneously, Indian exporters have to really work extra time and convert their infrastructure and



resources more productive and cost efficient and create the demand through competitive export pricing using costing techniques like marginal costing techniques, cost reduction techniques, activity-based costing, budgetary control and focusing on value added products & services.

Govt of India has newly introduced RoDTEP Scheme for providing reimbursement towards Indirect Tax, which is not allowed to get the set off or credit like :

1. Central & state taxes on the fuel (Petrol, Diesel, CNG, PNG, and coal cess, etc.) used for transportation of export products.
2. The duty levied by the state on electricity used for manufacturing.
3. Mandi tax levied by APMCs.
4. Toll tax & stamp duty on the import-export documentation. Etc.
5. Ineligible ITC on GST
6. Tax involved on free samples and destruction

But substituted the same for MEIS & SEIS. However, rates of RODTEP are not sufficient enough and further it is not allowed to EOU and SEZ Scheme so far even though as on date above cost is incurred on the goods & services procured by EOU & SEZ for export products.

While doing the exports & imports, exporter has to be associated or interact online or offline with following Agencies:

- * Ministry of Commerce
- * DGFT
- * Shipping Line / Air Lines
- * Port
- * Freight Forwarder
- * Shipping Line Agent / Air Line Agent
- * Insurance Agencies
- * Internal Container Depo (ICD)
- * CFS

- * Bonded warehouse (Public / Private)
- * Duty Free Shops
- * Cold Storages
- * Ministry of Finance, Department of
- * Revenue
- * CBIC
- * Customs
- * Custom House Brokers
- * Chartered Engineers / Valuers
- * Transporters
- * Service Providers on Port
- * Export Promotion Council
- * Chamber of Commerce & Industries
- * Indian Drug Authorities
- * Food & Drug Authority (FDA)
- * Representative of Parent Ministries like Fertilizers, Petroleum,
- * Certificate Agencies for Quarantine
- * Chartered Accountants / Cost
- * Accountants

Hon. Prime Minister of India has already announced the dream to make Indian Economy to USD 5 trillion Economy and Government have initiated lot of actions to promote the exports and also protect Indian Industry and promoting “Make-In-India” Brand but, due to pandemics of COVID-19 and thereafter, threat of world war as aftermath of Ukrain VS Russia War have changed the scenario of International Trade and also given the rise in overall inflation in the world. India is going through such hassles and fighting for not only for survival but leading to achieving the dream of Hon Prime Minister Shri Narendrabhai Modi. Fortunately,



Indian industry is also striving the excellence and therefore, India achieves \$400 billion goods export target ahead of schedule.

However, India still struggling against competitive disadvantage on account of following factors:

T1 Certification	T2 Certification	T3 Certification
High facilitation at port Direct Port Delivery (DPD) Email on arrival / departure of container Expediated investigation & dispute resolution On request 24 X 7 help at all sea ports & airports ID Cards / Space in warehouse	High facilitation at port Direct Port Delivery (DPD) Email on arrival / departure of container Expediated investigation & dispute resolution On request 24 X 7 help at all sea ports & airports ID Cards / Space in warehouse	High facilitation at port Direct Port Delivery (DPD) Email on arrival / departure of container Expediated investigation & dispute resolution On request 24 X 7 help at all sea ports & airports ID Cards / Space in warehouse
50 % Bank Guarantee	25% Bank Guarantee Refund & Rebate in 45 days	No Bank Guarantee Refund in 30 days
	Deferred Custom Duty Payment Waiver of Seal Verification Priority in Scanning / assessment Client Relationship manager from Port Faster drawback	Deferred Custom Duty Payment Waiver of Seal Verification Priority in Scanning / assessment Client Relationship manager from Port Faster drawback
		Scanning only on Intelligence Reliance on self certified copies Risk based intervention by other department

Further, Ministry of Commerce has provided following schemes to ensure the WTO norms that no subsidies will be provided, and taxes will not be exported. In other words, Govt will not provide any subsidies and will not collect or will reimburse the taxes in input content of finished goods which are exported.

Ministry of Commerce have notified various schemes to meet the said objectives like Advance Authorisation Scheme, EPCG Scheme, Duty Free Import Authorisation

Scheme (DFIA), EOU Scheme, SEZ Scheme. Further, Govt also provided the scheme for the input which is procured from domestic and used for export products and therefore introduced deemed export benefits. Each importer and exporter need so that competitive disadvantages to the Indian Exporters will be eliminated, which is really tough task. Simultaneously, Indian exporters to study each scheme and compare which scheme is suited and benefited based on their import and export requirements. The comparison of the schemes are given below:

S no	CRITERIA	SEZ	EOU / STP / EHTP / BTP	Licensing Under Special Warehousing Provision (MOOWR)
1	Eligibility	Any person - For manufacture / services / trading of imported goods and services	Any person - For manufacture of goods, including repair, re-making, reconditioning, re-engineering, rendering of services, development of software, agriculture including agro processing, aquaculture, animal husbandry, pisciculture, — viticulture, poultry and sericulture. No trading units shall be permitted.	Any person can set up the unit for manufacturing in warehouse and start operations. Existing unit also can convert into manufacture in private bonded warehouse
2	Approving Authority	Development Commissioner, SEZ	Development Commissioner, SEZ. However, for other than specified services, Board of Approval	Chief Commissioner of Customs
3	Location	Notified Special Economic Zone by Ministry of Commerce	Any location	Any location

S no	CRITERIA	SEZ	EOU / STP / EHTP / BTP	Licensing Under Special Warehousing Provision (MOOWR)
4	Investment Criteria	No limit	Investment minimum of Rs.1 crore in plant and machinery, however no criteria for conversion of existing units.	No criteria
5	Conversion to any Scheme	Allowed subject to physical shifting of plant		Allowed
6	Export Obligation / Export Performance	No export obligation, export performance should earn positive Net Foreign Exchange in 5 years		No Export Obligation
7	Net Foreign Exchange	Yes - Positive		Not Required
8	Import / Procurement of Construction Material on original work	Duty Free	No duty benefit including no ITC available	Not Allowed. However, any material obtained for maintenance, no custom duty to be paid.
9	Import of CG			
	Duty free entitlement	Yes	Exemption of Basic Customs Duty and customs cess, IGST upto 31st March 2021. Exemption of Basic Customs Duty and customs cess. IGST needs to be paid after 31st March 2021but ITC is available	Exemption of Basic Customs Duty and customs cess, IGST Exemption of Basic Customs Duty and customs cess.
	List for Approval	Not required	Required - LUT with Exemption material list to be given including capital goods. Further list needs to be submitted to the specified Jurisdictional Authority of Customs who will attest it and send one copy to the port of import	Any goods received in the warehouse subject to permission of Commissioner of Customs
	Nexus	Not required	Compulsory	Compulsory
10	Justification for import	Not required	Required	Required
11	Import of Office Equipment / EPBX	Yes	Yes	Yes
12	Import of Spares	Yes	Yes	Yes
13	Import of Spares			
	Duty free entitlement	Yes	Exemption of Basic Customs Duty and customs cess, IGST upto 31st March 2021. Exemption of Basic Customs Duty and customs cess. IGST needs to be paid after 31st March 2021but ITC is available	Exemption of Basic Customs Duty and customs cess, IGST Exemption of Basic Customs Duty and customs cess.
	List for Approval	Not required	Required - LUT with Exemption material list to be given including capital goods. Further list needs to be submitted to the specified Jurisdictional Authority of Customs who will attest it and send one copy to the port of import	List to be submitted to Principal Commissioner
14	Nexus	Not required	Required - LUT with Exemption material list to be given including inputs	Required
15	Time Limit for Consumption of Inputs	Within the period of validity of LOP	Within the period of validity of LOP, i.e. 5 Years	Not specified
16	Other Benefits	RoDTEP is available.	RoDTEP is not available.	RoDTEP is available.
17	Input / Output Norms	Not Required. Norms required only for sub-contracting	SION required for having reconciliation of Duty free input received, consumed, in stock. SION is also required for payment of Custom Duty and Cess thereon, when Finished Goods are sold in DTA and proportionate duty saved on Inputs will have to be paid before effecting DTA Sale	To be fixed by Principal Commissioner
18	Rejections	No Norms	Rejections upto 5%	No Limit
19	Clearance of Imported Capital goods			
	Permission	Not required	Required - Permission from Jurisdictional Deputy Commissioner required	Required permission from Bond Officer



S no	CRITERIA	SEZ	EOU / STP / EHTP / BTP	Licensing Under Special Warehousing Provision (MOOWR)
	Value for clearance	Depreciated value as on the date of clearance	<p>> For capital goods procured prior to appointed date, depreciated value to be calculated as specified under Notification 52/2003 dt.31.0.3.2003 as amended and pay Basic Customs duty and cess along with IGST / CGST + SGST on the same</p> <p>> For goods procured on or after appointed date, reverse the input tax credit availed after considering 5% reduction per quarter from the date of invoice or pay IGST / CGST + SGST on transaction value, whichever is higher</p>	duty needs to be paid on Depreciated value
	Duty rate	Applicable at the time of clearance	Duty forgone to be calculated on depreciated value and rate at the time of importation.	Duty Forgone at the time of clearance
20	Clearance of Imported Inputs As such			
	Permission	Not required	Required - Permission from Jurisdictional Deputy Commissioner required	Permission from Bond Officer located in the premises
	Value for clearance	Import Value	Import Value	Import Value
	Duty rate	Applicable at the time of clearance - Basic customs duty, Cess, IGST is payable	Duty forgone to be calculated on depreciated value and rate at the time of importation and to be paid	Duty applicable at the time of clearance
21	Procurement of Indigenous Capital Goods			
	Duty impact	Free	On payment of IGST / CGST + SGST and subsequent availment of input tax credit Refund of GST paid will be entitled either to the supplier or EOU Unit.	On payment of IGST / CGST + SGST and subsequent availment of input tax credit
	Benefit to supplier	Physical Exports	Deemed Exports	Nil
22	Procurement of Indigenous Inputs			
	Duty impact	Free	On payment of IGST / CGST + SGST and subsequent availment of input tax credit Refund of GST paid will be entitled either to the supplier or EOU Unit.	On payment of IGST / CGST + SGST and subsequent availment of input tax credit
	Benefit to supplier	Physical Exports - DFIA / AAS / Duty Drawback are allowed	Deemed Exports - DFIA / AAS are allowed	Nil
23	Clearance of Indigenous Capital Goods			
	Value for clearance	Depreciated value as on the date of clearance	<p>> For goods procured prior to appointed date, depreciated value to be calculated as specified under Notification 22/2003 dt.31.0.3.2003 as amended and pay IGST / CGST + SGST on the same</p> <p>> For goods procured on or after appointed date, reverse the input tax credit availed after considering 5% reduction per quarter from the date of invoice or pay IGST / CGST + SGST on transaction value, whichever is higher</p>	<p>> For goods procured prior to appointed date, depreciated value to be calculated as specified under Notification 22/2003 dt.31.0.3.2003 as amended and pay IGST / CGST + SGST on the same</p> <p>> For goods procured on or after appointed date, reverse the input tax credit availed after considering 5% reduction per quarter from the date of invoice or pay IGST / CGST + SGST on transaction value, whichever is higher</p>
	Duty Rate	Applicable at the time of clearance	Applicable at the time of clearance	Applicable at the time of clearance
24	Sale of Indigenous Inputs			
	Value for clearance	Purchase Value	Purchase Value	Purchase Value
	Duty Rate	Pay Customs Duty applicable at the time of clearance and reversal of benefit availed.	Applicable at the time of clearance	Applicable at the time of clearance
25	Indigenous Office Equipment	Duty Free. Physical Export for Suppliers	Duty Free, With approval of BOA. Deemed Export for Suppliers	GST to be paid and credit to be availed
26	GST on Services		GST to be paid and credit to be availed	GST to be paid and credit to be availed

S no	CRITERIA	SEZ	EOU / STP / EHTP / BTP	Licensing Under Special Warehousing Provision (MOOWR)
27	Refund of GST paid on Exports under Rule 96(10)			Allowed
28	Refund of Input Tax Credit on exported goods under Rule 89(4)			Allowed
29	Refund of GST under Inverted Duty Structure under Rule 89(5)			Allowed
30	Income Tax	Section 10AA: > 100% exemption for first 5 years on Export Earnings > 50% exemption for next 5 years > 50% exemption for next 5 years, provided that the 50% of the Profit earned is reinvested in next 3 years. These benefits will be available to only those units which commence commercial production on or before 30th Sept 2020. For the units who has obtained the LOA prior to 31.03.2020 for new units setup after 31.03.2020. No deduction available w.e.f. AY 2021-22 Trading profits are fully taxable even in respect of trading exports. MAT Applicable w.e.f. AY 2012-13	No exemption MAT Applicable	No exemption MAT Applicable
31	Stamp Duty	Exempted	Exempted only on Immovable Properties	Applicable
32	Electricity Duty	Exempted for 10 years.	Exempted only on Immovable Properties	Not exempted
33	DTA Sale	Allowed without any limit, but full import duties as if import	Allowed without any limit, but Basic Customs Duty saved on inputs will have to be paid back. In addition to the above DTA sale will be on payment of IGST / CGST + SGST, subject to achieving positive NFE. Advance DTA sale is also permitted for new unit.	DTA Sale is allowed without any limit and without anybody's permission. However, on removal of goods duty is required to be paid on import contents in the goods to be removed and it should be against bill of entry for home consumption and to be removed in the presence of bond officer.
34	Sub-contracting	Sub-contracting of part of production / production process is allowed. Maximum limit is value of goods produced by the unit within its own premises in the immediately preceding financial year	Part of production process is allowed to be sub-contracted in DTA on filing of intimation. Substantial production process to be done inside EOU. In addition to above, 50% of FOB Value of exports can be sub-contracted totally, if capacities are fully utilised. Sub-contracting may be carried out through another EOU without any limit. Sub-contracting can be done by EOU only for exports	Allowed with the specific permission of the bond officer
35	Labour Laws	Labour reforms are applicable, subject to State Government Policy	Labour reforms are not applicable	Labour reforms are not applicable
36	Procedures	Customs Clearance at Special Economic Zone	Customs Clearance at the port of import - superficial examination w.r.t. marks and numbers.	Customs Clearance at the port of import - superficial examination w.r.t. marks and numbers.
		Procedures at par with Physical Exports	Permissions required for sub-contracting, removal / inward movement of goods	No provision for sub-contracting, removal / inward movement of goods
		Hardly any permissions are required to be obtained	Digital Record based control	Record based control with intimation / permission

However, number of practical difficulties have been faced by exporters and importers and therefore, we have suggested number of changes in the forthcoming & most awaited new Foreign Trade Policy for 2022-2027. Such suggestions can be read in detail with the following link:

<https://www.bizsolindia.com/article-on-expectations-from-new-foreign-trade-policy-2021-26-by-cma-ashok>

[nawal-founder-bizsolindia-services-pvt-ltd/](https://www.bizsolindia.com/article-on-expectations-from-new-foreign-trade-policy-2021-26-by-cma-ashok)

If above suggestions are accepted which are within the framework of WTO policy exporters will be benefited and will be really more competitive in international market.


Govt has also modified and substantially scheme made liberal in the year 2019. MOOWR Scheme 2019 was modified with the object to



manufacture in the Custom Bonded Warehouse with record-based control rather than physical control and pay the duty whenever such manufactured goods are sold in domestic market to the extent of duty saved on import content in the finished goods. This is mainly to ease out the liquidity for manufacturer and promote Make-in-India to achieve the dream of building Indian Economy to USD 5 Trillion. However, there are operative difficulties which needs to be removed by the CBIC and ensure objective of ease of doing business and 100% reduction of interface then only this scheme will be popular and will be beneficial to make Indian industry competitive.

If Government removes the difficulties in MOOWR Scheme as well as introduce new & vibrant Foreign Trade

Policy at the earliest after incorporating suggestions given by the trade and industries, then Indian exporters will be more competitive in the International Trade. Further Indian exporters have to focused on introduction and monitoring of effective costing system, implement cost & management techniques including but not limiting to Activity Based Costing, Standard Costing, Target Costing, Cost Reduction, Value Addition Drives & Continuous Innovations in the process of manufacture, process of distribution, process of logistics, then there is no reason, why to be afraid of pricing of any country including China.

Let's hope Govt & industry with the help of experts & professionals will make Indian Industry more competitive and achieve the dream of making in India Superpower!! 

DECODING PROPOSED SEC 38 OF CGST ACT



CMA Ajith Sivadas
Cost Accountant

The rationale behind the implementation of GST is to bring more transparency to the system and to avoid cascading effect of taxes. Input Tax Credit is the soul of the GST Law. Ever since the enactment of the Goods and Services Tax Act, 2017 conditions for availment of input tax credit has been the subject matter of debate. Seamless flow of input tax credit is the essence of the GST Law and the point where it breaks, it goes against this very principle. On one side, the Act promotes seamless flow of ITC and on the other side the amendments attempts to break this chain.

It is a well settled law that Input Tax Credit is in the nature of a benefit or concession which is offered by the statute and is contingent upon satisfaction of specified conditions. ITC under the GST Law cannot be said to be a vested right at the time of procurement of inputs. However, it becomes a vested right only after complying with all the conditions attached to it. Thus, a complete knowledge of all the mandatory conditions is necessary to declare it a vested right. However, even though it is concluded that ITC is not a vested right, it needs to be examined as to whether unnecessary, impossible and draconian conditions can be imposed on the honest taxpayers in the masquerade of curbing tax evasion.

Presently for availing ITC, conditions u/s 16 of CGST Act have to be complied and the most debatable issue is with regarding to 16(2)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 also regarding sec.16(4) time limit for availing credit.

Whereas a new condition to avail eligible credit via 16 (2) (aa) implemented recently and proposed 16 (2) (ba) in finance bill 2022 prescribes extra condition 'non-denial of credit via proposed Sec. 38'. Moreover it is proposed to make return submission procedure to be a single way instead of two way communication as intended at the time of implementation of GST by omitting Sec. 42, 43 and 43A. These amendments literally exasperate the emotions of genuine taxpayers.

The proposal provides that input tax credit with respect to a supply can be availed only if such credit has not been restricted in the details communicated to the taxpayer under section 38. As a result ITC in form GSTR 2B would have two baskets, one with eligible credit and another with ineligible credit via conditions mentioned in proposed sec.38.

NEW CONDITIONS U/s 38

From the Buyer's perspective, if their respective supplier falls under any of below mentioned category then the ITC from the respective supplier, though the same reflects in GSTR 2A/2B, shall be counted as ineligible credit. The supply:

- (i) by any registered person within such period of taking registration as may be prescribed; (NEW REGISTRANTS)
- (ii) by any registered person, who has defaulted in payment of tax and where such default has continued for such period as may be prescribed (DEFAULTER IN PAYMENT OF TAX).
- (iii) by any registered person, the output tax payable by whom in accordance with the statement of outward



supplies furnished by him under the said subsection during such period, as may be prescribed, exceeds the output tax paid by him during the said period by such limit as may be prescribed (VALUE DECLARED IN GSTR 3B < GSTR 1)

- (iv) by any registered person who, during such period as may be prescribed, has availed credit of input tax of an amount that exceeds the credit that can be availed by him in accordance with clause (a), by such limit as may be prescribed. (TOOK ITC EXCESS IN 3B ABOVE FROM 2B).
- (v) by any registered person, who has defaulted in discharging his tax liability in accordance with the provisions of sub-section (12) of section 49 subject to such conditions and restrictions as may be prescribed;(VIOLATED 99% ITC AND 1% CASH - CONDITION)
- (vi) by such other class of persons as may be prescribed.

This can be best understood with an illustration which is explained below: -

BEFORE PROPOSED AMENDMENT IN SECTION 38

PARTICULARS	AMOUNT
Total ITC As Per Books	12,00,000.00
ITC Reflected In The GSTR 2B	10,00,000.00
Eligible ITC As Per GSTR 2B	8,00,000.00
ITC That Can Be Availed	8,00,000.00

AFTER PROPOSED AMENDMENT IN SECTION 38

PARTICULARS	AMOUNT
Total ITC As Per Books	12,00,000.00
ITC reflected in the GSTR 2B	10,00,000.00
Eligible ITC as per GSTR 2B	8,00,000.00
ITC that can be availed before Sec.38 Conditions	8,00,000.00

NEW CLAUSES IN SECTION 38

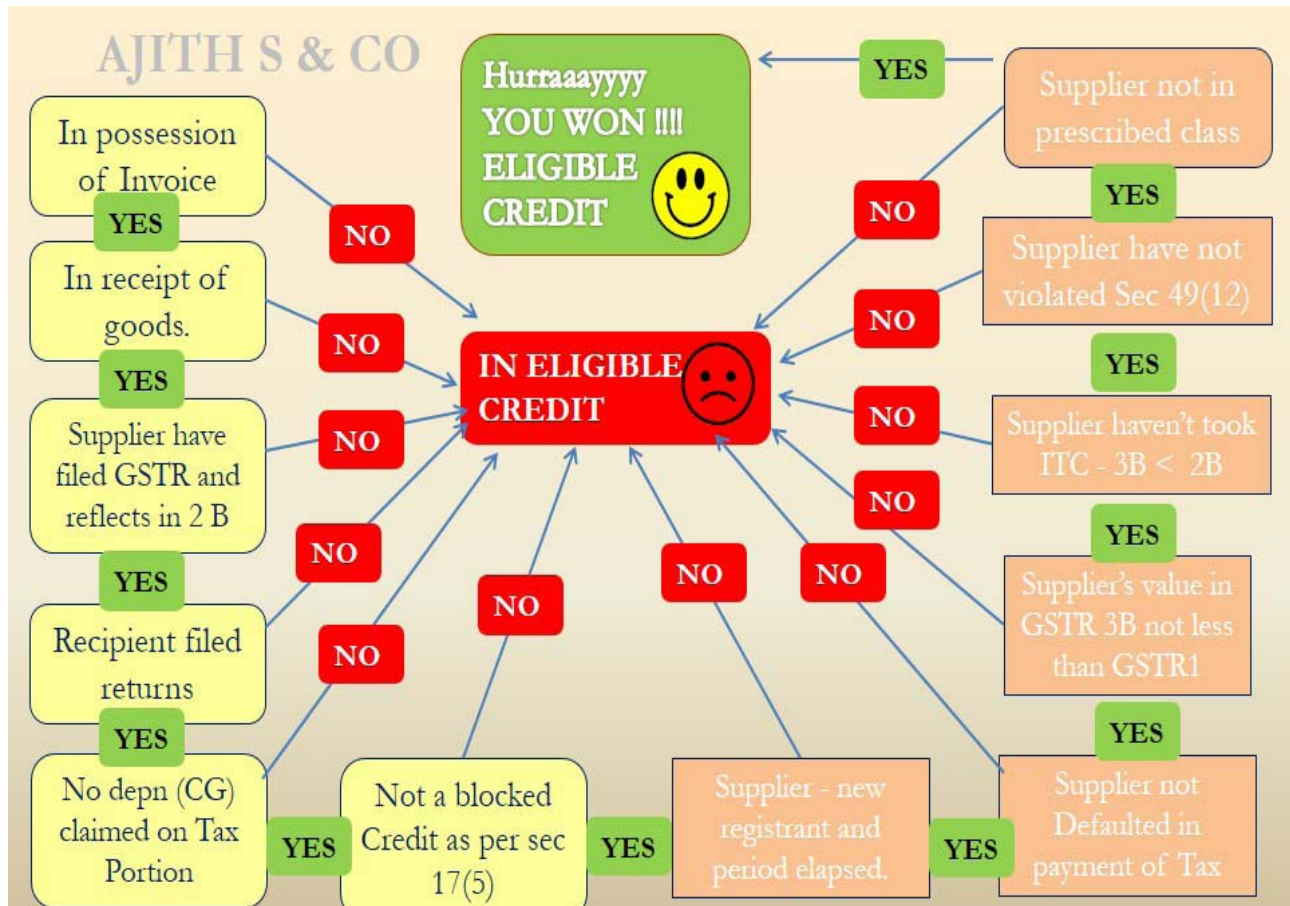
PARTICULARS	ITC Disallowed (Amount Assumed)	Remaining ITC that can be availed
Supplier is newly registered business under GST (Condition (i) Clause (b) of Subsection (2))	20,000.00	7,80,000.00
Supplier has filed GSTR - 1 but not filed GSTR - 3B (Condition (ii) Clause (b) of Subsection (2))	40,000.00	7,40,000.00
Supplier's liability in GSTR - 1 is greater than that of GSTR - 3B (Condition (iii) Clause (b) of Subsection (2))	50,000.00	6,90,000.00
Supplier's ITC in GSTR - 3B is greater than in GSTR - 2B (Condition (iv) Clause (b) of Subsection (2))	80,000.00	6,10,000.00
Supplier has received demand notices and defaulted in the payment of taxes (and the default continues) (Condition (v) Clause (b) of Subsection (2))	50,000.00	5,60,000.00
Supplier has not fulfilled the conditions of Rule 86B (i.e. paid their entire liability in ITC instead of partly in cash as prescribed) (Condition (vi) Clause (b) of Subsection (2))	60,000.00	5,00,000.00

Hence, out of 8,00,000 ITC that could be availed as per the existing law, the eligible ITC has been reduced to Rs.5,00,000.00 as per the revised provisions of Section 38.

In short the default on the part of the supplier keeping in mind the above mentioned conditions forces the recipient to loose the opportunity to avail ITC and in turn pay more taxes which tones with "You must pay taxes. But there's no law that says you got to leave a tip."—Morgan Stanley advertisement.

ROLE OF JUDICIARY

The Honourable judicial system is providing aid to these genuine hardships faced by the assesseees and passing



orders in favour of assesseees. However, in case any sort of nexus is established between the buyer and the seller and it is proved that the transaction was made with an intent to evade taxes, the taxpayers shall have to face the wrath of law. Undoubtedly, strict actions have to be initiated in cases where fraudulent availment of ITC or evasion of tax is being found. A system must be designed to penalise the guilty thereby protecting the interest of honest tax payers.

Various decisions have held that ITC should not be denied to the bona fide purchasing dealers merely on fault of the selling dealers. It should not be made the responsibility of the purchasing dealer to ensure that the tax is deposited by the selling dealer to the extent the transaction is bona fide. Liability shouldn't be inflicted on the purchasing dealer unless a wilful or a fraudulent act on the part of the registered seller or his predecessors is established. As long as the vendor is found to be a registered dealer on the files of the Revenue, the claim of the assessee for ITC could not be rejected. The Revenue also does not deny that the assessee's vendors are all registered appellants on the files of the Revenue. Assigning the department's responsibility of tax payment by the selling dealer shouldn't be placed on the purchasing dealer. Collecting more taxes

than is absolutely necessary is legalized robbery and due to this sole reason reliance is placed on the judicial system in our country. Following verdicts by the honourable courts have proved to be favourable to the assesseees:-

Mismatches in GSTR 1 & GSTR 3B

- **M/S Deepak Print v. Union of India - Hon'ble Gujarat High Court** directed the revenue department to allow the rectification of entries in the Form GSTR-3B return for the Month of May, 2019, on account of genuine bonafide human error.
- **Pentacle Plant Machineries Pvt. Ltd. v. Office of the GST Council and ors.** - The **Hon'ble Madras High Court** has allowed the assessee to correct a "human error" while filing Form GSTR-1 return.
- **Sun Dye Chem v. The Assistant Commissioner** - It was held that the assessee should not be mulcted with any liability on account of the bonafide, human error and must be permitted to correct the same.



- **Bharti Airtel Limited v. Union of India & Ors - Hon'ble Delhi High Court** held that the Petitioner should be permitted to rectify the Form GSTR-3B in respect of the relevant period.

Mismatches in GSTR 2A and GSTR 3B/ Column 8A and 8B of GSTR 9

- **BHARTI TELEMEDIA LTD VS. UNION OF INDIA&ORS,** - Delhi High Court while issuing the notices to the centres ruled that the Input Tax Credit cannot be denied to the recipient for the default on the part of the Supplier.
- **LGW Industries Limited & Ors. Vs Union of India & Ors.** (Calcutta High Court) - ITC Cannot be disallowed, if the supplier not made the payment of tax, whereas buyer is bona fide.
- **D.Y. Bethal Enterprise v. The State Tax Officer (Data Cell)** in W.P. (MD) No.2127 of 2021 - GST cannot be demanded from Buyer where Seller has not paid GST to Government.
- **Re: Sahil Enterprises v. Union of India WP(C) NO. 531** Of 2021 dated August 09, 2021 - Default on the part of the supplier for depositing tax to the government and denying credit of the bona fide purchasing dealer on the ground of default of the supplier requires consideration.(The Hon'ble High Court of Tripura)
- **Unifab Engineering Project Pvt. Ltd. and anr.Vs Deputy Commissioner CGST And CEX (Bombay High Court)** - Vires of Section 16(2) of CGST Act, 2017 challenged before HC.
- **"Union Of India Through Its ... vs Bharti Airtel Ltd."** on 28 October, 2021(SC)- The common portal is only a facilitator to feed or retrieve such information and need not be the primary source for doing self-assessment. The primary source is in the form of agreements, invoices/challans, receipts of the goods and services and books of accounts which are maintained by the assessee manually/electronically.
- **Surat Mercantile Association Vs Union of India (Gujarat High Court)** - Challenge to Section 16(2)(c) of CGST Act 2017- Notice issued by Gujarat HC.
- **Samay Alloys India (P.) Ltd. vs. State of Gujarat - Blocking of ITC when credit not available in ledger is without jurisdiction and illegal: Gujarat HC.**
- **Arise India Ltd. V. Commissioner of Trade and Taxes**

[TS-314-HC-2017(Del)-VAT - 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.

- **Infiniti Wholesale Limited Vs Assistant Commissioner (CT) (Madras High Court)** - TNVAT: No action against Buyer for Default of Seller.
- **Sri Vinayaga Agencies v. The Assistant Commissioner** - Madras High Court laid down that law could not empower tax authorities to reverse the ITC availed on a plea that the selling dealer has not deposited the tax.

Refund of Wrongly paid tax(Paying CGST/SGST as IGST and Vice versa)-

- **SBI Cards & Payment Services Limited Vs Union of India (Punjab & Haryana High Court)** - HC directs department to refund GST paid under wrong head by petitioner.
- **Shree Nanak Ferro Alloys Pvt. Ltd. v. The Union of India (2020) 33 J.K.Jain's GST & VR 43 = 2020 (1) TMI 833 - JHARKHAND HIGH COURT** - The petitioner is entitled to the benefit of the provisions of S.77 (1), CGST Act, read with S.19 (2), IGST Act. The petitioner is directed to deposit the amount under correct head, which was paid under wrong head towards the liability of Sept., 2017, without any interest on the said amount.

POSSIBLE SOLUTIONS

On the contrary to the above judgements favourable to the assessee there are decisions from the honourable courts against the recipients also, on the view that that we have to follow the law and we can't challenge the section provided in law (Hon. Madras High court). Keeping in view of these contraries it would be recommendable to amend the statute to protect the interests of genuine/honest tax payers, and also to keep track of bogus tax claimers. All these interferences may lead to turmoil in the entire tax paying system. The intended implementation of 'availment of provisional credit' if the credit doesn't appear in GSTR 2B or as in ineligible basket in new GSTR 2B may be re-implemented with applicable changes. Necessary involvements and actions are expected from the concerned authorities by the entire society to resolve the genuine concern.

The 'proper officer' has been empowered under GST law

to execute and administer compliance of various Sections and Rules under GST law to protect the Government revenue and facilitates to the taxpayers to carry out day-to-day statutory compliances to run their business. The words 'proper officer' used in various parts of the GST law scattered through different provisions therein needs specific assignment to be performed under different sections of the statute to serve respective purpose of the relevant sections and rules made thereunder. Keeping this view in mind, it would be fair to say that the Proper Officer should be given the responsibility of ensuring that each dealer within his/her rolls do not lose their respective ITC thereby freeing all the burden cast upon the recipient which in turn would enable the dealer to run his business smoothly and pay the required taxes to the public exchequer.

RAY OF HOPE

In a recently issued internal circular no. 2A of 2022 dated 25.02.2022 by the the State of Maharashtra gives ray of hope for the genuine and Bonafide buyers giving various reliefs as mentioned:

Under inaccurate declarations in GSTR-1, there are two issues that the department has observed. Suppose a business has erroneously reported Business-to-Business (B2B) sales in Table 7 of GSTR-1 as a Business-to-Consumer (B2C) transaction, which is reported in a later period. However, the B2C sales entry is not reversed, leading to double reporting and excess tax payment. During the scrutiny, tax officials must reconcile the transaction-wise sales entries with the category totals. They should bifurcate B2B and B2C clearly, and check to identify such periods in which a B2C sale is denoted as a B2B sale.

On the other hand, a similar process is followed in case figures are erroneously or typographically overstated in GSTR-1 compared to the GSTR-3B. In addition to the above solution, the tax officials must also get an undertaking from the buyer in such sale

transactions that they have not availed any such excess ITC. For exports, they must check if export turnover is reflected in the refund computation.

Under the ITC claim cases, there are four issues that the department addressed. First, the list deals with any Input Tax Credit (ITC) differences between the GSTR-2A and GSTR-3B. Wherever the B2B transactions were reported as B2C in the supplier's GSTR-1, those would not appear in the relevant buyer's GSTR-2A. In

many cases, the buyer's GSTIN is wrongly entered in the GSTR-1. Further, the vendor had missed reporting B2B sales in GSTR-1 in many cases or under the wrong table, such as Table 4B instead of 4A.

The time limit to claim ITC has expired in all the above scenarios. The tax officer may categorise the transaction based on the ITC differences as more than Rs.2.5 lakh and less than or equal to Rs.2.5 lakh. The tax official may ask such a taxpayer to submit a Chartered Accountant (CA) certificate to confirm compliance and tax payment if it is the former. However, the claimant must obtain the ledger confirmation of the particular supplier and their certification in the latter case. The ITC claim difference shall be allowed after verifying one of the above submissions.

In another case, many recipients strictly interpreted the Removal of Difficulty order issued on 31st December 2018 for FY 2017-18 that had inserted a proviso to Section 16(4) of the CGST Act. They claim that the condition applies to recipients who have availed ITC for FY 2017-18 after September 2018 until March 2019. The department has clarified that only in cases where vendors have filed the GSTR-1 until March 2019 these recipients claim ITC.

Next up, taxpayers had mistakenly reported B2B sales of Table 4A as those subject to reverse charge in Table 4B of GSTR-1. The department has stated that both these details are populated in the same table of GSTR-2A with a tag on whether a reverse charge applies. The tax official must ensure that taxes are paid on these wrongly reported transactions.

Lastly, the ineligible ITC that a taxpayer availed in one tax period but reversed in any later tax period, upon the issue of ASMT-10, do not have a designated table in GSTR-3B. The tax officials can obtain the transaction list for that tax period containing ITC claims reversals of the current period and past periods as per Table 4(B)(2). They can also cross-check DRC-03 that the taxpayer has filed.

TO SUM UP:

It is understood that the intention of the law is to check tax avoidance by businesses, and the fact that it is not feasible for the revenue to detect and contain the problem systematically. However, the cascading consequence of doing this in practice and the issues it creates has been undermined. The restriction increases the working capital requirements of the business houses for no fault of theirs.

MSMEs typically suffer unevenness of cash flow. Even a week's delay in payment throws their routine out of gear. A promising auction or offer for materials which would give them higher profitability, will force them to readjust their cash cycles for a few weeks to take advantage of it.

A dealer can no longer assume that the transaction is over when he pays tax and will have to wait for at least 10-15 days to confirm whether he is eligible to receive the input credit for the tax he paid. During this time, buyers may withhold the payment to the supplier, refuse to pay the tax portion, demand bank guarantees to cover the possible risks, etc., leading to multi-step transactions and an increase in both working capital needs as well as the cost of doing business.

Where the buyer has genuinely purchased goods, but either the tax is not deposited by the seller (intentionally or unintentionally) or it is due to some other technical or non-technical reasons and there is no unholy nexus between

them and the same will firmly stand in the court of law. The only thing which must be ensured by the buyer is to verify the validity of GST Registration number of the seller and should be prima facie satisfied about the credentials of the seller.

The fundamental principle SALUS POLPULI EST SUPREMA LEX – meaning welfare of people is supreme of Law, inspired by principle of justice, equity and good conscience, must be ensured to make the slogan Ease of doing Business in practical otherwise the quote by Martin Luther King Jr. that 'Injustice anywhere is a threat to justice everywhere' would triumph in this era and only then can Eleanor Roosevelt quote 'Justice cannot be for one side alone but must be for both' be attained.

"Natural justice is a compact resulting from expediency by which men seek to prevent one man from injuring others and to protect him from being injured by them." - Epicurus

TAX UPDATES NOTIFICATIONS AND CIRCULARS

INDIRECT TAX

CUSTOMS- NOTIFICATIONS Customs (Tariff)

Notification No. 20/2022 – Customs

Date – 06.04.2022

Amendment to the Notification No. 40/2015-Customs dated 21.07.2015 to substitute the name of M/s International Institute of Diamond Grading & Research India Pvt Ltd by M/s De Beers India Pvt Ltd

CBIC has made further amendments in the Notification No. 40/2015-Customs, dated the 21st July, 2015

In the said notification, in the Table, for serial number 3 and the entries relating thereto, the following serial number and entries shall be substituted, namely: -

“3. De Beers India Private Ltd, Surat, Gujarat, India.”

Notification No. 21/2022-Customs

Date – 13.04.2022

Seeks to prescribe BCD and AIDC on Raw Cotton for a specified period.

CBIC has exempted goods falling within the Chapter, heading, sub-heading or tariff item of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), when imported into India, from so much of the duty of customs leviable thereon under the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), as is in excess of the amount calculated at the standard rate and from so much of the Agriculture Infrastructure and Development Cess leviable thereon under the said section, as is in excess of the amount calculated at the rate namely: -

S. No	Chapter, Heading, subheading or tariff item	Description of goods	Standard Rate	AIDC Rate
1	2	3	4	5
1.	5201	All goods	Nil	Nil

This notification shall come into effect on the 14th April, 2022, and will remain in force up to and inclusive of the 30th September, 2022.

Customs (Non - Tariff)

Notification No. 32/2022 - Customs (N.T.)

Date – 07.04.2022

Exchange rates Notification No.32/2022-Cus (NT) dated 07.04.2022-regarding

CBIC in supersession of the Notification No.18/2022-Customs(N.T.), dated 17th March, 2022 except as respects things done or omitted to be done before such supersession CBIC has determined that the rate of exchange of conversion of each of the foreign currencies into Indian currency or vice versa, shall, with effect from 8th April, 2022, be the rate mentioned for the purpose of the said section, relating to imported and export goods.

SCHEDULE-I

SI No.	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
		(For Imported Goods)	(For Export Goods)
1	Australian Dollar	58.10	55.65
2	Bahraini Dinar	207.90	195.25
3	Canadian Dollar	61.55	59.40

For more details , please follow -

<file:///D:/TRD-Deba/Downloads/csnt32-2022.pdf>

Notification No. 33/2022 - Customs (N.T.)

Date – 13.04.2022

Fixation of Tariff Value of Edible Oils, Brass Scrap, Areca Nut, Gold and Silver- Reg.

CBIC has made amendments in the Notification No. 36/2001-Customs (N.T.), dated the 3rd August, 2001



“TABLE-1

Sl. No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value (US \$Per Metric Tonne)
1	1511 10 00	Crude Palm Oil	1605
2	1511 90 10	RBD Palm Oil	1654
3	1511 90 90	Others - Palm Oil	1630
4	1511 10 00	Crude Pal-molein	1660

For more details , please follow - file:///D:/TRD-Deba/Downloads/Notification_No_33_dated_13_April_Eng.pdf

DIRECT TAX

Notification No. 24/2022

Date – 4th April 2022

Income-tax (6th Amendment), Rules, 2022

In exercise of the powers conferred by section 89A read with section 295 of the Income tax Act, 1961 (43 of 1961), CBDT has made the following rules further to amend the Income-tax Rules,1962, namely:

1. Short title and commencement: -

- (1) These rules may be called the **Income-tax (6th Amendment), Rules, 2022**.
 - (2) They shall come into force from the date of their publication in the Official Gazette.
2. In the Income-tax Rules, 1962 (hereafter referred to as the principal rules), after rule 21AA, the following rules shall be inserted, namely: —

21AAA.

Taxation of income from retirement benefit account maintained in a notified country –

- (1) Where a specified person has income accrued in a specified account or accounts, during a previous year relevant to any assessment year beginning on

or after the 1st day of April, 2022, such income shall, at the option of the specified person, be included in his total income of the previous year relevant to the assessment year in which income from the said specified account or accounts is taxed at the time of withdrawal or redemption, as the case may be, in the notified country.

- (2) Where the option has been exercised by a specified person under sub-rule (1), the total income of the specified person for the previous year in which income is taxable under sub-rule (1) shall not include the income which, —
 - (a) has already been included in the total income of such specified person in any of the earlier previous years during which such income accrued and tax thereon has been paid in accordance with the provisions of the Act; or
 - (b) was not taxable in India, in the previous year during which such income accrued, on account of, —
 - (i) such specified person being a non-resident, or not ordinarily resident referred to in clause (6) of section 6, during that previous year; or
 - (ii) application of the Double Taxation Avoidance Agreement, if any, and the foreign tax paid on such income, if any, shall be ignored for the purposes of computation of the foreign tax credit under rule 128.

For more details, please follow – <https://incometaxindia.gov.in/communications/notification/notification-24-2022.pdf>

Notification No. 25/2022

Date – 4th April 2022

Notified Country

In exercise of the powers conferred by section 89A of the Income-tax Act, 1961 (43 of 1961), CBDT has notified the countries mentioned in column (2) of the Table given below as a “notified country” for the purposes of the said section, namely:

TABLE

Sl. No.	Name of Country
1	Canada
2	United Kingdom of Great Britain and Northern Ireland
3	United States of America

This notification shall come into force from the date of its publication in the Official Gazette.

Notification No. 26 /2022

Date – 5th April 2022

Income-tax (Seventh Amendment) Rules, 2022

In exercise of the powers conferred by sub-sections (1) and (2) of section 245MA read with section 295 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes hereby makes the following rules further to amend the Income-tax Rules, 1962, namely: -

1. Short title and commencement. —

- (1) These rules may be called the Income-tax (Seventh Amendment) Rules, 2022.
- (2) They shall come into force with effect from the date of their publication in the Official Gazette. 2. In the Income-tax Rules, 1962 (hereinafter referred to as the principal rules), after PART IX-A, the following PART shall be inserted, namely: ---

‘PART IX-AA DISPUTE RESOLUTION COMMITTEE

44DAA.

Constitution of Dispute Resolution Committee. ---

- (1) The Central Government shall constitute a Dispute Resolution Committee for every region of Principal Chief Commissioner of Income-tax for dispute resolution, as provided under the Chapter XIX-AA of the Act.
- (2) Each Dispute Resolution Committee shall consist of three members, as under: ---
 - (a) two members shall be retired officers from the Indian Revenue Service (Income-tax), who have held the post of Commissioner of Income-tax or any equivalent or higher post for five years or more; and
 - (b) one serving officer not below the rank of Principal Commissioner of Income-tax or Commissioner of Income-tax as specified by the Board.

For more details , please follow - <https://incometaxindia.gov.in/communications/notification/notification-no26-2022.pdf>

Notification No. 27/2022

Date – 5th April 2022

E-Dispute Resolution Scheme, 2022

In exercise of the powers conferred by sub-sections (3) and (4) of section 245MA of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby makes the following Scheme, namely: __

1. Short title and commencement. ---

- (1) This Scheme may be called the e-Dispute Resolution Scheme, 2022.
- (2) It shall come into force on the date of its publication in the Official Gazette.

2. Definitions. ---

(1) In this Scheme, unless the context otherwise requires,

- (a) “Act” means the Income-tax Act, 1961 (43 of 1961);
- (b) “addressee” shall have the same meaning as assigned to it in clause (b) of sub-section (1) of section 2 of the Information Technology Act, 2000 (21 of 2000);
- (c) “authorised representative” shall have the same meaning as assigned to it in sub-section (2) of section 288 of the Act;
- (d) “computer resource” shall have the same meaning as assigned to it in clause (k) of subsection (1) of section 2 of the Information Technology Act, 2000 (21 of 2000);
- (e) “computer system” shall have the same meaning as assigned to it in clause (l) of sub-section (1) of section 2 of the Information Technology Act, 2000 (21 of 2000);
- (f) “computer resource of assessee” shall include assessee’s registered account in designated portal of the Income-tax Department, the Mobile App linked to the registered mobile number of the assessee, or the registered email address of the assessee with his email service provider;
- (g) “digital signature” shall have the same meaning as assigned to it in clause (p) of sub-section (1) of section 2 of the Information Technology Act, 2000 (21 of 2000);

For more details , please follow - <https://incometaxindia.gov.in/communications/notification/notification-no27-2022.pdf>

Notification No. 28/2022

Date – 6th April 2022

Income-tax (8th Amendment) Rules, 2022

In exercise of the powers conferred by clause (48) of section 2 and clause (47) of section 10 read with section 295 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes hereby makes the following rules further to amend the Income-tax Rules, 1962, namely: -

1.Short Title and Commencement: -

- (1) These rules may be called the Income-tax (8th Amendment) Rules, 2022.
- (2) They shall come into force from the date of their publication in the Official Gazette.

2. In the Income-tax Rules, 1962 (hereafter referred to as the principal rules), in rule 2F, for sub-rule (3) and (4), the following sub-rules shall be substituted, namely:

“(3) The Infrastructure Debt Fund shall issue, -

(1) rupee denominated bonds or foreign currency bonds in accordance with the directions of Reserve Bank of India and the relevant regulations under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, as amended from time to time; or

(2) zero coupon bonds in accordance with rule 8B.

(4) The terms and conditions of a bond issued by the Infrastructure Debt Fund, - (i) under clause (i) of sub-rule (3) shall be in accordance with the directions of the Reserve Bank of India and the regulations referred to in the said clause; or (ii) under clause (ii) of sub-rule (3) shall be in accordance with rule 8B.”.

For more details, please follow –
<https://incometaxindia.gov.in/communications/notification/notification-no28-2022.pdf>

Notification No. 29/2022

Date – 11th April 2022

Notification relating to The Somnath Temple managed by Shree Somnath Trust

In the exercise of the powers conferred by clause (b) of

sub-section (2) of section 80G of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies “The Somnath Temple managed by Shree Somnath Trust (PAN: AAATS9555Q)” to be place of historic importance and a place of public worship of renown for the purposes of the said section.

Notification No. 30/2022

Date – 11th April 2022

Notification relating to Rajasthan Electricity Regulatory Commission

In exercise of the powers conferred by clause (46) of section 10 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies for the purposes of the said clause, ‘Rajasthan Electricity Regulatory Commission’ (PAN AAABRO296D), a Commission constituted by the state Government of Rajasthan, in respect of the following specified income arising to that Commission, namely: -

- (a) Petition filing fees;
- (b) Licence fees; and
- (c) Interest earned on investment.

2. This notification shall be effective subject to the conditions that Rajasthan Electricity Regulatory Commission, -

- (a) shall not engage in any commercial activity;
- (b) activities and the nature of the specified income shall remain unchanged throughout the financial years; and
- (c) shall file return of income in accordance with the provision of clause (g) of sub-section (4C) of section 139 of the Income-tax Act, 1961.

3. This notification shall be deemed to have been applied for the period from 01.06.2020 to 31.03.2021 for the financial year 2020-2021 and 2021-2022 and shall apply with respect to the financial years 2022-2023, 2023-2024 and 2024-2025.

Explanatory Memorandum

It is certified that no person is being adversely affected by giving retrospective effect to this notification.

JUDGEMENTS OF INDIRECT TAX

GST Applicable on Recovery of Liquidated Damages for Lapses on Part of Supplier of Service: The AAR, Telangana

FACT OF THE CASE

The Applicant is entering into contracts with a host of vendors/suppliers for the extraction of coal. The applicant is also recovering liquidated damages for lapses on the part of the supplier of service. The applicant is desirous of ascertaining whether such liquidated damages/penalties constitute consideration exigible to tax under the scheme of GST.

Whether, in the facts and circumstances of the case, liquidated damages/penalties received by the applicant can be said to be for any 'supply' under the Central Goods and Services Act, 2017, thereby attracting the levy of 'GST' or should be treated as price adjustment to the main supply?

DECISION OF THE CASE

In the present case, Liquidated damages are claimed by the applicant from the contractor due to the delay in performance of the contract, beyond the date prescribed in such contract by the contractor. Similarly, penalties are fixed for breach of the provisions of the contract. These amounts are considerations for tolerating an act or a situation arising out of the contractual obligation. The entry in 5(e) of Schedule II to the CGST Act classifies this act of forbearance as follows:

5(e): Agreeing to the obligation to refrain from an act, or tolerate an act, or a situation, or to do an act.

Further Section 2(31)(b) of the CGST Act mentions that consideration in relation to the supply of goods or services or both includes the monetary value of an act of forbearance. Therefore, such toleration of an act or a situation under an agreement constitutes the supply of service and the consideration or monetary value is exigible to tax.

The Consideration received for such forbearance is taxable under CGST and SGST @9% each under chapter head 9997 at serial no. 35 of Notification No.11/2017-Central/State tax rate.

Transport Facility Provided by Employer to Employee,

GST Applicable on Value that Exceeds Rs 50000: The AAAR

FACT OF THE CASE

M/s Beumer India Pvt. Ltd., Gurugram is engaged in the business of manufacturing/ trading Intralogistics systems. They have hired Motor Vehicles on contract basis from a Transport Agency. They are using said vehicles to provide transportation facilities to employees in accordance with their human resource policy at either a nominal cost where the vehicles are air-conditioned, or free of cost in other cases.

DECISION OF THE CASE

(a) Ruling by Advance Ruling Authority:

Whether GST is payable on transportation facility provided by the employer (Applicant) to its employees for travel between predefined location to its the office, free of cost i.e. without any recovery being made from them. If yes what would be the taxable value of the said transaction?

“The abovementioned Service is taxable under the provision of the HGST/ CGST/ IGST Acts. For valuation of such services the provisions under Section 15 of the CGST I HGST Acts are applicable”.

(b) Whether GST is payable on the recovery of nominal amount on account of air conditioning facility for transportation facility provided by the employer (Applicant) to its employees for travel between predefined location. If yes then what would be the taxable value in the said transaction?

“The abovementioned Service is taxable under the provision of the HGST/ CGST/ IGST Acts. For valuation of such services, the provisions under Section 15 of the CGST/ HGST Acts are applicable”

Ruling by Appellate Authority of Advance Ruling:

In view of the discussions and findings, we find that the transactions executed in the course of the contractual obligation of an agreement of employment are beyond the scope of GST as clarified in the Press Release dated 10.07.2017, of CBIC. We hold that the provisioning of the transport facility provided by the Appellant is exclusive of

the contractual obligation of the employer in the course of employment. The same shall be liable to GST, on a value that exceeds the total gift value up to Rs. 50000/- given by the Appellant to an employee availing this facility in a financial year.

Services supplied to State Government under 'Noon Meal Scheme' are exempt under GST: The AAR, Tamil Nadu

FACT OF THE CASE

The applicant was appointed and acting as nodal agency to inspect, procure, store and transport cost free distribution of dhotis, sarees and school uniforms under various welfare schemes for State Government. It filed an application for advance ruling to determine whether services provided to State Government under 'Noon meal scheme' run by State Government would be eligible for exemption.

DECISION OF THE CASE

The Authority for Advance Ruling observed that the services provided under gamut of handling by the applicant in respect of free distribution of sarees and dhotis and the School Uniform to the students of class 1 to 8 under 'Noon Meal Scheme' are activities in relation to the functions entrusted to Panchayats/Municipality in the article 243G/243W. Since, the applicant would supply these services to the State Government, the exemption at Sl.No.3 of Notification No. 12/2017-C.T. (Rate) dated 28-6-2017 would be available and thus no GST would be levied.

18% GST leviable on vehicle body building and mounting on chassis: The AAAR, Uttar Pradesh

FACT OF THE CASE

The appellant was engaged in body building and mounting of body on chassis of different models of Tippers, Tankers, Trucks and Trailers provided by principal. It filed an application for advance ruling to determine taxability of body building activity on the chassis provided by the principal. The Authority for Advance Ruling held that 18% GST would not be applicable on body building activity on

chassis provided by principal. It filed appeal against the order.

DECISION OF THE CASE

The Appellate Authority for Advance Ruling observed that the appellant was carrying on body building process on physical inputs i.e. chassis owned by the principal. The Circular No. 38/12/2018 dated 26-3-2018 has clarified that the job worker, in addition to the goods received from the principal, can use his own goods for providing the services of job work. In the instant case the chassis delivered to the Appellant would remain in temporarily possession only for certain time to carry out the process of job work as per direction of the principal. Therefore, body building and mounting of body on the chassis supplied by the Principal by collecting job work charges for such fabrication work would be taxable at 18%.

Inspection services provided in India for foreign client will not be treated as exports: The AAR, Telangana

FACT OF THE CASE

The applicant was performing inspection services for its foreign client during manufacturing of equipment and packing of equipment/material in India. It would be certifying quality and quantity of goods being supplied by Indian suppliers to foreign client. It filed an application for advance ruling to determine whether services rendered for foreign companies which do not have any business place/agency in India would be considered as an export or not.

DECISION OF THE CASE

The Authority for Advance Ruling observed that recipient of services provided by the applicant would be foreign buyer of Indian goods. The applicant would be performing services in relation to goods located or under manufacture in the territory of India on behalf of the foreign buyer. As per Section 13(3) of IGST Act, 2017, the place of supply shall be the location where the services are actually performed in respect of goods. Therefore, the services provided by the applicant would not be treated as exports and liable to CGST and SGST.

TB

JUDGEMENT OF DIRECT TAX

Rule 11U doesn't mandate that Balance Sheet should be audited on date of valuation of shares: ITAT

FACT OF THE CASE

1. Assessee-company had allotted certain shares at Rs. 20/- (including premium of Rs. 10) to the family members and related group companies on 31-03-2016. During the assessment, the Assessing Officer (AO) issued show cause notice as to why the Fair Market Value (FMV) of shares based on the audited Balance Sheet as of 31/3/2015 not to be adopted under section 56(2)(viib).
2. The assessee explained that the shares were allotted on 31-3-2016, and hence, the FMV as of 31-3-2016 would be applicable. The AO rejected the contention and determined the FMV of shares based on the financials of the audited Balance Sheet at Rs. 17.32. Consequently, he added the difference between the FMV of shares to the income of assessee.

DECISION OF THE CASE

1. The Tribunal held that there are two mandatory requirements of rule 11U(b) First, the Balance Sheet should be drawn on the date of valuation, and second, such Balance Sheet should be duly audited. If the Balance Sheet is not drawn on the date of valuation, the Balance Sheet drawn on a date preceding the date of valuation, which has been approved and adopted in the Annual General Meeting of the shareholders, should be considered.
2. In the instant case, the assessee drew a balance sheet on the date of allotment of shares, albeit the said balance sheet was unaudited. The FMV of the shares was determined based on the said balance sheet. The said Balance sheet was subsequently audited, and ostensibly, there was no difference in the financials of the tentative balance sheet drawn on 31-3-2016 after audit by the Auditors.
2. Since the balance sheet was drawn on the date of valuation, the assessee's case is covered by first limb of the definition of 'Balance Sheet'. In so far as the condition that the Balance Sheet should be audited, the said condition is also satisfied as the Balance sheet drawn on 31-3-2016 was subsequently audited

with purportedly no change in financials.

4. The rule does not mandate that the balance sheet should also be audited on the valuation date. Even if the balance sheet is audited subsequently, it would be sufficient to comply with rule 11U(b). Thus, there was no error in adopting the FMV of shares determined by the assessee based on an unaudited balance sheet

No penalty on non-filing of ITR if the managing trustee falls ill: ITAT

FACT OF THE CASE

1. The assessee was a charitable trust registered under section 12AA of the Income-tax Act, 1961. For the assessment year 2010-11, the assessee had not filed the return of income in time. The Assessing Officer (AO) initiated penalty proceedings under section 272A(2)(e) and called upon the assessee to show cause as to why the order imposing the penalty should not be passed.
2. The assessee submitted that the Managing Trustee was falling ill from the year 2006 and up to the assessment year 2010-11, which had resulted in the delayed filing of return of income. However, AO was not convinced by the explanations and held that the ill health of the managing trustee does not come under reasonable cause. Accordingly, he levied the penalty under section 272A(2)(e) for failure to file the return of income.

DECISION OF THE CASE

1. The Chennai Tribunal held that AO himself had recorded a finding that medical records submitted by the assessee show that Managing Trustee was suffering from illness for the period 2010-11. Illness of the Managing Trustee of the trust during the relevant period will come under reasonable cause as provided under section 273B for not filing the return of income within the due date specified under the Income-tax Act.
2. Assessee neither intentionally filed return of income belatedly nor derived any benefit by filing belated return. In fact, the assessee had an excess of expenditure over income for all these years. Thus,

there was no loss of revenue to the Government by not filing return of income within the due date specified under the Act.

3. Accordingly, reasons given by the assessee for not filing return of income within the due date specified under section 139(4A) come under reasonable cause for not levying penalty under section 272A(2)(e).

CIT to look at practical situation before treating cash deposits as unexplained income: ITAT

FACT OF THE CASE

1. The assessee was engaged in the business of readymade garments and also deriving income from bank interest. She had deposited a higher amount in cash in the bank against gross turnover of the business. During the assessment, the assessee submitted evidence and filed an explanation regarding cash deposits.
2. The Assessing Officer (AO) accepted the explanation and made additions to income only regarding those cash deposits for which supporting evidence was not filed and initiated revisional proceedings under section 263 and held that such additions were required to be taxed as per section 115BBE. AO taxed the additions at the normal rate, and thus the assessment was erroneous and prejudicial to the interests of revenue.

DECISION OF THE CASE

1. The Tribunal held that the assessee and her husband were super senior citizens. The assessee submitted that they had liquid funds/cash at their disposal to meet any urgent medical contingencies because of old age and health ailments.
2. Both son and daughter of the assessee were also sending money to them for their day to day needs. These facts have not been disputed by the Department at all.
3. It is common practice in most of our country's households that the children take care of their parents financially even though the parents may be financially well off on their own. It is a part of moral responsibility on the part of the children for taking care of their aged parents at least by sending finances irrespective of whether they require it or not.
4. These facts were explained before the AO, and other relevant details were also furnished. AO had taken a

plausible view after examining the relevant details. Thus, the order passed by the CIT under section 263 was unjustified, invalid and liable to be quashed.

Advance received from distributors not taxable unless commercial activities started: ITAT
FACT OF THE CASE

1. The assessee-company engaged in the business of manufacturing drugs and pharmaceuticals. During assessment proceedings, the Assessing Officer (AO) found from the financial statements that the assessee had shown an amount of Rs. 22.50 crores as 'Long-term deposits from associate' classified under 'unsecured loans'.
2. The assessee submitted that it had entered into a marketing agreement with company 'BI', to sell all animal health products. It would manufacture the product in future with global partner 'BI' with conditions as mentioned in the agreement and for the assignment of global exclusive distribution rights for its products. It had received an amount of Rs. 22.50 crores from 'BI', which was non-refundable.
3. However, the AO rejected the assessee's contention and held that money was received in the business transaction process and thus liable to tax as business income.

DECISION OF THE CASE

1. The Tribunal held that the crux of the issue is whether the receipt of Rs. 22.50 crores received by the assessee as advance can be treated as business receipt under section 28(i) or not.
2. It was clear that the assessee had not undertaken any business activity, and he had received only advance for setting off losses for future years, which commence from 1-4-2016. Further, it was clear from the audited financial statements that no commercial activity had been started.
3. Therefore, the agreement in this regard for treating it as a revenue income cannot arise. On perusal of the agreement, the agreement will be in force when the commercial activity starts. Accordingly, the advance received of Rs. 22.50 crores are not revenue in nature for the year under consideration. Therefore, AO was directed to delete the addition.

Gifts distributed is deductible even if recipient list is undisclosed: ITAT



FACT OF THE CASE

1. The assessee was engaged in the business of trading in computer spares & peripherals, and it was also providing installation and maintenance services. It debited a sum towards sales promotion expenses in the profit & loss account during the relevant year.
2. The Assessing Officer (AO) found that the assessee had given costly gifts to certain parties. The assessee failed to give the list of persons to whom such valuable gifts were made for business promotion. Thus, he disallowed the deduction of such gift out of claim made by assessee under sales promotion expenses.

DECISION OF THE CASE

1. The Tribunal held that to remain in the market and maintain assessee's hold in the market, it was

essential to incur expenditure on sale promotion. There are many suppliers in the area of business in which the assessee was engaged.

2. The assessee had given no details to whom such gift items were given. It is the case of the assessee that to maintain secrecy of its line of business, it is not incumbent upon him to disclose the personal details of recipients. The assessee had shown bills and vouchers for the purchase of gifts.
3. An estimation of disallowance could only be made if there are some lapses in the detailed maintained by the assessee. In the given case, the assessee maintained all the details scientifically. Thus, the CIT(A) was not justified in partially confirming the disallowance and the entire disallowance made by AO was to be set aside.

TB



DIRECT TAX CALENDER – APRIL, 2022

DESCRIPTION	DUE DATE
1. Due date for deposit of Tax deducted by an office of the government for the month of March, 2022. However, all sum deducted by an office of the government shall be paid to the credit of the Central Government on the same day where tax is paid without production of an Income-tax Challan.	7th April, 2022
1. Due date for issue of TDS Certificate for tax deducted under section 194-IA in the month of February, 2022. 2. Due date for issue of TDS Certificate for tax deducted under section 194-IB in the month of February, 2022. 3. Due date for issue of TDS Certificate for tax deducted under section 194M in the month of February, 2022.	14th April, 2022
1. Quarterly statement in respect of foreign remittances (to be furnished by authorized dealers) in Form No. 15CC for quarter ending March, 2022. 2. Due date for furnishing statement in Form no. 3BB by a stock exchange in respect of transactions in which client codes been modified after registering in the system for the month of March, 2022.	15th April, 2022
1. Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA in the month of March, 2022. 2. Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IB in the month of March, 2022. 3. Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194M in the month of March, 2022. 4. Due date for deposit of Tax deducted by an assessee other than an office of the Government for the month of March, 2022. 5. Due date for e-filing of a declaration in Form No. 61 containing particulars of Form No. 60 received during the period October 1, 2021 to March 31, 2022. 6. Due date for uploading declarations received from recipients in Form. 15G/15H during the quarter ending March, 2022. 7. Due date for deposit of TDS for the period January 2022 to March 2022 when Assessing Officer has permitted quarterly deposit of TDS under section 192, 194A, 194D or 194H. 8. Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of March, 2022 has been paid without the production of a challan.	30th April, 2022

IMPORTANT RETURN DUE DATE – GST APRIL, 2022

GSTR 1		
	For the period	Due Date
Turnover More than INR 1.5 Crore	March 2022 (Monthly)	11th April 2022
Turnover Upto INR 1.5 Crore	Jan – Mar 2022 (Quarterly)	13th April 2022
IFF (Optional)	March 2022 (Quarterly)	13th April 2022

GSTR 3B		
	For the period	Due Date
Annual Turnover upto INR 5 Crore in Previous FY	March 2022	20th April 2022
Annual Turnover more than INR 5 Crore in Previous FY	March 2022	20th April 2022
Turnover Upto INR 5 Crore (for Andaman and Nicobar Islands, Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Dadra and Nagar Haveli and Daman and Diu, Goa, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Lakshadweep, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Mizoram, Nagaland, Odisha, Puducherry, Sikkim,)	Jan – Mar 2022 (Quarterly)	24th April 2022
Turnover Upto INR 5 Crore (for Chandigarh, Delhi, Gujarat, Haryana, Jammu and Kashmir, Ladakh, Punjab, Rajasthan, Tamil Nadu, Uttarakhand.)	Jan – Mar 2022 (Quarterly)	22nd April 2022

COMPOSITION DEALER		
	For the period	Due Date
GST CMP-08	Jan – Mar 2022 (Quarterly)	18th April 2022
GSTR 4	Financial Year 2021-22	30th April 2022

	For the period	Due Date
GSTR 5 (Non- Resident Foreign Taxpayer)	March 2022 (Monthly)	20th April 2022
GSTR 5A (NRI OIDAR Service Provider)	March 2022 (Monthly)	20th April 2022
GSTR 6 (Input Service Distributor)	March 2022 (Monthly)	13th April 2022
GSTR 7 (TDS Deductor)	March 2022 (Monthly)	10th April 2022
GSTR 8 (TCS Collector)	March 2022 (Monthly)	10th April 2022
ITC 04 (Declaration form to be furnished by registered persons (Principal), showing the details of inputs or capital goods dispatched to or received from a job worker in a particular quarter)	October 2021 to March 2022	25th April 2022

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/>

Notes

A series of horizontal dotted lines for writing notes.

TAXATION COMMITTEES - PLAN OF ACTION

Proposed Action Plan:

1. Successfully conduct all Taxation Courses.
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:

The Tax Bulletin is an informational document designed to provide general guidance in simplified language on a topic of interest to taxpayers. It is accurate as of the date issued. However, users should be aware that subsequent changes in the Tax Law or its interpretation may affect the accuracy of a Tax Bulletin. The information provided in these documents does not cover every situation and is not intended to replace the law or change its meaning.

The opinion expressed in Article is fully based on the views of the experts. This information is provided for public services only and is neither an advertisement nor to be considered as legal and professional advice and in no way constitutes an attorney-client relationship between the Institute and the User. Institute is not responsible or liable in any way for the consequences of using the information given.

Contact Details:

Tax Research Department
12, Sudder Street, Kolkata - 700016

Phone: +91 33 40364717/ +91 33 40364798/ +91 33 40364711

E-mail: trd@icmai.in



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

Statutory Body under an Act of Parliament

www.icmai.in

Headquarters: CMA Bhawan, 12 Sudder Street, Kolkata - 700016

Ph: 091-33-2252 1031/34/35/1602/1492

Delhi Office: CMA Bhawan, 3 Institutional Area, Lodhi Road, New Delhi - 110003

Ph: 091-11-24666100