

APRIL, 2021

TAX Bulletin

★ ★ VOLUME - 86 ★ ★



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

Statutory Body under an Act of Parliament

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“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.”

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“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.

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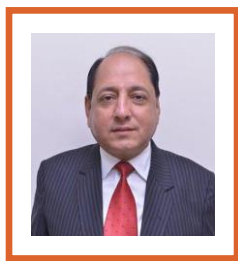
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CMA Rakesh Bhalla
Chairman, Direct Taxation Committee



CMA Chittaranjan Chattopadhyay
Chairman, Indirect Taxation Committee

FROM THE DESK OF CHAIRMAN

Dear Friends and Professional Colleagues,

Greetings from the Tax Research Department!!!

The World is facing socio economic crisis again due to this pandemic situation. Still, life is like an ocean, it can be calm or still, rough or rigid, but at the end, it is always beautiful. Ultimately, this pandemic caused out of COVID-19 has taught us that to help each other is the key plank of saving the humanity.

Amidst this phase caused by pandemic, we welcome you for happy reading of the **86th** Tax Bulletin.....

CBIC has announced some changes for the Companies and Taxpayers. The latest GST Updates in this regard are summarized herein below:

- CBIC has provided a new update related to GSTR-1, GSTR-3B and matching offline tools in the QRMP scheme.
- CBIC has released auto-generation in GSTR 2B and auto-population of ITC in GSTR 3B form for the QRPM taxpayers
- CBIC department has provided monthly payment guidance of the QRMP scheme along with quarterly basis return filing for the taxpayers.
- GSTIN has made several module wise new functionalities for GST stakeholders on the official portal from January 2020 to March 2021.
- The complete roll out of the auto-population feature of e-invoice into GSTR 1 still is under process.
- Quarterly taxpayers are now able to see the GSTR 3B tile for Jan, Feb and Mar 2021. Taxpayers have to file GSTR 3B for the quarter Jan-Mar, 2021 using tile for Mar, 2021. The tile for Jan and Feb 2021 has been removed.

Latest Income Tax Updates by CBDT for the Companies & Taxpayers are:

- CBDT 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.
- CBDT has released the notification for issuing Unique Registration Number (URN) for applicants under sub-rule (5).
- CBDT 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.

Your Tax Research Department has submitted Representation Letters to the various organizations for inclusions of CMAs as mentioned hereunder-

- Inclusion of Cost Accountants (CMA) for appointment as Tax consultant for **Housing & Urban Development Corporation Limited** for Indirect Taxes and Direct Taxes in Tender No. HUDCO/RANCHI RO/2021/ dated 01.04.2021
- Inclusion of Cost Accountants (CMA) for appointment as Tax consultant for **Small Industries Development Bank of India** for Indirect Taxes and Direct Taxes in Ref No. 400/2021/1620/BYO/CAV dated March 22, 2021

You will be happy to note that various courses of Tax Research Department have been conducted seamlessly. Feedback received from the participants on these courses are encouraging for the Tax Research Department.

Admission of the following courses conducted by Tax Research Department are going on

- Certificate Course on GST
- Advanced Certificate Course on GST
- Certificate Course on Filing of Returns
- Certificate Course on TDS
- Advanced Course on GST Audit and Assessment Procedure
- Advanced Course on Income Tax Assessment and Appeal

We request you to take the opportunity to upgrade your knowledge and skill through these courses. We also request you to help us by spreading the message of these courses within your known circle including educational institutions.

Taxation portal of our department is being updated time to time as usual with latest amendments in Direct Tax and Indirect Tax separately.

Feedback is solicited from our readers for any improvement that may be made in the Bulletin.

Jai Hind.

Warm Regards



(Rakesh Bhalla)

CMA Rakesh Bhalla
19th April 2021



CMA Chittaranjan Chattopadhyay
19th April 2021

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- Graphics & Web Designer

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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



INPUT TAX CREDIT (ITC) ON CSR SPENDING BY COMPANIES

CMA D. S. Mahajani

General Manager (Taxation) and Company Secretary
Transpek-Silox Industry Private Limited, Vadodara

Abstract of the Article

Input Tax Credit (ITC) on Corporate Social Responsibility (CSR) related expenses has remained a controversial area since introduction of GST in the Country. Apart from different opinions amongst the professionals, contrary Advance Authority Rulings has added more confusion as to whether ITC on CSR spending by Companies is allowed under GST or not.

Since, the scope of ITC is wider under GST as compared to the *erstwhile* Excise and Service tax laws, one should take help of the settled legal position on this subject from the previous tax regime. To be on safer side, Companies should avail credit, reversing it periodically and re-credit once the issue gets resolved under the GST regime. On this premise, an attempt has been made in this article to understand why ITC on CSR should be allowed under GST based on the settled cases under the *erstwhile* tax laws.

Introduction

As per the provisions of Section 135 of Companies Act, 2013 and rules framed thereunder (“the CSR Rules”), every company having net worth of Rs. 500 crore or more, or turnover of Rs.1,000 crore or more or a net profit of Rs.5 crore or more is required to spend in every FY, at least 2% of the average net profits made during the three immediately preceding FYs in pursuance of its Corporate Social Responsibility Policy. Recently, the Ministry of Corporate Affairs, Government of India has amended/tightened the CSR Rules and thereby making obligatory on the part of such companies to spend the entire CSR amount in the FY and unspent amount, if any, should either be transferred to a Fund specified in Schedule VII of Companies Act 2013 or to a special account called the “Unspent Corporate Social Responsibility Account”.

Due to the amended provisions, the government is expecting a huge chunk of money to come in social sector from India Inc from FY 2021-22 onwards. Considering the financial impact on account of compulsory CSR spending, it is equally important for such companies to know whether Input Tax Credit (ITC) on CSR spending is allowed under Goods and Services Tax (GST) or not. On plain reading of Central Goods and Services Tax Act 2017 (CGST Act 2017) and rules framed thereunder there is no clear answer to this question.

Impact of ITC on CSR spending

In absence clarity on ITC on CSR spending, one can resort to Advance Authority Ruling (AAR) under GST. And there are Advance Rulings on both the sides.

For instance, in Polycab Wires Pvt Ltd, the Kerala AAR held that the applicant distributed electrical items on free basis without collecting any money for these transactions and therefore ITC would not be available as per Section 17(5)(h) of CGST Act, 2017. As against this, in Dwarikesh Sugar Industries Limited, Uttar Pradesh AAR on the question “whether expenses incurred by the Company in order to comply with requirements of Corporate Social Responsibility (CSR) under the Companies Act, 2013 (‘CSR Expenses’) qualify as being incurred in the course of business and eligible for input tax credit (‘ITC’) in terms of the Section 16 of the Central Goods and Services Tax Act, 2017 (‘CGST Act, 2017’), ruled affirmatively.

Advance Ruling under GST is Taxpayer-specific and the Jurisdictional Tax officer-specific and therefore one cannot rely fully to decide whether ITC on CSR can be availed or not.

Despite of contrary views, ITC on CSR related activities can be allowed on the following grounds -

- (1) The scope of ITC is much wider in GST than the *erstwhile* Central Excise and Service-tax laws. There are a few judicial precedences allowing Cenvat credit on CSR expenditure. In *Sterlite Industries (I) Ltd. Vs Commissioner of Central Excise, Madurai*, [2016 (41) S.T.R. 867 (Tri. - Chennai)] Cenvat credit of Service Tax on expenditure connected to business activity to discharge social responsibility was allowed under Rules 2(l) and 3 of Cenvat Credit Rules, 2004. Further, in the case *Essel Propack Ltd. Vs. Commissioner Of CGST, Bhiwandi* [2018 (362) E.L.T. 833 (Tri. - Mumbai)] CESTAT, WB, Mumbai held that “*CSR not only holistic approach but integrating core business strategy since same addresses well-being of all stake holders and not just company’s shareholders. Also, CSR not charity as same having direct bearing on manufacturing activity of company that is largely dependent on smooth supply of raw materials. CSR also augmenting credit rating of company as well as its standing in corporate world. Hence, sustainability of company dependent on CSR without which companies cannot operate smoothly for long period as they are dependent on various stakeholders to conduct business in economically, socially and environmentally sustainable manner i.e. transparent and ethical. Impugned order demanding duty, interest and penalty against input service availed hereby set aside under Rules 2(l) and 14 of Cenvat Credit Rules, 2004.*”
- (2) ITC on Input and Input Service is allowed when it is used or intended to be used by a supplier in the course of business. Since, CSR is part and parcel of business activity, any Input and Input Service used for CSR activities should be allowed. There is also an argument that in absence of business activity, why companies would undertake CSR activities. Hence, there is a direct nexus between Business and CSR activities undertaken by Companies.
- (3) According to Section 17(5)(h) of CGST Act 2017, ITC is not available for “*goods lost, stolen, destroyed, written off or disposed of by way of gift or free samples*”. Since, CSR activities does not fall in any of the blocked credit categories, ITC on CSR activities can be allowed.

As mentioned earlier in absence of clarity, the Dept is certainly going to challenge the credit, which can be contested in the legal forum under GST till it reaches finality. While opting for legal recourse one should also keep in mind the reversal of ITC along with interest in case the matter does not come in favour of the company.

Second option is to go for AAR route. This is also not a simple under GST because, in case of unfavourable/ adverse ruling, the doors are closed, unless the company challenges process of Advance Ruling itself by way of a Writ in High Court, which is a long-drawn process. Further, it is seen that most of the Advance Rulings are tilted in favour of the revenue and therefore it is not advisable to seek AR in this case.

Third way to handle the issue is to take ITC and reverse Under Protest. Accordingly, ITC on CSR activities should be availed like normal input / Input Service and reverse it on monthly basis by way of writing a

letter to the Jurisdictional Tax authority. In the letter of protest for reversal of ITC, it should be clearly mentioned that in case of favourable legal pronouncement and/or changes in the law, the company reserves the right to re-credit. Since, there is no time limit for re-credit under GST, this will not only save Interest part (as mentioned in legal route) but gives certainty by reserving right to re-credit in case of favourable situation arises in future.

A sample letter of protest to be written to the Jurisdictional Tax authority should be on the following lines.

To,

...

...

Sir / Madam,

Subject: Intimation for reversal of Input Tax Credit (ITC) under protest for Corporate Social Responsibility (CSR) activities.

We, (name of the Company) are registered under (Central / State) Goods and Service Tax Act 2017 as per GSTIN #

As per the provisions of Section 135 of the Companies Act, 2013 and rules framed thereunder, we are required to undertake Corporate Social Responsibility (CSR) activities as per the CSR policy of the Company. This is one of the mandatory requirements under the provisions of Companies Act 2013 and for which we regularly incur expenditure along with applicable Goods and Services Tax (GST) thereon.

Sir / Madam, we are firmly believed that -

- (a) The scope of ITC is much wider in GST than the *erstwhile* Central Excise and Service-tax laws. There are a few judicial precedences allowing Cenvat credit on CSR expenditure. In *Sterlite Industries (I) Ltd. Vs Commissioner of Central Excise, Madurai*, [2016 (41) S.T.R. 867 (Tri. - Chennai)] Cenvat credit of Service Tax on expenditure connected to business activity to discharge social responsibility was allowed under Rules 2(1) and 3 of Cenvat Credit Rules, 2004. Also, in the case of *Essel Propack Ltd. Vs. Commissioner Of CGST, Bhiwandi* [2018 (362) E.L.T. 833 (Tri. - Mumbai)] CESTAT, WB, Mumbai held that "CSR not only holistic approach but integrating core business strategy since same addresses well-being of all stake holders and not just company's shareholders. Also, CSR not charity as same having direct bearing on manufacturing activity of company that is largely dependent on smooth supply of raw materials. CSR also augmenting credit rating of company as well as its standing in corporate world. Hence, sustainability of company dependent on CSR without which companies cannot operate smoothly for long period as they are dependent on various stakeholders to conduct business in economically, socially and environmentally sustainable manner i.e. transparent and ethical. Impugned order demanding duty, interest and penalty against input service availed hereby set aside under Rules 2(1) and 14 of Cenvat Credit Rules, 2004."

- (b) Further, ITC on Input and Input Service is allowed when it is used or intended to be used by a supplier in the course or furtherance of business. Please note, there is a direct nexus between business and CSR activities undertaken by our Company. Since, CSR is part and parcel of the business activity, any Input and Input Service used for CSR activities should be allowed.
- (c) According to Section 17(5)(h) of CGST, Act 2017, ITC is not available for “*goods lost, stolen, destroyed, written off or disposed of by way of gift or free samples*”. Since, CSR activities does not fall in any of these categories, ITC on CSR activities should be allowed.

However, in absence of sufficient clarity and on conservative basis, we would like to submit that we avail and reverse the ITC on CSR activities every month so as to safeguard our claim till the time sufficient clarity is emerged on the subject. Accordingly, we have availed and reversed ITC of Rs.____ on CSR activities for the month of __ 2021 on ____ (date) in our Electronic Credit Register.

It may be noted that such reversal of ITC should be treated as ‘Reversal Under Protest’ as we firmly believe that ITC on CSR activities should be eligible as Credit in GST regime. We retain the right to re-credit the said amount in the instance wherein we get any order / instruction in our favour.

Moreover, we would like to inform your good offices that on receipt of any positive clarification from Government or any judicial pronouncement on the subject, we would re-credit of ITC, so reversed by us.

Conclusion:

GST is still an evolving law in the Country. In absence of clarity on many subjects, there are different interpretations by different stakeholders. Still many issues having varied opinions amongst Industry, Tax Professionals and in Tax Administration has not tested legal scrutiny. In this situation, companies should not take wrong ITC but legitimate credit even of a single rupee should not be missed. Considering this, one should take safe and conservative approach - i.e. to take ITC on CSR spending, reverse it periodically and re-credit once the issue gets resolves successfully.



OFFENCES AND PENALTIES UNDER GST LAWS

CMA R. K. Khurana

Advocate

Taxation and Corporate Laws Adviser

Introduction to offences penalties

The word offence has not been defined under the Central Goods and Service Tax Act, 2017 or under any other GST laws. As per the dictionary meaning, the word offence may mean a crime or an illegal action, something that outrages the moral or physical senses. An offence is a breach of a law or rule, i.e., an illegal act. Similarly, an offence under GST is a breach of the provisions of CGST Act and the rules made thereunder.

Penalty, fine and prosecution

Penalty: In criminal and civil law, penalties are punishments imposed as a result of breaking laws, contracts or rules. The punishments imposed may be in physical and monetary forms, and are imposed either for the performance of an act or failure to perform an act.

In civil law, however, penalties are imposed on contracts. Parties who fail to fulfil set conditions as per contract, are ordered to pay the penalties in form of damages.

Fine: Fine is a form of monetary punishment for a crime or an offence committed. In the context of criminal law, fines are used in instances involving minor crimes such as traffic violations.

For instance, a person who exceeds driving speed limits, is subjected to a fine. Other examples of fines include settlement of claims against the accused person. Although fines are monetary punishments, they may be imposed along with trials and imprisonment. The amount paid as a fine is determined by the type of offences and law of the state.

Prosecution: Prosecution is the initiation or institution or commencement of legal proceeding; the process of exhibiting formal charges against the offender. Section 198 of the Criminal Procedure Code, 1973 defines “prosecution” as the initiation or institution and carrying on of the legal proceedings against a person accused of any charge.

Offences under GST laws

A number of chapters/sections of the CGST Act, 2017 require compliances by the registered taxable persons and in some cases even by persons not registered under this Act. Non-compliance with the provisions of these sections may lead to imposition of penalties/fines and prosecution under this act. An illustrative list of these chapters is given as under:

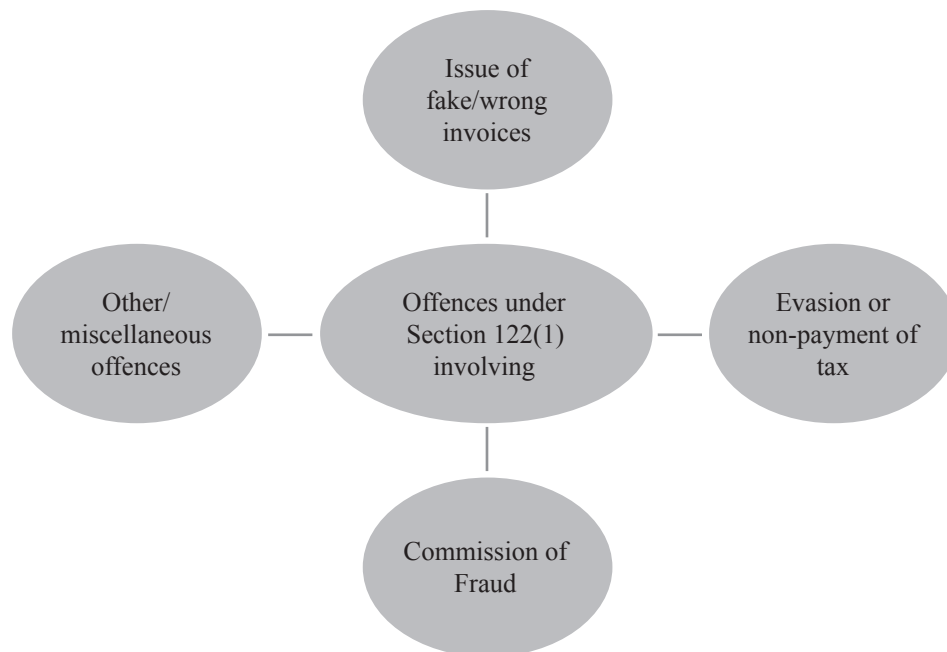
1. Chapter III involving Sections 7 to 11 provide for levy and collection of tax.

2. Chapter V provides for provisions relating to availing of input tax credit
3. Chapter VI obliges the taxable person(s) to get themselves registered under the GST laws
4. Chapter VII provides for rules relating to issue of tax invoices, debit notes and credit notes
5. Chapter VIII obliges the registered taxable person(s) to maintain books of accounts
6. Chapter IX obliges the registered taxable person(s) to file certain periodical returns
7. Chapter X obliges the registered taxable person(s) to pay tax. The chapter also provides for obligations to deduct/collect tax at source and deposit the same with government.

Non-compliance with the provisions of any of these chapters or the rules made thereunder, may lead to levy of interest, imposition of fine/penalty and prosecution of the defaulting taxable persons. In particular, Chapter XIX, Sections 122 to 138 of the CGST Act, 2017 read with Rule 162 of the CGST Rules, give details of various offences and penalties prescribed for these offences. These provisions also apply to State/UT Goods and Service laws and Integrated Goods and Service Tax Act, 2017.

Chapter XIX: Offences and penalties of CGST Act, 2017

Section 122 of the CGST Act, 2017 gives a list of 21 offences which are liable to penalty. For the sake of convenience, these offences can be divided under four broad categories such as issue of fake/wrong invoices, evasion or non-payment of tax liability, commission of fraud involving supply goods or services in contravention of the provisions of GST laws and others miscellaneous provision. These offences are depicted as under:



The non-compliance of these provisions may lead to imposition of fines/penalties and prosecution under the GST laws. Each of the above-mentioned categories of offences are described as under;

Offences involving issue of fake/wrong invoices:

- (1) Where a taxable person:

- i. **Supplies any goods or services** or both **without issue of any invoice** or issues an incorrect or false invoice with regard to any such supply,
- ii. **Issues any invoice or bill without supply of goods or services** or both in violation of the provisions of this Act or the rules made thereunder,
- iii. avails input tax credit using such invoice or bill referred to in (ii) above ITC
- iv. issues invoices using the GST identification number of another *bonafide* taxable person

Offences involving evasion and/or non-payment of tax

- v. Collects any amount as tax, but **fails to pay the same to the Government** beyond a period of three months from the date on which such payment becomes due;
- vi. evades tax, fraudulently avails ITC or fraudulently obtains refund, where such offence or refund is not covered under (i) to (iv) above.
- vii. **collects any tax in contravention** of the provisions of this Act but fails to pay the same to the Government beyond a period of three months from the date on which such payment becomes due;
- viii. **fails to deduct the tax** in accordance with the provisions of sub-section (1) of section 51, or deducts an amount which is less than the amount required to be deducted under the said sub-section, or where he fails to pay to the Government under sub-section (2) thereof, the amount deducted as tax;
- ix. **fails to collect tax** in accordance with the provisions of sub-section (1) of section 52, or collects an amount which is less than the amount required to be collected under the said sub-section or where he fails to pay to the Government the amount collected as tax under sub-section (3) of section 52;
- x. **takes or utilises input tax credit without actual receipt of goods or services** or both either fully or partially, in contravention of the provisions of this Act or the rules made thereunder;
- xi. **takes or distributes input tax credit in contravention** of Section 20 (distribution of ITC by Input Service Distributor) or rules made thereunder

Offences involving commission of fraud

- xii. **fraudulently obtains refund** of tax under this Act or **falsifies or substitutes financial records** or produces fake accounts or documents or furnishes any false information or return with an intention to evade payment of tax due under the GST laws.
- xiii. **suppresses his turnover** leading to evasion of tax under this Act
- xiv. **supplies, transports or stores any goods** which he has reasons to believe are **liable to confiscation** under this Act;
- xv. tampers with, or **destroys any material evidence** or document
- xvi. disposes off or tampers with any goods that have been detained, seized, or attached under this Act liable to be registered under this Act but fails to obtain registration;
- xvii. furnishes any false information with regard to registration particulars, either at the time of applying for registration, or subsequently

Other miscellaneous provisions

- xviii. obstructs or prevents any officer in discharge of his duties under this Act
- xix. transports any taxable goods without the cover of documents as may be specified in this behalf
- xx. fails to keep, maintain or retain books of account and other documents in accordance with the provisions of this Act or the rules made thereunder;
- xxi. fails to furnish information or documents called for by an officer in accordance with the provisions of this Act or the rules made thereunder or furnishes false information or documents during any proceedings under this Act;

Penalties, fines and prosecution under GST laws

The penalties leviable under the CGST Act, 2017 are summarised as under:

1. Penalty for supply of goods/service for non/short payment of tax etc.

As per Section 122 (2) any registered person who supplies any goods or services or both on which tax has not been paid or short-paid or erroneously refunded, or where the input tax credit has been wrongly availed or utilised:—

- (a) for any reason, **other than the reason of fraud or any wilful misstatement or suppression of facts to evade tax**, shall be liable to a penalty of ten thousand rupees or ten per cent. of the tax due from such person, whichever is higher;
- (b) for reason **of fraud or any wilful misstatement or suppression of facts to evade tax**, shall be liable to a penalty equal to **ten thousand rupees or the tax due from such person**, whichever is higher.

2. Penalty for aiding or abetting of offences

As per Section 122(3), any person who commits any of the following offences shall be liable to a penalty which may **extend to twenty-five thousand rupees:-**

- i. aids or abets any of the 21 offences specified in clauses (a) to (l) of sub-section (1) of Section 122 (at (i) to (xxi) above) or
- ii. acquires possession of, or in any way concerns himself in transporting, removing, depositing, keeping, concealing, supplying, or purchasing or in any other manner deals with any goods which he knows or has reasons to believe are liable to confiscation under this Act or the rules made thereunder;
- iii. receives or is in any way concerned with the supply of, or in any other manner deals with any supply of services which he knows or has reasons to believe are in contravention of any provisions of this Act or the rules made thereunder;
- iv. fails to appear before the officer of central tax, when issued with a summon for appearance to give evidence or produce a document in an inquiry;

- v. fails to issue invoice in accordance with the provisions of this Act or the rules made thereunder or fails to account for an invoice in his books of account,

3. **Penalty for failure to furnish or return**

Section 150 of the CGST Act, 2017 provides for obligations of the taxable person(s) to furnish information/return. As per Section 123 of the Act, if a person who is required to furnish an information return under section 150, fails to do so within the period specified in the notice issued under sub-section (3) thereof, the proper officer may direct that such person shall be liable to pay a penalty of **one hundred rupees for each day** of the period during which the failure to furnish such return continues. The penalty imposed under this section, however, shall not exceed five thousand rupees.

4. **Fine for failure to furnish statistics:**

Section 151 of the CGST Act, 2017 empowers the Commissioner of CGST Act, 2017 that if he considers that it is necessary so to do, he may by notification, direct that statistics may be collected relating to any matters dealt by or in connection with this Act. Section 124 provides that if any person required to furnish any information or return under section 151,—

- a. without reasonable cause fails to furnish such information or return as may be required under that section, or

b. wilfully furnishes or causes to furnish any information or return which he knows to be false, he shall be punishable with a **fine which may extend to ten thousand rupees** and in case of a continuing offence to a further fine which may extend to **one hundred rupees for each day** after the first day during which the offence continues subject to a **maximum** limit of twenty-five thousand rupees.

5. **General penalty i.e. offences for which no other penalty is provided under this Act:**

As per Section 125 of the CGST Act, 2017, any person, who contravenes any of the provisions of this Act or any rules made thereunder for which no penalty is separately provided for under this Act, shall be **liable to a penalty which may extend to twenty-five thousand rupees**.

6. **General discipline relating to penalty:**

As per sub-section (1) of Section 126 of the CGST Act 2017, no officer under this Act shall impose any penalty for minor breaches of tax regulations or procedural requirements and in particular, any omission or mistake in documentation which is easily rectifiable and made without fraudulent intent or gross negligence.

For the purpose of this sub-section, —

- a. a breach shall be considered a 'minor breach', if the amount of tax involved is **less than five thousand rupees**;
- b. an omission or mistake in documentation shall be considered to be easily rectifiable, if the same is **an error apparent on the face of record**.

The following provisions have to be kept in mind by the proper officer while imposing penalty:

1. The penalty imposed under this Act shall depend on the facts and circumstances of each case and shall be commensurate with the degree and severity of the breach.
2. No penalty shall be imposed on any person without giving him an opportunity of being heard.
3. The officer under this Act shall, while imposing penalty in an order for a breach of any law, regulation or procedural requirement, specify the nature of the breach and the applicable law, regulation or procedure under which the amount of penalty for the breach has been specified.
4. When a person voluntarily discloses to an officer under this Act the circumstances of a breach of the tax law, regulation or procedural requirement prior to the discovery of the breach by the officer under this Act, the proper officer may consider this fact as a mitigating factor when quantifying a penalty for that person.
5. The provisions of this section shall not apply in such cases where the penalty specified under this Act is either a fixed sum or expressed as a fixed percentage.
7. **Power to waive penalty or fee or both:**— As per Section 128, the Government may, by notification, waive in part or full, any penalty referred to in section 122 (i.e. 21 specified offences) or section 123 (penalty for failure to furnish information/return) or section 125 (general penalty) or any late fee referred to in section 47 (levy of late fee for delay in filing of return) for such class of taxpayers and under such mitigating circumstances as may be specified therein on the recommendations of the Council.
8. **Detention, seizure and release of goods and conveyances in transit:** Section 129, of the CGST Act, 2017, provides for levy of penalty on any person who transports any goods or stores any goods while they are in transit in contravention of the provisions of this Act or the rules made thereunder. All such goods and conveyance used as a means of transport for carrying the said goods and documents relating to such goods and conveyance shall be liable to detention or seizure and after detention or seizure, shall be released only on payment of such tax and penalty, depending upon whether the owner of goods comes forward or does not or on furnishing of such security as provided under sub-sections 2 to 6 of Section 129 of the CGST Act, 2017.
9. **Confiscation of goods or conveyances and levy of penalty.**—
Section 130 provides for confiscation of goods or conveyances and levy of penalty. The provisions of this section are summarised as under:
If any person—
 - (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
 - (ii) does not account for any goods on which he is liable to pay tax under this Act; or
 - (iii) supplies any goods liable to tax under this Act without having applied for registration; or
 - (iv) contravenes any of the provisions of this Act or the rules made thereunder with intent to evade payment of tax; or

- (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.

(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. However, such fine leviable shall not exceed the market value of the goods confiscated, less the tax chargeable thereon.

10. **Punishment for certain offences:**

Whoever commits, or causes to commit and retain the benefits arising out of, any of the following 12 offences mentioned in clauses (a) to (l) of Sub-section 1 of Section 132, shall be liable to penalty given in the matrix below:

- (a) **supplies any goods or services** or both **without issue of any invoice**, in violation of the provisions of this Act or the rules made thereunder, with the intention to evade tax;
- (b) **issues any invoice or bill without supply of goods or services** or both in violation of the provisions of this Act, or the rules made thereunder leading to wrongful availment or utilisation of input tax credit or refund of tax;
- (c) avails input tax credit using the invoice or bill referred to in clause (b) or fraudulently avails input tax credit without any invoice or bill;
- (d) collects any amount as tax, but fails to pay the same to the government beyond a period of three months from the date on which such payment becomes due;
- (e) **evades tax or fraudulently obtains refund** and where such offence is not covered under clauses (a) to (d) above;
- (f) **falsifies or substitutes financial records** or produces fake accounts or documents or furnishes any false information with an intention to evade payment of tax due under this Act;
- (g) **obstructs or prevents any officer in the discharge** of his duties under this Act;
- (h) **acquires possession of, or in any way concerns himself in transporting**, removing, depositing, keeping, concealing, supplying, or purchasing or in any other manner deals with, any goods which he knows or has reasons to believe are liable to confiscation under this Act or the rules made thereunder;
- (i) **receives or is in any way concerned with the supply of**, or in any other manner deals with any supply of services which he knows or has reasons to believe are in **contravention of any provisions of this Act** or the rules made thereunder;
- (j) **tampers with or destroys any material evidence** or documents;

- (k) **fails to supply any information** which he is required to supply under this Act or the rules made thereunder or (unless with a reasonable belief - the burden of proving which shall be upon him - that the information supplied by him is true) supplies false information; or
- (l) **attempts to commit, or abets the commission of any of the offences** mentioned in clauses (a) to (k) of this section,

Person(s) committing any of the offences mentioned at (a) to (l) above, shall be punishable:

Sr. No.	Description of offence	Period of imprisonment
(i)	in cases where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds five hundred lakh rupees (Rs 5 crore) ;	with imprisonment for a term which may extend to five years and with fine ;
(ii)	in cases where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds two hundred lakh rupees (Rs 2 crore) , but does not exceed five hundred lakh rupees (Rs 5 crore) ,	with imprisonment for a term which may extend to three years and with fine ;
(iii)	in the case of any other offence where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds one hundred lakh rupees (Rs 1 crore) , but does not exceed two hundred lakh rupees (Rs 2 crore) ,	with imprisonment for a term which may extend to one year and with fine ;
(iv)	in cases where he commits or abets the commission of an offence specified in clause (f: falsification of substitution of financial records or production of fake account or document) or clause (g: obstruction or prevention of any officer in the discharge of his duties under this Act;) or clause (j: tampering with or destruction of any material evidence or documents;	he shall be punishable with imprisonment for a term which may extend to six months or with fine or with both.

11. Person convicted of an offence under this Act is again convicted:

As per the provision of Section 132 (2), where any person convicted of an offence under this section is again convicted of an offence under this section, then he shall be punishable for the second and for every subsequent offence with imprisonment for a term which may extend to **five years and with fine.**

12. Cognizable and non- bailable offences:

The offences specified in clause (a) or clause (b) or clause (c) or clause (d) of sub-section (1) of Section 132 and punishable under clause (i) (i.e. in cases where the amount of tax evaded or the

amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds five hundred lakh rupees (**Rs 5 crore**) of that sub-section shall be cognizable and non-bailable. The list of cognizable and non-bailable offences is given below:

- (a) Supply of any goods or services or both without issue of any invoice, in violation of the provisions of this Act or the rules made thereunder, with the intention to evade tax;
- (b) Issues of any invoice or bill without supply of goods or services or both in violation of the provisions of this Act, or the rules made thereunder leading to wrongful availment or utilisation of input tax credit or refund of tax;
- (c) Availing of input tax credit using the invoice or bill referred to in clause (b) or fraudulently availing input tax credit without any invoice or bill;
- (d) Collection of any amount as tax but failing to pay the same to the Government beyond a period of three months from the date on which such payment becomes due;

Except for these four offences involving tax fraud of five crore rupee or more, all other offences under this Act, shall be non- cognizable and bailable. This is notwithstanding anything contained in the Code of Criminal Procedure, 1973.

13. **Power to order prosecution:**

A person shall not be prosecuted for any offence under this section except with the previous sanction of the Commissioner.

14. **Offences under GST by Companies, LLPs, HUFs and others**

For any offence committed by a company, both the officer in charge (such as director, manager, secretary) as well as the company will be held liable. For LLPs, HUFs, trust, the partner/karta/ managing trustee will be held liable.

Role of professionals in avoiding prosecution and payment of penalties and fines:

As is evident from the above, contravention the taxable persons have to face severe prosecution pay. CMA professionals have two way role in helping their clients to overcome compliance issues.

1. The professional should guide their client in preventing violation of any of the GST law so that the clients are saved from having to reply to show cause notices and from undergoing penalties fines and prosecution.
2. In case despite all efforts, some of the client still face the problems mentioned in the above-mentioned paragraph, the CMAs should help the clients in preparing appropriate replies, providing representational services so as to help reduce the levy of fines, penalties prosecutions
3. The CMA professionals can also help the clients in preparing analysis of the financial information so that the case could be better represented before the Appellate Authorities.

RECENT UPDATES IN DIRECT TAX AND INDIRECT TAX

TEAM TRD

Direct Tax

All institutions, funds etc covered under clause (i) and (iv) of first proviso to section 10(23C), fifth proviso to section 35(1), clause (i) and (iv) of first proviso to section 80G(5) and sub-clause (i) and (vi) of section 12A(1)(ac) of the Income Tax Act-1961 are required to re-register a fresh by using modified form-10A. Form-10A is also to be used for fresh registration under any of the above sections.

For more details, please follow- https://www.incometaxindiaefiling.gov.in/eFiling/Portal/StaticPDF/notification_19_2021.pdf

Indirect Tax

CBIC has declared due dates for filing of Form GSTR-3B from the Tax Period of January, 2021

For more details, please follow- <https://www.gst.gov.in/newsandupdates/read/467>

CBIC has declared Updates in Forms GSTR-1, GSTR-3B and Matching Offline Tool for taxpayers in QRMP Scheme

For more details, please follow- <https://www.gst.gov.in/newsandupdates/read/466>

For CBIC has enabled new features of Form GSTR-2B & GSTR-3B which are available to taxpayers under QRMP Scheme

For more details, please follow- <https://www.gst.gov.in/newsandupdates/read/464>

CBIC has released clarification on reporting 4-digit/6-digit HSNs

For more details, please follow- <https://www.gst.gov.in/newsandupdates/read/463>

CBIC has released advisory for Payment of Tax by Taxpayers under QRMP Scheme, for the month of March, 2021

For more details, please follow- <https://www.gst.gov.in/newsandupdates/read/462>

C CBIC has enabled Auto-population of e-invoice details into GSTR-1

For more details, please follow- <https://www.gst.gov.in/newsandupdates/read/460>

TAX UPDATES, NOTIFICATIONS AND CIRCULARS

INDIRECT TAX

CUSTOMS NOTIFICATIONS AND CIRCULARS

Tariff Notification

Notification No. 26/2021- Customs

Dated – 8th April, 2021

Seeks to amend customs notifications to make changes consequential to enactment of Finance Act, 2021

Central Government has amended in the following notifications:

1. 101/2007-Customs, dated the 11th September, 2007
2. 96/2008- Customs, dated the 13th August, 2008
3. 57/2009- Customs, dated the 30th May, 2009
4. 50/2018-Customs, dated the 30th June, 2018
5. 11/2021-Customs, dated the 1st February, 2021
6. 13/2021-Customs, dated the 1st February, 2021

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-tarr2021/cs26-2021.pdf>

Non Tariff Notification

Notification No. 40/2021-Customs (NT)

Dated – 1st April, 2021

Exchange rates Notification

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 2nd April, 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	57.10	54.70
Bahraini Dinar	200.70	188.35
Canadian Dollar	59.25	57.15
Chinese Yuan	11.35	11.00
EURO	87.65	84.55
US Dollar	74.15	72.45

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	67.55	65.05
Korean Won	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/csnt40-2021.pdf>

Notification No. 41/2021-Customs (NT)

Dated – 5th April, 2021

Seeks to notify Customs (Verification of Identity and Compliance) Regulations, 2021

CBIC has made the regulations on customs. These regulations may be called the Customs (Verification of Identity and Compliance) Regulations, 2021.

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-nt2021/csnt41-2021.pdf>

Notification No. 42/2021-Customs (NT)

Dated – 15th April, 2021

Tariff Notification in respect of Fixation of Tariff Value of Edible Oils, Brass Scrap, Areca Nut, Gold and Silver

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 and 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	1081
2	1511 90 10	RBD Palm Oil	1105
3	1511 90 90	Others – Palm Oil	1093
4	1511 10 00	Crude Palmolein	1111
5	1511 90 20	RBD Palmolein	1114
6	1511 90 90	Others – Palmolein	1113
7	1507 10 00	Crude Soya bean Oil	1292
8	7404 00 22	Brass Scrap (all grades)	5148

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	559 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	816 per kilogram
3	71	<p>(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;</p> <p>(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.</p> <p>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.</p>	816 per kilogram
4	71	<p>(i) Gold bars, other than tola bars, bearing manufacturer's or refiner's engraved serial number and weight expressed in metric units;</p> <p>(ii) Gold coins having gold content not below 99.5% and gold findings, other than imports of such goods through post, courier or baggage.</p> <p>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.</p>	559 per 10 grams

TABLE - 3

SI No.	Chapter/ heading/ sub-heading/tariff item	Description of goods	Tariff value (US \$)
(1)	(2)	(3)	(4)
1	080280	Areca nuts	4670

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-nt2021/csnt42-2021.pdf>

Notification No. 43/2021-Customs (NT)

Dated - 15th April, 2021

Exchange rates Notification

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 16th April, 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	59.35	56.90
Bahraini Dinar	206.15	193.55
Canadian Dollar	61.20	59.05
Chinese Yuan	11.70	11.35
EURO	91.75	88.60
US Dollar	76.15	74.45

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	70.40	67.90
Korean Won	6.95	6.55

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-nt2021/csnt43-2021.pdf>

Notification No. 44/2021-Customs (NT)

Dated – 15th April, 2021

Seeks to amend Sea Cargo Manifest and Transhipment Regulations 2018

CBIC has made the regulations further to amend the Sea Cargo Manifest and Transhipment Regulations. These regulations may be called the Sea Cargo Manifest and Transhipment (Second Amendment) Regulations, 2021.

In regulation 15 of sub-regulation (2), for the words, figures and letters, “till 15th April, 2021”, the words, figures and letters, “till 31st May, 2021” shall be substituted.

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-nt2021/csnt44-2021.pdf>

Anti-Dumping Duty

Notification No. 19/2021-Customs (ADD)

Dated – 31st March, 2021

Seeks to further amend notification No. 2/2016-Customs (ADD) dated 28th Jan, 2016

Central Government has made the amendment in the notification No. 2/2016- Customs (ADD), dated the 28th January, 2016. In this notification, extend the levy of Anti-Dumping duty on Melamine originating in or exported from China PR, up to and inclusive of 30th September, 2021

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd19-2021.pdf>

Notification No. 20/2021-Customs (ADD)

Dated – 5th April, 2021

Seeks to impose definitive anti-dumping duty on imports of Flexible slabstock polyol originating in or exported from Saudi Arabia and United Arab Emirates for a period of five years

Central Government has imposed on the subject goods, the description of which is falling under the tariff sub-heading of the First Schedule to the Customs Tariff Act as specified in the corresponding entry in column, originating in the countries as specified in the corresponding entry in column, exported from the countries as specified in the corresponding, produced by the producers as specified in the corresponding entry in column and imported into India, an anti-dumping duty at the rate equal to the amount as specified in the corresponding entry in column.

The anti-dumping duty imposed under this notification shall be levied for a period of five years

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd20-2021.pdf>

Notification No. 21/2021-Customs (ADD)

Dated – 12th April, 2021

Seeks to impose anti-dumping duty on imports of Normal Butanol or N-Butyl alcohol originating in or exported from European Union, Malaysia, Singapore, South Africa and United States of America for a further period of 5 years

Central Government has imposed on the subject goods, the description of which is falling under the tariff sub-heading of the First Schedule to the Customs Tariff Act as specified in the corresponding entry in column, originating in the countries as specified in the corresponding entry in column, exported from the countries as specified in the corresponding, produced by the producers as specified in the corresponding entry in column and imported into India, an anti-dumping duty at the rate equal to the amount as specified in the corresponding entry in column.

The anti-dumping duty imposed under this notification shall be levied for a period of five years

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd21-2021.pdf>

Notification No. 22/2021-Customs (ADD)

Dated – 12th April, 2021

Seeks to amend notification No. 14/2016-Customs (ADD), dated 21-04-2016, so as to extend the applicability of the said notification up to and inclusive of 20th October, 2021

Central Government has made the amendment in the notification No. 14/2016-Customs (ADD) which was issued on 21st April, 2016. In this notification, after paragraph 2, and before the Explanation, the following paragraph shall be inserted:

“Notwithstanding anything contained in paragraph 2, the anti-dumping duty imposed under this notification shall remain in force up to and inclusive of the 20th October, 2021, unless revoked, superseded or amended earlier.”

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd22-2021.pdf>

DIRECT TAX

Notification No. 28/2021

Income-tax (Eighth Amendment) Rules, 2021

Dated – 1st April, 2021

In the Income-tax Rules, 1962, in rule 6G, after sub-rule (2), the following sub-rule has inserted.

The report of audit furnished under this rule may be revised by the person by getting revised report of audit from an accountant, duly signed and verified by such accountant, and furnish it before the end

of the relevant assessment year for which the report pertains, if there is payment by such person after furnishing of report under sub-rule (1) and (2) which necessitates recalculation of disallowance under section 40 or section 43B.

For more details, please follow: https://www.incometaxindia.gov.in/communications/notification/notification_28_2021.pdf

Notification No. 29/2021

The Avoidance of Double Taxation and The Prevention of Fiscal Evasion

Dated – 1st April, 2021

The Government of the Republic of India and the Government of the Islamic Republic of Iran Intending to conclude an Agreement for the elimination of double taxation with respect to taxes on income without creating opportunities for non-taxation or reduced taxation through tax evasion or avoidance. This Agreement shall apply to persons who are residents of one or both of the Contracting States.

For more details, please follow: https://www.incometaxindia.gov.in/communications/notification/notification_29_2021.pdf

Notification No. 30/2021

The Avoidance of Double Taxation and The Prevention of Fiscal Evasion

Dated – 1st April, 2021

CBDT authorized the Director of Income Tax (Centralized Processing Centre), Bengaluru and Commissioner of Income-Tax (Exemption), Bengaluru, for the following purposes:

1. for receiving applications for provisional registration or registration or provisional approval or approval or intimation in Form 10A
2. for receiving applications for provisional registration or registration or provisional approval or approval or intimation in Form 10A
3. for issuing Unique Registration Number (URN) to the applicants
4. for cancelling the approval granted in Form 10AC and Unique Registration Number (URN)

For more details, please follow: https://www.incometaxindia.gov.in/communications/notification/notification_30_2021.pdf

Notification No. 31/2021

Income-tax (9thAmendment) Rules, 2021

Dated – 5th April, 2021

CBDT has make the rules on the Income-tax Rules, 1962 for the word “Commissioner”, the word “Director” shall be substituted

For more details, please follow: https://www.incometaxindia.gov.in/communications/notification/notification_31_2021.pdf

PRESS RELEASE

DIRECT TAX

Income Tax Department conducts searches in Kolkata

31st March, 2021

The Income Tax Department carried out search and seizure operations on two real estate developers engaged in the real estate activities mainly in and around Yadagirigutta, suburb of the Hyderabad City. They are into plot ventures as well as in the construction of apartments.

During the course of search operations, many incriminating documents, hand written books, agreements etc. indicating unaccounted cash transaction were seized. The data was also recovered from a specialized software application as well as from other electronic gadgets. The groups were found to be accepting cash over and above the registered value and such unaccounted cash is used for on-money payment for purchase of land and other incidental business expenditure.

During the course of search unaccounted cash of Rs. 11.88 crore and gold jewellery valued at Rs. 1.93 crore has been seized. The search has resulted in the detection of incriminating evidences relating to the unaccounted cash receipts to the tune of Rs. 700 crore for the last six years, the income of which is taxable in the hands of the transacting parties.

Further investigations are in progress.

Extension of Time for Intimation of Aadhaar and Certain Other Time Limits

31st March, 2021

In view of the COVID-19 pandemic, certain time limits specified under the various tax and Benami laws have been extended by the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020 and subsequent notifications issued under this Act.

The extended last date for intimating Aadhaar number under the Income-tax Act, 1961 (the Act) for the purposes of linking Aadhaar with PAN is 31st March, 2021. Representations have been received from taxpayers that the last date for intimating the Aadhaar number may further be extended in the wake of the on-going COVID-19 pandemic. Keeping in view the difficulties faced by the taxpayers, the Central Government has issued notification today extending the last date for the intimation of Aadhaar number and linking thereof with PAN to 30th June, 2021.

The said notification also extended time-limits for issue of notice under section 148 of the Act, passing of consequential order for direction issued by the Dispute Resolution Panel (DRP) and processing of equalisation levy statements to 30th April, 2021.

CBDT issues refunds of more than Rs. 2.62 lakh crore upto 31.03.2021

1st April, 2021

Financial Year 2020-21 has been a year full of challenges, both, globally as well as for India due to the COVID-19 pandemic. The Government has, from time to time, come out with several initiatives to mitigate the economic hardship caused to the people due to the effect of the pandemic. To provide immediate relief to the taxpayers, both individuals and business entities, the Government has issued income tax refunds in majority of the pending cases with alacrity.

Accordingly, the Central Board of Direct Taxes (CBDT) has issued refunds of more than Rs. 2.62 lakh crore to more than 2.38 crore taxpayers from 1st April, 2020 to 31st March, 2021, as against total refunds of Rs. 1.83 lakh crore issued during the corresponding period of the previous fiscal, marking an increase of almost 43.2%. Income tax refunds of approximately Rs. 87,749 crore have been issued in 2,34,27,418 cases whereas corporate tax refunds of approximately Rs. 1,74,576 crore have been issued in about 3,46,164 cases during the said period.

It has been the endeavour of the Government to come out with various measures to ease the economic fallout of the pandemic and in line with the same, CBDT has issued pending refunds expeditiously.

CBDT notifies New Income Tax Return Forms for AY 201-22

1st April, 2021

The Central Board of Direct Taxes has notified Income Tax Return Forms (ITR

Forms) for the Assessment Year 2021-22 vide Notification no.21/2021 in G.S.R. 242(E) dated 31.03.2021. Keeping in view the ongoing crisis due to COVID pandemic and to facilitate the taxpayers, no significant change have been made to the ITR Forms in comparison to the last year's ITR Forms. Only the bare minimum changes necessitated due to amendments in the Income-tax Act, 1961 have been made.

ITR Form 1 (Sahaj) and ITR Form 4 (Sugam) are simpler Forms that cater to a large number of small and medium taxpayers. Sahaj can be filed by an individual having income upto Rs. 50 lakh and who receives income from salary, one house property / other sources (interest etc.). Similarly, Sugam can be filed by individuals, Hindu Undivided Families (HUFs) and firms (other than Limited Liability Partnerships (LLPs)) having total income upto Rs. 50 lakh and income from business and profession computed under the presumptive taxation provisions.

Individuals and HUFs not having income from business or profession (and not eligible for filing Sahaj) can file ITR-2 while those having income from business or profession can file ITR Form 3. Persons other than individual, HUF and companies i.e. partnership firm, LLP etc. can file ITR Form 5. Companies can file ITR Form 6. Trusts, political parties, charitable institutions etc. claiming exempt income under the Act can file ITR-7

There is no change in the manner of filing of ITR Forms as compared to last year. The notified ITR Forms are available on <http://egazette.nic.in/WriteReadData/2021/226336.pdf>.

JUDGEMENTS

INDIRECT TAX

18% GST on Contract relating to Electrical Works from Sub-Contractor for Work of Government Company: AAR

Fact of the Case

The applicant, M/S Hadi Power Systems is a proprietary concern registered under the Goods and Services Tax Acts and is engaged in the business of execution of works contracts relating to electrical works and electrical infrastructure.

The applicant states that M/S. Ocean Constructions (India) Pvt. Ltd., has been awarded a contract by M/S Karnataka Neeravari Nigam Ltd. for civil, electrical and mechanical works. The applicant also states that the nature of works delegated to the main contractor, M/S. Ocean Construction (India) Pvt. Ltd. is for the construction of Channa basaveshwara Lift Irrigation Scheme which includes preparation of plans and drawings, construction of intake canal, jack well cum pump house, Rising main, Electrical sub-station, erection of vehicle turbine pumps, including commissioning of entire project, including maintenance for 5 years period on turnkey basis.

The applicant has also stated that the main contractor has subcontracted the certain electrical works to M/S Shaaz Electricals. Further, the first subcontractor has in turn entered into a sub-contract agreement with the applicant for providing electrical works. M/S Karnataka Neeravari Nigam Ltd is being registered as a company which is wholly owned Government of Karnataka, as per the provisions of the Companies Act, 1956 with effect from 9th December 1998 for civil, electrical and mechanical works.

The applicant sought the advanced ruling on the issue whether concessional rate of GST shall apply to the sub-contractor who is sub-contracted from a sub-contractor of the main contractor, the main contractor being provider of works contract to a Government entity.

Decision of the Case

The Coram observed that the privity of contract is between the applicant and the M/S Shaaz Electricals, however M/S Shaaz Electricals is not covered under Central Government, State Government, Union Territory, a local authority or a Governmental Authority or a Government Entity and hence the supply made by the applicant is not covered entry no.3 (iii) of Notification No. 11/2017- Central Tax (Rate) dated June 28, 2017. For the same reason, the activity of the applicant is also not covered under entry no. 3(vi) of the Notification No. 11/2017- Central Tax (Rate) dated June 28, 2017 (as amended).

The AAR ruled that that the activity under consideration undertaken by the applicant is not covered under entry no.3 (ix) or under entry 3 (iii) or under entry 3 (vi) of Notification No. 11/2017- Central Tax (Rate) dated 28.06.2017 (as amended) and hence applicant is not liable to charge concessional rate of 12% GST on the said supply, and the applicant has to discharge tax rate 18% GST.

The Karnataka Authority of Advance Ruling (AAR) ruled that the 18% GST is applicable on contract relating to electrical works from sub-contractor for work of Government Company.

5% GST on pick-up charges paid to the owner/driver: AAR

Fact of the Case

The applicant, M/s. Kou-Chan Technologies Pvt. Ltd., is a Private Limited Company registered under the Goods and Services Tax Act, 2017 and proposes to operate a mobile-based taxi aggregation service, on a pan-India basis under the trade name “DYUT RIDES”.

The applicant sought advance ruling in respect of the various questions.

- Firstly, do the various supplies (of the Applicant, the Vehicle Owner, the Driver and the Associate partner together) mentioned supra qualify as ‘Composite Supply.
- Secondly, do the pick-up charges paid to the Owner/ Driver fall under GST rate of 5%.
- Thirdly, do the service charges collected from the passengers fall under the GST rate of 5%?

The Associate Partner renders services to the Passengers and to the Drivers/ Vehicle Owners directly, and in that case does any supply of service exists between the Applicant/Aggregator and the Associate Partner, and if yes, what is the rate at which GST has to be collected and remitted? It may be noted that the Associate Partner is paid up to 10ps per transaction as explained in the above-said example. Fifthly, does the amount received from the Owners / Drivers towards bidding get covered in the 5% GST or should it be separately charged at 18%?

It may be noted that to participate in the bid, the drivers have to pay to the Applicant @ 3 Ops per bid and GST. Sixthly, does the Goodwill Bonus being paid by Passenger to the Driver for good service and on which the Applicant collects the service charges, attract GST and if so at what rate.

Decision of the Case

The Coram held that the various supplies of the applicant, the vehicle owner, the driver, and the associate partner together do not qualify as Composite supply. “The pick-up service is incidental to the main service of transportation of passengers by radio taxi and hence the pick-up charges form part of the service of transportation of passengers by a radio taxi and hence the applicant is liable to pay 5% GST, on such pick-up charges,” the AAR said.

The Authority further ruled that 18% by associate partners in case the associate partner is registered under GST. Where the associate partners are not registered under GST, no GST is leviable on the amount remitted to the associate partner. The amount received from drivers/ owners towards bidding get covered should be separately charged at 18%, the AAR added. The goodwill bonus being paid by passenger to the driver and on which the applicant collects the service charges, attract 18% GST, says AAR.

The Karnataka Authority of Advance Ruling (AAR) ruled that 5% GST is applicable on pick-up charges paid to the owner/driver.

18% GST on Parboiling Rice & Drying plant: AAR

Fact of the Case

The applicant, M/s SKF Boilers and Driers (P) Ltd. has submitted that a paddy processing plant consists of various sections which are involved with the activities of parboiling rice, drying, rice milling, and polishing. Parboiling is a process of soaking, steaming and drying prior to milling.

The applicant has sought advance ruling on the issue of

- Whether the parboiling and the drier plant is part of rice milling machinery as specified in the Notification dated 28-06-2017 under HSN 8437 issued under the CGST Act, 2017 taxable at 5% (2.5% CGST + 2.5% SGST).
- Another issue was that if the plant/ machinery is not classified under HSN 8437, whether the same is to be taxed under HSN 8419 at the rate of 18% in the Notification dated 28-06-2017 (9% CGST + 9% SGST).

Decision of the Case

The Coram held that Parboiling and Drying plant is classified under HSN 8419 Entry No.320 at the rate of 18% as per Notification No. 1/2017 -Central Tax (Rate) dated 28th June, 2017 (9% CGST + 9% SGST) as amended vide Notification No.41/2017-Centra1 Tax (Rate) dated the 14th November, 2017.

The Karnataka Authority of Advance Ruling (AAR) ruled that 18% GST is applicable on Parboiling Rice and Drying plant.

No GST applicable on Rent received from Backward Classes Welfare Department: AAR

Fact of the Case

The applicant, Sri Puttahalagaiah is an individual and owner of the premises and has entered into an agreement with the Extension Officer, Backward Classes Welfare Department, Government of Karnataka to rent out his property to run post metric Girl's Hostel and constitute rent/ letting out of 10,441 sq.ft building consisting of seven rooms, two halls, 11 toilets, 10 bathrooms and bore well, for a rent of Rs. 1 per month.

The applicant has furnished a magazine published by the Government of Karnataka which pertains to action plan of backward classes Welfare Department 2019-20, where in it is reported that backward Classes Welfare Department has been established for the welfare of backward classes to implement programmes of overall development of backward classes which are notified by the Government of Karnataka.

The Backward Classes Welfare Department is providing hostel facilities to the students of backward classes studying in Government/ Government aided institutions after matriculation. The applicant is of

the opinion that since he is letting out his property to Backward Classes Welfare Department who in turn is using it for welfare of weaker section of the society of the backward classes students where the annual income of the family is less than threshold for the creamy layer, therefore the service provided by him to Backward Classes Welfare Department to run post metric Girl's Hostel is exempted service as it is covered under Article 243G of the Constitution.

The applicant has sought the advance ruling in respect of the taxability of rent received from Backward Classes Welfare Department.

Decision of the Case

The Coram noted that the applicant has rented his property to the Backward Classes Welfare Department, Government of Karnataka, who in turn is using the same for providing hostel facilities to the post metric girls of backward classes. This is in relation to the function entrusted to a panchayat under article 243G of the constitution which is covered by the 27th entry of the 11th schedule which says Welfare of the weaker sections, and in particular, of the Scheduled Castes and the Scheduled Tribes.

The AAR ruled that since the applicant is providing to the State Government pure services by way of any activity in relation to any function entrusted to a Panchayat under article 243G of the Constitution, the same is covered under entry number 3 of Notification No. 12/2017-Central Tax (Rate) dated June 28, 2017, and hence is exempted under the CGST Act, 2017. For the same reasons, the activity is also exempted under the KGST Act, 2017.

The Karnataka Authority of Advance Ruling (AAR) ruled that no GST is applicable on Rent received from Backward Classes Welfare Department.

Work Contract entrusted to NBCC (India) by IIT, Bhubaneswar to be treated as Composite Supply Contract: AAAR

Fact of the Case

The appellant, M/s NBCC (India) Limited is a Government of India Enterprises under the aegis of Ministry of Urban Development, Government of India, have filed an application on 17.01.2020 under Section 97 of CGST Act, 2017 and Section 97 of the OGST Act, 2017 in Form GST ARA 01 before the Authority for Advance Ruling, Odisha (AAR) seeking an Advance Ruling on the applicability of rate of taxes with respect to the supplies made by NBCC to IIT, Bhubaneswar in terms of clause (vi)(b) of Sr.No.3 (classification code 9954) of the Table in the Notification No. 11/2017-Central Tax (Rate) dated the 28th June, 2017.

Aggrieved by the ruling of the Authority for Advance Ruling, Odisha, the Applicant M/s. NBCC (India) Ltd. filed an appeal before the Odisha Appellate Authority for Advance Ruling. The issue raised was whether the works executed by them can be treated as composite supply or not.

Where the Authority for Advance Ruling in their rulings of the order have held that a number of works have been entrusted to the Applicant would not make it entitled to be categorized as composite supply, particularly in terms of Section 2(30) of the CGST Act, 2017. "The works entrusted to the Applicant namely construction of 800 seater boys hostel, 200 seater girls hostel, Construction of lecture hall complex, Construction of Student Activity Centre, Dispensary, Construction of 1000 capacity Auditorium, Construction of Central Research & Instrumentation facilities, Construction of Central Workshop, Playgrounds are within the purview of sub-clause (b) of Clause (vi) of SI No.3 (heading 9954) of Notification No. 11/2017-Central Tax (Rate) dated the 28th June, 2017. under CGST Act and corresponding

notification under OGST Act, 2017, and hence merits concessional rate of tax at applicable tax rate of 12%," the AAR observed.

The representative of M/s. NBCC (India) Ltd, has vividly argued that the subject works contract which was entrusted to M/s. NBCC (India) Ltd. by IIT, Bhubaneswar is a composite supply and is naturally bundled. To support their stand, he has cited the content of memorandum of agreement between IIT, Bhubaneswar and M/s. NBCC (India) Ltd. executed.

Decision of the Case

The Coram of observed that the Authority for Advance Ruling, Odisha has held that, major part of the project works are covered under sub-clause (b) of Clause (vi) of SI No.3 (heading 9954) of Notification No. 11/2017-C.T. (Rate) under CGST Act and corresponding notification under OGST Act, 2017, and hence merits concessional rate of tax of 12%.

The AAAR clarified that composite supply works contracts are treated as a supply of service under Schedule II of the CGST or OGST Act. Therefore, the Appellate Authority did not accept the decision of the Authority for Advance Ruling that the works contract entrusted to Applicant M/s. NBCC(India) Ltd. cannot be termed as a composite supply.

"In view of the above findings in our view, the works entrusted to M/s. NBCC (India) Ltd. can be treated as composite supply and consequently the Faculty Quarters, Staff Quarters and Director's Bungalow shall be entitled for concessional rate under Sl.No.3(vi) of the Notification No. 11/2017-Central Tax (Rate) dated the 28th June, 2017 and matching State tax notification issued by the Government of Odisha," the AAAR ruled.

The Odisha Appellate Authority of Advance Ruling (AAAR) ruled that the work contract entrusted to NBCC (India) by IIT, Bhubaneswar to be treated as composite supply contract.

DIRECT TAX

ITAT deletes Addition made on account of Late Deposit of ESIC & PF

Fact of the Case

- The assessee company, Dee Development Engineers Ltd. is engaged in business of manufacturing and fabrication of piping system and pipe fitting, generation of power through BIO Mass Technology.
- The assessee company filed return of income declaring a loss. The Company revised its return of income. The case was selected for scrutiny and notices under section 143(2) and 142(1) were issued.
- The assessee argued that the assessee company has collected amount towards employees contribution towards ESI & PF and deposited to the Government on various dates as per challans issued.
- But the employees contribution towards Provident Fund and ESI was filed after the due date but before filing of the Income Tax Return.
- It is a settled principle of law that the amount deposited by the assessee on account of contribution towards PF & ESI would qualify for deduction even though paid after the due dates prescribed under the Provident Fund and ESI Act but before filing of the Income Tax Return.

Decision of the Case

- The coram of R.K.Panda and Suchitra Kamble held that the legislative intent and objective is to treat belated payment of Employee's Provident Fund (EPF) and Employee's State Insurance Scheme (ESI) as deemed income of the employer under Section 2(24)(x) of the Act.
- In the light of the latest decision of the supreme court in the case of vegetable products limited The Income Tax Appellate Tribunal (ITAT), Delhi Bench while dismissing the appeal of the revenue deleted the addition made on account of late deposit of Employee's State Insurance Corporation (ESIC) and Provident Fund (PF).

ITAT deletes addition on account of Miscellaneous Expenditure

Fact of the Case

- In the present problem the assessee filed Income Tax Return by showing additional miscellaneous expenditure of Rs. 1,92,38,312 without any proper supportive documentary evidence
- The assessing officer deleted the addition . But on appeal by the assessee , the CIT(A) passed the order in favour of the assessee
- The Revenue's sole substantive ground pleaded in the instant appeal seeks to reverse the CIT (A)'s action deleting disallowance or addition of Rs.1,92,38,312 on account of expenditure incurred.
- However, the ITAT found no merit in Revenue's instant grievance.

Decision of the Case

- The coram of Lakshmi Prasad Sahu and S.S.Godara noted that the Assessing Officer had disallowed the assessee's entire expenses in the drug manufacturing business thereby enhancing its profit to the maximum level.
- The assessee has already explained the reason for non-production of audited books of account to the fact that there was a tenancy dispute culminating in locked up premises in the corresponding span of time.
- So far as the Revenue's case that the CIT (A) deleted the impugned disallowance without verification, it has come on record that he had duly sought for a remand report from the Assessing Officer's side. We therefore find no reason to revive the impugned disallowance going by the Revenue's pleadings. Its sole grievance failed accordingly," the ITAT said.

Penalty can be imposed only if Income concealed or furnish inaccurate particulars of Income: Delhi High Court

Fact of the Case

- The assessee, Taneja Developers, and Infrastructure Ltd. made a fresh claim under section 153A of the income tax act of the proportionate expenditure, which was originally claimed, partly in the original return and the balance was claimed in the return under Section 153A of the Income Tax Act.
- The assessee brought about a change in the accounting policy vis-a- vis the aforementioned expenses to align it with Accounting Standard-7 (AS-7).
- The CIT(A) held that the claim of the assessee was based on accounting principles changing the method of accounting. It was not acceptable to the assessing officer and therefore it was rejected.

- Mere rejection of the claim, which is found untenable, does not lead to a penalty for furnishing inaccurate particulars. Even otherwise the complete details of the expenditure, the accounting policy followed by the assessee, the claim of the assessee in the original assessment proceedings under section 143 (3) of the act were already before the Ld. assessing officer.

Decision of the Case

- The division bench of Justices Rajiv Talwant and Shakhder Singh noted that the assessee attempted a change in the method of accounting, concerning the aforementioned expenses. The method of accounting, as noticed, was in line with the AS-7.
- The Delhi High Court held that the penalty can be imposed only if income concealed or furnish inaccurate particulars of Income.

Marriage Gifts / Cash received through Banking Channel cannot be treated as source for Cash Deposits: ITAT deletes Addition

Fact of the Case

- The assessee, Venkatesh Soutoor Tirupati is an individual. On verification of the information available with the Department under NMS data, it was found that during the financial year 2014-15, the assessee has deposited cash aggregating to Rs.24,74,400/- in his account with Andhra Bank, Main Branch, Tirupati and that he has not filed his return of income for the said year.
- The assessee furnished information stating that he is a goldsmith procuring old gold ornaments through auction sales from Andhra Bank and other customers and also selling them (after melting) and that he is not a registered dealer under VAT. The assessee also explained that in addition to the above, the sources for the total credits were also out of his past savings, hand loans, marriage gifts, and business receipts admitted under section 44AD of the Act.
- The assessee had also stated that he has received a gift of Rs.2,70,000/- from his brother on account of his marriage for which he has filed confirmation letter and the gift deed and the transaction was done through banking channel. The assessee has stated that he has received marriage gifts from others totaling to Rs.5,79,419. After enquiry conducted through ITI of the Office, it was found that the assessee stated to have received cash gifts from 105 persons and cash ranging from Rs.501/- to Rs.1,00,001/- for which the assessee has provided a list of donors and claimed that these are also the sources for the cash deposits during the year.
- The Assessing Officer, however, did not accept the entire cash gifts and he has accepted only 1/3rd of the cash gifts and the balance of Rs.3,86,279/- was treated as unexplained cash credit. As regards a gift of Rs.2,70,00/- from his brother, the Assessing Officer observed that the transaction was done through a Banking channel.

Decision of the Case

- The coram of Madhavi Devi observed that the Assessing Officer has held the ATM withdrawals and also 2/3rd of the gifts at the time of marriage as sources for redeposits into the Bank account as unbelievable.
- The Tribunal opined that the entire ATM withdrawals may not have been used for day-to-day expenses and some of them might have been utilized for making the deposits into his Bank account. Therefore, the ITAT accepted 50% of the same as the source for cash deposits. The assessee gets relief accordingly.

No TDS applicable on Surrogacy payments: ITAT

Fact of the Case

- The assessee company, Kiran Infertility Central Private Limited runs infertility clinic. It had admittedly claimed an amount of Rs.71,23,300/- to Mr. Sai as surrogacy charges without deducting TDS thereupon to Shri Sessa Sai.
- The Assessing Officer's assessment order suggests that he sought to treat the same as payments made under section 194J of the Act in the nature of fee for technical services as well as contractual payments under section 194C of the Act, requiring mandatory TDS deduction going by chapter-XVII of the Act.
- He submitted that the assessee or infertility clinic is neither a party to the corresponding agreement executed between the genetic parents and surrogate mothers nor has it availed any technical services from either of them so as to deduct TDS in issue.
- The issue raised was whether payments made to surrogate mothers attract chapter-XVII of the Act requiring TDS deduction.

Decision of the Case

- The coram of Laxmi Prasad Sahu and S.S.Godara did not find any technical service element involved in all the surrogacy process involving the recipient or the surrogate mothers attracting the clinching statutory expression of managerial, professional and technical services under section 194J read with section 9(i)(vii) Explanation.
- Thus reversed both the lower authorities' action invoking Section 194J in facts of the instant case.
- The Income Tax Appellate Tribunal (ITAT), Hyderabad Bench ruled that no TDS applicable on Surrogacy payments.

TAX COMPLIANCE CALENDER AT A GLANCE

GOODS AND SERVICES TAX CALENDAR

Due Date for GSTR-3B			
States	Turnover in Preceding F.Y.	Month	Due Date
For All States	Turnover is more than Rs. 5 Crore	March, 2021	20 th April, 2021
Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, Daman & Diu and Dadra & Nagar Haveli, Puducherry, Andaman and Nicobar Islands, Lakshadweep	Opting for the QRMP Scheme		
	Turnover is upto Rs. 5 Crore	Jan to March, 2021	22 nd April, 2021
Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand, Odisha, Jammu and Kashmir, Ladakh, Chandigarh, Delhi	Opting for the QRMP Scheme		
	Turnover is upto Rs. 5 Crore	Jan to March, 2021	24 th April, 2021

Due Date for GSTR-1		
Form	For month/Quarter	Date
GSTR-1	Monthly	
	March 2021	11 th April, 2021
	April, 2021	11 th May, 2021
	Quarterly	
	January to March	13 th April, 2021
	April to June, 2021	13 th July, 2021

Composition Scheme Due Dates		
From	Description	Date
CMP - 08	Return for Composite Supplier	
	January to March 2021	18th April, 2021

Others Returns		
From	Description	Due Date
GSTR - 4	FY 2020-21	30th April 2021
GSRT- 5 & 5A	Filed by Non-resident taxable person and OIDAR respectively	
	March 2021	20th April, 2021
GSTR - 6	For input Services Distributor who are required to furnish details of invoice on which credit has been received	
	March, 2021	13th April, 2021
	April, 2021	13th May, 2021
GSTR - 7	Filed by person required to deduct TDS under GST	
	March, 2021	10th April, 2021
	April, 2021	10th May, 2021
GSTR - 8	E-commerce operator who are required to deduct TDS	
	March 2021	10th April, 2021
	April, 2021	10th May, 2021

DIRECT TAX CALENDAR - APRIL, 2021

Important due dates for the Income Tax	
30.04.2021	Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of March, 2021 has been paid without the production of a challan
30.04.2021	Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA, 194IB & 194M in the month of March, 2021
30.04.2021	Due date for deposit of Tax deducted by an assessee other than an office of the Government for the month of March, 2021
30.04.2021	Due date for e-filing of a declaration in Form No. 61 containing particulars of Form No. 60 received during the period October 1, 2020 to March 31, 2021
30.04.2021	Due date for uploading declarations received from recipients in Form. 15G/15H during the quarter ending March, 2021
30.04.2021	Due date for deposit of TDS for the period January 2021 to March 2021 when Assessing Officer has permitted quarterly deposit of TDS under section 192, 194A, 194D or 194H

COURSES OFFERED BY 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

EXISTING COURSES

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

CRASH COURSE ON GST FOR COLLEGE AND UNIVERSITY

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 FOR COLLEGE AND UNIVERSITY

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

Admissions open for the courses - <https://eicmai.in/advsec/DelegatesApplicationForm-new.aspx>

NEW COURSES

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

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/>

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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