

NOVEMBER, 2021

# TAX Bulletin

★ ★ VOLUME - 99 ★ ★



**THE INSTITUTE OF COST ACCOUNTANTS OF INDIA**

Statutory Body under an Act of Parliament

[www.icmai.in](http://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.”

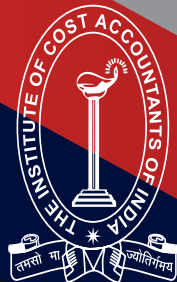
### Objectives of Taxation Committees:

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.

NOVEMBER, 2021

# TAX Bulletin

★ ★ VOLUME - 99 ★ ★



**THE INSTITUTE OF COST ACCOUNTANTS OF INDIA**

Statutory Body under an Act of Parliament

[www.icmai.in](http://www.icmai.in)

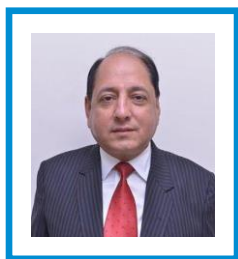
**Headquarters:** CMA Bhawan, 12 Sudder Street, Kolkata - 700016

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





**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!!!

**M**ay this Diwali of yours be free from darkness and have abundance of light. God bless you and your family with health, wealth, prosperity and happiness.

This fortnight the CBIC has announced the following for its Taxpayers

- Under back-to-back loan facility in-lieu of GST compensation, the Govt. of India has released balance amount of Rs. 44,000 crore to States & UTs.
- It was held at the Hon'ble Supreme Court that law permits rectification of errors, omissions only at the initial stages of Forms GSTR-1 and GSTR-3 in the specified manner.
- The Director General of Foreign Trade (DGFT) had invited the Public/ Industry comments on Draft policy on General Authorization for export of chemical related equipment (GAEC) of chemical related equipment of SCOMET items.

In the Direct Tax field:

- The Income-tax department has issued the new order U/S 285BB increasing the scope of the other information in form 26AS such as foreign remittances, income tax return details, etc.
- The CBDT has issued the guidelines under clause (23FE) of section 10 related to the TPL Division via a circular no.19 on 26th October 2021.
- CBDT has launched a new tax audit utility for the financial year 2020-21.
- The Income-tax department has received more than 2 crores ITRs for AY 2021-22 and issued tax refunds of INR 36 lakh.
- The department has provided the press release related to the search investigation on digital marketing and campaign management groups.

The department in this fortnight is in preparation of a Workshop on Practical Approach of Provident Fund. The said workshop is intended to address the critical areas in Provident Fund and would be highly beneficial for the members and stake holders. The workshop would be conducted from 13<sup>th</sup> to 16<sup>th</sup> November, 2021.

Apart from the workshop the classes for all the Taxation Courses are scheduled to commence. 98<sup>th</sup> Edition of our Tax Bulletin has been published. The Taxation Portal is being updated on a regular basis. GST Course for colleges and universities has started in Bemina College of Kashmir and KCLAS College of Kerela. We are also happy to note that some other colleges across India have shown their interest in this course also.

We would like to thank each member of the Tax Research Department for their continued efforts. Suggestions are sought from our readers for any modifications or improvisations.

Wishing you all a great Diwali.

Jai Hind.

Warm Regards



(Rakesh Bhalla)

**CMA Rakesh Bhalla**  
2<sup>nd</sup> November 2021



**CMA Chittaranjan Chattopadhyay**  
2<sup>nd</sup> November 2021

# TAXATION COMMITTEES 2020 - 2021

## Indirect Taxation Committee

### Permanent Invitees

CMA Biswarup Basu - President  
CMA P. Raju Iyer - Vice-President

### Chairman

1. CMA Chittaranjan Chattopadhyay

### Members

2. CMA Balwinder Singh  
3. CMA Ashwinkumar G. Dalwadi  
4. CMA Debasish Mitra  
5. CMA H. Padmanabhan  
6. CMA (Dr.) V. Murali  
7. CMA (Dr.) K Ch A V S N Murthy  
8. CMA Vijender Sharma  
9. CMA Rakesh Bhalla  
10. CMA V.S. Datey (Co-opted)  
11. CMA Ashok B. Nawal (Co-opted)  
12. CMA Debasis Ghosh (Co-opted)  
13. CMA Mrityunjay Acharjee (Co-opted)

### Secretary

CMA Rajat Kumar Basu, Addl. Director

## Direct Taxation Committee

### Permanent Invitees

CMA Biswarup Basu - President  
CMA P. Raju Iyer - Vice-President

### Chairman

1. CMA Rakesh Bhalla

### Members

2. CMA Balwinder Singh  
3. CMA Neeraj D. Joshi  
4. CMA (Dr.) Ashish P. Thatte  
5. CMA H. Padmanabhan  
6. CMA Papa Rao Sunkara  
7. CMA Chittaranjan Chattopadhyay  
8. CMA Harijiban Banerjee (Co-opted)  
9. CMA Rakesh Sinha (Co-opted)

### Secretary

CMA Rajat Kumar Basu, Addl. Director

## ACKNOWLEDGEMENTS

CMA Mrityunjay Acharjee	CMA Anil Sharma
CMA Amit Sarker	CMA Arindam Goswami
CMA Vishwanath Bhat	CMA Manmohan Daga
CMA Bhogavalli Mallikarjuna Gupta	CMA Ashok Nawal
CMA T K Jagannathan	CMA Dipankar Biswas
CMA Shiba Prasad Padhi	
CMA Niranjan Swain	
CMA Navneet Kumar Jain	

## TEAM - TAX RESEARCH DEPARTMENT

CMA Rajat Kumar Basu	-	Additional Director - Tax Research
CMA Tinku Ghosh Das	-	Deputy Director - Tax Research
CMA Priyanka Roy	-	Assistant Director - Tax Research
Ms. Mukulika Poddar	-	Officer - Tax Research
CMA Debasmita Jana	-	Associate - Tax Research
CMA Amitesh Kumar Shaw	-	Research Associate
CMA Priyadarsan Sahu	-	Research Associate

### SPECIAL ACKNOWLEDGEMENT

Mr. Dipayan Roy Chaudhuri	-	Graphics & Web Designer
---------------------------	---	-------------------------

# CONTENTS

ARTICLES		
<b>INDIRECT TAX</b>		
01	<b>WHETHER SOCIAL WELFARE SURCHARGE IS PAYABLE BY IMPORTERS UNDER EXPORTS SCHEMES?</b>	
	CMA Ashok Nawal	Page - 1
02	<b>GST ON RECOVERY OF FOOD EXPENSES FROM EMPLOYEES FOR THE CANTEEN PROVIDED BY COMPANY</b>	
	CMA Dipankar Biswas	Page - 6
<b>TAX UPDATES, NOTIFICATIONS AND CIRCULARS</b>		
	Indirect Tax	Page - 10
	Direct Tax	Page - 17
<b>PRESS RELEASE</b>		
	Direct Tax	Page - 21
<b>JUDGEMENTS</b>		
	Indirect Tax	Page - 23
	Direct Tax	Page - 26
<b>TAX COMPLIANCE CALENDAR AT A GLANCE</b>		
	Indirect Tax	Page - 30
	Direct Tax	Page - 31
	Courses - Tax Research Department	Page - 33
	E-Publications of Tax Research Department	Page - 34
	Flyer - 4 days Workshop on Provident Fund	Page - 35

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***





**CMA Ashok Nawal**

Founder Bizsol India Services Pvt. Ltd

## **WHETHER SOCIAL WELFARE SURCHARGE IS PAYABLE BY IMPORTERS UNDER EXPORTS SCHEMES?**

---

**I**n the Finance Budget 2018, Social Welfare Surcharge was introduced vide Section 110 of Finance Act 2018 and thereafter Social Welfare Surcharge was levied on the custom duty levied and collected to the extent of 10% of such amount.

Off let, Directorate of Revenue Intelligence (DRI) initiated the enquiries against the importers, who has imported duty free goods under Advance Authorization or duty-free import authorization or Export Oriented Unit (EOU) / EHTP / STP etc., where custom duties are exempted against the certain obligations and therefore, no custom duty were levied and collected, but department now asking such importers to appear before the authorities against the summons issued by them for non-payment of SWS on imported goods in respect of which whole of the Basic Customs Duty exempted.

DRI have issued various letters asking major importers to pay the duty on imports, where Social Welfare Surcharge (SWS) is calculated on Custom Duties, which is otherwise exempted vide various notifications issued for duty free imports by exporters under advance authorization, Export Promotion Capital Goods Authorizations or who are under EOU / EHTP / STPI Scheme raising the following issues :

- i. Section 110 Finance Act, 2018 has introduced new levy of SWS on the goods specified in the First Schedule of Customs Tariff Act, 1975 with intent to fulfill commitment of Government to finance education, health & social security
- ii. Sub-section (3) provided the computation of such levy and stipulates that the SWS shall be calculated at the rate 10% of aggregate of duties, taxes and Cesses which are leviable. However, in reality such SWS was made payable on the Basic Customs Duty levied only and at the rate of 10% of such duty leviable.
- iii. On examination of data pertaining to imports made by you during the period 02.02.2018 onwards, that exporters have availed exemption from basic customs duty under notification No. 52/2003 Cus. Dated 31.03.2003 and exemption provided from payment of SWS vide notification No. 11/2018 Cus dated 02.02.20218 is not applicable to us. The logic primarily put forth for not paying SWS is that,

SWS being a duty of Customs and computable as a percentage of the BCD is not payable when BCD itself is exempted. It automatically assumed to be that SWS is also exempted.

- iv. Modality of computation of SWS cannot be a ground for non-payment of duty. When particular kind of duty is exempted, other types of duty or cess imposed by different legislation for a different purpose cannot be said to have been exempted.
- v. Exporters have been further asked to submit the data as per format given in the letter.

On behalf of trade and industry, we submit our view for non-payment of SWS in case of imports made by major importer under EOU or against Advance Authorisation or EPCG Authorisation scheme.

- a. Exporters have been operating under Export Oriented Unit (EOU) Scheme / obtaining Advance Authorization or EPCG Authorization, they have been allowed to import goods without payment of Customs Duty. For an EOU Customs Duties have been exempted under relevant notifications.
- b. Exporters would like to invite your kind attention on the provision of Section 110 of Finance Act 2018, wherein it is very clearly mentioned that SWS shall be calculated at the rate of ten percent on aggregate of duties which are **levied and collected** by the Central Government under section 12 of Customs Act, 1962. In your letter it is mentioned that SWS is payable on basic customs duty levied only, in fact SWS is payable on the basic customs duty **levied and collected**. It appears that the word “collected” is ignored while reading the entire provision of law. Exporters reproduce the section for ready reference:

### **Section 110 of Finance Act 2018**

- (1) *There shall be levied and collected, in accordance with the provisions of this Chapter, for the purposes of the Union, a duty of Customs, to be called a Social Welfare Surcharge, on the goods specified in the First Schedule to the Customs Tariff Act, 1975 (hereinafter referred to as the Customs Tariff Act), being the goods imported into India, to fulfil the commitment of the Government to provide and finance education, health and social security.*
- (2) *The Central Government may, after due appropriation made by Parliament by law in this behalf, utilise such sums of money of the Social Welfare Surcharge levied under this Chapter for the purposes specified in sub-section (1), as it may consider necessary.*
- (3) *The Social Welfare Surcharge levied under sub-section (1), shall be calculated at the rate of ten per cent. on the aggregate of duties, taxes and cesses **which are levied and collected** by the Central Government in the Ministry of Finance (Department of Revenue) under section 12 of the Customs Act, 1962 and any sum chargeable on the goods specified in sub-section (1) under *any other law for the time being in force, as an addition to, and in the same manner as, a duty of customs, but not including—**

**The inquiry has been initiated on below points which has been referred in DRI letter:**

Para No.	Content of the para	Submissions
2	<p>2. In the Finance Act, 2018, under Section 110, the Government of India introduced a new levy in the name of Social Welfare Surcharge (SWS), on the goods specified in the First Schedule to the Customs Tariff Act, 1975, with intent to fulfil the commitment of the Government to provide and finance education, health and social security. Sub-section (3) of the said Section, provided for computation of such levy and stipulates that the Social Welfare Surcharge shall be calculated at the rate of ten per cent on the aggregate of duties, taxes and cesses which are levied. However, in reality such SWS was made payable on the Basic Customs duty levied only and at the rate of 10% of such duty leviable. So far as other components of Customs duties are concerned, like IGST, Anti dumping duty, Safeguard duty etc, the same were kept outside the ambit of the duties of Customs on which SWS was to be paid either by the Act itself or by notifications issued for that purpose.</p>	<p>The law has very clearly mentioned that SWS shall be calculated at the 10% of Basic Customs duty which <b>levied and collected</b>. Exporters would like to mention that the wording used in the levy section is not “leviable” as stated in your letter. In other words, unless Basic Customs duty is collected on imported goods SWS is not payable. Provision of section 110 is clear and intention of legislatures is unambiguous. Exporters would like to mention that, Exporters have calculated the SWS, which works out to nil as per the levy section, since no basic custom duty is levied and collected from import made by us.</p>
4&5	<p>4. Upon examination of the data pertaining to imports made by you during the period of 02-02-2018, onwards, it is revealed that you have availed benefit of full exemption of Basic Customs duty (BCD) in respect of certain goods imported by you on the strength of some Customs notifications. However, such Customs notification(s) does(do) not extend exemption from SWS. Exemption from Social Welfare Surcharge (SWS) has been extended by the Customs Notification No.11/2018 dated 02-02-2018. It is also noticed that despite not being covered by the said exemption notification meant for SWS, you did not pay SWS on the goods imported by you, for which BCD was exempted. The logic primarily put forth for not paying SWS is that, SWS being a duty of Customs, and computable as a percentage of the BCD, is not payable when the BCD itself is exempted. In other words, exemption of BCD was automatically assumed to be extended in respect of SWS too.</p>	<p>In our opinion, there is absolutely no need for any specific exemption notification in the present case, since there is exemption on BCD in terms of applicable Notifications for duty free import under Advance Authorization / EPCG Authorization / EOU / EHTP / STPI Scheme, SWC works out to nil. Exporters reiterate that Exporters have not claimed any exemption of SWS but by virtue of charging section, it works out to be Nil.</p> <p>Further, there was no specific exemption notification required to exempt SWS, when exemption is provided to the basic custom duty in terms of Section 12 read with Customs Tariff Act 1975 and such exporters including EOU, no basic customs duty is collected and hence the wording in the section 110 of Finance Act, 2008 is <b>levied and collected</b>.</p>

Para No.	Content of the para	Submissions
	<p>5. However, this contention does not have any legal backing. Once a duty is levied by force of an Act, such duty becomes payable at the rate specified in the Act, subject to availability of specific exemption, if any. All other goods that are not specifically exempted will suffer such duty, irrespective of the fact whether or not such duty is straight away ascertainable on the basis of another duty, which is exempted. Modality of computation of such duty cannot be a ground for non-payment of duty, as it can be clearly determined and computed. When a particular kind of duty is exempted, other types of duty or cess imposed by different legislation for a different purpose cannot be said to have been exempted.</p>	
6,7,8, 9 & 10	<p>6. Your attention is invited to the judgment of the three-member Bench of the Supreme Court in the matter of M/s Unicorn Industries Ltd. It has set aside the decisions of the Division bench of the Supreme Court passed in the cases of SRD Nutrients Private Limited vs Commissioner of Central Excise, Guwahati, (2018)1SCC (105) and Bajaj Auto Limited v. Union of India &amp; others, 2019 SCC (online) SC 421, decided on 27-3-2019, for being clearly per-incurium, i.e for not considering the findings of the decision of another three Judge Bench of the Supreme Court, in the case of Modi Rubber Limited, which was also followed by the decision of another three Judge Bench in Rita Textiles Private Limited.</p> <p>7. The Apex Court in the case of M/s Unicorn Industries held that</p> <p>“In the absence of a notification containing an exemption to such additional duties in the nature of education cess and secondary and higher education cess, they cannot be said to have been exempted.”</p> <p>This clearly necessitates the requirement of having a specific notification exempting goods from a particular category of duty levied. In the present case, there is a notification exempting certain goods from payment of SWS, but the goods imported by you are not covered by the subject notification and you did not claim for any such exemption either.</p>	<p>As mentioned earlier, Exporters would like to mention that Exporters have not claimed any exemption on SWC but by virtue of charging section, it works out to be Nil. Therefore, the case laws which are highlighted by you are not relevant to the present case.</p> <p>Further, in your letter decision of Hon'ble Supreme Court in case of UNICORN INDUSTRIES Versus UNION OF INDIA, 2019 (370) E.L.T. 3 (S.C.) has been referred which was in relation to payment of duty. In the said case refund of Central Excise paid after utilizing the Cenvat credit was granted by way of exemption notification. There was no absolute exemption of Excise duty was granted hence there was a duty to calculate Ed. Cess. Other cases referred in letter are on the same subject. There are no relevant judgement covering similar facts i.e. calculation of Cess where duty is absolutely exempted has been cited in your office letter.</p>

Para No.	Content of the para	Submissions
	<p>Therefore, it is your responsibility to pay SWS on such goods in the course of import of the same, but records indicate that you did not pay such duty in the form of SWS and wrongfully availed a non-existent and imaginary exemption, suo-motu.</p> <p>8. The said order further held that</p> <p>“The reason employed in SRD Nutrients Private Limited (supra) that there was nil excise duty, as such, additional duty cannot be charged, is also equally unacceptable as additional duty can always be determined and merely exemption granted in respect of a particular excise duty, cannot come in the way of determination of yet another duty based thereupon. The proposition urged that simply because one kind of duty is exempted, other kinds of duties automatically fall, cannot be accepted as there is no difficulty in making the computation of additional duties, Moreover, statutory notification must cover specifically the duty exempted. When a particular kind of duty is exempted, other types of duty or cess imposed by different legislation for a different purpose cannot be said to have been exempted.</p>	
	<p>9 Therefore, three different three-member bench of the Supreme Court, on different occasions consistently held that exemption in respect of a particular kind of duty does not extend parallel exemption in respect of another type of duty levied by a different legislation with a different purpose. While BCD is levied by force of the Customs Tariff Act, 1975, as amended, SWS was levied by the Finance Act, 2018. The purposes of both were different and therefore, exemption in respect of BCD cannot be considered to be an exemption in respect of SWS. Therefore, non-payment of SWS on the imported goods, on the ground that the BCD on such goods is not payable by virtue of some notification, is outright violation of the provisions of the Customs Act, 1962, read with the Finance Act, 2018, and such duties are recoverable in terms of the provisions of law in force.</p>	

Para No.	Content of the para	Submissions
	<p>10. In this context your attention is also invited to the order passed by the Madras High Court that dealt with an issue pertaining to payment of SWS through debit of scrips in the case of M/s Gemini Edible Oils Ltd. In the final judgment, the High Court relying on the aforesaid decision of the Apex Court has specifically held that –</p> <p>“exemption granted in respect of a particular excise duty cannot be a bar for determination of yet another duty levied and collected under different enactment, even though such levy and collection was based upon the particular excise duty exempted. The Hon’ble Supreme Court has clearly held that when a particular kind of duty is exempted, other types of duty or cess imposed by legislation for a different purpose cannot be said to have been exempted. Therefore, I am of the firm view that assuming the subject matter exemption notifications grant exemption in respect of the customs duty in toto, the petitioner is not justified in contending that the other duties or levy payable under different enactment are also exempted.</p>	
11	<p>11. Your attention is also drawn to the Customs Notifications under which the goods have been imported by you in particular including the Notification Nos. 18/2015-Cus dated 01-04-2015, 16/2015-Cus dated 01-04-2015, 52/2003-Cus dated 31-03-2003, 46/2011-Cus dated 01-06 2011 etc. None of these notifications extends exemption in respect of SWS. Most importantly, all these notifications were issued long before the SWS came into being. Quite naturally, it was not possible for the Policy makers to presume future levy of certain duty and extend exemption in respect of the same in anticipation. The duty in the form of SWS was required to be paid but it appears that you did not pay such duty on the pretext that BCD is exempted, and you assumed that the exemption extended to SWS too.</p>	<p>From the wording of the charging section, the foresightedness of policy makers is evident about the method of levy and collection of SWS. The section is drafted in such a way that there is no requirement of issuance of specific exemption notifications when the BCD is exempted. This intent of the policy maker needs to be appreciated <i>in toto</i>. The law has been rightly worded to clearly spell out the intent of legislature to not to collect SWS where basic custom duty or custom duty under Section 12 of Customs Act 1962 read with Customs Tariff Act 1975 is exempted. Therefore, provisions in section 110 of Finance Act correctly provides the wording “levied &amp; collected” and not “leviable” to obviate from issuance of additional exemption notifications.</p>

To conclude, based on the above submission, it has to be appreciated and agreed on the followings:

- a. The law has very clearly mentioned that SWS is leviable shall be calculated at the 10% of Basic Customs duty which levied and collected. Unless Basic Customs duty is collected on imported goods SWS is not payable. Provision of section 110 is clear, and intention of legislatures is unambiguous.
- b. Since no duties are required to be paid by the EOUs and modality of payment is also made in such a way that if Customs duty is payable then SWS is also required to be paid and exception is provided for specified goods by way of exemption Notification. Kindly note that Exemption Notification No. 11/2018 Cus dated 02.02.2021 is issued to provide exemption to specified goods and not to any specific person or to scheme. Legislatures and policy maker has clear understanding that SWS is payable on the Customs duty to be paid at the time of imports which is linked to Basic Customs Duty levied and collected by the Government.
- c. Export Oriented Units are allowed to bring Customs duty, Cesse and GST free imported goods for the purpose of exports under Notification No. 52/2003 Cus. Dated 31.03.2003, said notification exempts the duty leviable under section 12 of Customs Act. In case said imported goods are cleared in DTA, Exporters are paying all duties, (BCD, Cess, IGST, SWS) saved at the time of imports. In case Exporters pay SWS and exports the goods, the SWS paid on imported goods is getting exported and this is against the policy of Government that Taxes shall not be exported.
- d. In view of above submissions, the SWS is not at all payable in case of above imports.

It will not be out of place to mention based on the article of WTO Agreement, no taxes are required to be exported and this principle seems to be not appreciated by DRI, Kolkatta.

If government really feels that they have to honor WTO agreement on the article, where it was agreed that no taxes should be part of value of goods & services to be exported and if government is serious for implementing ease of doing business and achieve the dream of Hon Prime Minister, Shri Narendrabhai Modi to make India USD 5 Trillion economy then CBIC should come out with necessary circular and stop such enquiries which leading to the harassment. Department of Commerce has worked out a detailed strategy to reach the \$400 billion target this fiscal which will include focus on existing and new markets, existing and new products and also on lost market shares in the past few years, both in countries and in products. With such type of inquiry / investigation and levy charged then the export pricing will hamper and the export target for the country will not be achieved.





**CMA Dipankar Biswas**  
Asst. Manager (F&A) in WBPDCI

## **GST ON RECOVERY OF FOOD EXPENSES FROM EMPLOYEES FOR THE CANTEEN PROVIDED BY COMPANY**

---

**A**s per Section 46(1) of the “Factories Act,1948” a Canteen or Canteens is/are required to be provided and maintained by the occupier for the use of the workers or employees wherein more than 250 workers are ordinarily employed.Hence, the question arises whether recovery of food expenses from employees for the canteen services provided by the company comes under the definition of “**Outward Supplies**” and are taxable under Goods and Services Tax Act.

M/s. Caltech Polymers Pvt. Ltd., Malappuram (**hereinafter called as the Appellant**), a registered Person with GSTIN 32AAACC9223A1ZE is a Private Limited Company engaged in the manufacturing and sale of foot wear. They are providing the canteen services exclusively for their employees. They incur the canteen running expenses for a month and recover the same from their employees without charging of any profit on the canteen expenses. The company had submitted an application for Advance Ruling on “whether recovery of food expenses from employees for the canteen services provided by the company comes under the definition of “Outward Supplies” and are taxable under Goods and Services Tax Act.”

**Supporting Remarks raised by the Appellant:** (1) The company is providing the canteen facilities to its employees as per the Statutory Requirement specified in Section 46(1) of the “Factories Act,1948” and recovering only the actual expenditure incurred in connection of supply of the services **without charging of any profit**.

(2) As the company is providing the aforesaid services without adding of any profit, the same is not in the course or furtherance of its business and hence, Recovery of food expenses from employees for the canteen provided by company does not fall under the purview of the GST.

(3) The company had also highlighted the Service Tax Mega Exemption **Notification No.25/2012-ST dated 20.06.2012** issued by the Government of India whereby services in relation to supply of food or beverages by a canteen maintained in a factory covered under the Factories Act,1948 was exempted under the “Service Tax Law”.



**Remarks raised by the Authority of Advance Ruling:** (1) Schedule II of the CGST Act,2017 describes the activities which are to be treated as Supply of Goods or Supply of Services. As per Clause 6 of the Schedule II of the GST Act,2017, the following Composite Supply is treated as “Supply of Services”.

***“Supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink (other than alcoholic liquor for human consumption), where such supply or service is for cash, deferred payment or other valuable consideration.”***

(2) Though the company is not charging any profit on the expenses incurred in relation to the canteen services, the same will be treated as per Section 7(1)(a) of CGST Act 2017.

(3) Apart from this, the company will be treated as Supplier as per **Section 2(105) of CGST Act,2017**.

(4) The Advance Ruling Authority has acknowledged that “the Service Tax Mega Exemption Notification No.25/2012-ST dated 20.06.2012 issued by the Government of India whereby services in relation to supply of food or beverages by a canteen maintained in a factory covered under the Factories Act, 1948 was exempted under the “Service Tax Law”.But no such provision is there in the GST Act, 2017.

Based on the aforesaid clarifications, The Advance Ruling Authority has informed that “recovery of food expenses from employees for the canteen services provided by M/s. Caltech Polymers Pvt. Ltd., comes under the definition of “**Outward Supplies**” and are taxable under Goods and Services Tax Act,2017.

Being aggrieved by the said Advance Ruling, the company had submitted an application to the Appellate Authority for Advance Ruling but, the same clarifications had been given and it is confirmed that GST will be applicable recovery of food expenses from employees for the canteen services provided by the company comes under the definition of “Outward Supplies” and are taxable under Goods and Services Tax Act.

# TAX UPDATES, NOTIFICATIONS AND CIRCULARS

## INDIRECT TAX

### GST NOTIFICATIONS AND CIRCULARS

#### **Central Tax (Rate)**

**Gi Notification No. 13/2021-Central Tax (Rate)**

**Seeks to amend Notification No 1/2017**

**Dated – 27<sup>th</sup> October, 2021**

Central Government has increased in GST Rate on Information Technology software to 18%

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-13-2021-cgst-rate.pdf>

#### **Integrated Tax (Rate)**

**Notification No. 13/2021- Integrated Tax (Rate)**

**Seeks to amend Notification No 1/2017**

**Dated – 27<sup>th</sup> October, 2021**

Central Government has Increased in IGST Rate on Information Technology software to 18%.

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-13-2021-igst-rate-english.pdf>

#### **Union Territory Tax (Rate)**

**Notification No. 13/2021**

**Seeks to amend Notification No 1/2017**

**Dated – 27<sup>th</sup> October, 2021**

Central Government has Increased in IGST Rate on Information Technology software to 18%.

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-13-2021-utgst-rate>.

# CUSTOMS NOTIFICATIONS AND CIRCULARS

## **Tariff Notification**

### **Notification No. 50/2021- Customs**

**Seeks to amend notification No. 96/2008- Customs dated 13.08.2008 to include Sierra Leone**

**Dated – 22<sup>nd</sup> October, 2021**

CBIC has included Sierra Leone in list for tariff concession on import from specified countries.

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-tarr2021/cs50-2021.pdf>

### **Notification No. 51/2021- Customs**

**Seeks to amend notification No. 25/2021 - Customs dated 31.03.2021**

**Dated – 22<sup>nd</sup> October, 2021**

CBIC has made the following amendments in the notification No. 25/2021-Customs which was issued on 31st March, 2021:

**TABLE 4**

<b>S. No.</b>	<b>HS 8 digit</b>	<b>Description</b>	<b>Tariff Rate Quota Quantity</b>	<b>In-quota Tariff rate</b>	<b>In-quota AIDC rate</b>	<b>Condition</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>	<b>(6)</b>	<b>(7)</b>
1.	06031900	All goods	15 tons	30%	–	1
2.	08043000	All goods	1000 tons	10%	–	1
3.	08109060	All goods	250 tons	10%	–	1
4.	09051000	All goods	15 tons	10%	–	1
5.	09052000	All goods	1 ton	10%	–	1
6.	16041410, 16041490, 16042000	All goods	7000 tons combined for all goods	0%	–	1
7.	17011490	Specialty Sugar	15000 tons	10%	–	1
8.	22030000	All goods	2,000,000 litres	25%	–	1
9.	22060000	Fruit Wine	5000 litres	0%	50%	1
10.	22084011, 22084012, 22084091, 22084092	All goods	1.50 million litres combined for all goods	0%	50%	1

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-tarr2021/cs51-2021.pdf>

## **Non-Tariff Notification**

### **Notification No. 82/2021-Customs (NT)**

#### **Exchange rates Notification**

**Dated – 21<sup>st</sup> October, 2021**

CBIC has determined the rate of exchange of conversion of each of the foreign currencies into Indian currency or vice versa which is specified in Schedule I and Schedule II and has effected from 22nd October, 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	57.65	55.25
Bahraini Dinar	205.15	192.60
Canadian Dollar	62.00	59.80
Chinese Yuan	11.90	11.55
EURO	89.00	85.80
US Dollar	75.80	74.05

#### **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	66.85	64.45
Korean Won	6.60	6.20

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-nt2021/csnt82-2021.pdf>

### **Notification No. 83/2021-Customs (NT)**

#### **Seeks to further amend Customs Tariff**

**Dated – 27<sup>th</sup> October, 2021**

CBIC has further amended Customs Tariff (Identification, Assessment and Collection of Countervailing Duty on Subsidised Articles and for Determination of Injury) Rules, 1995 to introduce Anti-Absorption provisions in mentioned rules.

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-nt2021/csnt83-2021.pdf>

**Notification No. 84/2021-Customs (NT)**

**Seeks to further amend Customs Tariff**

**Dated – 27<sup>th</sup> October, 2021**

CBIC has further amended Customs Tariff (Identification, Assessment and Collection of Anti-Dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 to introduce the Anti-Absorption provisions and make certain other miscellaneous changes.

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-nt2021/csnt84-2021.pdf>

**Notification No. 85/2021-Customs (NT)**

**Courier Imports and Exports (Electronic Declaration and Processing), Amendment, Regulations, 2021**

**Dated – 27<sup>th</sup> October, 2021**

CBIC has issued a notification on Courier Imports and Exports (Electronic Declaration and Processing), Amendment, Regulations, 2021.

After regulation 10, the following regulations shall be inserted:

- 10A. Surrender of registration
- 10B. Validity of registration.

And after Form J, FORM – K has been inserted.

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-nt2021/csnt85-2021.pdf>

**Notification No. 86/2021-Customs (NT)**

**Courier Imports and Exports (Clearance), Amendment, Regulations, 2021**

**Dated – 27<sup>th</sup> October, 2021**

CBIC has issued a notification on Courier Imports and Exports (Clearance), Amendment, Regulations, 2021.

after regulation 10, the following regulations shall be inserted:

- 10A. Surrender of registration
- 10B. Validity of registration.

And after Form A, FORM – A1 has inserted.

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-nt2021/csnt86-2021.pdf>

**Notification No. 87/2021-Customs (NT)**

**Fixation of Tariff Value of Edible Oils, Brass Scrap, Areca Nut, Gold and Silver**

**Dated – 29<sup>th</sup> October, 2021**

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

**TABLE - 1**

<b>Sl. No</b>	<b>Chapter/ heading/ sub-heading/ tariff item</b>	<b>Description of goods</b>	<b>Tariff value (US \$ Per Metric Tonne)</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>
1	1511 10 00	Crude Palm Oil	1239
2	1511 90 10	RBD Palm Oil	1252
3	1511 90 90	Others – Palm Oil	1246
4	1511 10 00	Crude Palmolein	1259
5	1511 90 20	RBD Palmolein	1262
6	1511 90 90	Others – Palmolein	1261
7	1507 10 00	Crude Soya bean Oil	1406
8	7404 00 22	Brass Scrap (all grades)	5925

**TABLE - 2**

<b>Sl No.</b>	<b>Chapter/ heading/ sub-heading/tariff item</b>	<b>Description of goods</b>	<b>Tariff value (US \$)</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>
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	581 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	777 per kilogram
3	71	(i) Silver, in any form, other than medallions and silver coins having silver content not below 99.9% or semi-manufactured forms of silver falling under sub-heading 7106 92; (ii) Medallions and silver coins having silver content not below 99.9% or semi-manufactured forms of silver falling under sub-heading 7106 92, other than imports of such goods through post, courier or baggage. Explanation. - For the purposes of this entry, silver in any form shall not include foreign currency coins, jewellery made of silver or articles made of silver.	777 per kilogram

4	71	(i) Gold bars, other than tola bars, bearing manufacturers or refiner's engraved serial number and weight expressed in metric units; (ii) Gold coins having gold content not below 99.5% and gold findings, other than imports of such goods through post, courier or baggage. Explanation. - For the purposes of this entry, "gold findings" means a small component such as hook, clasp, clamp, pin, catch, screw back used to hold the whole or a part of a piece of Jewellery in place.	581 per 10 grams
---	----	---	------------------

**TABLE - 3**

Sl No.	Chapter/ heading/ sub-heading/tariff item	Description of goods	Tariff value (US \$)
(1)	(2)	(3)	(4)
1	080280	Areca nuts	5252(i.e., no change)

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-nt2021/csnt87-2021.pdf>

**Notification No. 88/2021-Customs (NT)**

**Exchange rates Notification**

**Dated - 29<sup>th</sup> October, 2021**

CBIC has determined the rate of exchange of conversion of each of the foreign currencies into Indian currency or vice versa which is specified in Schedule I and Schedule II and has effected from 30<sup>th</sup> October, 2021.

**SCHEDULE-I**

Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
	For Imported Goods	For Exported Goods
South African Rand	57.65	5.10 4.80

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-nt2021/csnt88-2021.pdf>

## **Anti-Dumping Duty**

### **Notification No. 61/2021-Customs (ADD)**

**Seeks to rescind Notification No. 06/2016-Customs(ADD) levying ADD on Phenol originating and imported from European Union, Singapore and Korea RP**

**Dated – 20<sup>th</sup> October, 2021**

Central Government has revoked the anti-dumping duty imposed on “Phenol”, falling under tariff item 2907 11 10 of the First Schedule to the said Act, originating in or exported from the European Union, Singapore and Korea RP and imported into India.

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd61-2021.pdf;jsessionid=71F7BE41564101F8091B732A53D82417>

### **Notification No. 62/2021-Customs (ADD)**

**Seeks to rescind Notification No. 23/2016-Customs(ADD) dated 6th June, 2016, to remove levy of ADD on Polytetrafluoroethylene originating in or imported from Russia**

**Dated – 22<sup>nd</sup> October, 2021**

Central Government has revoked the anti-dumping duty imposed on “Polytetrafluoroethylene” (PTFE), falling under tariff item 3904 61 00 of the First Schedule to the said Act, originating in or exported from Russia and imported into India.

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd62-2021.pdf;jsessionid=3157D030675FD7BBAD327F5F5C23ED66>

### **Notification No. 63/2021-Customs (ADD)**

**Seeks to rescind Notification No. 24/2021-Customs(ADD) dated 26th April, 2021, to remove levy of ADD on Polytetrafluoroethylene originating in or imported from Korea RP**

**Dated – 22<sup>nd</sup> October, 2021**

Central Government has revoked the anti-dumping duty imposed on “Polytetrafluoroethylene” (PTFE), falling under tariff item 3904 61 00 of the First Schedule to the said Act, originating in or exported from Korea RP and imported into India.

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd63-2021.pdf;jsessionid=A2BCE7A7A4D13A6820D149507BD66171>



**Notification No. 64/2021-Customs (ADD)**

**seeks to impose anti-dumping duty on 'Seamless tubes, pipes and hollow profiles of iron, alloy or non-alloy steel**

**Dated – 28<sup>th</sup> October, 2021**

Central Government has imposed anti-dumping duty on 'Seamless tubes, pipes and hollow profiles of iron, alloy or non-alloy steel (other than cast iron and stainless steel), whether hot finished or cold drawn or cold rolled of an external diameter not exceeding 355.6 mm or 14" OD' originating in or exported from China PR for a period of 5 years.

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-add2021/csadd64-2021.pdf;jsessionid=4229D42EF635E09F78F0DD89B0FF8419>

**Circulars**

**Circular No. 24/2021-Customs**

**Reducing compliance burden regarding registration of Authorised Couriers**

**Dated – 27<sup>th</sup> October, 2021**

CBIC has taken measures to simplify the registration requirements of Authorised Couriers. In this regard, attention is invited to **Notifications no. 86/2021-Customs (N.T.) and 85/2021-Customs (N.T.)** which have amended the Courier Imports and Exports (Clearance) Regulations, 1998 and the Courier Imports and Exports (Electronic Declaration and Processing) Regulations, 2010 respectively.

For more details, please follow: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-circulars/cs-circulars-2021/Circular-No-24-2021.pdf;jsessionid=C20F22C2289820CCAE2D61A936D1FBFEF>

**DIRECT TAX**

**Notification No. 122/2021**

**Special Court in the Karnataka under Section 280A(1)**

**Dated – 25<sup>th</sup> October, 2021**

Central Government, in consultation with the Chief Justice of the High Court of Karnataka, has designated the mentioned Court in the State of Karnataka as Special Court for the purposes of section 84 of the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015

For more details, please follow: <https://incometaxindia.gov.in/communications/notification/notification-122-2021.pdf>

**Notification No. 123/2021**

**Special Court in the Goa under Section 280A(1)**

**Dated – 25th October, 2021**

Central Government, in consultation with the Chief Justice of the High Court of Bombay at Goa, has designated

- ✓ The court of the Senior Civil Judge and Chief Judicial Magistrate Panaji, Goa as the Special Court for North Goa District

and

- ✓ Senior Civil Judge and Chief Judicial Magistrate Margao, Goa as the Special Court for South Goa, for the purposes of sub-section (1) of section 280A of the Income-tax Act, 1961 and section 84 of the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 within their respective jurisdiction in the State of Goa.

For more details, please follow: <https://incometaxindia.gov.in/communications/notification/notification-123-2021.pdf>

**Notification No. 124/2021**

**Special Court in the Manipur under Section 280A(1)**

**Dated – 25<sup>th</sup> October, 2021**

Central Government, in consultation with the Chief Justice of the High Court of Manipur, has designated the court of Chief Judicial Magistrate, Imphal East as the Special Court for the State of Manipur for the purposes of sub-section (1) of section 280A of the Income-tax Act, 1961 and section 84 of the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015.

For more details, please follow: <https://incometaxindia.gov.in/communications/notification/notification-124-2021.pdf>

**Notification No. 125/2021**

**Tax Exemption to 'Chandigarh Pollution Control Committee'**

**Dated – 29<sup>th</sup> October, 2021**

CBDT has notified Tax Exemption to 'Chandigarh Pollution Control Committee' in respect of the specified income under section 10(46) of Income Tax Act, 1961.

For more details, please follow: <https://incometaxindia.gov.in/communications/notification/notification-125-2021.pdf>

**Notification No. 126/2021**

**Madhya Pradesh Pollution Control Board**

**Dated – 29<sup>th</sup> October, 2021**

Central Government has notified 'Madhya Pradesh Pollution Control Board', a Board constituted by the State Government of Madhya Pradesh under the Water (Prevention and Control of Pollution) Act, 1974,

in respect of the following specified income arising to the Board:

- (a) Grant or financial assistance from Governments or its agencies;
- (b) Consent fees or no objection certificate fees;
- (c) Analysis fees on air quality and water quality or noise level survey fees;
- (d) Authorization fees;
- (e) Cess re-imburement and cess appeal fees;
- (f) Reimbursement of the expenses received from the Central Pollution Control Board towards National Air Monitoring Program, the Monitoring of Indian National Aquatic resources and like schemes;
- (g) Sale of books relating to environmental law, regulations, important judicial orders and environmental issues where no profit element is involved and the activity is not commercial in nature;
- (h) Interest on deposits;
- (i) Public hearing fees;
- (j) Vehicle emission monitoring test fees;
- (k) Fees received for processing by State Environmental Impact Assessment Authority;
- (l) Fees collected for training conducted by the Environmental Training Institute of the Board where no profit element is involved and the activity is not commercial in nature;
- (m) Fees received under the Right to Information Act, 2005 (22 of 2005) and appeal fees;
- (n) Interest on loans and advances given to the staff; and
- (o) Pollution cost or forfeiture of bank Guarantee due to non-compliance.

For more details, please follow: <https://incometaxindia.gov.in/communications/notification/notification-126-2021.pdf>

**Notification No. 127/2021**

**Tax Exemption to Gujarat State Aids Control Society**

**Dated – 29<sup>th</sup> October, 2021**

CBDT has notified Tax Exemption to Gujarat State Aids Control Society in respect of the specified income under section 10(46) of Income Tax Act, 1961.

For more details, please follow: <https://incometaxindia.gov.in/communications/notification/notification-127-2021.pdf>

## **CIRCULARS**

### **Circular No. 18/2021**

**Clarification regarding Section 36(1)(xvii) of the Income-tax Act, 1961 inserted vide**

**Finance Act, 2015**

**Dated – 25<sup>th</sup> October, 2021**

CBDT has clarified on treatment of additional payment for sugarcane price by Co-Op sugar mills. The matter has been examined by the Board and in this regard, it is clarified that the phrase 'price fixed or approved by the Government' in clause (xvii) in sub-section (1) of section 36 of the Act includes price fixation by State Governments through State-level Acts/Orders or other legal instruments that regulate the purchase price for sugarcane, including State Advised Price, which may be higher than the Statutory Minimum Price Fair and Remunerative Price fixed by the Central Government.

For more details, please follow: <https://incometaxindia.gov.in/communications/circular/circular-no-18-2021.pdf>

### **Circular No. 19/2021**

**Guidelines under clause (23FE) of section 10 of the Income-tax Act, 1961**

**Dated – 26<sup>th</sup> October, 2021**

In order to remove the difficulties mentioned in as guidelines, it is hereby clarified that eligibility of exemption under clause (23FE) of section 10 of the Act shall be as follows:

- (a) if the loans and borrowings have been taken by the specified fund or any of its group concern, specifically for the purposes of making investment by the specified fund in India, such fund shall not be eligible for exemption under clause (23FE) of section 10 of the Act; and
- (b) if the loans and borrowings have been taken by the specified fund or any of its group concern, not specifically for the purposes of making investment in India, it shall not be presumed that the investment in India has been made out of such loans and borrowings and such specified fund shall be eligible for exemption under clause 23(FE) of section 10 of the Act, subject to the fulfilment of all other conditions under the said clause, provided that the source of the investment in India is not from such loans and borrowings.

For more details, please follow: <https://incometaxindia.gov.in/communications/circular/circular-19-2021.pdf>

# PRESS RELEASE

## DIRECT TAX

### **Income Tax Department conducts searches in Nashik**

**25<sup>th</sup> October, 2021**

The Income Tax Department carried out a search and seizure operation on 21.10.2021 in the case of a person engaged in the real estate business, primarily operating as a land aggregator in Nashik.

During the search and seizure operation, many incriminating documents including land agreements, notarized documents and other papers evidencing large scale cash transactions for acquisition of properties have been found and seized. Such transactions are also corroborated by digital evidences extracted from computers and mobile phones.

Further, substantial amount of unaccounted cash was found stored in several private vaults. So far, unaccounted cash of Rs. 23.45 crore has been seized. One locker is under prohibitory orders.

The main persons, who had invested their unaccounted income towards purchase of large patches of land, were also searched. Most of these persons are engaged in the wholesale trading of onions and other cash crops in the Pimpalgaon Baswant region of Maharashtra. Incriminating evidences, including records of large cash transactions made by these traders for making investments in properties, have also been found and seized. Several bank lockers found during the search have been put under prohibitory orders.

So far unaccounted income of more than Rs.100 crore has been detected as a result of the search operation. The evidences gathered are being examined and further investigations are in progress.

### **Income Tax Department conducts searches in Punjab**

**26<sup>th</sup> October, 2021**

The Income Tax Department carried out search and seizure operations in the cases of two groups based in Punjab.

The search action in case of the first group was initiated on 21.10.2021. This group is engaged in Cycle business. The group has been found to be involved in suppression of income by showing bogus intra-group transactions within group concerns. The group was also found to have been involved in receiving a substantial part of sale consideration in cash and thereby suppressing the turnover. The seized documents reveal suppression of turnover of around Rs.90 crore per annum by a group concern. Incriminating documents related to the undisclosed sale of scrap have also been seized.

The search also revealed undisclosed investments by the group members in immovable properties. The search action has led to detection of unaccounted income of about Rs. 150 crore.

The search action has resulted in seizure of unaccounted cash of Rs. 2.25 crore and seizure of unaccounted gold of Rs. 2 crore in this group.

The second group, based in Jalandhar, is engaged in providing immigration & study visa related services to students. The search action in this group was initiated on 18.10.2021.

The search action has revealed that the group used to charge a package, ranging between Rs.10 lakh to Rs.15 lakh per student, depending on the country where the student wished to pursue

education. Almost the entire receipts of the group, aggregating to more than Rs.200 crore in the last 5 years are in cash. It has also been found that the bank accounts of the employees have been used to receive money, which has subsequently been withdrawn in cash. The profit earned from such receipts has never been disclosed in the Income Tax Returns filed. Only the commission received from foreign universities has been

shown as receipts in the Income Tax Returns by the members of the group.

The search action has led to detection of unaccounted income of about Rs. 40 crore. The search action has also resulted in seizure of unaccounted cash of Rs. 20 lakh and seizure of unaccounted jewellery of Rs. 33 lakh

Further investigations are in progress in both the groups.

# JUDGEMENTS

## INDIRECT TAX

### ***Only Goods Supplier can seek GST Advance Ruling, not the Recipient: The AAR, Maharashtra***

#### ***Fact of the Case***

The Applicant, USV Private Limited is a healthcare company in India, registered under the GST regime and Novartis AG (NAG) is a Switzerland-based pharma company that owns rights of Trade Marks across the world including India. The said Trade Marks are registered in the name of NAG under the Indian Trade Marks Act, 1999 and the Trade Marks Rules, 2017 in India.

The applicant has sought the advance ruling on the issue that whether the activity of transfer of registered trademarks by Novartis AG to the applicant is a 'supply of goods or supply of services under the CGST, Act, 2017/IGST Act, 2017.

#### ***Decision of the Case***

The AAR pointed out that as per section 95 (a) there are two conditions to be fulfilled for making an advance ruling application firstly, the question asked should be in relation to supply undertaken by the applicant secondly the question should be in relation to the supply of goods or services or both being undertaken or proposed to be undertaken by the applicant.

The Coram conducted that the subject application is rejected as being non-maintainable as per Section 95 of the CGST Act, 2017 because the applicant has firstly raised questions as a recipient of services and secondly the questions are in respect of past and completed supply as on the date of the application and not supply, which is being undertaken/proposed to be undertaken.

"We find that in the subject case, the first condition mentioned above is not satisfied as much as NAG, Switzerland which is undertaking the supply and

not the applicant. Further, with respect to the second condition for the supply 'to be undertaken or proposed to be undertaken' we observe that the Deed of Assignment is dated 30th November 2019, and the 'Effective Date' as stated in the Deed is 10th December 2019. The application has been filed on 16th January 2020," the AAR noted.

***The Maharashtra Authority of Advance Ruling (AAR) while rejecting the application filed by the USV Private Limited held that the only goods supplier can seek GST advance ruling, not the recipient.***

### ***GST on Land after developing by erecting Civil Structure or Building or Complex: The AAR, Telangana***

#### ***Fact of the Case***

The applicant, M/s. TIF Integrated Industrial Parks Pvt. Ltd. is a company formed by industrialists as required by the Telangana State Industrial Infrastructure Corporation Limited (TSIIC) as a special purpose vehicle (SPV) representing the member industrialists with an objective of providing industrial infrastructure by the development of land acquired by TSIIC. It is informed by the applicant that TSIIC issued a final allotment letter confirming the allotment of 377 acres of land for a cost of Rs.55.11 Cr. on Vijayawada Highway to set up an Industrial Corridor on 16-05-2018.

A sale agreement was executed between the applicant and TSIIC on 23-06-2018. It is informed by the applicant that a sale deed will be executed with TSIIC upon completion of the development of internal infrastructure. Similarly, the applicant is authorized in turn to sell to individual industrialists after each of his allottees

commences commercial operation by executing individual sale deeds.

The applicant has sought the advance ruling on the issue of Whether the activity of disposal of developed plots of land to allottee members of the applicant from and out of the land received from the TSIC for the specified purpose of industrial development is outside the purview of GST by virtue of the said activity failing under Entry 5 of Schedule III of Central Goods & Service Tax Act, 2017 and corresponding provisions under Telangana Goods & Service Tax Act, 2017 as amended.

Yet another issue raised was Whether the activity of infrastructure development (ID) of land received from the TSIC for the specified purpose of industrial development and undertaken on behalf of allottee members (allottee(s) or the member(s)) does not qualify as a “supply” under Section 7 of the Central Goods & Service Tax Act, 2017 & corresponding provision under Telangana Goods & Service Tax Act, 2017 as amended and hence will remain outside the purview of the GST Act.

### ***Decision of the Case***

The Coram ruled that if the applicant sells the land after developing by way of erecting a civil structure or a building or a complex then such supply is liable to tax under CGST/SGST Acts. However, if the land is sold without any development involving any civil structure or building or complex such supply falls under paragraph 5 of Schedule III to Section 7(2) of CGST Act, 2017 and hence is exempt from tax.

“If the applicant executes works contracts involving the transfer of property in goods for consideration under an agreement of contract such consideration will be liable to tax. However, if these elements are missing in the execution of construction it shall not be liable to tax,” the AAR ruled.

***The Telangana Authority of Advance Ruling (AAR) ruled that the GST is payable on land after developing by erecting civil structures or Buildings or Complexes.***

.....

## ***18% GST payable on Children Scooter, Activity Ride-on, Smart Tricycle, and Kick Scooter: The AAR, Tamil Nadu***

### ***Fact of the Case***

The applicant, Joshna Candesh Shah are regular importers and traders of toys from various countries, they sell these goods in India, in retail as well as through E-Commerce platforms. They also intend to manufacture these toys in India in future. The toys imported include both electronically operated toys as well as manually operated toys in which electronic parts were fitted for providing light, music and horn etc.

The applicant has sought the advance ruling on the issue when Physical force is the primary action of a toy and if the light and the music are ancillary to it then whether it is to be classified under “Electronic Toys” or “other than Electronic Toys”.

### ***Decision of the Case***

The Coram ruled that Children Scooter, Activity Ride-on, Smart Tri-cycle and Kick Scooter, in which physical force is the primary action and contains an in built electronic circuit, are ‘Electronic Toys’ and the applicable GST Rate is CGST @ 9% as per Sl.No. 440 of Schedule-III of Notification No. 01/2017 C.T.(Rate) dated 28.06.2017 and SGST 9% as per Sl.No. 440 of Schedule III to Notification No. II(2)/CTR/532(d-4/2017 vide G.O. (Ms) No. 62 dated 29.06.2017.

“We find that in the case at hand, the products are designed to develop gross motor skills in as much as they are designed to use the physical force and can be enjoyed by either pedaling, or by pushing with the leg and also fine motor skills like blinking, discrete tasks of switching on/off the music/light etc provided through the inbuilt electronic circuit, powered with the electrical energy (battery)/ induction force. Both the functions of the toys are targeted to develop a certain skill while amusing the child playing with it. Therefore, we hold that the products in hand are Electronic Toys’ and the



applicable GST Rate is as per Sl.No 440 of Schedule III of the Rate Notification,” the AAR said.

***The Tamil Nadu Authority of Advance Ruling (AAR) ruled that 18% GST payable on Children Scooter, Activity Ride-on, Smart Tri-cycle and Kick Scooter.***

.....

***GST payable on Vehicles Registered in Tourist category for carrying Covid-19 patients for Medical Treatment:  
The AAR, Maharashtra***

***Fact of the Case***

The applicant, Geetee Tours Pvt. Ltd. is engaged in the business of tours and travels and carries on the business as package tour operators, daily passenger service operators, travel agents, etc, and is also engaged in running of buses, conveyances of all kinds and to transport passengers.

Since their vehicles are supplied for transportation of passengers and other allied activities, the applicant feels that the rate of tax applicable on supplies of vehicles for transportation of passengers and other allied activities is 12% as per Notification No. 11/2017-C.T(Rate) dated 28.06.2017, as amended vide Notification No. 20/2017-C.T(Rate) dated 22.08.2017. The applicant has entered into the contract with “MUNICIPAL CORPORATION OF GREATER MUMBAI (MCGM), Worli, Mumbai 400018 to provide AC SUV and Innova equivalent car services for carrying COVID 19 patients for medical treatment.

The applicant has sought the advance ruling on whether Toyota Innova Or Equivalent Vehicles (6 Seater) registered in Tourist category with All India Tourist Permit provided for carrying Covid 19 patients for Medical Treatment would be considered as Taxable Services Or Exempted Services.

***Decision of the Case***

The Coram observed that even though the applicant has submitted that the subject supplies

would fall under entry no. 6 of twelfth schedule article 243W of the constitution i.e. “Public health, no evidence or documents have been submitted to substantiate their claims for exemption. Further, the only SERVICE PURCHASE ORDER’, submitted by the applicant mentions the description of service as “Adv for ambulance-like Innova covid 19”. The applicant has not submitted that they have provided ambulance service for the covid patients.

Neither have they submitted anything on record to show that the Innova vehicles supplied by them have been converted into ambulances or registered as such nor have they submitted proof of having transported only covid 19 patients for medical treatment. Further, the vehicles are not registered with RTO for use as the Ambulance and they are registered as tourist vehicles.

***The Maharashtra Authority of Advance Ruling (AAR) ruled that GST payable on Vehicles registered in the Tourist category for carrying Covid-19 patients for Medical Treatment.***

.....

***18% GST payable on Reshelling of Old Sugar Mill Rollers: The AAR, Maharashtra***

***Fact of the Case***

The applicant, M/S S.B.Reshellers Pvt. Ltd. submitted that the activity of reshelling of old sugar mill rollers is held as repairing activity by the Supreme Court in the base of Lathia Industrial Supplies Co. Pvt.Ltd. and the Tribunal in the cases of Jagat Machinery Manufacturers P.Ltd. & Zenith Rollers Ltd. V/s. CCE under the Central Excise era. On the said activity, the applicant has paid service tax as repair/maintenance service/Business Auxiliary Service as per the Finance Act, 1994 under Service Tax regime.

Under the GST regime also the said activity is classified as a Service and the applicant is charging 18% GST on the same since all services are attracting 18% GST. However, after insertion of clause (id) in Sr. No.26 of Notification No.

11/2017-CT(R), dt.28.06.2017 declaring 6% CGST for services by way of job work, some of applicant's customers expressed a view that the said activity is treatable as job work service covered under said newly inserted clause (id) of Sr. No.26 of Notification No. 11/2017-CT(R), dt.28.06.2017, since the customers are following the procedure under Rule 55 read with Rule 45 of CGST Rules, 2017 for the said activity and are declaring the same in their job work return to be filed under Rule 45 of the CGST Rules, 2017 and that since job work services covered under said clause (id) now GST is payable @ 12% only, applicant also should charge 12% GST on the said service.

The applicant has sought the advance ruling on the issue in respect of classification of the reshelling

of old sugar mill rollers and Whether the activity of reshelling of old sugar mill rollers will attract 12% GST in terms of clause (id) of Sr. No.26 of Notification No.11/2017-CT(R), dt.28.06.2017 or will continue to attract 18% GST as earlier.

### ***Decision of the Case***

The Coram ruled that the activity of reshelling of old sugar mill rollers is treatable as a repair/maintenance service under SAC 9987. The said activity of reshelling of old sugar mill rollers will attract 18% GST.

***The Maharashtra Authority of Advance Ruling (AAR) ruled that 18% GST payable on Reshelling of old Sugar Mill Rollers.***  
.....

## **DIRECT TAX**

### **Relief to Inter Globe Aviation: ITAT deletes Disallowance on Lease Rental Payments to tune of Rs. 366.32 Cr**

#### ***Fact of the Case***

1. The assessee, Inter Globe Aviation is a company engaged in the business of operating Airlines.
2. It filed its return of income declaring income of Rs. 2,32,97,58,440/-. The book profit was also shown u/s 115JB of the Act at Rs. 967,73,83,147/-.
3. The case of the assessee was selected for scrutiny and order u/s 143(3) of the Act was passed on 06.12.2016 determining the total income of the assessee at Rs. 16,54,80,19,120/-. The AO made the adjustments to the return of income of the assessee at Rs. 232,97,58,440/-.
4. The assessee was aggrieved with the order of the AO preferred an appeal before the CIT(A).
5. She further held that the same also could not be taxed as commission income. She further

held that as IEA credits are held to be capital in nature then lease rental paid by the assessee is also to be considered as capital expenditure.

6. The assessee has amortized a sum of Rs. 366,32,13,778/- against the lease rentals. She confirmed that the lease rent as capital expenditure. Thus, disallowance of Rs. 366,32,13,778/- was confirmed.
7. With respect to the disallowance of supplementary lease rent for non deduction of tax at source disallowed u/s 40(a)(i) of the act of Rs. 535,16,67,041/-, She followed the decision of the Hon'ble jurisdictional High Court in assessee's own case for earlier Assessment Year wherein, it has been held that payment of supplementary lease rent under lease agreement entered into before 31.03.2007 is exempt u/s 10(15A)

#### ***Decesion of the Case***

1. The coram of Judicial Member, Suchita Kamble and Accountant Member Prashant Maharishi ruled that the Lease Agreement defines "Rent" as "means collectively Base Rent and Supplementary Rent".

2. Therefore, respectfully following the decision of Tribunal for A.Y. 2007- 2008 which has also been followed in subsequent years, we hold that payment of Supplementary Rent of Rs.61,81,04,551/- is exempt from tax in hands of Lessors as per provisions of section 10(15A) and hence, disallowance under section 40(a)(i) is not called for.

**Setback To Axis Bank: ITAT upholds  
Disallowance on account of Interest  
Expenses incurred on Capital  
Work in progress**

**Fact of the Case**

1. The assessee, Axis Bank Limited in the present case is a Scheduled Bank and engaged in the business of banking. The assessee in the year under consideration has earned exempt income of Rs. 13,83,14,263/- by way of dividend.
2. The assessee against such income has made the disallowance of Rs. 1,06,39,198/- under the computation of income under protest in pursuance to the provision of section 14A of the Act. However, the AO during the assessment proceedings found that there was no basis for making the disallowance of Rs. 1,06,39,198/- against the exempted income.
3. The onus lies upon the assessee to justify the expenses incurred in relation to exempt income. If the assessee failed to discharge the onus, the only option available to Revenue is to make the disallowance by resorting to the provisions of Rule 8D of Income Tax Rules.
4. However, in the interest of justice, fair play, and keeping in view to the fact that assessee has made suo moto disallowance of Rs. 1,06,38,000, we are inclined to extend one more opportunity to the assessee to provide the basis of such disallowance by furnishing the necessary details.

**Decesion of the Case**

1. The coram headed by the Vice President Jaypal Yadav and Accountant Member Waseem Ahmed noted that the issues raised by the Revenue in its grounds of appeal for the AY 2014-15 are identical to the issues raised by the Revenue for the assessment year 2012-13.
2. Therefore, the findings given shall also be applicable for the year under consideration i.e. AY 2014-15. The appeal of the Revenue for the assessment 2012- 13 has been decided of this order against the Revenue.
3. The learned AR and the DR also agreed that whatever will be the findings for the assessment year 2012-13 shall also be applied for the year under consideration i.e. A.Y 2014-15.

**Capital Subsidy received by Assessee liable to  
be excluded from Computation of Book Profit:  
ITAT grants relief to Sunrise Biscuit**

**Fact of the Case**

1. The assessee company, Sunrise Biscuit Co. Pvt. Ltd. filed its return of income on 29.11.2014 showing total income at Nil. The case was selected for scrutiny through CASS inter alia on the issue of deduction claimed in respect of the VAT subsidy of Rs.8,78,84,902/- under the Industrial Promotion Policy of the State of Assam in category 'B' for substantial expansion.
2. The assessee claimed that the VAT subsidy was in the nature of capital receipt and therefore not taxable. However, the AO show caused the assessee as to why the VAT Remission of Rs.8,78,84,902/- should not be treated as revenue receipt and be taxed rather than as capital receipt.
3. The AO accordingly held the assessee's claim that the VAT Remission of Rs.8,78,84,902/-

was a capital receipt, is not tenable, and treated it to be a Revenue Receipt and accordingly brought it to tax.

### **Decesion of the Case**

1. The coram headed by Vice President P.M. Jagtap and Judicial Member, Aby T. Varkey allowed the grounds taken by the assessee and direct the AO to deduct the VAT subsidy of Rs. 8,78,84,902/- both while computing income under normal computational provisions and book profit under section 115JB of the Act for the relevant AY 2014-15.
2. The ITAT explained that the merit in the claim of the assessee that the VAT subsidy received by it for undertaking substantial expansion at their unit was in the nature of capital receipt not liable to tax since the object of granting of subsidies was to bring about industrial development, encourage fixed capital investment and generate employment in the State of Assam

### **No TDS deductible on consideration for Use of Computer Software by Resident Indian distributors to Non-Resident Manufacturers: ITAT**

### **Fact of the Case**

1. In the present case Ericsson is the applicant
2. The appellant, Ericsson has claimed that it had supplied the equipment at Port in Sweden and their income is not liable to tax in India as per provisions of the Act and also the Indo-Swedish DTAA. Further contention of the assessee is that the receipts are not in the nature of Royalty as per the India Sweden DTAA.
3. The Assessing Officer or CIT(A) held that the assessee had a fixed place of business in India as well as its dependent agents in India by virtue of which PE of the assessee was constituted in India within the meaning of

Article 5 of the DTAA.

4. The AO observed that the nature of activities carried out in the contracts under which such activities have been earned remain the same. Hence, the supply of telecom hardware is therefore held to be business profits liable to tax in India under this head.

### **Decesion of the Case**

1. The coram of Accountant Member N.K.Billaiya and Judicial Member Amit Shukla held that the amounts paid by resident Indian end-users/distributors to non- resident computer software manufacturers/suppliers, as consideration for the resale/use of the computer software through EULAs/distribution agreements, is not the payment of royalty for the use of copyright in the computer software, and that the same does not give rise to any income taxable in India
2. So, the persons referred to in section 195 of the Income Tax Act were not liable to deduct any TDS under section 195 of the Income Tax Act.

### **Burden lies on Assessee to Prove no wilful intention not to file Income Tax Return**

### **Fact of the Case**

1. In the present problem Raman Krishna Kumar is the assessee
2. The assessee had taxable income for the Financial Year 2012 - 2013 / Assessment Year 2013 - 2014, had not filed the Annual Return as mandated under Section 139[1] of the Act, 1961, nor under the extended time under Section 139[4] of the said Act.
3. It had been stated that the petitioner herein had received substantial income in the form of salary amounting to Rs.68,71,731/- and had also indulged in high end transactions

with respect to purchase and sale of mutual funds and with respect to credit card transactions.

4. The respondent contended that owing to non-filing of the Income Tax Returns, suspicions had arisen over the source of funds for such transactions. It had also been contended that several Show Cause Notices had been issued, but there was no reply by the petitioner herein. Finally, the petitioner had condescended to give a reply on 02.05.2016 for the Show Cause Notice dated 26.04.2016. The respondent contended that the petitioner had deliberately not filed the Income Tax Returns within the stipulated period
5. Mr.Naveen Kumar Murthi, learned counsel for the petitioner pointed out that the petitioner was not able to file the Returns owing to the fact that the petitioner was under the bona fide impression that his erstwhile employer, namely, ITW India Limited, where he was working as General Manager [Automotive Group] during the years 2012-2014, would have filed the Tax Returns in the normal course. Learned counsel stated that the income of the petitioner for the Financial Year 2012 – 2013 was Rs. 45,07,595/-, but, there had been a mistake in Form 26AS filed by the Company on behalf of the petitioner wherein the

income was entered as Rs.68,71,731/-. It was also stated by the counsel that the petitioner had paid tax amounting to Rs.10,21,101/-. It was also pointed out that the petitioner had, thereafter left the said Company and he was not aware of the mistake which had crept in Form 26AS and only when notices had been issued, did the petitioner come to know about this particular mismatch.

### ***Decesion of the Case***

1. The single judge bench of Justice C.V.Karthekeyan held that Court cannot presume that the petitioner herein is innocent of any of the offences complained. It is for the petitioner to establish such innocence.
2. The platform for establishing such innocence is the Court where the trial is to be conducted and in the present case, that particular Court is the Court of the Additional Chief Metropolitan Magistrate/EO-I, Egmore, Chennai.
3. The court said that “A direction is given to the learned Additional Chief Metropolitan Magistrate/EO-I, Egmore, Chennai, to commence trial and to complete the same on or before 31.01.2022. The petitioner is directed to cooperate in the trial process

# TAX COMPLIANCE CALENDER AT A GLANCE

## GOODS AND SERVICES TAX CALENDAR

Relaxation to Normal Taxpayers in Filing of Monthly Return in Form GSTR-3B		
Tax Period	Class of Taxpayer (Based on AATO)	Due date of filing
September, 2021	> Rs. 5 Cr.	20 <sup>th</sup> October, 2021

Relaxation in filing of Form GSTR-3B (Voluntary Monthly Taxpayers less than 5 cr)		
	Tax Period	Due date of filing
September, 2021	Category A	22 <sup>nd</sup> October, 2021
September, 2021	Category B	24 <sup>th</sup> October, 2021

Others Returns		
From	Description	Due Date
GSTR- 1	<b>Monthly</b>	
	September, 2021	11 <sup>th</sup> October, 2021
	<b>Quarterly (If opted for QRMP)</b>	
	July to September	13 <sup>th</sup> October, 2021
CMP- 08	<b>Quarterly Basis</b>	
	September, 2021	18 <sup>th</sup> October, 2021
GSTR- 5 & 5A	<b>Filed by Non-resident taxable person and OIDAR respectively</b>	
	September, 2021	20 <sup>th</sup> October, 2021
GSTR - 6	<b>For input Services Distributor who are required to furnish details of invoice on which credit has been received</b>	
	September, 2021	13 <sup>th</sup> October, 2021

GSTR - 7	Filed by person required to deduct TDS under GST	
	September, 2021	10 <sup>th</sup> October, 2021
GSTR - 8	E-commerce operator who are required to deduct TCS	
	September, 2021	10 <sup>th</sup> October, 2021

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

DIRECT TAX CALENDAR – OCTOBER, 2021	
Due Date	Compliances
30 October 2021	➤ Due date for furnishing of challan-cum-statement in respect of tax deducted under <b>section 194-IA, 194-IB &amp; 194-IM</b> in the month of September, 2021
	➤ Quarterly <b>TCS certificate</b> (in respect of tax collected by any person) for the quarter ending September 30, 2021



<b>31 October 2021</b>	➤ Intimation by a designated constituent entity, resident in India, of an international group in <b>Form no. 3CEAB</b> for the accounting year 2020-21
	➤ Quarterly statement of <b>TDS deposited</b> for the quarter ending September 30, 2021
	➤ Due date for furnishing of Annual audited accounts for each approved programmes under <b>section 35(2AA)</b>
	➤ Quarterly return of non-deduction of tax at source by a banking company from interest on time deposit in respect of the quarter ending September 30, 2021
	➤ Copies of declaration received in <b>Form No. 60</b> during April 1, 2021 to September 30, 2021 to the concerned Director/Joint Director
	➤ Due date for e-filing of report ( <b>in Form No. 3CEJ</b> ) by an eligible investment fund in respect of arm's length price of the remuneration paid to the fund manager (if the assessee is required to submit return of income on October 31, 2021).
	➤ Statement by scientific research association, university, college or other association or Indian scientific research company as required by rules 5D, 5E and 5F (if due date of submission of return of income is October 31, 2021).
	➤ Application in <b>Form 9A</b> for exercising the option available under Explanation to section 11(1) to apply income of previous year in the next year or in future (if the assessee is required to submit return of income on October 31, 2021).
	➤ Statement in Form no. 10 to be furnished to accumulate income for future application under section 10(21) or section 11(1) (if the assessee is required to submit return of income on October 31, 2021).
	➤ Due date for claiming foreign tax credit, upload statement of foreign income offered for tax for the previous year 2019-20 and of foreign tax deducted or paid on such income in Form no. 67. (If due date of submission of return of income is October 31, 2021).
	➤ Submit copy of audit of accounts to the Secretary, Department of Scientific and Industrial Research in case company is eligible for weighted deduction under section 35(2AB) [if company does not have any international/specified domestic transaction]
➤ Payment of tax under the Direct Tax <b>Vivad se Vishwas</b> Act, 2020 with additional charge	



# 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

### CERTIFICATE COURSE ON TDS

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

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

**Duration -** 30 Hours

**Mode of Class -** Online

### CERTIFICATE COURSE ON INCOME TAX RETURN FILLING

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

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

**Duration -** 30 Hours

**Mode of Class -** Online

### CERTIFICATE COURSE ON GST

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

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

**Duration -** 72 Hours

**Mode of Class -** Online

*\* Special Discount for Corporate*

### ADVANCED CERTIFICATE COURSE ON GST

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

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

**Duration -** 40 Hours

**Mode of Class -** Online

### ADVANCED COURSE ON GST AUDIT AND ASSESSMENT PROCEDURE

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

**Duration -** 30 Hours

**Mode of Class -** Online

### ADVANCED COURSE ON INCOME TAX ASSESSMENT AND APPEAL

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

**Duration -** 30 Hours

**Mode of Class -** Online

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

### GST COURSE - COLLEGE AND UNIVERSITY STUDENTS

**Batch Size -** 50 (Minimum)

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

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

**Exam Fees -** Rs. 200 + 18% GST

**Course Duration -** 32 Hours

### CRASH COURSE ON INCOME TAX OVERVIEW

**Batch Size -** 50 (Minimum)

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

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

**Exam Fees -** Rs. 500 + 18% GST

**Course Duration -** 32 Hours

For enquiry about courses, mail at – [trd@icmai.in](mailto: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/>

The Tax Research Department is organizing a **4 days Workshop on Provident Fund**

**Date** - 13<sup>th</sup> November 2021 to 16<sup>th</sup> November 2021 ■ **Time** - 7.00 p.m - 9.00 p.m

**Participation Fee** - Rs. 2000 + 18% GST ■ **Mode** - Google Meet (online platform)

**Admission Link:**

<https://eicmai.in/advsc/DelegatesApplicationForm-New.aspx?Dept=Tax%20Research%20Department>

**Last date of Admission** - 12<sup>th</sup> November 2021

For further clarification please contact - trd@icmai.in



**THE INSTITUTE OF  
COST ACCOUNTANTS OF INDIA**  
Statutory Body under an Act of Parliament  
[www.icmai.in](http://www.icmai.in)

**TAX RESEARCH DEPARTMENT**  
Organizing  
**4 DAYS WORKSHOP ON  
PROVIDENT FUND - PRACTICAL  
APPROACH**

13<sup>th</sup> November 2021 to 16<sup>th</sup> November 2021  
7:00 P.M - 9:00 P.M  
Faculty



**CMA Sai Chandra Kasam**  
Practicing Cost Accountant



**CMA Biswarup Basu**  
President



**CMA P. Raju Iyer**  
Vice President



**CMA Rakesh Bhalla**  
Chairman  
Direct Taxation Committee



**CMA Chittaranjan Chattopadhyay**  
Chairman  
Indirect Taxation Committee

Participation Fee per candidate Rs. 2,000 + 18% GST

For any clarification,  
please mail at:  
[trd@icmai.in](mailto:trd@icmai.in)

**Admission Link:**  
<https://eicmai.in/advsc/DelegatesApplicationForm-New.aspx?Dept=Tax%20Research%20Department>

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



## 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:

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](http://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