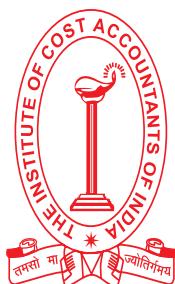




Edition
TAX
Bulletin



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

Statutory Body under an Act of Parliament

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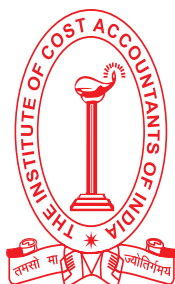
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Objectives of Taxation Committees:

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

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

Modalities

Description	Course Name						
	CCGST	ACCGST	ACGAA	CCTDS	CCFOF	ACIAA	CCIT
Hours	72	40	30	30	30	30	50
Mode of Class	Offline/ Online	Online					
Course Fee* (₹)	10,000	14,000	12,000	10,000	10,000	12,000	10,000
Exam Fee* (₹)	1,000 per attempt						
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Course Details

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

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Modalities

Eligibility

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Batch Size	Minimum 50 Students per Batch per course	
Course Fee* (₹)	1,000	1,500
Exam Fee* (₹)	200	500
Duration (Hrs)	32	32

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

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

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



PRESIDENT'S MESSAGE

I am delighted to note that the Tax Research Department of the Institute is coming out with the grand 5th Anniversary edition of Tax Bulletin. I would like to appreciate the hard work and persistence of the Tax Research Department in helping all the stakeholders by publishing Tax Bulletin which has proved to be an important source of knowledge on taxation matters. It contains the latest tax rulings, issuances, circulars, opinions and decisions from the Government agencies. Each item is summarized for an easy reference. It has articles which are noteworthy and intriguing. It also makes me happy to note that the Bulletin is widely distributed to State/Central Government Departments, Trade and Industry Associations and others. It is also made available in Taxation Knowledge Portal of Institute's website.

The Tax Research Department is also doing a commendable job in its other key activities such as conducting courses, webinars, seminars, workshops and submission of representations to the Government and release of publications on various pertinent topics on taxation.

I congratulate CMA Chittaranjan Chattopadhyay, Chairman- Indirect Taxation Committee and CMA Rakesh Bhalla, Chairman – Direct Taxation Committee and other members of the Committee for all the initiatives taken. I acknowledge the commendable job by the entire Tax Research Team. I would also like to thank all resource persons for their contribution, guidance and support in bringing out this tax bulletin over the years.

I wish the Tax Research Department success in all its endeavours.

Regards

CMA P Raju Iyer
President
2nd October, 2022



VICE-PRESIDENT'S MESSAGE

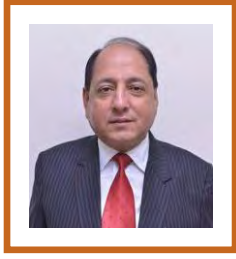
I am happy to acknowledge the immense success achieved by Tax Research Department in bringing out this grand 5th Anniversary Edition of Tax Bulletin. It is a commendable achievement of the department and resource contributors who had worked hard over the last five years to promote knowledge and insights in the field of taxation.

India moved forward with the implementation of GST. But, apart from GST there are various glaring issues in both Direct and Indirect Taxation which have been addressed in the Tax Bulletin on regular basis. It really needs appreciation that such alluring topics have been thought of and presented in this publication. It is a must read for taxation professionals as it sums the latest tax rulings, notifications, circulars, opinions and decisions from Government agencies such as CBIC, CBDT, GST Council, etc. It also includes Tax Calendar to remind you of the forthcoming due dates, press releases and Judgements of both Direct and Indirect Taxation for selective read.

I would like to congratulate the Chairman and other members of the Taxation Committee, eminent resource persons, and Tax Research Department of the Institute for bringing out this grand 5th Anniversary edition. I am optimistic that the bulletin would serve the knowledge interest of the stakeholders in the years to come.

A handwritten signature in black ink, appearing to read 'Vijender Sharma'.

CMA Vijender Sharma
Vice-President
2nd October, 2022



CMA Rakesh Bhalla
Chairman, Direct Taxation Committee



CMA Chittaranjan Chattopadhyay
Chairman, Indirect Taxation Committee

FROM THE DESK OF CHAIRMAN

Dear Friends and Professional Colleagues,

October is a month of festivities in the whole of India. Auspicious celebrations like Durga Puja, Navratri, Diwali, Eid-e- Milad, Dhanteras, Govardhan Puja, Chhatt and Bhai Dooj are observed. We wish a happy, safe and prosperous celebration of festivities to all our readers and their family. On the eve of these festive days celebration, we also convey our best wishes to all the officials of CBIC, CBDT, Customs, DGFT and other Government Bodies both in States and Central and pray for their good health and happiness in the days ahead. We wish you all healthy and prosperous year ahead.

On the taxation front also two new changes have been brought about with the changes made effective from 1st October:

- (i) The registered person having an aggregate turnover of more than INR 10 Crores is now mandatorily required to generate an e-invoice.
- (ii) 1st October 2022 is appointed as the effective date for provisions of section 100 to section 114 [except section 110(c) and section 111] of the Finance Act 2022.

On the Tax Research Department's activity part, we would like to start off by congratulating the department for publishing the 5th Anniversary Edition and it is this time onwards that they would also print the physical copies of the bulletin for circulation. We would also like to inform you that the admission for all the Taxation Courses are running successfully. Exam for the previous batches of all the taxation courses will be conducted on 16.10.2022. We wish them all luck for their examination.

A representation has been submitted to Shri Dushyant Chautala, Convenor, Group of Ministers (GoM) on GSTAT for inclusion Cost Accountants as Technical Member of GST Appellate Tribunal.

The Second batch of GST Course for college and universities commenced at Bemina College, Shrinagar, Kashmir.

As we informed you earlier The Tax Research Department has started a Quiz Contest for members. Every Friday QUIZ contest conducted from 5p.m onwards through Google Form.

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

Jai Hind.
Warm Regards



(Rakesh Bhalla)

CMA Rakesh Bhalla
2nd October 2022



CMA Chittaranjan Chattopadhyay
2nd October 2022

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CONTENTS

ARTICLES		
INDIRECT TAX		
01	APPLICABILITY OF GST ON RECOVERIES FROM EMPLOYEES	
	CMA (Dr.) Sanjay Ramchandra Bhargave	Page - 1
02	GST – A FIVE-YEAR JOURNEY	
	CMA V S Datey	Page - 5
03	ACCOUNTANTS AND THEIR CHALLENGES UNDER GST	
	CMA Anil Sharma	Page - 7
04	IMPORT OF GOODS - END OF DOUBLE TAXATION ON OCEAN FREIGHT	
	Ramesh Chandra Jena	Page - 14
DIRECT TAX		
05	PREVENTIVE STEPS TO MINIMISE TDS/TCS DEFAULT	
	CMA Rakesh Kumar Sinha	Page - 18
TAX UPDATES, NOTIFICATIONS AND CIRCULARS		
	Indirect Tax	Page - 22
	Direct Tax	Page - 33
PRESS RELEASE		
	Direct Tax	Page - 36
	Indirect Tax	Page - 36
JUDGEMENTS		
	Indirect Tax	Page - 38
	Direct Tax	Page - 41
TAX COMPLIANCE CALENDAR AT A GLANCE		
	Direct Tax	Page - 44
	Indirect Tax	Page - 44
	Tax Research Department - Activities at a glance	Page - 45
	Appreciation Messages	Page - 52
	E-Publications of Tax Research Department	Page - 58

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

APPLICABILITY OF GST ON RECOVERIES FROM EMPLOYEES

Central Board of Indirect Taxes and Customs (CBIC) has issued circulars to clarify various issues with respect to applicability of GST and admissibility of ITC as recommended by GST Council in the 47th meeting held on 28th and 29th June, 2022.

One of the important area where CBIC has clarified applicability of GST is recoveries from employees and ITC on facilities provided to employees.

A) Notice Pay Recovery

CBIC, vide circular No. 178/10/2022-GST DT.3rd August 2022 has clarified the issue as per the following.

Forfeiture of salary or payment of bond amount in the event of the employee leaving the employment before the minimum agreed period

7.5 An employer carries out an elaborate selection process and incurs expenditure in recruiting an employee, invests in his training and makes him a part of the organization, privy to its processes and business secrets in the expectation that the recruited employee would work for the organization for a certain minimum period. Premature leaving of the employment results in disruption of work and an undesirable situation. The provisions for forfeiture of salary or recovery of bond amount in the event of the employee leaving the employment before the minimum agreed period are incorporated in the employment contract to discourage non-serious candidates from taking up employment. The said amounts are recovered by the employer not as a consideration for tolerating the act of such premature quitting of employment but as penalties for dissuading the non-serious employees from taking up employment and to discourage and deter such a situation. Further, the employee does not get anything in return from the employer against payment of such amounts. Therefore, such amounts recovered by the employer are not taxable as consideration for the service of agreeing to tolerate an act or a situation.



CMA (Dr.) Sanjay Ramchandra Bhargave
Practicing Cost Accountant



GST officers and audit parties were demanding GST on notice pay recovery under the category "service of agreeing to tolerate an act or a situation". In view of the said clarification, now GST is not payable on the notice pay recovery.

B) Perquisites provided by employer to employee as per contractual agreement:-

Generally following facilities are provided to employees by employer. Generally some / nominal amount is recovered from employees and paid to contractor, if such facilities are provided through contractor.

- i) Canteen facility / Supply of Food.
- ii) Transportation from residence to workplace and workplace to residence.
- iii) Telephone / mobile.
- iv) Mediclaim insurance etc....

In this connection CBIC, vide circular No. 172/04/2022-GST Dt. 6th July 2022 has clarified the following.

1. *Schedule III to the CGST Act provides that "services by employee to the employer in the course of or in relation to his employment" will not be considered as supply of goods or services and hence GST is not applicable on services rendered by employee to employer provided they are in the course of or in relation to employment.*

2. *Any perquisites provided by the employer to its employees in terms of contractual agreement entered into between the employer and the employee are in lieu of the services provided by employee to the employer in relation to his employment. It follows therefrom that perquisites provided by the employer to the employee in terms of contractual agreement entered into between the employer and the employee, **will not be subjected to GST** when the same are provided in terms of the contract between the employer and employee.*

Same view has been taken in following decisions by

Advance Ruling Authority:-

Tata Motors Ltd. In re (2021) 88 GST 546 (AAR Gujrat)

Dishman Carbogen Amics Ltd. In re (2021) 88 GST 629(AAR-Gujrat)

Emcure Pharmaceutical Ltd. ; In re (2022) 134 Taxmann.com 74(AAR-Mah.)

Tata Motors Ltd. In re (2020) 119 Taxmann.com 106 (AAR-Maharashtra)

Integrated Decision and Systems (2022) 58 (GSTL) 596 (AAR-GST)

In view of the above clarification and decisions by advance ruling authority, in my opinion, GST is not payable on the amounts recovered from employees towards canteen facilities, transportation facilities, health insurance etc., if such facilities are provided as fringe benefits in relation to employment.

C) ITC on facilities provided to employees.

Input Tax Credit is not available on various supplies specified under Sec 17(5) of the CGST Act, 2017. As per Sec 17(5)(b) of the CGST Act, ITC shall not be available on the following.

Sec 17(5) :- Notwithstanding anything contained in sub-section (1) of section 16 and subsection (1) of section 18, input tax credit shall not be available in respect of the following, namely:—

(b) the following supply of goods or services or both—

(i) food and beverages, outdoor catering, beauty treatment, health services, cosmetic and plastic surgery, leasing, renting or hiring of motor vehicles, vessels or aircraft referred to in clause (a) or (aa) except when used for the purposes specified therein, life insurance or health insurance :

(ii) membership of a club, health and fitness centre;

(iii) travel benefits extended to employees on



vacation such as leave or home travel concession.

Provided that the input tax credit in respect of such goods or services or both shall be available, where it is obligatory for an employer to provide the same to its employees under any law for the time being in force.

A doubt was raised as to whether the proviso is applicable to the entire Section 17(5)(b) of CGST Act, 2017. In this connection, CBIC, vide circular No.172/04/2022-GST DT. 6th July 2022 has clarified the following.

Question No.3 :- Whether the proviso at the end of clause (b) of sub-section (5) of section 17 of the CGST Act is applicable to the entire clause (b) or the said proviso is applicable only to sub-clause (iii) of clause (b)?

Clarification by CBIC :- 1. Vide the Central Goods and Service Tax (Amendment Act) 2018, clause (b) of sub-section (5) of section 17 of the CGST Act was substituted with effect from 01.02.2019. After the said substitution, the proviso after sub-clause (iii) of clause (b) of sub-section (5) of section 17 of the CGST Act provides as under:

“Provided that the input tax credit in respect of such goods or services or both shall be available, where it is obligatory for an employer to provide the same to its employees under any law for the time being in force.”

2. The said amendment in sub-section (5) of section 17 of the CGST Act was made based on the recommendations of GST Council in its 28th meeting. The intent of the said amendment in sub-section (5) of section 17, as recommended by the GST Council in its 28th meeting, was made known to the trade and industry through the Press Note on Recommendations made during the 28th meeting of the GST Council, dated 21.07.2018. It had been clarified “that scope of input tax credit is being widened, and it would now be made available in respect of Goods or services which are obligatory for an employer to provide to its employees, under any law for the time being in force.”

3. Accordingly, it is clarified that the proviso after

sub-clause (iii) of clause (b) of sub-section (5) of section 17 of the CGST Act is applicable to the whole of clause (b) of sub-section (5) of section 17 of the CGST Act.

In view of the above clarification, ITC shall be available on food and beverages, outdoor catering, beauty treatment, health services, cosmetic and plastic surgery, leasing, renting or hiring of motor vehicles, vessels or aircraft life insurance or health insurance, membership of a club, health and fitness centre; travel benefits extended to employees on vacation such as leave or home travel concession, **where it is obligatory for an employer to provide the same to its employees under any law for the time being in force.**

Therefore, in my opinion, ITC on canteen services provided in factory would be admissible.

D) Leasing of Motor Vehicles, Laptops etc.. to employees.

As regards leasing of motor vehicles, CBIC, vide circular No. 172/04/2022-GST Dt. 6th July 2022 has clarified as per the following.

Question No.4 :- Whether the provisions of sub-clause (i) of clause (b) of sub-section (5) of section 17 of the CGST Act bar availment of ITC on input services by way of “leasing of motor vehicles, vessels or aircraft” or ITC on input services by way of any type of leasing is barred under the said provisions?

Clarification by CBIC :- 1. Sub-clause (i) of clause (b) of sub-section (5) of section 17 of the CGST Act provides that ITC shall not be available in respect of following supply of goods or services or both—

*“(i) food and beverages, outdoor catering, beauty treatment, health services, cosmetic and plastic surgery, **leasing, renting or hiring of motor vehicles, vessels or aircraft** referred to in clause (a) or clause (aa) except when used for the purposes specified therein, life insurance and health insurance:*

Provided that the input tax credit in respect of such goods or services or both shall be available where an



inward supply of such goods or services or both is used by a registered person for making an outward taxable supply of the same category of goods or services or both or as an element of a taxable composite or mixed supply”

2. It is clarified that “leasing” referred in sub-clause (i) of clause (b) of sub-section (5) of section 17 **refers to leasing of motor vehicles, vessels and aircrafts only and not to leasing of any other items**. Accordingly, availment of ITC is not barred under sub-clause (i) of clause (b) of sub-section (5) of section 17 of the CGST

Act in case of leasing, other than leasing of motor vehicles, vessels and aircrafts.

In view of the above clarification, in my opinion ITC on leasing of motor vehicles, vessels and aircrafts shall not be available. However, ITC can be availed on leasing of equipment such as laptops, handsets for mobile, etc..

By issuing these clarifications, CBIC has removed confusion on applicability of GST on recoveries from employees and availability of Input Tax Credit on various activities related to employees.

TP

GST – A FIVE-YEAR JOURNEY

The idea of GST was initiated to create a national market and to avoid cascading effect of taxes. Considering the experience of five years, we can say that GST has been considerably successful.

However, as we have to learn to live with Corona, we have to learn to be more proficient with GST, considering the fact that the initial problems have been resolved over the last five years to a great extent.

Achievements in last five years of GST

Following can be summarised as achievements of GST in last five years.

- National Market – about 70% achieved
- Avoid cascading effect of taxes – about 60% achieved – seamless Input Tax Credit is an area where efforts need to be put in
- Problems due to overlapping of Vat and service tax – more or less eliminated
- Abolition of check posts

Unique features of Indian GST

Following are unique features of Indian GST.

- Concept of IGST is a unique idea – nowhere else tried – it is a game changer
- GST on supply and not on manufacture or sale. This changes entire structure of tax.
- Dual structure of GST – SGST/UTGST and CGST in transactions within State/Union Territory.
- Uniform law on goods and services all over India – great achievement
- Centre State Cooperation at unprecedented level. All the decisions so far (except one) in GST Council by consensus and not by voting
- Most complex GST law in the world.
- No concept of ABC analysis in trying to bring every transaction under



CMA V S Datey
Author & GST Practitioner



GST and in case of allowability of Input Tax Credit

- Ease of doing business – More simplified processes are needed

Improvements are suggested in GSTN

One major reason for problems in GST is due to the problems in GSTN. Almost 50% problems in GST are due to system, which is law in itself. There were numerous difficulties in getting GST registrations, filing returns and amending them. It is impossible to find out and keep track to know whether supplier has paid tax GSTN is master. It often acts against law but assessee is helpless.

Refund Related Issues

- In case of exports, it is much easier to pay GST and claim refund. Getting refund of input tax on exports is very difficult. There is no refund of GST paid on capital goods while claiming refund of Input Tax Credit. The new provisions w.e.f. 1-10-2022 will make refunds more difficult.
- LUT (Letter of Undertaking) is a big source of problems and may become obstacle towards the aim of ease of doing business and reducing corruption.
- Refund in case of inverted duty structure. There is no provision for refund of ITC of GST paid on capital goods.

Blocked Credit

- Concept of seamless Input Tax Credit is yet to be achieved and requires more efforts.
- Many hurdles in taking Input Tax Credit – particularly after 1-10-2022
- Vast powers to tax officials to block availment and utilisation of Input Tax Credit
- Some legitimate business expenditure disallowed like travel and food to employees, medical facilities to employees are blocked.
- Gifts and Free Samples – ITC involved is negligible but compliance cost is heavy.

- Motor vehicles for legitimate business purposes are not eligible for ITC
- Construction services is really legitimate expenditure, but is blocked.
- In case of Goods lost in fire, ITC is required to be reversed. Really, it is genuine business expenditure and ITC should be allowed.
- Services received in other State like hotel, rent. Office expenses are not eligible for ITC. Thus, against the objective of 'one nation, one tax'.

Some burning issues in GST

Following are some burning issues in GST, which may be big source of litigation.

- Cross charge
- Registration mandatory to those exempted from GST if some of their input goods and services are covered under RCM. This increases compliance costs.
- Vast powers to tax officials to suspend and cancel GST Registration
- Definition of Intermediary under Place of Supply is very litigation prone. Really, Definition of 'intermediary' should only cover commission agents, but in view of broad definition, many transactions are getting covered under 'intermediary' definition.
- Tribunal needs to be constituted.

Conclusion

If GST is to be ranked, I will give Basic structure GST 80% of marks, Drafting of law 65% marks, Implementation of GST law 40% marks. Tax Officials are expected to be facilitators.

Despite all the hurdles, the efforts put in by the Government over last five years to simplify and stabilise the GST in India gives a hope for a happy and safe journey in the era of GST.

ACCOUNTANTS AND THEIR CHALLENGES UNDER GST

An Accountant perhaps is the first professional or stakeholder who deals with any commercial laws. To execute the laws, he needs to be well aware of its provisions and mapping such provisions with business transactions is his expertise or skill. During the mapping process of transactions sometimes he adjudges wrong interpretation of the provisions and litigation emerged which takes its own time to resolve the issues. In case of litigation, an accountant takes various assumptions in his accounting till the matter is resolved.

Like other laws of the land i.e. Income Tax Act, 1961, Excise and Customs Act 1944 etc. Goods and Service Tax (GST) has been throwing different and new challenges to an accountant every day. Since it is introduced, it has been continuously being amended and its IT platform too put accountants under pressure. Due to new concepts and experiments under GST, an accountant professionals wasted lot of precious time for which they don't even get awarded rather it put them under depression. Many young accountants entered into the field of GST for their bread and butter but because of frequent changes and technical glitches at its portal, they were forced to leave its practice.

Major Challenges under GST:

From an accountant's point of view, Sections 01 to section 66 are the main sections where their involvement is a must and an accountant directly deals with these sections in their day to day operations. So, any amendment in said sections, sub-sections, rules, notifications and circulars issued for clarification impact the accountant's work. He has to arrange data or information as per new amendment or change which becomes tedious and laborious job for him as many software don't support such requirements of law. Even where software is able to do so, needs a lot of changes, time and research to get the right information. **Though challenges are more but some of the major challenges being faced by the accounts on daily basis are as under:**

- ★ **Different dates for different Sections:** All Sections of CSGT, SGST and IGST Acts are not introduced w.e.f 01.07.2017.



CMA Anil Sharma
Practicing Cost Accountant



Proviso to Section 1(3) clearly mentions the same. Accordingly, Sections 51 and 52 were introduced later on w.e.f 01.10.2018.

Section 9(4) was introduced but later on put on hold w.e.f 13.10.2017 and again introduced for selective Industries.

e-way bill provisions were introduced subsequently after many revisions and announcements of dates.

Many amendments brought through financial budgets were introduced at different- dates and some of them were kept in abeyance. Such practices make the matter more and more complicated.

- ★ **Various new definitions under GST:** Section -2 of the CGST Act deals with 119 definitions which are drafted as per the concepts of GST Laws. Some are totally new and some are taken or referred from existing or old laws. Some of the definitions are contradictory or are redrafted or amended after the introduction of GST. Various sub-section under Section- 2 of CGST Act, 2017 can be referred for such amendments.

Working with one concept and then latter on shifting to another one with change of scope of the definition put lot of pressure on the working of any organization, especially who actually deals with the situation.

- ★ **Change in the concept of Supply:** Goods and Service tax (GST) is purely based on the concept of Supply. So, more or less any supply with or without consideration is subject to GST. Supply and its scope are defined under Section 7 read with Schedules-I, II and III thereto.

Changes made in said schedules that too with retrospective effect have shattered the accountants and have thrown challenges to accountants to give effects to books of accounts and accordingly compliance under law and audit by paying more taxes, interest and even penalties.

- ★ **Input Tax Credit (ITC):** Provisions of Section 16 to Section 19 regarding ITC and amendments made there brought huge work pressure on accountants.

Reconciliation of GSTR-3B, GSTR-2A and 2B, identification of non-GST items, block credits etc. takes a lot of time for accountants as many organizations can't afford software to get it done. Many software doesn't have such features and accountants have to do it manually where in chances of mistake are numerous. Year-end reconciliations of such data for GSTR-9 and GSTR-9C make the life of an accountant hell.

- ★ **Monthly returns:** Monthly return is a regular phenomenon under any law. It's routine work for any accountant to file monthly and quarterly returns. But in GST acts, it became another challenge for accountants and even after a gap of six years we could not file the first GST return as proposed in the act. We were forced to shift to some interim arrangement of GSTR-3B with too many changes and still struggling with it.

- ★ **GSTR-9 and GSTR-9C:** Filing annual returns is another major challenge under GST even today after a gap of six years. GSTR-9 & GSTR-9C were introduced in 2018-19 after a gap of one and half years and got amended many times creating havoc for accountants and the industry. Information and /or data asked for in these forms were never asked in GSTR-1 and GSTR-3B and industry was also not used to capture such data. Still, we are struggling with the final format of GSTR-3B and in recent past authorities have asked stake holders' views on the said format.

- ★ **Refunds for Zero rated supplies or otherwise:** Refunds of ITC used for inputs used to supply Zero Rated supplies is fundamental right of assessee as exports are exempted from taxes. But the procedures and documentation involved in the whole process of refunds make the accountants exhausted.

So there are n-number of challenges for the accountants under GST and somehow this profession is struggling hard to help the government to get the GST implemented in the industry for a better future.

In recent past government has issued two circulars which gave some relief to accountants directly which have otherwise become annoyance for the accountants. These circulars are as under:



1. Circular No 177/03.08.2022- GST Rates and exemption clarifications:

i) Whether the activity of selling space for advertisement in souvenirs is eligible for a concessional rate of 5%.

As per serial number (i) of entry 21 of notification No. 11/2017-Central Tax (Rate) dated 28.06.2017 selling of space for advertisement in print media attracts GST @ 5%.

The term 'print media' has been defined in clause (zt) of notification No.12/2017-Central Tax (Rate) dated 28.06.2017 as under: "print media" means, — i. 'book' as defined in sub-section (1) of section 1 of the Press and Registration of Books Act, 1867 (25 of 1867), but does not include business directories, yellow pages and trade catalogues which are primarily meant for commercial purposes;

Further, sub-section (1) of section 1 of the Press and Registration of Books Act, 1867 defines 'book' as follows: "Book" includes every volume, part or division of a volume, and pamphlet, in any language and every sheet of music, map, chart or plan separately printed.

Accordingly, as recommended by the GST Council, it is clarified sale of space for advertisement in souvenir books is covered under serial number (i) of entry 21 of Notification No. 11/2017-Central Tax (Rate) and attracts GST @ 5%.

ii) Whether location charges or preferential location charges (PLC) collected in addition to the lease premium for the long-term lease of land constitute part of the lease premium or upfront amount charged for long-term lease of land and are eligible for the same tax treatment.

As per entry 41 of the notification No. 12/2017- Central Tax (Rate) dated 28.06.2017 upfront amount, which is defined as "upfront amount (called as premium, salami, cost, price, development charges or by any other name) payable in respect of service by way of granting of long term lease (of thirty years, or more) of industrial plots or plots for development of infrastructure for financial

business, provided by the State Government Industrial Development Corporations or Undertakings or by any other entity having 20 percent or more ownership of Central Government, State Government, Union territory to the industrial units or the developers in any industrial or financial business area" - **exempted**.

iii) Whether the additional toll fees collected in the form of higher toll charges from vehicles not having fastag is exempt from GST

Entry 23 of notification No.12/2017- Central Tax (Rate) dated 28th June 2017 **exempts service by way of access to a road or a bridge on payment of toll charges**

Therefore, it is clarified that additional fee collected in the form of higher toll charges from vehicles not having Fastag is essentially payment of toll for allowing access to roads or bridges to such vehicles and may be given the same treatment as given to toll charges.

iv) Whether the sale of land after leveling, laying down of drainage lines etc., is taxable under GST

As per SI No. (5) of Schedule III of the Central Goods and Services Tax Act, 2017, the 'sale of land' is neither a supply of goods nor a supply of services, therefore, the sale of land does not attract GST.

Land may be sold either as it is or after some development such as leveling, laying down of drainage lines, water lines, electricity lines, etc. It is clarified that the sale of such developed land is also the sale of land and is covered by Sr. No. 5 of Schedule III of the Central Goods and Services Tax Act, 2017 and accordingly, does not attract GST.

However, it may be noted that any service provided for the development of land, like leveling, laying of drainage lines (as may be received by developers) shall attract GST at applicable rate for such services.

v) Situations in which corporate recipients are liable to pay GST on renting of motor vehicles designed to carry passengers.

Renting of a motor vehicle with an operator for the transport



of passengers falls under Heading 9966. According to the explanatory notes to heading 9966, the service covered here is renting of a motor vehicle for the transport of passengers for a period of time where the renter defines how and when the vehicles will be operated, determining schedules, routes and other operational considerations.

'Passenger transport services' on the other hand fall under Heading 9964. According to the explanatory notes Heading 9964 covers passenger transport services over pre-determined routes on pre-determined schedules

Accordingly, it is clarified that where the body corporate hires the motor vehicle (for transport of employees etc.) for a period of time, during which the motor vehicle shall be at the disposal of the body corporate, the service would fall under Heading 9966, and the body corporate shall be liable to pay GST on the same under RCM. It may be seen that reverse charge thus would apply to the act of renting of vehicles by body corporate and in such a case, it is for the body corporate to use in the manner as it likes subject to agreement with the person providing the vehicle on rent.

However, where the body corporate avails the passenger transport service for specific journeys or voyages and does not take a vehicle on rent for any particular period of time, the service would fall under Heading 9964 and the body corporate shall not be liable to pay GST on the same under RCM.

Taxability and applicable rate of GST on transport of minerals from mining pit head to railway siding, beneficiation plant etc., by vehicles deployed with driver for a specific duration of time.

Such services are nothing but "rental services of transport vehicles with operator" which fall under heading 9966 and attract GST @ 18% under Sr. No. 10 part (iii) of notification No. 11/2017- Central Tax (Rate) dated 28.06.2017. The person who takes the vehicle on rent defines how and when the vehicles will be operated, and determines schedules, routes and other operational considerations. The person who gives

the vehicles on rent with an operator cannot be said to be supplying the service by way of transport of goods.

On such rental services of goods carriages where the cost of fuel is included in the consideration charged from the recipient of service, the GST rate has been reduced from 18% to 12% with effect from 18.07.2022. Prior to 18.07.2022, it attracted GST at the rate of 18%.

vi) Whether hiring of vehicles by firms for transportation of their employees to and from work is exempt under Sr. No. 15(b) of Notification No. 12/2017-Central Tax (Rate) transport of passengers by non-air-conditioned contract carriage.

The exemption shall not be applicable where contract carriage is hired for a period of time, during which the contract carriage is at the disposal of the service recipient and the recipient is thus free to decide the manner of usage (route and schedule) subject to conditions of the agreement entered into with the service provider.

2.. Circular No 178/03.08.2022:

GST applicability on liquidated damages, compensation and penalty arising out of breach of contract or other provisions of law.

Para 5 (e) of Schedule II of CGST Act: "Agreeing to the obligation to refrain from an act or to tolerate an act or a situation, or to do an act"

The above statement in schedule-II carries three limbs/parts as under:

➤ **Agreeing to the obligation to refrain from an act:**

- **non-compete agreements**, where one party agrees **not to compete with the other party in a product, service or geographical area** against a consideration paid by the other party,
- a builder refraining from constructing more than a certain number of floors, even though permitted to do so by the municipal authorities, against a compensation paid by the neighbouring housing



project, which wants to protect its sunlight, or

- an industrial unit refraining from manufacturing activity during certain hours against an agreed compensation paid by a neighbouring school, which wants to avoid noise during those hours.

➤ **Agreeing to the obligation to tolerate an act or a situation:**

- This would include activities such a shopkeeper allowing a hawker to operate from the common pavement in front of his shop against a monthly payment by the hawker, or
- an RWA tolerating the use of loudspeakers for early morning prayers by a school located in the colony subject to the school paying an agreed sum to the RWA as compensation.

➤ **Agreeing to the obligation to do an act:**

This would include the case where an industrial unit agrees to install equipment for zero-emission/discharge at the behest of the RWA of a neighbouring residential complex against a consideration paid by such RWA, even though the emission/discharge from the industrial unit was within permissible limits and there was no legal obligation upon the individual unit to do so.

Unless there is an express or implied promise by the recipient of money to agree to do or abstain from doing something in return for the money paid to him, it cannot be assumed that such payment was for doing an act or for refraining from an act or for tolerating an act or situation.

Payments such as:

- liquidated damages for breach of contract,
- penalties under the mining act for excess stock found with the mining company,

- forfeiture of salary or payment of the amount as per the employment bond for leaving the employment before the minimum agreed period,

- penalty for cheque dishonour etc.

are not a consideration for tolerating an act or situation. They are rather amounts recovered for not tolerating an act or situation and to deter such acts; such amounts are for preventing breach of contract or non-performance and are thus mere 'events' in a contract.

Such amounts do not constitute payment (or consideration) for tolerating an act, because there cannot be any contract: (a) for breach thereof, or (b) for holding more stock than permitted under the mining contract, or (c) for leaving the employment before the agreed minimum period or (d) for doing something leading to the dishonour of a cheque.

As has already been stated, unless payment has been made for **an independent activity of tolerating an act under an independent arrangement entered into** for such activity of tolerating an act, such payments will not constitute 'consideration' and hence such activities will not constitute "supply" within the meaning of the Act

Some of the important examples of such cases are Service Tax/GST demands on:

1. Liquidated damages paid for breach of contract;

It is argued that performance is the essence of a contract. Liquidated damages cannot be said to be a consideration received for tolerating the breach or non-performance of the contract. They do not act as a remedy for the breach of contract. By accepting the liquidated damages, the party aggrieved by breach of contract cannot be said to have permitted or tolerated the deviation or non-fulfillment of the promise by



the other party. Such payments do not constitute consideration for a supply and are not taxable.

Examples of such cases are WHERE there is a mere flow of money:

- ☆ damages resulting from damage to property,
- ☆ negligence,
- ☆ piracy,
- ☆ unauthorized use of trade name, copyright, etc.
- ☆ the penalty stipulated in a contract for delayed construction of houses. It is a penalty paid by the builder to the buyers to compensate them for the loss that they suffer due to such delayed construction and not for getting anything in return from the buyers.
- ☆ forfeiture of earnest money by a seller in case of breach of 'an agreement to sell' an immovable property by the buyer or by Government or local authority in the event of a successful bidder failing to act after winning the bid,
- ☆ for allotment of natural resources,

ii. **Compensation given to previous allottees of coal blocks for cancellation of their licenses pursuant to Supreme Court Order;**

There was no agreement between the prior allottees of coal blocks and the Government said that the previous allottees shall agree to or tolerate the cancellation of the coal blocks allocated to them if the Government pays compensation to them. No such promise or offer was made by the prior allottees to the Government. The allottees had no option but to accept the cancellation. The compensation was given to them for such cancellation, not under a contract between the allottees and the Government, but under the provisions of the statute and in pursuance of the Supreme Court Order. Therefore, it would be incorrect to say that the prior allottees of the coal blocks supplied a service to the Government by way of agreeing to tolerate the cancellation of the allocations made to them by the Government or that the compensation paid by the Government for such cancellation in pursuance to the order of the Supreme Court was a consideration for such service. Therefore, the compensation paid for the

cancellation of coal blocks pursuant to the order of the Supreme Court in the above case was not taxable.

iii. **Cheque dishonour fine/penalty charged by a power distribution company from the customers;**

There is never an implied or express offer or willingness on part of the supplier that he would tolerate deposit of an invalid, fake or unworthy instrument of payment against consideration in the form of a cheque dishonour fine or penalty. The fine or penalty that the supplier or a banker imposes, for the dishonour of a cheque, is a penalty imposed not for tolerating the act or situation but a fine, or penalty imposed for not tolerating, penalizing and thereby deterring and discouraging such an act or situation. **Therefore, a cheque dishonour fine or penalty is not a consideration for any service and not taxable.**

Penalty imposed for violation of laws: Such penalties imposed for violation of laws cannot be regarded as consideration charged by the Government or a Local Authority for tolerating violation of laws. Laws are not framed for tolerating their violation. They stipulate penalty not for tolerating violations but for not tolerating, penalizing and deterring such violations. There is no agreement between the Government and the violator specifying that violation would be allowed or permitted against payment of fine or penalty.

It was also clarified vide Circular No. 192/02/2016-Service Tax, dated 13.04.2016 that fines and penalties chargeable by the Government or a Local Authority imposed for violation of a statute, bye-laws, rules or regulations are not leviable to Service Tax. The same holds true for GST also.

iv. **Bond amount recovered from an employee leaving the employment before the agreed period;**

The said amounts are recovered by the employer not as consideration for tolerating the act of such premature quitting of employment but as penalties for dissuading the non-serious employees from taking up employment and to discourage and deter such a situation. Further, the employee does not get anything in return from the



employer against payment of such amounts. Therefore, such amounts recovered by the employer are not taxable as consideration for the service of agreeing to tolerate an act or a situation

vi. **Late payment charges collected by any service provider for late payment of bills;**

Since it is ancillary to and naturally bundled with the principal supply such as of electricity, water, telecommunication, cooking gas, insurance etc. it should be assessed at the same rate as the principal supply

vii. **Fixed charges collected by a power generating company from State Electricity Boards (SEBs) or by SEBs/DISCOMs from the individual customer for the supply of electricity;**

Both the components of the price, the minimum fixed charges/capacity charges and the variable/energy charges are charged for the sale of electricity and are thus not taxable as electricity is exempt from GST

viii. **Cancellation charges recovered by railways for cancellation of tickets, etc**

Therefore, facilitation supply of allowing cancellation of an intended supply against payment of cancellation fee or retention or forfeiture of a part or whole of the consideration or security deposit in such cases should be assessed as the principal supply. For example, cancellation charges of railway tickets for a class would attract GST at the same rate as applicable to the class of travel (i.e., 5% GST on first class or air-conditioned coach ticket and nil for other classes such as second sleeper class). Same is the case for air travel.

Accordingly, the amount forfeited in the case of a non-refundable ticket for air travel or security deposit or earnest money forfeited in case of the customer failing

to avail the travel, tour operator or hotel accommodation service or such other intended supplies should be assessed at the same rate as applicable to the service contract, say air transport or tour operator service, or other such services.

However, as discussed above, forfeiture of earnest money by a seller in case of breach of 'an agreement to sell' an immovable property by the buyer or such forfeiture by the Government or local authority in the event of a successful bidder failing to act after winning the bid for allotment of natural resources, is a mere flow of money, as the buyer or the successful bidder does not get anything in return for such forfeiture of earnest money. Forfeiture of earnest money is stipulated in such cases not as a consideration for tolerating the breach of contract but as a compensation for the losses suffered and as a penalty for discouraging the non-serious buyers or bidders. Such payments being merely flow of money are not a consideration for any supply and are not taxable

ix **Rate of GST applicable on the supply of ice cream by ice-cream parlors during the period from 01.07.2017 to 05.10.2021.**

On the recommendation of the GST Council in its 45th meeting, it was clarified vide circular 164/20/2021-GST dated 06.10.2021 that ice cream parlours sell already manufactured ice-cream and they do not have a character of a restaurant and hence, ice cream sold by a parlor or any similar outlet attracts standard rate of GST @ 18% with ITC.

So the above clarifications through Circulars have brought great relief to the accountants for their day-to-day operations and with the help of these clarifications on one side accountants will be able to write books of accounts in a better manner and also reduce unnecessary litigation, time, resources and will bring confidence among stakeholders.

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IMPORT OF GOODS - END OF DOUBLE TAXATION ON OCEAN FREIGHT

The freight paid to the shipping companies for the transportation of export goods and imported goods through Sea is called “ocean freight”. The levy of tax on Ocean freight is the legacy of tax statute which has been continued in the GST regime. The Ocean freight paid on transportation of goods by sea was a taxable service leviable to Service Tax with effect from 1st March 2016.

Meaning of double taxation:

Levy of tax twice on the similar item is called as double taxation. Once ocean freight is subjected to levy of IGST on goods imported into India and once again IGST is liable on ocean freight on import of services i.e. freight forwarding services provided by the supplier of imported goods in terms of CIF basis of supply is amounts to double taxation.

Meaning of Imported goods

Section 2(10) of the IGST Act, 2017 defines “Import of goods” with its grammatical variations and cognate expressions, means bringing goods into India from a place outside India.

The term ‘bringing goods’ in to India means ‘physically’ goods should be brought into India and “import of goods” commences when the goods cross the Customs frontiers of India, it may be land, air and territorial waters of India. Thus “import of goods” necessarily implies goods to be brought physically in India.

Levy of tax on imported goods:

Any goods imported into India are chargeable to duties of Customs under Section 12 of the Customs Act, 1962 at rates specified in the Customs Tariff Act, 1975.

As per Section 5(1) of the IGST Act, 2017, Integrated tax on goods imported into India shall be levied and collected in accordance with the provisions of Section 3 of the Customs Tariff Act, 1975 on the value as determined under the said



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Act at the point when duties of customs are levied on the said goods under Section 12 of the Customs Act, 1962.

And as per Section 14 of the Customs Act, 1962, the value of the imported goods shall be the transaction value of such goods for the purpose of levy of Customs duty and such transaction value in the case of imported goods shall include, in addition to price, any amount paid or payable for costs and services, including commissions and brokerage, engineering, design work, royalties and licence fees, costs of transportation to the place of importation, insurance, loading, unloading and handling charges to the extent as per Rule 10(2) of the Customs valuation (Determination of Value of Imported Goods) Rules, 2007.

Rule 10(2) of the Customs valuation (Determination of Value of Imported Goods) Rules, 2007, prescribed that the value of the imported goods shall be the value of such goods, for delivery at the time and place of importation and shall include (a) the cost of transport of the imported goods to the place of importation.

Provided that where the cost of transport is not ascertainable, such cost shall be 20% of the FOB value or CIF value as the case may be. Further, goods imported by sea through stuffed container for clearance at ICD or CFS, then transportation cost

from port of delivery to ICD/CFS shall not be considered as cost of transportation to arrive transaction value of imported goods.

Meaning of import of Services:

Section 2(11) of the IGST Act, 2017 defines "import of services" means the supply of any service, where-

- (i) the supplier of service is located outside of India;
- (ii) the recipient of service is located in India; and
- (iii) the place of supply of service is in India.

Levy of tax on import of Services:

By virtue of Section 5(3) of the IGST Act, 2017 the Government (on recommendation of the GST Council) was empowered to issue notification, specify categories of supply of goods or services or both, the tax on which shall be paid on reverse charge basis by the recipient of such goods or services or both and the recipient of such goods or services or both is liable to pay tax under reverse charge in relation to the supply of such goods or services or both. By exercising power vested under section 5(3) of the IGST Act, 2017, the Government issued Notification No. 10/2017-Integrated Tax (Rate), dated 28-6-2017 and the relevant entry is reproduced as under:

Sl.No.	Category of Supply of Services	Supplier of Service	Recipient of service
(1)	(2)	(3)	(4)
10	Services supplied by a person located in non-taxable territory by way of transportation of goods by a vessel from a place outside India up to the Customs Station of clearance in India.	A person located in a non-taxable territory.	Importer, as defined in Sec 2(26) of the Customs Act, 1962, located in the taxable territory

The cited table is clearly stated that importer is the recipient of services and section 5(3) of the IGST Act, 2017 empowered to levy a tax on recipient and importer is liable to pay tax on services provided by freight forwarder on import of services (under reverse charge mechanism).

Taxable value of Ocean freight:

Where the value of taxable service provided by a person located in non-taxable territory to a person located in

non-taxable territory by way of transportation of goods by a vessel from a place outside India up to the customs station of clearance in India is not available with the person liable for paying integrated tax, the same shall be deemed to be 10 % of the CIF value (sum of cost, insurance and freight) of imported goods.

Further, Ocean freight is taxable @5% (IGST) under Reverse Charge Mechanism (Services by way of transportation



of goods by a vessel from a place outside India up to the customs station of clearance in India) vide Notification No. 10/2017-Integrated Tax (Rate), dated 28-6-2017 read with Notification No. 8/2017-Integrated Tax (Rate), dated 28-6-2017.

Double Tax on ocean freight:

Ocean freight component suffers tax twice; first instance suffers IGST as component of Customs Duty on imported goods on CIF basis (Cost, insurance and freight) and second time IGST @ 5% in the form of Import of Services (Under Reverse Charge Mechanism) for payment by the importer. Therefore, IGST payment is levied twice on Ocean freight in the guise as part of transaction value of imported goods. Once IGST is levied as element of Customs duty as goods and another case IGST is liable to pay on import of services.

Judgment of the Hon'ble Gujarat High Court on 'Ocean freight'

In the case of M/s Mohit Minerals (P.) Ltd. v. Union of India [2020 (33) G.S.T.L. 321 (Guj.)

The writ-applicant was engaged in importing non-cooking coal from Indonesia, South Africa and U.S.A. and supplying it to various domestic industries including power, steel, etc. The writ-applicant discharged customs duty on the imported products at the time of each import including the value of ocean freight. In addition to the customs duty, it also paid IGST on the imported coal which included the value of the ocean freight.

The writ-applicant challenged the legality and validity of the Notification No.8/2017- Integrated Tax (Rate), and Entry 10 of the Notification No.10/2017-Integrated Tax (Rate), both dated 28.6.2017 being ultra vires to the IGST Act, 2017. As per the submissions of the writ-applicant, IGST was levied again on reverse charge basis under said Notifications on the Ocean Freight, for which IGST was already paid at the time of import under Customs law.

The Hon'ble High Court observed that the writ-applicant was importing goods on the CIF basis where the transportation of goods in a vessel was the obligation of the foreign exporter.

The foreign exporter entered into contract with the foreign shipping line for availing the services of transportation of goods in a vessel. The obligation to pay consideration to

foreign shipping line was also of the foreign exporter. The writ-applicant neither availed the services of transportation of goods in a vessel nor was he liable to pay the consideration of such service. Moreover, in a case of CIF contract, the contract for transportation is entered into by the seller, i.e. the foreign exporter, and not the buyer, i.e. the importer, and the importer was not the recipient of the service of transportation of the goods. The entire transaction takes place outside the taxable territory, i.e. outside India. The mere fact that the transportation of goods terminated in India, will not make such supply of transportation of goods as taking place in India. The abovementioned notifications levying tax on supply of service of transportation of goods by a person in a non-taxable territory to a person in a non-taxable territory from a place outside

India up to the customs station of clearance in India and making the importer liable to pay GST, are ultra vires the provisions of the IGST Act.

The Hon'ble High Court held that no IGST would be levied on the ocean freight for the services provided by a person located in a non-taxable territory by way of transportation of goods by a vessel from a place outside India upto the customs station of clearance in India.

Hence, levy and collection of IGST on ocean freight under the said notifications is not permissible in law. The department has filed SLP against the order of Gujarat HC before the Apex Court.

SC upheld Gujarat HC judgment of Mohit Minerals' wherein GST on Ocean freight was held as ultra vires:

On 19/05/2022, the Hon'ble Supreme Court has pronounced a land mark decision on 'Ocean freight' in Civil Appeal 1390 of 2022 in the case of Union of India & Anr vs. M/s Mohit Minerals (P.) Ltd, [2022(61) G.S.T.L.257(SC)], while upholding the judgment of the Gujarat High Court taken on the levy of IGST on the Ocean Freight Component on import under the CIF method on a reverse charge basis.

The Apex Court has observed that the ocean freight from foreign location to customs station in India in CIF import contracts has sufficient territorial nexus for levying IGST under reverse charge. On an interpretation of Sections 5(3) and 5(4)



of the IGST Act, read with Section 2(93) of the CGST Act, it is clear that the importer can be classified as the 'recipient' of the services. On this interpretation, the validity of the notifications levying GST under RCM on ocean freight has to be upheld.

The Apex Court held that the impugned levy imposed on the 'reverse' aspect of the transaction is in violation of the principle of 'composite supply' enshrined under Section 2(30) read with Section 8 of the CGST Act. Since the Indian importer is liable to pay IGST on the 'composite supply', comprising of supply of goods and supply of services of transportation, insurance, etc., in a CIF contract, a separate levy on the Indian importer for the 'supply of services' by the shipping line would be in violation of Section 8 of the CGST Act

In view of the above, it was held that the impugned notifications are validly issued under Sections 5(3) and 5(4)

of the IGST Act, but it would be in violation of Section 8 of the CGST Act.

Thus, held that "having paid the IGST on the amount of freight which is included in the value of the imported goods, the impugned notifications levying tax again as a supply of service, without any express sanction by the statute, are illegal and liable to be struck down."

Before parting

Thus, the litigation of levy of double taxation of ocean freight on imported goods CIF basis and vires of Notifications have been challenged before the various High Courts across the country. The most awaited final decisions of the supreme court has delivered a land mark decision provided a great relief to the importer and double taxation on ocean freight incurred on imported goods on CIF basis has come to an end.

119

PREVENTIVE STEPS TO MINIMISE TDS/TCS DEFAULT

Under the TDS provisions of the Income Tax Act, responsibility is on the person who pay the money against income to the payee or the person who is responsible to collect tax at source, to deduct or collect the tax at source at the rate as prescribed, deposit the same amount to the government account, file TDS/TCS return and issue TDS/TCS certificate within the stipulated due time. In case of failure to any one of the above steps, TDS/TCS default cases arise. Chapter XVII on Collection and Recovery of Tax contain Section 190 to 206CCA of the Income Tax Act, 1961 govern the provisions related to the TDS/TCA issues.

Following are the some common errors which is generally occurring and cause to the TDS/TCS default Cases.

- Non mentioning PAN of deductee
- Wrong PAN of the deductee
- Short deduction of TDS or collection of TCS
- Non deduction of TDS or collection of TCS
- TDS/TCS deducted/collected but not deposited within the due date
- Non filling of TDS/TCS return or late filing
- Non downloading of TDS/TCS certificate
- Non payment of Interest or late fee after assessment of TDS/TCS return filed.
- Entry of wrong deductee details in TDS return or collectee in TCS return
- Entry of wrong paid amount to the deductee in TDS/TCS return, etc;



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Generally at the time of payment deductor could not understand from the PAN as furnished by the deductee that whether it is the PAN of an Individual or a HUF or Firm or Company unless deductee provide full information. Suppose a firm M/S Ram Vilash and associates supplies manpower to the company. He furnished his bill and in which PAN is mentioned. But from the bill it is not clear about the status of the firm i.e. whether it is a sole proprietary firm or HUF firm or a partnership firm. If it is a partnership firm then TDS have to deducted @ 2% u/s 194C but TDS has been deducted @ 1% considering it is as a sole proprietary firm or HUF or vice versa @ of 2%. We can avoid such situation. As we know the PAN is of 10 alphanumeric digits. The first three alphabet digit is randomly running digit from AAA to ZZZ, the forth alphabet digit reflect the status of the person, the fifth alphabet digit reflect the first letter of surname of the person and rest four numerical digit is a running digit from 0001 to 9999 and last digit is of no meaning it is randomly extra alphabet digit for reference in future by the government if require. In the case of an individual the forth digit will be "P", in case of HUF it will be "H", in case of firm it will be "F", in case of Trust it will be "T", in case of Company it will "C", in case of Association of person it will be "A".

For example my name is Rakesh Kumar Sinha, I am an individual my PAN is as below

XXXPS1234K, here P stands for Individual and S is first letter of my surname Sinha.

Similarly in case of Ram Prasad HUF, PAN is XXXHR4921D, in case of AOP Mahila welfare society PAN is XXXAM6280F, in case of a partnership firm R.K & associates PAN is XXXFR1025E, in case of company Jharkhand Club Limited PAN is XXXCJ2905D....

So from the above we can easily understand the status of person from its PAN and may minimise the short deduction default.

Similarly TAN is of 10 alphanumeric digits. First three alphabets letters refers the tax jurisdiction code and forth letter reflects the first name of the TAN holder. Next 5 digits are running numeric digits and last digit is a letter. Suppose a Mahila welfare society of Jharkhand then its TAN will be RCHMXXXXX2. RCH refer Ranchi and M is the first letter

of Mahila.

By the above techniques we may easily categories the PAN/ TAN for TDS provisions and may minimise TDS default case of short deduction.

Following are the some relevant provisions to which deductor should be aware to minimise the short deduction of TDS.

Furnishing of PAN by the Deductee

1. As per section 206AA it is mandatory to furnish a correct PAN by the payee to the deductor, if does not furnish the PAN TDS will be deducted at the normal rate or at the rate of 20%, whichever is higher. In the following cases section 206AA is not applicable.
 - i. If the payment of interest is made to a non resident under section 194LC is on long term bonds including infrastructure bonds
 - ii. Where tax is deductible as per DTAA's provision and rate of tax is lower than 20%.
 - iii. In case the recipient satisfy the conditions under section 192A [TDS from withdrawal from Employees' Provident Fund Scheme] and does not furnish PAN, tax will be deducted at the maximum marginal rate of tax 42.74%.
 - iv. In case the recipient satisfy the conditions under section 194 O [TDS on payment by e-commerce operator to e-commerce participants] or section 194Q [TDS on payment of certain sum for purchase of goods] and does not furnish PAN, TDS shall be deducted at the rate of 5%.
 - v. In case of non resident, not being a company or a foreign company who satisfy the conditions of rule 37BC, and not having PAN and the nature of payment is of interest, royalty, fees for technical services, dividend and payments on transfer of any capital assets. In such case TDS will be deducted at the regular rate, if the non-resident recipient furnishes the following details/documents to the payer viz; name, e-mail id, contact number, address



in the home country, certificate of being a resident in the home country, Tax Identification Number (TIN) in the home country or Unique identification number through which the deductee is identified in the home country.

vi. The recipient satisfies the conditions of rule 114AAB.

2. As per section 206CC, any person paying any sum or amount on which tax is collectible at source must furnish his PAN to the person responsible for collecting the TCS. If he not furnish PAN then TCS shall be collected at the twice rate as specified in the relevant provision or at the rate of 5%, whichever is higher.

Non Filler of Income Tax Return

With effective from 1st July, 2021 a new section 206AB and 206CCA was inserted. As per this section if the recipient or payer has not filed its income tax return within the due time as stipulated in section 139(1) of the assessment year relevant to the previous year immediately preceding the financial year in which payment is made and the aggregate amount of TDS and TCS is Rs. 50000/- or more in the said previous year, the payer have to deduct TDS or collect tax at twice the normal rate as specified in the relevant provision or at the rate or rates in force or at the rate of 5%, whichever is higher.

Suppose Mr. X is an Individual sole proprietor of M/S Ram Vilash and Associates having turnover below Rs. 1 crore, had supplied manpower to the company during the 2nd quarter of financial year 2022-23. As per the provision of section 194C, TDS have to be deducted at the rate of 1%. In such case the deductor have to see that whether Mr. X has filled its income tax return for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted i.e. of A.Y. 2022-23 on or before 31st July 2022 and TDS deducted and TCS collected during the P.Y. 2021-22 was Rs. 50000 or more.

The provisions of section 206AB are not applicable if tax is deductible under the section 192, 192A, 194B, 194BB, 194-IA, 194-IB, 194LBC, 194M and 194N.

The Central Board of Direct Taxes has provide a new functionality "Compliance Check" for the section 206AB and 206CCA to make it ease to know about the status of return

filing of deductee. The deductor or collector have to visit Income tax department report portal <https://report.insight.gov.in/reporting-webapp/portal/homePage> and have to register their by using their TAN and other information. From here the tax deductor or the collector can feed the single PAN or bulk PAN of the deductee or collectee and can get a instant report whether the deductee or collectee has furnished its income tax return within the due time as per section 139(1) or not.

In case of overlapping between sections 206AA or 206AB, and 206CC or 206CCA tax shall be deducted or collected at the higher of two rates provided in section 206AA and 206AB or 206CC and 206CCA as the case may be.

Recipient is Located in a Notified Jurisdictional Area.

Where any person located in a notified jurisdictional area is entitled to receive any sum and on which TDS is deductible under any provision of the Act, the payer as per section 94A(5) will deduct tax

- a) at the rates in force or at the rate specified in the relevant provisions of the Act or
- b) at the rate of 30%, whichever is higher.

Certificate for deduction of TDS at lower rate

Under section 197 the assessing officer may issue a certificate for non deduction of TDS or deduction of TDS at lower rate, if he satisfied that the total income of the recipient justifies the deduction of tax at lower rate or non deduction of tax.

In such certificate generally maximum amount of income is mentioned up to which no deduction of tax or deduction of tax at lower rate is allowed. Deductor has to pay care to this amount. When the payment cross that amount in financial year rate of deduction should be at normal rate or start deduction of tax at the applicable rate, when the case is of non deduction of tax.

Consequences of default

Where a person who requires to deduct tax has failed to deduct tax or fails to deposit the tax after deducting the tax fully or partially, such person shall be deemed to be an assessee-in-default under section 201(1) or 201(1A). He will be liable



for payment of tax, interest, penalty and prosecution. Besides, expenses will be disallowed under section 40(a).

Deductor should follow the following steps after the filing of TDS/TCS return

Follow up in Traces

After uploading of TDS return, deductor should revisit the traces site after 2 or 3 days and find out the status of the statement. If result is assessment with default that means the TDS return is assessed by the department and there is a demand. In such case justification report should download and view the reason of default. If the demand is due to PAN error a rectification return should file to remove the demand. If demand is of short deduction and penalty for late filing and

deductor find it valid then in such case this may be set-off against the un consumed challan or payment have to deposit through the fresh challan. Note in Challan code 400 should select in case of demand payment.

Rectification of TDS/TCS Return

TDS/TCS return filed can be rectified latter at any time of any earlier year. For this purpose a conso file have to download from the traces site. In case conso file is not available at traces of earlier previous year say 2005-06 or 2008-09 etc; then in such case an application have to make to the jurisdictional TDS assessing officer for conso file with request number. Once the department provide the same a rectification return can be file.

TD



INDIRECT TAX NOTIFICATIONS AND CIRCULARS

Customs: Notifications and Circulars

Notification Customs (Tariff)

Notification No. 50/2022-Customs

Date – 27th September 2022

Further amendment notification No.
50/2017-Customs, dated the 30th June, 2017

In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962) and sub-section (12) of section 3 of the Customs Tariff Act, 1975 (51 of 1975), the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India, Ministry of Finance (Department of Revenue), No. 50/2017-Customs, dated the 30th June, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 785(E), dated the 30th June, 2017, namely:-

In the said notification, -

1. In the ANNEXURE, in List 33, -

- (i) against item 3, in column (2), for the entry, the entry “8413, 8414 or 8481” shall be substituted;
- (ii) against item 14, -
 - (a) in column (2), after the figures “3104 20 00”, the figures “2915” shall be inserted;
 - (b) in column (3), for the words “and Oil and

Gas wells specific Cement Additives”, the words “Oil and Gas wells specific Cement Additives and Cesium Formate” shall be inserted.

This notification shall come into force on the 28th day of September, 2022.

Notification Customs (Non - Tariff)

Notification No. 75/2022-Cus (NT)-Customs

Date – 14th September 2022

Seeks to amend RoDTEP notification

In exercise of the powers conferred by sub-section (1) of section 51B of the Customs Act, 1962 (52 of 1962), the Central Government, hereby makes the following amendments in the notification published in the Gazette of India, Extra-ordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 655 (E), dated the 23rd September, 2021, namely: -

In the said notification, namely:-

- (i) In clause 4, sub-clause (2) shall be omitted
- (ii) In clause 5, sub-clause (5) shall be omitted
- (iii) In clause 6, the words “or the transferee” shall be omitted.

Notification No. 76/2022 -Cus (NT)-Customs

Date – 14th September 2022



Seeks to amend RoSCTL notification

In exercise of the powers conferred by sub-section (1) of section 51B of the Customs Act, 1962 (52 of 1962), the Central Government, hereby makes the following amendments in the notification published in the Gazette of India, Extra-ordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 663(E), dated the 24th September, 2021, namely: -

In the said notification, namely: -

- (i) In clause 4, sub-clause (2) shall be omitted.
- (ii) In clause 5, sub-clause (5) shall be omitted.
- (iii) In clause 6, the words "or the transferee" shall be omitted.

Notification No. 77/2022-Cus (NT)-Customs

Date – 15th September 2022

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

In exercise of the powers conferred by sub-section (2) of section 14 of the Customs Act, 1962 (52 of 1962), the Central Board of Indirect Taxes & Customs, being satisfied that it is necessary and expedient to do so, hereby makes the following amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 36/2001-Customs (N.T.), dated the 3rd August, 2001, published in the Gazette of India, Extraordinary, Part-II, Section-3, Sub-section (ii), vide number S. O. 748 (E), dated the 3rd August, 2001, namely: -

In the said notification, for TABLE-1, TABLE-2, and TABLE-3 the following Tables shall be substituted, namely: -

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	996
2	1511 90 10	RBD Palm Oil	1019
3	1511 90 90	Others –Palm Oil	1008
4	1511 10 00	Crude Palmolein	1032
5	1511 90 20	RBD Palmolein	1035
6	1511 90 90	Others –Palmolein	1034
7	1507 10 00	Crude Soya bean Oil	1362
8	7404 00 22	Brass Scrap (all grades)	4737



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	549 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. 50/2017-Customs dated 30.06.2017 is availed	635 per 10 grams
3	71	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; 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.	635 per Kilogram
4	71	(i) Gold bars, other than tola bars, bearing manufacturer's 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	549 per 10 grams

**TABLE-3**

Sl. No.	Chapter/ heading/sub-heading/tariff item	Description of goods	Tariff value (US \$ Per Metric Tonne)
(1)	(2)	(3)	(4)
1	080280	Areca nuts	6853 (i.e., no change)"

This notification shall come into force on the 16th day of September, 2022.

Notification No. 78/2022-Cus (NT)-Customs

Date - 15th September 2022

Exchange rate Notification No. 78/2022-Cus (NT)
dated 15.09.2022-reg

In exercise of the powers conferred by section 14 of the Customs Act, 1962 (52 of 1962), and in supersession of the Notification No. 73/2022-Customs(N.T.), dated

01st September, 2022 except as respects things done or omitted to be done before such supersession, the Central Board of Indirect Taxes and Customs hereby determines that the rate of exchange of conversion of each of the foreign currencies specified in column (2) of each of Schedule I and Schedule II annexed hereto, into Indian currency or vice versa, shall, with effect from 16th September, 2022, be the rate mentioned against it in the corresponding entry in column (3) thereof, for the purpose of the said section, relating to imported and export goods.

SCHEDULE-I

Sl. No.	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
(1)	(2)	(3)	
		(a)	(b)
		(For Imported Goods)	(For Export Goods)
1.	Australian Dollar	55.00	52.70
2.	Bahraini Dinar	217.70	204.60
3.	Canadian Dollar	61.45	59.40
4.	Chinese Yuan	11.60	11.25
5.	Danish Kroner	10.85	10.50
6.	EURO	80.80	77.85
7.	Hong Kong Dollar	10.30	9.95
8.	Kuwaiti Dinar	265.70	249.70



Sl. No.	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
(1)	(2)	(3)	
		(a)	(b)
9.	New Zealand Dollar	49.10	46.85
10.	Norwegian Kroner	8.00	7.75
11.	Pound Sterling	93.35	90.15
12.	Qatari Riyal	22.30	20.95
13.	Saudi Arabian Riyal	21.85	20.50
14.	Singapore Dollar	57.55	55.65
15.	South African Rand	4.70	4.40
16.	Swedish Kroner	7.55	7.30
17.	Swiss Franc	84.15	81.05
18.	Turkish Lira	4.50	4.20
19.	UAE Dirham	22.35	21.00
20.	US Dollar	80.40	78.70

SCHEDULE-II

Sl. No.	Foreign Currency	Rate of exchange of 100 units of foreign currency equivalent to Indian rupees	
(1)	(2)	(3)	
		(a)	(b)
		(For Imported Goods)	(For Export Goods)
1.	Japanese Yen	56.40	54.60
2.	Korean Won	5.90	5.55



Notification No. 79/2022-Cus (NT)-Customs

Date – 15th September 2022

Electronic Duty Credit Ledger (Amendment) Regulations, 2022

In exercise of the powers conferred by section 51B read with section 157 of the Customs Act, 1962 (52 of 1962), the Central Board of Indirect Taxes and Customs, hereby makes the following regulations to amend the Electronic Duty Credit Ledger Regulations, 2021, namely: -

- (1) Short title and commencement – (1) These regulations may be called the Electronic Duty Credit Ledger (Amendment) Regulations, 2022.
- (2) They shall come into force on the date of their publication in the Official Gazette.

In the Electronic Duty Credit Ledger Regulations, 2021, -

- (i) in regulation 6, in sub-regulation (2), for the words “one year”, the words “two years”, shall be substituted;
- (ii) in regulation 7, in sub-regulation (3), for the words “one year”, the words “two years”, shall be substituted.

Notification No. 80/2022-Cus (NT)-Customs

Date – 21st September 2022

Seeks to amend notification no. 12/97-Customs (N.T.) dated the 2nd April, 1997

In exercise of the powers conferred by clause (aa) of sub-section (1) of section 7 of the Customs Act, 1962 (52 of 1962), the Central Board of Indirect Taxes and Customs hereby makes the following further amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 12/97-Customs (N.T.) dated the 2nd April, 1997, published in the Gazette of India, Extraordinary, Part

II, Section 3, Sub-section (i) vide number G.S.R 193 (E), dated the 2nd April, 1997, namely:-

In the said notification, in the Table, against serial number 4 relating to the State of Gujarat, in column (3), after the entry at item (xiv) and corresponding entry in column (4), the following item and entries shall be inserted, namely: –

(3)	(4)
“(xv) Taluka Manaba, Distt. Morbi	Unloading of imported goods and loading of export goods

Note: The principal notification No.12/97-Customs (N.T.), dated the 2nd April, 1997 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 193(E), dated the 2nd April, 1997 and last amended by notification number 45/2022-Customs (N.T.) dated the 24th May, 2022, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 391 (E), dated the 24th May, 2022.

Notification No. 81/2022-Cus (NT)-Customs

Date – 23rd September 2022

Courier Imports and Exports (Electronic Declaration and Processing), Second Amendment, Regulations, 2022 for facilitating E-commerce exports of jewellery-Reg.

In exercise of the powers conferred by section 157 read with section 84 of the Customs Act, 1962 (52 of 1962), the Central Board of Indirect Taxes and Customs hereby makes the following regulations further to amend the Courier Imports and Exports (Electronic Declaration and Processing) Regulations, 2010, namely: -

1. Short title and commencement. –
 - (i) These regulations may be called the Courier



Imports and Exports (Electronic Declaration and Processing) Second Amendment Regulations, 2022.

- (ii) They shall come into force on the date of their publication in the Official Gazette.

The detailed Notification may be read at:
<https://taxinformation.cbic.gov.in/content-page/explore-notification>

Notification No. 82/2022-Cus (NT)-Customs
Date - 23rd September 2022

Amendments in the provisions of GSR keeping in view the Guidelines issued by Department of Science & Technology (DST) for acquiring and producing Geospatial Data and Geospatial Data Services including Maps. -reg.

1. In exercise of the powers conferred by section 11 of the Customs Act, 1962 (52 of 1962) and in suppression of the notification of Government of India, Ministry of Finance (Department of Revenue) No 227 - CUSTOMS / F No 405/3/80 - CUS III, dated the 29th November, 1980, published in the Gazette of India, Extraordinary, Part II, Section 3, sub-section (i) vide GSR 1232, dated 29th November, 1980 except as respects things done or omitted to be done before such suppression, the Central Government on being satisfied that for the maintenance of security of India, it is necessary so to do hereby prohibits

the export of the Maps and Geospatial Data of spatial accuracy and value finer than the threshold values as specified in annexure I appended to this notification.

2. Export of the Maps and Geospatial Data with attributes mentioned in Annexure - II appended to this notification shall be restricted as per the sensitive attributes as specified in column (3) of the Table under the said Annexure - II.

The detailed Notification may be read at:
<https://taxinformation.cbic.gov.in/content-page/explore-notification>

Notification No. 83/2022-Cus (NT)-Customs
Date - 26th September 2022

Exchange rate Notification No. 83/2022-Cus (NT) dated 26.09.2022-reg

In exercise of the powers conferred by section 14 of the Customs Act, 1962 (52 of 1962), the Central Board of Indirect Taxes and Customs hereby makes the following amendments in the Central Board of Indirect Taxes and Customs Notification No.78/2022-CUSTOMS (N.T.), dated 15th September, 2022 with effect from 27 September, 2022.

In the SCHEDULE-I of the said Notification, for serial No.11 and the entries relating thereto, the following shall be substituted, namely: -

Sl. No.	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
(1)	(2)	(3)	
		(a)	(b)
		(For Imported Goods)	(For Export Goods)
(11)	Pound Sterling	87.45	84.41



Notification Customs (Anti-Dumping Duty)

Notification No. 27/2022 - Customs (ADD)

Date – 21st September 2022

Seeks to amend Notification No. 75/2021-Customs(ADD) dated 21.12.2021 regarding levy of anti-dumping duty on “HFC Component R-32” to amend the name of producer from “Zhejiang Quzhou Juxin Fluorine Chemical Co., Ltd” to “Zhejiang Quhua Fluor-Chemistry Co., Ltd.”.

Whereas, in the matter of ‘Hydrofluorocarbon (HFC) Component R-32’ (hereinafter referred to as the subject goods), originating in or exported from China PR (hereinafter referred to as the subject country), falling under tariff sub-heading 2903 39 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the Customs Tariff Act), and imported into India, the designated authority in its final findings, published in the Gazette of India, Extraordinary, Part I, Section 1, vide notification number 6/33/2020-DGTR, dated the 23rd September, 2021, had come to the conclusion that –

- (i) the subject goods have been exported to India from the subject country below its normal value, resulting in dumping;
- (ii) the domestic industry had suffered material injury due to dumping of the product under consideration from the subject country;
- (iii) the material injury had been caused by the dumped imports of the subject goods from subject country,

and had recommended imposition of definitive anti-dumping duty on imports of the subject goods, originating in or exported from the subject country and imported into India, in order to remove injury to the domestic industry;

And whereas, on the basis of the aforesaid final

findings of the designated authority, the Central Government had imposed the anti-dumping duty on the subject goods, vide notification of the Government of India, Ministry of Finance (Department of Revenue), No. 75/2021-Customs (ADD), published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 874(E), dated the 21st December, 2021;

And whereas, Zhejiang Quzhou Juxin Fluorine Chemical Co., Ltd. and Zhejiang Quhua Fluor-Chemistry Co., Ltd. requested the designated authority for changing the name of cooperating producer from M/s Zhejiang Quzhou Juxin Fluorine Chemical Co., Ltd. to M/s Zhejiang Quhua Fluor-Chemistry Co., Ltd. in the duty table of the final findings, published in the Gazette of India, Extraordinary, Part I, Section 1, vide notification number 6/33/2020-DGTR, dated the 23rd September, 2021;

And whereas, the designated authority, vide notification No. 07/04/2022-DGTR, published in the Gazette of India, Extraordinary, Part I, Section 1, dated the 9th May, 2022, has come to the conclusion that the request falls within the category of name change only and there is no change in the ownership in a manner that alters the basic nature of the business and recommended that the name of the producer viz. “Zhejiang Quzhou Juxin Fluorine Chemical Co., Ltd” be amended to “Zhejiang Quhua Fluor-Chemistry Co., Ltd.” in its final findings notification No. 6/33/2020-DGTR, dated the 23rd September, 2021;

Now, therefore, in exercise of the powers conferred by sub-sections (1) and (5) of section 9A of the Customs Tariff Act, read with rules 18 and 20 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, the Central Government, after considering the aforesaid notification No. 07/04/2022-DGTR of the Designated Authority, hereby makes the following amendments in the notification of the Government of India, Ministry of Finance (Department of Revenue), No. 75/2021-Customs (ADD), published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i),



vide number G.S.R. 874(E), dated the 21st December, 2021, namely:-

In the said notification, in the Table, against serial number 2, in Column 6, for the entry, the entry "Zhejiang Quhua Fluor-Chemistry Co., Ltd." shall be substituted.

Notification No. 28/2022 - Customs (ADD)

Date - 21st September 2022

Seeks to impose Anti-Dumping duty on "Toluene Di-Isocyanate (TDI)" originating in or exported from China PR, Japan and Korea RP, for a period of 5 years, in pursuance of sunset review final findings issued by DGTR.

Whereas, the designated authority, vide notification No. 7/26/2021-DGTR, dated the 27th August, 2021, published in the Gazette of India, Extraordinary, Part I, Section 1, dated the 27th August, 2021, had initiated the review in terms of sub-section (5) of section 9A of the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the Customs Tariff Act), and in pursuance of rule 23 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, in the matter of continuation of anti-dumping duty on imports of "Toluene Di-isocyanate" (hereinafter referred to as the subject goods) falling under tariff item 2929 10 20 of the First Schedule to the Customs Tariff Act, originating in or exported from China PR, Japan and Korea RP (hereinafter referred to as the subject countries) initially imposed vide notification of the Government of India, Ministry of Finance (Department of Revenue), No. 25/2017-Customs (ADD), dated the 5th June, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 555(E), dated the 5th June, 2017;

And whereas, in the matter of review of anti-dumping duty on imports of the subject goods, originating in or exported from the subject countries, the designated authority in its final findings, published vide notification No. 7/26/2021-DGTR, dated the 24th June,

2022, published in the Gazette of India, Extraordinary, Part-I, Section 1, dated the 24th June, 2022, has come to the conclusion that-

- (i) there is continued dumping of the subject goods from the subject countries and the imports are likely to enter the Indian market at dumped prices in the event of cessation of duty;
- (ii) dumped imports from subject countries are causing injury to the domestic industry;
- (iii) the information on record shows likelihood of continuation of dumping and injury in case the anti- dumping duty in force is allowed to cease at this stage;
- (iv) there is sufficient evidence to indicate that the revocation of the anti-dumping duty at this stage will lead to continuation of dumping and injury to the domestic industry,

and has recommended continued imposition of the anti-dumping duty on imports of the subject goods, originating in or exported from the subject country, in order to remove injury to the domestic industry.

Now, therefore, in exercise of the powers conferred by sub-sections (1) and (5) of section 9A of the Customs Tariff Act, 1975 read with rules 18, 20 and 23 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995 and in supersession of the notification of the Government of India, Ministry of Finance (Department of Revenue), No. 3/2018-Customs (ADD), dated the 23rd January, 2018, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 61(E), dated the 23rd January, 2018, the Central Government, after considering the aforesaid final findings of the designated authority, hereby imposes on the subject goods, the description of which is specified in column (3) of the following Table, falling under tariff item of the First Schedule to the Customs Tariff Act as specified in the corresponding entry in column (2), originating



in the country as specified in the corresponding entry in column (4), exported from the country as specified in the corresponding entry in column (5), produced by the producers as specified in the corresponding entry in column (6), an anti-dumping duty at the rate equal to the amount as indicated in the corresponding entry in column (7), in the currency as specified in the corresponding entry in column (8) and as per unit of measurement as specified in the corresponding entry in column (9) of the said Table, namely :-

TABLE

Sl. No.	Tariff Item	Description of goods	Country of Origin	Country of Export	Producer	Amount	Unit	Currency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1.	29291020	Toluene di-isocyanate	China PR	Any country including China PR	Covestro Polymers (China) Co., Limited	0.26	Kg	US\$
2.	-do-	-do-	China PR	Any country including China PR	Wanhua Chemical Group Co., Ltd.	0.26	Kg	US\$
3.	-do-	-do-	China PR	Any country including China PR	Any producer other than producer at Sl. No. 1 and 2 above	0.26	Kg	US\$
4.	-do-	-do-	Any country other than the subject countries	China PR	Any	0.26	Kg	US\$
5.	-do-	-do-	Korea RP	Any country including Korea RP	Hanwha Solutions Corporation	0.22	Kg	US\$
6.	-do-	-do-	Korea RP	Any country including Korea RP	BASF Company Limited	0.31	Kg	US\$



Sl. No.	Tariff Item	Description of goods	Country of Origin	Country of Export	Producer	Amount	Unit	Currency
7.	-do-	-do-	Korea RP	Any country including Korea RP	Any producer other than producer at Sl. No. 5 and 6 above	0.44	Kg	US\$
8.	-do-	-do-	Any country other than the subject countries	Korea RP	Any	0.44	Kg	US\$
9.	-do-	-do-	Japan	Any country including Japan	Any	0.15	Kg	US\$
10.	-do-	-do-	Any other than the subject countries	Japan	Any	0.15	Kg	US\$



DIRECT TAX NOTIFICATIONS AND CIRCULARS

Income Tax: Notifications and Circulars Notification

Income Tax__Notification No. 109/2022
Date - 14th September 2022

Form of statement to be furnished by producers
of cinematograph films or person engaged in
specified activity under Rule 121A of Income Tax
Rules, 1962 read with section 285B of Income Tax
Act, 1961

In exercise of the powers conferred by section 285B read with clause (mma) of sub-section (2) of section 295 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes hereby makes the following rules further to amend the Income-tax Rules, 1962, namely: -

1. Short title and commencement. -

- (i) These rules may be called the Income-tax (30th Amendment) Rules, 2022.
- (ii) They shall come into force from the date of publication in the Official Gazette.

2. In the Income-tax Rules, 1962 (hereinafter referred to as the principal rules), for rule 121A, the following rule shall be substituted, namely: -

“121A. Form of statement to be furnished by producers of cinematograph films or persons engaged in specified activity. -

- (1) The statement required to be furnished under section 285B by a person carrying on production

of cinematograph film or engaged in specified activity, or both, shall be in Form No. 52A for each previous year.

- (2) Form No. 52A shall be furnished within sixty days from the end of the previous year.
- (3) For the purpose of section 285B, the prescribed authority shall be the Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems), as the case may be, or any person authorised by the Principal Director General of Income-tax (Systems) or Director General of Income-tax (Systems).
- (4) Form No. 52A, shall be furnished electronically, -
 - (i) under digital signature, if the return of income is required to be furnished under digital signature;
 - (ii) through electronic verification code in a case not covered under clause (i).
- (5) The Principal Director General of Income-tax (Systems) or Director General of Income-tax (Systems), as the case may be, shall,
 - (a) specify the procedures, formats and standards for the purposes of furnishing and verification of Form No. 52A;
 - (b) be responsible for the day-to-day administration in relation to furnishing and verification of Form No. 52A; and
 - (c) be responsible for formulating and



implementing appropriate security, archival and retrieval policies in relation to Form No. 52A.

- (6) The Principal Director General of Income-tax (Systems) or Director General of Income-tax (Systems), as the case may be, or any person authorised by the Principal Director General of Income-tax (Systems) or Director General of Income-tax (Systems) shall forward Form No. 52A to the Assessing Officer.

Explanation: For the purposes of this rule, “specified activity” shall have the same meaning as assigned to it in the Explanation to section 285B of the Act.

The detailed Notification may be read at:

https://incometaxindia.gov.in/communications/notification/notification_no_109_2022.pdf

Notification No. 110/2022

Date – 19th September 2022

Income Tax (31st Amendment) Rules, 2022

In exercise of the powers conferred by section 170A read with section 295 of the Income tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes hereby makes the following rules further to amend Income-tax Rules, 1962, namely:–

1. Short title and commencement. –

- (1) These rules may be called the Income-tax (31st Amendment) Rules, 2022.
- (2) They shall come into force from the 1st day of November, 2022.

2. In the Income-tax Rules, 1962 (hereinafter referred to as the principal rules), after rule 12AC, the following rule shall be inserted, namely: –

‘12AD. Return of income under section 170A. –

- (1) The modified return of income to be furnished by a successor entity to a business reorganisation,

as referred to in section 170A, for an assessment year, shall be in the Form ITR-A and verified in the manner specified therein.

- (2) The return of income referred to in sub-rule (1) shall be furnished electronically under digital signature.
- (3) If the assessment or reassessment proceedings for an assessment year relevant to a previous year to which the order of the business reorganisation applies have been completed or are pending on the date of furnishing of the modified return in accordance with the provisions of section 170A, the Assessing Officer shall, pass an order modifying the total income of the relevant assessment year determined in such assessment or reassessment, or proceed to complete the assessment or reassessment proceedings, as the case may be, in accordance with the order of the business reorganisation and the modified return so furnished.
- (4) The Principal Director-General of Income-tax (Systems) or Director-General of Income-tax (Systems) shall specify the procedures, formats and standards for ensuring secure capture and transmission of data and shall also be responsible for evolving and implementing appropriate security, archival and retrieval policies in relation to furnishing the return in the manner specified in sub-rule (2)‘.

The detailed Notification may be read at:

<https://incometaxindia.gov.in/communications/notification/notification-no-110-2022.pdf>

Notification No. 111/2022

Date – 19th September 2022

Application for recomputation of income under sub-section (18) of section 155 of Income Tax Act, 1961. Online utility will be available soon.

In exercise of the powers conferred by section 295 read with sub-section (18) of section 155 of the



Income-tax Act, 1961, the Central Board of Direct Taxes, hereby makes the following rules further to amend the Income-tax Rules, 1962, namely:-

1. Short title and commencement. -

- (1) These rules may be called the Income-tax (32nd Amendment) Rules, 2022.
- (2) They shall come into force from the 1st day of October, 2022.

2. In the Income-tax Rules, 1962 (hereinafter referred to as the principal rules), after rule 131, the following rule shall be inserted, namely--

“Application for recomputation of income under sub-section (18) of section 155.

132. (1) An application requesting for recomputation of total income of the previous year without allowing the claim for deduction of surcharge or cess, which has been claimed and allowed as deduction under section 40 in the said previous year, shall be made in Form No. 69 on or before the 31st day of March, 2023.

- (2) Form No. 69 shall be furnished electronically to the Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems) or the person authorized by the Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems).

- (3) Principal Director General of Income-tax

(Systems) or the Director General of Income-tax (Systems) shall lay down the procedures and standards for furnishing and verification of Form No.69 and to forward the application received in Form No. 69 to the Assessing Officer.

- (4) The Assessing Officer shall, on receipt of the application in Form No. 69, recompute the total income by amending the relevant order and issue notice under section 156 specifying the time period within which amount of tax payable, if any, is to be paid, -

(i) for the assessment year relevant to the previous year referred to in sub-rule (1); and

(ii) for the assessment years subsequent to the assessment year referred to in clause (i), if the order for such assessment year results in variation in carry forward of loss or allowance for unabsorbed depreciation or credit for tax under section 115JAA or section 115JD.

- (5) The assessee shall, after making the payment of the tax determined under sub-rule (4), furnish the details of payment of tax in Form No.70 to the Assessing Officer within thirty days from date of making the payment.”.

The detailed Notification may be read at:

<https://incometaxindia.gov.in/communications/notification/notification-111-2022.pdf>



PRESS RELEASE

Press Release Indirect Tax

Dated:: 26 SEP 2022 7:40 PM by PIB Delhi
Foreign Trade Policy extended for six months

The government has received requests from Export Promotion Councils and leading exporters that we should continue with current Foreign Trade Policy (2015-20), which had been extended from time to time.

In recent days, exporters and industry bodies have

strongly urged the government that in view of the prevailing, volatile global economic and geo-political situation, it would be advisable to extend the current policy for some time, and undertake more consultations before coming out with the new policy.

The government has always involved all stakeholders in formulating policy. In view of this, it has been decided to extend the Foreign Trade Policy 2015-20, valid till Sept 30, 2022 for a further period of six months, w.e.f. October 1st, 2022. TB

Press Release Direct Tax

Dated: 17th September, 2022
CBDT issues Revised Guidelines for compounding of offences under the Income tax Act, 1961

In conformity with the Government's policy of facilitating Ease of Doing Business and decriminalisation of offences, CBDT has taken steps in this direction and issued revised Guidelines for Compounding of offences under the Income-tax Act, 1961 (the 'Act') dated 16.09.2022 with reference to various offences covered under the prosecution provisions of the Act.

Some of the major changes made for the benefit of taxpayers include making offence punishable under Section 276 of the Act as compoundable. Further, the scope of eligibility for compounding of cases has been relaxed whereby case of an applicant who has been convicted with imprisonment for less than

2 years being previously non compoundable, has now been made compoundable. The discretion available with the competent authority has also been suitably restricted.

The time limit for acceptance of compounding applications has been relaxed from the earlier limit of 24 months to 36 months now, from the date of filing of complaint. Procedural complexities have also been reduced/simplified.

Specific upper limits have been introduced for the compounding fee covering defaults across several provisions of the Act. Additional compounding charges in the nature of penal interest @ 2% per month up to 3 months and 3% per month beyond 3 months have been reduced to 1% and 2% respectively.

The revised Guidelines for Compounding of offences dated 16.09.2022 are available on <http://www.incometaxindia.gov.in>. TB



Press Release

Dated: 18th September, 2022

Gross Direct Tax collections for the Financial Year (FY) 2022-23 register a growth of 30%

Net Direct Tax collections for the FY 2022-23 have grown at 23%

Advance Tax collections for the FY 2022-23 stand at ₹ 2,95,308 crore as on 17.09.2022 which shows a growth of 17%.

Refunds aggregating to ₹ 1,35,556 crores have been issued in the current fiscal, higher by 83% over the preceding year.

Direct tax collections continue to grow at a robust pace, a clear indicator of the revival of economic activity post pandemic, as also the result of the stable policies of the Government, focusing on simplification and streamlining of processes and plugging of tax leakage through effective use of technology.

The figures of Direct Tax collections for the FY 2022-23, as on 17.09.2022 show that net collections are at ₹ 7,00,669 crore, compared to ₹ 5,68,147 crore in the corresponding period of the preceding Financial Year i.e. FY 2021-22, representing an increase of 23%. The Net Direct Tax collection of ₹ 7,00,669 crore (net of refund) includes Corporation Tax (CIT) at ₹ 3,68,484 crore and Personal Income Tax (PIT) including Securities Transaction Tax (STT) at ₹ 3,30,490 crore.

The Gross collection of Direct Taxes (before adjusting for refunds) for the FY 2022-23 stands at ₹ 8,36,225 crore compared to ₹ 6,42,287 crore in the

corresponding period of the preceding Financial Year i.e. FY 2021-22, registering a growth of 30% over collections of FY 2021-22.

The Gross collection of ₹ 8,36,225 crore includes Corporation Tax (CIT) at ₹ 4,36,020 crore and Personal Income Tax (PIT) including Securities Transaction Tax (STT) at ₹ 3,98,440 crore. Minor head wise collection comprises Advance Tax of ₹ 2,95,308 crore; Tax Deducted at Source of ₹ 4,34,740 crore; Self-Assessment Tax of ₹ 77,164 crore; Regular Assessment Tax of ₹ 20,080 crore; and Tax under other minor heads of ₹ 8,933 crore.

The cumulative Advance Tax collections for the first and second quarter of the FY 2022-23 stand at ₹ 2,95,308 crore as on 17.09.2022, against Advance Tax collections of ₹ 2,52,077 crore for the corresponding period of the immediately preceding Financial Year i.e. FY 2021-22, showing a growth of 17%. The Advance Tax collection of ₹ 2,95,308 crore comprises Corporation Tax (CIT) at ₹ 2,29,132 crore and Personal Income Tax (PIT) at ₹ 66,176 crore.

There has been a remarkable increase in the speed of processing of income tax returns filed during the current fiscal, with almost 93% of the duly verified ITRs having been processed till 17.09.2022. This has resulted in faster issue of refunds with almost a 468% increase in the number of refunds issued in the current financial year. Refunds amounting to ₹ 1,35,556 crore have been issued in the FY 2022-23 till 17.09.2022, as against refunds of ₹ 74,140 crore issued during the corresponding period in the preceding Financial Year 2021-22, showing a growth of over 83%.

TD



INDIRECT TAX JUDGEMENT

HC directed dept. to take requisite steps to make West Bengal State Support for Industries Scheme GST- compliant

Facts of the case:

Emami Agrotech Ltd. v. State of West Bengal

The petitioner had been granted incentives under West Bengal State Support for Industries Scheme 2008 for refund of a percentage of VAT paid by industrial units. The GST regime came into force on 1st July, 2017. The petitioner filed petition and prayed for making the Scheme compliant with the GST regime which subsequently came into effect

Decision of the case :

- ★ Honorable High Court noted that the incentives which were specifically promised to these units at the time of introduction of the Scheme from 2008 onwards can not be denied.
- ★ The Court held that the eligibility of the petitioner shall be evaluated by the concerned department before undertaking the requisite steps under the Scheme for grant of incentives to the petitioner.

GST exemption is not available on administration of Covid-19 vaccination: AAR

Facts of the case :

Authority for Advance Rulings, Andhra Pradesh Krishna Institute of Medical Sciences Ltd.

The applicant was company which was running hospital and also supplies medicines through pharmacy to out-patients. It filed an application

for advance ruling to determine taxability of administering of Covid-19 vaccination by hospitals.

Decision of the case :

- ★ The Authority for Advance Rulings observed that administering of Covid-19 vaccination involves sale of vaccine and administering of vaccine.
- ★ Administering of vaccine by hospitals is in nature of composite supply as both supplies are intrinsically connected, naturally bundled and viewed as a single package.
- ★ The primary requirement would be receipt of vaccine of one's own choice and thus, the principal supply shall be sale of vaccine and service charge of administering vaccine would be included in total value of composite supply.
- ★ It was held that exemption from GST under healthcare services would not be available and GST would be payable at 5% on transaction as applicable to principal supply of sale of vaccine.

Ayurvedic products used for care are classifiable under Heading 3304 as cosmetics and taxable at 18%

Facts of the case :

Authority for Advance Rulings, Telangana Incnut Lifestyle Retail (P.) Ltd., In re - [2022]

The applicant was in the business of manufacturing hair oil, shampoos etc., some of which were cosmetics and others ayurvedic medicaments. It filed an application for advance ruling to determine classification of products manufactured under the licences issued by



AYUSH department of Government of Telangana and sold as ayurvedic products.

Decision of the case :

- ★ The Authority for Advance Ruling observed that the products referred by the applicant would be classified as cosmetic whose primary function would be care and not cure as they would be used for enhancing-improving a person's appearance –beauty.
- ★ The product would be treated as medicament if used to treat or cure a medical condition by adopting the following parameters:
 - ◆ The product should have a drug license.
 - ◆ The Composition of the product should have medical ingredients.
 - ◆ The product label/character should indicate the function or the purpose for which it is used
- ★ By applying the above parameters, it was held that if the products would be used for care would be treated as 'Cosmetics' and classifiable under Heading 3304 which shall be taxable at 18%.
- ★ However, ayurvedic products used for cure would be in nature of medicaments and classifiable under Heading 3003 which would be taxable at 12%.

Time period to file appeal would start only when order was uploaded on GST portal

Facts of the case :

Navya Foods (P.) Ltd. v. Superintendent of Central Tax - [2022]

The petitioner was a Private Limited Company engaged in manufacture of jams, fruit jellies etc. The department found that GST returns were filed beyond due dates and a show cause notice was issued to

the petitioner demanding payment of interest and penalty.

Subsequently, a physical assessment order was served which confirmed the amount of interest and penalty higher than the amount actually proposed in the show cause notice. The petitioner filed appeal against the order but the same was rejected as appeal was filed beyond the period of limitation. It filed writ petition against the same.

Decision of the case :

- ★ The Honorable High Court observed that the appeal is required to be filed in electronic mode only and if any other mode is prescribed, then the same is required to be notified by way of a notification.
- ★ There was nothing on record to show that any notification was issued prescribing any other mode by which an appeal could be filed.
- ★ Therefore, the time period for filing appeal would start only when the order is uploaded on GST portal. Thus, the order of Appellate Authority was to be set aside and matter was remanded for adjudication on merits.

Summary order in Form GST DRC-07 not containing reasons but uploaded on GSTN Portal to be set aside: HC

Facts of the case :

Dauji Ispat (P.) Ltd. v. State of U.P. - [2022]

The summary order in Form GST DRC-07 was passed by Assistant Commissioner and uploaded on the GSTN Portal. The petitioner found that the order did not contain any reasons. The petitioner filed writ petition and contended that it can't have right to challenge order in any forum unless served with complete copy of order containing reasons thereof.

Decision of the case :

- ★ The Honorable High Court noted that



improvement/upgrade of GSTN is necessary since under Central Goods and Services Tax Act, 2017, service of notices and filing of replies primarily to be done through GSTN portal through electronic means.

- ★ In the instant case, the order in Form GST DRC-07 as visible in GSTN Portal did not contain reasons.
- ★ Thus, the order was wholly defective since it

was lacking vital aspect namely reasons for conclusions drawn therein.

- ★ The Court directed Concerned Authority to enquire into exact reasons as to why and how incomplete copy of order impugned came to be uploaded on GSTN portal and take all remedial action to ensure that complete copies of orders were visible to assesseees.

TD



DIRECT TAX JUDGEMENT

TDS component paid on exp. incurred is not in nature of 'income-tax' of assessee; no disallowance u/s 40(a)(ii): ITAT

Facts of the case :

Welkin Telecom Infra (P.) Ltd. v. DCIT

Assessee-company was engaged in the business of providing support services to various telecom operators in the field of operation & maintenance/surveillance management services for tower sites. It had made delayed payment of its statutory dues, i.e., service tax, professional tax, and TDS.

The assessee claimed that the TDS paid by it was not in the nature of 'income-tax' of the assessee or 'tax levied on its profits and gains of business'. Thus, the TDS component paid on the expenditure is not disallowable under section 40(a)(ii).

Decision of the case :

The Tribunal held that section 40(a)(ii) uses the phrase "profits or gains of any business or profession" which has reference only to profits or gains as determined under section 28/29.

Section 40(a)(ii) cannot bring within its ambit any tax or interest paid on any other sums apart from profits or gains earned in business.

TDS is treated as the tax paid on behalf of the person in respect of whose income such payment of tax has been made. It is therefore evident that 'TDS' qua the assessee, is not income-tax on its "profits or gains of any business or profession" assessable under section 28. Instead, it is the tax on the profits and gains of the business of the recipient.

The tax deducted at source (TDS) is not like the

income tax which is required to be paid on profits & gains chargeable to tax under section 28 and thus not disallowable under section 40(a)(ii).

Consequently, the interest paid under section 201(1A) upon late payment of TDS also cannot be disallowed under section 40(a)(ii).

Investment in penny stock can't be termed as bogus investment if shares were held for more than 10 years

Facts of the Case :

PCIT v. Jagat Pravinbhai Sarabhai - [2022]

Assessee filed the return of income for the assessment year 2011-12 on 29-3-2012 declaring his total income Rs. 3,11,490. Subsequently, the assessment was reopened as information was received that assessee has indulged in the script of the shell company. He had claimed long-term capital gain on the sale of shares of Devika Proteins Limited and the amount was claimed as exemption.

Decision of the case :

The Assessing Officer (AO) treated said gains as bogus and in nature of penny stock and made additions to the said amount under section 68.

The CIT(A) held that since shares were in the nature of old investment, they could not be treated as penny stock by any stretch of the imagination. Tribunal upheld to view taken by the CIT(A).

The shares were purchased in order to invest and not to earn exempted income by frequent trading in a short span.

the conclusion is that the investment was longstanding



and genuine and was not penny stock based on which the capital gain was wrongly claimed.

Sec. 263 revision justified as AO passed order without examining difference in balance sheet and cash flow statement

Facts of the case :

L.A. Developers v. CIT - [2022]

Assessee filed its return of income under section 153C and the same was completed under section 143(3). Thereafter, the assessment was reopened by the issue of a notice under section 148 and a reassessment order was passed by the Assessing Officer.

The Commissioner noted that there was a glaring difference in the valuation of current assets and current liabilities as shown in assessee's balance sheet as compared to its cash flow statement. AO didn't consider this during reassessment proceedings. Thus, he invoked the provision of section 263 in order to set aside/modify the assessment order passed by AO. Assessee approached tribunal against such revision.

Decision of the case :

The Tribunal has ruled that AO had called for details regarding differences arising in books of account. However, he had not applied his mind to the issue or formed any opinion towards the same. Thus, there was failure on part of AO to examine or make addition in respect of the difference between cash flow and balance sheet. This had made the assessment order erroneous and consequently prejudicial to the interest of revenue.

Accordingly, the Commissioner was right in invoking his powers under section 263.

'OLA' isn't liable to deduct tax under Sec. 194C while making payment to cab drivers: ITAT

Facts of the Case :

ANI Technologies (P.) Ltd. v. DCIT (TDS) - [2022]

Assessee was a leading technology service provider in the cab-hailing market in India. It has established

mobility for the Indian masses and it provides internet and mobile technology platform for cab hailing by the passengers. The Assessee operates under the brand name "OLA".

The assessee had made payments to the cab drivers for "carrying out work" relating to the carriage of passengers. The Assessing Officer (AO) treated the assessee as assessee-in-default as it failed to deduct tax at source (TDS) under section 194C while making the payments to the cab drivers.

On appeal, the CIT(A) upheld the view of AO. Aggrieved-assessee filed the instant appeal before the Tribunal.

Decision of the Case :

The Tribunal held that prima facie the case of the assessee was covered in its favour by the order of the Mumbai Bench of the ITAT in the case of Uber India Systems (P.) Ltd. [2021] 125 taxmann.com 185 (Mumbai - Trib.).

The Mumbai Tribunal had held that section 194C was not applicable on such payments as were collected from customers and were forwarded by drivers and further the transportation services were provided by the drivers to the users.

In the instant case, much like Uber B.V./ Uber India, the assessee only provides the mobile app "OLA" on which the Driver lists himself/herself to provide transportation services to the Rider.

The terms of the agreements of the assessee clearly bring out that it is the Driver that will provide transportation service to the Rider and not the assessee. Even the invoices raised on the Rider demarcate this distinction. Therefore, the person responsible under section 204(iii) to invoke the provisions of section 194C is the Rider and not assessee.

The Rider is entitled to use the assessee's platform or avail transportation services only for personal use, as per the User Terms and Subscription Agreement respectively.



Since such personal use by the Rider is exempt from liability to deduct tax, as per section 194C(4) no liability can be fastened on the assessee.

TP adjustment isn't permitted on adhoc basis

Facts of the Case :

HSBC Asset Management (India) (P.) Ltd. v. DCIT - [2022]

The assessee had received services from AEs towards software development and other IT services & support services. For providing these services, AEs had charged certain costs to the assessee based on the appropriate allocation key.

The details of cost allocation keys used for the purpose of allocation of cost to the assessee were duly documented in the TP study report and were submitted before the TPO. However, the TPO held that the transactions of cost allocation were not at arm's length and proceeded to make an ad hoc disallowance of 50 percent. The matter reached before the Mumbai Tribunal.

Decision of the case :

The Mumbai Tribunal has held that the entire transfer pricing adjustment in respect of cost allocation had

been made by the TPO completely on an ad hoc basis without carrying out the benchmarking analysis by following any of the prescribed methods provided in the statute.

It was specifically submitted that with respect to the services, the cost allocation that has been made to the assessee was purely based on a cost-to-cost basis based on actual usage. Further, the assessee had submitted evidence to the TPO to demonstrate the fact that services had indeed been obtained from the AE.

Hence, it could be safely concluded that the assessee had indeed availed the services and derived benefits thereon by incurring the cost paid to AE based on cost allocation depending on actual usage without any markup thereon.

Hence, the assessee duly discharged its onus of justifying the claim of expenses paid to its AE towards cost allocation of software development and other IT services. In any case, the TPO ought not to have disallowed 50 percent of the said expenditure on an ad hoc basis. The TPO is duty bound to determine the ALP of an international transaction only by following any of the five prescribed methods provided in rule 10B of the Income-tax Rules and not otherwise. TB



TAX CALENDER

INDIRECT TAX

Returns	Due Date	Returns	Due Date
GSTR-1 (July - Sep 2022)	Oct 13th, 2022	CMP – 08 (July - Sep 2022)	Oct 18th, 2022

DIRECT TAX

7th October 2022	✳ Due date for deposit of tax deducted/collected for the month of September, 2022. However, all sum deducted/collected by an office of the government shall be paid to the credit of the Central Government on the same day where tax is paid without production of an Income-tax Challan ✳ Due date for deposit of TDS for the period July 2022 to September 2022 when Assessing Officer has permitted quarterly deposit of TDS under section 192, 194A, 194D or 194H
15th October 2022	✳ Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of September, 2022 has been paid without the production of a challan ✳ Due date for issue of TDS Certificate for tax deducted under section 194-IB in the month of August, 2022 ✳ Due date for issue of TDS Certificate for tax deducted under section 194-IA in the month of August, 2022 ✳ Due date for issue of TDS Certificate for tax deducted under section 194M in the month of August, 2022 ✳ Quarterly statement of TCS deposited for the quarter ending September 30, 2022 ✳ Upload declarations received from recipients in Form No. 15G/15H during the quarter ending September, 2022 ✳ Due date for furnishing statement in Form no. 3BB by a stock exchange in respect of transactions in which client codes been modified after registering in the system for the month of September, 2022



Tax Research Department - Activities at a glance

The Institute of Cost Accountants of India has Indirect Taxation Committee and Direct Taxation Committee of the Council of the Institute. The Tax Research Department, which works on the guidance of both the Committees, is result oriented and consists of a dedicated team that works together to provide members, students, Governments and other stake-holders with the highest possible level of service, suggestions, training and advisory in the area of taxation. The Organizational team provides their contribution in form of Webinars, Course Management, Release of fortnightly Tax Bulletin with article write-ups on Direct and Indirect Tax and participating in discussion with Government on various tax related Issues, as their main deliverables. Even in the pandemic situation the department sticks by its commitment to serve the best.

Celebrating the 5th Anniversary of GST Day:

“GST Day Observation Week” was conducted through WEBINT on 1st July 2022 in remembrance of the historical day of implementation of GST in India i.e. 1st July 2017. Theme of the “Observance of GST day” for this year was **“GST in India – Poised to deliver Sustainable Growth”**. The program was graced by Mr. Pradeep Gooptu- Writer and Ex Resident Editor of Business Standard as Chief Guest, CMA M.S Mani as moderator and CMA Amit Sarker, CMA Rahul Renavirkar and CMA M Acharjee as Speakers.

On 6th July 2022 another seminar was conducted at Scope complex Delhi which was Graced by Shri Sushil Kumar Modi, Hon’ble Member of Parliament, Rajya Sabha as the Chief Guest and CMA Chandra Wadhwa as Special Guest. CMA P Raju Iyer, President, CMA Vijender Sharma, Vice President, CMA Chittaranjan Chattopadhyay, Chairman Indirect Taxation Committee CMA Rakesh Bhalla, Chairman Direct Taxation Committee graced the seminar, CMA B.M Gupta, CMA Navneet Kumar Jain, and CMA Sanjali

Dias, VP GSTN were the speakers, and CMA B.B Goyal was the moderator of the technical session.

Regions and Chapters of the Institute observed the “GST Day”. Details given as below-

1. Hyderabad Chapter - 1st July 2022 at Surana Auditorium, FTCCI, Federation House, Red Hills, Hyderabad. The Seminar was graced by Smt. Neetu Kumari Prasad, IAS, Commissioner of Commercial Taxes, Government of Telangana as Chief Guest and Smt. K. Haritha, Additional Commissioner, Commercial Taxes, Government of Telangana, CMA Nookala Jagannath, State - Head Indirect Taxes, Reliance Group as speakers and CMA Dr. K.Ch.A.V.S.N. Murthy as Special Invitee.
2. Pune Chapter - 2nd & 3rd July 2022 at MTDC Resort, Panshet, Pune
3. Sambalpur Chapter - 8th & 9th July 2022 at MCL Auditorium, Jagruti Vihar, Burla, Sambalpur. CMA Mallikarjun Gupta and Mr. Manoj Kumar Agarwal being the eminent speakers for the occasion. CMA Chittaranjan Chattopadhyay, Chairman Indirect Taxation Committee was among the dignitaries present.
4. Tax Research Department, Kolkata- 5th August 2022 at Rotary Sadan, Kolkata
The Seminar was graced by Shri Ashish Chandan, IRS, Principle Commissioner, CGST & Central Excise, Kolkata South as the Chief Guest and CMA Ramesh Kumar Dash, Director Finance, GSRE as the Guest of Honour and speaker. CMA Chittaranjan Chattopadhyay, Chairman Indirect Taxation Committee, CMA Biswarup Basu, Immediate Past President, CMA Amal Kumar Das,



Past President graced the dais of the Inaugural session. Ms. Madhumanjari Mondal, Principal Scottish Church College, Ms. Mousumi Singh Sengupta, Principal THK Jain College and Mr. Tridib Sengupta, HOD BBA – Bhowanipur Education Society were the special guests in the inaugural session. CMA Manmohan Daga, GST Practitioner represented the practitioners and the Moderation done by CMA Radhakrishnan Natrajan. The Technical session had Government representation. Mr. Tirthankar Pine, Senior Superintendent (CGST) and Mr. Alam, Senior Superintendent (Preventive Officer) attended the technical session to address the queries of the business houses. CMA B.M Gupta, CMA Viswanath Bhat, CMA T.K Jagannathan, CMA Ajith Sivadasa and CMA Mrityunjay Acharjee also joined the seminar virtually and shared their thoughts and given suggestions to the Govt.

Quiz:

It is a new activity started for Members on 8th April, 2022. The theme of the quiz is “Refreshing Fridays (Brainstorming & Quiz)”. The Quiz contest is conducted on every Friday from 5 p.m onwards through Google Form.

Tax Bulletins:

Launching of “**Fortnightly Tax Bulletin**” is one of the important activities of the Department. The Tax Bulletin contains articles informing about the recent developments in taxation, both direct and indirect taxes. It also contains the latest tax rulings, circulars, judgements, press releases, opinions and decisions from Government agencies such as CBIC, CBDT, GST Council to name a few.

24 bulletins have been launched in the reported period including 4th Anniversary Tax Bulletin published on the 2nd of October 2021. The said bulletins are widely circulated to the State/Central Government Departments, Trade and Industry Associations, Universities etc. Tax Bulletin is a very comprehensive source to enrich the stakeholders with various amendments/updating in Taxation.

Workshops:

In the pandemic situation, since physical distancing is to be maintained strictly, the knowledge gatherings that were conducted by the department has taken the shape of workshops on an online platform. The Workshops have been

highly participative with oversubscriptions of the entries to the workshops. The very important and apt topics on which these workshops are conducted are:

Workshop	Conducted in
Workshop-Provident Fund	November 2021
3 Days workshop on Income from Salary - Calculations and Practical Approach	April 2022
7 Days Workshop on Profit & Gains from Business and Profession	June 2022
Input Tax Credit _ An Insight	June 2022

Webinars:

The webinars conducted by the department are highly appreciated by the members of the Institute. It disseminates knowledge among the members and stakeholders on the recent developments in the Tax Economy of our Nation and has been highly appreciated and received overwhelming response from all. A total number of 14 webinars with an average participation of 200 plus attendees has been conducted till date. Out of these, 10 IDT Webinars & Webints and 4 DT Webinars & Webints conducted in the current year.

Representation to the Government

The representations submitted to the Government during this period are enumerated below. Some of them have already been considered and some are in follow up.

INDIRECT TAX	
Sl No	Topic
1	Request for inclusion of Cost Accountant (CMA) in Tender Notice for Hiring of service of reputed agencies for filing of Monthly GST return GSTR-3B, GSTR-1 & GST-TDS & Annual Audit & Annual Return for AIR Patna for a period of one year
2	Requesting for kind approval of the Representation to include CMAs in Internal Circular issued by Maharashtra State GST
3	Request for inclusion of Cost Accountants (CMAs) in certification in case of difference in ITC claim per supplier is 2.5 lakhs or more



INDIRECT TAX	
SI No	Topic
4	Inclusion of Cost Accountants (CMA) for appointment as Tax consultant for Ministry of Road Transport & Highways to provide consultancy in Income Tax and GST in BID No CE-RO/LKO/CA/2021-22 dated 21.04.2022
5	Inclusion of Cost Accountants (CMAs) in Request for Proposal (RFP) F. IV / 07 / HR / T & T / Hiring of Professionals, 2022
6	Suggestions and Views on Comprehensive Changes in FORM GSTR-3B
7	Request to include Cost Accountants as Technical Member of GST Appellate Tribunal
DIRECT TAX	
1	Inclusion of the Name of the Cost Accountants (CMA) in Circular No. 8/2022 dated 31.03.2022
2	Request to include the Institute of Cost Accountants of India in the distribution list of Circular/Notifications by CBDT related to the professional services provided by the Cost Accountants

Taxation Help Desk:

'Taxation Helpdesk' has been redesigned in a new digitized environment as a complimentary facility for all the stakeholders, to help resolve queries in both Direct and Indirect Taxation. The Helpdesk is driven by a large pool of Experts in Direct and Indirect Taxation and the raised queries are resolved at the best.

Taxation Courses

There are courses both in Direct and Indirect taxation conducted by the department. Details of the courses are given below:

Indirect Taxation

1. Certificate Course on GST

Certificate Course on GST was launched in 2018, has been highly successful and accredited PAN India acceptance from Members, corporates and Tax Practitioners. 11 batches of Certificate Course on GST in both online and offline mode on PAN India basis have been completed successfully. Thousands of students have been trained through these sessions. The class for the 12th Batch of GST certificate

Course started in September 2022.

2. Advanced Certificate Course on GST

This Online Course was launched in from February 2019 and the 7 Batches of Advanced GST Course have been completed successfully. The course has a mass appeal. The class for the 8th Batch has been started in September 2022.

3. GST Course for College and Universities

GST Course for College and University Level is being conducted successfully PAN India. As of now GST Course has been conducted in 9 colleges throughout India in this year.

College	Conducted in	No of student
Bemina College Kashmir	Oct-21	47
KCLAS College Kerala 2nd Batch-Kerala	Oct-21	56
Scottish Church College-Kolkata	Dec-21	62
Amal College Kerala	Dec-21	35
Umesh Chandra College 2nd Batch-Kolkata	Dec-21	136
PBVM Pandur	Feb-22	53
Taradevi Harakhchand Kankaria Jain College -Kolkata	April -22	50
RC College of Commerce & Management, Bengaluru.	June - 22	51
ASC Degree College Bengaluru – 2nd Batch	July – 22	112
Bemina College Kashmir (2nd batch)	Sept - 22	133

MoU with Malappuram District Panchayath

The Institute of Cost Accountants of India, had signed MoU with Malappuram District Panchayath for conducting the GST course for the +2 commerce students of the district.

Malappuram District Panchayath President Smt. MK Rafekha signed the memorandum of understanding on 5th September, Monday at 10 AM in the District Panchayat Hall. Mrs. Naseeba Aziz Maiyeri, Education and Health Chairperson presided



over the function. The MoU was signed by CMA P Raju Iyer, President of the Institute of Cost Accountants of India. CMA H Padmanabhan, Central Council Member & Chairman of International Affairs for ICAI, District Panchayat Members Shri KT Ashraf, Shri TP Haris were present on the occasion among others.

The classes will start in the first week of November and will be held at a centre of choice in all the four educational sub districts. The training will be imparted by ICMS, CMA support centre under the guidance of Tax Research Department.

The other two courses that are being offered to the College and University level students are:

- ✱ Crash Course on Income Tax Overview for College and University level students
- ✱ Crash Course on Taxation & E-Accounting for College and University level students

4. Advance Course on GST Audit and Assessment

This course started in January, 2021 and 4 batches of the course have already been completed. The class for the 5th Batch has been started in September 2022.

5. Certificate Course on International Trade

The first batch of this eminent 50 hours course started in June, 2022. The participants have reviewed the contents of the course to be very enriching. the classes for 2nd batch has been started in September 2022.

Direct Taxation

Two Direct Tax Courses were introduced to give more importance to the practical aspects for ensuring the advanced level of learning which will help in day to day professional world.

1. Certificate Course on TDS

1st Batch of Certificate Course on TDS (Online) was introduced in April 2019 and 7 Batches of Certificate Course on TDS have been completed successfully.

The classes for the 8th Batch has been started in September 2022.

2. Certificate Course on Income Tax Return Filling

1st Batch of Certificate Course on Income Tax Return Filling (Online) was introduced in April 2019 and 7 Batches of Certificate Course on TDS have been completed successfully.

The classes for the 8th Batch has been started in September 2022.

3. Advance Course on Income Tax Appeals and Assessment

This course also started in January, 2021 and 4 batches of the course have already been completed. The classes for the 5th Batch has been started in September 2022.

The examination of all the Taxation courses were conducted on 16.10.2022 successfully.

Top Stories

"Top Stories" section in the Taxation Portal is being updated on regular basis to enhance knowledge of the stake-holders. Updates on Notifications, Circulars, and Judgements etc. are being uploaded under this section with a narrative gist on real time basis to enable the stakeholders to get updates on taxation matters.

Publications

The list of publications of the department as of now is as follows:

In Direct Taxation

- ✱ International Taxation and Transfer Pricing
- ✱ An Insight to The Direct Tax-Vivad Se Vishwas Scheme
- ✱ Handbook on Insight of Assessment including E-Assessment
- ✱ Handbook on Exemptions under the Income Tax Act 1961

In Indirect Taxation

- ✱ Special Economic Zone and Export Oriented Units in India
- ✱ Taxation on Works Contract
- ✱ Handbook on E-Way Bill



- ✱ Guidance Note on Anti Profiteering
- ✱ Addendum-Guidance Note on GST Annual Return and Audit
- ✱ Compilation of GST Notifications and Circulars
- ✱ Sabka Vishwas-Legacy Dispute Resolution Scheme
- ✱ Handbook on Impact of GST on Real Estate
- ✱ Input Tax Credit(ITC)-An in depth Discussion
- ✱ Handbook on Insight into Customs-Procedure & Practice
- ✱ Handbook on Impact of GST on MSME Sector
- ✱ Taxation on Co-operative Sector
- ✱ GST on Educational Sector
- ✱ Guidance Note on GST Annual Return and Audit
- ✱ GST on Service Sector
- ✱ Departmental Audit under GST

8 Handbooks among the above have been revised

1. Taxation on Works Contract
2. Handbook on Special Economic Zone and Export Oriented Unit in India

3. Impact of GST on Real Estate
4. Insight into Customs - Procedure & Practice
5. Input Tax Credit – An in depth Discussion
6. Taxation on Co-operative Sector
7. GST on Educational Sector
8. GST on Service Sector

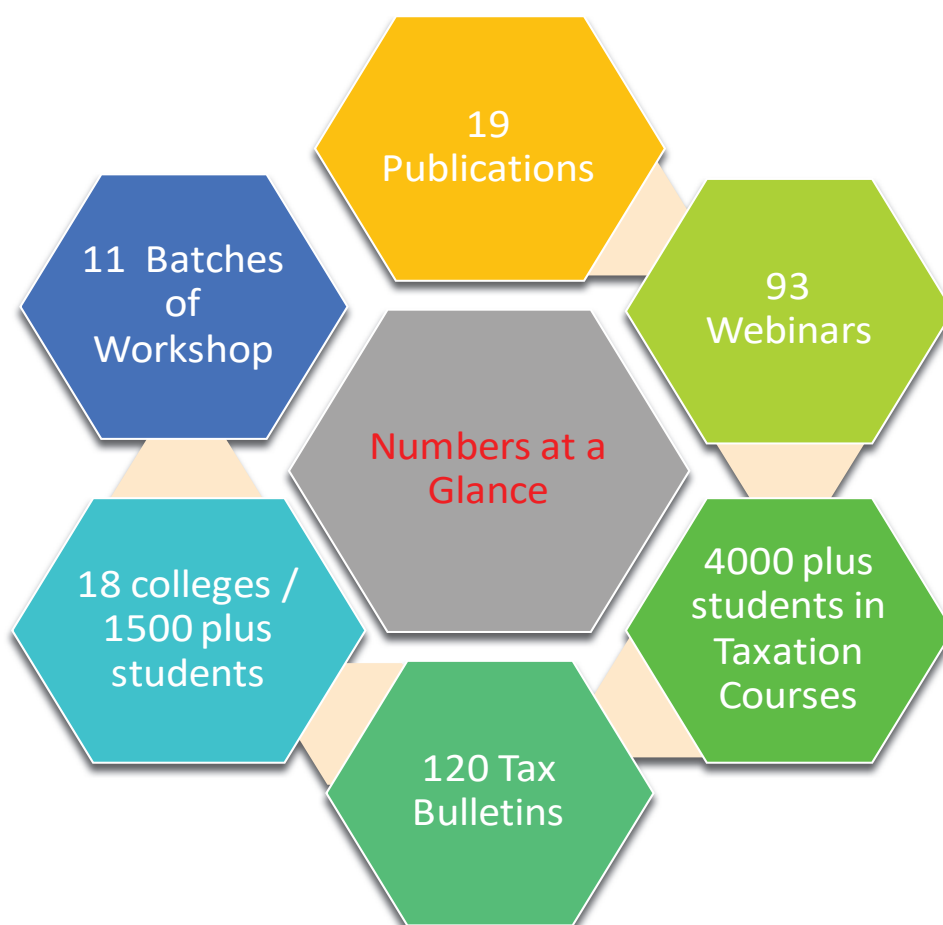
A new book named “GST – A Professional Overview” has been released in the hands of Shri Sushil Modi on 6th July 2022.

The last one year as we revive from the onset of the Corona Pandemic, we had with us the leadership and motivation of the Committee members and the guidance of a positive and enthusiastic group of Resource Persons. With their vision and support the department could perform as per the plans and could contribute positively towards the profession and the stake-holders. The department is blessed to have knowledgeable and professionally passionate Resource Persons providing their time to enhance the image and quality of the deliverables. We would like to acknowledge that everyone has played their part in making this a happier, successful and more productive work environment.

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STATISTICAL DATA





Appreciation Messages

Scottish Church College

(A Christian Minority Institution)
Parent Body: Church of North India
NAAC Re-Accredited Grade 'A' Institution (3rd Cycle)



Estd. 1830

1&3 Urquhart Square, Kolkata 700 006
Ph: 033 2350 3862 Fax: 033 2350 5207
www. www.scottishchurch.ac.in
email: principal@scottishchurch.ac.in

PRINCIPAL
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email: scottish.cal@gmail.com

20th October, 2022

Tax Research Department
The Institute of Cost Accountants of India
(Statutory Body under an Act of Parliament)
Headquarters,
CMA Bhawan, 12, Sudder Street
Kolkata - 700016



Madam/Sir,

Greetings from Scottish Church College!

I would like to congratulate the Tax Research Department for releasing the 5th Anniversary Tax Bulletin.

I also convey my sincere thanks to the Department for conducting their GST Course for College Students which has benefited a lot of students in understanding the basics of GST. The course helped our students to achieve an exposure in GST. Hope the Department continues to undertake many such courses for the benefit of the College students.

My Best wishes to the department for the success of the publication and overall growth of the Institute.

Madhumanjari Mandal
Dr. Madhumanjari Mandal
Principal

Principal
Scottish Church College
Kolkata

Nec Tamen Consumeatur - The bush burns, but is not consumed

Appreciation Messages



Dr. Md. Toffazal Haque
Principal,
Umeschandra College

I'm extremely delighted to learn that the Tax Research Department of the Institute of Cost Accountants of India has been publishing the Tax Bulletin every two weeks for the past five years. This tax bulletin, a knowledge base for finance professionals, includes every change on the taxation front in the country. It serves as a resource for readers who have queries or issues pertaining to taxes. The Tax Research Department's extensive array of extra initiatives, including lectures, seminars, webinars, and workshops, helped students and professionals become more knowledgeable. In this perspective, it's important to highlight the GST Course for College Students. The Umeschandra College students who took the course benefited much from it. The course has improved their academic performance and provided a pathway into real-world, career-focused learning. I am sending the Tax Research Department my best wishes for success and especially for the Anniversary Bulletin.



Dr. Mousumi Singh Sengupta,
Principal
THK Jain College

I would like to thank the Tax Research Department of the Institute for providing the GST Course for College Students to enhance the knowledge capacity of the students of our college. The Course helped our students to learn about basics of GST as well as get a first hands on experience on the practical aspects of the subject as well. I Hope the Tax Research Department continues to undertake many such courses for the development of students all across India.

I appreciate the effort taken by the subject matter expert who have taken special care of our students for making them understand the practicalities in lucid language.

I convey my best wishes to the Tax Research Department for success in all its endeavour and we look forward to further collaborations with the Department in future to make our students professionally ready.



Appreciation Messages



Dr. Prahlad Chowdri
Associate Professor and HOD,
Professional Programs
Government Ramnarayan
Chellaram College of
Commerce and Management
Racecourse Road, Bengaluru

The GST course was very useful for B. Com. Few more hands on training sessions would be more apt.

The CMA foundation program in the campus is quite helpful for our students for saving time as well they can pursue both degree and professional course simultaneously.

Looking forward to greater collaboration with you.

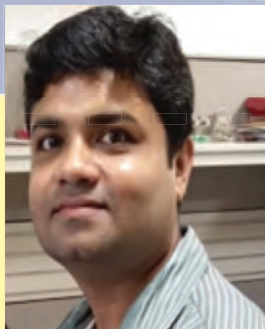


Nagendra B M
Assoc. Prof.
Head Of The Department
Of Commerce
ASC Degree College

We are extremely happy to associate with "THE INSTITUTE OF COST ACCOUNTANTS OF INDIA - CMA BENGALURU CHAPTER" for GST Crash Course at "ASC DEGREE COLLEGE, RAJAJINAGAR, BENGALURU" for the Academic Year 2021 - 2022.

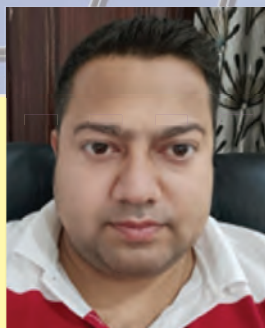
We appreciate the content delivery by the various subject experts which facilitated in smooth conduct of the crash course. Our students also expressed intense satisfaction with respect to systematic planning and execution of the Course. We look forward to conduct many such course from the institute in future.

Appreciation Messages



Sanjeev Gupta
Sr. Executive (Accounts)
Lexmark International (India)
Pvt. Ltd

I want to express my sincere gratitude for the Certificate Course on GST organized by The Tax Research Department of The Institute of Cost Accountants of India. The Classes were very useful for the students. It was very useful for enhancing employable capacity among students. The way of teaching was really good, the trainers explained each and every point clearly and solved each and every doubt. Wonderful experience and highly recommended. Thank You Tax Research Department of The Institute of Cost Accountants of India.



Rahul Diwan
Manager Accounts -
Afcons Infrastructure Ltd.

The course was extensive in terms of information. The curriculum was delivered earnestly by the instructor Mr. Rohit Kumar. I would highly recommend this course for accounting professionals who wants in-depth knowledge pertaining to GST Audit and Assessment.



Appreciation Messages



**Anirudhan V, DST
GST Practitioner**

It is with immense pleasure that I realised that the Institute of Cost Accountants of India is publishing a Tax Bulletin covering all developments, modifications and updates on Tax Matters in our Country and Abroad.

I would like to highlight that the Cost Accountants of India is the only Institute in the Country which has undertaken the responsibility in imparting knowledge and training to new entrants as well as veteran participants on tax matters as per directives of the Government of India.

During the implementation of Goods and Services Tax in India, the Government of India had issued directives to all the Legal Institutions set up by the Parliament, to extend services for enabling the youth to handle the new tax reforms. ICWAI sprung into action on receipt of these directives and launched several training programs to impart knowledge to common people, including those who are not members of ICWAI, to handle taxation, covering rules in India and abroad. The said bulletin is another right step in this direction.

Wishing all the best in all forms for all of their endeavours including publishing of this Bulletin



**Vinod Kumar Patil
Student**

"Thank you so much for making a big class small and super fun! Special thanks to my mentors for the efforts put by them and I appreciate such a great learning experience. ICWA Course on Income Tax helped me to learn about frequent changes in Income Tax portal and provision of IT Act. It was such an amazing lecture and thank you for being so supportive!"

Appreciation Messages



CMA Vivek Kumar Sharma
Student

I have just completed the Advanced Certification Course on GST (Batch-6). I sincerely appreciate the assistance and efforts made by the institute. I have thoroughly enjoyed every minute of the classes. All the classes were very interactive and practical. The faculties invited by the institute were having rich experience and knowledge of Goods and Services Tax (GST) Act and Rules made thereunder. Also, the study material provided by the institute was very helpful.

Thank you, again, for such a wonderful learning experience.



E-PUBLICATIONS OF TAX RESEARCH DEPARTMENT

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

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

Notes

Notes

TAXATION COMMITTEES - PLAN OF ACTION

Proposed Action Plan:

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

Disclaimer:

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

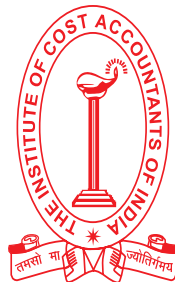
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