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EDITORIAL

Friends,

Recently Government is revamping GST Portal along with the GST Law. There are changes done in Table-12 format of GSTR-1 Return and changes in number of digits of HSN Code to be reported. From 01st April 2021 onwards, it is mandatory to report minimum 4 digits or 6 digits of HSN Code in Table No. 12 of GSTR-1 on the basis of Aggregate Turnover on PAN in the preceding financial year. Additionally, option to withdraw NIL Refund application has also been provided in the GST Portal.

GST Council to fix inverted duty anomaly soon: The Goods and Services Tax (GST) Council will consider removing anomalies in the duty structure in several sectors such as textiles, fertilizers and footwear this month. It requires urgent attention now because the businesses involved are unable to claim input-tax credit (ITC) because of higher levies on raw materials compared to the finished goods. This is referred to as an inverted duty structure—a situation in which inputs are taxed at a higher rate than finished goods.

The Central government could be gearing up to bring petroleum under the Goods and Services Tax (GST), at a time when petrol prices have broken all past records and breached the Rs. 100 mark in several parts of the country. When it was rolled out in 2017, the GST regime brought a wide range of products and almost all services under its purview, and the latest to join this list could be petroleum – this is an issue that seems simple on the outset but is a lot more complicated than that.

However, the Central government could be aiming to put this issue behind it if Finance Minister Nirmala Sitharaman's recent comments are anything to go by.

GST Amnesty: SC refuses to direct finance ministry to extend scheme: The Supreme Court on 05.03.2021 refused to direct the finance ministry to extend the goods and services tax (GST) amnesty scheme till the Covid -19 pandemic exists in India.

A Bench led by justice DY Chadrachud rejected one Bilaspur-based trader Satyakam Arya's plea to direct the central government and the GST Council to extend the amnesty scheme and give more time to small businesses and MSMEs to file their returns.

CGST East Delhi Commissionerate arrests two for defrauding Government Exchequer of more than Rs 392 crore. In their continuous endeavour to uproot fake billing operations, officers of Central Goods and Services Tax (CGST) Commissionerate achieved yet another success when investigations led to unearthing of a massive network of fictitious firms to generate and avail fake Input Tax Credit (ITC) of Goods and Services Tax (GST). The network of fictitious companies was being operated by one CA in connivance with one CA. Both are former employees of Essel Group. Though they are presently not working with the Essel group officially, however, they are passing on inadmissible ITC to the said group.

EDITORIAL

Investigations indicate that a layer of genuine looking fictitious intermediatory companies was created to pass on bogus ITC from non-existent and fake firms to the companies of Essel Group without actual supply of any goods or services. This was apparently done to enable Essel Group to avail inadmissible Input Tax Credit of GST, book expenses to evade Income Tax and inflate their turnover to push the share prices of their listed companies. The total fake Input Tax Credit passed on by such fictitious intermediatory companies is quantified to be Rs. 92.18 crore whereas, the total fake Input Tax Credit passed on by other fictitious and non-existent firms pertaining to the larger network is quantified to be more than Rs. 300 Crores. It is pertinent to mention here that since the inception of GST Central Tax, Delhi Zone has made 30 arrests in various cases involving GST evasion amounting of more than Rs. 4,450.86 Crores.

The Income Tax Appellate Tribunal (ITAT), Mumbai Bench held that Uber India is not liable to pay TDS for Payments to Driver Partners. The Uber Technologies Inc. is a company incorporated in the United States of America and is the owner of the Uber Application which provides lead generation services to independent Driver-Partners who are interested in providing transportation services to Riders. Uber group had set up a subsidiary namely, Uber India Systems Private Limited (UISPL) in India i.e. the assessee company on 16.08.2013 to market and promote the use of the Uber App in India and provide support services in connection with the same. Therefore, the Tribunal concluded that Uber B.V. is neither responsible for providing transportation service nor any liability arising out of the transportation service provided by the Driver-Partners. The transportation service provided by the Driver-Partner to Users is a contract between them to which Uber B.V. is not a party. For providing lead generation service, the Driver-Partner pays a percentage of the ride fare as a service fee to Uber B.V. Therefore, it is clear that UISPL is not a part of the contract and no payment obligation is imposed either under the agreement with the Driver-Partner or under the agreement with the User.

We do hope that this bulletin adds value to your professional sphere.

Just to reiterate that we remain available over telecom or e-mail.

Truly Yours

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SYNOPSIS

TAX CALENDAR

Due date	Form/Return /Challan	Reporting Period	Description
07th March 2021	ITNS-281	February, 2021	Due Date of TDS/TCS Payments
10th March 2021	GSTR-7	February, 2021	Due Date for furnishing GST-TDS Return
10th March 2021	GSTR-8	February, 2021	Due date for furnishing GST-TCS Return for E-Commerce Agencies
11th March 2021	GSTR-1	February, 2021	Due date for furnishing details of Outward Supplies for taxpayers having turnover of more than Rs. 1.5 Crores
13th March 2021	GSTR-6	February, 2021	Due Date for furnishing Summary of Inward and Outward Supplies for ISD Suppliers
13th March 2021	GSTR-1/IFF	February, 2021	Due date for furnishing details of Outward Supplies for taxpayers who have opt for QRMP Scheme

INCOME TAX

NOTIFICATIONS/CIRCULAR

CBDT EXTENDS DATES FOR FILLING DECLARATIONS UNDER DIRECT TAX VIVAD SE VISHWAS ACT, 2020 UPTO 31.03.2021

OUR COMMENTS: The Ministry of Finance, Government of India, Central Board of Direct Taxes **vide Notification No. 09/2021 dated 26.02.2021** has extended specified time limits under Direct Tax Vivad se Vishwas Act, 2020. Date for payment without additional amount under VSV extended to 30th April, 2021.

[For further details please refer the notification]

NOTIFICATION EXTENDING VARIOUS INCOME TAX DUE DATES

OUR COMMENTS: The Ministry of Finance, Government of India, Central Board of Direct Taxes **vide Notification No. 10/2021 dated 27.02.2021** has extended due date for passing of assessment or reassessment orders under the IT Act, that are getting time barred on 31st March, 2021 due to extension of limitation date to 30th April, 2021.

Further, Date for passing assessment or reassessment orders (not covered by (i) above), that are getting time barred on 31st March, 2021, as per time limit specified in section 153 / 153B of the Income-tax Act, has also been extended by 6 months i.e. to 30th September, 2021.

Date for passing of penalty orders extended to 30th June, 2021. Date for issue of notice & passing of orders by Adjudicating Authority under the Benami Act extended to 30th September, 2021.

[For further details please refer the notification]

CBDT CLARIFIES ON RESIDENTIAL STATUS & ISSUES NEW NON-RESIDENTIAL FORM

OUR COMMENTS: The Ministry of Finance, Government of India, Central Board of Direct Taxes **vide Circular No. 02/2021 dated 03.03.2021** has received various representations requesting for relaxation in determination of residential status for previous year 2020-21 from individuals who had come on a visit to India during the previous year 2019-20 and intended to leave India but could not do so due to suspension of international flights. The matter has since been examined by CBDT.

In this context of the Circular, it has been provided that if any individual is facing double taxation even after taking into account the relief provided by the relevant Double Taxation Avoidance Agreement (DTAA), he/she may furnish the specified information by 31st March, 2021 in Form –NR annexed to the said Circular. This form is to be submitted electronically to the Principal Chief Commissioner of Income-tax (International Taxation).

[For further details please refer the circular]

GST

NOTIFICATION/CASE LAW

EXTENSION OF TIME LIMIT FOR FURNISHING OF THE ANNUAL RETURN SPECIFIED UNDER SECTION 44 OF CGST ACT, 2017

OUR COMMENTS: The Ministry of Finance, Government of India, Central Board of Indirect Taxes and Customs **vide Notification No. 04/2021-CGST dated 28.02.2021** has extended the due date for furnishing Annual return and GST Reconciliation Statement for FY 2019-2020 upto 31.03.2021.

[For further details please refer the notification]

PARVATI STEEL RE-ROLING MILLS VS DEPUTY EXCISE & TAXATION COMMISSIONER, LUDHIANA-2021 [PUNJAB & HARYANA HIGH COURT]

Brief: Petitioner seeking direction to respondent to permit operation of it is bank accounts as the attachment order ceased to operate in terms of Section 83(2) of the PGST Act, 2017 beyond the statutory period of one year.

OUR COMMENTS: In the present case, the petitioner - Firm is engaged in sale and purchase of ferrous metal and waste scraps duly registered under the PGST Act. Premises of petitioner - firm was searched and inspected on 11.06.2019 by the State GST authorities, and its partner - Mitha Ram was arrested. Vide order, bank accounts of the petitioner were attached by respondent No.1, provisionally, under Section 83 of the PGST Act. Subsequently, on 09.08.2020, the State Tax Proper Officer vide complaint No.2355/2019 filed a complaint against Mitha Ram before the Judicial Magistrate, 1st Class, Amloh (Punjab) and vide order dated 16.06.020 (Annexure P-2) passed by this Court in Criminal Miscellaneous No.M-42451 of 2019, Mitha Ram was released on bail. Vide letter dated 31.10.2020, petitioner sent a legal notice to respondent No.1 to defreeze its accounts provisionally attached beyond the statutory period of one year. The petitioner also wrote letter seeking permission to operate the accounts. DGCI and Namaskar Enterprise v. Commissioner of Goods and Service Tax, 2020 contends that provisional attachment of a bank account of a party cannot continue beyond a period of one year prescribed under sub-section (2) of Section 83 of the Act and it directed the respondents to defreeze the petitioner's bank account within a certain period of time fixed therein. Thus, continuation of attachment of petitioner's accounts is wholly illegal, arbitrary and violative of Articles 14, 19(1)(g), 21, 265 and 300-A of the Constitution of India. Punjab & Haryana High Court held that provisional attachment of a bank account of an assessee cannot continue beyond a period of one year prescribed under sub-section (2) of Section 83 of the Act. The respondents-Banks are directed to allow the petitioners to operate their bank accounts forthwith. The writ petitions are allowed.

[In favour of the petitioner]

FEMA

CIRCULAR

INVESTMENT BY FOREIGN PORTFOLIO INVESTORS (FPI) IN DEFAULTED BONDS - RELAXATIONS

OUR COMMENTS: Attention of Authorised Dealer Category-I (AD Category-I) banks is invited to Foreign Exchange Management (Debt Instruments) Regulations, 2019 notified vide Notification No. FEMA. 396/2019-RB dated October 17, 2019, as amended from time to time, and the relevant directions issued thereunder. A reference is also invited to A.P. (DIR Series) Circular No. 31 dated 26.11.2015 wherein FPIs were permitted to acquire NCDs/bonds, which are under default, either fully or partly, in the repayment of principal on maturity or principal instalment in the case of amortising bond, and to A.P. (DIR Series) Circular No. 31 dated 15.06.2018 (hereinafter, Directions), as amended from time to time.

Attention of AD Category-I banks is also invited to para 12 of Statement on Developmental and Regulatory Policies dated 05.02.2021, wherein it was announced that FPI investment in defaulted corporate bonds will be exempted from the short-term limit and the minimum residual maturity requirement under the MTF.

Currently, FPI investments in corporate bonds are subject to a minimum residual maturity requirement, short-term investment limit (paragraph 4 (b)(ii)) and the investor limit (paragraph 4(f)(i)) in terms of the Directions. However, FPI investments in security receipts and debt instruments issued by Asset Reconstruction Companies and debt instruments issued by an entity under the Corporate Insolvency Resolution Process as per the resolution plan approved by the National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 are exempt from these requirements. It has now been decided to exempt investments by FPI in NCDs/bonds which are under default, either fully or partly, in the repayment of principal on maturity or principal instalment in the case of amortising bond from the aforesaid requirements.

These directions are issued under sections 10(4) and 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and are without prejudice to permissions/ approvals, if any, required under any other law.

[For further details please refer the circular]

CUSTOMS

NOTIFICATIONS

TARIFF NOTIFICATION IN RESPECT OF FIXATION OF TARIFF VALUE OF EDIBLE OILS, BRASS SCRAP, POPPY SEED, ARECA NUT, GOLD & SILVER

OUR COMMENTS: The Ministry of Finance, Government of India, Central Board of Indirect Taxes and Customs **vide Notification No. 25/2021-Customs (N.T.) dated 26.02.2021** has issued tariff notification in respect of fixation of tariff value of edible oils, brass scrap, poppy seed, areca nut, gold & silver.

[For further details please refer the notification]

EXTENSION OF LEVY OF ANTI-DUMPING DUTY ON PHENOL ORIGINATING IN OR EXPORTED FROM EUROPEAN UNION AND SINGAPORE

OUR COMMENTS: The Ministry of Finance, Government of India, Central Board of Indirect Taxes and Customs **vide Notification No. 11/2021-Customs (ADD) dated 03.03.2021** has extended the levy of Anti-Dumping duty on Phenol originating in or exported from European Union and Singapore, up to and inclusive of 7th June, 2021.

[For further details please refer the notification]

NOTIFICATION OF EXCHANGE RATE OF FOREIGN CURRENCY

OUR COMMENTS: The Ministry of Finance, Government of India, Central Board of Indirect Taxes and Customs **vide Notification No. 26/2021-Customs (N.T.) dated 04.03.2021** has notified the exchange rate of exchange of conversion of each of the foreign currencies relating to imported and export goods.

[For further details please refer the notification]

NOTIFICATION IN RELATION TO LAND CUSTOMS STATIONS AND ROUTES BY AMENDMENT OF PRINCIPAL NOTIFICATION NO. 63/1994-CUSTOMS (N.T.) DATED 21.11.1994.

OUR COMMENTS: The Ministry of Finance, Government of India, Central Board of Indirect Taxes and Customs **vide Notification No. 27/2021-Customs (N.T.) dated 05.03.2021** has notification in relation to Land Customs Stations and routes "the river route as per the Protocol on Inland Water Transit and Trade between India and Bangladesh connecting Tribeni (Bandel) in India to Bangladesh" by amendment of Principal Notification No. 63/1994-Customs (N.T.) dated 21.11.1994.

[For further details please refer the notification]

DGFT

PUBLIC NOTICE/TRADE NOTICES

TOWN OF NOIDA IN UP HAS BEEN NOTIFIED FOR EXPORT OF EXCELLENCE FOR APPAREL PRODUCTS

OUR COMMENTS: The Ministry of Finance, Government of India, Central Board of Indirect Taxes and Customs **vide Public Notice No. 40/2015-20 dated 25.02.2021** has notified town of Noida in Uttar Pradesh as a Town of Export Excellence for Apparel products.

[For further details please refer the Public Notice]

ONLINE MODULE FOR ADJUDICATION, APPEAL, REVIEW PROCEEDINGS UNDER FOREIGN TRADE (DEVELOPMENT & REGULATION) ACT, 1992, (`THE ACT') AS AMENDED AND FOREIGN TRADE (REGULATION) RULES, 1993, (`THE RULES') AS AMENDED

OUR COMMENTS: The Ministry of Finance, Government of India, Central Board of Indirect Taxes and Customs **vide Trade Notice No. 44/2015-20 dated 01.03.2021** has amended an online module for Adjudication, Appeal, Review proceedings under Foreign Trade (Development & Regulation) Act, 1992, ('the Act') and Foreign Trade (Regulation) Rules, 1993 has been implemented w.e.f. 27.02.2021. The Exporters have to submit prescribed documents evidencing fulfilment of export obligation within the period prescribed indicated in the Authorization/ Foreign Trade Policy/ Procedure. In case of non-submission or incomplete submission of prescribed documents, the Exporter shall be directed to furnish the complete prescribed documents within the period indicated in the letter issued by Regional Authority. In case of non-submission of complete prescribed export documents, the Exporter will be issued Show Cause Notice for violations of provisions under 'the Act' as amended and 'the Rules', as amended.

The Exporter shall have the facility to file an appeal under Section 15 of the Act against the Adjudication Order within the stipulated period alongwith the proof of having deposited the penalty amount. No appeal can be submitted after the stipulated period and the online system shall automatically block the process of appeal once the time limit expires.

There will be a transition period upto 31st March, 2021 wherein the firm/ Appellants wishing to file an Appeal under Section 1.5 shall be allowed to file Appeals either online or manually. However, subsequent to the filing by the appellant in the manual mode, during the transition period, to the jurisdictional Appellate authority, consequent processing of the case shall be only through the online module.

The Review Proceedings provided in Section 16 of 'the Act' will also be conducted online. The Exporters shall submit Review Petition online.

[For further details please refer the Trade Notice]

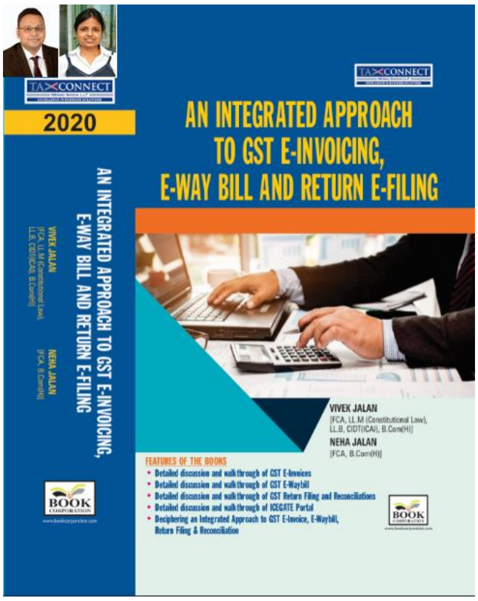
PROCEDURE AND CRITERIA FOR SUBMISSION AND APPROVAL OF APPLICATIONS FOR EXPORT OF DIAGNOSTIC KITS AND THEIR COMPONENTS/LABORATORY REAGENTS

OUR COMMENTS: The Ministry of Finance, Government of India, Central Board of Indirect Taxes and Customs **vide Trade Notice No. 45/2020-21 dated 02.03.2021** has issued procedure and criteria for submission and approval of applications for export of Diagnostic Kits and their components/laboratory reagents.

[For further details please refer the Trade Notice]

IN STANDS

AN INTEGRATED APPROACH TO GST E-INVOICING, E-WAYBILL & E-RETURN FILING



ABOUT THE BOOK: This publication includes:

1. **Detailed discussion and walkthrough of GST E-Invoices.**
2. **Detailed discussion and walkthrough of GST E-Waybill.**
3. **Detailed discussion and walkthrough of GST Return Filing and Reconciliations.**
4. **Detailed discussion and walkthrough of ICEGATE Portal.**
5. **Deciphering an Integrated Approach to GST E-Invoice, E-Waybill, Return Filing & Reconciliation**

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IN STANDS

Section wise Compendium on GST

ABOUT THE BOOK: This publication includes:

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2. Master Referencer of Section, Rules, Notifications, Circulars, Orders, Advance Ruling and Court Decisions
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4. Practical Illustrations

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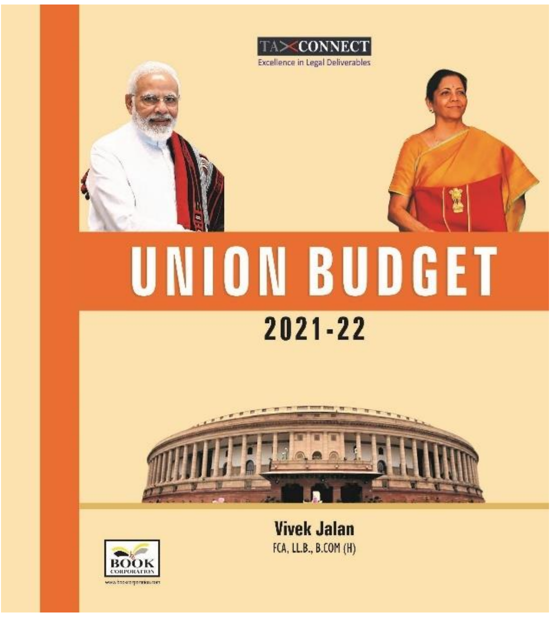
IN STANDS

UNION BUDGET 2021



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1. Commentary on Budget
2. Finance Minister's Budget Speech
3. Budget at a Glance
4. Memorandum
   a. Direct Tax
   b. Customs
   c. Excise
   d. GST
5. Finance Bill
6. Notes on Clauses

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