

# DA TAX UPDATE - INDIRECT TAX

An e-Tax update from **Darda Advisors LLP**

## INDIRECT TAX FORTNIGHTLY UPDATE

Issue: 03



## Due dates for GSTR 1 notified\*

S.No	Class of registered persons	Period	Due Date
1	<b>More than 1.5 Crores</b> Aggregate Turnover	October 2020 to March 2021	<b>Eleventh</b> day of the month succeeding such month
2	Aggregate turnover <b>upto 1.5 Crores</b>	Quarter October 2020 to December 2020	<b>13 January 2021</b>
		Quarter January 2021 to March 2021	<b>13 April 2021</b>

\* Notification No. 75/2020 – Central Tax dated 15 October 2020

## Due dates for GSTR 3B notified\*

S.No	Class of registered persons	Period	Due Date
1	<b>More than 5 Crores</b> Aggregate Turnover	October 2020 to March 2021	<b>Twentieth</b> day of the month succeeding such month
2	Aggregate turnover <b>upto 5 Crores</b>  (Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana or Andhra Pradesh or the Union territories of Daman and Diu and Dadra and Nagar Haveli, Pondicherry, Andaman and		<b>Twenty-second</b> day of the month succeeding such month

	Nicobar Islands and Lakshadweep - <b>Category 1 states)</b>		
3	<p>Aggregate turnover <b>upto 5 Crores</b></p> <p>(Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand or Odisha or the Union territories of Jammu and Kashmir, Ladakh, Chandigarh and Delhi – <b>Category 2 states)</b></p>		<p><b>Twenty-fourth</b> day of the month succeeding such month</p>

\* Notification No. 76/2020 – Central Tax dated 15 October 2020

Aspect	Brief detail	Reference Number
<b>Goods and Service Tax (GST)</b>		
<b>Discrepancies during audit</b>	It is incumbent on Revenue to point out any discrepancy in books of account at time of audit. Assessee cannot be charged with suppression of facts with malafide intent to evade paying duty, where Revenue did not raise any objection during relevant period	<b>CESTAT Order</b> <i>M/S Ghatge Patil Industries Ltd</i> <i>[2020-TIOL-1518-CESTAT-MUM]</i>
<b>Detention of goods</b>	Detention of goods in transit, by alleging misclassification, is unjustified - verification report ought to have been prepared and sent to assessing officer of petitioner	<b>Kerala High Court</b> <i>Asharaf Ali KH</i> <i>[2020-TIOL-1717-HC-KERALA-GST]</i>

Aspect	Brief detail	Reference Number
<b>Classification of services</b>	Classification of the services does not change, but the rate of tax can be changed by the rate notification	<i>[AAR-Karnataka, M/s. Yulu Bikes Pvt. Ltd KAR ADRG 49/2020]</i>
<b>Sec 17(5)-Input Tax Credit</b>	Input Tax Credit (“ITC”) for construction of breakwater for longevity of jetty is not allowed	<b>AAR - Maharashtra Konkan LNG Pvt. Ltd.</b> <i>[MAH/AAAR/SS-RJ/14/2019-20]</i>
<b>Rule 36(4) of CGST Rules, 2017</b>	Cumulative reconciliation for the period Feb to Aug 2020 in terms of proviso to rule 36(4) of the CGST Rules,2017	<i>Circular no.142/12/2020-GST dated 9 October 2020</i>
<b>Clarification on GSTR 9 &amp; 9C</b>	Taxpayers are required to report only the values pertaining to F.Y. 2018-19 and not F.Y. 2017-18	<i>PIB press release dated 09 October 2020</i>

Aspect	Brief detail	Reference Number
<p><b>Twelfth Amendment of CGST Rules</b></p>	<p>For FY 19-20 also, registered person whose aggregate turnover exceeds Rs. 5 Cr. shall get his accounts audited in Form GSTR 9C</p> <p>Furnishing returns through SMS notified</p> <p>Format of GSTR 2A is notified</p> <p>E-way bill not to be blocked if GSTR 1, GSTR 3B or GST CMP-08 not filed during the period Feb to Aug 2020</p> <p>Board has the power to notify the number of HSN digits required, persons required to report and not report</p>	<p><i>Notification No. 79/2020 – Central Tax dated 15 October 2020</i></p>

<b>Aspect</b>	<b>Brief detail</b>	<b>Reference Number</b>
<b>GST Audit limit</b>	For FY 19-20 also, registered person whose aggregate turnover does not exceeds Rs. 2 Cr. have the option to file Form GSTR 9	<i>Notification No. 77/2020 – Central Tax dated 15 October 2020</i>

### **Number of digits of HSN code to be reported\***

<b>S.No</b>	<b>Aggregate Turnover in the preceding Financial Year</b>	<b>Number of Digits of HSN code</b>
1	Up to rupees five Crores	4
2	More than rupees five Crores	6

\* *Notification No. 78/2020 – Central Tax dated 15 October 2020*



Aspect	Brief detail	Reference Number
<b>Customs and others</b>		
<b>Job work</b>	As per scheme of Central Excise Act 1944, the principal manufacturer is not liable to pay Excise duty in respect of goods manufactured & cleared from job worker's premises	<b>CESTAT Delhi</b> <i>M/s Mewar Technocast Pvt Ltd [2020-TIOL-1513-CESTAT-DEL]</i>
<b>Refund under rule 5 of Cenvat Credit Rules(CCR)</b>	There is no requirement for an assessee to prove a direct nexus between input and output services for the purpose of claiming refund u/r 5 of CCR	<b>CESTAT Mumbai</b> <i>M/S Siemens Technology And Services Pvt Ltd [2020-TIOL-1519-CESTAT-MUM]</i>
<b>SVLDRS scheme</b>	In case the settlement under the Scheme fails, the assessee can file an application before the Tribunal for restoration of their appeal	<b>CESTAT Kolkata</b> <i>M/s Coal Mines Associated Traders Pvt</i>

<b>Aspect</b>	<b>Brief detail</b>	<b>Reference Number</b>
		<i>Ltd [2020-TIOL-1504-CESTAT-KOL]</i>
<b>Extension of Rebate of State and Central Levies and Taxes (RoSCTL) scheme</b>	Extension of the RoSCTL scheme from 31 March 2020 to 31 March 2021 or until such date the RoSCTL scheme is merged with Remission of Duties and Taxes on Exported Products (RoDTEP) scheme, whichever is earlier	<i>Notification 36/2020-Cus, dt. 05 October 2020</i>
<b>Inspection of ICDs/CFSSs/AFSSs</b>	Procedure for inspection of ICDs/CFSSs/AFSSs is notified via circular	<i>Circular No. 44/2020-Customs dated 8 October 2020</i>
<b>Testing of outside samples</b>	Power and list of Revenue Laboratories for various zones and sectors is specified	<i>Circular No. 46/2020-Customs dated 15</i>

Aspect	Brief detail	Reference Number
	with regard to testing of outside samples	<i>October 2020</i>
<b>Faceless Assessment</b>	Remedial measures have been issued for prompt and timely assessment of Bills of Entry and clearance of imported consignments in case of Faceless assessment	<i>Circular No. 45/2020-Customs dated 12 October 2020</i>
<b>Scheme for Rebate of State Levies (RoSL)</b>	Addition of provision for the issue of scrips under Scheme for Rebate of State Levies (RoSL) as notified by the Ministry of Textiles	<i>Notification 37/2015-20 dated 6 October 2020</i>
<b>Transition of cess into GST regime</b>	Madras High Court's Division bench reverses Single Judge order which had earlier allowed transition of Education Cess (EC), Secondary and Higher	<b><i>Madras High Court Asst. Commissioner of CGST &amp; Central Excise vs.</i></b>

<b>Aspect</b>	<b>Brief detail</b>	<b>Reference Number</b>
	Education Cess (SHE Cess) and Krishi Kalyan Cess (KKC) into GST regime through the TRAN-1 Declaration	<i>Sutherland Global Services Private Limited</i> <i>[WA No.53 of 2020- Madras High Court]</i>

## About Darda Advisors LLP

Darda Advisors LLP offers a wide range of services in the tax and regulatory space to clients in India with professionals having extensive consulting experience. Our service offerings are:

- Goods and Service Tax (GST) Services
- Other Indirect Tax Services
- SEZ/EOU set up and Compliance
- Foreign Trade Policy (FTP) Assistance
- Company Secretarial Services
- Due Diligence
- Incentives (Central and State) Assistance
- Valuation Services
- Virtual Tax Head Services
- Corporate Tax and International Tax Services
- Certification and Attestation

## Key Professionals

**D. Vineet Suman** [FCA, CS, CMA(I)] – *Strategic Management and Tax Advisor*

Vineet has over 15 years of consulting experience in leadership role in Indirect tax including GST (around 13 years in Big 4)

**Mitu Surana** [B.Com, FCA] – *Litigation and Tax Advisor*

Mitu has over 16 years of consulting experience in Indirect tax including GST (around 10 years in Big 4)

## Contact Us

☎ +91 99529 26239 ✉ da@dardaadvisors.com

## Our Locations

**Hyderabad** - 6-3-1086, 5<sup>th</sup> Floor, Vista Grand Towers, Raj Bhavan Road, Somajiguda, Hyderabad, TS- 500082

**Chennai** - 13, T.K. Mudali Street, Choolai, Chennai - 600112, Tamil Nadu

**Delhi-NCR** - N 93, Ground floor, Mayfield garden, Sector 51, Gurgaon, Haryana - 122018

**Bhilwara** - Moti Chambers, 62&63, Sancheti Colony, Pur Road. Bhilwara – 311001, Rajasthan



Ping 'Hi' for regular updates on **+91 99529 26239**

## Disclaimer

For private circulation and internal use only. The information contained herein is of general nature and not intended to address circumstances of the particular individual or entity. The information in this document has been obtained or derived from sources believed by Darda Advisors LLP (DA) to be reliable but DA does not represent that this information is accurate or complete. Readers of this publication are advised to seek their own professional advice before taking any course of action or decision, for which they are entirely responsible, based on the contents of this publication. DA neither accepts or assumes any responsibility or liability to any reader of this publication in respect of the information contained within it or for any decisions readers may take or decide not to or fail to take