

DA TAX UPDATE - INDIRECT TAX

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

INDIRECT TAX FORTNIGHTLY FEBRUARY 2021 UPDATE

Issue: 14



Union Budget 2021 Update



We have covered our analysis from indirect tax perspective in our update on Union Budget 2021. You can read the same on below link

<https://dardaadvisors.com/indirect-tax-alert/da-update-union-budget-2021-key-tax-proposals/>

We have also done webinar on Union Budget 2021 with Sailotech and below is the link of the recorded webinar

<https://www.youtube.com/watch?v=dFF192PkDcY>

**M/s Prashi Pharma
Pvt Ltd [2021-TIOL-
344-HC-MUM-GST]**

Petitioner has questioned the vires of sub-rule (10) of Rule 96 of the Central Goods and Services Tax Rules, 2017

**M/s Jay Ushin Ltd
[2021-TIOL-367-HC-
RAJ-GST]**

Education Cess, Secondary and Higher Education Cess and Krishi Kalyan Cess were not subsumed in the new GST Laws, therefore, the question of transitioning them into the GST Regime and giving them credit under against output GST liability cannot arise

**M/s Bhumi
Associates [2021-
TIOL-397-HC-AHM-
GST]**

No recovery shall be made at the time of Search/Inspection proceedings under Section 67

**M/s Neeva Foods Pvt
Ltd [2021-TIOL-362-
HC-DEL-GST]**

Petitions impugn Section 171 of the Central Goods and Services Tax Act, 2017 (Anti Profiteering Provision) and Chapter XV of the Central Goods and Services Tax Rules, 2017

**M/s Radheshyam
Spinning Pvt Ltd
[2021-TIOL-298-HC-
AHM-GST]**

Balance of CGST and SGST got artificially inflated as a result of appropriation of IGST credit - Respondents directed to refund accumulated ITC Rs. 3,37,79,196

**M/s Nexustar
Lighting Project Pvt
Ltd [2021-TIOL-63-
AAR-GST]**

Greenfield project - Capital Subsidy received is liable to be included in the Transaction Value for the purpose of calculation of GST

**Circular No.
145/01/2021-GST
dated 11 February
2021**

Standard Operating Procedures (SOPs) for implementation of the provision of suspension of registrations under sub-rule (2A) of rule 21A of CGST Rules, 2017

**Shri Pijush Banik
[2021-TIOL-336-HC-
TRIPURA-CUS]**

To accept Indemnity Bond as against 100% Bank Guarantee due to pending COO verification/ enquiry pending etc. and release the goods against provisional assessment

**M/s Scot Protection
Force [2021-TIOL-
319-HC-MUM-ST]**

Declaration was made by the petitioner admitting the quantified tax dues before 30 June 2019 and hence the application under SVLDRS cannot be rejected

**M/s Lykis Ltd [2021-
TIOL-327-HC-AHM-
CUS]**

No time limit has been prescribed under the statutory provision of Section 149 of the Customs Act and, therefore, the Circular cannot prescribe particular time period, which is otherwise not provided in a statute

**Shri Amrish
Rameshchandra Shah
[2021-TIOL-242-HC-
MUM-ST]**

SCN issued without jurisdiction- Service tax cannot be recovered based on the returns shown in the income tax returns

**M/s Tata Steel Ltd
[2021-TIOL-86-
CESTAT-KOL]**

Tata Steel Ltd. as Input Service Distributor (ISD) is entitled to distribute the credit of service tax paid in respect of service rendered under BEBP Agreement exclusively to its Jamshedpur Steelworks since divisions and units of a company are not separate legal entities/persons

**M/s Bhagat Singh
[2021-TIOL-92-SC-
MISC]**

Interpretation of statute - words in singular are to include the plural and vice versa, unless they violate context of words' usage

**Circular No 4/2021-
Customs dated 16
February 2021**

Extension of Board's Circular for sanction of pending IGST refund claims where the records have not been transmitted to ICEGATE due to GSTR-1 and GSTR-3B mismatch error.

**Instructions No.
2/2021-Customs
dated 16 February
2021**

Streamlining of Customs Post Clearance Audit (PCA) work instructions issued

**Public Notice no.
39/2015-20 dated 15
February 2021**

Provision for verification

of the exporters
declaration (self
certification basis) on the
Rules of Origin under
GSP Scheme issued

**Trade Notice No.
41/2020-21 dated 15
February 2021**

Online e-Certificate
Management System for
Import has been
introduced

**Notification No
58/2015-20 dated 12
February 2021**

Either IEC or e-IEC is
accepted. Details in IEC
has to be updated
electronically every year
and in case of no change,
it has to be confirmed
online

About Darda Advisors LLP

At Darda Advisors LLP, we are dedicated to provide curated and client specific solutions through well-thought strategies in addition to helping them solve complex problems pertaining to tax and regulatory matters. Founded in 2019, by a crew of experts all of whom are former Big Four's professionals with extensive consulting experience in the field. We offer a wide range of services and cater clients spread across the globe. Our approach is to bring together global standards and practices, that are developed and customized to meet our client's needs by collaborating international business practices with India's market knowledge, laws, regulations and practices.

- Invest India Services
- 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

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