

DA TAX UPDATE INDIRECT TAX

An E-Tax update from
Darda Advisors LLP

Fortnightly update - August 2021

Issue -24

Goods and Service Tax

Customs and Others

Goods and Service Tax

**M/s SS Offshore Pvt. Ltd.
[2021-TIOL-1641-HC-
MUM-GST]**

High Court observed that even when there is a possibility of fraud but where no proceedings under Sections 62 or 63 or 64 or 67 or 73 or 74 of the CGST Act, 2017 were pending against the petitioner, the order of provisional attachment of its bank account is illegal

**M/s Deem Distributors
Pvt Ltd [2021-TIOL-
1654-HC-TELANGANA-
GST]**

No tax demand can be made when investigation is still in progress and no conclusive evidence has been found out. Mere suspicion can not be a basis of demand of tax or interest or penalty

**M/s Bangalore Turf Club
Limited [2021-TIOL-
1271-HC-KAR-GST]**

Stay order on Bangalore Turf Club Limited single bench decision of Karnataka HC wherein it was held that horse race clubs are liable to pay GST only on commission & not entire bet amount

**M/s Pramod Khad Bhandar
[2021-TIOL-1667-HC-
PATNA-GST]**

Notwithstanding the statutory remedy, Court is not precluded from interfering where, ex facie, it forms an opinion that the order is bad in law

Goods and Service Tax

TVL VALLALAR BOREWELLS [2021- TIOL-24-AAAR-GST]

No two classifications can be adopted for a single activity based on end use or where it is rendered etc.

Medical Bureau [2021- TIOL-1635-HC-DEL- GST]

The department took no action/processing of refund in spite of presence of valid supporting documents within the time frame. Hence, the Hon'ble High Court directed the Revenue department to decide on the refund application within six weeks

Customs & Others

M/s Vinoth Agencies [2021-TIOL-1618-HC- MAD-VAT]

High Courts can intervene at SCN stage if only such notice is issued by an incompetent authority, has no jurisdiction or if an allegation of mala fide is levelled

M/s Jindal Drugs Pvt Ltd [2021-TIOL-1628-HC- MAD-CUS]

'Ship to' and 'bill to' recognised under GST - Commercial compulsions dictate that transactions are to be structured in most economical and least cumbersome manner - Exports of ship to and bill to model eligible for Duty Credit scrip under MEIS

M/s K R V Traders [2021- TIOL-1625-HC-MAD- CUS]

When the export license was granted pursuant to the

declaration and agreement, petitioner is bound to fulfil the same - High Court cannot dilute or grant any relief with reference to the agreed export obligations

M/s RKKR Steel [2021- TIOL-1599-HC-MAD- CUS]

Decision in Canon India case is not related to the conferment of powers by the Board u/s 4(1) and 5 of the Customs Act, 1961 - Appointment of proper officer by the Board is not improper

Extension of last date of updating IEC

The DGFT has further extended the due date of modification of IEC (Import Export Code) number (along with waiver of fees for the same) till 31 August, 2021 vide Notification No 16/2015-2020

Customs & Others

Trade Notice No: 14/2021-2022 dated 4 August 2021

The DGFT has, in line towards ease of doing business in India, has brought out online procedure for transfer of Advance Authorization/ EPCG Authorization in case of amalgamation/de-merger/acquisition, etc.

Continuation of Scheme for Rebate of State and Central Taxes and Levies on Export of Apparel/Garments and Made-ups (RoSCTL)

Notification has been issued for continuation of RoSCTL scheme along with scheme guidelines

Trade Notice No: 13/2021-2022 dated 4 August 2021

Uploading of e-BRCs by 15 September 2021 for shipping bills with LEO upto 31 March 2020 on which RoSCTL scrip has been claimed. Failing which rebate will not be allowed

Import and Export data

Imports of July 2021 at \$ 57.29 B

Exports of July 2021 at \$ 54.95 B

		July 2021 (USD Billion)	July 2020 (USD Billion)	July 2019 (USD Billion)	Growth vis-à-vis July 2020 (%)	Growth vis-à-vis July 2019 (%)
Merchandise	Exports	35.43	23.64	26.23	49.85	35.05
	Imports	46.40	28.47	40.43	62.99	14.77
	Trade Balance	-10.97	-4.83	-14.20	-127.37	22.71
Services*	Exports	19.52	16.71	18.36	16.86	6.35
	Imports	10.89	9.69	11.37	12.42	-4.21
	Net of Services	8.64	7.02	6.99	22.99	23.53
Overall (Merchandise+ Services)*	Trade Exports	54.95	40.35	44.59	36.19	23.24
	Imports	57.29	38.15	51.80	50.15	10.60
	Trade Balance	-2.34	2.20	-7.21	-206.43	67.57

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