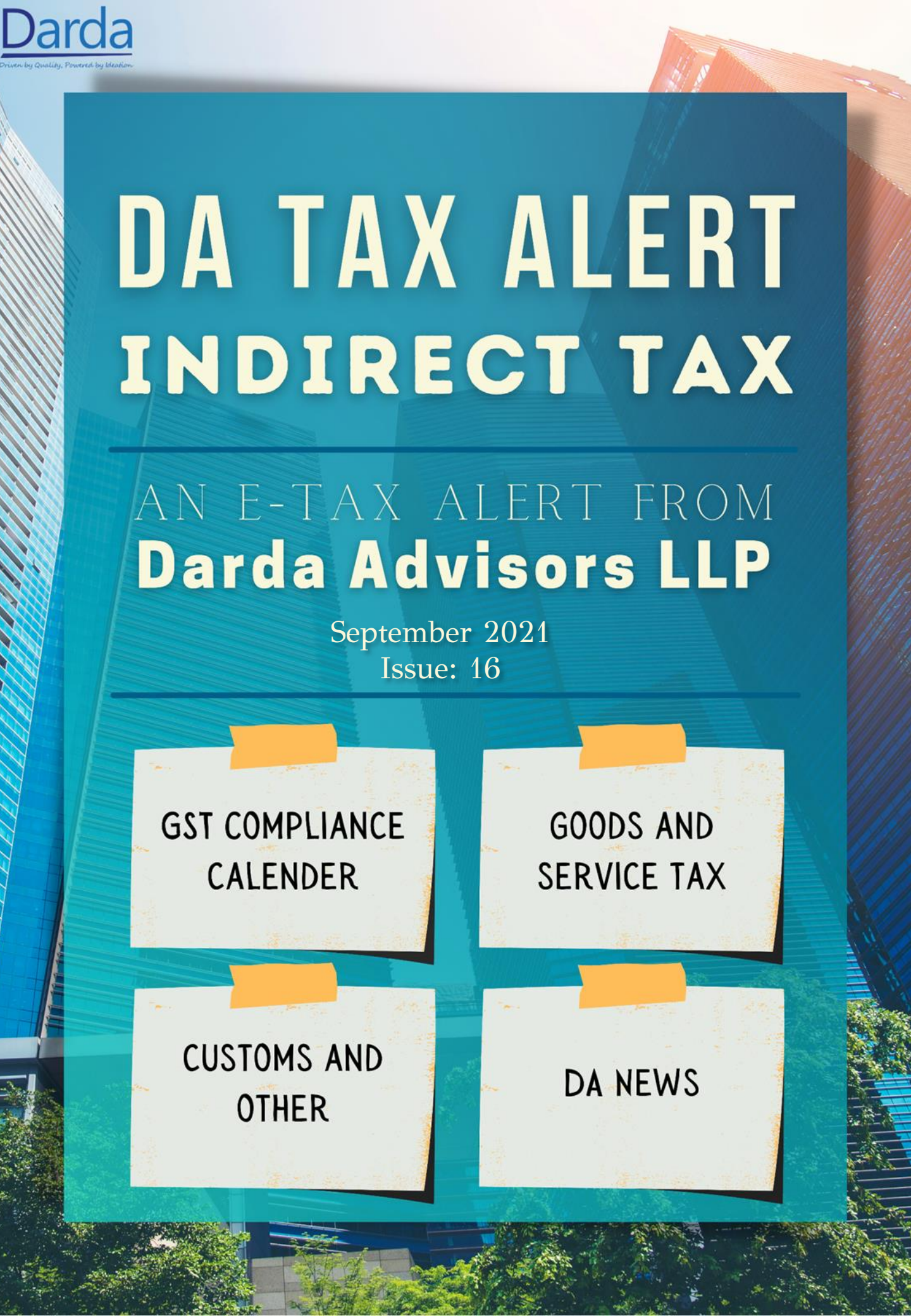


DA TAX ALERT
INDIRECT TAX

AN E-TAX ALERT FROM

Darda Advisors LLP

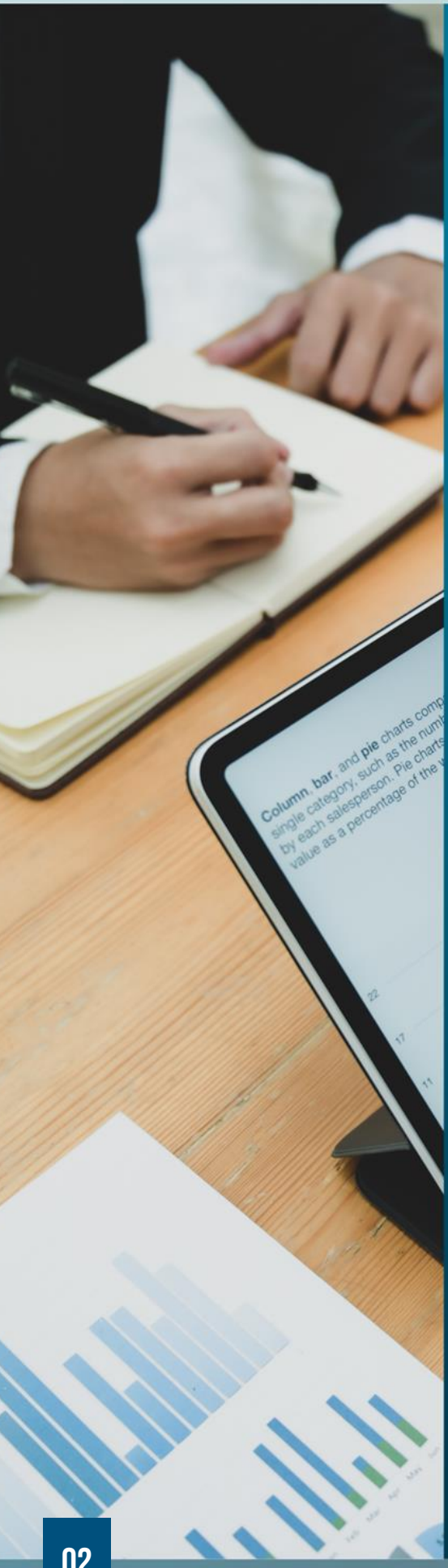
September 2021
Issue: 16

GST COMPLIANCE CALENDER

GOODS AND SERVICE TAX

CUSTOMS AND OTHER

DA NEWS



PREFACE

Greetings from Darda Advisors!

We are pleased to present to you the sixteenth edition of DA Tax Alert, our monthly update on recent developments in the field of Indirect tax laws. This issue covers updates for the month of August 2021.

During the month of August 2021, there were certain changes under Goods and Service Tax, Customs and other; SC reserved the judgment on eligibility to claim refund of input services under IDS, EC/SHEC eligible for refund under Central Excise Law, RoDTEP rates and guidelines released and others.

In the sixteenth edition of our DA Tax Alert-Indirect Tax, we look at the tumultuous and dynamic aspects under indirect tax laws and analyze the multiple changes in the indirect tax regime introduced during the month of August 2021.

The endeavor is to collate and share relevant amendments, updates, articles, and case laws under indirect tax laws with all the Corporate stakeholders.

We hope you will find it interesting, informative, and insightful. Please help us grow and learn by sharing your valuable feedback and comments for improvement.

We trust this edition of our monthly publication would be an interesting read.

Regards

Vineet Suman Darda
Co-founder and Managing Partner

PLI Schemes-Reinforcing Telangana as the 'Manufacturing Hub'

The Federation of Telangana Chambers of Commerce and Industry

PLI Schemes - Reinforcing Telangana as the 'Manufacturing Hub'

Thursday 5th August, 2021 4.00pm Click Here for Register

The Production Linked Incentive (PLI) scheme, aimed to boost domestic manufacturing under the government's Aatmanirbhar Bharat initiative, was introduced in March 2020. In Budget 2021-22, 13 sectors were identified for an outlay of INR 1.97 lakh crore. So far, the PLI scheme has been approved and under process/processed for nine sectors: advance chemistry cell (ACC) battery, white goods, electronic or technology products (IT Hardware, Large Scale Electronics Products), API and pharmaceuticals drugs, telecom and networking products, food processing and high-efficiency solar PV modules. The Cabinet approval is pending for Textiles (MMF and Technical Textiles), Specialty Steel, Auto and Auto Components and special scheme for Semi-Conductor Fab and Display Fab.

The scheme is aimed at

- Offering incentives to promote manufacturing at home
- Encouraging investments both from within and outside India
- Substituting imports of specified products
- Introducing non-tariff measures to make imports difficult

CHIEF GUEST

Sri Jayesh Ranjan, I.A.S,
Principal Secretary, Industries and Commerce, IT E&C, Government of Telangana

SPEAKERS

Mr. Mihir Parekh
Director – Textiles, Government of Telangana

Mr. CA Vineet Suman Darda
Co-founder and Managing Partner, Darda Advisors LLP

K.Bhasker Reddy
President

Anil Agarwal
Senior Vice President

Srinivas Garimella
Chair, Industrial Development Committe

RSVP : Ms. Vishala Ph : 91210 00199 e-Mail : vishalakshmi@ftcci.in

Webinar link - https://www.youtube.com/watch?nCCqiHs3cY4&t=1s

GST COMPLIANCE CALENDAR

SEPTEMBER 2021

10
GSTR-7
TDS DEDUCTOR

10
GSTR-8
TCS DEDUCTOR

11
GSTR 1
NORMAL TAXPAYER (MONTHLY)

13
GSTR 6
INPUT SERVICE DISTRIBUTOR

20
GSTR 5A
OIDAR SERVICE PROVIDER

20
GSTR-3B
NORMAL TAXPAYER

20
GSTR 5
NON-RESIDENT TAXABLE PERSON

- Subsidy in the form of incentives liable to GST as not excluded under Valuation
- ITC not eligible on Air-conditioning and Cooling System and Ventilation System
- ITC eligible for EPC of Solar Power Plant for captive consumption
- ITC not eligible on transfer of leasehold rights
- Supreme Court reserved the judgment on eligibility to claim refund of input services under IDS
- Assessment Order having sheer verbosity, exceeding the SCN and in absence of natural justice set aside – Tripura High Court
- Partial recovery from employees for Canteen services not liable to GST
- 'Battery powered electric vehicle' with or without battery pack classifiable as an 'electrically operated vehicle'
- Time limit to file the application of revocation of registration extended

Subsidy in the form of incentives liable to GST as not excluded under Valuation

The State Govt. announced "Atma Nirbhar Gujarat Sahay Yojna" wherein Nagarik Sahakari Banks and credit co-operative societies were to provide loans without securities up to Rs. 1 lacs to customers charging 8% interest. Out of this 8% interest, 2% interest portion was to be paid by the customer and remaining 6% interest portion was borne by the State Government. The Applicant has submitted that the "subsidy" received in the form of "incentive" cannot be considered as consideration under the provisions of Section 2(31) of CGST Act and, therefore, not chargeable to GST and accordingly sought the ruling from AAR which observed and held that:

- Incentive specifically provided to the applicant is for motivation and encouragement for the applicant to undertake this specific scheme. By this incentive, the State Government is incentivising the applicant to undertake this scheme and achieve success, for the incentive is not absolute but relative depending on the performance of the applicant.
- As the incentive is linked to the Amount of Loan disbursed in rupees, the yardstick for incentivising the applicant is based on applicants willingness and performance to achieve targets, which in subject case is the amounts of loan disbursed, the highest incentive being 4% for more than 100 Crore rupees disbursed and the minimum being 2% for upto 10 crore rupees of loan disbursed.
- The said incentive @4% on the disbursed loan amount to the applicant has not lessened the burden of the customers, for the customers of the loan are still required to pay their share of 2% interest on the loan amount.
- This incentive amount falls under the meaning of consideration and income received by the applicant. In GST law, no special treatment is to be given to incentives given by Government. Government is treated as any other 'person' in GST law, but for relevant Notifications issued. Held that the said income of incentive of 4% received by the applicant is consideration to the applicant. Such incentive cannot be equated as subsidy granted by the Government. Further held that subsidy is granted in public interest, related with welfare of the public or provided to a person/business by Governments, to rationalise the cost impact directly/indirectly on the public. The Said incentive has no such bearing on reducing the interest burden of 2% on the customers of the applicant, but incentivising the applicant for its performance of business in said scheme.
- The said Incentive is not subsidy and does not merit exclusion from valuation under section 15(2)(e) CGST Act. The subject supply is covered at section 7(1)(a) of CGST Act and not covered at section 7(2) CGST Act.

Subsidy in the form of incentives liable to GST as not excluded under Valuation

DA Comments:

The yardsticks mentioned under AAR to determine whether subsidy in the form of incentive to be included under GST valuation would lead to taxability of schemes like MEIS, RoDTEP, PLI and others. In this case, the State Government would push the applicant to file the appeal before AAAR, else it would be additional cost for exchequer

M/s Rajkot Nagarik Sahakari Bank Ltd [2021-TIOL-203-AAR-GST]

ITC not eligible on Air-conditioning and Cooling System and Ventilation System

The applicant is in the process of establishing their new factory and are procuring various assets such as air conditioning and colling system and further to install and commission them in their factory and sought advance ruling on eligibility of ITC on such assets under section 16 and 17 of CGST Act, 2017. The applicant submitted various legal precedents, photographs, purpose, PO and invoice copies, contract documents including BOQ and tender documents. The AAR observed and held that:

- We find that the said Work order covers the scope of supply, installation, testing and commissioning(SITC) and maintenance and warranty of subject air conditioning & Cooling system and the Ventilation system of the applicant and of its performance guarantee at site.
- We notice two types of invoices, one for materials and other for labour charges. It is noticed that invoices do not describe the nature of supply but the description used is either of goods or labour charges.
- All the different parts of 'Air conditioning and cooling system' after being fitted in the building loose their identity as machines or parts of machines and become a system, namely Air conditioning and cooling system.
- This AC System is in nature of a system and not machine as a whole. It come into existence only by assembly and connection of various components and parts. Though each component is dutiable to GST, the air conditioning plant as such is not a good under HSN (customs Tariff Heading). We note that Air conditioning unit, however, is dutiable as per HSN but not Air conditioning plant. We find no merit to assume the central air conditioning system as a machine.
- Further, Air Conditioning system once installed and commissioned in the building is transferred to the building owner and this involves transfer of property. We thus find no merit to treat an entire Central Air conditioning system a movable property. We find that our view is in compliance to various Judicial Discipline.
- We rest on the foundation laid down by the Supreme Court in the case of Municipal Corporation of Greater Bombay &ors. V. Indian Oil Corporation Ltd. [199 Suppl. SCC 18],with respect to test of permanency and with respect to terming air conditioning system an immovable property. We are bound by the law of the land, as per Article 141 of our Constitution. We note that is supply of works contract.
- Input tax credit is not admissible on Air-conditioning and Cooling System and Ventilation System, as this is blocked credit falling under Section 17(5)(c) CGST Act.

ITC not eligible on Air-conditioning and Cooling System and Ventilation System

DA Comments:

The Ruling has given its own interpretation on the concept of Plant and Machinery and assumed it as System and Works Contract to consider it as immovable property and thus ineligible for ITC. There is need of the hour to have National AAAR and also clarification on identified issued by GST Council to avoid any such misinterpreted advance ruling

M/s. Wago private limited [ADVANCE RULING NO. GUJ/GAAR/R/33/2021]

ITC eligible for EPC of Solar Power Plant for captive consumption

The applicant has a plant for extracting edible oils etc and the applicant is in the process of installing/has installed a captive roof top solar grid connected power plant in the edible oil extracting plant and sought ruling from AAR whether the applicant is eligible for ITC on inputs/capital goods or input services of the items used in Design, Engineering, Supply, Execution (EPC) of Roof top Grid Solar PV Power Plant for exclusive captive consumption purpose. The AAR observed and held that:

- As per Section 16 (1), it is evident that a registered person is entitled to take credit of Input Tax charged on any supply of goods or services or both to him which are used or intended to be used in the course or furtherance of his business.
- The applicant is admittedly engaged in the manufacture of goods. Electric Energy is classified under TH No. 27160000 of the First Schedule to the Customs Tariff Act, 1975 and hence, Electric Energy is considered as goods. Accordingly, Electric power is one of the inputs required for carrying out the process of manufacturing. Further, in terms of SI.No.104 of Notification No. 02/2017(Rate) dated 28.06.2017, electrical energy is exempted from tax under CGST Act, 2017. However, in the case of the Applicant, though electric energy is fully exempted under GST, the same is going to be fully capitively consumed by the applicant for manufacture and supply of taxable goods viz. Edible oils as certified by the order issued by the Tamil Nadu Generation and Distribution Corporation Ltd vide Copy of Memo no. U23/ 003097 /M/s KL F Nirmal - 220 KW/2020 dated 24.12.2020.
- Further it is observed that solar generation is done only when there is a consumption (discharge) in the main panel which is being sensed by the smart meter. If there is no consumption the smart meter will shut down the complete solar system. Hence the electricity generated by the said solar power plant can only be consumed captively and the applicant has not entered into any wheeling agreement with the TANGEDCO.
- In the case at hand, the whole designing, engineering, supplying and installation have been done as works contract and as the said solar power plant being Plant and Machinery, the related Credits are not blocked under this Section.

ITC eligible for EPC of Solar Power Plant for captive consumption

DA Comments:

The Ruling considered the same as Plant and Machinery to consider for ITC eligibility even when it will be indirectly used for taxable goods. In other ruling before that, the AAR went into different aspects to establish that AC and Ventilation equipment are system and not a Plant and Machinery to deny ITC. Such diverse ruling giving unnecessary confusion to GST payers

M/s KLF Nirmal Industries Pvt Ltd [2021-TIOL-181-AAR-GST]

ITC not eligible on transfer of leasehold rights

SIPCOT had entered into an agreement with India Pistons Limited (IPL) for lease of an area of land for a period of 99 years. The Applicant had approached IPL for transfer of the leasehold rights for the remainder period of 72 years in respect of part of the property for setting up Air Separation Unit (ASU) for manufacture and supply of Industrial gases. Both entered into a Memorandum of Understanding for transfer of leasehold rights (MOU). Accordingly, SIPCOT has amended its original lease agreement in order to lease the part property to INOX and IPL has agreed to transfer the leasehold rights in the part property to INOX. INOX has stated that IPL has sought an Advance Ruling on

- whether the transfer of leasehold rights in the part property amounts to supply and accordingly whether GST would be leviable on the consideration receivable from INOX.
- In the event where the authority rules that the transfer of leasehold rights to INOX is a supply and leviable to GST, they require to understand the admissibility of ITC of GST chargeable on such supply.

The AAR observed and held that:

- Service received from IPL is towards facilitating the lease acquisition of the land by the applicant, therefore, even if it qualifies as a 'Plant and Machinery', the 'land' leased is not a 'Plant and Machinery' because of the explicit, specific exclusion provided in the GST Law in the Explanation to 'Plant and Machinery'
- The services availed from IPL is in relation to acquiring lease of the land, by the specific exclusion in the definition of 'Plant and Machinery' as "land" stands excluded from 'Plant and Machinery', the services availed and utilized for acquiring such land on lease is restricted under Section 17(5)(d) of the CGST Act 2017, though the activity is in the course or furtherance of the business of the applicant.
- Credit of GST, if payable, on such supply is not eligible as credit to the applicant

DA Comments:

The reasoning by AAR to deny the ITC on transfer of leasehold right is inadequate and inappropriate. The appellant may prefer to file the appeal before AAAR

Inox Air Products Pvt Ltd [2021-TIOL-199-AAR-GST]

Supreme Court reserved the judgment on eligibility to claim refund of input services under IDS

Based on the judgment the Honorable High Court in VKC Footsteps India Pvt Ltd Vs Union Of India And 2 Other(S) [2020-TIOL-1273-HC-AHM-GST], the refund of input services for Inverted Duty Structure (IDS) under Section 54(3)(ii) of CGST Act is allowed. However, the ruling has been passed by Madras High court wherein it has been held that section 54(3)(ii) does not infringe Article 14 and thus refund of only inputs is available under IDS. This judgement was in contrast to the judgement of Gujarat high court in case of VKC Footsteps and accordingly the UOI filed the appeal to Honorable Supreme Court against the VKC Footsteps case under which the arguments are concluded and the judgment is reserved.

DA Comments:

There are number of litigations pending at first appellate authority and various Courts for the same issue and final judgment of Honorable Supreme Court would resolve long pending issue.

UOI & ANR. Vs The Quarry Owners Association & Ors. [SLP(C) 16003/2020 – Honorable Supreme Court]

Assessment Order having sheer verbosity, exceeding the SCN and in absence of natural justice set aside – Tripura High Court

The adjudicating authority issued only one show-cause notice for five separate orders for different tax periods which was wholly impermissible and further the entire order is passed without following the principles of natural justice. The adjudicating authority has relied on materials, documents and judgments which was never discussed with the assessee and further the discussion on merits of the issues was almost non-existent in the detailed order. Aggrieved by the same, the assessee filed the Writ petition before the Honorable High Court which observed and held that:

- Without any further show-cause notice he could not have assessed the petitioner for remaining years and imposed penalties. His stand that once notice is issued for a particular tax period, no notice is necessary for other tax periods stems from utter ignorance of law. This fundamental breach is sufficient to vitiate the orders of assessment barring one for the period in relation to the year 2018-19.
- Even otherwise the impugned order cannot sustain. The Superintendent of Taxes has passed an order which runs into close to 150 pages in which he has discussed range of issues completely unconnected to the case on hand.
- The ultimate observations and conclusions in the order are hard to find and more difficult to understand. The task of the reader of this order to fish out the reasons in support of the demand is more difficult than finding a needle from a haystack. Howsoever hard we may try, it is difficult to separate the grain from the chaff.
- He has made his order needlessly verbose, in the process not deciding the vital issues at all. More importantly he has referred to materials, documents and judgments and there is no evidence that he ever shared the same with the petitioner before relying upon them.
- For each individual reason namely the order being unintelligible, the action failing the test of principles of natural justice and the Superintendent of Taxes exceeding the show-cause notice, the impugned orders must be set aside. For sheer verbosity the orders must go. The same are accordingly set aside.
- Nothing stated in this order would prevent the Superintendent of Taxes from proceeding against the petitioner afresh for framing proper assessment if so advised and permitted under law.

Assessment Order having sheer verbosity, exceeding the SCN and in absence of natural justice set aside – Tripura High Court

DA Comments:

The order exceeding SCN, non-speaking order and absence of principle of natural justice has been adequately considered by the Honorable High Court to set aside the order. The same needs to be followed by the adjudicating authorities at all levels in spirit to avoid undue litigations and hardships to assessees.

OPC Asset Solutions Pvt. Ltd. Vs State of Tripura & Others [WP no. 760/2021- Tripura High Court]

Order, ex parte in nature, passed in violation of the principles of natural justice, entails civil consequences

The Writ petition was filed against the impugned order for following relief:

For issuance of a consequential writ or order for quashing of the ex parte order passed under section 73 of CGST Act and also for quashing of the summary of order issued in form GST DRC - 07 under section 73(9) of CGST Act and where under the input tax credit claimed by the petitioner qua the taxable period Of June 2018 has been rejected and denied for reasons Of delay in filing of the respective returns in terms of section 16 (4) of CGST Act.

The Honorable High Court observed and held that:

- We are of the considered view that this Court, notwithstanding the statutory remedy, is not precluded from interfering where, ex facie, we form an opinion that the order is bad in law. This we say so, for two reasons- (a) violation of principles of natural justice, i.e. Fair opportunity of hearing. No sufficient time was afforded to the petitioner to represent his case; (b) order passed ex-parte in nature, does not assign any sufficient reasons even decipherable from the record, as to how the officer could determine the amount due and payable by the assessee.
- We quash and set aside the impugned order. Further the petitioner undertakes to additionally deposit ten per cent of the amount of the demand raised before the Assessing Officer.
- In this view of the matter, we also direct for defreezing/de-attaching of the bank account(s) of the writ-petitioner attached in reference to the proceedings, subject matter of present petition. This shall be done immediately.
- We have not expressed any opinion on merits and all issues are left open.

DA Comments:

The Honorable High Court has rightly considered the writ petition by merely considering that the impugned order is ex parte and issued in violation of principle of natural justice

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

Partial recovery from employees for Canteen services not liable to GST

The applicant submitted that they are maintaining canteen facility to its employees at its factory premises to comply with the mandatory requirement of maintaining the canteen as per the Factories Act, 1948 and recovering nominal amount on monthly basis to ensure use of canteen facility only by authorized persons/employees and expenditure incurred towards canteen facility borne by Applicant is part and parcel of cost to company. Following queries raised by the applicant before AAR:

1. Whether input tax credit (ITC) available to Applicant on GST charged by service provider on canteen facility provided to employees working in factory?
2. Whether GST is applicable on nominal amount recovered by Applicants from employees for usage of canteen facility?
3. If ITC is available as per question no. (1) above, whether it will be restricted to the extent of cost borne by the Applicant (employer)?

The AAR observed and held that:

- We note that sub clause of Section 17(5)(b)(i) ends with colon : and is followed by a proviso and this proviso ends with a semicolon.
- We find that semicolon creates a wall for conveying mutual exclusivity between the sub-clauses, in present matter. It is obvious that the legislature intended the said sub-clauses to be distinct and separate alternatives, with distinctively different qualifying factors and conditionalities
- Thus, we hold that Section 17(5)(b)(i) sub-clause ending with a colon and followed by a provisio which ends with a semi colon is to be read as independent sub-clause, independent of sub clause Section 17(5)(b)(iii) and its proviso [of subclause iii]. Thereby, the provisio to section 17(5)(b)(iii) is not connected to the sub-clause of Section 17(5)(b)(i) and cannot be read into it.
- ITC on GST paid on canteen facility is blocked credit under Section 17 (5)(b)(i) of CGST Act and inadmissible to applicant.
- GST, at the hands on the applicant, is not leviable on the amount representing the employees portion of canteen charges, which is collected by the applicant and paid to the Canteen service provider.

Partial recovery from employees for Canteen services not liable to GST

DA Comments:

The Ruling has not given any reason for non-taxability of partial recovery from employees. Further, the GST law does not differentiate whether the transaction is with or without margin once considered as 'Supply' and employer-employee is considered as related party

M/s Tata Motors Ltd [2021-TIOL-197-AAR-GST]

No tax demand can be issued or raised when investigation is still in progress

The writ petition is filed by the appellant against the conduct of respondents in directing it to remit the amount availed as input tax credit at the stage of summons itself without following due procedure under Section 74 of the CGST Act, 2017 which they paid to buy peace with the respondent and to avoid coercion. The Honorable High Court observed and held that:

- Tenor of the counter affidavit filed by respondents suggests that a conclusion appears to have been drawn on the basis of the incomplete investigation already done that petitioner had availed input tax credit on basis of invoices by certain fictitious suppliers without actual receipt of goods.
- Sub-Section (5) of Section 74 of the Act gives a choice to the taxpayer to make any payment, if he is so chooses, but it does not confer any power on the respondents to make a demand as if there has been a determination of liability of the Assessee and demand tax along with interest and penalty.
- No tax demand can be issued or raised when investigation is still in progress. The respondents cannot be allowed to put the cart before the horse and collect any tax, interest or penalty before they determine, in an enquiry, after putting the petitioner/assessee to notice.
- Action of respondent is wholly arbitrary and without jurisdiction – Writ Petition is allowed: High Court
- Respondents are restrained from coercing the petitioner to make any payment without issuing notice under Section 74(1) of the Act and following the procedure therein.
- Respondents are directed to refund Rs.35,00,000/- already paid by petitioner with interest @ 7% p.a from the date of payment till date of refund within four weeks: High Court

DA Comments:

The Honorable High Court rightly held based on the provision of GST law and the same needs to be followed by the adjudicating authorities at all levels in spirit to avoid undue litigations and hardships to assessees

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

Conditions which are prescribed by the statute for a valid exercise of the power must be strictly fulfilled

The writ petition is filed against the impugned order where the adjudicating authority declined to lift the order of provisional attachment of the petitioner's bank account, which was earlier ordered in purported exercise of power conferred by Section 83 of the CGST Act read with Rule 159(1) of the CGST Rules. The Honorable High Court observed and held that:

- That fraud vitiates even the most solemn proceedings in any civilized system of jurisprudence does not admit of any doubt. However, what is of significance is that the provision of a taxing statute is under consideration and it is settled law that a taxing statute has to be strictly construed. As has been held in M/s. Radha Krishan Industries (2021-TIOL-179-SC-GST), the conditions which are prescribed by the statute for a valid exercise of the power must be strictly fulfilled.
- It is also well settled that where a person on whom fraud is committed is in a position to discover the truth by due diligence, fraud is not proved.
- As a matter of fact, no proceedings under Sections 62 or 63 or 64 or 67 or 73 or 74 of the CGST Act are pending; hence, the respondent No. 3 committed an error of jurisdictional fact for which the Court is constrained to hold that she had no authority to invoke the power conferred by Section 83 of the CGST Act read with Rule 159(1) of the CGST Rules.
- In the absence of fulfilment of such conditions(s) precedent, the respondent No. 3 could not have protected the interest of the revenue in the manner she proceeded to pass the impugned order.
- Order impugned cannot be sustained and is set aside. The respondent No. 3 is directed to forthwith defreeze the bank account of the petitioner.

DA Comments:

The provisional attachment of property or bank account cannot be done beyond the prescribed situation and the same needs to be strictly followed which the Honorable High Court has also upheld.

M/s S S Offshore Pvt Ltd vs UOI and Others [2021-TIOL-1641-HC-MUM-GST]

'Battery powered electric vehicle' with or without battery pack classifiable as an 'electrically operated vehicle'

The applicant seeks to know as to whether fitting of battery is mandatory in two & three-wheeled battery powered electric vehicles while selling the same to the dealers for getting the benefit of 5% GST rate applicable for Electrically Operated Vehicles as specified against Sr. no. 242A of Schedule I to Notification 1/2017-CTR. The AAR observed and held that:

The referred entry defines the term 'electrically operated vehicle' to mean "vehicles which run solely on electrical energy derived from an external source or from one or more electrical batteries fitted to such road vehicles and shall include e-bicycles - That means it is a type of electric vehicle (EV) that exclusively uses chemical energy stored in rechargeable battery packs, with no secondary source of propulsion (eg. hydrogen fuel cell, internal combustion engine, etc.).

An Electric vehicle with battery pack uses electric motors and motor controllers instead of Internal Combustion Engines for propulsion.

It derives all power from battery packs and thus has no internal combustion engine etc. Electrically operated vehicles are designed to run only on electrical energy. As such, they will run on battery as and when put to use. Hence for vehicles to be classified as electrically operated vehicles, it must be such that it would run "solely" on electrical energy derived from one or more electrical batteries, as and when put to use.

The Revisionary authority in case of Reva Electric Car Company P Ltd. held that if electrical battery-operated cars is exported, though not fitted with batteries at the time of export, the same is still classifiable as "battery powered road vehicles" and would run on battery when put to use. Hence, the Authority holds that fitting of battery in the vehicle, at or before the time of supply, is not a pre-condition for the same to be classified as electrically operated vehicle.

Held further that a two or three-wheeled 'battery powered electric vehicle' when supplied with or without battery pack is classifiable under HSN 8703 as an 'electrically operated vehicle' and is taxable @5%GST as per Sr. no. 242A of Schedule I to 1/2017-CTR.

'Battery powered electric vehicle' with or without battery pack classifiable as an 'electrically operated vehicle'

DA Comments:

The products classification under GST has taken HSN code classification and the reference to the same under Customs gives adequate clarification and clarity which AAR also considered in the Ruling

M/s Anjali Enterprises [2021-TIOL-208-AAR-GST]

Mere pendency of proceedings before the State authorities is not a ground to restrain the Central authorities from issuing summons and conduct investigation regarding certain allegations

The appellant filed writ petition and challenged the summons issued by the Senior Intelligence officer/respondent under section 70 of the CGST Act. The appellant relies on section 6(2)(b) of the CGST Act and submits that notice for intimating discrepancies in the return after some scrutiny was issued by the State authorities and the proceedings are in progress and, therefore, Central authorities are bound to wait till the conclusion of the proceedings initiated by the State officials and thus, the summons issued by the respondent is without jurisdiction. The Honorable High Court observed and held that:

This being the nature of summon issued, this Court is of the considered opinion that authorities need not be restrained unnecessarily to conduct investigation or proceedings under the Statute

Court is of the considered opinion that the writ petitioner has approached this Court on every stage, which would reveal that he is attempting to prolong the proceedings, instead of defending his case by producing documents and evidences and establish his case or otherwise. Such a conduct of filing writ petition after writ petition, challenging the summons and proceedings intermittently cannot be appreciated by this Court.

The very purpose and object of Section 6(2)(b) of the Act is to ensure that on the same subject, the parallel proceedings are to be avoided. However, in all circumstances, and in respect of various other proceedings, the benefit cannot be claimed by the assessees.

It is to be established that subject matter is one and the same. Mere pendency of proceedings before the State authorities is not a ground to restrain the Central authorities from issuing summons and conduct investigation regarding certain allegations. Writ petition dismissed

DA Comments:

The purpose of section 6(2)(b) of CGST Act would be defeated if multiple proceedings from Central and State Authority is allowed.

KUPPAN GOUNDER, P G NATARAJAN vs DGGST [2021-TIOL-1624-HC-MAD-GST]

Provisional attachment not sustainable when issued without complying with conditions under section 73 of CGST Act

The appellant was accused of claiming fraudulent refund under Section 54 of the CGST Act and the adjudicating authority had directed under section 83 of the CGST Act, the provisional attachment of the bank account and directed not to allow any debit to be made from the said account or any other account operated by the appellant without prior permission. The writ petition is filed against the said order and the Honorable High Court observed and held that:

The order of provisional attachment was made not during pendency of any proceedings under Sections 62 or 63 or 64 or 67 or 73 or 74 of the CGST Act but was made in view of contemplation of proceedings under Section 73 thereof. From its inception, i.e., December 1, 2020, the order of provisional attachment was not at all a valid order.

The jurisdictional fact for exercise of power under Section 83 being non-existent, we declare the order dated December 1, 2020 as void ab initio.

Be that as it may, the proceedings under Section 73 of the CGST Act having been taken to its logical conclusion, the purpose for which the order of provisional attachment had been made has also ceased to survive and, therefore, the petitioner is justified in its claim that such order of provisional attachment ought to be set aside.

The writ petition as well as the interim application stands disposed of. There shall be no order as to costs.

DA Comments:

The pre conditions under section 73 of CGST Act needs to be adhered by any adjudicating authority before issuance of any provisional attachment and the same is also considered by the Honorable High Court in the said judgment.

KUPPAN GOUNDER, P G NATARAJAN vs DGGST [2021-TIOL-1624-HC-MAD-GST]

Filing of GSTR 1/3B by EVC extended till 31 October 2021

- The filing of Form GSTR 3B & GSTR 1/IFF by companies using electronic verification code (EVC), instead of Digital Signature Certificate (DSC) was already enabled for the period from 27 April 2021 to 31 August 2021. The Govt of India vide Notification No 32/2021 further extended the said period to 31 October 2021.

Notification No 32/2021-Central Tax, Dated: August 29, 2021

GST Amnesty scheme extended to 30 November 2021

- The late fee amnesty scheme refers to reduction or waiver of late fee for not filing Form GSTR-3B for the tax periods from July 2017 to April 2021. Taxpayers originally had to file their GST between June 1, 2021 and August 31, 2021 to benefit from this amnesty scheme. This deadline has now been extended to the end of November

Notification No 33/2021-Central Tax, Dated: August 29, 2021

Time limit to file the application of revocation of registration extended

- Vide Notification 34/2021 – Central Tax, where a registration has been cancelled under Section 29(2)(b) or 29(2)(c) [Non filing of returns] of CGST Act and the time limit for making an application of revocation of cancellation of registration under section 30(1) of CGST Act falls during the period from the 1 March 2020 to 31 August 2021, the time limit for making such application has been extended up to 30 September 2021

Notification No 34/2021-Central Tax, Dated: August 29, 2021

GSTN Portal Updates

Advisory on HSN and GSTR-1 Filing

1.In accordance with Notification No. 78/2020 – Central Tax, dated October 15, 2020, taxpayers need to declare Harmonised System of Nomenclature (HSN) Code of Goods and Services supplied by them on raising of tax invoices, with effect from 1st April, 2021 on the below mentioned lines.

S.No	Aggregate Turnover in the preceding Financial Year	Number of Digits of HSN Code to be reported in GSTR-1
1	Upto Rs. 5 crores	4
2	Above Rs. 5 crores	6

2. It has been reported by few taxpayers that HSN used by them for reporting in GSTR-1 is not available in the table 12 HSN drop-down. They have further stated that they are facing issues in adding the required HSN details in table -12 and filing of statement of outward supplies in form GSTR-1 of July 2021. Further, in some JSON files, the HSN field is coming as blank from the offline tool, along with other errors as mentioned below:-

1)Processed with Error, In Progress or Received but pending

2)Duplicate Invoice Number found in payload please correct

3. To view the detailed advisory on the action to be taken by the taxpayers to resolve above issues, click on:
https://tutorial.gst.gov.in/downloads/news/advisoryonhsnandgstr1.pdf

Advisory for Taxpayers regarding Blocking of E-Way Bill (EWB) generation facility resume after 15 August, 2021

Advisory for Taxpayers regarding Blocking of E-Way Bill (EWB) generation facility resume after 15th August, 2021.

04/08/2021

1. The E Way Bill generation facility of a person is liable to be restricted, in case the person fails to file their return in Form GSTR-3B (Monthly / Quarterly) / statement in CMP-08, for a two or more consecutive tax periods, in terms of Rule 138 E (a) and (b) of the CGST Rules, 2017. As you may be aware, the facility of blocking E way bill generation has been temporarily suspended due to pandemic.

2. The government has now decided to resume the blocking of EWB generation facility on the EWB portal, for all the taxpayers in terms of Rule 138 E (a) and (b) of the CGST Rules, 2017, after 15th August onwards.

3. Thus, after 15th August 2021, the System will check the status of returns filed in Form GSTR-3B or the statements filed in Form GST CMP-08, and block the generation of EWB in cases of:

- Non filing of two or more returns in **Form GSTR-3B** (Monthly/Quarterly frequency as may be applicable) for the tax periods **up to June, 2021** and
- Non filing of 02 or more statements in **Form GST CMP-08** for the quarters **up to April to June, 2021**

4. To avail continuous EWB generation facility on EWB Portal, you are therefore advised to file your pending Form GSTR 3B (Monthly/Quarterly frequency as may be applicable)Returns/ Form GST CMP-08 Statements immediately.

5. For more details on blocking and unblocking of EWB generation facility, click on below links

https://tutorial.gst.gov.in/userguide/returns/index.htm#t=FAQs_unblockingewaybill.htm
Note: Please ignore this update if you are not registered on the EWB portal.

GSTN Portal Updates

Implementation of Rule-59(6) on GST Portal

Implementation of Rule-59(6) on GST Portal
Date : 26th August 2021

1. Rule-59(6) of CGST Rules, 2017; inserted vide Notification No. 1/2021 dated 1st January 2021, provides for restriction in filing of GSTR-1 in certain cases :

a) a registered person shall not be allowed to furnish the details of outward supplies of goods or services or both under section 37 in **FORM GSTR-1**, if he has not furnished the return in **FORM GSTR-3B** for preceding two months;

b) a registered person, required to furnish return for every quarter under the proviso to sub-section (1) of section 39, shall not be allowed to furnish the details of outward supplies of goods or services or both under section 37 in **FORM GSTR-1** or using the invoice furnishing facility, if he has not furnished the return in **FORM GSTR-3B**for preceding tax period;

2. This Rule will be implemented on GST Portal from 1st September, 2021. On implementation of the said Rule, the system will check that whether before the filing of GSTR-1/IFF of a tax-period, the following has been filed or not:

a) GSTR-3B for the previous two monthly tax-periods (for monthly filers),

OR

b) GSTR-3B for the previous quarterly tax period (for quarterly filers), as the case may be. The system will restrict filing of GSTR-1/IFF till Rule-59(6) is complied with.

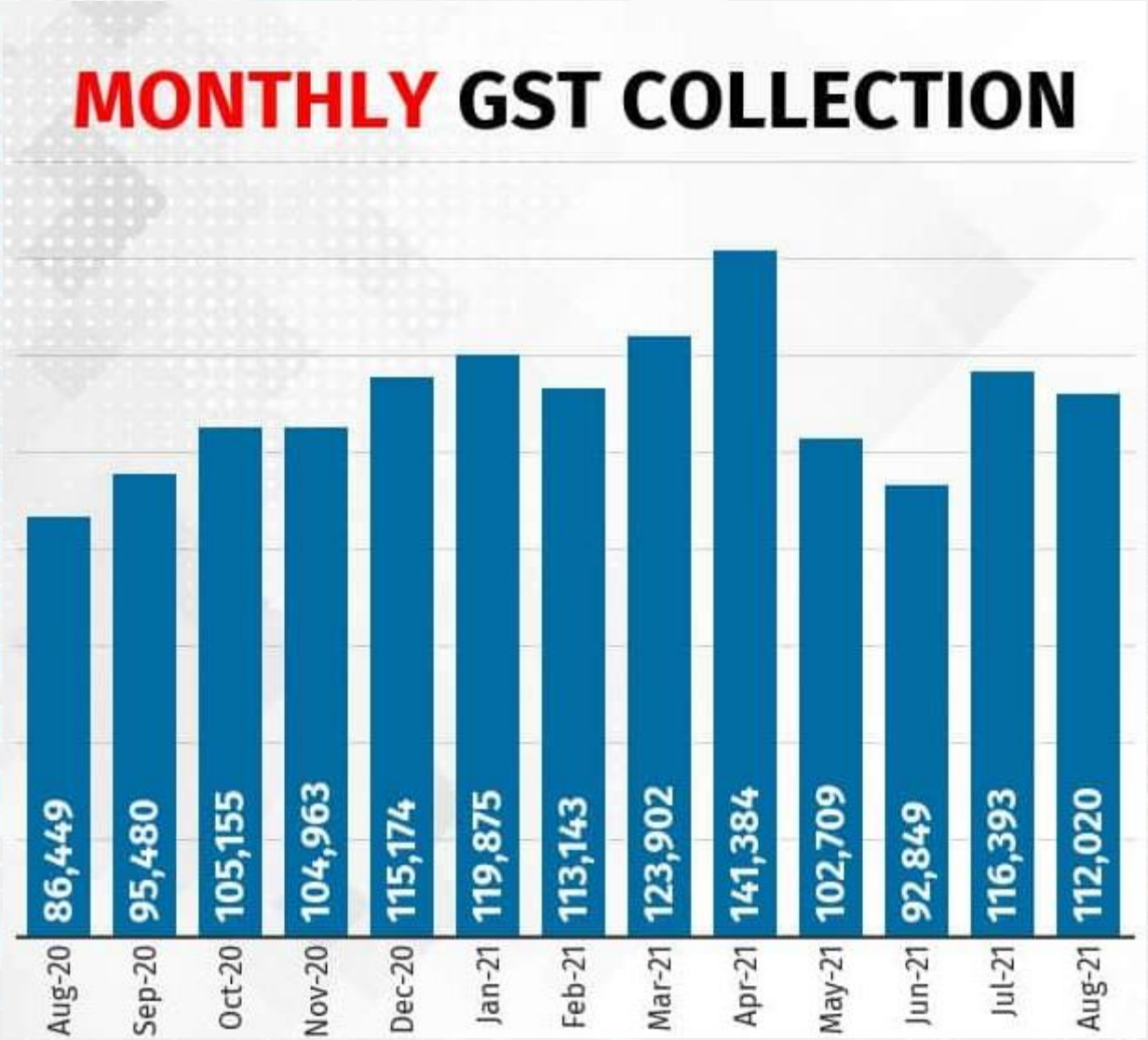
3. This check will operate on clicking the SUBMIT button of GSTR-1 and the system will give an error message if the condition of Rule-59(6) is not met. It may be noted that records which have been saved in GSTR-1 will remain saved and filing of such records will be permitted after Rule-59(6) is complied with.

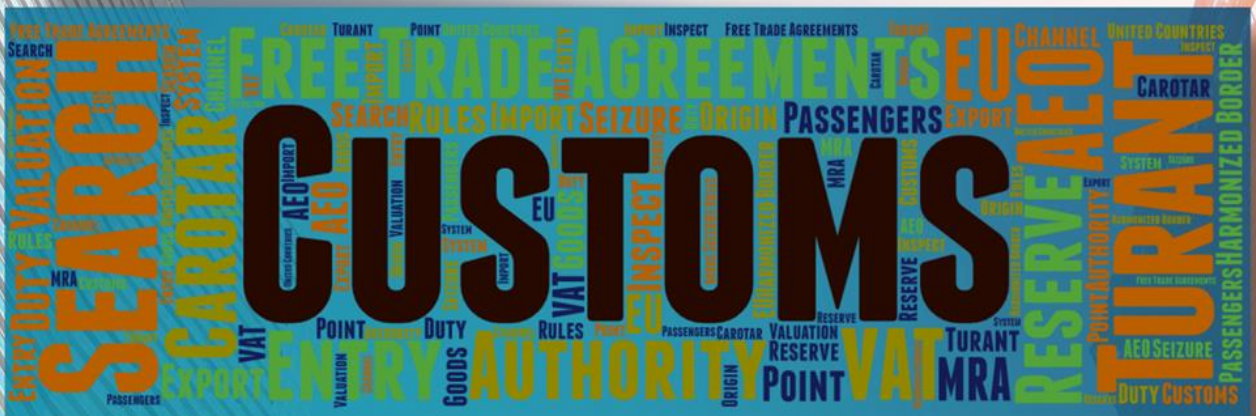
4. Implementation of Rule-59(6) on the GST Portal will be completely automated, similar to the blocking & un-blocking of e-way bill as per Rule-138E and facility for filing of GSTR-1 will be restored immediately after filing of relevant GSTR-3B. No separate approval would be needed from the tax-officer to restore the facility for filing of GSTR-1.

5. To ensure no disruption in filing GSTR-1/IFF, taxpayers who have not filed their pending GSTR-3B, especially from period November 2020 and afterwards may do so at the earliest.

GST Revenue Collection in August 2021- Rs. 1,12,020 Cr.

TRENDS IN GST COLLECTION IN RS. CRORE





- EC, SHEC not transitioned to GST, eligible for refund under Central Excise Law
- MEIS eligible for exports routed by DTA through FTWZ to a destination abroad
- De-notification of ICDs/CFSs/Air Freight Stations
- Restriction on Import of unauthorized mobile signal booster
- Principal Commissioner of Customs to decide security amount
- Officers to forward verification requests on origin of imported goods
- Restricts clarification by Customs Directorates/Commissionerate/Audit
- Auto-Renewal of AEO-T1Validity for continuous certification
- Online Procedure for transfer of Advance /EPCG Authorisation
- Extension and amendments to Sea Cargo Manifest and Transhipment Regulations, 2018
- Upload e-BRC by 15 September 2021 for shipping bills
- Scheme guidelines for RoDTEP

EC, SHEC not transitioned to GST, eligible for refund under Central Excise Law

The appellant is engaged in export and having an accumulated balance of unutilized credit of Education Cess (EC) and Secondary and Higher Education Cess (SHEC) available in the books. With the introduction of GST, these credits of cess were restricted to be transitioned into GST by virtue of Section 140(1) of the CGST Act. Accordingly, the appellant did not carry forward accumulated credit of cess amounting in Tran-1. As these accumulated credit could not be utilized towards taxable supplies under existing law and also not transitioned into GST, appellant preferred a refund claim under Section 11B of the Central Excise Act, 1944 within a period of 1 year. Refund claim was filed within one year from the introduction of GST. The original authority as well as the appellate authority have rejected the refund application mainly on the ground that transfer of cess is restricted under Section 140(1) of the CGST Act, 2017. The CESTAT observed and held that:

This issue was considered by the Division Bench of the CESTAT, New Delhi in the case of Bharat Heavy Electricals Ltd. [2020 (41) G.S.T.L. 465 (Tri.-Hyd.)] and after considering the decision of the Apex Court as well as the High Court of Karnataka in the case of Slovak India Trading Co. Pvt. Ltd. [2006 (201) E.L.T. 559 (Kar.)] has held that the assessee is entitled to refund of an unutilized credit of Education Cess and Higher Education Cess after the introduction of GST.

Further, I find that the Karnataka High Court in the case of Slovak India Trading Co. Pvt. Ltd. (cited supra) has held that when the assessee has moved out of Modvat Scheme/Cenvat Scheme, portion of unutilized credit should be allowed as refund. Since the issue is covered by the decision of the Slovak India Trading Co. Pvt. Ltd. (cited supra) and the same being the decision of a jurisdictional High Court would prevail over decision of other High Courts and the Tribunal as held in the case of CCE & ST Vs. Andhra Sugars Ltd. cited supra and the Larger Bench decision of the Tribunal, Bangalore in the case of J.K. Tyre & Industries Ltd. Vs. Asst. Commissioner of Central Excise wherein the Larger Bench has held that the Tribunal is bound by the decision of the jurisdictional High Court and is not bound by the decision of other High Courts.

Further, I find that the two decisions relied upon by the Department in the case of Bharat Heavy Electricals Ltd. and Mylan Laboratories both the decisions have been rendered by Single Member of the Tribunal whereas the decision in the case of Bharat Heavy Electricals Ltd. has been rendered by Division Bench of CESTAT, New Delhi which would prevail over the decision of the Single Member.

EC, SHEC not transitioned to GST, eligible for refund under Central Excise Law

As far as time-bar aspect is concerned, the findings in the impugned order regarding time-bar is beyond the show-cause notice as well as Order-in- Original and the same is not sustainable in law. Hence, by following the ratios of the Division Bench of Delhi Tribunal in Bharat Heavy Electricals Ltd. and jurisdictional High Court in Slovak India Trading Co. Pvt. Ltd., I allow the appeal of the appellant.

DA Comments:

The issue of claiming the refund or transitioning of Cess to GST is still pending at various Tribunals and Courts and findings of the Honorable CESTAT based on various judgments would provide the benefits on case specific based on the decision taken for such credits.

Kirloskar Toyota Textile Machinery Pvt. Ltd. Vs CCT [Central Excise Appeal No. 20320 of 2020 – CESTAT Bangalore]

MEIS eligible for exports routed by DTA through FTWZ to a destination abroad

- In the present case, the supplies have been made from M/s. Jindal Drugs P Ltd. a DTA unit to M/s. DHL Logistics P Ltd on A/c of M/s. Utexam Logistics Limited, Ireland a foreign client and accordingly MEIS (Merchant Export of India Scheme) benefit was claimed. The issue involved is for the registration of scrip and issue of Telegraphic Release Advise which authorised officer declined in terms of para 3.06 of the Foreign Trade Policy, which deals with the ineligible categories under MEIS, wherein it is clearly mentioned that the following exports categories/sectors shall be ineligible viz. (i) Supplies made from DTA units to SEZ units & (vii) Exports made by units in FTWZ. Accordingly, the multiple writ petitions were filed to obtain the relief. The petitioner submitted sample invoice copies, PO copies, BRC and other documents to sustain that the exports are directly made to foreign client routed through FTWZ for warehousing purpose The Honorable High Court observed and held that:
- Supplies made by a DTA unit to a SEZ unit would be paid for by the SEZ unit. In this case, admittedly, the consideration received is from Ireland, in US dollars. The BRC dated 29.06.2018 evidences this position.
- Moreover, in this case, supply has been made by the petitioner to FTWZ for onward shipment at the behest of the purchaser, UTEXAM, to a location of its choice. This modus operandi is supported by the documentation placed on record by the petitioner.
- Thus, DHL logistics, the FTWZ, merely offers a facility to the petitioner to warehouse its consignments that are to be exported. The destination is decided by UTEXAM, which is the ultimate purchaser, which has paid the petitioner in USD for the consignment. The stipulation in Clause (vii) deals with exports made by a unit in the FTWZ. DHL, the FTWZ does not export the consignments but only facilitates such exports. The exports are thus, by the petitioner through DHL to a destination abroad.
- The role of DHL in this transaction is that of a warehouse and nothing more. The concept of 'ship to' and 'bill to', as used in this case, has been recognised under the GST regime, as commercial compulsions dictate, that transactions are to be structured in the most economical and least cumbersome manner in terms of time, procedure and expense involved.

MEIS eligible for exports routed by DTA through FTWZ to a destination abroad

- The interpretation put forth by the petitioner is accepted, the impugned order is set aside and this Writ Petition allowed. No costs. Connected Miscellaneous Petitions are closed.
- The scrips are for the months of May, October and June, 2018 with a validity of two years expired. These Writ Petitions have been filed on 19.06.2019 when the scrips were alive and current. Thus, in order to effectuate the relief granted now, there is a consequential direction to re-validate scrips and extend the same for the duration of the pendency of these Writ Petitions. The TRAs will be issued immediately thereafter and the aforesaid exercise will be carried out within a period of four (4) weeks from today

DA Comments:

The decision has appropriately considered the facts and legal submission and the relief given for re-validation of scrips for pending litigation period is an welcome judgment and the principle can be equally applied in the case of RoDTEP.

Principal Commissioner of Customs to decide security amount

Amendment in Circular no. 38/2016-Customs with the insertion of a new entry 5(d) to enable Pr. Commissioners/Commissioners of Customs to decide the amount of security required in certain cases of provisional assessment.

Circular No. 19/2021-Customs, dated 16 August 2021

De-notification of ICDs/CFSs/Air Freight Stations

It requires a custodian intending to wind up the operation to submit an application to jurisdictional Principal Commissioner/Commissioner of Customs for de-notifying the ICD/CFS. A Nodal Officer at the level of Deputy/Assistant Commissioner of Customs would then facilitate the de-notification by coordinating the disposal of the goods lying at the facility in a time bound manner.

This would provide relief to custodians of Inland Container Depots (ICDs) and Container Freight Stations (CFSs) across the country, it has streamlined the procedure of closure of these facilities in maximum of four months only. No timeline was specified earlier.

Circular No. 20/2021-Customs, dated 16 August 2021

Restriction on Import of unauthorized mobile signal booster

As per the existing Import Policy provisions of DGFT viz. ITC HS Code of 2017 & its amendments, the mobile signal repeater/booster and walkie-talkie sets fall under the category of Transmission apparatus incorporating reception apparatus (ITC HS Code — 8525 60 00), classified under 'free' category under the Import Policy with the remarks under 'policy conditions that 'Not permitted to be imported except against a license to be issued by the WPC wing of Ministry of Communication and Information Technology'.

Necessary action may be taken to ensure that the provisions mentioned in para 3 above maybe strictly adhered to, in order to restrict the inflow of such unauthorized wireless equipment including mobile signal booster/repeater into the country

Instruction No. 17/2021-Customs, dated 11 August,2021

Officers to forward verification requests on origin of imported goods

Officers under charge may be advised to ensure that enquiries on origin of imported goods are handled and all verification requests are forwarded to the Board strictly in terms of provisions of CAROTAR, 2020 following prescribed standard procedures, formats and timelines.

Instruction No. 18/2021-Customs, dated 17 August 2021

Restricts clarification by Customs Directorates/Commissionerate/Audit

In conformity with Section 151 A of the Customs Act, 1962, in order to establish a standard practice on all matters of classification of goods, with respect to levy of duty thereon and for the implementation of any other provision of the Customs Act, 1962 or of any other law for the time being in force, in so far as they relate to any prohibition, restriction or procedure for import or export of goods;

i.Directorates/Commissionerates/Audit shall not issue any Circulars/Reports/Alertsetc.which are in the nature of interpretation/clarification/prescription for the sake of uniformity, on matters covered under section 151A of the Customs Act, 1962; clarifications on all such matters should only be issued by the Board under section 151A of the Customs Act, 1962.

ii. These directions do not take away the mandate of the Directorates/ Commissionerates/ Audit to-

a) Analyse/investigate cases pertaining to such matters.

b) Issue Circulars/Reports/Alerts which point out divergence in practices or a violation of any provisions of the Act or any violation of the directions issued under Section 151A.

c) Issue Circulars/Reports/Alerts on modus operandi or observations and significant findings. It is clarified that if the contention or opinion or finding of the Directorates/Commissionerates/Audit in such matters, is found to be in contrast to any Board Circular/Instruction, the same must be brought to the notice of Board and its clearance obtained before issuing any Circulars/Reports/Alerts etc.

Instruction no:19/2021-Customs, dated 17 August 2021

Auto-Renewal of AEO-T1Validity for continuous certification

The facility of continuous AEO certification/auto renewal for AEO-T1 entities is being made available subject to submission of annual self-declaration (enclosed) and review thereof. Such annual self-declaration is to be filed between 1st October to 31st December each year. All AEO-T1 entities certified on or after 01.04.2019 shall stand migrated to the auto renewal process with effect from 01.08.2021.

On the basis of the annual self-declaration, the concerned zone shall initiate a Comprehensive Compliance Review for the AEO-T1 entities (including MSME AEO-T1),

a) The review shall be conducted on the basis of at least two annual self-declarations filed after issuance of AEO T1 certificate or from the date of last auto renewal of certification on account of successful review, whichever is later;

b) The review process has to be completed before the commencement of the due date for submission of the 3rd annual self-declaration (i.e., before 31st October) from the date of certification or from the date of last auto renewal of certification on account of successful review, whichever is later.

c) During the review process, the Zonal AEO Programme Manager may seek additional documents/information, if required for completion of the review process.

The AEO entities certified between 1st January to 31st December of each year shall be exempted from filing the annual declaration for that year. Accordingly, AEO-T1 entities certified on or after 01.01.2021 for the present year will not be required to submit annual self-declaration for the present year.

Public Notice No. 77/2021 dated 4 August 2021

Amendment to Notification no 57/2000

The said notification, after the third proviso, the following proviso shall be inserted, namely: -

"Provided also that for the cases where the last date of exports falls between the 1st February, 2021 and the 30th June, 2021, the last date of exports stands extended by six months".

Notification No. 39/2021-Customs, dated 19 August 2021

Online Procedure for transfer of Advance /EPCG Authorisation

An online procedure is notified to provide for online filing and transfer of Advance Authorization(s) and EPCG Authorisation(s) from the earlier entity to the new entity(s).

(i) Applicant would request for amalgamation/de-merger/ acquisition of IEC by navigating to DGFT Website. The given process is implemented as per Public Notice 34/2015-2020 dated 24.12.2020.

(ii) Post approval of the given IEC request, the firm may apply for amendment of each of their AA/EPCG authorizations separately.

(iii) The request for amendment of the Authorisation(s) would be auto-submitted to the concerned jurisdictional RA from the which the Authorisation was issued.

(iv) On approval of the request the given authorization would be amended and updated details would be transmitted electronically to Customs.

(v) For EPCG authorizations, for the Annual Average Export Obligation (AEO) mentioned on EPCG authorizations, Company A (EPCG authorization holder merging into Company B) the AEO of new entity = AEO of Company A + AEO of company B based on date of merger.

(vi) For the purpose of AEO of company B, firm would be required to submit Chartered Accountant Certificate (CAC) to the concerned RA as part of the online amendment request.

(vii) S/Bs and B/Es under the earlier IEC would be available under Bills Repository of the new IEC during the authorization closure process.

Trade Notice 14/2021-22, dated 4 August,2021

Upload e-BRC by 15 September 2021 for shipping bills

All IECs/firms, who have been issued scrips under RoSCTL for shipping bills upto 31 March 2020, are requested to get the related e-BRCs uploaded in the DGFT portal by their AD banks latest by 15 September 2021, failing which action as per para 4.96 of HBP, as notified vide PN 58 dated 29 January 2020 would be initiated by the jurisdictional RAs.

Trade Notice 13/2021-22, dated 4 August,2021

Amendment of HBP 2015-20

The last date for exports/imports of precious metals as calculated under Para 4.82, 4.83, 4.84 of Hand Book of Procedure 2015-20 expires between 1 February 2021 and 30 June 2021 shall be extended by six months. However the forex realization shall be the period specified or as per RBI guidelines whichever is less.

Public Notice No. 20/2015-20, dated 6 August 2021

Extension of trial period of CHIMS

The Central Government hereby amends Para 3 of Notification No.05/2015-2020 dated 10 May 2021 published in the Gazette of India (Extra-ordinary) vide S.O. 1840(E) dated 10 May 2021 as under:

The facility of online testing of Chip Import Monitoring System (CHIMS), without payment of registration fee, will be available with effect from 10 May 2021 on trial basis. The CHIMS will be effective from 01 October 2021, i.e., for Bill of Entry filed on or after 01 October 2021, for items as listed in Notification No.05/2015-2020 dated 10 May 2021 . Accordingly, the facility of online Registration for CHIMS will be available with effect from 01 October 2021.

Notification No. 15/2015-2020, dated 9 August, 2021

Amendment in FTP-Principles of Prohibition & Restriction

Para 2.07 of the FTP regarding principles of prohibition and restrictions, is amended to be in line with international agreements

Notification No. 17/2015-2020, dated 10 August 2021

Extension of Date for Sea Cargo Manifest and Transhipment Regulations, 2018

The date of implementation of Sea Cargo Manifest and Transhipment Regulations, 2018 has been extended till 30 September 2021.

Notification No. 70/2021-Customs (N.T.) dated 31 August 2021

Scheme guidelines for RoDTEP

Scheme guidelines and rates for the new Scheme for Remission of Duties and Taxes and Exported Products have been notified. As per notification 19/2015-20 dated 17/08/21 Appendix 4R of the foreign trade policy the rates for the RoDTEP have been announced. For more details, you can refer our article

Notification No. 19/2015-2020-DGFT, dated 17 August 2021

Our RoDTEP article link - dardaadvisors.com/tax-articles/rodtep-scheme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Goods and Services Tax

- Lack of GST details stumps economists
- Government collects Rs 1.12 lakh crore GST for August
- Deadline for late fee amnesty under GST extended till November 30
- "No GST On Papad, Whatever Its Shape": Tax Body Corrects Harsh Goenka
- Exclusive: Tax relief unlikely for auto sector in next GST Council meeting
- Central GST Commissionerate detects multi-crore tax evasion
- Multinationals using franchisee model may face higher GST on royalty income
- GST new rule! Non-filers of GST returns to be barred from filing GSTR-1 from Sept 1

Customs and other

- Kerala gold smuggling accused say Pinarayi Vijayan was sent money through UAE consulate: Customs
- Govt notifies RoDTEP rates, guidelines
- How Exporters should respond to government's new RoDTEP Scheme
- We are fast progressing in FTA discussions with nations like UK, UAE: Goyal
- Export chambers write to govt seeking expansion of RoDTEP scheme to cover key exporter categories
- Director General Of Foreign Trade To Follow Faceless Assessment Scheme; Similar To IT Dept
- U.S. not interested in trade pact: Piyush Goyal
- Commerce Secy: Need more FTAs or will be shut out of global mkts

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