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DA TAX ALERT

INDIRECT TAX

AN E-TAX ALERT FROM

Darda Advisors LLP

December 2021

Issue: 19

GST COMPLIANCE CALENDER

GOODS AND SERVICE TAX

CUSTOMS AND OTHER

DA NEWS

PREFACE

We are pleased to present to you the nineteenth 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 November 2021.

During the month of November 2021, there were certain changes under Goods and Service Tax, Customs and other; key judgments and rulings such as telecom services are not classified as pure service, compensation in lieu of financial loss is not a consideration and others.

In the nineteenth 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 November 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

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DA Updates and Articles for the month of November 2021

Indirect Tax Fortnightly Update for the month of November 2021

https://dardaadvisors.com/wp-content/uploads/2021/11/DA-Tax-Alert-Indirect-Tax.November-2021.R.pdf

Authorised Economic Operator – Avail Clear first pay later and other supply chain benefits

https://dardaadvisors.com/tax-articles/indirect-tax-articles/authorised-economic-operator-avail-clear-first-pay-later-and-other-supply-chain-benefits/

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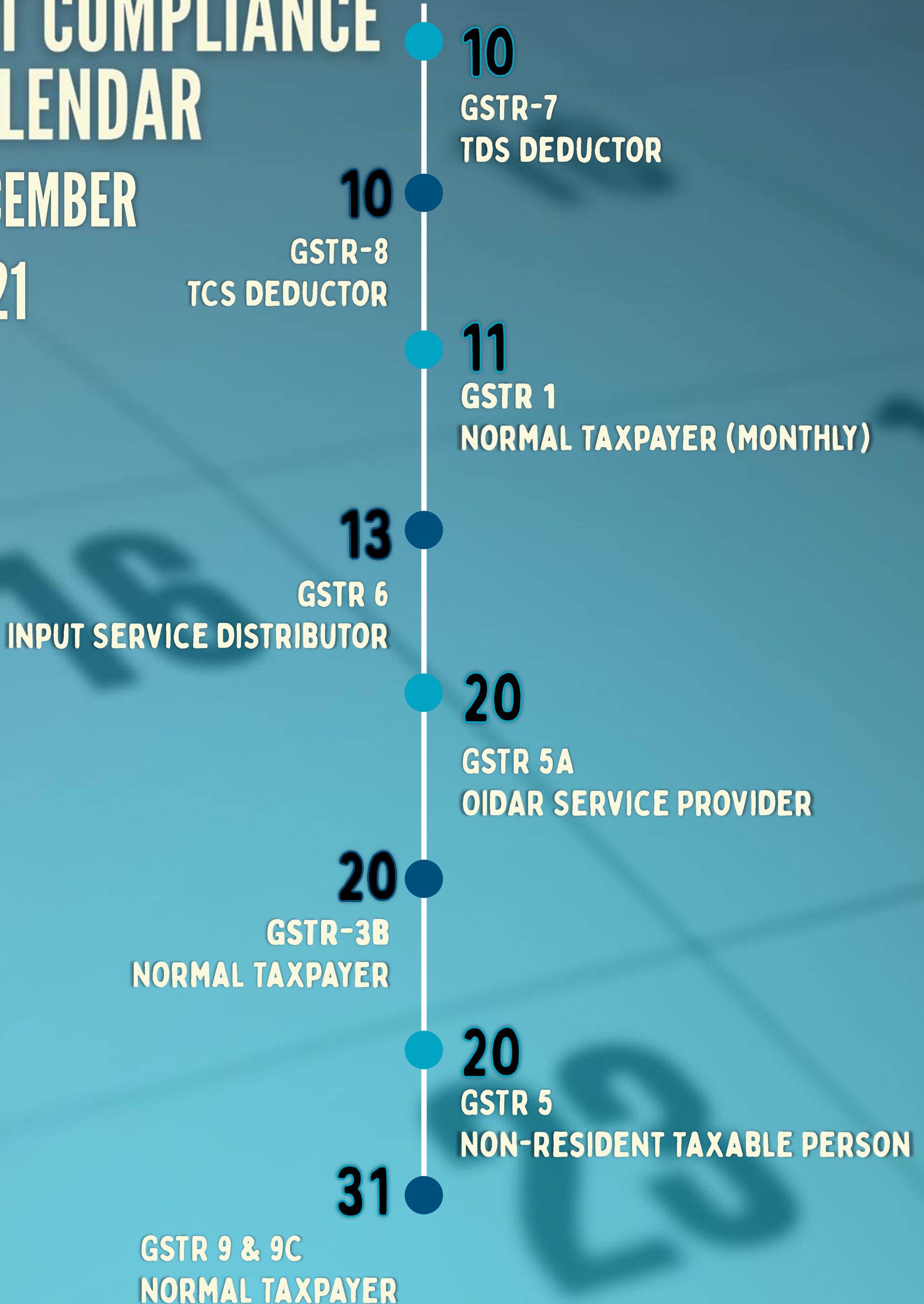
GST COMPLIANCE CALENDAR

DECEMBER 2021



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- [Concealment of facts before Court to establish false case of coercion not sustainable and legal fee imposed – High Court]
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- [Telecom services not eligible for 'Pure Service' related exemption]
- [Activities not covered under definition of 'Charitable Activity' liable to GST]
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- [GST rate changes applicable from 1 January 2022]
- [Clarification by CBIC on requirement of Dynamic QR Code on certain invoices]

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Concealment of facts before Court to establish false case of coercion not sustainable and legal fee imposed – High Court

Issue:

The issue relates to a search at the premises of the petitioner company and the residential premises of the Director and seized cash available, the bank was directed to release the bank deposit and further additional amount asked to deposit to the ex chequer which has been erroneously recovered by the respondents from the petitioner without proper adjudication. Further, the petitioner argued that the Panchnama for the said search and seizure at the residential premises of the Director of the petitioner company was not supplied to either the petitioner or its Director and also asked the Director to accompany the GST office without any summon and illegally detained overnight in the office without any lawful justification and was released from unlawful custody only next day in the afternoon.

Legal Provisions:

Section 74(5) of CGST Act, 2017

Observation and Comments:

The Honorable High Court observed and held that:

- At the outset, we note that the petitioner has not disclosed in the petition the letter dated 24 March 2021 by which it had sought the release of the amount of Rs.65 lakhs seized from the residential premises of its director Mr.Puneet Budhiraja on 04 March 2021.

- The petitioner has also set up an apparently false case of the Panchnama not being provided to the petitioner. The copy of the Panchnama produced by the learned counsel for the respondents clearly bear the acknowledgment of receipt thereof by Mr. Budhiraja and his wife. We also find that the petitioner never raised a grievance in this regard till the letter dated 12 October 2021 from its counsel, where again it was not specifically raised in such terms.

- The above concealment is, therefore, enough to deny any relief to the petitioner in exercise of the extra-ordinary discretionary jurisdiction of this Court under Article 226 of Constitution of India.

- As far as the power to seize cash is concerned, the same need not be adjudicated by us in the present petition for the reason that it is an

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Concealment of facts before Court to establish false case of coercion not sustainable and legal fee imposed – High Court

admitted fact that on the basis of the representation/letter dated 24 March 2021 referred herein above, the cash amount so seized was released in favour of the petitioner. The said question, therefore, in the present petition is merely of an academic importance and is, therefore, left open to be adjudicated in an appropriate case.

- The petitioner having availed of the relief, cannot now turn around and challenge the said proceedings. In view of the above, we find no merit in the present petition. The same is dismissed with costs quantified at Rs.25,000/- to be deposited with Delhi High Court Legal Services Committee.

DA Comments:

The complete issue revolved around hiding of facts and due to the same, the Honorable High Court did not provide relief and also not given any judgment on seizure of cash and illegal detention without issuance of any summon.

M/s Vijay Steelcon Pvt Ltd vs PCCT [2021-TIOL-2202-HC-DEL-GST]

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Partial/Full Recovery of the Top Up Insurance/Parental Insurance Premium from employees does not amount to “supply of service”

Issue:

The applicant has an arrangement with insurance company for providing insurance cover for its employees, in pursuance of which, the insurance company issues a master insurance policy to the applicant for providing group insurance to the applicant’s employees.

Further, the applicant has formulated a ’Health & Wellness Policy’ for the welfare of its employees under which, its employees can opt for an additional insurance (hereinafter referred to as "Top-up Insurance") apart from the insurance cover provided under the group insurance. For parental insurance, the applicant recovers from its employees 50% of the premium paid towards the insurance cover of the either set of dependent parents or parents-in-law. The remaining 50% premium is borne by the applicant. For top-up insurance, the complete amount is recovered from the employee. The applicant has not availed input tax credit of GST charged by the insurance company.

The applicant sought the ruling from AAR whether the recovery of an amount towards Top-up and parental insurance premium from the employees, amounts to a supply of any service under Section 7 of the CGST Act.

Legal Provision:

Section 7 and Section 15 of CGST Act

Observation and Comments:

The AAR observed and held that:

- It is clear that any activity done against consideration is treated as supply however, such an activity must be in the course of business or for the furtherance of business.
- As per the applicant, providing of Top Up Insurance/Parental Insurance is not mandatory under any law for the time being in force. Also, providing / not-providing of the Top Up Insurance/Parental Insurance is not going to affect the business of the Applicant in any way. Further, the applicant is not engaged in providing insurance service. The service of insurance is actually provided by the Insurance Company for which the Insurance Company is charging GST.

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Partial/Full Recovery of the Top Up Insurance/Parental Insurance Premium from employees does not amount to "supply of service"

- The Applicant is just paying the insurance premium amount to the insurance company and recovering the premium amount from its employees. The applicant is not taken input tax credit of the GST paid to the Insurance Company. Non-providing of Top Up Insurance/Parental Insurance coverage will not affect applicant's business by any way. Therefore, activity of recovery of the cost of insurance premium cannot be treated as an activity done in the course of business or for the furtherance of business.
- From the above, we find that the activity undertaken by the applicant like providing of mediclaim policy for the employees and their parents (parents of the employees) through the insurance company neither satisfies conditions of section 7 to be held as "supply of service" (in the instant case, insurance service) nor is it covered under the term "business" of section 2(17) of CGST ACT 2017. Hence, we find that the applicant is not rendering any services of health insurance to their employees' parent and; hence, there is no supply of insurance services in the instant case of transaction between employer and employee.

DA Comments:

The CBIC needs to bring detailed clarification on taxability of such recoveries from employees as there are different rulings in favour or against and further the GST law provisions create tax liability on such transactions.

M/s The Tata Power Company Ltd [2021-TIOL-258-AAR-GST]

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Telecom services not eligible for 'Pure Service' related exemption

Issue:

The applicant seeks to know as to whether telecom services provided to Greater Hyderabad Municipal Corporation (GHMC) are Nil rated under GST as per the S. No. 3 of Notification No. 12/2017-Central Tax (Rate) by considering the service as a pure service as they are in relation to functions entrusted under article 243W of Constitution of India (CoI).

Legal Provision:

Notification no. 12/2017- Central Tax (Rate) dated 28 June 2017 (Serial no. 3)

Observation and Comments:

The AAR (Authority of Advance Ruling) observed and held that:

- Now under serial no. 3 of Notification No. 12/2017 pure services provided "in relation to any function" entrusted to a municipality under Article 243W of the Constitution of India is eligible for exemption from GST. Clearly the exemption should be directly related to the functions enumerated under Article 243W of the Constitution of India i.e., Responsibilities specified at Sl No.(1) or those functions listed under 12th schedule.
- By his own admission in the application, the applicant is providing data and voice services to GHMC and to the employees of the municipalities and general purpose for office and administrative purposes.
- Thus, there is no direct relation between the services provided by the applicant and the functions discharged by the GHMC under Article 243W read with schedule 12 to the Constitution of India. Therefore, these services do not qualify for exemption under Notification No. 12/2017.

DA Comments:

The exemption of 'Pure Services' is limited to responsibilities entrusted to municipality and further by specified functions and in this case, the services are not getting inter-linked to responsibilities and functions.

M/S Bharti Airtel Ltd [2021-TIOL-268-AAR-GST]

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Activities not covered under definition of 'Charitable Activity' liable to GST

Issue:

The applicant is Charitable trust registered under Maharashtra Public Charitable Trust Act 1950. The Trust undertakes supply of services to 50 orphans and homeless children by way of shelter, education, guidance, clothing, food and health for the Women and Child welfare and also render services to destitute women who are litigating divorce or homeless or the victim of domestic violence and also to rape victims. The trust is also registered under Income Tax Act 1961 as Charitable trust. The Applicant seeks ruling from AAR to know whether they are required to obtain GST registration and liable to pay GST and if in the affirmative, the rate therefor.

Legal Provisions:

Sr. no. 1 of notification 12/2017 (Central Tax – Rate) dated 28 June 2017

Observation and comments:

The AAR observed and held that:

- The applicant has nowhere mentioned that their activity particularly pertains to advancement of educational programmes or skill development only to abandoned, orphaned or homeless children. They also perform other activities for the homeless children such as shelter, guidance, clothing, food and health. We are bound by the definition of the term 'charitable activities' as defined under the above said notification and are of the opinion that the applicant is not performing 'charitable activities', strictly according to the definition mentioned above.
- Further the supply of services by the applicant to destitute women who are litigating divorce or are homeless or are victim of domestic violence also are not covered under the definition of "charitable activities" mentioned above.
- In view of the above we find that, the applicant does not satisfy the conditions mentioned at Sr.No. 1 of Notification No. 12/2017 dated 28 June 2017 which provides exemption from tax to Services supplied by an entity registered under Section 12AA of the Income-Tax Act, 1961 (43 of 1961) by way of charitable activities and hence the supply undertaken by the applicant is not exempt on this count.
- In order to arrive at a definitive conclusion on the taxability of service, the main ingredients which need to be necessarily present, as per GST statute, are the service (supply), the service provider (supplier), the service receiver (recipient) and the consideration for the service. In the instant case, if we refer to definition of "supply" (which is very much exhaustive), it covers almost all activities of the applicant. Moreover, definition of "consideration" includes

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Activities not covered under definition of 'Charitable Activity' liable to GST

grants and excludes only "subsidy". The profit motive is not important, if we make combined reading of all above definitions, including that of the "business".

- Thus where all the three conditions are satisfied namely the gift or donation is made to a charitable organization, the payment has the character of gift or donation and the purpose is philanthropic (i.e. it leads to no commercial gain) and not advertisement, GST is not leviable.

DA Comments:

The scope of charitable activity is limited under the definition given under GST law and further AAR has differentiated for gift/donation or other payment to determine whether GST is leviable or not on such activities.

M/s Jayshankar Gramin Va Adivasi Vikas Sanstha [2021-TIOL-269-AAR-GST]

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Guidelines for disallowing the debit of electronic credit ledger

The CBIC has issued a circular prescribing the guidelines for disallowing the debit of electronic credit ledger under rule 86A of the CGST Rules, 2017.

Rule 86A of the Central Goods and Services Tax Rules, 2017 (hereinafter referred to as "the Rules") provides that in certain circumstances, Commissioner or an officer authorized by him, on the basis of reasonable belief that credit of input tax available in the electronic credit ledger has been fraudulently availed or is ineligible, may not allow debit of an amount equivalent to such credit in electronic credit ledger.

The reasons for reasonable belief have been specified by CBIC as:

- The credit is availed by the registered person on the invoices or debit notes issued by a supplier, who is found to be non-existent or is found not to be conducting any business from the place declared in registration.
- The credit is availed by the registered person on invoices or debit notes, without actually receiving any goods or services or both.
- The credit is availed by the registered person on invoices or debit notes, the tax in respect of which has not been paid to the government.
- The registered person claiming the credit is found to be non-existent or is found not to be conducting any business from the place declared in registration.
- The credit is availed by the registered person without having any invoice or debit note or any other valid document for it.

CBEC-20/16/05/2021-GST; dated 02 November 2021

Amendments in Form GST DRC-03 & Others

- In the heading, after the words ‘or statement’, the words, letters and figures ‘or intimation of tax ascertained through FORM DRC-01A’ shall be inserted;
- Intimation of payment made voluntarily or made against the show cause notice (SCN) or statement or intimation of tax ascertained through Form GST DRC-01A
- Against item 3, in column (3), for the word and letters “Audit, investigation, the words, letters, figures and brackets “Audit, inspection or investigation, voluntary, SCN, annual return, reconciliation statement, scrutiny, intimation of tax ascertained through FORM GST DRC- 01A, Mismatch (Form GSTR-1 and Form GSTR-3B), Mismatch (Form GSTR-2B and), others (specify)” have been substituted;

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Amendments in Form GST DRC-03 & Others

- Against item 5, in column (1), after the word and figures "within 30 days of its issue", the words, letters, figures and brackets ", scrutiny, intimation of tax ascertained through Form GST DRC-01A, audit, inspection or investigation, others (specify)" have been inserted;
- Fee column has been added under Table 7
- Further, the tenure of Anti-Profiteering authority has been extended by one more year

Notification 37/2021-Central Tax dated 01 December 2021

GST rate changes applicable from 1 January 2022

Various GST rates have been changed on the goods and services under Textile, footwear, government services and e-commerce sectors w.e.f 1 January 2022. Further can be read in the following notifications

Notification No. 14/2021-Central Tax (Rate) dated 18 November 2021

Notification No. 15/2021-Central Tax (Rate) dated 18 November 2021

Notification No. 16/2021-Central Tax (Rate) dated 18 November 2021

Notification No. 17/2021-Central Tax (Rate) dated 18 November 2021

Clarification by CBIC on requirement of Dynamic QR Code on certain invoices

CBIC vide its circular No. 165/21/2021-GST dated 17 November 2021 has clarified that Wherever an invoice is issued to a recipient located outside India, for supply of services, for which the place of supply is in India, and the payment is received by the supplier, in convertible foreign exchange or in Indian Rupees wherever permitted by the RBI, such invoice may be issued without having a Dynamic QR Code

Circular No. 165/21/2021-GST dated 17 November 2021

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Clarification by CBIC on refund related issues

CBIC vide its circular No. 166/22/2021-GST dated 17 November 2021 has clarified on following refund related issues

Issue	Clarification
Whether the provisions of subsection (1) of section 54 of the CGST Act regarding time period, within which an application for refund can be filed, would be applicable in cases of refund of excess balance in electronic cash ledger?	No, the provisions of sub-section (1) of section 54 of the CGST Act regarding time period, within which an application for refund can be filed would not be applicable in cases of refund of excess balance in electronic cash ledger.
Whether certification/ declaration under Rule 89(2)(l) or 89(2)(m) of CGST Rules, 2017 is required to be furnished along with the application for refund of excess balance in electronic cash ledger?	No, furnishing of certification/ declaration under Rule 89(2)(l) or 89(2)(m) of the CGST Rules, 2017 for not passing the incidence of tax to any other person is not required in cases of refund of excess balance in electronic cash ledger as unjust enrichment clause is not applicable in such cases.
Whether refund of TDS/TCS deposited in electronic cash ledger under the provisions of section 51 /52 of the CGST Act can be refunded as excess balance in cash ledger?	The amount deducted/collected as TDS/TCS by TDS/ TCS deductors under the provisions of section 51 /52 of the CGST Act, as the case may be, and credited to electronic cash ledger of the registered person, is equivalent to cash deposited in electronic cash ledger. It is not mandatory for the registered person to utilize the TDS/TCS amount credited to his electronic cash ledger only for the purpose for discharging tax liability. The registered person is at full liberty to discharge his tax liability in respect of the supplies made by him during a tax period, either through debit in electronic credit ledger or through debit in electronic cash ledger, as per his choice and availability of balance in the said ledgers. Any amount, which remains unutilized in electronic cash ledger, after discharge of tax dues and other dues payable under CGST Act and rules made thereunder, can be refunded to the registered person as excess balance in electronic cash ledger in accordance with the proviso to sub-section (1) of section 54, read with sub-section (6) of section 49 of CGST Act

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Clarification by CBIC on refund related issues

CBIC vide its circular No. 166/22/2021-GST dated 17 November 2021 has clarified on following refund related issues

Issue	Clarification
Whether relevant date for the refund of tax paid on supplies regarded as deemed export by recipient is to be determined as per clause (b) of Explanation (2) under section 54 of CGST Act and if so, whether the date of return filed by the supplier or date of return filed by the recipient will be relevant for the purpose of determining relevant date for such refunds?	Clause (b) of Explanation (2) under Section 54 of CGST Act reads as under: "(b) in the case of supply of goods regarded as deemed exports where a refund of tax paid is available in respect of the goods, the date on which the return relating to such deemed exports is furnished;" On perusal of the above, it is clear that clause (b) of Explanation (2) under section 54 of the CGST Act is applicable for determining relevant date in respect of refund of amount of tax paid on the supply of goods regarded as deemed exports, irrespective of the fact whether the refund claim is filed by the supplier or by the recipient. Further, as the tax on the supply of goods, regarded as deemed export, would be paid by the supplier in his return, therefore, the relevant date for purpose of filing of refund claim for refund of tax paid on such supplies would be the date of filing of return, related to such supplies, by the supplier

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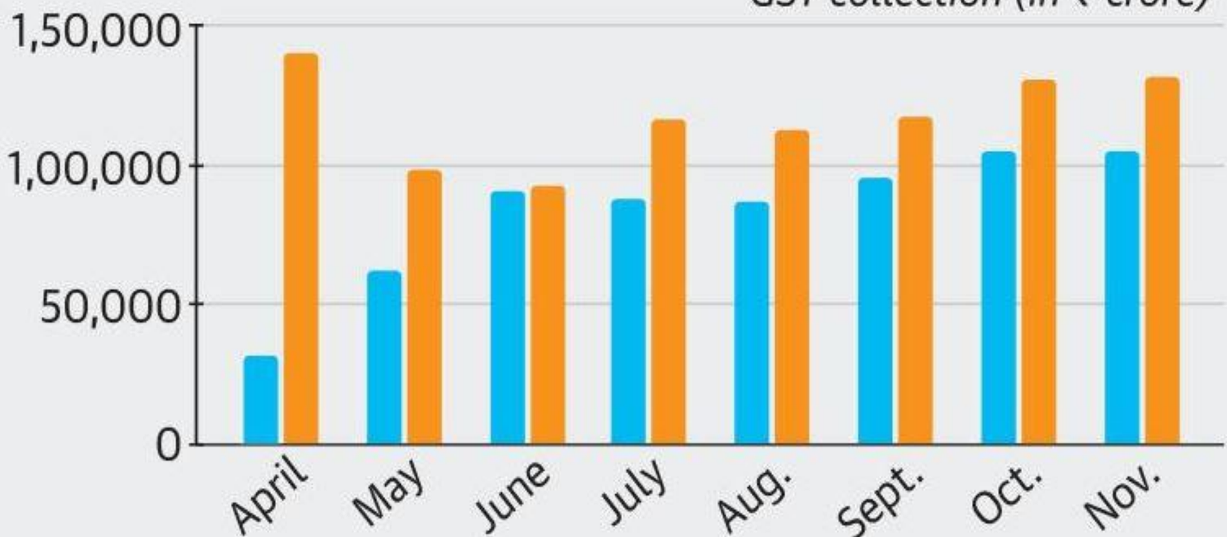
GST Revenue Collection in November 2021- Rs. 1,31,526 Cr.

TRENDS IN GST COLLECTION IN RS. CRORE



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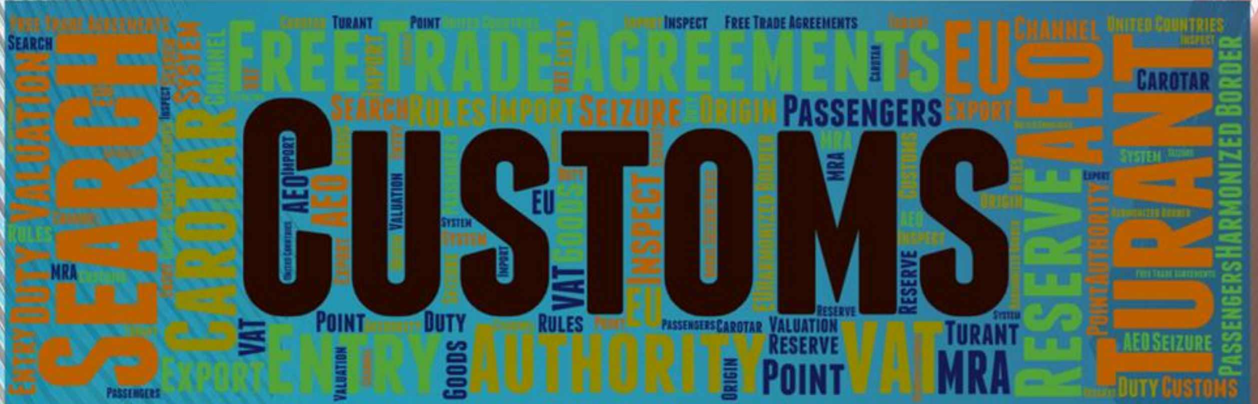

- Compensation in lieu of financial loss is not a consideration liable to Service Tax
- No power was vested with the authorities as well as the Tribunal to condone the delay beyond the statutory period of limitation
- Notification No. 02/2021-Central Excise (N.T.), dated 10 November ,2021
- Public Notice No. 35/2015-2020, dated 11 November 2021
- Trade Notice No 22/2021-22; dated 02 November 2021
- De-Activation of IECs not updated at DGFT
- Circular No. 1079/03/2021-CX, dated 11 November 2021
- Trade Notice No 24/2021-22; Dated 15 November 2021
- Electronic filing of RCMC/ Registration Certificate (RC) through the common digital platform w.e.f. 06 December 2021

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Compensation in lieu of financial loss is not a consideration liable to Service Tax

Issue:

Coal Blocks allocated to the appellant for the purpose by the Government of India in 2005 were cancelled by the Hon'ble Supreme Court vide its order dated 24th September 2014 along with similar allocations to other mining companies. The blocks were thereafter allocated to other companies. Since the appellants and other companies which are similarly placed had already invested in these mines, the Coal Mines (Special Provisions) Act, 20151 and Coal Mines (Special Provisions) Rules, 2015 were enacted which provided for a compensation to be paid by the new allottees to the old ones (such as the appellant) in lieu of the financial loss incurred. Section 9 of CMSPA provides that a part of the proceeds, collected from the new allottees was to be paid to the old allottees as compensation.

The appellant received compensation under this Act from the new allottees through the Government. A SCN was issued alleging that the appellant "tolerated the act of cancellation of coal blocks" by the Ministry of Coal and received a compensation in lieu of the cancellation and that this activity of the appellant appears to be covered by the definition of service as per Section 65B (44) read with 65B (22) and section 66E (e) of the Finance Act, 1994 and hence is chargeable to service tax along with interest and penalty and also extended

Legal Provision:

Definition of service as per Section 65B (44) read with 65B (22) and section 66E (e) of the Finance Act, 1994

Observation and Comments:

The Honorable CESTAT observed and held that:

- The question of tolerating something and receiving a compensation for such tolerance pre-supposes that:
  - the person had a choice to tolerate or not;
  - the person chose to tolerate;
  - such tolerance was for a consideration as per an agreement (written or otherwise) to tolerate;
  - the tolerance was a taxable service.
- None of the above elements are present in the present case. The appellant had no choice of tolerating cancellation or not. The appellant has not chosen to tolerate the cancellation. The cancellation was in pursuance of the order of the Supreme Court and not as a result of a contract to tolerate cancellation. There was no consideration for tolerating the cancellation, only a compensation provided for statutorily for the investment made in the mines by the appellant.

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Compensation in lieu of financial loss is not a consideration liable to Service Tax

- Even in cases where any amount is received under a contract as a compensation or liquidated or unliquidated damages, it cannot be termed 'Consideration'. This case is not even a case of payment under a contract. Both the cancellation of the allocation of the blocks and the receipt of compensation are by operation of law. While consideration is a result of execution of the contract, the damages are a result of frustration of the contract.

- Since we have decided the matter in favour of the appellant on merits, we do not find it necessary to examine the question of limitation. For the same reason, all the penalties need to be set aside as well.

DA Comments:

The Honorable CESTAT rightly differentiate between compensation vis a vis consideration to determine whether the transaction is liable to service tax. The principle can be equally applied for such issued under GST law.

MNH Shakti Limited vs CCGST [Final Order No.75689/2021- CESTAT Kolkata]

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No power was vested with the authorities as well as the Tribunal to condone the delay beyond the statutory period of limitation

Issue:

The petitioner imported capital goods under EPCG scheme on payment of concessional rate of duty by claiming exemption in terms of notification No. 49/2000-Cus. The adjudicating authority passed Order-in-Original dated 14 September 2011 confirming the demand on the ground that the petitioner has failed to furnish documents in support of fulfilment of export obligation. It is the grievance of the petitioner that the said assessment order was not received by the petitioner said to have been dispatched by the department through RPAD. It is asserted that the copy of the Order-in-Original was received by the assessee on 31 December 2012.

On the query made by the assessee, Post Master General has given a reply as per the letter dated 15.02.2013 that upon verifying the records maintained at their Office, it was found that there was no letter found addressed to the assessee with respect to reference O.C.No. 4066 dated 16.09.2011 said to have been dispatched from ICD, Whitefield, Bengaluru for the period between September, 2011 to November, 2011.

The Commissioner of Customs (Appeals) rejected the appeal on the ground that the said appeal was filed beyond the statutory period of limitation fixed under the statute.

The Petitioner has assailed the Order dated 27 January 2015 [2015-TIOL-1066-CESTAT-BANG] passed by the CESTAT and which upheld the order of the Commissioner (Appeals) rejecting the appeal filed by the petitioner on the ground that the said appeal was filed beyond the statutory period of limitation fixed under the statute. Hence, the petitioner has approached the Writ Court seeking for the reliefs as aforesaid.

Legal Provisions:

Factual issue for condonation of delay

Observation and comments:

- The Honorable High Court observed and held that:
  - The request made by the petitioner to decide the issue on merits de horse the time barred appeal would run counter to the well-established principles of law reiterated by the Hon'ble Apex Court in catena of decisions.
  - No power was vested with the authorities as well as the Tribunal to condone the delay beyond the statutory period of limitation. More particularly, in the absence of sufficient cause shown by the petitioner as observed by the Hon'ble Apex Court in the case of

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No power was vested with the authorities as well as the Tribunal to condone the delay beyond the statutory period of limitation

M/s. Glaxo Smith Kline Consumer Health Care Limited., supra, even exercising the writ jurisdiction, the Court cannot venture to condone the delay beyond the statutory period of limitation which has expired long back.

- It is well settled that the Court can come to the rescue of the person who is vigilant about his rights and not to a person who sleeps over the matter and rises from the slumber at his

DA Comments:

In our view, the case involved is more on factual aspect where there is delay on receipt of order and accordingly, the appeal is filed within time limit

M/s Laxmi Electronic Moulds And Precision Engineering Pvt Ltd vs UOI and Others [2021-TIOL-2107-HC-KAR-CUS]

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Notification No. 02/2021-Central Excise (N.T.), dated 10 November ,2021

The Central Board of Indirect Taxes and Customs every manufacturing unit engaged in the manufacture or production of Petroleum Crude, falling under tariff heading 2709 00 10 of the Fourth Schedule to the Central Excise Act, 1944 (1 of 1944), where it has a centralized billing or accounting system for the goods manufactured or produced by different units or premises and opts for registering only the unit or premises or office, from where such centralized billing or accounting is done. Prior intimation shall be given before starting commercial production at any additional premises subsequent to obtaining such registration.

Notification No. 02/2021-Central Excise (N.T.), dated 10 November ,2021

Instruction No F. No. 116/40/2021-CX-3, dated 10 November 2021

Procedures for refund of excise duty on purchase of petrol/diesel/fuel oil by Diplomatic Missions and their officers for their official /personal use has been instructed.

Instruction No F. No. 116/40/2021-CX-3, dated 10 November 2021

Circular No. 1079/03/2021-CX, dated 11 November 2021

It is reiterated that pre-show cause notice consultation shall not be mandatory for those cases booked under the Central Excise Act, 1944 or Chapter V of the Finance Act, 1994 for recovery of duties or taxes not levied or paid or short levied or short paid or erroneously refunded by reason of: –

(a) fraud: or

(b) collusion: or

(c) wilful mis-statement: or

(d) suppression of facts: or

(e) contravention of any of the provision of the Central Excise Act, 1944 or Chapter V of the Finance Act, 1994 or the rules made there under with the intent to evade payment of duties or taxes.

Circular No. 1079/03/2021-CX, dated 11 November 2021

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Public Notice No. 35/2015-2020, dated 11 November 2021

Two new agencies namely Council for Leather Exports (CLE) and Udaipur Chamber of Commerce & Industry (UCCI) are enlisted under Appendix 2E of FTP, 2015-2020 for issuing Certificate of Origin (Non-Preferential). Name of Marathwada Industries Association, already enlisted under Appendix 2E, has been amended as Chamber of Marathwada Industries and Agriculture (CMIA). Contact details of the agency have also been updated.

Public Notice No. 35/2015-2020, dated 11 November 2021

Trade Notice No. 22/2021-22-DGFT, dated 2 November 2021

After 31 December 2021, the Online IT system will not be operational and no applications/claims under the schemes can thereafter be submitted. It has also been notified that the facility for filing applications, with a late cut provision, would also not be available and all applications will get time barred after 31 December 2021.

Trade and Industry to take note and ensure that applications/ claims are submitted Online within the stipulated timeline of 31 December 2021 for timely release/ issue of scrips by DGFT RAs.

SEPC/FIEO and organizations with service exporters may also approach their constituents with a request to file their SEIS claims at an early date and in any case not later than 31 December 2021.

Trade Notice No. 22/2021-22-DGFT, dated 2 November 2021

Trade Notice No 24/2021-22; Dated 15 November 2021

The DGFT has extended the due date for mandatory filing of non-preferential Certificate of Origin electronically to 31 January 2022. Thus, allowing the traders to file the document in a manual way for the time being.

Trade Notice No 24/2021-22; Dated 15 November 2021

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Trade Notice No 23/2021-22; dated 09 November 2021

The DGFT has issued a trade notice notifying that the Government of India has constituted a committee for determination of RoDTEP rates for AA/SEZ/EoU exports and to give supplementary report or recommendations on issues relating to errors or anomalies, with respect to RoDTEP schedule of rates.

Trade Notice No 23/2021-22; dated 09 November 2021

De-Activation of IECs not updated at DGFT

All IECs which have not been updated after 01 January 2014 shall be de-activated with effect from 06 December 2021. The list of such IECs may be seen at the given link https://www.dgft.gov.in/CP/?opt=LIEC. The concerned IEC holders are provided a final opportunity to update their IEC in this interim period till 05 December 2021, failing which the given IECs shall be de-activated from 06 December 2021. It may further be noted that any IEC so de-activated, would have the opportunity for automatic re-activation without any manual intervention

Trade Notice 25/2021-22 dated 19 November 2021

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Electronic filing of RCMC/ Registration Certificate (RC) through the common digital platform w.e.f. 06 December 2021

A new online common digital platform for issuance of Registration Cum Membership Certificate (RCMC)/ Registration Certificate (RC) has been developed and will be available at dgft.gov.in. Application for fresh/amendment/renewal of RCMC/RC may be submitted through the common platform w.e.f. 6 December 2021 which is not mandatory for the exporters for the time being. Submission and issuance of RCMC/RC by the issuing agencies through their system may continue until 28 February 2022 or till further orders.

Trade Notice 27/2021-22 dated 30 November 2021

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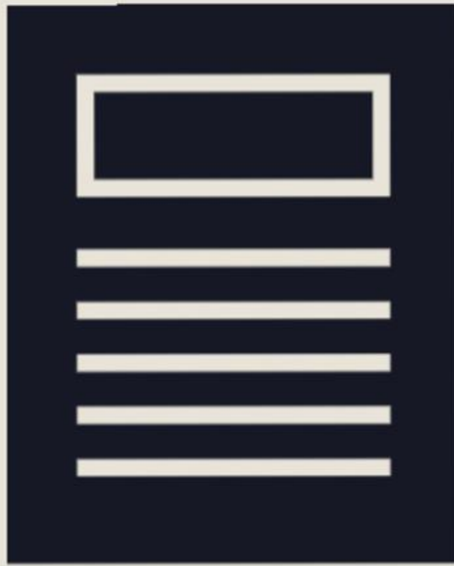

DA NEWS

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Goods and Services Tax

- Centre clears over half of pending dues to states
- GST Council to consider clarifying issue on ice cream parlour
- Textile Industry goes on strike over GST
- Quitting Without Serving Notice Period? You May Have To Pay GST On Salary
- At Rs 1.31 Trn, India's Nov GST Collection Second-Highest In A Month Yet
- Committed To Compensate States For 5 Yrs For Revenue Loss Due To GST: FM
- PHD Chamber Urges GST Council To Rationalise Rates In Next Meeting

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Customs and other

- CBIC puts in response teams for faster clearance of Covid vaccine shipments
- India exempts oxygen concentrator imports from customs clearance, testing kits from duty
- CBIC introduces auto-renewal for tier 1 AEO license holders
- CBIC measures from July 15 to improve faceless assessment in customs
- MOOWR– A new warehouse scheme can play a key part in India's trade
- New impetus to EU-India free trade agreement: Swedish envoy
- Early harvest deal by year-end: Australia trade envoy

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