



In a letter to the field formations, the CBIC has noted that SVLDRS declarations involving a declared liability of Rs.3972 crores remains unpaid as on 01.07.2020 and the Board has asked for the details of major declarants who could not pay up the declared amount within the due date, i.e by 30th June 2020 and directed the field formations to ascertain whether they would be able to pay the same. This letter has rekindled the hope that the time limit for paying the declared amounts under SVLDRS scheme may be extended once again. Good indeed, as during these difficult times, many declarants could not pay the amounts before the due date.

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GST CASE LAWS


1 WoodKraft India Limited TS-493-AAR-2020-NT

By refusing to answer the questions, the AAR has impliedly held that for services rendered pre GST, if invoices are raised post GST, no GST is payable. It further implies appropriate Service Tax is payable.

 **Silence isn't empty, it's full of answers.**


2 Zones Corporate Soln P Ltd 2020-TIOL-1168-HC-DEL-GST

Despite favourable order from first appellate authority, refund was not paid, as the department wanted to file appeal to the Tribunal, which is yet to be formed. HC directs immediate release of refund.

 **Do they intend to file appeal against this order too?**


3 Subhash Joshi 2020-TIOL- 1163-HC-MP-GST

Plea for having the presence of advocate during the search proceedings under GST law is not allowed. Presence of two independent witnesses is sufficient safeguard.

 **Can the assessee have the choice of witnesses?**

4 Halliburton Offshore Services Inc. 2020-VIL-202-AAR

While executing oil exploration activities, if any equipments are irretrievably lost, the customer ONGC reimburses the same. It is supply of goods and liable to GST accordingly. It is not a composite supply with the oil exploration services, as it is contingent. It is not "agreeing to tolerate an act" also.

 **Exploration of GST, while exploring oil - Is it composite or mixed?**





5 Springfield Distilleries 2020-TIOL-173-AAR-GST

Alcohol based hand sanitizers are falling under Chapter 38 and not under Chapter 30 and attract 18 % GST. Being essential goods does not automatically exempt it from GST.



AAR is helpless and washed its hands off.

6 Rotary Club of Mumbai Queens Necklace

Admission fee and Membership fee collected by Rotary Club is not liable to GST as no services are provided by the Club to its members



But Lions club is better and it provides services to its members. 2020 (32) GSTL 474 AAAR, Maharashtra

7 M/s P.R. MANI ELECTRONICS 2020-VIL-308-MAD

The Madras HC has held that prescription of time limit under Rule 117 is not ultra vires Section 140, not only in view of retrospective amendment in Sec.140 but also due to the wide rule making powers available under Sec. 164. Also holds, the time limit is mandatory and not directory, after balancing the interest of taxpayers and the Government. Choses to rely on Bombay HC decision in Nelco and Gujarat HC decision in Willowood (which has been distinguished later by Gujarat HC itself).



Amount involved in this case is Rs.4.7 lakhs. But the damage caused is several crores.





NOTIFICATIONS & CIRCULARS

CENTRAL TAX NOTIFICATIONS - 01.07.2020 to 15.07.2020

NO	DATE	GIST
58	01.07.2020	Nil return - GSTR-1 can be filed through SMS. Rule 67 A of CGST Rules, 2017 notified to take effect from 01.07.2020.
59	13.07.2020	Due date for filing FORM GSTR-4 for financial year 2019-2020 extended to 31 st August 2020.



GSTN - Statistical Report on completion of 3 years of GST Implementation.

LINK: <https://bit.ly/3h8Lnqf>

Clarification on issue of GST rate on alcohol based hand sanitizers

Ministry of Finance

Press note

15.07.2020

The issue of GST rate on alcohol based hand sanitizers has been reported in few sections of media. .

It is stated that hand sanitizers attract GST at the rate of 18%. Sanitizers are disinfectants like soaps, anti-bacterial liquids, dettol etc which all attract duty standard rate of 18% under the GST regime. The GST rates on various items are decided by the GST Council where the Central Government and all the state governments together deliberate and take decisions.

It is further clarified that inputs for manufacture of hand sanitizers are chemicals packing material, input services, which also attract a GST rate of 18%. Reducing the GST rate on sanitizers and other similar items would lead to an inverted duty structure and put the domestic manufacturers at disadvantage vis-a-vis importers. Lower GST rates help imports by making them cheaper. This is against the nation's policy on Atmanirbhar Bharat. Consumers would also eventually not benefit from the lower GST rate if domestic manufacturing suffers on account of inverted duty structure.

The Confederation of West Bengal Trade Association (CWBTA), the apex body of traders in the state, has demanded an audit of the GSTN (Goods and Services Tax Network) portal by a committee comprising IT professionals, tax payers and government officials.

Extension for Re import of Cut and Polished Diamonds by 3 months





CUSTOMS

CASE LAWS

1 SUSHIL GOEL 2020-TIOL-997-CESTAT-MUM

The adjudicating authority cannot assume upon itself the role of an investigating agency and go on to investigate something which has not been alleged in.

2 M/s PARADEEP PHOSPHATES LTD 2020-TIOL-999-CESTAT-KOL

Where an assessee is entitled in law to refund of tax paid, it is immaterial whether the payment is in cash or by debit of DEPB scrip.

3 MOSAIC INDIA PVT LTD 2020-TIOL-998-CESTAT-AHM

If the price fluctuation is reasonably explained, the same can be accepted, in the case Customs Valuation for related persons.





IMPORTANT CUSTOMS NOTIFICATIONS & CIRCULARS

CUSTOMS CIRCULARS & INSTRUCTIONS- 01.07.2020 to 15.07.2020

NO	DATE	GIST
32	06.07.2020	Turant Customs - Turant Suvidha Kendra and Other Initiatives for Contactless Customs
Inst. 11	10.07.2020	Requirement of Veterinary Certificate for Import of Milk and Milk Products into India
Inst. 12	10.07.2020	Requirement of AGMARK certification prior to import of Blended edible vegetable oils

CUSTOMS TARIFF NOTIFICATIONS - 01.07.2020 to 15.07.2020

NO	DATE	GIST
30	10.07.2020	Seeks to amend notification No. 09/2012-Customs dated 09.03.2012, providing for extension of last date of re-import by three months, for those cases where the last date of such re-import falls between 01.2.2020 and 31.7.2020 due to the outbreak of COVID-19 pandemic.
31	13.07.2020	Import of Polybutadiene Rubber - Safeguard duty imposed

DGFT NOTIFICATIONS - 01.07.2020 to 15.07.2020

NO	DATE	GIST
18	13.07.2020	Export policy amended to prohibit non-woven fabrics for 25-70 GSM only





CENTRAL EXCISE AND SERVICE TAX CASE LAWS

1 M/s SANDEEP A BHALODIA 2020-TIOL-942-CESTAT-AHM

Computer printouts cannot be relied upon, if the requirements of Section 36 B of the CE Act are not complied with.

2 Repco Home Finance Ltd 2020- TIOL-1039-CESTAT-MAD-LB

Foreclosure charges levied by banks for premature repayment of loans is not liable to Service Tax in pre negative list regime under Banking and other Financial Services



Is it a service of "tolerating early repayment of loan" post negative list?

3 M/s COSMOPOLITAN CLUB 2020-TIOL-1171-HC-MAD-VAT

Proceedings under TNVAT Act against the Club quashed in view of SC decision in Calcutta Club.



When mutuality is present, maintainability of tax demand is absent.

4 M/s EXOTICA HOUSING PVT LTD 2020-TIOL-975-CESTAT-DEL

If neither SVLDRS 3 nor SVLDRS 4 is issued within the prescribed time limit, it shall be deemed that Discharge Certificate is issued.





FROM OUR KNOWLEDGE HOUSE

VIDEO LINK

“An informal and internal talk on mutuality of interest and SC decision in Calcutta Club case” by Adv. G. Natarajan.

<https://youtu.be/L451IA0HUIU>

ARTICLE

Queens Necklace on a platter - G. Natarajan

<https://bit.ly/2OwhKTy>

ARTICLE – GUEST CORNER

GST REFUND- DEFICIENCY MEMO NIGHTMARE By Mr. B. Venkateswaran IRS Asst Commissioner CGST (Retired)

<https://bit.ly/30eQNcl>

List of 102 webinars conducted by Madras Tax Bar – Link to the Webinars: <https://bit.ly/3j7Mack>





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