



The Financial year has ended with a positive note with the GST Collections during March hitting a record high.

The Finance Bill has received the Presidential assent on 28th March 2021, though the GST related amendments are yet to take effect, waiting for the States to follow suit. As all GST related amendments are finalized only in the GST Council with the consent of the States, why can't there be a provision in the GST law enabling Central Govt. itself to amend the State GST Acts, like State Governments can amend Central Laws like CPC, Cr. PC, MV Act, etc. while applying it to their States? This will ensure immediate implementation of the amendments.

Table Of Content

1	GST Case Laws
2	Notifications & Circulars
3	News
4	GST Portal Updates
5	Customs
6	The Legacy





GST CASE LAWS

1. CHETTINAD CEMENT CORPORATION PVT LTD 2021-TIOL-710-HC-MAD-GST

There is no bar in carrying forward and utilization of disputed CENVAT credit and that is why provisions related to recovery is provided under Sec. 142 6 (b) of CGST Act. SCN Stayed.

2. FLEMINGO DUTYFREE SHOP PVT LTD 2021-TIOL-722-HC-MAD-GST

GST liability of Duty Free Shops in International Airports.



Cheers. It is duty free!

3. RAJ METAL INDUSTRIES AND ANR 2021-TIOL-744-HC-KOL-GST

Parallel proceedings by State GST authorities stayed when proceedings initiated by Central GST officers are pending.

4. K. JEYASHAKAR VS DGGSTI WP NO. 3855/2021-MADURAI BENCH OF MADRAS HC

Interim bail granted made absolute. Contentions left open to be canvassed in challenge to prosecution, when launched.

5. SHRIPROP PROJECTS PVT LTD & ORS 2021-TIOL-707-HC-KAR-GST

Karnataka HC vide a common order allows a batch of writ petitions directing Revenue to permit Assesseees to file/revise TRAN-1 either electronically or manually on or before March 31, 2021.





GST CASE LAWS

6 BHARATIYA VITTA SALAHKAR SAMITI AND ANR 2021-TIOL-673-HC-DEL-GST

Delhi HC observes that if no appeal is filed against the Madras HC decision in Revenue BAR Association case, the decision of the Madras HC has to be implemented, in forming GST Tribunal.

7 ION TRADING INDIA PVT LTD 2021-TIOL-11-AAAR-GST

Collecting Parking charges by the employer from employees and paying the same to the Building owner - Not liable to GST. It is a "pure agent" transaction.

8 OLETY APARTMENT ASSOCIATION LANDMARK OWNER'S 2021-TIOL-104-AAR-GST

Amounts collected by RWA towards Sinking Fund amount to advances meant for future supply of services to members and are taxable @ 18% under SAC 9995-Services of Membership Association.

9 DHINGRA TRUCKING PVT LTD 2021-TIOL-101-AAR-GST

No ITC on construction of warehouse used for the purpose of renting out since they are constructed on one's own account i.e. for his own business.





MANOJ MITTAL 2021-TIOL-103-AAR-GST

Supply of food items in a restaurant having eating facility, either for consumption or for takeaway is a service. Supply of such items over the counter in another section of the premises not having any eating facility is a supply of goods.





NOTIFICATIONS & CIRCULARS

NOTIFICATION-15.03.2021-31.03.2021

NO	DATE	GIST
06/2021-Central Tax	30.03.2021	Seeks to waive penalty payable for non-compliance with QR Code on invoice, upto 30.06.2021.



- Centre releases Rs.30,000 crore as GST Compensation as well as Rs. 28,000 crore as IGST ad-hoc settlement to the States/UTs

LINK:<https://pib.gov.in/PressReleasePage.aspx?PRID=1708583>

- HSN Code/ Service Accounting Code mandatory on invoices as per revised requirement from 1st April 2021 for GST taxpayer with turnover of more than Rs. 5 crore

LINK:<https://pib.gov.in/PressReleasePage.aspx?PRID=1708713>

Purchasers Of Non-GST Goods Entitled To 'Form C' Under CST For Concessional Rate Even After GST Act

LINK:<https://www.livelaw.in/top-stories/purchasers-of-non-gst-goods-entitled-form-c-cst-concessional-rate-gst-act-supreme-court-171936>

GST related matters are not Ministry of Finance matters. They are the GST council matters in which all States' Finance Ministers are members.

LINK:<https://twitter.com/nsitharamanoffc/status/1374370672084803584>

- **Government reverses decision to cut small savings rates.**

LINK:<https://twitter.com/nsitharaman/status/1377446641356087297>



- GST technical glitches behind input tax credit frauds. C & A G.

LINK:https://www.business-standard.com/article/economy-policy/gst-technical-glitches-behind-input-tax-credit-frauds-cag-report-121032401741_1.html

- V-Shaped recovery has begun: GST collection crosses more than Rs. 1 Lakh cr each month due to steps during pandemic.

LINK:http://gstcouncil.gov.in/sites/default/files/gst-articles/19-03-2021_V-shaped.pdf

Further simplification of the GST system is needed to boost collections.

LINK:http://gstcouncil.gov.in/sites/default/files/gst-articles/23-3-2021_Managing-GST.pdf

- According to Union Budget 2021, the Government has revised its estimates by 25 per cent to Rs 5.15 lakh crore from Rs 6.91 lakh crore for the current fiscal. Realisation from Central GST (CGST) lowered to Rs 4.31 lakh crore from the earlier estimate of Rs 5.8 lakh crore.

LINK:<https://www.financialexpress.com/economy/gst-collection-nearly-half-of-full-year-target-achieved-govt-sets-eyes-on-next-year-revenues/2222575/>



- CAG could get more access to taxpayer's data

LINK:http://gstcouncil.gov.in/sites/default/files/gst-articles/18-03-2021_CAG-taxpayers.pdf

- GST slabs trigger classification woes

LINK:http://gstcouncil.gov.in/sites/default/files/gst-articles/19-03-2021_GST-slabs.pdf

- GST: 'No discretion, only formula'

In RS, Finance Minister skirts Opposition questions on the LIC Act amendments

SPECIAL CORRESPONDENT
NEW DELHI

Finance Minister Nirmala Sitharaman informed the Rajya Sabha on Thursday that compensation to States under the Goods and Services Tax (GST) for the financial year 2017-18 and 2018-19 was not pending with the Centre.

"GST compensation has been paid to States for 2017-18, 2018-19, nothing is pending. Prior to COVID-19, every compensation to States has been paid. The unutilised contribution of 2017-18 and 2018-19 has been carried forward and utilised in 2019-20 and 2020-21. Over ₹2,17,000 crore is the GST compensation due for 2020-21 [till January]. The compensation will be released in March, ₹30,000 crore will go to States. There is no discretion

in GST, it is as per formula," she said.

She sidestepped questions raised by the Opposition regarding amendments made to the Life Insurance of India (LIC) Act through the Finance Bill in the Rajya Sabha on Wednesday. The Bill seeks to amend 27 out of 49 Sections of the LIC Act, 1956. One of the amendments proposes that the Centre will hold at least 75% stake in state-controlled LIC for the next five years and will continue to hold at least 51% after that period.

Commotion in House

The Finance Bill was passed amid commotion in the Rajya Sabha as Trinamool Congress members sparred with the Finance Minister over various issues, including com-



Nirmala Sitharaman

pensation under the GST to West Bengal.

Jairam Ramesh of Congress said many Acts were being amended through the Finance Bill. He said India needed many LICs and when it was going to be a listed company, "foreign firms will own part of LIC."

Neeraj Dangi of the Con-

gress said the country's economy was being handed over to capitalists.

Responding to the debate on the Finance Bill that lasted more than five hours, Ms. Sitharaman said the 14th Finance Commission (around 2014-15) recommended devolution to States and the Centre in the ratio of 42:58 compared to the earlier 32:68 ratio which naturally resulted in slashing down of Centrally run schemes.

Reading out a statement in Bengali, the Finance Minister said, "Centre wants to implement Aysuhman Bharat Yojana in West Bengal, but the State government is not allowing. You may have a better scheme. What is the problem if Modi gives additional one crore rupees?" she asked.



- **SC seeks Govt Response on Plea to plug loopholes in GST system**

A petition alleges asymmetry in GST collection from online services offered by foreign cos causing losses to the exchequer

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New Delhi: The Supreme Court on Wednesday issued notices to the central government on a plea seeking to plug existing loopholes in the GST system, which leave out entities such as Google, Amazon, Facebook, Netflix from the tax net, causing huge losses to the exchequer.

The petition filed by a chartered accountant (CA) Pradeep Goyal argued that there was asymmetry in information collection from overseas online service providers. While there was a detailed procedure for information to be submitted regarding a B2C transaction, there is none for a B2B transaction, the petition, filed by Charu Mathur, said.

This has resulted in a huge revenue loss for the nation, it said.

The petition was argued by senior

Fixing Taxability

SC ISSUES NOTICES TO THE FINANCE MINISTRY SEEKING ITS EXPLANATION

Notices were also sent to CBDT, the GST Council and the principal commissioner of direct tax seeking their views on this



This is the second such petition seeking to have these tech giants such as Google, Amazon, Facebook, Netflix taxed in India

advocate Sonia Mathur in the top court on Wednesday. A three-judge bench led by CJI SA Bobde dubbed it a "good case" while issuing notices to the finance ministry seeking its explanation on this legal point.

Notices were also sent to the Central Board of Direct Taxes (CBDT), the GST Council and the principal commissioner of direct tax, seeking their views on this. This is the

second such petition seeking to have these tech giants taxed in India. Another such petition is already pending in the top court.

The PIL has pointed out that there are glaring loopholes in the GST scheme which must be plugged. Especially tax to be collected from foreign companies in B2B transactions by way of IGST for Online Information and Database Access

and Retrieval (OIDAR) services.

It says that the government has no mechanism to track GST paid on OIDAR services used by non-taxable online recipients under reverse charge basis.

Such figures are not reported in GST returns, it said, since most of these entities such as Facebook, Amazon and Netflix have no permanent establishments in India and maintain their accounts in foreign jurisdictions and are audited in those jurisdictions.

The government of India has no control or access to their accounting records to verify compliance under GST law, it said. GST authorities have no data on the number of such persons in a non-taxable territory providing OIDAR services in India.

For full report, go to www.economictimes.com





GSTN Portal Updates

- **Opting-in for Composition Scheme for Financial year 2021-22.**

Detailed description on how to opt in for Composition scheme for FY 21-22 , eligibility criteria etc.,

LINK: <https://www.gst.gov.in/newsandupdates/read/458>

- **Clarifications on filing GSTR 1 (Q) under QRMP Scheme.**
- Details and technical clarifications on how to file GSTR 1 for Jan-Mar 2021.

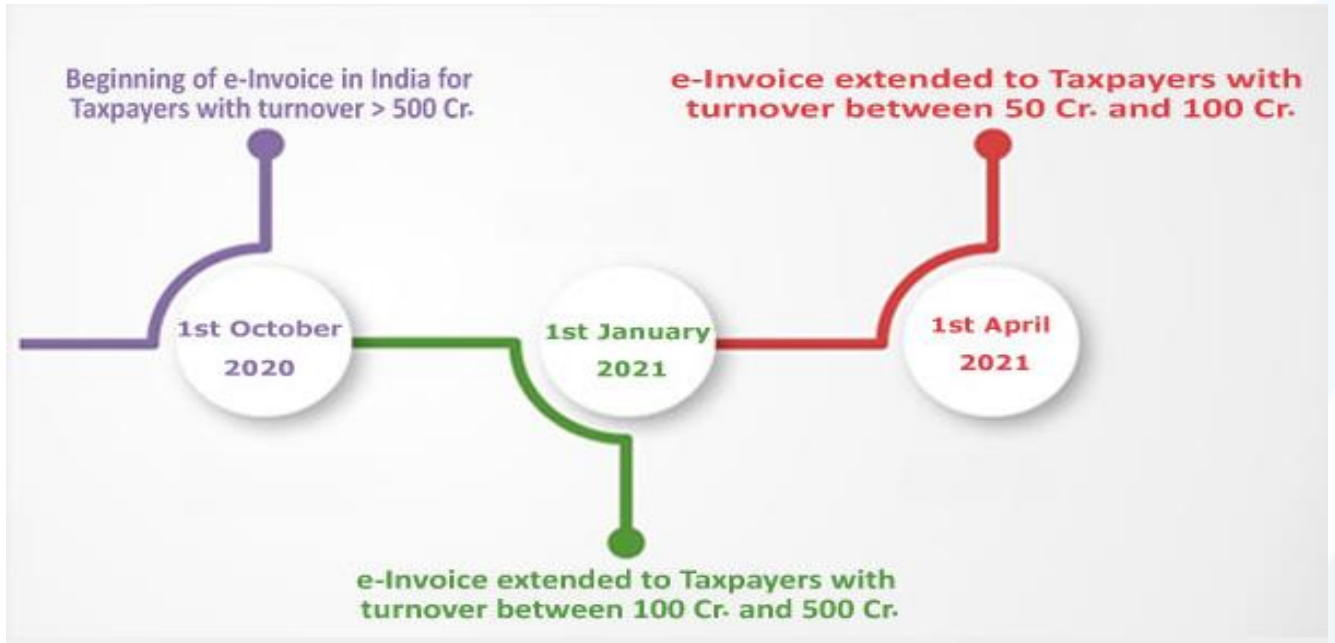
LINK: <https://www.gst.gov.in/newsandupdates/read/459>





GSTN Portal Updates

Six Months Journey of e - Invoice



THREE YEARS JOURNEY OF E-WAY BILL

E -Way Bills

55.8 Crores

2018 - 19

E -Way Bills

62.9 Crores

2019 - 20

E -Way Bills

61.7 Crores

2020 - 21

IMPACT

- One Nation, One Tax, One Market and One E-Waybill
- Faster movement of Goods
- Encouragement to self reporting
- Increase in Tax compliance
- Boost in GST Revenue Collections
- Ease of doing business





CUSTOMS

CASE LAWS

KANNAN RAMDURAI IYER 2021 (3) TMI 742 - MADRAS HIGH COURT

Show cause notice not issued within 6 months from the date of seizure. As the reason for extension of time for issue of SCN was not communicated before expiry of six months, the seized goods has to be released immediately.





CENTRAL EXCISE AND SERVICE TAX CASE LAWS

1 RAMCO CEMENTS LTD 2021-VIL-42-SC

CST Act- Benefit of concessional rate of CST during, against Form C, post GST period for inter- state purchase of HSD, Natural Gas, etc. SC Upholds HC decisions.

2 KAFILA HOSPITALITY AND TRAVELS PVT LTD 2021-TIOL-159-CESTAT-DEL-LB

Incentives paid for achieving targets cannot be termed as "consideration" and, therefore, are not leviable to Service Tax.

3 BASF INDIA LTD 2021-TIOL-172-CESTAT-BANG

When a refund claim is the subject matter of dispute, fresh refund claim need not be filed after getting a favorable order.

4 COCHIN INTERNATIONAL AIRPORT LTD 2021-TIOL-168-CESTAT-BANG

Excess Service Tax paid in advance under Rule 6(1A) of the Service Tax Rules, 1994 - refund cannot be rejected as time barred.



Refund woes.





CENTRAL EXCISE AND SERVICE TAX CASE LAWS

5 YUTAKA AUTO PARTS INDIA PVT LTD 2021-TIOL-154- CESTAT-DEL

No service tax is payable under Reverse Charge Mechanism by the Indian company on the salaries paid to their deputed employees from the parent organization situated abroad on secondment basis.





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