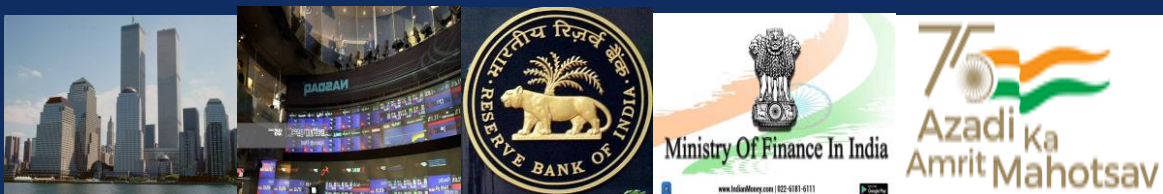


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EDITORIAL



Friends,

Recently the CBIC issued series of notifications and circulars to give effect the recommendation of the decision of the 47th GST Council meeting. We have covered all the notifications and circulars under GST section of this edition. The Government has notified and clarified the followings to facilitate trade and industries:

- 1. Facility to cross transfer of balance in cash ledger within difference GSTIN of same PAN.**
- 2. Applicability of interest on ITC wrongly availed and utilized.**
- 3. Relaxation in filing of Annual Return (GSTR-9) for F.Y. 2021-22 to the taxpayers having Aggregate Turnover upto Rs. 2 Crores.**
- 4. Due date of furnishing form GST CMP-08 for the quarter ending june,2022 extended till 31-07-2022.**
- 5. Notified waiver of late fee for delay in filing form GSTR-4 for F.Y. 2021-22.**
- 6. Clarification on certain issues with respect to –**
 - i. refund claimed by the recipients of supplies regarded as deemed export;
 - ii. interpretation of section 17(5) of the CGST Act
 - iii. perquisites provided by employer to the employees as per contractual agreement; and

- iv. utilisation of the amounts available in the electronic credit ledger and the electronic cash ledger for payment of tax and other liabilities.
- v. claiming refund under inverted duty structure where the supplier is supplying goods under some concessional notification.
- vi. manner of re-credit in electronic credit ledger using FORM GST PMT-03A for specified cases.
- vii. Manner of filing refund of unutilized ITC on account of export of electricity.
- viii. Ab-initio withdrawal of Circular No. 106/25/2019-GST dated 29.06.2019 reg. refund of taxes paid on inward supply of indigenous goods by retail outlets established at departure area of the international airport beyond immigration counters when supplied to outgoing international tourist against foreign exchange.

Just to reiterate that we remain available over telecom or e-mail.

Truly Yours

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TAX CALENDAR

Due Date	Form/Return/ Challan	Reporting Period	Description
10 th July	GSTR – 7	June 2022	Summary of Tax Deducted at Source (TDS) and deposited under GST.
10 th July	GSTR - 8	June 2022	Summary of Tax Collected at Source (TCS) and deposited by e-commerce operators under GST.
11 th July	GSTR -1	June 2022	Summary of outward supplies where turnover exceeds Rs. 5 crore or have not chosen the QRMP scheme for the quarter of Apr-Jun 2022
13 th July	GSTR -1	April-June 2022	Summary of outward supplies by taxpayers who have opted for the QRMP scheme.
13 th July	GSTR – 6	June 2022	Details of ITC received and distributed by an ISD
15 th July	TDS Certificate	May 2022	Issue of TDS certificate for tax Deducted at source under section 194-IA, 194-IB, 194-M of Income Tax Act.
15 th July	27EQ-TCS Return	April – June 2022	Quarterly statement of TCS deposited for the period April to June 2022.
15 th July	15G/15H	April – June 2022	Upload the declarations received from recipients during the period.
15 th July	15CC	April – June 2022	Quarterly statement in respect of Foreign Remittances (to be furnished by authorized dealers).

INCOME TAX

NOTIFICATION

FORM NO. 26QF - QUARTERLY STATEMENT OF TDS – VIRTUAL DIGITAL ASSET (VDA)

OUR COMMENTS: The Central Board of Direct Taxes (CBDT) vide Notification No. 73/2022 dated 30.06.2022 notified in exercise of the powers conferred by section 295 read with section 194S of the Income-tax Act, 1961 (43 of 1961), the following rules further to amend the Income-tax Rules, 1962, namely:-

1. Short title and commencement. —

(1) These rules may be called the Income-tax (20th Amendment) Rules, 2022.

(2) They shall come into force from 1st day of July, 2022.

2. In the Income-tax Rules, 1962 (hereinafter referred to as the principal rules), in rule 31A, —

(i) after sub-rule (1), the following shall be inserted, namely:-

“Provided that where the Exchange has, in accordance with the guidelines issued under sub-section (6) of section 194S, agreed to pay tax in relation to a transaction of transfer of a virtual digital asset, owned by it as an alternative to tax required to be deducted by the buyer of such asset under section 194S, the Exchange shall deliver or cause to be delivered, a quarterly statement of such transactions in Form No. 26QF to the Principal Director General of Income-tax (Systems) or Director General of Income-tax (Systems) or the person authorized by the Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems).

Explanation: For the purposes of this sub-rule,—

(i) “Exchange” means a person that operates an application or platform for transfer of virtual digital assets, which matches buy and sell trades and execute the same on their application or platform;

(ii) “virtual digital asset” shall have same meaning as assigned to it in clause (47A) of section 2.”

(ii) after sub-rule (4D), the following sub-rule shall be inserted, namely,—

“(4E) The Exchange referred to in sub-rule (1) shall, at the time of preparing the quarterly statement in Form No. 26QF, furnish particulars of amount paid or credited on which tax was not deducted in accordance] with guidelines issued under sub-section (6) of section 194S.”.

3. In the principal rules, in Appendix II, after Form No. 26QE, Form 26QF shall be inserted.

[For further details please refer the Notification]

NOTIFICATION

CENTRAL GOVERNMENT NOTIFIED VIRTUAL DIGITAL ASSETS WHICH SHALL BE EXCLUDED FROM THE DEFINITION OF VIRTUAL DIGITAL ASSETS

OUR COMMENTS: The Central Board of Direct Taxes (CBDT) vide Notification No. 74/2022 dated 30.06.2022 notified the following virtual digital assets which shall be excluded from the definition of virtual digital asset:

(i) Gift card or vouchers, being a record that may be used to obtain goods or services or a discount on goods or services;

(ii) Mileage points, reward points or loyalty card, being a record given without direct monetary consideration under an award, reward, benefit, loyalty, incentive, rebate or promotional program that may be used or redeemed only to obtain goods or services or a discount on goods or services;

(iii) Subscription to websites or platforms or application.

2. This notification shall come into force from the date of publication in the Official Gazette.

[For further details please refer the Notification]

NOTIFICATION

CENTRAL GOVERNMENT SPECIFIES A TOKEN WHICH QUALIFIES TO BE A VIRTUAL DIGITAL ASSET AS NON-FUNGIBLE TOKEN

OUR COMMENTS: The Central Board of Direct Taxes (CBDT) vide Notification No. 75/2022 dated 30.06.2022 In exercise of the powers conferred by clause (a) of Explanation to

INCOME TAX

clause (47A) of section 2 of the Income-tax Act, 1961 (43 of 1961) (hereinafter referred as 'the Act'), the Central Government hereby specified a token which qualifies to be a virtual digital asset as non-fungible token within the meaning of sub-clause (a) of clause (47A) of section 2 of the Act but shall not include a non-fungible token whose transfer results in transfer of ownership of underlying tangible asset and the transfer of ownership of such underlying tangible asset is legally enforceable.

2. This notification shall come into force from the date of publication in the Official Gazette.

[For further details please refer the Notification]

NOTIFICATION

AMENDMENT IN JURISDICTION OF INCOME TAX AUTHORITIES CORRIGENDUM

OUR COMMENTS: The Central Board of Direct Taxes (CBDT) vide Corrigendum Notification No. 76/2022 dated 30.06.2022 notified amendment in the notification of the Government of India, Ministry of Finance, Department of Revenue, Central Board of Direct Taxes, number S.O. 2926(E), dated the 28th June, 2022, published in the Gazette of India, Extraordinary, Part II, section 3, sub-section (ii), dated the 28th June, 2022, in Schedule-II-

(i) in column 4 in item (v), for "Mumbai - 2" read "Mumbai - 4";

(ii) in column 4 in item (vii), for "Mumbai - 4" read "Mumbai - 2".

[For further details please refer the Notification]

NOTIFICATION

FORM NO. 26QF - QUARTERLY STATEMENT OF TDS - VIRTUAL DIGITAL ASSET (VDA) CORRIGENDUM

OUR COMMENTS: The Central Board of Direct Taxes (CBDT) vide Corrigendum Notification No. 77/2022 dated 01.07.2022 notified amendment in the notification of the Government of India, Ministry of Finance, Department of Revenue (Central Board of Direct Taxes) number 73/2022 dated 30th June, 2022, published vide number G.S.R.

482(E), dated 30th June, 2022 in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i),—

(i) at page 3, in line 24, for word "exchange", read "Exchange",

(ii) at page 3, in line 32, for word "transferring", read "transfer";

(iii) at page 3, for lines 37 and 38, substitute,

"(4E) The Exchange referred to in sub-rule (1) shall, at the time of preparing the quarterly statement in Form No. 26QF, furnish particulars of amount paid or credited on which tax was not deducted in accordance";

(iv) at page 4, in line 5, for word "exchange", read "Exchange";

(v) at page 4, in line 13, for word "pain" read "paid";

(vi) at page 4, in line 26, for word "issues" read "issued";

(vii) at page 4, in line 35, for word "produced" read "furnished".

[For further details please refer the Notification]

NOTIFICATION

CONTROL OF INCOME TAX AUTHORITIES - U/S 118 OF IT ACT 1961- CORRIGENDUM

OUR COMMENTS: The Central Board of Direct Taxes (CBDT) vide Notification No. 78/2022 dated 04.07.2022 notified amendment in the notification of the Government of India, Ministry of Finance, Department of Revenue, Central Board of Direct Taxes, number S.O. 2692(E), dated 10th June, 2022 published in Gazette of India, Extraordinary, Part II, section 3, sub-section (ii), dated 10th June, 2022, in the Schedule:-

(I) in Serial Number 3, in column number (2), for "Principal Chief Commissioner of Income-tax, Tamil Nadu (Chennai)" read "Principal Chief Commissioner of Income-tax, Tamil Nadu & Puducherry (Chennai)";

(II) in Serial Number 15, in column number (4) and column number (5), in item (ii), for "(Technical Unit)-2, Kolkata" read "(Technical Unit)-1, Kolkata";

INCOME TAX

(III) in Serial Number 15, in column number (4) and column number (5), in item (iii), for “(Technical Unit)-3, Mumbai” read “(Technical Unit)-1, Mumbai”;

(IV) in Serial Number 15, in column number (4) and column number (5), in item (iv), for “(Technical Unit)-4, Chennai” read “(Technical Unit)-1, Chennai”;

(V) In the Hindi version, in Column Number (4), for “the Principal Chief Commissioner of Income-tax” read “Principal Commissioner of Income-tax”.

[For further details please refer the notification]

NOTIFICATION			
‘UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION’	NOTIFIED	AS A	COMMISSION
CONSTITUTED UNDER THE UTTAR PRADESH ELECTRICITY REFORMS ACT, 1999 U/S OF 10(46) OF IT ACT 1961			

OUR COMMENTS: The Central Board of Direct Taxes (CBDT) vide Notification No. 79/2022 dated 06.07.2022 in exercise of the powers conferred by clause (46) of section 10 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notified for the purposes of the said clause, ‘Uttar Pradesh Electricity Regulatory Commission’ (PAN AAALU0227H), a commission constituted under the Uttar Pradesh Electricity Reforms Act, 1999 (U.P. Act No.24 of 1999), in respect of the following specified income arising to that Commission, namely:-

- (a) Amount received in the form of Government grants;
- (b) Amount received in the form of licence fees & Fines; and
- (c) Interest earned on (a) & (b) above.

2. This notification shall be effective subject to the conditions that Uttar Pradesh Electricity Regulatory Commission,-

- (a) shall not engage in any commercial activity;
- (b) activities and the nature of the specified income shall remain unchanged throughout the financial years; and

(c) shall file return of income in accordance with the provision of clause (g) of sub-section (4C) of section 139 of the Income-tax Act, 1961.

3. This notification shall be deemed to have been applied for the financial year 2021-2022 and shall be applicable with respect to the financial years 2022-2023, 2023-2024, 2024-2025 and 2025-2026.

[For further details please refer the Notification]

NOTIFICATION
NEW RULE 21AL OF THE INCOME TAX RULES - OTHER CONDITIONS REQUIRED TO BE FULFILLED BY THE ORIGINAL FUND NOTIFIED

OUR COMMENTS: The Central Board of Direct Taxes (CBDT) vide Notification No. 80/2022 dated 08.07.2022 in exercise of the powers conferred by sub-clause (iv) of clause (a) of Explanation to clause (viia) of section 47 read with section 295 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes hereby makes the following rules further to amend the Income-tax Rules, 1962, namely :-

1. Short title and commencement.-

(1) These rules may be called the Income-tax (21st Amendment) Rules, 2022.

(2) They shall come into force from the date of their publication in the Official Gazette.

2. In the Income-tax Rules, 1962, after rule 21AK, the following rule shall be inserted, namely: -

“21AL. Other Conditions required to be fulfilled by the original fund. - For the purposes of sub-clause (iv) of clause (a) of Explanation to clause (viia) of section 47 of the Act, the original fund, in a case where a capital asset is transferred to a resultant fund being a Category III Alternative Investment Fund, shall fulfill the condition that the aggregate participation or investment in the original fund, directly or indirectly, by persons resident in India shall not exceed five per cent. of the corpus of such fund at the time of such transfer.

INCOME TAX

Explanation.- For the purpose of this rule, the expressions "original fund" and "resultant fund" shall have the meanings respectively assigned to them in the Explanation to clause (viiac) and clause (viid) of section 47.”;

[For further details please refer the Notification]

NOTIFICATION

‘BIHAR ELECTRICITY REGULATORY COMMISSION’ NOTIFIED AS A COMMISSION CONSTITUTED BY THE STATE GOVERNMENT OF BIHAR

OUR COMMENTS: The Central Board of Direct Taxes (CBDT) vide Notification No. 81/2022 dated 08.07.2022 in exercise of the powers conferred by clause (46) of section 10 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies for the purposes of the said clause, ‘Bihar Electricity Regulatory Commission’ (PAN AAALB1099E), a Commission constituted by the State Government of Bihar, in respect of the following specified income arising to that Commission, namely:

- (a) amount received as licence fee from licensees in electricity;
- (b) amount received as application processing fee; and
- (c) Interest earned on Government Grants and on (a) & (b) above.

2. This notification shall be effective subject to the conditions that Bihar Electricity Regulatory Commission:-

- (a) shall not engage in any commercial activity;
- (b) activities and the nature of the specified income shall remain unchanged throughout the financial years; and
- (c) shall file return of income in accordance with the provision of clause (g) of sub-section (4C) of section 139 of the Income-tax Act, 1961.

3. This notification shall be deemed to have been applied for the financial year 2021-2022 and shall be applicable with respect to the financial years 2022-2023, 2023-2024, 2024-2025 and 2025-2026.

[For further details please refer the Notification]

NOTIFICATION

THE TRANSFER PRICING OFFICER UNDER SECTION 118 OF THE INCOME-TAX ACT, 1961

OUR COMMENTS: The Central Board of Direct Taxes (CBDT) vide Notification No. 82/2022 dated 08.07.2022 in exercise of the powers conferred by section 118 of the Income-tax Act, 1961 (43 of 1961), hereby made the following amendments in the Notification of the Government of India, Ministry of Finance No. 60/2014, published in the Gazette of India, Extraordinary, Part II, section 3, sub-section (ii) vide number S.O. 2817(E) dated the 3rd November, 2014, namely:-

In the said Notification,-

(i) in clauses (a) and (b), for the word “Table”, the word “Schedule” shall respectively be substituted.

(ii) for clause (c), the following clause shall be substituted, namely:-

“(c) the Commissioner of Income-tax as specified in column (4) of the Schedule below shall be subordinate to the Chief Commissioner of Income-tax specified in column (3) of the said Schedule.”

(iii) in the Schedule, in Serial Number 1, under column number (3), the following shall be inserted, namely:-

“Chief Commissioner of Income-tax (International Taxation), Delhi”.

2. This notification shall come into force from the date of publication in the Official Gazette.

[For further details please refer the Notification]

GST

NOTIFICATION

CROSS TRANSFER OF BALANCE IN CASH LEDGER – INTEREST ON ITC WRONGLY AVAILED AND UTILIZED

OUR COMMENTS: The Central Board of Indirect Taxes and Customs vide Notification No. 09/2022 –Central Tax dated 05.07.2022 appointed the 5th day of July, 2022, as the date on which the provisions of clause (c) of section 110 and section 111 of the Finance Act, 2022 shall come into force.

[For further details please refer the Notification]

NOTIFICATION

FILING OF ANNUAL RETURN FOR FY 2021-22 EXEMPTED TO THE TAXPAYERS HAVING AATO UPTO RS. 2 CRORES

OUR COMMENTS: vide Notification No. 10/2022- – Central Tax dated 05.07.2022 in exercise of the powers conferred by the first proviso to section 44 of the CGST Act, 2017 (12 of 2017), the Commissioner, on the recommendations of the Council, hereby exempted the registered person whose aggregate turnover in the financial year 2021-22 is up to two crore rupees, from filing annual return for the said financial year.

[For further details please refer the Notification]

NOTIFICATION

DUE DATE OF FURNISHING FORM GST CMP-08 FOR THE QUARTER ENDING JUNE,2022 EXTENDED TILL 31-07-2022

OUR COMMENTS: Vide Notification No. 11/2022 – Central Tax dated 05.07.2022 notified in exercise of the powers conferred by section 148 of the CGST Act, 2017 (12 of 2017), the Government, on the recommendations of the Council, hereby made the following further amendments in the notification of the Government of India, Ministry of Finance (Department of Revenue), No. 21/2019-Central Tax, dated the 23rd April, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 322(E), dated the 23rd April, 2019, namely:–

In the said notification, in the second paragraph, after the fourth proviso, the following proviso shall be inserted, namely: –

“Provided also that the said persons shall furnish a statement, containing the details of payment of self-assessed tax in FORM GST CMP-08 of the Central Goods and Services Tax Rules, 2017 for the quarter ending 30th June, 2022 till the 31st day of July, 2022.”.

[For further details please refer the Notification]

NOTIFICATION

WAIVER OF LATE FEE FOR DELAY IN FILING FORM GSTR-4 FOR FY 2021-22

OUR COMMENTS: Vide Notification No. 12/2022- – Central Tax dated 05.07.2022 notified in exercise of the powers conferred by section 128 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government, on the recommendations of the Council, hereby makes the following further amendments in the notification of the Government of India, Ministry of Finance (Department of Revenue), No. 73/2017–Central Tax, dated the 29th December, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i),vide number G.S.R. 1600(E), dated the 29th December, 2017, namely :–

In the said notification, in the sixth proviso, for the figures, letters and words “30th day of June, 2022”, the figures, letters and words “28thday of July, 2022” shall be substituted.

[For further details please refer the Notification]

NOTIFICATION

PERIOD OF LIMITATION FOR ISSUE OF SCN OR PASSING ORDER FOR RAISING DEMAND U/S 73 AND CLAIMING REFUND U/S 54 OR 55 – EXCLUSION OF CERTAIN PERIOD

OUR COMMENTS: Vide Notification No. 13/2022- – Central Tax dated 05.07.2022 notified in exercise of the powers conferred by section 168A of the Central Goods and Services Tax Act, 2017 (12 of 2017) (hereinafter referred to as the said Act) read with section 20 of the Integrated Goods and Services Tax Act, 2017 (13 of 2017) and section 21 of the Union Territory Goods and

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Services Tax Act, 2017 (14 of 2017) and in partial modification of the notifications of the Government of India in the Ministry of Finance (Department of Revenue), No. 35/2020-Central Tax, dated the 3rd April, 2020, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 235(E), dated the 3rd April, 2020 and No. 14/2021-Central Tax, dated the 1st May, 2021, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 310(E), dated the 1st May, 2021, the Government, on the recommendations of the Council, hereby,-

(i) extends the time limit specified under sub-section (10) of section 73 for issuance of order under sub-section (9) of section 73 of the said Act, for recovery of tax not paid or short paid or of input tax credit wrongly availed or utilized, in respect of a tax period for the financial year 2017-18, up to the 30th day of September, 2023;

(ii) excludes the period from the 1st day of March, 2020 to the 28th day of February, 2022 for computation of period of limitation under sub-section (10) of section 73 of the said Act for issuance of order under sub-section (9) of section 73 of the said Act, for recovery of erroneous refund;

(iii) excludes the period from the 1st day of March, 2020 to the 28th day of February, 2022 for computation of period of limitation for filing refund application under section 54 or section 55 of the said Act.

2. This notification shall be deemed to have come into force with effect from the 1st day of March, 2020.

[For further details please refer the Notification]

NOTIFICATION

MEASURES FOR TRADE FACILITATION NOTIFIED AS RECOMMENDED BY 47th MEETING OF THE GST COUNCIL

OUR COMMENTS: Vide Notification No. 14/2022—Central Tax dated 05.07.2022 notified in exercise of the powers conferred by section 164 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government, on the recommendations of the Council, hereby makes the following rules further to amend the Central Goods and Services Tax Rules, 2017, namely: -

1. Short title and commencement. –

(1) These rules may be called the Central Goods and Services Tax (Amendment) Rules, 2022.

(2) Save as otherwise provided in these rules, they shall come into force on the date of their publication in the Official Gazette.

2. In the Central Goods and Services Tax Rules, 2017 (hereinafter referred to as the said rules), in rule 21A, in sub-rule (4), after the proviso, the following proviso shall be inserted, namely: -

“Provided further that where the registration has been suspended under sub-rule (2A) for contravention of the provisions contained in clause (b) or clause (c) of sub-section (2) of section 29 and the registration has not already been cancelled by the proper officer under rule 22, the suspension of registration shall be deemed to be revoked upon furnishing of all the pending returns.”;

3. In the said rules, in Explanation 1 to rule 43, after clause (c), the following clause shall be inserted, namely: -

“(d) the value of supply of Duty Credit Scrips specified in the notification of the Government of India, Ministry of Finance, Department of Revenue No. 35/2017-Central Tax (Rate), dated the 13th October, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number GSR 1284(E), dated the 13th October, 2017.”;

4. In the said rules, in rule 46, after clause (r), the following clause shall be inserted, namely: -

“(s) a declaration as below, that invoice is not required to be issued in the manner specified under sub-rule (4) of rule 48, in all cases where an invoice is issued, other than in the manner so specified under the said sub-rule (4) of rule 48, by the taxpayer having aggregate turnover in any preceding financial year from 2017-18 onwards more than the aggregate turnover as notified under the said sub-rule (4) of rule 48-

“I/We hereby declare that though our aggregate turnover in any preceding financial year from 2017-18 onwards is more than the aggregate turnover notified under sub-

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rule (4) of rule 48, we are not required to prepare an invoice in terms of the provisions of the said sub-rule.”;

5. In the said rules, in rule 86, after sub-rule (4A), the following sub-rule shall be inserted, namely: -

“(4B) Where a registered person deposits the amount of erroneous refund sanctioned to him, -

(a) under sub-section (3) of section 54 of the Act, or

(b) under sub-rule (3) of rule 96, in contravention of sub-rule (10) of rule 96,

along with interest and penalty, wherever applicable, through FORM GST DRC-03, by debiting the electronic cash ledger, on his own or on being pointed out, an amount equivalent to the amount of erroneous refund deposited by the registered person shall be re-credited to the electronic credit ledger by the proper officer by an order made in FORM GST PMT-03A.”;

6. In the said rules, in rule 87, -

(a) in sub-rule (3), after clause (i), the following clauses shall be inserted, namely: -

“(ia) Unified Payment Interface (UPI) from any bank;

(ib) Immediate Payment Services (IMPS) from any bank;”;

(b) in sub-rule (5), after the words “Real Time Gross Settlement”, the words “or Immediate Payment Service” shall be inserted;

(c) after sub-rule (13), the following sub-rule shall be inserted, namely: -

“(14) A registered person may, on the common portal, transfer any amount of tax, interest, penalty, fee or any other amount available in the electronic cash ledger under the Act to the electronic cash ledger for central tax or integrated tax of a distinct person as specified in sub-section (4) or, as the case may be, sub-section (5) of section 25, in FORM GST PMT- 09:

Provided that no such transfer shall be allowed if the said registered person has any unpaid liability in his electronic liability register.”;

7. In the said rules, with effect from the 1st July, 2017, after rule 88A, the following rule shall be deemed to have been inserted, namely: -

“88B. Manner of calculating interest on delayed payment of tax.-(1) In case, where the supplies made during a tax period are declared by the registered person in the return for the said period and the said return is furnished after the due date in accordance with provisions of section 39, except where such return is furnished after commencement of any proceedings under section 73 or section 74 in respect of the said period, the interest on tax payable in respect of such supplies shall be calculated on the portion of tax which is paid by debiting the electronic cash ledger, for the period of delay in filing the said return beyond the due date, at such rate as may be notified under sub-section (1) of section 50.

(2) In all other cases, where interest is payable in accordance with sub section (1) of section 50, the interest shall be calculated on the amount of tax which remains unpaid, for the period starting from the date on which such tax was due to be paid till the date such tax is paid, at such rate as may be notified under sub-section (1) of section 50.

(3) In case, where interest is payable on the amount of input tax credit wrongly availed and utilised in accordance with sub-section (3) of section 50, the interest shall be calculated on the amount of input tax credit wrongly availed and utilised, for the period starting from the date of utilisation of such wrongly availed input tax credit till the date of reversal of such credit or payment of tax in respect of such amount, at such rate as may be notified under said sub-section (3) of section 50.

Explanation. -For the purposes of this sub-rule, -

(1) input tax credit wrongly availed shall be construed to have been utilised, when the balance in the electronic credit ledger falls below the amount of input tax credit wrongly availed, and the extent of such utilisation of input tax credit shall be the amount by which the balance in the electronic credit ledger falls below the amount of input tax credit wrongly availed.

(2) the date of utilisation of such input tax credit shall be taken to be, -

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(a) the date, on which the return is due to be furnished under section 39 or the actual date of filing of the said return, whichever is earlier, if the balance in the electronic credit ledger falls below the amount of input tax credit wrongly availed, on account of payment of tax through the said return; or

(b) the date of debit in the electronic credit ledger when the balance in the electronic credit ledger falls below the amount of input tax credit wrongly availed, in all other cases.”;

8. In the said rules, in rule 89, –

(a) in sub-rule (1), after the fourth proviso, the following Explanation shall be inserted, namely: -

‘*Explanation.* - For the purposes of this sub-rule, “specified officer” means a “specified officer” or an “authorised officer” as defined under rule 2 of the Special Economic Zone Rules, 2006.’;

(b) in sub-rule (2), –

(i) in clause (b), after the words “on account of export of goods”, the words “, other than electricity” shall be inserted;

(ii) after clause (b), the following clause shall be inserted, namely: -

“(ba) a statement containing the number and date of the export invoices, details of energy exported, tariff per unit for export of electricity as per agreement, along with the copy of statement of scheduled energy for exported electricity by Generation Plants issued by the Regional Power Committee Secretariat as a part of the Regional Energy Account (REA) under clause (nnn) of sub-regulation 1 of Regulation 2 of the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010 and the copy of agreement detailing the tariff per unit, in case where refund is on account of export of electricity;”;

(c) in sub-rule (4), the following Explanation shall be inserted, namely: -

“*Explanation.* – For the purposes of this sub-rule, the value of goods exported out of India shall be taken as –

(i) the Free on Board (FOB) value declared in the Shipping Bill or Bill of Export form, as the case may be, as per the Shipping Bill and Bill of Export (Forms) Regulations, 2017; or

(ii) the value declared in tax invoice or bill of supply,

whichever is less.”;

(d) in sub-rule (5), for the words “tax payable on such inverted rated supply of goods and services”, the brackets, words and letters “{tax payable on such inverted rated supply of goods and services x (Net ITC÷ ITC availed on inputs and input services)}.” shall be substituted;

9. In the said rules, rule 95A shall be deemed to have been omitted with effect from the 1st July, 2019;

10. In the said rules, with effect from the 1st day of July, 2017, in rule 96, –

(a) in sub-rule (1), for clause (b), the following clause shall be deemed to have been substituted, namely: -

“(b) the applicant has furnished a valid return in **FORM GSTR-3B**:

Provided that if there is any mismatch between the data furnished by the exporter of goods in Shipping Bill and those furnished in statement of outward supplies in **FORM GSTR-1**, such application for refund of integrated tax paid on the goods exported out of India shall be deemed to have been filed on such date when such mismatch in respect of the said shipping bill is rectified by the exporter;”;

(b) in sub-rule (4),

(i) in clause (b), for the figures “1962” the figures and word “1962; or” shall be deemed to have been substituted;

(ii) after clause (b), the following clause shall be deemed to have been inserted, namely: -

“(c) the Commissioner in the Board or an officer authorised by the Board, on the basis of data analysis and risk parameters, is of the opinion that verification of

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credentials of the exporter, including the availment of ITC by the exporter, is considered essential before grant of refund, in order to safeguard the interest of revenue.”;

(c) sub-rule (5) shall be deemed to have been omitted;

(d) after sub-rule (5), the following sub-rules shall be deemed to have been inserted, namely: -

“(5A) Where refund is withheld in accordance with the provisions of clause (a) or clause (c) of sub-rule (4), such claim shall be transmitted to the proper officer of Central tax, State tax or Union territory tax, as the case may be, electronically through the common portal in a system generated **FORM GST RFD-01** and the intimation of such transmission shall also be sent to the exporter electronically through the common portal, and notwithstanding anything to the contrary contained in any other rule, the said system generated form shall be deemed to be the application for refund in such cases and shall be deemed to have been filed on the date of such transmission.

(5B) Where refund is withheld in accordance with the provisions of clause (b) of sub-rule (4) and the proper officer of the Customs passes an order that the goods have been exported in violation of the provisions of the Customs Act, 1962 (52 of 1962), then, such claim shall be transmitted to the proper officer of Central tax, State tax or Union territory tax, as the case may be, electronically through the common portal in a system generated **FORM GST RFD-01** and the intimation of such transmission shall also be sent to the exporter electronically through the common portal, and notwithstanding anything to the contrary contained in any other rule, the said system generated form shall be deemed to be the application for refund in such cases and shall be deemed to have been filed on the date of such transmission.

(5C) The application for refund in **FORM GST RFD-01** transmitted electronically through the common portal in terms of sub-rules (5A) and (5B) shall be dealt in accordance with the provisions of rule 89.”;

(e) sub-rule (6) and sub-rule (7) shall be deemed to have been omitted;

11. In the said rules, in **FORM GSTR-3B**, -

(a) in paragraph 3.1, in the heading, after the words “liable to reverse charge”, the brackets, words and figures “(other than those covered in 3.1.1)” shall be inserted;

(b) after paragraph 3.1, the following paragraph shall be inserted, namely: -

“3.1.1 Details of supplies notified under sub-section (5) of section 9 of the Central Goods and Services Tax Act, 2017 and corresponding provisions in Integrated Goods and Services Tax/Union Territory Goods and Services Tax/State Goods and Services Tax Acts.

Nature of Supplies	Total Taxable value	Integrated Tax	Central Tax	State/UT Tax	Cess
1	2	3	4	5	6
(i) Taxable supplies on which electronic commerce operator pays tax under sub-section (5) of section 9 [to be furnished by the electronic commerce operator]					
(ii) Taxable supplies made by the registered person through electronic commerce operator, on which electronic commerce operator is					

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required to
pay tax
under sub-
section (5)
of section 9

[to be
furnished by
the
registered
person
making
supplies
through
electronic
commerce
operator].";

(c) in paragraph 3.2, in the heading, after the words, figures, brackets and letter "supplies shown in 3.1(a)", the word, figures, brackets and letter "and 3.1.1(i)" shall be inserted;

(d) in the table, under paragraph 4, in column (1), -

(i) in item (B), for the entries against sub-item (1), the following entries shall be substituted, namely: -

"As per rules 38, 42 and 43 of CGST Rules and sub-section (5) of section 17";

(ii) in item (D), -

(A) for the heading, the following heading shall be substituted, namely: -

"Other Details";

(B) for the entries against sub-item (1), the following entries shall be substituted, namely: -

"ITC reclaimed which was reversed under Table 4(B)(2) in earlier tax period";

(C) for the entries against sub-item (2), the following entries shall be substituted, namely: -

"Ineligible ITC under section 16(4) and ITC restricted due to PoS provisions";

(e) Under the heading the Instructions, after paragraph 3, following paragraphs shall be inserted, namely: -

"(4) An Electronic Commerce Operator (ECO) shall not include in 3.1(a) above, the supplies on which the ECO is required to pay tax under sub-section (5) of section 9 of the Central Goods and Services Tax Act, 2017 and shall report such supplies in 3.1.1(i) above.

(5) A registered person making supplies through an Electronic Commerce Operator (ECO) shall not include in 3.1(a) above, the supplies on which the ECO is required to pay tax under sub-section (5) of section 9 of the Central Goods and Services Tax Act, 2017 and shall report such supplies in 3.1.1(ii) above.";

12. In the said rules, in **FORM GSTR-9**, under the heading Instructions, -

(a) in paragraph 4, -

(A) after the word, letters and figures "or FY 2020-21", the word, letters and figures "or FY 2021-22" shall be inserted;

(B) in the Table, in second column, -

(I) against serial numbers 5D, 5E and 5F, the following entries shall be inserted at the end, namely: -

'For FY 2021-22, the registered person shall report Non-GST supply (5F) separately and shall have an option to either separately report his supplies as exempted and nil rated supply or report consolidated information for these two heads in the "exempted" row only.';

(II) against serial numbers 5H, 5I, 5J and 5K, for the figures and word "2019-20 and 2020-21", the figures and word "2019-20, 2020-21 and 2021-22" shall respectively be substituted;

(b) in paragraph 5, in the Table, in second column, -

(A) against serial numbers 6B, 6C, 6D and 6E, for the letters and figures "FY 2019-20 and 2020-21", the letters, figures and word "FY 2019-20, 2020-21 and 2021-22" shall respectively be substituted;

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(B) against serial numbers 7A, 7B, 7C, 7D, 7E, 7F, 7G and 7H, for the figures and word “2019-20 and 2020-21”, the figures and word “2019-20, 2020-21 and 2021-22” shall be substituted;

(c) in paragraph 7, -

(A) after the words and figures “April 2021 to September 2021.”, the following shall be inserted, namely: -

“For FY 2021-22, Part V consists of particulars of transactions for the previous financial year but paid in the FORM GSTR-3B between April, 2022 to September, 2022.”;

(B) in the Table, in second column, -

(I) against serial numbers 10 & 11, the following entries shall be inserted at the end, namely: -

“For FY 2021-22, details of additions or amendments to any of the supplies already declared in the returns of the previous financial year but such amendments were furnished in Table 9A, Table 9B and Table 9C of **FORM GSTR-1** of April, 2022 to September, 2022 shall be declared here.”;

(II) against serial number 12, -

(1) after the words, letters, figures and brackets “September, 2021 shall be declared here. Table 4(B) of **FORM GSTR-3B** may be used for filling up these details.”, the following entries shall be inserted, namely: -

“For FY 2021-22, aggregate value of reversal of ITC which was availed in the previous financial year but reversed in returns filed for the months of April 2022 to September 2022 shall be declared here. Table 4(B) of **FORM GSTR-3B** may be used for filling up these details.”;

(2) for the figures and word “2019-20 and 2020-21”, the figures and word “2019-20, 2020-21 and 2021-22” shall be substituted;

(III) against serial number 13, -

(1) after the words, letters and figures “reclaimed in FY 2021-22, the details of such ITC reclaimed shall be

furnished in the annual return for FY 2021-22,”, the following entries shall be inserted, namely: -

“For FY 2021-22, details of ITC for goods or services received in the previous financial year but ITC for the same was availed in returns filed for the months of April 2022 to September 2022 shall be declared here. Table 4(A) of FORM GSTR-3B may be used for filling up these details. However, any ITC which was reversed in the FY 2021-22 as per second proviso to subsection (2) of section 16 but was reclaimed in FY 2022-23, the details of such ITC reclaimed shall be furnished in the annual return for FY 2022-23.”;

(2) for the figures and word “2019-20 and 2020-21”, the figures and word “2019-20, 2020-21 and 2021-22” shall be substituted;

(d) in paragraph 8, in the Table, in second column, -

(A) against serial numbers, -

(I) 15A, 15B, 15C and 15D,

(II) 15E, 15F and 15G,

for the figures and word “2019-20 and 2020-21” wherever they occur, the letters, figures and word “2019-20, 2020-21 and 2021-22” shall respectively, be substituted.”;

(B) against serial numbers 16A, 16B and 16C for the figures and word “2019-20 and 2020-21” wherever they occur, the figures and word “2019-20, 2020-21 and 2021-22” shall respectively be substituted.”;

(C) against serial numbers 17 and 18, -

(I) after the words, letters and figures “for taxpayers having annual turnover above ₹ 5.00 Cr.”, the words, letters and figures “From FY 2021-22 onwards, it shall be mandatory to report HSN code at six digits level for taxpayers having annual turnover in the preceding year above ₹ 5.00 Cr and at four digits level for all B2B supplies for taxpayers having annual turnover in the preceding year upto ₹ 5.00 Cr.” shall be inserted;

(II) the following paragraph shall be inserted at the end, namely: -

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"For FY 2021-22, the registered person shall have an option to not fill Table 18.";

13. In the said rules, in **FORM GSTR-9C**, under the heading Instructions, -

(a) in paragraph 4, in the Table, in second column, for the figures and word "2019-20 and 2020-21", wherever they occur, the figures and word "2019-20, 2020-21 and 2021-22" shall be substituted;

(b) in paragraph 6, in the Table, in second column, against serial number 14, for the figures and word "2019-20 and 2020-21", the figures and word "2019-20, 2020-21 and 2021-22" shall be substituted;

14. In the said rules, after FORM GST PMT-03, the FORM GST PMT-03A shall be inserted.

15. In the said rules, in FORM GST PMT-06, necessary changes has been made for Mode of payment.

16. In the said rules, in FORM GST PMT-07, necessary changes has been made for Mode of payment.

17. In the said rules, in **FORM GST PMT-09**, -

(a) for the brackets, words and figures "[See rule 87(13)]", the brackets, words and figures "[See rule 87(13) and 87(14)]" shall be substituted;

(b) in the Table, after serial No. 4, following serial number and entries shall be inserted, namely: -

"4A. GSTIN of transferee on the same PAN";

(c) Under the heading Instructions, after paragraph 5, following paragraphs shall be inserted, namely: -

"(6) Amount available in cash ledger under CGST / IGST head can be transferred to any other taxpayer registered on the same PAN under CGST/IGST head, if required.

(7) Amount shall not be allowed to be transferred if unpaid liability exists in the Electronic Liability Register of the transferor.";

18. In the said rules, in **FORM-GST-RFD-01**, -

(a) in **Statement-3**, in the Table, under the heading Shipping bill/Bill of export, after column 9, the following column shall be inserted, namely: -

"FOB value
9A";

(b) after **Statement-3A**, the statement-3B shall be inserted. The Statement 3B-Refund Type: Export of electricity without payment of tax (accumulated ITC) has been notified in the said notification.

19. In the said rules, **FORM GST RFD-10 B** shall be deemed to have been omitted with effect from the 1st day of July, 2019.

[For further details please refer the Notification]

CIRCULAR

CLARIFICATION OF VARIOUS ISSUE PERTAINING TO GST

OUR COMMENTS: The Central Board of Indirect Taxes and Customs vide Circular No. 172/04/2022-GST dated 06.07.2022 Clarification on various issue pertaining to GST- reg.

As per the Circular, various representations have been received from the field formations seeking clarification on certain issues with respect to –

i. refund claimed by the recipients of supplies regarded as deemed export;

ii. interpretation of section 17(5) of the CGST Act;

iii. perquisites provided by employer to the employees as per contractual agreement; and

iv. utilisation of the amounts available in the electronic credit ledger and the electronic cash ledger for payment of tax and other liabilities.

2. In order to clarify the issue and to ensure uniformity in the implementation of the provisions of law across the field formations, the Board, in exercise of its powers conferred by section 168 (1) of the Central Goods and

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Services Tax Act, 2017 (hereinafter referred to as “CGST Act”), hereby clarify the issues through the said Circular.

[For further details please refer the Circular]

CIRCULAR

CLARIFICATION ON ISSUE OF CLAIMING REFUND UNDER INVERTED DUTY STRUCTURE WHERE THE SUPPLIER IS SUPPLYING GOODS UNDER SOME CONCESSIONAL NOTIFICATION

OUR COMMENTS: The Central Board of Indirect Taxes and Customs vide Circular No. 173/05/2022-GST dated 06.07.2022 issued Clarification on issue of claiming refund under inverted duty structure where the supplier is supplying goods under some concessional notification. As per the Circular, various representations have been received seeking clarification with regard to applicability of para 3.2 of the Circular No. 135/05/2020-GST dated 31.03.2020 in cases where the supplier is required to supply goods at a lower rate under Concessional Notification issued by the Government. In order to clarify the issue and to ensure uniformity in the implementation of the provisions of law in this regard across the field formations, the Board, in exercise of its powers conferred by section 168 (1) of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as “CGST Act”), hereby clarifies the issue as under:

2. Vide para 3.2 of Circular No. 135/05/2020-GST dated 31.03.2020, it was clarified that refund on account of inverted duty structure would not be admissible in cases where the input and output supply are same. Para 3.2 of Circular No. 135/05/2020-GST dated 31.03.2020 is reproduced, as under:

“Refund of accumulated ITC in terms clause (ii) of sub-section (3) of section 54 of the CGST Act is available where the credit has accumulated on account of rate of tax on inputs being higher than the rate of tax on output supplies. It is noteworthy that, the input and output being the same in such cases, though attracting different tax rates at different points in time, do not get covered under the provisions of clause (ii) of sub-section (3) of section 54 of the CGST Act. It is hereby clarified that refund of accumulated ITC under clause (ii) of sub-section (3) of section 54 of the CGST Act would not be applicable

in cases where the input and the output supplies are the same.”

3. The matter has been examined. The intent of para 3.2 of Circular No. 135/05/2020-GST dated 31.03.2020 was not to cover those cases where the supplier is making supply of goods under a concessional notification and the rate of tax of output supply is less than the rate of tax on input supply (of the same goods) at the same point of time due to supply of goods by the supplier under such concessional notification.

4. Therefore, it is clarified that in such cases, refund of accumulated input tax credit on account of inverted structure as per clause (ii) of sub-section (3) of section 54 of the CGST Act, 2017 would be allowed in cases where accumulation of input tax credit is on account of rate of tax on outward supply being less than the rate of tax on inputs (same goods) at the same point of time, as per some concessional notification issued by the Government providing for lower rate of tax for some specified supplies subject to fulfilment of other conditions. Accordingly, para 3.2 of the Circular No. 135/05/2020-GST dated 31.03.2020 stands substituted as under:

“3.2 It may be noted that refund of accumulated ITC in terms of clause (ii) of first proviso to sub-section (3) of section 54 of the CGST Act is available where the credit has accumulated on account of rate of tax on inputs being higher than the rate of tax on output supplies. It is noteworthy that, the input and output being the same in such cases, though attracting different tax rates at different points in time, do not get covered under the provisions of clause (ii) of the first proviso to sub-section (3) of section 54 of the CGST Act.

3.3 There may however, be cases where though inputs and output goods are same but the output supplies are made under a concessional notification due to which the rate of tax on output supplies is less than the rate of tax on inputs. In such cases, as the rate of tax of output supply is less than the rate of tax on inputs at the same point of time due to supply of goods by the supplier under such concessional notification, the credit accumulated on account of the same is admissible for refund under the provisions of clause (ii) of the first proviso to sub-section (3) of section 54 of the CGST Act, other than the cases where output supply is either Nil rated or fully exempted, and also provided that supply of

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such goods or services are not notified by the Government for their exclusion from refund of accumulated ITC under the said clause.”

5. It is requested that suitable trade notices may be issued to publicize the contents of this Circular.

6. Difficulty, if any, in implementation of this Circular may please be brought to the notice of the Board. Hindi version would follow.

[For further details please refer the Circular]

CIRCULAR

PRESCRIBING MANNER OF RE-CREDIT IN ELECTRONIC CREDIT LEDGER USING FORM GST PMT -03A

OUR COMMENTS: The Central Board of Indirect Taxes and Customs vide Circular No. 174/06/2022-GST dated 06.07.2022 issued prescribed manner of re-credit in electronic credit ledger using FORM GST PMT-03A . As per the circular, difficulties were being faced by the taxpayers in taking re-credit of the amount in the electronic credit ledger in cases where any excess or erroneous refund sanctioned to them had been paid back by them either on their own or on being pointed by the tax officer. In order to resolve this issue, GSTN has recently developed a new functionality of FORM GST PMT-03A which allows proper officer to re-credit the amount in the electronic credit ledger of the taxpayer. Further, sub-rule (4B) in rule 86 of the Central Goods and Services Tax Rules, 2017 (hereinafter referred to as “CGST Rules”) has been inserted vide Notification No. 14/2022-CT dated 05.07.2022 to provide for re-credit in the electronic credit ledger where the taxpayer deposits the erroneous refund sanctioned to him.

2. In order to ensure uniformity in the implementation of the above provisions of the law across field formations, the Board, in exercise of its powers conferred by section 168(1) of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as “CGST Act”), hereby clarifies the following:

3. Categories of refunds where re-credit can be done using FORM GST PMT-03 A:

3.1 Reference is invited to sub-rule (4B) of rule 86 of the CGST Rules, which is reproduced as under:

(4B) Where a registered person deposits the amount of erroneous refund sanctioned to him –

a. under sub-section (3) of section 54 of the Act, or

b. under sub-rule (3) of rule 96, in contravention of sub-rule (10) of rule 96,

along with interest and penalty, wherever applicable, through FORM GST DRC-03, in cash, on his own or on being pointed out, an amount equivalent to the amount of erroneous refund deposited by the registered person shall be re-credited to the electronic credit ledger by the proper officer by an order made in FORM GST PMT-03A.

3.2 From the above, it can be stated that in respect of the following categories of refund sanctioned erroneously, re-credit of amount in the electronic credit ledger can be done through FORM GST PMT-03A, on deposit of such erroneous refund along with interest and penalty, wherever applicable, by the taxpayer:

a. Refund of IGST obtained in contravention of sub-rule (10) of rule 96.

b. Refund of unutilised ITC on account of export of goods/services without payment of tax.

c. Refund of unutilised ITC on account of zero-rated supply of goods/services to SEZ developer/Unit without payment of tax.

d. Refund of unutilised ITC due to inverted tax structure.

4. Procedure for re-credit of amount in electronic credit ledger:

4.1 The taxpayer shall deposit the amount of erroneous refund along with applicable interest and penalty, wherever applicable, through FORM GST DRC-03 by debit of amount from electronic cash ledger. While making the payment through FORM GST DRC-03, the taxpayer shall clearly mention the reason for making payment in the text box as the deposit of erroneous refund of unutilised ITC, or the deposit of erroneous refund of IGST obtained in contravention of sub-rule (10) of rule 96 of the CGST Rules.

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4.2 Till the time an automated functionality for handling such cases is developed on the portal, the taxpayer shall make a written request, in format enclosed as Annexure-A, to jurisdictional proper officer to re-credit the amount equivalent to the amount of refund thus paid back through FORM GST DRC-03, to electronic credit ledger.

4.3 The proper officer, on being satisfied that the full amount of erroneous refund along with applicable interest, as per the provisions of section 50 of the CGST Act, and penalty, wherever applicable, has been paid by the said registered person in FORM GST DRC-03 by way of debit in electronic cash ledger, he shall re-credit an amount in electronic credit ledger, equivalent to the amount of erroneous refund so deposited by the registered person, by passing an order in FORM GST PMT-03A, preferably within a period of 30 days from the date of receipt of request for re-credit of erroneous refund amount so deposited or from the date of payment of full amount of erroneous refund along with applicable interest, and penalty, wherever applicable, whichever is later.

5. It is requested that suitable trade notices may be issued to publicize the contents of this Circular.

6. Difficulty, if any, in the implementation of this Circular may be brought to the notice of the Board. Hindi version will follow.

[For further details please refer the Circular]

CIRCULAR

MANNER OF FILING REFUND OF UNUTILIZED ITC ON ACCOUNT OF EXPORT OF ELECTRICITY

OUR COMMENTS: The Central Board of Indirect Taxes and Customs vide Circular No. 175/07/2022-GST dated 06.07.2022 issued clarification regarding Manner of filing refund of unutilized ITC on account of export of electricity. As per the Circular, reference has been received from Ministry of Power regarding the problem being faced by power generating units in filing of refund of unutilised Input Tax Credit (ITC) on account of export of electricity. It has been represented that though electricity is classified as “goods” in GST, there is no requirement for filing of Shipping Bill/ Bill of Export in respect of export of electricity. However, the extant

provisions under Rule 89 of CGST Rules, 2017 provided for requirement of furnishing the details of shipping bill/ bill of export in respect of such refund of unutilised ITC in respect of export of goods. Accordingly, a clause (ba) has been inserted in sub-rule (2) of rule 89 and a Statement 3B has been inserted in FORM GST RFD-01 of the CGST Rules, 2017 vide notification No. 14/2022-CT dated 5th July, 2022. In order to clarify various issues and procedure for filing of refund claim pertaining to export of electricity, the Board, in exercise of its powers conferred by section 168 (1) of the CGST Act, hereby prescribes the following procedure for filing and processing of refund of unutilised ITC on account of export of electricity:

2. Filing of refund claim:

2.1 Till the time necessary changes are carried out on the portal, the applicant would be required to file the application for refund under “Any Other” category electronically in FORM GST RFD-01, on the portal. In remark column of the application, the taxpayer would enter “Export of electricity- without payment of tax (accumulated ITC)”. At this stage, the applicant is not required to make any debit from the electronic credit ledger.

2.2 The applicant would be required to furnish/upload the details contained in Statement 3B (and not in statement 3) of FORM GST RFD-01 (in pdf format), containing the number and date of the export invoices, details of energy exported, tariff per unit for export of electricity as per agreement.

2.3 The applicant will also be required to upload the copy of statement of scheduled energy for electricity exported by the Generation Plants (in format attached as Annexure-I) issued as part of Regional Energy Account by Regional Power Committee Secretariat (“RPC”) under regulation 2 (1)(nnn) of the CERC (Indian Electricity Grid Code) Regulations, 2010, for the period for which refund has been claimed and the copy of the relevant agreement(s) detailing the tariff per unit for the electricity exported. The applicant will also give details of calculation of the refund amount in Statement -3A of FORM GST RFD-01 by uploading the same in pdf format along with refund application in FORM GST RFD-01.

3. Relevant date for filing of refund:

GST

As per sub-section (1) of section 54 of the CGST Act, 2017, time period of two years from the relevant date has been specified for filing an application of refund. Electrical energy is in nature of "goods" under GST and is exported on a continuous basis through the transmission lines attached to the land. Therefore, it is not possible to determine the specific date on which a specific unit of electricity passes through the frontier. However, a statement of scheduled energy for export of electricity by a Generation Plant is issued by Regional Power Committee RPC Secretariat, as a part of Regional Energy Account (hereinafter referred to as "REA") under Regulation 2(1)(nnn) of the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010. Accordingly, it is hereby clarified that in case of export of electricity, the relevant date shall be the last date of the month, in which the electricity has been exported as per monthly Regional Energy Account (REA) issued by the Regional Power Committee Secretariat under regulation 2(1)(nnn) of the CERC (Indian Electricity Grid Code) Regulations, 2010.

4. Processing of refund claim by proper officer

4.1 Rule 89(4) provides for the formula for calculation of refund of unutilised ITC on account of zero-rated supplies which is reproduced as under:

$$\text{Refund Amount} = (\text{Turnover of zero-rated supply of goods} + \text{Turnover of zero rated supply of services}) \times \text{Net ITC} \div \text{Adjusted Total Turnover}$$

Export of electricity being zero-rated supply, refund of unutilised ITC on account of export of electricity would also be calculated using the same formula.

4.2 The turnover of export of electricity would be calculated by multiplying the energy exported during the period of refund with the tariff per unit of electricity, specified in the agreement. It is clarified that quantum of Scheduled Energy exported, as reflected in the Regional Energy Account (REA) issued by Regional Power Committee (RPC) Secretariat for a particular month, will be deemed to be the quantity of electricity exported during the said month and will be used for calculating the value of zero-rated supply in case of export of electricity. Such monthly Regional Energy Account (REA) issued by Regional Power Committee (RPC) Secretariat, as uploaded on the websites of RPC Secretariat, can be downloaded by GST officers as well as the concerned

electricity generator for the purpose of refund under Rule 89(4) of CGST Rules 2017. The calculation of the value of the exports of electricity during the month, can be done based on the quantity of scheduled electricity exported during the month by the exporter (as detailed in the REA for the month) and the tariff rate per unit (details of which will have to be provided by the concerned exporter based on agreed contracted rates).

4.3 It is also mentioned that usually, the quantum of electricity exported as specified in the statement of scheduled energy exported and on invoice should be same. However, in certain cases, it might happen that the quantum of electricity exported as mentioned on invoice is different from the quantum of electricity exported mentioned on the statement of scheduled energy uploaded with REA on Regional Power Committee website. In such cases, turnover of export of electricity shall be calculated using the lower of the quantum of electricity exported mentioned on the statement of scheduled energy exported and that mentioned on the invoice issued on account of export of electricity.

4.4 Adjusted Total Turnover shall be calculated as per the clause (E) of sub-rule (4) of rule 89. However, as electricity has been wholly exempted from the levy of GST, therefore, as per the definition of adjusted total turnover provided at clause (E) of the sub-rule (4) of rule 89, the turnover of electricity supplied domestically would be excluded while calculating the adjusted total turnover. The proper officer shall invariably verify that no ITC has been availed on the inputs and inputs services utilised in making domestic supply of electricity.

4.5 The proper officer shall calculate the admissible refund amount as per the formula provided under rule 89(4) and as per the clarification furnished above. Further, upon scrutiny of the application for completeness and eligibility, if the proper officer is satisfied that the whole or any part of the amount claimed is payable as refund, he shall request the applicant, in writing, if required, to debit the said amount from the electronic credit ledger through FORM GST DRC-03. Once the proof of such debit is received by the proper officer, he shall proceed to issue the refund order in FORM GST RFD-06 and the payment order in FORM GST RFD-05.

GST

5. Difficulties, if any, in implementation of these instructions may be informed to the Board (gst-cbec@gov.in).

Note: As per Complementary Commercial Mechanism under Section 6.1 (d) of CERC (Indian Electricity Grid Code) Regulations, 2010; beneficiaries shall pay energy charges for the scheduled dispatch, in accordance with the relevant contracts/ orders of CERC.

[For further details please refer the Circular]

CIRCULAR

WITHDRAWL OF CIRCULAR NO. 106/25/2019-GST DATED 29.06.2019

OUR COMMENTS: The Central Board of Indirect Taxes and Customs vide Circular No. 176/08/2022-GST dated 06.07.2022 circulated reg. Withdrawal of Circular No. 106/25/2019-GST dated 29.06.2019. As per Circular, attention is invited to Circular No. 106/25/2019-GST dated 29.06.2019 wherein certain clarifications were given in relation to rule 95A, inserted in the Central Goods and Services Tax Rules, 2017 w.e.f. 01.07.2019, for refund of taxes paid on inward supply of indigenous goods by retail outlets established at departure area of the international airport beyond immigration counters when supplied to outgoing international tourist against foreign exchange.

2. The said rule 95A has been omitted, retrospectively w.e.f. 01.07.2019, vide notification No. 14/2022-Central Tax, dated 05.07.2022. Accordingly, the Board, in exercise of its powers conferred by section 168(1) of the Central Goods and Services Tax Act, 2017, hereby withdraws, ab-initio, Circular No 106/25/2019-GST dated 29th June, 2019.

3. It is requested that suitable trade notices may be issued to publicize the contents of this circular. Hindi version would follow.

[For further details please refer the Circular]

FEMA

CIRCULAR

ASIAN CLEARING UNION (ACU) MECHANISM – INDO-SRI LANKA TRADE

OUR COMMENTS : Vide Circular No. 09 of RBI/2022-2023/89 dated 08.07.2022 Attention of Authorised Dealer Category-I (AD Cat-I) banks is invited to Regulations 3 and 5 of Foreign Exchange Management (Manner of Receipt and Payment) Regulations, 2016 in terms of which export / import transactions between ACU member countries are to be routed through the ACU mechanism.

2. The extant provisions have been reviewed and in terms of clause b of sub-Regulation 2 of Regulation 3 and clause c of sub-Regulation 2 of Regulation 5 of Foreign Exchange Management (Manner of Receipt and Payment) Regulations, 2016, it has been decided that all eligible current account transactions including trade transactions with Sri Lanka may be settled in any permitted currency outside the ACU mechanism until further notice.

3. The above instructions shall come into force with immediate effect. AD Category-I banks may bring the contents of this circular to the notice of their constituents concerned.

4. The directions contained in this circular have been issued under sections 10(4) and 11(1) of the Foreign Exchange Management Act (FEMA), 1999 (42 of 1999) and are without prejudice to permissions / approvals, if any, required under any other law.

[For further details please refer the Circular]

CIRCULAR

OVERSEAS FOREIGN CURRENCY BORROWINGS OF AUTHORISED DEALER CATEGORY – I BANKS

OUR COMMENTS : Vide Circular No. 08 of RBI/2022-23/88 dated 07.07.2022 Attention of Authorised Dealer Category-I (AD Cat-I) banks is invited to the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018 [Notification no. FEMA 3(R)/2018-RB dated December 17, 2018] and Master Direction - Risk Management and Inter-Bank Dealings dated July 05, 2016, as amended from time to time.

2. As announced in paragraph 4 of the press release on “Liberalisation of Forex Flows” dated July 06, 2022, AD

Cat-I banks can utilise the funds raised from overseas foreign currency borrowings between July 08, 2022 and October 31, 2022 (both dates included) in terms of paragraph Part-C(5)(a) of the Master Direction - Risk Management and Inter-Bank Dealings dated July 05, 2016, as amended from time to time, for lending in foreign currency to constituents in India. Such lending shall be subject to the end-use prescriptions as applicable to External Commercial Borrowings (ECBs) in terms of paragraph 2.1(viii) of the Master Direction - External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019, as amended from time to time. This facility will be available till the maturity / repayment of the overseas foreign currency borrowings.

3. The directions contained in this circular have been issued under Sections 10(4) and 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and are without prejudice to permissions / approvals, if any, required under any other law.

[For further details please refer the Circular]

CIRCULAR

INVESTMENT BY FOREIGN PORTFOLIO INVESTORS (FPI) IN DEBT - RELAXATIONS

OUR COMMENTS: Vide Circular No. 07 of RBI/2022-23/87 dated 07.07.2022 Attention of Authorised Dealer Category-I (AD Category-I) banks is invited to the paragraph 3 of the press release on “Liberalisation of Forex Flows” dated July 06, 2022 regarding relaxations in the regulatory regime under the Medium-Term Framework. A reference is also invited to:

a. the Foreign Exchange Management (Debt Instruments) Regulations, 2019 notified vide Notification No. FEMA. 396/2019-RB dated October 17, 2019, as amended from time to time, and the relevant directions issued thereunder; and

b. the A.P. (DIR Series) Circular No. 31 dated June 15, 2018 (hereinafter, Directions), as amended from time to time.

2. In terms of paragraphs 4(b)(i) and 4(b)(ii) of the Directions, short-term investments by an FPI in government securities (Central Government securities, including Treasury Bills and State Development Loans)

FEMA

and corporate bonds shall not exceed 30% of the total investment of that FPI in any category. It has been decided that investments by FPIs in government securities and corporate bonds made between July 08, 2022 and October 31, 2022 (both dates included) shall be exempted from the limit on short-term investments till maturity or sale of such investments.

3. In terms of paragraph 4(b)(ii) of the Directions, FPI investments in corporate bonds were subject to a minimum residual maturity requirement of one year. It has been decided to allow FPIs to invest in commercial papers and non-convertible debentures with an original maturity of up to one year, during the period between July 08, 2022 and October 31, 2022 (both dates included). These investments shall be exempted from the limit on short-term investments till maturity or sale of such investments.

4. AD Category – I banks may bring the contents of this circular to the notice of their constituents and customers concerned.

5. The Directions contained in this circular have been issued under sections 10(4) and 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and are without prejudice to permissions/approval, if any, required under any other law.

6. These Directions shall be applicable with immediate effect.

[For further details please refer the Circular]

CIRCULAR

EXIM BANK'S GOVERNMENT OF INDIA SUPPORTED SHORT-TERM LINE OF CREDIT (STLoC) OF USD 55 MILLION TO THE GOVERNMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA FOR PROCUREMENT OF UREA FERTILIZER FROM INDIA

OUR COMMENTS: Vide Circular No. 06 of RBI/2022-23/84 Export-Import Bank of India (Exim Bank) has entered into an agreement dated June 10, 2022 with the Government of the Democratic Socialist Republic of Sri Lanka, for making available to the latter, Government of India supported Short - Term Line of Credit (STLoC) of USD 55 million (USD Fifty Five Million only) for financing of procurement of urea fertilizer from India. Under the

arrangement, financing of export of eligible goods and services from India, as defined under the agreement, would be allowed subject to their being eligible for export under the Foreign Trade Policy of the Government of India and whose purchase may be agreed to be financed by the Exim Bank under this agreement.

2. The Agreement under the STLoC is effective from June 20, 2022. Under the STLoC, the terminal utilization period is 6 months from the date of signing the agreement or such other extended date which EXIM Bank may agree at the request of the borrower, provided however that such extended date shall in no case be beyond 12 months from the date of agreement.

3. Shipments under the STLoC shall be declared in Export Declaration Form/ Shipping Bill as per instructions issued by the Reserve Bank from time to time.

4. No agency commission is payable for export under the above STLoC. However, if required, the exporter may use his own resources or utilize balances in his Exchange Earners' Foreign Currency Account for payment of commission in free foreign exchange. Authorised Dealer (AD) Category - I banks may allow such remittance after realization of full eligible value of export subject to compliance with the extant instructions for payment of agency commission.

5. AD Category – I banks may bring the contents of this circular to the notice of their exporter constituents and advise them to obtain complete details of the STLoC from the Exim Bank's office at Centre One, Floor 21, World Trade Centre Complex, Cuffe Parade, Mumbai 400 005 or from their website www.eximbankindia.in.

6. The directions contained in this circular have been issued under section 10(4) and 11(1) of the Foreign Exchange Management Act (FEMA), 1999 (42 of 1999) and are without prejudice to permissions/approvals, if any, required under any other law.

[For further details please refer the Circular]

CUSTOMS

NOTIFICATION

EXEMPT IMPORTS OF PETROLEUM CRUDE AND ATF FROM WHOLE OF THE ADDITIONAL DUTY OF CUSTOMS AS IS EQUIVALENT TO THE SPECIAL ADDITIONAL EXCISE DUTY.

OUR COMMENTS: The Central Board of Indirect Taxes and Customs vide notification no 32/2022 dated 30th June 2022 the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts the goods of the description specified in column (3) of the Table below and falling within the Heading of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), as specified in column (2), when imported into India, from whole of the additional duty of Customs leviable thereon under sub-section (1) of section 3 of the said Customs Tariff Act, as is equivalent to the Special Additional Excise Duty leviable thereon under section 147 of the Finance Act, 2002:

Table

S. No	Heading	Description of goods
(1)	(2)	(3)
1.	2709	Petroleum, Crude
2.	2710	Aviation Turbine Fuel

2. This notification shall come into force on the 1st day of July, 2022.

[For further details please refer the Notification]

NOTIFICATION

EFFECTIVE RATES OF CUSTOMS DUTY AND IGST FOR GOODS IMPORTED INTO INDIA - CUSTOMS DUTY ON IMPORT OF GOLD

OUR COMMENTS: The Central Board of Indirect Taxes and Customs vide notification no 33/2022 dated 30th June 2022 the Central Government, being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India, Ministry of Finance (Department of Revenue), No. 50/2017-Customs, dated the 30th June, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 785(E), dated the 30th June, 2017, namely :-

In the said notification, in the Table, -

- (i) against S. No. 354, in Column (4), for the entry "6.9%", the entry "11.85%" shall be substituted;
- (ii) against S. No. 356, in Column (4), for the entry "7.5%", at both the places, the entry "12.5%" shall be substituted;
- (iii) against S. No. 357A, in Column (4), for the entry "7.5%", the entry "12.5%" shall be substituted.

[For further details please refer the Notification]

NOTIFICATION

SEEKS TO EXEMPT GOLD IMPORTS FROM SOCIAL WELFARE SURCHARGE

OUR COMMENTS: The Central Board of Indirect Taxes and Customs vide notification no 34/2022 dated 30th June 2022 the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts all goods falling under heading 7108 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) when imported into India, from the whole of the Social Welfare Surcharge leviable thereon under the section 110 of the said Finance Act.

CUSTOMS

[For further details please refer the Notification]

NOTIFICATION				
SEEKS TO INCREASE THE RATE APPLICABLE UNDER BCD EXEMPTION ON GOLD IMPORTED UNDER REPLENISHMENT SCHEME				

OUR COMMENTS: The Central Board of Indirect Taxes and Customs vide notification no 35/2022 dated 30th June 2022 The Central Government, being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India, Ministry of Finance (Department of Revenue) No. 57/2000-Customs, dated the 8th May, 2000, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-Section (i), vide number G.S.R. 413 (E), dated the 8th May, 2000, namely:-

In the said notification, in the Table, against Sl. No. 1, in Column (4), for the entry “6.9%”, the entry “11.85%” shall be substituted.

[For further details please refer the Notification]

NOTIFICATION	
SEEKS TO INCREASE BCD RATE ON GOLD IMPORTED UNDER TRQ OF INDIA-UAE CEPA	

OUR COMMENTS: The Central Board of Indirect Taxes and Customs vide notification no 36/2022 dated 30th June 2022 the Central Government, being satisfied that it is necessary in the public interest so to do, hereby makes the following amendments in the notification of the Government of India, Ministry of Finance (Department of Revenue), No. 22/2022-Customs, dated the 30th April, 2022, published in the Gazette

of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 328(E), dated the 30th April, 2022, namely :-

In the said notification, in the Table III, against S. No. 12, in Column (5), for the entry “6.6”, the entry “11.5” shall be substituted.

NOTIFICATION			
SEEKS TO CONTINUE THE EXEMPTION FROM INTEGRATED TAX AND COMPENSATION CESS ON GOODS IMPORTED UNDER AA/EPCG/EOU SCHEMES			

OUR COMMENTS: The Central Board of Indirect Taxes and Customs vide notification no 37/2022 dated 30th June 2022 the Central Government, being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in each of the notifications of the Government of India, Ministry of Finance (Department of Revenue) specified in Column (2) of the Table below, in the manner as specified in the corresponding entry in Column (3) of the said Table, namely :-

TABLE

S. No.	Notification number and date	Amendments
(1)	(2)	(3)
1.	16/2015-Customs, dated the 1 st April, 2015 [vide number G.S.R. 252(E), dated the 1 st April, 2015]	In the said notification, in the opening paragraph, the proviso to clause (iii) shall be omitted.

CUSTOMS

2.	18/2015-Customs, dated the 1 st April, 2015 [vide number G.S.R. 254 (E), dated the 1 st April, 2015]	In the said notification, in the opening paragraph, clause (xiii) shall be omitted.
3.	20/2015-Customs, dated the 1 st April, 2015 [vide number G.S.R. 256 (E), dated the 1 st April, 2015]	In the said notification, in the opening paragraph, clause (xiv) shall be omitted.
4.	22/2015-Customs, dated the 1 st April, 2015 [vide number G.S.R. 258 (E), dated the 1 st April, 2015]	In the said notification, in the opening paragraph, clause (xiii) shall be omitted.
5.	45/2016-Customs, dated the 13 th August 2016 [vide number G.S.R. 795(E), dated the 13 th August, 2016]	In the said notification, in the opening paragraph, clause (xii) shall be omitted.
6.	52/2003-Customs, dated the 31 st March, 2003 [vide number G.S.R. 274(E), dated the 31 st March, 2003]	In the said notification, in the opening paragraph, in the proviso, for the brackets, letters and figures "nothing contained in clause (B) above shall apply on or after the 01 st July, 2022, subject to the following conditions" the

		words "exemption under this notification shall be subject to the following conditions" shall be substituted.
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[For further details please refer the Notification]

NOTIFICATION

BCD AND AIDC ON RAW COTTON - SEEKS TO AMEND NOTIFICATION NO. 21/2022 DATED 13 APRIL 2022

OUR COMMENTS: The Central Board of Indirect Taxes and Customs vide notification no 38/2022 dated 4th June 2022 the Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 21/2022-Customs, dated the 13th April, 2022, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 297(E), dated the 13th April, 2022, namely: -In the said notification, in paragraph 2, for the figures, letters and word "30th September, 2022", the figures, letters and word "31st October, 2022" shall be substituted.

[For further details please refer the Notification]

DGFT

NOTIFICATION

AMENDMENT IN EXPORT POLICY OF ITEMS UNDER HS CODES 27101241, 27101242, 27101243, 27101244, 27101249, 27101941, 27101944 AND 27101949 OF CHAPTER 27 OF SCHEDULE 2 OF THE ITC (HS) EXPORT POLICY

OUR COMMENTS: Vide notification no. 14/2015-2020 dated 30th June 2022 the Central Government hereby amends the Export Policy of items under HS Codes 27101241, 27101242, 27101243, 27101244, 27101249, 27101941, 27101944 and 27101949 of Chapter 27 of Schedule 2 of the ITC (HS) Export Policy.

S. No.	HS Codes	Description	Export Policy	Policy Condition
113A	2710 12 41	Motor gasoline conforming to standard IS 2796, IS 17021 or IS 17076 - Motor gasoline conforming to standard IS 2796	Free	The exporter is required to submit a self - declaration to the concerned Customs authority at the time of export confirming that 50% of quantity mentioned in the Shipping Bill
	2710 12 42	Motor gasoline conforming to standard IS 2786, IS 17021 or IS 17076 - E20 fuel conforming to standard IS 17021		has been/will be supplied in the domestic market during the current financial year.
	2710 12 43	Motor gasoline conforming to standard IS 2796 IS 17021 IS 17566 or IS 17076: - E 12 fuel		However, export to Bhutan and Nepal is exempted from this condition. Similarly, this condition is not applicable to 100% EoUs and units in

		conforming to standard IS 17586		SEZs.
2710 12 44		Motor gasoline conforming to standard IS 2796, IS 17021, IS 17586 or IS 17076: - E 15 fuel conforming to standard IS 17586		Such exporters are also required to file a quarterly return to the Ministry of Petroleum and Natural Gas (MoPNG).
2710 12 49		Motor gasoline conforming to standard IS 2796, IS 17021 or IS 17076 - M15 fuel conforming to standard IS 17076		

S. No.	HS Codes	Description	Export Policy	Policy Condition
113B	2710 19 41	Gas oil and oils obtained from gas oil: Gas Oil	Free	The exporter is required to submit a self - declaration to the concerned Customs authority at the time of export confirming that 30% of quantity mentioned in the Shipping Bill has been/ will be supplied in the
	2710 19 44	Gas oil and oils obtained from gas oil: - - Automotive diesel fuel, not containing biodiesel,		

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mechanism)			No further MEIS applications would be allowed to be submitted after the prescribed last date (as above) and such applications would become time-barred. Late cut provisions shall also not be available for submitting claims at a later date.
No further applications would be allowed to be submitted after the prescribed last date (as above) as they would become time-barred. Late cut provisions shall also not be available for submitting claims thereafter.			

Effect of this Notification: The last date of submitting applications under MEIS, for exports made in the period 01.09.2020 to 31.12.2020, has been extended upto 31.08.2022.

[For further details please refer the Notification]

NOTIFICATION
AMENDMENTS TO FOREIGN TRADE POLICY 2015-2020 - EXEMPTION OF INTEGRATED GOODS AND SERVICE TAX (IGST) AND COMPENSATION CESS UNDER ADVANCE AUTHORISATION, EPCG AND EOU SCHEME

OUR COMMENTS: Vide Notification no. 16/2015-2020 dated 1st July 2022, the Central Government hereby makes following amendments in Foreign Trade Policy 2015-20.

1. Integrated Tax and Compensation Cess under Advance Authorization as per Para 4.14 of FTP 2015 - 20 is exempted as provided in the Notification No. 37/2022-Customs dated 30th June 2022 issued by Department of Revenue.

2. Integrated Tax and Compensation Cess under EPCG scheme as per Para 5.01 (a) of FTP 2015-20 is

exempted as provided in the Notification No. 37/2022-Customs dated 30th June 2022 issued by Department of Revenue.

3. Integrated Tax and Compensation Cess under EOU scheme as per Para 6.01(d)(ii) of FTP 2015-20 is exempted as provided in the Notification No. 37/2022-Customs dated 30th June 2022 issued by Department of Revenue.

Effect of this Notification: Para 4.14, Para 5.01(a) and Para 6.01(d)(ii) of FTP 2015-20 are amended as above to provide exemption from Integrated Tax and Compensation Cess.

[For further details please refer the Notification]

NOTIFICATION
AMENDMENT OF IMPORT POLICY CONDITIONS FOR ITEM UNDER EXIM CODE 07019000 OF CHAPTER 07 OF ITC (IIS), 2022, SCHEDULE - I

OUR COMMENTS: Vide notification no. 17/2015-2020 dated 4th July 2022 the Central Government hereby amends the policy conditions of item under Chapter 07 of ITC (HS), 2022, Schedule I (Import Policy) as follows –

ITC (HS) Code	Description	Import Policy	Existing Policy Condition	Revised Policy Condition
0701 90 00	Potatoes, fresh or chilled - Other	Restricted	Import of Potatoes from Bhutan is permitted freely, without any license, up to 30th June, 2022	Import of Potatoes from Bhutan is permitted freely, without any license, up to 30th June, 2023

Effect of the Notification: Import of Potatoes under ITC(HS) Code 0701 90 00, is allowed from Bhutan without Import License up to 30th June 2023.

DGFT

This issues with the approval of the Minister of Commerce & Industry.

[For further details please refer the Notification]

NOTIFICATION

AMENDMENT IN EXPORT POLICY OF WHEAT FLOUR (ATTA) - 18/2015-2020

OUR COMMENTS: Vide notification no. 18/2015-2020 dated 6th July 2022 whereas global supply disruptions in wheat and wheat flour have created many new players and has led to price fluctuations and potential quality related issues. Therefore, it is imperative to maintain the quality of wheat flour exports from India.

Therefore, the Central Government, in exercise of powers conferred by Section 3 read with section 5 of the Foreign Trade (Development & Regulation) Act, 1992 (No. 22 of 1992), as amended, read with Para 1.02 and 2.01 of the Foreign Trade Policy, 2015-20, the Central Government hereby amends the Export Policy of wheat flour (atta) under S.No.64 against ITC (HS) code 1101 of Chapter 11 of Schedule 2 of the ITC (HS) Export Policy, as under:

S. No.	ITC HS Codes	Description	Export Policy	Revised Export Policy
64	1101	Wheat Flour (Atta), Maida, Samolina (Rava / Sirgi), Wholemeal atta and resultant atta	Free	Free. However, export of wheat flour (atta) is subject to recommendation of Inter-Ministerial Committee (IMC) on export of wheat.

2. The Notification will come into effect from 12th of July, 2022. The provisions as under Para 1.05 of the Foreign Trade Policy, 2015-2020 regarding transitional arrangement shall not be applicable under this Notification. During the period from 6th July, 2022 till

12th July, 2022 the following consignments of wheat flour will be allowed to be exported:

- where loading of wheat flour on the ship has commenced before this Notification; and
- where wheat flour consignment has been handed over to the Customs before this Notification and is registered in their system.

3. Effect of this Notification:

Export Policy of wheat flour (atta) remains 'Free', but export shall be subject to recommendation of Inter-Ministerial Committee (IMC) on export of wheat. The Notification will come into effect from 12th of July, 2022. The provisions as under Para 1.05 of the Foreign Trade Policy, 2015-2020 regarding transitional arrangement shall not be applicable under this Notification. Necessary modalities with regard to quality of wheat flour will be notified separately.

[For further details please refer the Notification]

NOTIFICATION

AMENDMENT IN REGISTRATION TIME PERIOD OF STEEL IMPORT MONITORING SYSTEM (SIMS)

OUR COMMENTS: Vide notification no. 19/2015-2020 dated 7th July 2022 The Central Government hereby amends the Policy condition No.04(c) of Chapter-72, Policy Condition No. 03 (c) of Chapter-73 and Policy Condition No.03 (c) of Chapter-86 of Schedule-I (Import Policy) of ITC (HS), 2022:

Existing Policy Condition	Revised Policy Condition
The Steel Importing Monitoring System (SIMS) shall require importers to submit advance information in an online system for import of items and obtain an automatic Registration Number by	The Steel Importing Monitoring System (SIMS) shall require importers to submit advance information in an online system for import of items and obtain an automatic Registration Number by paying registration fee of Rs. 1 per

DGFT

paying registration fee of Rs. 1 per thousand subject to minimum of Rs. 500/ and maximum of Rs. 1 lakh on CIF value. The importer can apply for registration not earlier than 60th day and not later than 15th day before the expected date of arrival of import consignment. The automatic Registration Number thus granted shall remain valid for a period of 75 days.

2. Effect of the Notification: The requirement of advance registration of minimum 15 days from the expected date of arrival of import consignment under SIMS has been abolished.

This issues with the approval of Minister of Commerce & Industry.

[For further details please refer the Notification]

NOTIFICATION

SYNCING OF ITC (HS), 2022- SCHEDULE-1 (IMPORT POLICY) WITH THE FINANCE ACT, 2022 (NO. 6 OF 2022) DATED 30.03.2022

OUR COMMENTS: Vide notification no. 20/2015-2020 dated 7th July 2022 the Central Government hereby amends 'ITC(HS) 2022, Schedule-I (Import Policy)' in sync with the Finance Act, 2022 dated 30th March, 2022.

2. The List of ITC(HS) codes introduced/deleted/amended/split/merged as per the Finance Act, 2022 is annexed herewith (Annexure-I).

3. The modifications/amendments in the Section Notes, Chapter-wise Main Notes, Supplementary Notes, Chapter heading, sub-headings and description of ITC(HS) codes as per the Finance Act, 2022 are annexed herewith (Annexure-II).

4. The updated ITC(HS) 2022 shall be available on the website of DGFT (<https://dgft.gov.in>).

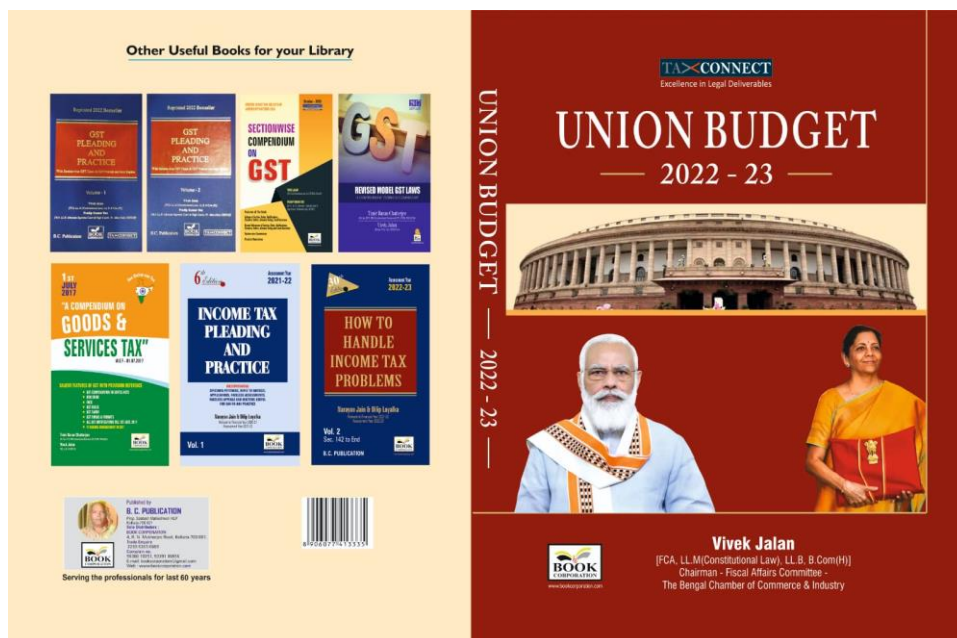
Effect of this Notification: ITC(HS) 2022 Schedule-1 Import Policy is amended in sync with the Finance Act, 2022. This shall come into force with immediate effect.

This issues with the approval of Minister of Commerce & Industry.

[For further details please refer the Notification]

:IN STANDS

UNION BUDGET 2022-23



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- 1. Commentary on Budget**
- 2. Budget at a glance**
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- 4. Finance Bill**
- 5. Memorandum**
- 6. Notes on Clauses**

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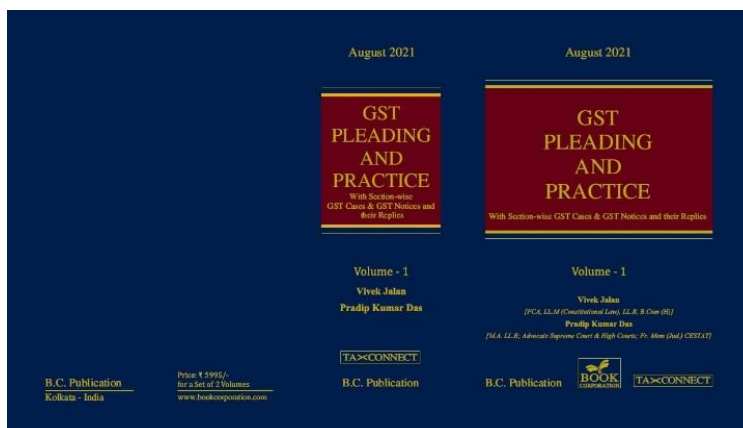
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6. Completely Updated Synopsis of Case Laws under GST by Supreme Court, High Court, AAARs & AARs

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