

TAX CONNECT

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EDITORIAL



Friends,

It's the start of the Budget Season. It is a season where The Ministry of Finance provides time to Trade, Industry & Professionals to represent before them on issues faced. Taxation issues as always take the centre stage. Here we present the 'asks' from Trade & Industry in Income Tax and International Taxation.

1. Reducing Compliance burden by making the process of application for Lower/NIL TDS Certificates u/s 197 of The Act - every 5 years instead of yearly - Just like re-validation of Certificates for exemption u/s 11 is required to be made once in every 5 years, in the same manner, it is recommended that the lower/NIL TDS certificates application be required to be made every 5 years instead of every year. As regards the value w.r.t. which Nil/Lower TDS deduction will be made by the deductors for the concerned year, it is suggested that an automated process of self-declaration be made so that the assessee can declare the values per deductor online and the lower/Nil TDS certificate be issued in an automated environment for the year concerned.

2. Foreign tax credit (FTC) u/s 90 of the Act - Assessing Officers are disallowing claims for relief on account of foreign tax credits, where the tax credit certificates are received by the Indian assessee after the due date for filing tax returns for a particular assessment year. Necessary amendments should be made in the Act/Rules to incorporate the process of claiming the tax credit, where the foreign tax credit certificates are received by an assessee after the end of the assessment year.

3. Disallowance of expenses relating to exempt income under section 14A of the Act - It is suggested that rule 8D be amended and such that the disallowance is restricted only to the expenditure directly attributable to earning of exempt income. With respect to the disallowance for administrative expenditure, it should be determined by estimating the time of the personnel and resources

involved for undertaking the administrative activities which result in earning of the exempt income. The aforesaid estimation should be done on a reasonable basis after considering the facts of each case and this should be certified by the Tax Auditor. In case this is not feasible, then the **disallowance be restricted to 0.5% of the exempt income** instead of 1% of average value of investments.

4. Tax Deduction at Source under section 194R of the Act and Section 28(iv) of Income from Business/Profession – It recommended to suitably clarify in Circular 12 that the discounts granted would not come within the ambit Section 28(iv). Parallely it is recommended to clarify in Circular 12 that 'discounts' include 'pre-sale discount' and 'post-sale discount'. Further, It should be clarified that write off of bad debts is not a benefit or perquisite within the provisions of Section 194R since the requirement to deduct TDS u/s. 194R will add to the cost of the corporate creditor who has already suffered a loss due to the write off of bad/unrealized debt.

5. Requirement to issue and maintain tax deducted at source ('TDS') and Tax collected ('TCS') certificates: Maintaining of Forms 16A/ Form 27Ds and subsequent reconciliation of these with Form 26AS for claiming TDS/TCS credit increases the compliance time and efforts. This is contrary to the motive of ease in compliance. The following are recommended:

- a. Consider removing the requirement for payers to issue TDS/TCS certificates and consider prescribing Form 26AS (generated through secure safeguards to ensure payee information is not allowed to be tampered with) as the basis for tax authorities to grant tax credit.
- b. Consider the requirement of issuing TDS/TCS certificates only to persons not holding a PAN (especially non-residents for them to be able to claim credit in their country of residence).

6. Linking of PAN and TAN: To enable seamless reconciliation exercise, the following recommendations are made:

- a. Consider including PAN along with TAN in Form 26AS and TDS certificate.
- b. Consider linking PAN and TAN, similar to the linking of PAN and Aadhar.

EDITORIAL

- c. Consider enabling an API mechanism to retrieve TAN of the taxpayer by using a PAN input by having a trusted common identifier.

7. Disallowance of Expenditure incase payment is not made to Creditors within 180 Days – Necessary amendments may be made in the Act/Rules to incorporate the disallowance of the expenditure incase a payment is not made to suppliers within 180 days of the invoice in a manner alike 2nd Proviso to Section 16(4) of The CGST Act 2017; it will act as a deterrent to delay payments and will help the MSMEs also. Further it can help in boosting tax revenues too.

8. Taxation for Individuals - The high personal tax rate for individuals in India stands out as an exceptionally high rate as compared to other countries. For example, the maximum rates of personal income in Hongkong is 15%, Sri Lanka – 18%, Bangladesh – 25% & Singapore – 22%. It has become an urgent necessity to reduce the personal tax rates for individuals so that there is a degree of equity and fairness in relation to structuring decisions as well as being competitive with other countries. It is suggested that the tax structure for individuals be simplified. This will also help in improving the compliance. Further, the standard deduction should be restored for employees opting for tax rates prescribed u/s 115BAC of the Act.

9. Valuation of Company Owned Accommodation provided to employees under section 17(2) of the Act - It is suggested that in case of company owned accommodation, the concept of fair value should be introduced for the purpose of determining perquisite value, so as to ensure that the employee is taxed on the right value of this perquisite. Fair Value should be defined as the comparable rent in the location concerned.

10. Taxing of Employee Stock Options (“ESOPs”) in the hands of the employees - It is suggested that the taxation of ESOPs as perquisite at the time of exercise/ allotment / should be removed for the reasons explained in the Rationale column. In other words, ESOP should NOT be taxed at the time of exercise. In any event, any appreciation in value should only be taxed at the time of sale/ realization by the employees concerned under the head “Capital Gains”. Govt. of India has recently shifted the point of incidence of taxation of ESOPs for start-ups. Such a relaxation should be extended to ESOPs issued by all employer companies.

11. Rationalization of tax rate for income of dividend earned by residents - Similar to the reduction in surcharge

on dividends to 15%, even the base rate of tax on Dividend Income should be capped at 10% (instead of the current 30%) in respect of resident shareholders.

Incase readers have other issues too, they may please write to us for presenting before the concerned authorities.

Truly Yours

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

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TAX CALENDAR

Due Date	Form/Return/ Challan	Reporting Period	Description
7th December	TDS Deposit	November 2022	The deposit of tax deducted/collected for the month of November 2022.
10th December	GSTR 7	November 2022	GSTR 7 is a return to be filed by the persons who is required to deduct TDS (Tax deducted at source) under GST
10th December	GSTR 8	November 2022	GSTR-8 is a return to be filed by the e-commerce operators who are required to deduct TCS (Tax collected at source) under GST

INCOME TAX

NOTIFICATION

U/S 10(39) OF IT ACT 1961 - CENTRAL GOVERNMENT NOTIFIED THE INTERNATIONAL SPORTING EVENT, PERSONS AND SPECIFIED INCOME ARISING FROM THE NATIONAL SUPPORTERS

OUR COMMENTS: The Central Board of Direct Taxes vide Notification No. 126/2022 dated 30.11.2022 notified In exercise of the powers conferred by clause (39) of section 10 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies the following as the international sporting event, persons and specified income for the purposes of the said clause namely: -

(a) Federation *Internationale de Football Association Under-17 Women's World Cup, 2022* as the international sporting event;

(b) the Federation *Internationale de Football Association*, as the person;

(c) income arising from the receipts from National supporters namely; Hero Motocorp Ltd., the Department of Tourism, Government of Odisha, the National Thermal Power Corporation Limited and the Power Grid Corporation of India Limited - rupees twelve crores and fifty lakhs only (Rs. 12,50,00,000/-) as specified income arising to Federation *Internationale de Football Association*, from organising the Federation *Internationale de Football Association*, Under-17 Women's Football World Cup, 2022 in India.

[For further details please refer the Notification]

CASE LAW

CAPITAL GAIN - TRANSFER - REVALUATION OF ASSETS - PARTNERSHIP FIRM - RETIREMENT OF ONE PARTNER AND RECONSTITUTION OF FIRM WITH NEW PARTNERS : SUPREME COURT

OUR COMMENTS: The hon'ble apex Court held that the assets of the partnership firm were revalued to increase the value by an amount of Rs. 17.34 crores on 01.01.1993 (relevant to A.Y. 1993-1994) and the revalued amount was credited to the accounts of the partners in their profit-sharing ratio and the credit of the assets' revaluation amount to the capital accounts of the partners can be said

to be in effect distribution of the assets valued at Rs. 17.34 crores to the partners and that during the years, some new partners came to be inducted by introduction of small amounts of capital ranging between Rs. 2.5 to 4.5 lakhs and the said newly inducted partners had huge credits to their capital accounts immediately after joining the partnership, which amount was available to the partners for withdrawal and in fact some of the partners withdrew the amount credited in their capital accounts.

Therefore, the assets so revalued and the credit into the capital accounts of the respective partners can be said to be "transfer" and which fall in the category of "OTHERWISE" and therefore, the provision of Section 45(4) inserted by Finance Act, 1987 w.e.f. 01.04.1988 shall be applicable.

For the purpose of interpretation of newly inserted Section 45(4), the decision of this Court in the case of Hind Construction Ltd.[1971 (9) TMI 16 - SUPREME COURT] shall not be applicable and/or the same shall not be of any assistance to the assessee. As such, we are in complete agreement with the view taken by the Bombay High Court in the case of A.N. Naik Associates and Ors.[2003 (7) TMI 46 - BOMBAY HIGH COURT] - We affirm the view taken by the Bombay High Court in the above decision.

The impugned judgment and order passed by the High Court and that of the ITAT are unsustainable and the same deserves to be quashed and set aside and are accordingly quashed and set aside. The order passed by the AO is hereby restored.

GST

ORDER

MANNER OF PROCESSING AND SANCTION OF IGST REFUNDS, WITHHELD IN TERMS OF CLAUSE (C) OF SUB-RULE (4) OF RULE 96, TRANSMITTED TO THE JURISDICTIONAL GST AUTHORITIES UNDER SUB-RULE (5A) OF RULE 96 OF THE CGST RULES, 2017

OUR COMMENTS: The Central Board of Indirect taxes and Customs vide instruction no. 04/2022-GST dated 28.11.2022 ordered that attention is invited to Standard Operating Procedures (SOPs) for verification of risky exporters and their suppliers dated 23.01.2020 issued to CGST and Customs formations as well as Directorate General of Analytics and Risk Management (DGARM) and SOP dated 20.05.2020 issued to CGST formations and DGARM vide F. No. CBEC-20/16/07/2020-GST which provided for the procedure to be followed for verification of the risky exporters and their suppliers. The said SOPs provided that DGARM would identify the exporters and their suppliers on the basis of risk parameters, approved by the Competent Authority and would forward the list of such exporters to the Risk Management Centre for Customs (RMCC) for putting alert in the system. In such cases, the Customs field formations were required to conduct the detailed examination of the export goods of such identified exporters. Further, the jurisdictional CGST formations were required to conduct detailed verification of such identified exporters and their suppliers and forward the verification report to DGARM. On receipt of verification report from CGST formations, DGARM was required to take a decision for issuance of NOC or otherwise. In cases where NOC has been issued by DGARM, the same was communicated to the Customs authorities at the port of export for release of withheld IGST refunds of such exporter. Further, DGARM was also required to review whether the exporters can be removed from the list of identified exporters.

2. However, rule 96 of the Central Goods and Service Tax Rules, 2017 (hereinafter referred to as 'CGST Rules') has been amended retrospectively w.e.f. 01.07.2017 to provide for withholding of IGST refund in cases where the verification of credentials of the exporter, identified on the basis of data analytic including the availment of ITC by the exporter is considered essential before grant of refund. Clause (c) of sub-rule (4) of rule 96 is reproduced below:

(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 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.

2.1 Accordingly, Principal Director General/ Director General of Directorate General of Analytics and Risk Management (DGARM), CBIC, New Delhi has been authorised by the Board to exercise the functions under clause (c) of sub-rule (4) of rule 96 of the CGST Rules vide order No. 01/2022-GST dated 21.07.2022 issued vide CBIC-20023/04/2021-GST.

2.2 Further, sub-rule (5A) has been inserted in rule 96 to provide for transmission of IGST refunds, withheld in terms of provisions of clause (c) of sub-rule (4) of rule 96 of the CGST Rules, as system generated refund in Form GST RFD-01 and to provide that the said system generated form shall be deemed to be the application for refund in such cases and such application for refund shall be deemed to have been filed on the date of such transmission on the portal. In addition, sub-rule (5C) has also been inserted in rule 96 to provide that such system generated refund in FORM GST RFD-01 have to be dealt with in accordance with rule 89 i.e. in a manner similar to other GST RFD-01 refund claims.

3. In view of the aforesaid amendments, certain changes have been made in the alert module on ICES for which an Advisory No. 14 dated 29/09/2022 has been issued by DG Systems to all the system managers. In the said advisory, it has been inter-alia informed that a new role for putting an all-India suspension, either on IEC or GSTIN of the exporter as the case may be, to withhold IGST refunds has been developed for officers of DGARM. An option to revoke the said alert has also been made available to DGARM officers. Further, instructions have also been issued by DG Systems vide F. No. DGSYS/APP/ICES/GEN/41/2022 dated 29.09.2022 to the Customs field formations regarding the procedure to be followed by them in respect of IGST refunds withheld due to DGARM alerts on risky exporters.

4. DGARM on the basis of data analysis and risk parameters, would identify the exporters where verification of credentials of the exporter, including the availment of ITC by the exporter, is considered essential before grant of refund. DGARM would then place an all-India alert on such exporter on Indian Customs EDI system along with the reasons for putting the said alert. Once an alert is placed on an exporter, the IGST refunds of such exporters would be

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withheld and the data in respect of Shipping Bills filed by such exporter, for which IGST Scroll could not be generated due to DGARM alert, along with the reasons thereof would be transmitted to GSTN through ICEGATE for generation of refund claims in FORM GST RFD-01 in terms of provisions of sub-rule (5A) of rule 96. Besides, the past cases where the exporter was identified as risky, which could not be processed due to pending verification or due to receipt of negative report, would also be transmitted to GSTN through ICEGATE for generation of refund claims in FORM GST RFD-01 in terms of provisions of sub-rule (5A) of rule 96.

5. Such refund claims will be made available to the jurisdictional proper officer on back-office system under the category "**Any other (GST paid on export of goods)**" with the remarks "**Refund of IGST paid on export of goods (Refund not processed by ICEGATE)**". Further, the risk parameters, on basis of which the exporter has been identified as risky by DGARM, would be shared with the jurisdictional tax officers along with the system generated refund claim in FORM GST RFD-01. In cases where the verification report in respect of the exporter has already been submitted to DGARM by the jurisdictional CGST authorities, the details of the same would also be shared with the jurisdictional proper officer, along with the said system generated refund claim in FORM GST RFD-01. Transmission of such IGST refunds to the jurisdictional proper officers, withheld on account of identification of exporter as risky by DGARM, is being initiated on the portal.

6. On receipt of such refunds, the jurisdictional proper officer shall immediately process such refund claims in a manner similar to other RFD-01 refunds filed under the provisions of rule 89 of the CGST Rules, 2017.

7. However, it may be noted that as these refund claims have been generated by the system on the basis of Shipping Bills/ Bills of Export filed by the exporter, these claims would be auto-acknowledged by the system and no Deficiency Memo in Form GST RFD-03 can be issued against such system generated Form GST RFD-01 refund claims.

8. The proper officer shall ascertain the genuineness of the exporter & verify the correctness of availment and utilisation of ITC by the exporter and exercise due diligence in processing the said refund claims to safeguard interest of revenue. The proper officer may conduct the physical verification of places of business of the exporter, if required, to ensure that the exporter is existing at his declared place of business and is functional/active.

9. The proper officer shall pass a detailed speaking order in respect of the refund claim and shall duly upload the same along with the refund sanction order in **Form GST RFD-06** on the portal in terms of Instruction No. 03/2022-GST dated 14.06.2022. **The officer will also follow the timelines for processing of the refund claim** in terms of provisions of sub-section (7) of section 54 of the CGST Act. It is needless to mention that the procedure of review and post-audit as prescribed in para 2.2 of Instruction No. 03/2022-GST dated 14.06.2022 will also be applicable to such refund claims.

10. In cases where the detailed investigation of the exporter or his suppliers is required to be conducted to verify the genuineness and correctness of ITC availed by the exporter, the matter may be examined, if required, for resorting to provisions of sub-section (11) of section 54 of the CGST Act, 2017 for withholding of the refund.

11. Further, the proper officer would also be required to provide feedback on the common portal while issuing refund sanction order in FORM GST RFD-06 as with recommendation as to whether the alert against the said taxpayer need to be continued or whether the same can be removed. The functionality for the same would be available on the system in due course.

12. GSTN shall transmit the data regarding the outcome of processing of refund by the proper officer, along with the feedback received from the proper officer on the requirement of removal or continuation of alert, to DGARM for necessary action for removal or continuation of alert.

13. The Zonal Principal Chief Commissioners/ Chief Commissioners are requested to closely monitor the progress of disposal of such transmitted refund claims to ensure that due verification has been conducted before sanction and the refunds have been processed in a timely manner.

14. In view of the above, the SOPs dated 23.01.2020 and 20.05.2020 prescribing the procedure to be followed for verification of the risky exporters and their suppliers, are hereby superseded.

15. Difficulty, if any, in implementation of these instructions may please be brought to the notice of the Board.

[For further details please refer the order]

FEMA

CASE LAW

MAINTAINABILITY OF APPEAL BEFORE HIGH COURT - HIERARCHY OF FORUMS PROVIDED FOR THE PARTIES TO REDRESS THEIR GRIEVANCES - VIOLATION OF THE PROVISIONS OF SECTION 4 OF FEMA - SHARES AS WELL AS SOME IMMOVABLE PROPERTIES OF THE ALLEGED CONTRAVENER WERE ATTACHED : HON'BLE MADRAS HIGH COURT

OUR COMMENTS: HELD THAT the parties aggrieved against the order to be passed by the Tribunal can very well invoke the further appeal provision under Section 35 of the FEMA Act to prefer an appeal to the High Court. Therefore, instead of filing a second appeal, the petitioner has taken the route of filing the appeal by way of these two writ petitions, which is not acceptable.

Thus, the very remedy available to both the parties to go before the Appellate Tribunal would be unnecessarily lost, which would go against the very scheme of the Act, under which, the order to be passed by the Authorized Officer has to be approved by the Competent Authority and the order of the Competent Authority has to be evaluated by the Tribunal under Section 37A(5) of the FEMA Act, as against which, the aggrieved person can prefer an appeal before the High Court. This kind of hierarchy of forums provided for the parties to redress their grievances cannot be permitted to be omitted, which would result in loss of chance to the other party to invoke the appeal remedy before the other forum.

This Court has no hesitation to hold that, since the Tribunal has been functioning with the Chairman from 26.09.2022, the petitioner can prefer an appeal before the Tribunal against the impugned orders and in this regard, this Court feels that some reasonable time, i.e.,

45 days, can be granted to the petitioner department to prefer an appeal before the Tribunal.

The learned Senior Counsel appearing for the contravener, on instructions, given an undertaking before this Court that, the alleged contravener would not encumber or meddle with the subject properties of the attachment orders, which are impugned herein.

Order - Since the petitioner department can very well file an appeal under Section 37A(5) of the FEMA Act before the Appellate Tribunal, both these writ petitions cannot be proceeded further by this Court to decide the issue on merits by invoking the extraordinary power under Article 226 of the Constitution of India. The petitioner department is granted liberty to prefer an appeal before the Tribunal under Section 37A(5) of the FEMA Act, within a period of 45 days from the date of receipt of a copy of this order, where it is open to the petitioner to seek for any interim order. Till such time, i.e, till the petitioner approaches the Tribunal, there shall be an interim protection to the effect that the alleged contravener shall not exploit the movable and immovable properties which are attached in the impugned orders

CUSTOMS

NOTIFICATION

SEEKS TO AMEND CERTAIN SPECIFIC FTA/PTA NOTIFICATIONS.

OUR COMMENTS: The Ministry of Finance (Department of Revenue) vide Notification No. 61/2022-Customs dated 25.11.2022 notified In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby directs that each of the following notifications of the Government of India, Ministry of Finance (Department of Revenue), specified in column (2) of the Table below shall be amended in the manner specified in the corresponding entry in column (3) of the said Table, namely: -

TABLE

Sl. No.	Notification number and Date	Amendments
(1)	(2)	(3)
1.	Notification No. 73/2005-Customs, dated the 22nd July, 2005, published in the Official Gazette, vide, G.S.R. 498(E), dated the 22nd July, 2005.	In the said notification, in the Table, after serial number 134 and the entries relating thereto, the following serial number and entries shall be inserted, namely: - "134A 8524 11 00 or 8524 12 00 or 8524 19 00 Flat Panel Display Modules without driver or control circuit for cellular mobile phones".
2.	Notification No. 151/2009-Customs, dated the 31st December, 2009, published in the Official Gazette, vide, G.S.R. 942(E), dated the 31st December, 2009	In the said notification, in the Table, after serial number 68 and the entries relating thereto, the following serial number and entries shall be inserted, namely: - "68A 8524 11 00 or 8524 12 00 or 8524 19 00 Flat Panel Display Modules without driver or control circuit for cellular mobile phones".

3.	Notification No. 46/2011-Customs, dated the 1st June, 2011, published in the Official Gazette, vide, G.S.R. 423 (E), dated the 1st June, 2011.	In the said notification, in the Table, after serial number 1382 and the entries relating thereto, the following serial number and entries shall be inserted, namely: - "1382A 8524 11 00 or 8524 12 00 or 8524 19 00 Flat Panel Display Modules without driver or control circuit for cellular mobile phones".
4.	Notification No. 53/2011-Customs, dated the 1st July, 2011, published in the Official Gazette, vide, G.S.R. 499(E), dated the 1st July, 2011.	In the said notification, in the Table, after serial number 1423 and the entries relating thereto, the following serial number and entries shall be inserted, namely: - "1423A 8524 11 00 or 8524 12 00 or 8524 19 00 Flat Panel Display Modules without driver or control circuit for cellular mobile phones".
5.	Notification No. 69/2011-Customs, dated the 29th July, 2011, published in the Official Gazette, vide, G.S.R. 593(E), dated the 29th July, 2011.	In the said notification, in the Table, after serial number 680 and the entries relating thereto, the following serial number and entries shall be inserted, namely: - "680A 8524 11 00 or 8524 12 00 or 8524 19 00 Flat Panel Display Modules without driver or control circuit for cellular mobile phones".

[For further details please refer the notification]

CUSTOMS

NOTIFICATION
RATE OF EXCHANGE OF ONE UNIT OF FOREIGN CURRENCY EQUIVALENT TO INDIAN RUPEES - SUPERSESSION NOTIFICATION NO. 97/2022-CUSTOMS(N.T.), DATED 17TH NOVEMBER, 2022

OUR COMMENTS: The Ministry of Finance (Department of Revenue) vide Notification No. 101/2022-Customs (N.T) dated 01.12.2022 notified In exercise of the powers conferred by section 14 of the Customs Act, 1962 (52 of 1962), and in supersession of the Notification No. 97/2022-Customs(N.T.), dated 17th November, 2022 except as respects things done or omitted to be done before such supersession, the Central Board of Indirect Taxes and Customs hereby determines that the rate of exchange of conversion of each of the foreign currencies specified in column (2) of each of Schedule I and Schedule II annexed hereto, into Indian currency or vice versa, shall, with effect from 2nd December, 2022, be the rate mentioned against it in the corresponding entry in column (3) thereof, for the purpose of the said section, relating to imported and export goods.

SCHEDULE-I

Sl. No.	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
(1)	(2)	(3)	
		(a)	(b)
		(For Imported Goods)	(For Export Goods)
1.	Australian Dollar	56.45	54.05
2.	Bahraini Dinar	222.00	208.75
3.	Canadian Dollar	61.50	59.45
4.	Chinese Yuan	11.65	11.30
5.	Danish Kroner	11.55	11.20
6.	EURO	86.15	83.10
7.	Hong Kong Dollar	10.60	10.20
8.	Kuwaiti Dinar	272.40	256.10
9.	New Zealand Dollar	52.70	50.35
10.	Norwegian Kroner	8.40	8.10

11.	Pound Sterling	99.75	96.40
12.	Qatari Riyal	23.00	21.40
13.	Saudi Arabian Riyal	22.25	20.95
14.	Singapore Dollar	60.75	58.75
15.	South African Rand	4.90	4.60
16.	Swedish Kroner	7.85	7.60
17.	Swiss Franc	87.70	84.45
18.	Turkish Lira	4.50	4.20
19.	UAE Dirham	22.80	21.45
20.	US Dollar	82.00	80.30

SCHEDULE-II

Sl. No.	Foreign Currency	Rate of exchange of 100 units of foreign currency equivalent to Indian rupees	
(1)	(2)	(3)	
		(a)	(b)
		(For Imported Goods)	(For Export Goods)
1.	Japanese Yen	60.30	58.35
2.	Korean Won	6.40	6.05

[For further details please refer the notification]

NOTIFICATION
FIXATION OF TARIFF VALUE OF EDIBLE OILS, BRASS SCRAP, ARECA NUT, GOLD AND SILVER

OUR COMMENTS: The Ministry of Finance (Department of Revenue) vide Notification No. 100/2022-Customs (N.T) dated 30.11.2022 notified In exercise of the powers conferred by sub-section (2) of section 14 of the Customs Act, 1962 (52 of 1962), the Central Board of Indirect Taxes & Customs, being satisfied that it is necessary and expedient to do so, hereby makes the following amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 36/2001-Customs (N.T.), dated the 3rd August, 2001, published in the Gazette of India, Extraordinary, Part-II,

CUSTOMS

Section-3, Sub-section (ii), vide number S. O. 748 (E), dated the 3rd August, 2001, namely:-

In the said notification, for TABLE-1, TABLE-2, and TABLE-3 the following Tables shall be substituted, namely: -

“TABLE-1

Sl. No.	Chapter/ heading/ sub-heading/tariff item	Description of goods	Tariff value (US \$Per Metric Tonne)
(1)	(2)	(3)	(4)
1	1511 10 00	Crude Palm Oil	971
2	1511 90 10	RBD Palm Oil	977
3	1511 90 90	Others – Palm Oil	974
4	1511 10 00	Crude Palmolein	990
5	1511 90 20	RBD Palmolein	993
6	1511 90 90	Others – Palmolein	992
7	1507 10 00	Crude Soya bean Oil	1360
8	7404 00 22	Brass Scrap (all grades)	4800

TABLE-2

Sl. No.	Chapter/ heading/ sub-heading/tariff item	Description of goods	Tariff value (US \$)
(1)	(2)	(3)	(4)
1.	71 or 98	Gold, in any form, in respect of which the benefit of entries at serial number 356 of the Notification No. 50/2017-Customs dated 30.06.2017 is availed	565 per 10 grams

2.	71 or 98	Silver, in any form, in respect of which the benefit of entries at serial number 357 of the Notification No. 50/2017-Customs dated 30.06.2017 is availed	699 per kilogram
3.	71	<p>(i) Silver, in any form, other than medallions and silver coins having silver content not below 99.9% or semi-manufactured forms of silver falling under sub-heading 7106 92;</p> <p>(ii) Medallions and silver coins having silver content not below 99.9% or semi-manufactured forms of silver falling under sub-heading 7106 92, other than imports of such goods through post, courier or baggage.</p> <p>Explanation. - For the purposes of this entry, silver in any form shall not include foreign currency coins, jewellery made of silver or articles made of silver.</p>	699 per kilogram
4.	71	<p>(i) Gold bars, other than tola bars, bearing manufacturer's or refiner's engraved serial number and weight expressed in metric units;</p> <p>(ii) Gold coins having gold content not below 99.5% and gold findings, other than imports of such goods through post, courier or baggage.</p> <p>Explanation. - For the purposes of this entry, "gold findings" means a small component such as hook,</p>	565 per 10 grams

CUSTOMS

	clasp, clamp, pin, catch, screw back used to hold the whole or a part of a piece of Jewellery in place.	
--	---	--

TABLE-3

Sl. No.	Chapter/ heading/ sub-heading/tariff item	Description of goods	Tariff value (US \$ Per Metric Tonne)
(1)	(2)	(3)	(4)
1	080280	Areca nuts	7333 (i.e., no change)"

This notification shall come into force with effect from the 01st day of December, 2022.

[For further details please refer the notification]

NOTIFICATION
U/S SECTION 51A (4) OF THE CUSTOMS ACT, 1962, EXEMPTS THE DEPOSITS - PAYMENTS THROUGH ELECTRONIC CASH LEDGER

OUR COMMENTS: The Ministry of Finance (Department of Revenue) vide Notification No. 99/2022-Customs (N.T) dated 29.11.2022 notified In exercise of the powers conferred by sub-section (4) of section 51A of the Customs Act, 1962 (52 of 1962), the Central Board of Indirect Taxes and Customs, on being satisfied that it is necessary and expedient to do so, hereby amends the notification No.19/2022-Customs (N.T.) dated the 30th March 2022, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii) vide S.O. 1512 (E), dated the 30th March, 2022, namely, -

In the said notification, in clause 2, for the figures, letters and word "30th November, 2022", the figures, letters and word "1st April, 2023", shall be substituted.

[For further details please refer the notification]

NOTIFICATION
SEEKS TO AMEND NOTIFICATION TO EXEMPT THE DEPOSITS FROM THE PROVISION OF SECTION 51A OF THE CUSTOMS ACT - EXEMPTION FROM PAYMENTS THROUGH ELECTRONIC CASH LEDGER AND ELECTRONIC DUTY CREDIT LEDGER

OUR COMMENTS: The Ministry of Finance (Department of Revenue) vide Notification No. 98/2022-Customs (N.T) dated 29.11.2022 notified In exercise of the powers conferred by sub-section (4) of section 51A of the Customs Act, 1962 (52 of 1962), the Central Board of Indirect Taxes and Customs, on being satisfied that it is necessary and expedient to do so, hereby amends the notification No.47/2022-Customs (N.T.) dated the 31st May 2022, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii) vide S.O. 2493 (E), dated the 31st May, 2022, namely, -

In the said notification, in clause 2, for the figures, letters and word "29th November 2022", the figures, letters and word "31st March, 2023", shall be substituted.

[For further details please refer the notification]

NOTIFICATION
AMENDMENT OF NOTIFICATION TO IMPOSE DEFINITIVE ANTI-DUMPING DUTY ON CAST ALUMINIUM ALLOY WHEELS OR ALLOY ROAD WHEELS USED IN MOTOR VEHICLES ORIGINATING IN OR EXPORTED FROM CHINA PR, KOREA RP AND THAILAND

OUR COMMENTS: The Ministry of Finance (Department of Revenue) vide Notification No. 30/2022-Customs (ADD) dated 28.11.2022 notified Whereas, the designated authority, vide notification number 7/12/2021- DGTR, dated the 1st September, 2021, published in the Gazette of India, Extraordinary, Part I, Section 1, dated the 1st September, 2021 had initiated a mid-term review in accordance with section 9A of the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the Customs Tariff Act) read with rule 23(1A) of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury)

CUSTOMS

Rules, 1995 (hereinafter referred to as the said rules), in the matter of anti-dumping duty on imports of “Cast Aluminum Alloy Wheels or Alloy Road Wheels (ARW) used in motor vehicles, whether or not attached with their accessories, of a size in diameters ranging from 12 inches to 24 inches”, falling under the sub-heading 8708 70 of the First Schedule to the Customs Tariff Act, originating in, or exported from China PR, Korea RP and Thailand, imposed vide notification of the Government of India, Ministry of Finance (Department of Revenue) No. 17/2019-Customs(ADD), dated the 9th April, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 296(E), dated the 9th April, 2019;

And whereas, the designated authority, in its final findings in the mid-term review vide notification No. 7/12/2021-DGTR, dated the 30th August, 2022, published in the Gazette of India, Extraordinary, Part I, Section 1, dated the 30th August, 2022, has recommended that there is a need for modification of the quantum of duty imposed on the imports of “Cast Aluminum Alloy Wheels or Alloy Road Wheels (ARW) used in motor vehicles, whether or not attached with their accessories, of a size in diameters ranging from 12 inches to 24 inches” originating or exported from China PR, imposed vide notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 17/2019-Customs(ADD), dated the 9th April, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 296(E), dated the 9th April, 2019;

Now, therefore, in exercise of the powers conferred by sub-sections (1) and (5) of section 9A of the Customs Tariff Act, read with rules 18, 20 and 23 of the said rules, the Central Government hereby makes the following amendments in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 17/2019-Customs (ADD), dated the 9th April, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 296(E), dated the 9th April, 2019, namely :-

In the said notification,

i. for the portion beginning with the words “after considering the aforesaid final findings of the designated authority” and ending with the words “per unit of measurement specified in the corresponding entry in column (8) of the said Table”, the following shall be substituted, namely: -

“after considering the aforesaid final findings and the final findings issued vide F.No. 7/12/2021-DGTR, dated the 30th August, 2022 of the designated authority, hereby imposes on the subject goods, the description of which is specified in column (3) of the Table below, falling under sub-heading or tariff item of the First Schedule to the Customs Tariff Act as specified in the corresponding entry in column (2), originating from the countries as specified in the corresponding entry in column (4), exported from the countries as specified in the corresponding entry in column (5), and produced by the producers as specified in the corresponding entry in column (6), an anti-dumping duty at the rate equal to the amount as specified in the corresponding entry in column (7), in the currency and per unit of measurement specified in the corresponding entry in column (8) of the said Table.”;

ii. for the Table, a Table shall be substituted.

*Cast Aluminium Alloy Wheels or Alloy Road Wheels (ARW) used in Motor Vehicles, whether or not attached with their accessories, of a size in diameters ranging from 12 inches to 24 inches.”.

[For further details please refer the notification]

DGFT

NOTIFICATION

SCOMET UPDATES 2022 - AMENDMENT IN APPENDIX 3 {SCOMET ITEMS} TO SCHEDULE- 2 OF ITC (HS) CLASSIFICATION OF EXPORT AND IMPORT ITEMS, 2018

OUR COMMENTS: The Ministry of Commerce and Industry vide notification no. 46/2015-2020 dated 30.11.2022 notified In exercise of the powers conferred by Section 5 and Section 14A of the Foreign Trade (Development and Regulation) Act, 1992, as amended, read with Para 1.02 of the Foreign Trade Policy 2015-2020, the Central Government hereby makes the amendment in Appendix 3 (SCOMET Items) to Schedule -2 of ITC (HS) Classification of Export and Import Items 2018, as enclosed in the Annexure to this Notification.

2. The updated Appendix 3 (SCOMET Items) to Schedule- 2 of ITC (HS) Classification of Export and Import Items, 2018 as annexure to this notification would be uploaded on the web-portal of DGFT under heading "Regulatory Updates" and Sub-heading "Import, Export and SCOMET policy".

3. In order to provide transition time to industry, this Notification shall come into effect after 30 days of the date of issuance.

Effect of this Notification:-

Annual SCOMET Update - 2022 has been notified to amend Appendix 3 (SCOMET Items) to Schedule-2 of ITC (HS) Classification of Export and Import Items, 2018.

[For further details please refer the Notification]

NOTIFICATION

INCORPORATION OF NEW POLICY CONDITION AGAINST HS CODE 1006 40 00

OUR COMMENTS: The Ministry of Commerce and Industry vide public notice no. 45/2015-2020 dated 29.11.2022 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, hereby incorporates new Policy condition against ITC (HS) code 1006 40 00 of Chapter 10 of Schedule 2 of the ITC (HS) Export Policy, as under:

ITC HS Codes	Description	Export Policy	New Policy Condition
1006	Organic Non-Basmati Broken Rice (ITC HS Code 1006 40 00)	Prohibited	However, export of Organic Non-basmati rice, including Organic Non-basmati broken rice , will be governed as per provisions under Notification No.03/2015-2020 dated 19th April, 2017.

2. Effect of this Notification:

Export of Organic Non-basmati rice, including Organic Non-basmati broken rice, will be governed as per provisions under **Notification No.03/2015-2020 dated 19th April, 2017.**

[For further details please refer the notification]

PUBLIC NOTICE

EXTENSION OF VALIDITY OF PRE-SHIPMENT INSPECTION AGENCY (PSIAs)

OUR COMMENTS: The Ministry of Commerce and Industry vide public notice no. 39/2015-2020 dated 30.11.2022 notified In exercise of powers conferred under the paragraph 1.03 read with paragraph 2.04 of the Foreign Trade Policy, 2015-20, the Director General of Foreign Trade in relaxation of the provision as in Para 2.55 (d) of Handbook of Procedures, 2015-20 notifies as under:-

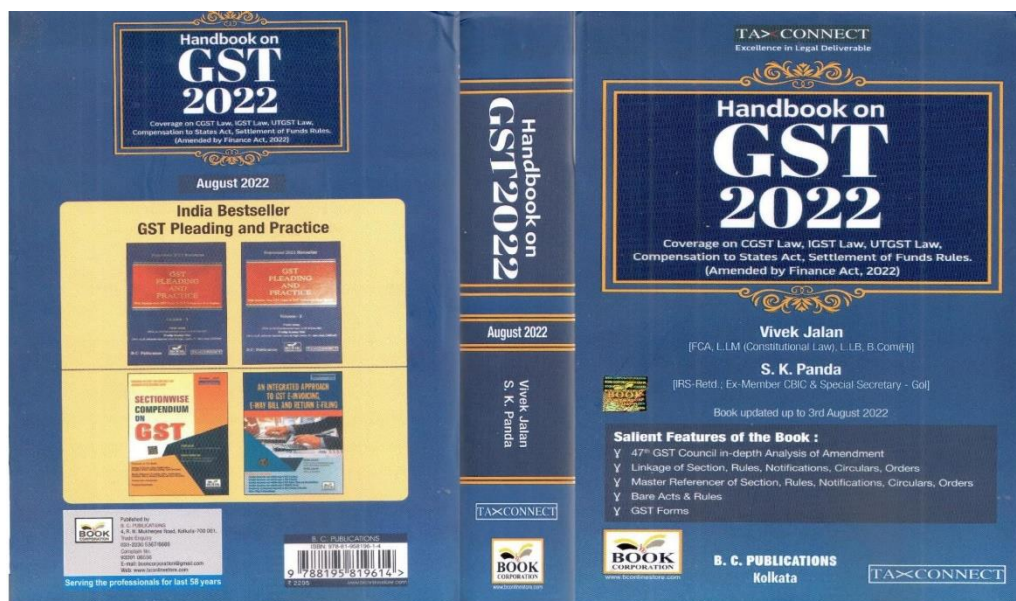
The validity of recognition of the Pre-Shipment Inspection Agency (PSIAs) included in Appendix 2G of Appendices and Aayat Niryat Forms (A & ANF) of Foreign Trade Policy 2015-20 which are completing their original tenure of three years as on 03.12.2022 is extended upto 31.12.2022.

2. Effects of this public notice: Validity of Pre-Shipment Inspection Agency (PSIAs) as listed in the Appendix 2G of A&ANF, has been extended from 03.12.2022 to 31.12.2022.

[For further details please refer the public notice]

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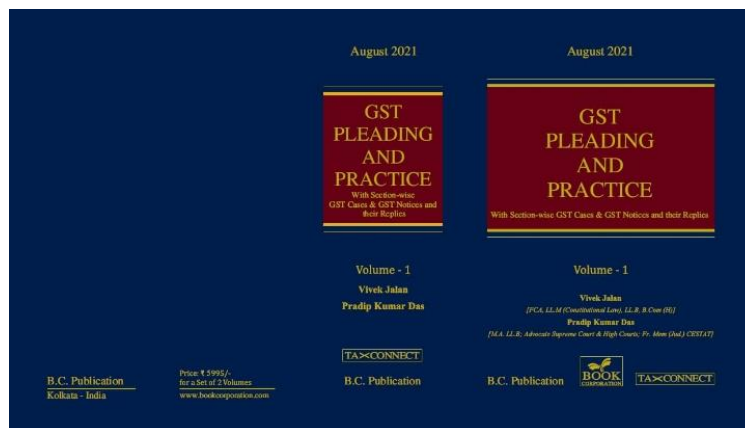
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