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# TAX CONNECT

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## EDITORIAL



**Friends,**

CBIC has recently come up with a clarification regarding valuation of supply of services of providing corporate guarantee between related persons. The following has been clarified:

**1)** In respect of supply of services of providing corporate guarantee between related persons, in respect of corporate guarantee issued or renewed before 26th October 2023, the valuation of the said supply is to be done in accordance with Rule 28, as it existed during that time. However, if the corporate guarantee is issued or renewed on or after 26th October 2023, then the valuation of the said supply will be required to be done as per Rule 28(2) of CGST Rules.

**2)** It is clarified that the value of supply of the service of providing a corporate guarantee will be calculated based on the amount guaranteed and will not be based on the amount of loan actually disbursed to the recipient of the corporate guarantee.

**3)** The recipient of the service of providing corporate guarantee shall be eligible to avail the ITC, subject to other conditions specified in the Act and the Rules made thereunder, irrespective of when the loan is actually disbursed to the recipient, and irrespective of the amount of loan actually disbursed.

**4)** If the loan issued by the banking company/ financial institution is taken over by another banking company/ financial institution, the said activity of taking over of the loan does not fall under the service of providing corporate guarantee to any banking company or financial institution by a supplier to a recipient. Therefore, it is clarified that in such cases, there will be no impact on GST, unless there is issuance of fresh corporate guarantee or there is a renewal of the existing corporate guarantee. However, if the takeover of the loan is followed/ accompanied by issuance of fresh corporate guarantee, then GST would be payable on the same

**5)** In cases where corporate guarantee is being provided by multiple related entities, the value of such services of providing corporate guarantee shall be the sum of the actual consideration paid/ payable to co-guarantors, if the said amount of total consideration is higher than one per cent of the amount of such guarantee offered. In cases where the sum of the actual consideration is less than one per cent of the amount of such guarantee offered, then GST shall be payable by each co-guarantor proportionately on one per cent of the amount guaranteed by them.

**6)** In cases where domestic corporates issue intra-group guarantees, GST is to be paid under forward charge mechanism, and invoice is to be issued by the supplier of the service of providing corporate guarantee to the related recipient under Section 31 of CGST Act, 2017 read along with the relevant rules. However, in cases where such guarantee is provided by the foreign/ overseas entity for a related entity located in India, then GST would be payable under reverse charge mechanism, by the recipient of service, i.e., the related entity located in India.

**7)** It is clarified that the value of supply of the service of providing corporate guarantee to a banking company or a financial institution on behalf of a related recipient shall be one per cent of the amount guaranteed per annum or the actual consideration, whichever is higher. Accordingly, the value of supply of the service of providing corporate guarantee to a banking company or a financial institution on behalf of a related recipient for a particular number of years shall be one per cent of the amount of such guarantee offered multiplied by the number of years for which the said guarantee is offered or the actual consideration whichever is higher.

**8)** In addition to the above, in cases where the corporate guarantee is provided for a period less than a year, say 6 months (half a year), then in those cases as well, the valuation may be done on proportionate basis for the said period, i.e., in this case, the value of the said supply of services may be taken as half of one per cent of the amount of such guarantee offered ( $6/12$  \* one per cent), or the actual consideration, whichever is higher.

**9)** It is clarified that in cases involving the supply of service of corporate guarantees provided between related persons, where full input tax credit is available to the recipient of services, the value declared in the invoice shall be deemed to be the value of supply of the said service.

**10)** As per the amendment done in sub-rule (2) of rule 28 of CGST Rules retrospectively w.e.f. 26th October 2023 vide notification No. 12/2024 -CT dated 10.07.2024, the provisions of the said sub-rule will not apply in cases where the recipient of the services of providing corporate guarantee between related persons is located outside India. Accordingly, the provisions of the said sub-rule shall not apply to the export of the services of providing corporate guarantee between related persons.

**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
15 <sup>th</sup> July	Issue of TDS Certificate	May 2024	Due date for issue of TDS Certificate for tax deducted under section 194-IA, 194-IB, 194M & 194S in the month of May, 2024
15 <sup>th</sup> July	Form 15CC	Apr-June 2024	Quarterly statement in respect of foreign remittances (to be furnished by authorized dealers) in Form No. 15CC for quarter ending June, 2024
15 <sup>th</sup> July	Statement of TCS deposited	Apr-June 2024	Quarterly statement of TCS deposited for the quarter ending June 30, 2024
15 <sup>th</sup> July	Form No. 15G/15H	Apr-June 2024	Upload the declarations received from recipients in Form No. 15G/15H during the quarter ending June, 2024
15 <sup>th</sup> July	Form 3BB	June 2024	Due date for furnishing statement in Form no. 3BB by a stock exchange in respect of transactions in which client codes been modified after registering in the system for the month of June, 2024
18 <sup>th</sup> July	CMP-08	Apr-June 2024	Form GST CMP-08 is used to declare the details or summary of self-assessed tax which is payable for a given quarter by taxpayers who are registered as composition taxable person or taxpayer who have opted for composition levy.
20 <sup>th</sup> July	GSTR-3B	June 2024	Summary return of outward supplies and input tax credit claimed, along with payment of tax by a registered person with aggregate turnover exceeding INR 5 Crores during the preceding financial year or any registered person who has opted to file monthly return.
20 <sup>th</sup> July	GSTR-5A	June 2024	Summary of monthly outward taxable supplies and tax payable by a person supplying OIDAR services.

# INCOME TAX

## NOTIFICATION

**DISCLOSURE OF INFORMATION RESPECTING ASSESSEES U/S 138(1) OF IT ACT 1961 - CENTRAL GOVERNMENT SPECIFIES AGRICULTURE PRODUCTION COMMISSIONER (APC) & SECRETARY TO GOVERNMENT, AGRICULTURE & CO-OPERATION DEPARTMENT, GOVERNMENT OF TELANGANA**

**OUR COMMENTS:** The Central Board of Direct Taxes vide Notification No. 52/2024 dated 09.07.2024 notified that In pursuance of sub-clause (ii) of clause (a) of sub-section (1) of section 138 of the Income-tax Act, 1961, the Central Government hereby specifies Agriculture Production Commissioner (APC) & Secretary to Government, Agriculture & Co-operation Department, Government of Telangana for the purposes of said clause.

**[For further details please refer the notification]**

## CASE LAW

**DISALLOWANCE OF EXPENSES INCURRED IN RESPECT OF MUNICIPAL TAXES, MAINTENANCE AND REPAIR OF REST/GUEST HOUSE : BOMBAY HIGH COURT**

**OUR COMMENTS:** It was held that as relying on Income Tax Appeal relating to Assessment Year 1995-96, Question No. 1 would stand answered against the Assessee and in favour of the Revenue by disallowing the deduction in respect of municipal taxes, maintenance taxes and repair of guest house. Question No. 2 would stand answered in favour of the Assessee and against the Revenue, allowing deduction towards expenses of buying presentation articles.

**Deduction u/s 80HHC - proceeds of sale of scrap would be factored into the size of "total turnover" for purposes of computing the deduction - HELD THAT:-** This issue has been squarely covered by the Supreme Court in Punjab Stainless Steel Industries [2014 (5) TMI 238 - SUPREME COURT] holding that for purposes of the term "total turnover" with regard to Section 80HHC, the ratio should be between the export turnover of the business in question and the total turnover of the business in question, and that the proceeds of sale of scrap would not form part of "total turnover" for purposes of Section 80HHC. In the facts of the case at hand, such turnover would relate to a turnover of the paper manufactured by the Assessee, to which, the turnover of sale of scrap must not be added. Question No.3 in favour of the Assessee and against the Revenue.

Lease rent received are part of the total turnover or not - Whether 90% of interest included in the lease rent received by the Appellant has been rightly reduced from business income of the Appellant? - HELD THAT:- As both these questions stand answered against the Assessee and in favour of the Revenue, in

the light of the judgment of K. Ravindranathan Nair [2007 (11) TMI 10 - SUPREME COURT] The lease rent received by the Assessee would therefore not be part of the business income or turnover of the Assessee. Likewise, the disallowance of 90% of interest component of the lease rental income also cannot be questioned. Since these questions stand squarely answered by the law declared in the aforesaid judgment of the Supreme Court on the premise of the need to have a direct linkage to "export turnover", nothing survives on these two issues under this Appeal.

## CASE LAW

**APPLICABILITY OF SECTION 43B - LIC MUTUAL FUND CAN BE REGARDED AS PUBLIC FINANCIAL INSTITUTIONS AS SPECIFIED OR NOT : CALCUTTA HIGH COURT**

**OUR COMMENTS:** It was held that the language of Section 4A of the Companies Act, 1956 and Section 43B of the Act, 1961 being plain and unambiguous, no interpretation can be given, other than what is clearly expressed by the plain language of the aforesaid provisions. The list of public financial institutions given in Subsection (1) of Section 4A of the Companies Act, 1956 being exhaustive and not illustrative, nothing can be added to it. It is not the case of the respondent that there is any notification under Section 4A of the Companies Act, specifying "LIC Mutual Fund" as a 'public financial institution'.

That apart, it is also not the case of the respondent/Revenue that "LIC Mutual Fund" Trust qualifies the two conditions mentioned in Sub-section (2) of Section 4A of the Companies Act, 1956. Since "LIC Mutual Fund" is not "Public Financial Institution" under Section 43B of the Act, 1961 read with Section 4A of the Companies Act, therefore, the interest on unsecured debentures payable by the appellant-assessee to the "LIC Mutual Fund" is not covered by Section 43B of the Act, 1961. Consequently, it could not be disallowed in the hands of the appellant-assessee on the ground of non-compliance of conditions of Section 43B.

The above discussion leads to an irresistible conclusion that the Income Tax Appellate Tribunal has committed a manifest error of law to hold that "LIC Mutual Fund" is a 'public financial institution' u/s 43B. Therefore, the disallowance invoking the provisions of Section 43B cannot be sustained and consequently, the impugned order to that extent deserves to be set aside - Substantial questions of law are answered in favour of the assessee.



## GST

## NOTIFICATION

**RATE OF GST TCS TO BE COLLECTED BY E-COMMERCE OPERATORS HAS BEEN REDUCED TO 0.5% FROM 1%.**

**OUR COMMENTS:** The Central Board of Indirect Taxes And Customs vide notification no. 15/2024-CGST dated 10.07.2024 notified that In exercise of the powers conferred by sub-section (1) of section 52 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 amendments in the notification of the Government of India, in the Ministry of Finance (Department of Revenue) No. 52/2018-Central Tax, dated the 20th September, 2018 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 900(E), dated the 20th September, 2018, namely:-

In the said notification, for the words “half per cent.”, the figure and word “0.25 per cent.” shall be substituted.

2. This notification shall come into force from the date of its publication in official gazette.

[For further details please refer the notification]

## NOTIFICATION

**EXEMPTION TO THE REGISTERED PERSON FROM FILING OF ANNUAL RETURN FOR THE FINANCIAL YEAR 2023-24 WHOSE AGGREGATE TURNOVER IS UPTO RS. 2 CRORES**

**OUR COMMENTS:** The CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS vide notification no. 14/2024-CGST dated 10.07.2024 notified that in exercise of the powers conferred by the first proviso to section 44 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Commissioner, on the recommendations of the Council, hereby exempts the registered person whose aggregate turnover in the financial year 2023-24 is up to two crore rupees, from filing annual return for the said financial year.

[For further details please refer the notification]

## NOTIFICATION

**RESCINDED VIDE NOTIFICATION NUMBER 27/2022-CENTRAL TAX, DATED THE 26TH DECEMBER, 2022. - EXEMPTION FROM BIOMETRIC-BASED AADHAAR AUTHENTICATION U/R 8(4A)**

**OUR COMMENTS:** The Central Board of Indirect Taxes And Customs vide notification no. 13/2024-CGST dated 10.07.2024 notified that in pursuance of the powers

conferred by sub-rule (4B) of rule 8 of the Central Goods and Services Tax Rules, 2017, the Central Government, on the recommendations of the Council, hereby rescinds the notification of the Government of India in the Ministry of Finance, Department of Revenue, number 27/2022-Central Tax, dated the 26th December, 2022 published vide number G.S.R 903(E), in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), dated the 26th December, 2022, except as respects things done or omitted to be done before such rescission.

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

[For further details please refer the notification]

## NOTIFICATION

**CENTRAL GOODS AND SERVICES TAX (AMENDMENT) RULES, 2024**

**OUR COMMENTS:** The Central Board of Indirect Taxes And Customs vide notification no. 12/2024-CGST dated 10.07.2024 notified that 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: —

**Short title and commencement. —**

(1) These rules may be called the Central Goods and Services Tax (Amendment) Rules, 2024.

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

Pointwise important amendments made in the CGST Rules

Effective Date	Rule	Heading	Amendment details
To be notified	8(4A)	Application for registration	Applicants who has not opted for authentication of Aadhaar number, shall be followed by taking photograph of

## GST

			the applicant and Original Documents to be checked at GST facilitation centers.
10.07.2024	21 & 21A	FORM GSTR-1A	Insertion of FORM GSTR-1A
26.10.2023 (Retrospective)	28	Valuation of Guarantee	Where the recipient is eligible for full input tax credit, the value declared in the invoice shall be deemed to be the value of said supply of services
To be notified	39	ISD Mechanism	For common RCM services, the common service invoice must be issued by the same State Regular Registration. Based on this invoice, the ISD needs to distribute ITC to the related registrations in proportion to the previous year's turnover.
10.07.2024	59	GSTR-1A	A person may, after furnishing the details of outward supplies of goods or service or both in FORM GSTR-1 for a tax period but before filing of return in FORM GSTR-3B for the said tax period, at his own option, amend

			or furnish additional details of outward supplies of goods or services or both in FORM GSTR-1A.
01.08.2024	59	GSTR-1	Inter-state supplies to unregistered persons with an invoice value exceeding Rs. 1 lakh must now be reported on an invoice-wise basis, instead of the previous threshold of Rs. 2.5 lakhs
10.07.2024	60	GSTR-2B	The additional details or amendments in details of outward supplies furnished by the supplier in FORM GSTR-1A filed between the day immediately after the due date of furnishing of FORM GSTR-1 for the previous tax period to the due date of furnishing of FORM GSTR-1 for the current tax period will be reflected in GSTR-2B
FY 2024-25	62	GSTR-4	The return in FORM GSTR-4 for a financial year from FY

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			2024-25 onwards shall be required to be furnished by the registered person till the thirtieth day of June following the end of such financial year	10.07.2024	110	Appeal Tribunal to	Electronic appeal filing is mandatory before GSTAT. Manual filing is allowed only with the Registrar's approval. The minimum fee for an appeal is Rs. 5,000, with a maximum already notified as Rs. 25,000.
10.07.2024	88B	Calculation of Interest	Where any amount has been credited in the Electronic Cash Ledger as per provisions of sub-section (1) of section 49 on or before the due date of filing the said return, but is debited from the said ledger for payment of tax while filing the said return after the due date, the said amount shall not be taken into consideration while calculating such interest if the said amount is lying in the said ledger from the due date till the date of its debit at the time of filing return	To be notified	138	EWAY Bill	an unregistered person required to generate e-way bill in FORM GST EWB-01 in terms of the fourth proviso to sub-rule (1) or an unregistered person opting to generate e-way bill in Form GST EWB-01, on the common portal, shall submit the details electronically on the common portal in FORM GST ENR- 03 either directly or through a Facilitation Centre notified by the Commissioner and, upon validation of the details so furnished, a unique enrolment number shall be generated and communicated to the said person.
10.07.2024	89	Refund	Refund of additional IGST through FORM RFD-01 which was paid on account of upward revision in price of the goods subsequent to export.				



## GST

10.07.2024	142	DRC-01A Acknowledgement of full payment	Where, before the service of notice or statement, the person chargeable with tax makes payment of the tax and interest in accordance with the provisions of sub-section (5) of section 73 or, as the case may be, tax, interest and penalty in accordance with the provisions of sub-section (5) of section 74, or where any person makes payment of tax, interest, penalty or any other amount due in accordance with the provisions of the Act [, whether on his own ascertainment or, as communicated by the proper officer under sub-rule (1A),] [he shall inform the proper officer of such payment in FORM GST DRC-03 and an acknowledgement, in FORM GST DRC-04 shall be made available to the person through the common portal electronically.]
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10.07.2024	142	DRC-01A Acknowledgement of part payment	Where the person referred to in sub-rule (1A) has made partial payment of the amount communicated to him or desires to file any submissions against the proposed liability, he may make such submission in Part B of FORM GST DRC-01A [, and thereafter the proper officer may issue an intimation in Part-C of FORM GST DRC-01A, accepting the payment or the submissions or both, as the case may be, made by the said person].
			Other Amendments to give effect introduction of GSTR 1A and other amendments.

[For further details please refer the notification]

## CIRCULAR

## PROCESSING OF REFUND APPLICATIONS FILED BY CANTEEN STORES DEPARTMENT (CSD)

**OUR COMMENTS:** The Central Board of Indirect Taxes And Customs vide circular no. 227/21/2024-CGST dated 11.07.2024 circulated The Central Government, vide Notifications No. 06/2017-Central Tax (Rate), No. 06/2017-Integrated Tax (Rate) and No. 06/2017-Union territory Tax (Rate), all dated 28th June 2017, had specified the Canteen Stores Department ("CSD" for short), under the Ministry of Defence, as a person who shall be entitled to claim

# GST

a refund of fifty per cent of the applicable central tax, integrated tax and Union territory tax paid by the CSD on all inward supplies of goods received by the CSD for the purposes of subsequent supply of such goods to their Unit Run Canteens or to their authorized customers. Further, vide Circular No. 60/34/2018-GST dated 04.09.2018, the manner and procedure for filing and processing of such refund claims was specified so as to ensure that the CSD shall apply for refund by filing an application manually to the jurisdictional tax office till the time the online utility for filing such refund claim is made available on the common portal.

2. In order to enable such CSD to file application for refund electronically, a new functionality has been made available on the common portal which allows CSD to apply for refund by filing an application electronically on the common portal. Further, Central Goods and Service Tax Rules, 2017 (hereinafter referred to as 'CGST Rules') have been amended and a new rule 95B and FORM GST RFD-10A have been inserted in CGST Rules vide Notification No. 12/2024-Central Tax dated 10.07.2024.

3. In order to ensure uniformity in the implementation of the provisions of 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 lays down the following revised procedure for electronic submission and processing of refund application by CSD, in accordance with section 55 of CGST Act, in supersession of Circular No. 60/34/2018-GST dated 04.09.2018.

#### 4. Filing of refund application:

The CSD, who wants to file an application for refund under section 55 of CGST Act, in cases where the refund is claimed of fifty per cent of the applicable central tax, integrated tax and Union territory tax paid by the said CSD on all inward supplies of goods received by it, for the purposes of subsequent supply of such goods to its Unit Run Canteens or to its authorized customers, shall file an application for refund in FORM GST RFD-10A electronically on the common portal and the same shall be processed electronically. The refund to be granted to the CSD shall be based on the invoices of the inward supplies of goods received by it for the purposes of subsequent supply of such goods to its Unit Run Canteens or to its authorized customers.

#### 5. Filing of refund claim by CSD:

The CSD may apply for refund with the jurisdictional Central tax/ State tax authority to whom the CSD has been assigned. In terms of rule 95B of the CGST Rules, the CSD is required to apply for refund once in every quarter. The CSD will also be allowed to file the refund application for multiple quarters, clubbing multiple FYs, as per their option. The refund of the tax paid by the CSD shall be available only if the inward supplies of goods were received from a registered person against a tax invoice and details of such supplies have been furnished by the said registered person in his details of outward supply in **FORM GSTR-1** and the said supplier has furnished his return in FORM GSTR-3B for the concerned tax period. The CSD while filing the refund application shall ensure that all the invoices declared by it have the GSTIN of the supplier and the GSTIN of the respective CSD clearly mentioned on them. The said refund application form shall be accompanied with the following documents:

- (i) An undertaking stating that the goods on which refund is being claimed have been received by the CSD for the purposes of subsequent supply of such goods to its Unit Run Canteens or to its authorized customers; and
- (ii) A declaration stating that no refund has been claimed earlier against the invoices on which the refund is being claimed.

#### 6. Relevant date for filing of refund:

As per sub-section (2) of section 54 of the CGST Act, a person notified under section 55 of the CGST Act, can file the application for refund of tax paid by it on inward supplies of goods or services or both, before the expiry of two years from the last day of the quarter in which such supply was received. Therefore, as the CSD have been notified under section 55 of CGST Act vide notifications No. 06/2017-Central Tax (Rate), No. 06/2017-Integrated Tax (Rate) and No. 06/2017-Union territory Tax (Rate), all dated 28th June 2017, as a person entitled to claim a refund of fifty per cent of the applicable central tax, integrated tax and Union territory tax paid by it on all inward supplies of goods received for the purposes of subsequent supply of such goods to its Unit Run Canteens or to its authorized customers, the CSD can file the refund of fifty per cent of tax paid on such inward supplies of goods before expiry of two years from the last day of the quarter in which such supply was received.

#### 7. Processing and sanction of the refund claim:

7.1 The proper officer shall process the refund claim filed by the CSD in a manner similar to the refund claims filed in FORM

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GST RFD-01 under the provisions of rule 89 of CGST Rules. The proper officer while processing the refund application shall validate the GSTIN details of the CSD on the common portal to ascertain whether all the returns in FORM GSTR-1 and **FORM GSTR-3B**, which were due to be furnished on or before the date on which the refund application is being filed, have been filed. The proper officer may scrutinize the details contained in **FORM RFD-10A**, FORM GSTR-3B and **FORM GSTR-2B**, for processing the said refund claim. The proper officer shall also verify whether the details of the invoices for which refund has been claimed by the CSD, have been furnished by the concerned supplier in his details of outward supply in FORM GSTR-1 and the said supplier has furnished his return in FORM GSTR-3B for the concerned tax period.

7.2 Further, the proper officer shall ensure that the amount of refund sanctioned is not more than 50% of the central tax, state tax, Union territory tax and integrated tax paid on the supplies received by CSD. It may be noted that the invoices uploaded by the CSD while filing will be validated on the portal with FORM GSTR 2B of the applicant and only the validated invoices will be allowed in the application. The invoices for which refund has already been availed by the CSD will be flagged in the system and will not be allowed for the refund. The Table in Sl. No. 7 of FORM GST- RFD 10A will be auto-populated on the portal based on the 50 % of the amount of respective tax (central tax, state tax, Union territory tax and integrated tax) as per the Col 8, 9 and 10 of the Table in Sl. No. 6 of **FORM GST- RFD 10A**. The Table in Sl. No. 7 of FORM GST- RFD 10A shall be kept editable downwards, i.e., the CSD will be able to make a downward revision in the auto-populated amount in the said Table and cannot enhance the auto-populated amount in the said Table. The proper officer shall also verify whether the ITC in respect of such inward supplies of goods received for the purposes of subsequent supply of such goods to its Unit Run Canteens or to its authorized customers has been reversed by the CSD as clarified in Circular no. 170/02/2022-GST dated 06-Jul-2022.

7.3 The proper officer shall scrutinize the application with respect to completeness and eligibility of the refund claim to his satisfaction and issue the order in FORM GST RFD-06 accordingly. The proper officer shall also upload a detailed speaking order along with the said order in **FORM GST RFD-06**.

8. It is also mentioned that the provisions of the Circular No. 60/34/2018-GST dated 04.09.2018 shall continue to apply for all refund applications filed manually before the amendments in CGST Rules mentioned in Para 2 above and before the said functionality being made available on the common portal.

The said applications filed manually shall continue to be processed manually, according to the earlier circular.

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

10. 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

**MECHANISM FOR REFUND OF ADDITIONAL INTEGRATED TAX (IGST) PAID ON ACCOUNT OF UPWARD REVISION IN PRICE OF THE GOODS SUBSEQUENT TO EXPORTS**

**OUR COMMENTS:** The CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS vide circular no. 226/20/2024-CGST dated 11.07.2024 circulated that representations have been received from trade/ industry requesting for prescribing a mechanism for seeking refund of additional IGST paid on account of upward revision in price of goods subsequent to export. It has been represented that there are cases where the price of export goods needs to be revised, subsequent to their exports, due to various reasons such as linking of the prices of the export commodities to some international index or as per the terms of contract between the two parties etc. In such cases, where there is upward revision in price of goods subsequent to exports, the exporter is required to pay additional IGST on account of upward price revision along with applicable interest but there exists no mechanism for allowing them to claim refund of such additional IGST paid.

2. In order to ensure uniformity in the implementation of the 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 lays down the following procedure for claim and processing of refunds of additional integrated tax paid on account of upward revision in prices of goods subsequent to their exports.

**3. Filing of refund claim for additional IGST paid on account of upward revision of prices of export goods, subsequent to export:**

3.1 The refund of IGST paid on account of export of goods is processed by the proper officer of Customs in an automated manner without manual intervention in terms of provision of rule 96 of Central Goods and Services Tax Rules,

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2017 (hereinafter referred to as "CGST Rules"). However, there exists no mechanism for processing of refunds of any additional integrated tax paid on account of upward revision in price of goods, subsequent to exports, by the proper officer of customs. Therefore, it has been decided that such exporter may file an application for refund of such additional IGST paid in FORM GST RFD-01 electronically on the common portal and such application for refunds would be processed by the jurisdictional GST officer of the concerned exporter. Accordingly, CGST Rules have been amended vide Notification No. 12/2024-CT dated 10.07.2024 to provide for filing of such refund application in FORM GST RFD-01, which shall be dealt with in accordance with provisions of rule 89 of CGST Rules.

3.2 GSTN is in the process of development of a separate category of refund in FORM GST RFD-01, for filing an application of refund of such additional IGST paid. However, till the time such separate category for claiming refund of additional amount of IGST paid is developed on the common portal, such exporter(s) may claim refund of the additional IGST paid on account of upward revision in price of goods subsequent to exports, by filing an application of refund in FORM GST RFD-01 under the category "**Any other**" with remarks "Refund of additional IGST paid on account of increase in price subsequent to export of goods" along with the relevant documents as prescribed in clause (bb) of sub-rule (2) of rule 89 of the CGST Rules. The exporter shall also upload the statements 9A & 9B as prescribed in clause (bb) & clause (bc) of sub-rule (2) of rule 89 of the CGST Rules along with the said refund claim. The exporter may also upload any other document to establish that the refund is admissible to him.

3.3 The said refund application shall be processed based on the documentary proof submitted by the refund applicant. Further, the validated details of shipping bills, amount of IGST involved in such shipping bills, as well as the amount of IGST refund sanctioned by the customs under rule 96(3) of CGST Rules will also be made available to jurisdictional GST officers by GSTN to enable them to process such refund claims of additional IGST paid.

**4. Minimum Refund Amount:** Sub-section (14) of section 54 of the CGST Act provides that no refund under sub-section (5) or sub-section (6) shall be paid to an applicant, if amount is less than one thousand rupees. Therefore, no such refund shall be paid if the amount claimed is less than one thousand rupees.

**5. Time limit for filing refund:** Sub-rule (1B) of rule 89 of CGST Rules, inserted vide Notification No. 12/2024-CT dated 10.07.2024, provides that the application for refund of additional IGST paid can be filed before the expiry of two years from the relevant date as per clause (a) of Explanation (2) of section 54 of the CGST Act. However, in cases, where the relevant date as per clause (a) of Explanation (2) of section 54 of the CGST Act was before the date on which sub-rule (1B) of rule 89 of CGST Rules has come into force, such refund application can be filed before the expiry of a period of two years from the date on which the said sub-rule has come into force.

6. The following documents are required to be accompanied with the refund claim in order to establish that refund is due to such exporter:

- (a) Copy of shipping bill or bill of exports;
- (b) Copy of original invoices;
- (c) Copy of contract/ other document(s), as applicable, indicating requirement for the revision in price of such goods subsequent to exports;
- (d) Copy of the original invoices as well as relevant debit note(s)/ supplementary invoices;
- (e) Proof of payment of additional IGST and applicable interest and details of the relevant FORM GSTR-1/ FORM GSTR-3B furnished by the applicant in which the said debit note(s)/ supplementary invoice(s) were declared and tax and interest thereon had been paid by the applicant;
- (f) Proof of receipt of remittance of additional foreign exchange (FIRC) issued by Authorised Dealer-I banks;
- (g) A certificate of a practising chartered accountant or a cost accountant certifying therein that the said additional foreign exchange remittance is on account of such upward revision in price of the goods subsequent to export;
- (h) Statement 9A of FORM GST RFD 01; and
- (i) Statement 9B of FORM GST RFD 01.

7. The proper officer while processing such refund claim shall verify that the exporter has duly reported the details of the export invoice and the debit note in his statement of outward supplies in FORM GSTR-1 and has duly paid such additional amount of IGST along with applicable interest for which



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refund is being sought in their FORM GSTR-3B return. The proper officer while ascertaining the eligibility of the refund to the exporter shall verify the revised value declared by the exporter in his FORM GSTR-1/ FORM GSTR-3B and details of foreign exchange remittances received thereof.

8. The proper officer shall scrutinize the application with respect to its completeness and eligibility and only if the proper officer is satisfied that the whole or any part of the amount claimed is payable as refund, he shall proceed to issue the refund sanction order in FORM GST RFD-06 and the payment order in FORM GST RFD-05. The proper officer shall also upload a detailed speaking order along with the refund sanction order in FORM GST RFD-06 in terms of Instruction No. 03/2022-GST dated 14.06.2022.

9. Further, there may be certain cases where there is downward revision in price of goods subsequent to exports, when the export has been made with payment of IGST. In all such cases, the supplier of goods/exporter is required to deposit the refund of the IGST received in proportion to the reduction in price of exported goods, along with applicable interest. The proper officer while granting the refund as per para 8 above, shall also verify whether the exporter has deposited the excess refund amount in the cases where there is a downward revision in price of goods subsequent to exports, during the relevant tax period, if any.

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

**GUIDELINES FOR RECOVERY OF OUTSTANDING DUES, IN CASES WHEREIN FIRST APPEAL HAS BEEN DISPOSED OF, TILL APPELLATE TRIBUNAL COMES INTO OPERATION**

**OUR COMMENTS:** The CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS vide circular no. 224/18/2024-CGST dated 11.07.2024 circulated that doubts have been raised by the trade and the field formations in respect of recovery of outstanding dues, in cases where the first appellate authority has confirmed the demand created by the adjudicating authority, fully or partially, and where appeal against such order of appellate authority could not be filed under section 112 of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as 'the CGST Act') due to non constitution of Appellate Tribunal (hereinafter referred to as

'Tribunal'), as yet. Doubts have also been raised as to whether the amount that was originally intended to be paid towards the demand created but has inadvertently been paid and intimated by the taxpayer through FORM GST DRC 03 either under the 'voluntary' category or under the 'others' category, can be adjusted against the pre deposit that is required to be paid by the taxpayer for filing appeal before the appellate authority under section 107, and before the appellate tribunal under section 112 of the CGST Act.

2. The matter has been examined. In order to clarify the issue and to ensure uniformity in the implementation of the provisions of the law across field formations, the Board, in exercise of its powers conferred by section 168 (1) of the CGST Act, hereby issues the following clarifications and guidelines.

3. In cases, where the first appellate authority has confirmed the demand issued by the adjudicating authority, partially or fully, the taxpayers cannot file appeal against the said appellate order at present due to non operation of GST Appellate Tribunal as yet. As per Section 112 of the CGST Act, every person has statutory remedy of appeal against the order passed by the first appellate authority or by a revisional authority, before the Tribunal. As per section 78 of CGST Act, the recovery proceedings are to be initiated, if the amount payable as per the order issued under the said act is not paid by the concerned person within the said period of three months from the date of service of the said order. It may further be noted that if any person files an appeal in accordance with the requirement of sub-section (8) of section 112 of the CGST Act (i.e., on payment of prescribed pre-deposit), the recovery proceedings for the balance amount is deemed to be stayed till disposal of the appeal as per sub-section (9) of section 112 of the CGST Act. However, as the taxpayers are not able to file appeal under section 112 in Appellate Tribunal against the orders of appellate authority and therefore, are not able to make the pre-deposit under sub-section (8) of section 112 of CGST Act, in some cases, the tax officers are taking a view that there is no stay against recovery as per sub-section (9) of section 112 of CGST Act. In some cases, taxpayers have either paid or are willing to pay the requisite amount of pre-deposit as per sub-section (8) of section 112 of CGST Act either by crediting in their electronic liability register against the demand so created, or by depositing the said amount through FORM DRC-03. However, tax officers are still resorting to recovery proceedings after completion of period stipulated under section 78 of CGST Act.

4. In order to facilitate the taxpayers to make the payment of the amount of pre-deposit as per sub-section (8) of section



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112 of CGST Act, and to avail the benefit of stay from recovery of the remaining amount of confirmed demand as per sub-section (9) of section 112 of CGST Act, it is hereby clarified that in cases where the taxpayer decides to file an appeal against the order of the appellate authority and wants to make the payment of the amount of pre-deposit as per sub-section (8) of section 112 of CGST Act, he can make the payment of an amount equal to the amount of pre-deposit by navigating to **Services >> Ledgers>> Payment towards demand**, from his dashboard. The taxpayer would be navigated to Electronic Liability Register (ELL) Part-II in which he can select the order, out of the outstanding demand orders, against which payment is intended to be made. The amount so paid would be mapped against the selected order and demand amount would be reduced in the balance liability in the aforesaid register. The said amount deposited by the taxpayer will be adjusted against the amount of pre-deposit required to be deposited at the time of filing appeal before the Appellate Tribunal.

5. The taxpayer also needs to file an undertaking/ declaration with the jurisdictional proper officer that he will file appeal against the said order of the appellate authority before the Appellate Tribunal, as and when it comes into operation, within the timelines mentioned in section 112 of the CGST Act read with Central Goods and Services Tax (Ninth Removal of Difficulties) Order, 2019 dated 03.12.2019. On providing the said undertaking and on payment of an amount equal to the amount of pre-deposit as per the procedure mentioned in para 4 above, the recovery of the remaining amount of confirmed demand as per the order of the appellate authority will stand stayed as per provisions of sub-section (9) of section 112 of CGST Act.

6. In case, the taxpayer does not make the payment of the amount equal to amount of pre-deposit or does not provide the undertaking/ declaration to the proper officer, then it will be presumed that taxpayer is not willing to file appeal against the order of the appellate authority and in such cases, recovery proceedings can be initiated as per the provisions of law. Similarly, when the Tribunal comes into operation, if the taxpayer does not file appeal within the timelines specified in Section 112 of the CGST Act read with Central Goods and Services Tax (Ninth Removal of Difficulties) Order, 2019 dated 03.12.2019, the remaining amount of the demand will be recovered as per the provisions of law.

7.1 It has also been noticed that some taxpayers have already paid amounts that were intended to have been paid towards a demand, through FORM GST DRC-03. Attention is invited to notification No. 12/2024- CT dated 10.07.2024, vide which sub-rule (2B) of Rule 142 and FORM GST DRC-03A has

been inserted in Central Goods and Services Rules, 2017 (hereinafter referred to as 'CGST Rules'), providing for a mechanism for cases where the person liable to pay tax, interest and penalty under section 52 or section 73 or section 74 or section 76 or section 122 or section 123 or section 124 or section 125 or section 127 or section 129 or section 130 of CGST Act has made payment of such tax, interest and penalty, inadvertently through FORM GST DRC-03 under sub-rule (2) of Rule 142. In such cases, the said person can file an application in FORM GST DRC-03A, electronically on the common portal, and the amount so paid and intimated through the FORM GST DRC-03 shall be adjusted as if the said payment was made towards the said demand on the date of such intimation through FORM GST DRC-03.

7.2 Accordingly, in cases where the concerned taxpayer has paid an amount that was intended to have been paid towards a particular demand through FORM GST DRC-03, has submitted an application in FORM GST DRC-03A on the common portal, the amount so paid and intimated through the FORM GST DRC-03 will be considered as if the payment was made towards the said demand on the date of such intimation through FORM GST DRC-03. The amount so paid shall also be liable to be adjusted towards the amount required to be paid as pre-deposit under Section 107 and Section 112 of the CGST Act, if and when the taxpayer files an appeal against the said demand, before the appellate authority or the appellate tribunal, as mentioned in para 4 above, and the remaining amount of confirmed demand as per the order of the adjudicating authority or the appellate authority, as the case may be, will stand stayed as per provisions of sub-section (6) of section 107 and sub-section (9) of section 112 of CGST Act. However, if the taxpayer does not file appeal within the timelines prescribed in Section 107 and Section 112 of the CGST Act, as the case may be, read with Central Goods and Services Tax (Ninth Removal of Difficulties) Order, 2019 dated 03.12.2019, the remaining amount of the demand will be recovered as per the provisions of law.

7.3 In this regard, it is to be mentioned that the application in FORM GST DRC-03A for adjustment of demand liability against the payment through FORM GST DRC-03 cannot be made in cases where against the payment made through the said FORM GST DRC-03, proceedings have already been concluded by issuance of an order in FORM GST DRC-05 as per the Rule 142(3) of CGST Rules, 2017.

8.1 Currently, the above-mentioned functionality for filing of an application in FORM GST DRC-03A, is not available on the common portal. Therefore, till the time such functionality is made available on the common portal, in respect of cases

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where an amount of pre-deposit has been inadvertently paid through FORM GST DRC-03 instead of making the said payment through Electronic Liability Ledger-II against the demand created in the said ledger, the concerned taxpayer may intimate the proper officer about the same, and on such intimation, the proper officer may not insist on recovery for the remaining amount payable by the concerned taxpayer, till the time the said functionality of FORM GST DRC-03A is made available on the portal.

8.2 Once the functionality of FORM GST DRC-03A is made available on the portal, the concerned taxpayer may file an application in FORM GST DRC-03A, on the common portal, at the earliest, as mentioned in para 7.1 above and on doing so, the amount paid vide FORM GST DRC-03 may be adjusted against the pre-deposit under section 107 or section 112 of the CGST Act, as the case may be, as detailed in para 7.2 above. However, in case the taxpayer fails to file an application in FORM GST DRC-03A on the common portal, the proper officer may proceed to recover the amount payable as per provisions of section 78 and section 79 of CGST Act.

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

10. Difficulty, if any, in implementation of the above instructions may please be brought to the notice of the Board. Hindi version would follow.

**[For further details please refer the circular]**

## CIRCULAR

**CLARIFICATION ON VARIOUS ISSUES PERTAINING TO TAXABILITY AND VALUATION OF SUPPLY OF SERVICES OF PROVIDING CORPORATE GUARANTEE BETWEEN RELATED PERSONS**

**OUR COMMENTS:** The CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS vide circular no. 225/19/2024-CGST dated 11.07.2024 circulated that :

1.1 As per the recommendations of the GST Council, sub-rule (2) was inserted in Rule 28 of Central Goods and Services Tax Rules, 2017 (hereinafter referred to as the "CGST Rules") vide Notification No. 52/2023-Central Tax dated 26th October, 2023 to provide for a specific clause for valuation of supply of services of providing corporate guarantee to any banking company or financial institution by an entity on behalf of a related person. Besides, Circular No. 204/16/2023-GST dated 27th October, 2023 was also issued as per the recommendations of the GST Council, to provide clarity

regarding the applicability of the said sub-rule. Subsequently, based on the recommendations of the GST Council, sub-rule (2) of Rule 28 of CGST Rules has been amended retrospectively with effect from 26.10.2023 vide notification No. 12/2024 dated 10th July 2024.

1.2 In this regard, various representations have been received from trade and industry, seeking clarifications on various issues pertaining to the taxability and valuation of the supply of services of providing corporate guarantee between related persons as per the said rule.

2. Therefore, in order 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 Services Tax Act, 2017 (hereinafter referred to as "CGST Act"), hereby clarifies the issues as under:

S. No.	Issue	Clarification
1	Whether sub-rule (2) of rule 28 of CGST Rules will apply to the corporate guarantees issued prior to insertion of the said sub-rule on 26th October 2023? Also, where intra-group corporate guarantees have been issued before 26th October 2023, which are still in force today, would they be liable to pay GST on "1% of the amount of such guarantee offered" on such guarantees?	It is to be clarified that the supply of service of providing corporate guarantee to any banking company or financial institution by a supplier to a related recipient, on behalf of the said recipient, was taxable even before the insertion of sub-rule (2) in rule 28 of CGST Rules with effect from 26th October 2023. Rule 28(2) of CGST Rules is only for determination of the value of the taxable supply of providing corporate guarantee to any banking company or financial institution by a supplier to a related recipient, on behalf of the said recipient and not regarding the taxability of the said supply itself. Prior to the insertion of the said sub-rule, i.e., before 26th October 2023, the valuation of service of providing corporate guarantee to any banking company or financial institution by a supplier to a related recipient, was to be done as per the

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		<p>provisions of Rule 28 of CGST Rules, as it existed then.</p> <p>Therefore, in respect of supply of services of providing corporate guarantee between related persons, in respect of corporate guarantee issued or renewed before 26th October 2023, the valuation of the said supply is to be done in accordance with Rule 28, as it existed during that time. However, if the corporate guarantee is issued or renewed on or after 26th October 2023, then the valuation of the said supply will be required to be done as per Rule 28(2) of CGST Rules.</p>			
2	<p>In cases where the corporate guarantee is provided for a particular amount, whereas the loan is only partly availed or not availed at all by the recipient, what will be the value of supply of corporate guarantee. Also, whether the recipient would be eligible to avail full ITC (Input Tax Credit) even before total loan is disbursed?</p>	<p>The activity of supply of the service of providing a corporate guarantee is not linked with the actual disbursement of the loan. The service that is provided by the guarantor to the guarantee is that of taking on the risk of default. Therefore, it is clarified that the value of supply of the service of providing a corporate guarantee will be calculated based on the amount guaranteed and will not be based on the amount of loan actually disbursed to the recipient of the corporate guarantee.</p> <p>Further, it is also clarified that the recipient of the service of providing corporate guarantee shall be eligible to avail the ITC, subject to other conditions specified in the Act and the Rules made thereunder, irrespective of when the loan is actually disbursed to the recipient, and irrespective of the amount of loan actually disbursed.</p>			
3	<p>In the case of takeover of existing loans, since there is merely an assignment of an already issued corporate guarantee, whether GST would be applicable again?</p>	<p>In the service of providing corporate guarantee to any banking company or financial institution by a supplier to a related recipient, on behalf of the said recipient, the supplier of the service is the corporate entity providing the corporate guarantee and the recipient is the related entity for whom the corporate guarantee is provided by the said supplier.</p> <p>Therefore, if the loan issued by the banking company/ financial institution is taken over by another banking company/ financial institution, the said activity of taking over of the loan does not fall under the service of providing corporate guarantee to any banking company or financial institution by a supplier to a recipient. Therefore, it is clarified that in such cases, there will be no impact on GST, unless there is issuance of fresh corporate guarantee or there is a renewal of the existing corporate guarantee. However, if the takeover of the loan is followed/ accompanied by issuance of fresh corporate guarantee, then GST would be payable on the same.</p>			
4	<p>Where corporate guarantee is provided by more than one entity / co-guarantor, what is the amount on which GST is payable by each co-guarantor?</p>	<p>In cases where corporate guarantee is being provided by multiple related entities, the value of such services of providing corporate guarantee shall be the sum of the actual consideration paid/ payable to co-guarantors, if the said amount of total consideration is higher than one per cent of the amount of such guarantee offered. In cases where the sum of the actual consideration is less than one per cent of the amount of such guarantee</p>			

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		<p>offered, then GST shall be payable by each co-guarantor proportionately on one per cent of the amount guaranteed by them.</p> <p>For instance, if there are two co-guarantors, A and B, who jointly provide a corporate guarantee to a banking/ financial institution on behalf a related recipient C for Rs. 1 crore, then A and B shall each pay GST on 0.5% of the amount guaranteed.</p> <p>However, if in the above case of A and B providing corporate guarantee jointly to a banking/ financial institution on behalf a related recipient C for Rs 1 crore, A provides guarantee for 60% of the guarantee amount and B provides guarantee for the remaining 40% of the guaranteed amount, then GST shall be payable by A and B proportionately i.e., 0.6% and 0.4% of the amount guaranteed. This is to say that A shall pay GST on 1% of the amount guaranteed by A, i.e., 1% on Rs. 60 lakhs and B shall pay GST on 1% of the amount guaranteed by B, i.e., 1% on Rs. 40 lakhs.</p>			<p>related entity located in India, then GST would be payable under reverse charge mechanism, by the recipient of service, i.e., the related entity located in India.</p>
6	Whether the discharge of tax liability on corporate guarantee @ 1% of such guarantee offered is to be done one time or on yearly basis or on monthly basis and when issued for a fixed term of say, five years or ten years as per tenure of the loan?	<p>Rule 28(2) of CGST Rules has been amended retrospectively with effect from 26th October 2023, vide notification No. 12/2024 -CT dated 10.07.2024.</p> <p>Therefore, it is clarified that the value of supply of the service of providing corporate guarantee to a banking company or a financial institution on behalf of a related recipient shall be one per cent of the amount guaranteed <b>per annum</b> or the actual consideration, whichever is higher.</p> <p>Accordingly, the value of supply of the service of providing corporate guarantee to a banking company or a financial institution on behalf of a related recipient for a particular number of years shall be one per cent of the amount of such guarantee offered multiplied by the number of years for which the said guarantee is offered or the actual consideration whichever is higher.</p> <p>In addition to the above, in cases where the corporate guarantee is provided for a period less than a year, say 6 months (half a year), then in those cases as well, the valuation may be done on proportionate basis for the said period, i.e., in this case, the value of the said supply of services may be taken as half of one per cent of the amount of such guarantee offered (6/12 * one per cent), or the actual</p>			
5	Where intra-group corporate guarantee is issued, whether GST may be paid by the recipient under reverse charge, as in the absence of actual invoice and payment, the recipient entity may not be able to claim input tax credit of tax paid by the domestic guarantor?	<p>It is clarified that in cases where domestic corporates issue intra-group guarantees, GST is to be paid under forward charge mechanism, and invoice is to be issued by the supplier of the service of providing corporate guarantee to the related recipient under Section 31 of CGST Act, 2017 read along with the relevant rules.</p> <p>However, in cases where such guarantee is provided by the foreign/ overseas entity for a</p>			



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		<p>consideration, whichever is higher.</p> <p>To illustrate the same, if a corporate guarantee is issued for a period of say five years, then the value of such guarantee is to be calculated at one per cent per year of the amount of such guarantee offered, or the actual consideration, whichever is higher, i.e., the value of such corporate guarantee provided would be 5% of the amount guaranteed or the actual consideration, whichever is higher. Therefore, GST would be payable on such amount at the time of issuance of such corporate guarantee, i.e., 5% of the amount guaranteed or the actual consideration, whichever is higher.</p> <p>However, if a corporate guarantee is issued, say for a period of one year and is renewed five times, for a period of one year each, then tax would be payable on one per cent of the amount of such guarantee offered, or the actual consideration, whichever is higher, on the issue of such corporate guarantee in the first year as well as on every renewal in subsequent years.</p>
7	Whether the benefit of second proviso to sub-rule (1), which states that value declared in invoice is deemed to be the open market value in cases where full input tax credit is available to the recipient of services, is not applicable in cases falling under sub-rule (2)?	<p>Proviso has been inserted in sub-rule (2) of Rule 28 of CGST Rules, retrospectively with effect from 26th October 2023 vide notification No. 12/2024 - CT dated 10.07.2024, similar to that provided in the second proviso to sub-rule (1) of Rule 28 of CGST Rules, to provide the benefit in cases involving supply of service of corporate</p>

		<p>guarantees provided between related persons.</p> <p>Accordingly, it is clarified that in cases involving the supply of service of corporate guarantees provided between related persons, where full input tax credit is available to the recipient of services, the value declared in the invoice shall be deemed to be the value of supply of the said service.</p>
8	Whether the valuation in terms of Rule 28(2) of CGST Rules will apply to the export of the service of providing corporate guarantee between related persons?	<p>As per the amendment done in sub-rule (2) of rule 28 of CGST Rules retrospectively w.e.f. 26th October 2023 vide notification No. 12/2024 - CT dated 10.07.2024, the provisions of the said sub-rule will not apply in cases where the recipient of the services of providing corporate guarantee between related persons is located outside India. Accordingly, the provisions of the said sub-rule shall not apply to the export of the services of providing corporate guarantee between related persons.</p>

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

4. Difficulties, 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

**AMENDMENT IN CIRCULAR NO. 1/1//2017 IN RESPECT OF PROPER OFFICER FOR PROVISIONS RELATING TO REGISTRATION AND COMPOSITION LEVY UNDER THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 OR THE RULES MADE THEREUNDER**

**OUR COMMENTS:** The CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS vide circular no. 223/17/2024-CGST dated 10.07.2024 circulated that Attention is invited to Circular no.



## GST

1/1/2017-CT dated 26.06.2017 vide which functions of proper officer under various sections of Central Goods and Services Tax Act, 2017 (hereinafter referred to as the "CGST Act") relating to Registration and Composition levy under the CGST Act or rules made thereunder were assigned to various officers of the Central Tax.

1.2 Consequent to the shifting of the GST back office operations of Central Board of Indirect Tax & Customs from ACES-GST to GSTN BO, it has now been decided by the Board that the functions of proper officer in relation to section 30 & Proviso to sub-section (1) of section 27 of CGST Act, as well as rule 6, rule 23 & rule 25 of Central Goods and Services Tax Rules, 2017 (hereinafter referred to as the "CGST Rules") may be assigned to Superintendent of Central Tax instead of Assistant or Deputy Commissioners of Central Tax or Assistant or Deputy Directors of Central Tax.

1.3 Accordingly, the table in Circular no. 1/1/2017-CT dated 26.06.2017 may be substituted by the following table: -

Table

Serial Number	Designation of the Officer	Functions under section of the Central Goods and Services Tax Act, 2017 or the rules made thereunder
(1)	(2)	(3)
1.	Assistant or Deputy Commissioners of Central Tax and Assistant or Deputy Directors of Central Tax	Sub-section (5) of section 10
2.	Superintendent of Central Tax	Sub-section (8) of section 25  Proviso to sub-section (1) of section 27  Section 28  Section 29  Section 30  Rule 6  Rule 9

	Rule 10
	Rule 12
	Rule 16
	Rule 17
	Rule 19
	Rule 22
	Rule 23
	Rule 24
	Rule 25

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

3. Difficulty, if any, in the implementation of the above instructions may please be brought to the notice of the Board. Hindi version would follow.

**[For further details please refer the circular]**

## NOTIFICATION

## AMENDMENT IN NOTIFICATION RELATING TO LIST OF EXEMPTED SUPPLY OF SERVICES UNDER THE CGST ACT

**OUR COMMENTS:** The CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS vide notification no. 04/2024-CGST(Rate) dated 12.07.2024 notified that In exercise of the powers conferred by sub-section (3) and sub-section (4) of section 9, sub-section (1) of section 11, sub-section (5) of section 15 and section 148 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government, on being satisfied that it is necessary in the public interest so to do, on the recommendations of the Council, hereby makes the following amendment further to amend the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 12/2017-Central Tax (Rate), dated the 28th June, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 691(E), dated the 28th June, 2017, namely:—

In the said notification, in the Table, -

# GST

(A) after serial number 9D and the entries relating thereto, the following serial numbers and entries shall be inserted, namely: -

(1)	(2)	(3)	(4)	(5)
9E	Chapter 99	Services provided by Ministry of Railways (Indian Railways) to individuals by way of –  (a) sale of platform tickets;  (b) facility of retiring rooms/waiting rooms;  (c) cloak room services;  (d) battery operated car services.	Nil	Nil
9F	Chapter 99	Services provided by one zone/division under Ministry of Railways (Indian Railways) to another zone(s)/division(s) under Ministry of Railways (Indian Railways).	Nil	Nil
9G	Chapter 99	Services provided by Special Purpose Vehicles (SPVs) to Ministry of Railways (Indian Railways) by way of allowing Ministry of Railways (Indian Railways) to use the infrastructure built and owned by them during the concession period against consideration and services of maintenance supplied by Ministry of Railways (Indian Railways) to SPVs in relation to the said infrastructure built and owned by the SPVs during the concession period against consideration.	Nil	Nil”;

(B) in serial number 12, -

(i) in column (2), the words and figures “Heading 9963 or” shall be omitted;

(ii) in column (3), the Explanation shall be numbered as Explanation 1 thereof, and after Explanation 1 so renumbered, the following Explanation shall be inserted, namely: -

“Explanation 2.- Nothing contained in this entry shall apply to-

(a) accommodation services for students in student residences;

(b) accommodation services provided by Hostels, Camps, Paying Guest accommodations and the like.”;

(C) after serial number 12 and the entries relating thereto, the following serial number and entries shall be inserted, namely: -

(1)	(2)	(3)	(4)	(5)
12A	Heading 9963	Supply of accommodation services having value of supply less than or equal to twenty thousand rupees per person per month provided that the accommodation service is supplied for a minimum continuous period of ninety days.	Nil	Nil”.

2. This notification shall come into force with effect from the 15th day of July, 2024.

**[For further details please refer the notification]**

## NOTIFICATION

### AMENDMENT IN NOTIFICATION RELATING TO EXEMPTION ON INTRA-STATE SUPPLIES OF GOODS FROM THE WHOLE OF THE CENTRAL TAX LEVIABLE U/S 9 OF CGST

**OUR COMMENTS:** The CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS vide notification no. 03/2024-CGST(Rate) dated 12.07.2024 notified that In exercise of the powers conferred by sub-section (1) of section 11 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government, being satisfied that it is necessary in the public interest so to do, 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. 2/2017-Central Tax (Rate), dated the 28th June, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R.674(E), dated the 28th June, 2017, namely:-

In the said notification, after the Schedule, in the Explanation, in clause (ii), after the entries relating thereto, the following proviso shall be inserted, namely:-

“Provided that notwithstanding anything contained in the Legal Metrology Act, 2009 (1 of 2010) and the rules made thereunder, as amended from time to time, the supply of agricultural farm produce in package(s) of commodities containing quantity of more than 25 kilogram or 25 litre shall not be considered as a supply made within the scope of expression ‘pre-packaged and labelled’.”.

# GST

2. This notification shall come into force from the 15th day of July, 2024.

[For further details please refer the notification]

## NOTIFICATION

### AMENDMENT IN NOTIFICATION RELATING TO CGST RATE SCHEDULE U/S 9(1) - NOTIFYING RATES OF CGST @ 2.5%, 6%, 9%, 14%, 1.5% AND 0.125% ON SUPPLY OF GOODS

**OUR COMMENTS:** The CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS vide notification no. 02/2024-CGST(Rate) dated 12.07.2024 notified that In exercise of the powers conferred by sub-section (1) of section 9 and sub-section (5) of section 15 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. 1/2017-Central Tax (Rate), dated the 28th June, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 673(E), dated the 28th June, 2017, namely:-

In the said notification, -

(A) in Schedule II – 6%, -

(i) after serial number 121 and the entries relating thereto, the following serial number and entries shall be inserted, namely:-

"121A	4819 10, 4819 20	Cartons, boxes and cases of, – (a) corrugated paper or paper board; or (b) non-corrugated paper or paper board";
-------	------------------	--

(ii) after serial number 180 and the entries relating thereto, the following serial number and entries shall be inserted, namely: -

"180A	7310, 7323, 7612, or 7615	Milk cans made of Iron, Steel, or Aluminium";
-------	---------------------------	---

(iii) after serial number 183 and the entries relating thereto, the following serial number and entries shall be inserted, namely: -

"183A	7321 or 8516	Solar cookers";
-------	--------------	-----------------

(iv) against serial number 199, in column (3), after the word "brooders", the words and symbol "; parts thereof" shall be inserted;

(B) in Schedule III – 9%, -

(i) for serial number 153A and the entries relating thereto, the following serial number and entries shall be substituted, namely:

"153A	4819 (except 4819 10, 4819 20)	All Goods (other than Cartons, boxes and cases of, – (a) corrugated paper or paper board; or (b) non-corrugated paper or paper board");
-------	--------------------------------	--

(ii) against serial number 224, after the word "equipment", the words and symbols "; other than Milk cans made of Iron, or Steel " shall be inserted;

(iii) against serial number 235, in column (3), at the end, for the words, "and wood burning stoves of iron or steel", the words, " ,wood burning stoves of iron or steel, and solar cookers" shall be substituted;

(iv) against serial number 273, after the words "boxes, etc.", the words and symbols "; other than Milk cans made of Aluminium" shall be inserted;

(v) against serial number 275A, after the words "Utensils", the words and symbol "; Milk cans made of Aluminium" shall be inserted;

(vi) against serial number 378A, in column (3), for the words and symbol "domestic purposes;" , the words, symbol and brackets "domestic purposes [other than solar cookers];" shall be substituted;

(C) after the Schedule VII, in the Explanation, in clause (ii), after the entries relating thereto, the following proviso shall be inserted, namely:-

"Provided that notwithstanding anything contained in the Legal Metrology Act, 2009 (1 of 2010) and the rules made thereunder, as amended from time to time, the supply of agricultural farm produce in package(s) of commodities containing quantity of more than 25 kilogram or 25 litre shall not be considered as a supply made within the scope of expression 'pre-packaged and labelled'."

2. This notification shall come into force on the 15th day of July, 2024.

[For further details please refer the notification]

## FEMA

## CIRCULAR

## REMITTANCES TO INTERNATIONAL FINANCIAL SERVICES CENTRES (IFSCS) UNDER THE LIBERALISED REMITTANCE SCHEME (LRS)

**OUR COMMENTS:** The Ministry of Finance, Department of Economic Affairs vide circular no. RBI/2024-25/49 Circular No. 15 dated 10.07.2024 clarified that attention of Authorised Persons is invited to A.P. (DIR Series) Circulars, i.e., No.11 dated February 16, 2021, No.03 dated April 26, 2023, and No.06 dated June 22, 2023, on remittances to International Financial Services Centres (IFSCs) in India under the Liberalised Remittance Scheme (LRS) and the Master Direction No. 7/2015-16 on LRS dated January 01, 2016 (as amended from time to time).

2. At present, remittances under LRS to IFSCs can be made only for:

i. Making investments in IFSCs in securities except those issued by entities/ companies resident in India (outside IFSC); and

ii. Payment of fees for education to foreign universities or foreign institutions in IFSCs for pursuing courses mentioned in the gazette notification no. SO 2374(E) dated May 23, 2022, issued by the Central Government.

For these permissible purposes, resident individuals can open Foreign Currency Account (FCA) in IFSCs.

3. On a review, it has been decided that Authorised Persons may facilitate remittances for all permissible purposes under LRS to IFSCs for:

i. Availing financial services or financial products as per the International Financial Services Centres Authority Act, 2019 within IFSCs; and

ii. All current or capital account transactions, in any other foreign jurisdiction (other than IFSCs) through an FCA held in IFSCs.

For these permissible purposes, resident individuals can open Foreign Currency Account (FCA) in IFSCs.

4. Authorised Persons shall bring the contents of this circular to the notice of their constituents and customers. The Master Direction No.7/2015-16 on LRS is being updated to reflect these changes.

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/approvals, if any, required under any other law.

**[For further details please refer the circular]**

## CIRCULAR

## EXPORT-IMPORT BANK OF INDIA'S GOI-SUPPORTED LINE OF CREDIT OF USD 2.50 MN TO THE GOVERNMENT OF CO-OPERATIVE REPUBLIC OF GUYANA, FOR INSTALLATION OF SOLAR PHOTO VOLTAIC POWER PLANT AT CHEDDI JAGAN INTERNATIONAL AIRPORT

**OUR COMMENTS:** The Ministry of Finance, Department of Economic Affairs vide circular no. RBI/2024-25/48 Circular No. 14 dated 08.07.2024 circulated that Export-Import Bank of India (Exim Bank) has entered into an agreement dated February 29, 2024 with the Government of the Co-operative Republic of Guyana (GO-GUY), for making available to the latter, Government of India supported Line of Credit (LoC) of USD 2.50 mn (USD Two Million Five Hundred Thousand Only) for installation of Solar Photo Voltaic Power Plant at Cheddi Jagan International Airport in Guyana.

2. The export of eligible goods and services from India, as defined under the agreement, would be allowed subject to

## FEMA

their eligibility 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.

3. Out of the total credit by Exim Bank under the agreement, goods, works and services of the value of at least 75 per cent of the contract price shall be supplied by the seller from India, and the remaining 25 per cent of goods and services may be procured by the seller for the purpose of the eligible contract from outside India.

4. The Agreement under the LoC is effective from June 24, 2024. Under the LoC, the last date for disbursement will be 48 months after scheduled completion date of the project.

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

6. No agency commission is payable for export under the above LoC. 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.

7. 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 LoC 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](http://www.eximbankindia.in).

8. 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

**SEEKS TO AMEND NOTIFICATION NO. 50/2017-CUSTOMS TO GIVE EFFECT TO THE RECOMMENDATION OF THE 53RD GST COUNCIL MEETING**

**OUR COMMENTS:** The Ministry of Finance, Department of Revenue vide notification no 28/2024-Customs dated 12.07.2024 notified In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962) and sub-section (12) of section 3 of the Customs Tariff Act, 1975 (51 of 1975), the Central Government, on the recommendations of the Council, on 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 in the 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,

(I) in the Table, -

(1) after S. No. 544 and the entries relating thereto, the following S. No. and entries shall be inserted, namely: -

(1)	(2)	(3)	(4)	(5)	(6)
"544A.	Any Chapter	Components or parts which are prescribed in any of the following manuals:-  i. Aircraft Maintenance Manual (AMM);  ii. Component Maintenance Manual (CMM);  iii. Illustrated Parts Catalogue (IPCL);  iv. Structural Repair Manual (SRM); or  v. Standard Procedure Manual (SPM) of the OEMs, when imported into India for servicing, repair, maintenance or overhauling, subject to fulfilling respective conditions, the condition number of which is mentioned in the corresponding	-	5%-"	;

		entry in column (6) against the serial number 536, 538 or 544.			
--	--	--	--	--	--

(2) after S. No. 612 and the entries relating thereto, the following S. No. and entries shall be inserted, namely: -

(1)	(2)	(3)	(4)	(5)	(6)
"613.	Any Chapter	Equipment or buoys required for Research Moored Array for African Asian Australian Monsoon Analysis and Prediction (RAMA) programme:  Provided that nothing contained in this S. No. shall have effect after the 31st July, 2026	-	Nil	118";

(II) in the Annexure, after Condition No. 117 and the entries relating thereto, the following Condition and entries shall be inserted, namely: -

"118. If,	<p>(a) the importer, at the time of import, furnishes a certificate to the Deputy Commissioner of Customs or the Assistant Commissioner of Customs, as the case may be, of the port of import, from an officer not below the rank of a Deputy Secretary to the Government of India in the Ministry of Earth Sciences recommending the grant of this exemption and that the goods are required for the specified purpose; and</p> <p>(b) the importer, by the execution of bond, in such form and for such sum as may be specified by the Principal Commissioner or Commissioner of Customs, binds himself,-</p> <p>(i) to re-export the goods within a period of two years from the date of import, which may be extended by another one year by the Principal Commissioner or Commissioner of Customs of the Port of import of such goods upon written request of the importer citing reasons for seeking such extension; and</p> <p>(ii) to pay on demand an amount equal to the integrated tax payable on the such goods, but for the exemption under this entry, along with the applicable interest thereon, in the event of violation of any of the above condition specified above."</p>
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## CUSTOMS

2. This notification shall come into force from the 15th day of July, 2024.

**[For further details please refer the notification]**

### NOTIFICATION

**SEEKS TO PROVIDE EXEMPTION FROM COMPENSATION CESS LEVIABLE ON IMPORTS BY SEZ UNIT OR DEVELOPER FOR AUTHORISED OPERATIONS**

**OUR COMMENTS:** The Ministry of Finance, Department of Revenue vide notification no 27/2024-Customs dated 17.07.2024 notified In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962) read with sub-section (12) of section 3, of Customs Tariff Act, 1975 (51 of 1975), the Central Government, on the recommendations of the Council, on being satisfied that it is necessary in the public interest so to do, hereby exempts all goods imported by a unit or a developer in the Special Economic Zone for authorised operations, from the whole of goods and service tax compensation cess leviable thereon under sub-section (9) of section 3, of Customs Tariff Act, 1975 (51 of 1975) read with sub-section (2) of section 8 of the Goods and Services Tax (Compensation to States) Act, 2017 (15 of 2017).

2. This notification shall come into force from the 15th July, 2024.

**[For further details please refer the notification]**

### NOTIFICATION

**SEEKS TO AMEND NOTIFICATION NO. 14/2020-CUSTOMS (ADD) DATED 9TH JUNE, 2020 IN ORDER TO CHANGE THE NAME OF THE PRODUCER VIZ. " SHELL EASTERN PETROLEUM (PTE) LTD " TO "SHELL SINGAPORE PTE. LTD.", IN PURSUANCE OF DGTR RECOMMENDATION**

**OUR COMMENTS:** The Ministry of Finance, Department of Revenue vide notification no 14/2024-Customs(ADD) dated 12.07.2024 notified Whereas, in the matter of 'Flexible Slabstock Polyol of molecular weight 3000-4000' (hereinafter referred to as the subject goods), originating in, or exported from Singapore (hereinafter referred to as the subject country) falling under sub-heading 3907 20 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the Customs Tariff Act), and imported into India, the Designated Authority in its final findings, published in the Gazette of India, Extraordinary, Part I, Section 1, vide

notification No.7/12/2019-DGTR, dated the 17th March, 2020 had come to the conclusion that –

(i) there is continued dumping of the subject goods from subject country and the imports are likely to enter the Indian market at dumped prices in the event of expiry of duty;

(ii) the domestic industry has suffered continued injury on account of dumped imports from the subject country;

(iii) the information on record shows likelihood of continuation of dumping and injury in case the antidumping duty in force is allowed to cease at this stage;

(iv) there is sufficient evidence to indicate that the revocation of the anti-dumping duty at this stage will lead to continuation of dumping and injury to the Domestic Industry,

and had recommended continued imposition of definitive anti-dumping duty imports the subject goods, originating in, or exported from the subject country and imported into India, in order to remove injury to the domestic industry;

And whereas, on the basis of the aforesaid findings of the Designated Authority, the Central Government had imposed the anti-dumping duty on the subject goods, vide notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 14/2020-Customs (ADD), dated the 9th June, 2020, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 364(E), dated the 9th June, 2020;

And whereas, Shell Singapore Pte. Ltd. requested the Designated Authority for changing the name of producer from "Shell Eastern Petroleum (Pte) Ltd" to "Shell Singapore Pte. Ltd." in its final findings, published in the Gazette of India, Extraordinary, Part I, Section 1, vide notification No. 7/12/2019-DGTR, dated the 17th March, 2020;

And whereas, the Designated Authority, vide amendment notification No. 7/24/2023-DGTR, dated the 14th February, 2024 published in the Gazette of India, Extraordinary, Part I, Section 1, dated the 14th February, 2024, has come to the conclusion that the request falls within the category of name change only and there is no change in the ownership in a manner that alters the basic nature of the business and recommended that the name of the producer, namely "Shell Eastern Petroleum (Pte) Ltd", be amended to "Shell Singapore Pte. Ltd." in its final findings notification No. 7/12/2019-DGTR, dated the 17th March, 2020.

## CUSTOMS

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 and 20 of the Customs Tariff (Identification, Assessment and Collection of Anti-dumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995, the Central Government, after considering the aforesaid amendments to final findings of the Designated Authority, hereby makes the following amendments in the notification of the Government of India, Ministry of Finance (Department of Revenue) No. 14/2020-Customs (ADD), dated the 9th June, 2020, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 364(E), dated the 9th June, 2020, namely:-

In the said notification, in the Table, against serial number 1, for the entry in column 6, the entry "Shell Singapore Pte. Ltd." shall be substituted.

[For further details please refer the notification]

A165/166, Road no. 27, Wagle Industrial Estate, Thane- 400604	V/NS- V/JNCH dated 09.12.2022		Centralized Refund Cell-II, ACC, Mumbai
	Show Cause Notice dated 11.01.2017 issued vide File No. S/3- Gen- 20/2016-17 CRC-II ACC	Deputy Commissioner of Customs(Import), Centralized Refund Cell-II, ACC, Mumbai	

[For further details please refer the notification]

### NOTIFICATION

**APPOINTMENT OF COMMON ADJUDICATING AUTHORITY FOR THE PURPOSE OF FINALIZATION OF PROVISIONAL ASSESSMENT IN SVB CASE W.R.T. M/S AVLOCK INTERNATIONAL INDIA PVT LTD**

**OUR COMMENTS:** The Ministry of Finance, Department of Revenue vide notification no 48/2024-Customs(N.T) dated 05.07.2024 notified In exercise of the powers conferred by sub-section (1) of section 4, read with section 3 and sub sections (1) and (1A) of section 5 of the Customs Act, 1962 (52 of 1962), the Central Board of Indirect Taxes and Customs, hereby appoints officer mentioned in column (4) of the Table below to exercise the powers and discharge duties conferred or imposed on officers mentioned in column (3) of the said Table in respect of Noticee mentioned in column (1) of the Table, for purpose of adjudication of show cause notices mentioned in column (2) therein, namely:-

**TABLE**

Name of the Noticee(s) and Address (M/s.)	Show Cause Notice Number and Date	Name of Adjudicating Authorities	Common Adjudicating Authority Appointed
(1)	(2)	(3)	(4)
M/s Avlock International India Pvt. Ltd., plot no.	Show Cause Notice No. 1580/2020- 23/AC/ Gr.	Assistant Commissioner of Customs, Group- V, NS-V, JNCH	Deputy Commissioner of Customs (Import),

# DGFT

## TRADE NOTICE

### CLARIFICATION TO THE TRADE NOTICE RELATING TO EXTENSION OF INTEREST EQUALISATION SCHEME (IES) FOR PRE AND POST SHIPMENT RUPEE EXPORT CREDIT FOR TWO MONTHS BEYOND 30TH JUNE, 2024

**OUR COMMENTS:** The Ministry of Commerce and Industry vide trade notice no. 08/2024-2025 dated 10.07.2024 notified This is in reference to the Trade Notice No. 07/2024-2025 dated 28.06.2024 vide which the Interest Equalisation Scheme (IES) for Pre and Post shipment Rupee Export Credit was extended for two months beyond 30th June, 2024.

2. In this regard, it is noticed that banks are facing difficulties on the applicability of the Trade Notice No. 07/2024-2025.

3. In view of the above, the issues raised are accordingly clarified as follows:

Sr. No.	Issue raised	Clarification
1.	<b>Threshold Limit for the extended period:</b> Whether there is any threshold limit of Interest Equalisation per IEC for the period from 1st July 2024 to 31st August 2024.	The Interest Equalisation will be capped at Rs. 1.66 Cr per IEC for the period from 1st July 2024 to 31st August 2024.
2.	<b>Inclusion of MSME Merchant Exporters:</b> Whether the scheme is applicable only to MSME Manufacturer exporters, who are eligible for IES benefit of 3%, or if it is also applicable to MSME Merchant Exporters, who are eligible for IES benefit of 2% under 410 HS Lines as advised in circular RBI/ 2021-22/ 180DOR.STR.REC.93/04.02.001/2021-22.	The scheme extended vide Trade Notice No. 07/2024-2025 dated 28.06.2024 is applicable only to MSME Manufacturer Exporters, who are eligible for IES benefit of 3%.
3.	<b>Requirement of Revised UIN:</b> Whether clients would be required to generate revised UIN for the extended period as the existing UINs have a validity till 31.03.2025.	Applicants would not be required to generate revised UIN for the extended

period if the applicants have already generated UIN for the FY 2024-2025.

4. This issues with the approval of the Competent Authority.

**[For further details please refer the trade notice]**

## **:IN STANDS**

### **GST APPELLATE TRIBUNAL (GSTAT)**



#### **CONTENTS**

- 1. A detailed Synopsis of GSTAT Appeals, Practice, Policy and Procedures**
- 2. Master Summary of Act, Rules and Forms with brief understanding**
- 3. Section-wise Commentary with Related provisions, Rules and Forms**
- 4. Expectations From The Goods And Services Tax Appellate Tribunal (Procedure) Rules, 202x**

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  - Text of provisions under IGST Act 2017 & CGST Act 2017 updated as per Finance Act, 2023
2. CGST & IGST Section-Wise Rules, Forms, Case Laws And Notification/Circulars GIST
  - CGST & IGST Section-wise Synopsis of "Question of Law" answered under GST
3. Completely Updated Synopsis Of Case Laws under GST by Supreme Court, High Court, AAARS & AARS

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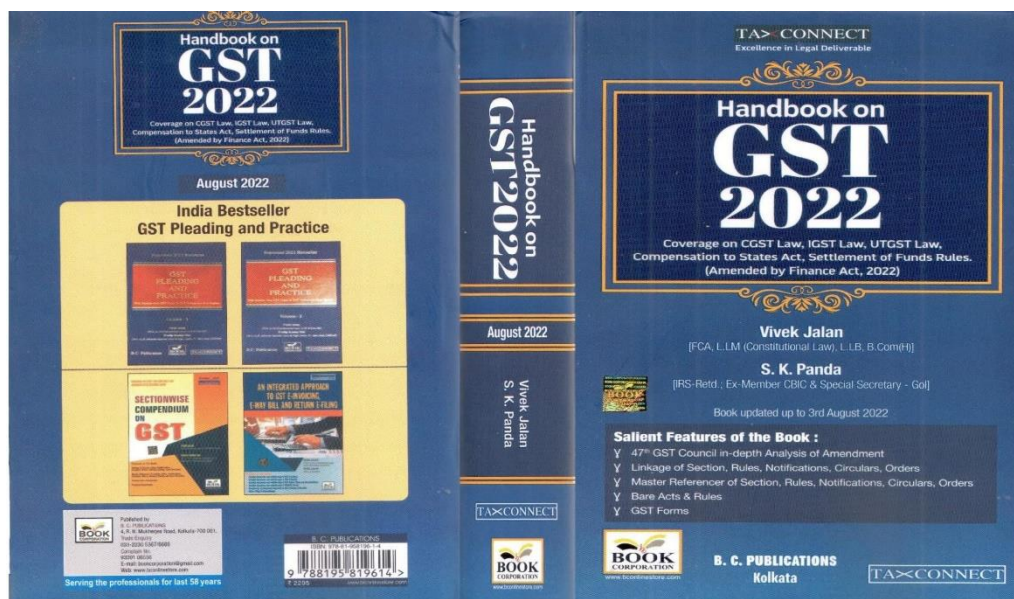
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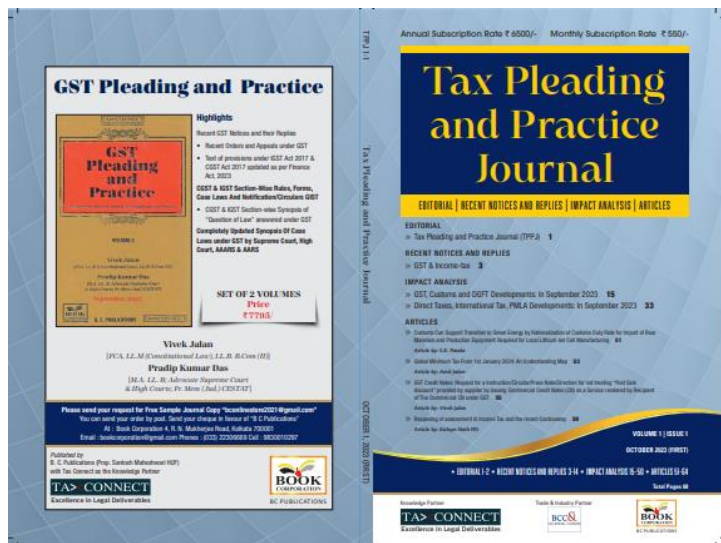
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