

GST & CORPORATE TAX



WEEKLY NEWSLETTER | CA JAY BOHRA

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The week that was...

- ✓ **Finance Act, 2022 notified** as Finance Bill 2022 received President's assent on March 30, 2022
- ✓ **₹1,42,095 crore gross GST revenue** collected for **March 2022**; **Highest ever monthly GST collection**; **15% higher** than last year
- ✓ CBIC notifies **increase in GST rates** for **Fly Ash Bricks, Blocks, Building Bricks and roofing tiles** to **12% with ITC** and **6% without ITC** from existing rate of 5%
- ✓ ₹ 95.86 crore recovered from **11 Cryptocurrency Exchanges** for **GST Evasion**: Minister of State for Finance
- ✓ Dept of Sports **requests** Finance Ministry to fix **GST rates for sports goods at 5%**
- ✓ DGFT **extends Foreign Trade Policy 2015-2020** and **Handbook of Procedures 2015-20** till **Sep 30, 2022**
- ✓ **Exemption of IGST & Compensation Cess** on goods imported under EPCG or Advance Authorization scheme or procured by EOU's, STP Units, EHTP units etc. **extended till June 30, 2022**
- ✓ **Not linking PAN with Aadhaar** will cost you ₹500 in first 3 months from April'22; ₹1,000 thereafter; After March 31, 2023, non-linked PAN to become inoperative
- ✓ IT Dept notifies the **Faceless Enquiry and Valuation Scheme 2022**
- ✓ Central Govt. **relaxes provisions of TCS** u/s 206C(1G) of the IT Act, 1961 **in respect of NRIs visiting India**
- ✓ Timeline **extended** for e-filing of **Form 10AB** for registration or approval u/s 10(23C), 12A or 80G of the IT Act

Important Judgements: GST

Blocking ITC without assigning reasons an 'arbitrary exercise of power'; Requires post-decisional hearing

The Hon'ble Gujarat High Court in *M/s New Nalbandh Traders v. State of Gujarat** held that blocking of electronic credit ledger of recipient on account of fault of supplier lacks any statutory authority. Further, observes that the impugned order blocking the ECL of Petitioner is bereft of any reasons since the first requirement of Rule 86A viz. having reasons to believe, has manifestly not been followed and therefore, the impugned order was held to be erroneous in law.

* 2022 (3) TMI 908 - GUJARAT HIGH COURT

Insertion of negative balance in the electronic credit ledger under Rule 86A would be wholly without jurisdiction and illegal

The Hon'ble Gujarat High Court in *M/s. Milap Scrap Traders v. State/ Commercial Tax Officer*** held that Rule 86A is not the rule which entitled the proper officer to make debit entries in the electronic credit ledger of the registered person. The rule merely allows the proper officer to disallow the registered person debit from the electronic credit ledger for the limited period of time and on a provisional basis.

**2022 (3) TMI 1249 - GUJARAT HIGH COURT

7th April

Deposit of TDS/TCS under
Income Tax for **March'22**

