

Weekly GST Communique



GST Law and Commentary with Analysis and Procedures by Bimal Jain and Isha Bansal

✪ Volume I ✪ Volume II ✪ Volume III ✪

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GST

Important Judgment, Rulings of the week

- Delhi High Court: Upheld the power to conduct Service Tax Audit post GST regime
- NAA: Tata Croma told to slash prices of DSLRs, power banks; fined Rs 1.9 cr for GST-related profiteering
- NAA: Starbucks fined for not passing on GST cut benefits

Important Circulars of the week

- CBIC issued Circular for Scheme for Rebate of State Levies (ROSL)
- CBIC issued Policy and Guidelines for setting up of Inland Container Depots (ICDs), Container Freight Stations (CFSs) and Air Freight Stations (AFSs)
- Maharashtra AAR issued guidelines for online e-hearing

Important Press Releases of the week

- GST collection in the month of October, 2020 is ₹1,05,155 crore
- GST: More than 495 Lakh e-invoices generated on the NIC portal within a month of introduction
- Central Government released Rs 6,000 cr as second tranche to 16 States and 3 Union Territories on account of GST compensation under Special Borrowing Window
- Rajasthan decides to go for Option-1 to meet the GST implementation shortfall
- Government extends Emergency Credit Line Guarantee Scheme till November 30, 2020
- Ministry of MSME launches special drives for increasing Udyam Registration
- PIB issued statistics of India's Merchandise Trade Preliminary data for the month of October, 2020
- Factual position in respect to Service Charges levied by banks

Important Updates of the week

- GSTN issued comprehensive guide for taxpayers on common errors and suggested solutions
- A list of GSTINs has been issued by NIC for whom e-invoicing is mandatory
- Compliance Calendar for the month of November, 2020

Video of the week

- When arrest can be done in GST for Non-Bailable Offences || CA Bimal Jain

Income Tax

Important Notification, Circular of the week

- CBDT gives exemption to Abu Dhabi's sovereign wealth fund MIC Redwood for investments
- I-T department allows condonation of delay in filing audit reports by trusts, institutions

Important Press Releases of the week

- Income Tax Department conducts searches in West Bengal
- Income Tax Department conducts searches in Kerala

Important Updates of the week

- CBDT has issued refunds of over Rs. 1,29,190 crore to more than 39.49 lakh taxpayers between April 01, 2020 to November 03, 2020

- **CNBC-TV18: Govt Sources say April-Oct FY21 net direct tax mop up seen at Rs 3.82 lakh cr Vs Rs 5.15 lakh cr (YoY)**

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GST

Important Judgment, Rulings of the week

Delhi High Court: Upheld the power to conduct Service Tax Audit post GST regime



The Hon'ble Delhi High Court in the case of **M/s Vianaar Homes Pvt. Ltd [W.P.(C) 2245/2020 & CM APPL. 7832/2020 dated November 3, 2020]** has held that Section 174(2)(e) of the Central Goods and Services Tax Act, 2017 ("**CGST Act**"), specifically empowers the authorities to institute any investigation, inquiry, verification, assessment proceedings, adjudication, etc. including service tax audit under Rule 5A of the Service Tax Rules, 1994 ("**Service Tax Rules**"), as said Rule framed under the repealed or omitted chapter V of the Finance Act, 1994 ("**Finance Act**"), is saved.

Facts:

M/s Vianaar Homes Pvt. Ltd. ("**Petitioner**") is a company engaged in the business of construction of residential complexes since its incorporation. The officers of Central Goods and Service Tax, Audit-II ("**Respondents**") visited the business premises of the Petitioner, directed the production of certain documents and sought information in relation to the disputed period i.e. 2014-15 to 2016-17 (upto June, 2017)

In addition, thereto, the officers also demanded information pertaining to several group companies of the Petitioner. Despite Petitioner's compliance with the above and submission of the requisite information, the officers visited the business premises again. Their conduct exhibited the intention to continue with the visits, conduct audit/verification proceedings, and give further directions for production of documents and information.

The Petitioner has challenged the letter dated November 11, 2019 by virtue of which the Respondents have commenced the audit/verification, on the ground that the same is void ab initio, being wholly without jurisdiction as well as without any statutory or legal authority.

Issue:

Whether the audit/verification by revenue, contemplated under Rule 5A of Service Tax Rules, is saved despite the repeal of Chapter V of the Finance Act.

Held:

The Hon'ble Delhi High Court in *W.P. (C) 2245/2020 & CM APPL. 7832/2020 dated November 3, 2020* held as under:

- Upheld audit-initiation and held that the Service Tax Audit can be conducted under GST regime.
- The Court observed that the repeal of the Chapter V of the Finance Act and re-enactment of the new CGST Act is simultaneous. According to the legislature, the repeal along with re-enactment was necessary to update the law to make it most suitable to the contemporary concept of indirect taxation. However, it did not mean that all investigations, enquiries, audits, assessment proceedings, adjudications and other legal proceedings which form the subject matter of the Service Tax Rules stood abrogated the moment the new law was enacted, or that the officers carrying out the above exercise were stripped of their power to continue with the same because the Service Tax Rules were purportedly not saved.
- And that the obligation to pay service tax arose at the time of rendering taxable service, which fell during the disputed period, at which time Chapter V of the Finance Act was very much in force.
- That, in the disputed period [i.e. 2014-15 to 2016-17 (upto June, 2017) or the period last audited], Chapter V of the Finance Act was very much on the statute book. The present proceedings cannot be carried out under the provisions of goods and services tax, because, as explained earlier, the concept of taxation under the GST regime is not the same. For the purpose of adjudication and other aspects related to service tax, the mechanism provided under the Service Tax Rules has to be followed. Thus, the HC opined that the Central Goods and Services Tax Rules, 2017 ("**CGST Rules**") cannot be understood to have superseded the Service Tax Rules. The service tax rules will continue to govern and apply for the purpose of Chapter V of the Finance Act. Any interpretation to the contrary would do violence to the repeal and saving clause and Section 6 of the General Clauses Act, 1897 ("**General Clauses Act**").

- The HC highlighted the concept of GST and the effect of Section 24 of the General Clauses Act to understand the legislative intent of the saving provisions. Clause 174(3) of CGST Act serves the purpose of ensuring the general application of Section 6 of the General Clauses, notwithstanding what has been specifically provided under the saving Section 174 of CGST Act. This saving provision safeguards, inter alia, that the shift to the new taxation would not affect the previous operation of the amended Act or the repealed Acts. Section 174(2) of the CGST Act, expressly saves all pending and new proceedings to be initiated under the old regime, and Section 174(3) of the CGST Act, allows the operation of Section 6 of the General Clauses Act.
- While emphasizing the expression “including scrutiny and audit” and “any other legal proceedings”, Hon’ble Delhi High Court held that the saving clause is framed in the widest possible language. Section 24 of the General Clauses Act introduces a concept of extending the life of rules, regulations and by-laws made under the old Act and the purpose of same is to uninterruptedly continue the subordinate legislation that may be made under the Central Act which is repealed and re-enacted, with or without modification. The repealing Act often comes with saving clauses to preserve certain provisions, which if allowed to be obliterated with the repealed Act, would not only destroy the continuity of the object and purpose of the repealing Act, but wreck great hardship and injustice. Thus, general saving statutes such as the General Clauses Act take care of this situation. Section 24 of the General Clauses Act has to be read along with the re-enacted Act in order to comprehend whether the rules framed under the old Act are kept alive even after the repeal of the old Act.

Our comments:

The Hon’ble Gujarat HC in in ***Oil Field Warehouse and Service Ltd v. Union of India [Special Civil Appeal No. 16232 of 2018 dated 17.10.2018]*** stayed CAG audit of a private limited company providing warehouse and logistical support services in SEZ, after observing that as per Section 174(2) of the CGST Act, prima facie, show that there was no saving of Rule 5A of the Service Tax Rules in such manner that fresh proceedings for audit could be initiated in exercise of powers under the said Rule. The Court stated that they have serious doubts whether, with the aid of rule 5A of the Service Tax Rules, the CAG can carry out compulsory Service Tax audit of private agencies like the petitioner.

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NAA: Tata Croma told to slash prices of DSLRs, power banks; fined Rs 1.9 cr for GST-related profiteering

Anti-Profiteering Authority



Infiniti Retail, Consumer Durables and Electronics (CDE) retailer, operating under the brand name 'Croma' has been asked to cough up Rs 1.9 crore in fine for Goods & Services Tax (GST)-related profiteering. The retailer has also been told to reduce the prices of its DSLR cameras and power banks by the government.

The National Anti-Profiteering Authority (NAA) has asked the retail arm of Tata to pay the penalty for alleged profiteering from the sale of cameras and power banks after the GST rate was reduced in 2019, according to a Mint report.

The NAA in its order gave three months to the company to pay up the amount along with 18% interest from the date of collection of funds from the consumers. The NAA order directs the Tata Group company to reduce the prices of its DSLRs and power banks.

According to the NAA, the profiteered amount from cameras amount to Rs 1.41 crore while from power banks amounted to Rs 48.19 lakh. It was calculated by assessing the base prices of the products before the GST rate was reduced and after it was slashed. GST rates for most of the goods and services are 5%, 12%, 18% and 28% and electronic goods are mostly at 18% GST. The GST Council reduced the rate on electronics from 28% to 18% effective January 2019.

The investigation period covered 6 months from January 1, 2019. As per GST laws, businesses are required to pass on the benefit of reduced cut immediately to the consumers. Businesses in India are free to determine the prices of their products but they cannot increase the base price in order to profit from relief which the government intends to give to consumers instead by way of GST rate cuts etc.

The Tata Group has joined Reliance Industries Ltd (RIL) and online retail behemoth Amazon.com Inc in the race to increase market share in India's lucrative retail sector with acquisitions and plans of a 'super app'. Tata Digital –is planning to unveil a 'super app' by December or early next year which is likely to host products and services in online food & grocery delivery, fashion & lifestyle, consumer durables, insurance and financial services, healthcare and bill payments segments.

Source from: <https://www.timesnownews.com/business-economy/companies/article/tata-croma-told-to-slash-prices-of-dslrs-power-banks-fined-rs-1-9-cr-for-gst-related-profiteering/678202>

NAA: Starbucks fined for not passing on GST cut benefits



National Anti-Profiteering Authority

The National Anti-Profiteering Authority has fined Starbucks Rs 1.04 crore plus 18% interest for not passing on the benefit of a reduction in the goods and services tax rate from 18% to 5% to consumers between November 2017 and June 2018. Starbucks was also directed to reduce the prices of its products.

Tata Starbucks, a 50:50 joint venture between Tata Consumer Products and Starbucks Corporation that operates Starbucks Coffee outlets in India, indicated that it may challenge the ruling.

"It is evident from the narration of facts that the respondent denied benefit of rate reduction" to buyers in contravention of the Central GST Act and thus resorted to profiteering, NAA chairman BN Sharma said in an order dated October 28.

The NAA directed the coffee chain to deposit the amount profiteered within three months, although it did not impose any penalties, citing amendments to the Finance Act in January 2020 that barred the levy of penalty retrospectively.

"As a responsible business, Tata Starbucks will comply with the ruling. Tata Starbucks intends to explore our legal options on the basis of our belief that we have followed the law in accordance with the revision of the GST structure." a Tata Starbucks spokesperson said in response to query from ET.

Source from: <https://economictimes.indiatimes.com/industry/cons-products/food/starbucks-fined-for-not-passing-on-gst-cut-benefits/articleshow/79048099.cms>

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Important Circulars of the week

CBIC issued Circular for Scheme for Rebate of State Levies (ROSL)



CBIC issued **Circular No. 49/2020-Customs dated November 03, 2020** for Scheme for Rebate of State Levies (ROSL).

As you are aware, Government had notified the scheme for Rebate of State Levies (ROSL) to mitigate the incidence of State VAT and other State taxes on export of garments and made-ups (falling under Chapters 61, 62 and 63 of AIR schedule of duty drawback). In this regard, Ministry of Textiles (MoT)'s various notifications mentioned in Board's Circulars no. 43/2016-Customs dated 31.08.2016 and no. 8/2017-Customs dated 20.03.2017 may be seen.

The erstwhile ROSL scheme was in operation till 06.03.2019 and has been replaced by the Rebate of State and Central Taxes and Levies (RoSCTL) scheme. In this regard, Board's Circular no. 10/2019-Customs dated 12.03.2019 may be referred. ROSL rebate was earlier being released in exporter's bank account based on budgetary allocation of MoT. Subsequently, as per MoT's notification dated 07.03.2019 as amended vide notification dated 09.06.2020, for the pending claims of ROSL which could not be then released due to budget limitations, it has been decided that the remaining ROSL rebate is to be granted by DGFT in the form of electronic duty credit scrips. This will be on the lines of scrips issued under RoSCTL scheme. These scrips can be utilised for payment of duties of Customs and Central Excise. The scrips issued under the ROSL scheme will be freely transferable.

It is to inform that DGFT vide notification no. 37/2015-2020 dated 06.10.2020 has introduced para 4.01(d) in FTP 2015-2020 and vide Public Notice (P.N.) no. 25/2015-20 dated

13.10.2020 introduced paras 4.97 and 4.98 in the Handbook of Procedures (HBP) 2015-2020 to give effect to MoT's above cited notification dated 07.03.2019. Copies of the above-cited notifications of MOT are available

on egazette.nic.in. DGFT's PNs are available on their website dgft.gov.in. These may be perused for further details of the respective schemes.

It is also informed that Government has notified the use of scrips for payment of specified duties of Customs under the ROSL scheme vide notification no. 38/2020-Customs dated 21.10.2020. Similarly, notification no. 07/2020 - Central Excise dated 21.10.2020 has been issued which provides for use of scrips for payment of duties of Central Excise for clearance of goods specified in the Fourth Schedule to the Central Excise Act, 1944. These notifications may be seen for further details.

It is to further mention that the mechanism for recovery of excess payment of ROSL amount is prescribed vide MoT's notification dated 05.08.2020. It is also reflected in DGFT's above cited P.N. dated 13.10.2020. In terms of the above, the Regional Authority of DGFT would be responsible for any recovery that may be required to be made regarding benefits issued by DGFT through scrip mechanism under RoSL. In this context, attention is invited to Board's Circular dated 31.08.2016 wherein the recovery procedure under erstwhile ROSL scheme had been provided and where the Textile Commissioner in MOT was to undertake recovery of ROSL amounts. In distinction to above mechanism, for the pending claims for ROSL for which now scrips are to be issued by DGFT, all instances of misuse that may have a bearing on rebate given under ROSL, should be intimated to Shri Praveen Kumar, Dy. DGFT, Udyog Bhawan, Maulana Azad Road, New Delhi-II (praveen.kumar82@nic.in) (Tel:011-23061562) who has been nominated by DGFT as the nodal authority to look into the matter.

Suitable Public Notice and Standing Order should be issued for guidance of the trade and officers. Any difficulty faced should be immediately brought to the notice of the Board.

The Circular can be accessed at: <https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-circulars/cs-circulars-2020/Circular-No-49-2020.pdf>

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CBIC issued Policy and Guidelines for setting up of Inland Container Depots (ICDs), Container Freight Stations (CFSs) and Air Freight Stations (AFSs)



CBIC vide **Circular No. 50/2020-Customs dated November 05, 2020** issued Policy and Guidelines for setting up of Inland Container Depots (ICDs), Container Freight Stations (CFSs) and Air Freight Stations (AFSs)

Introduction

An Inter-Ministerial Committee (IMC) was constituted in 1992 to act as a single window for clearance of proposals to set up Inland Container Depots (ICDs), Container Freight Stations (CFSs) and Air Freight Stations (AFSs). The Ministry of Commerce and Industry Guidelines, 1992 prescribed the requirements for setting up of the ICDs and CFSs. The subsequent guidelines issued by the Department of Commerce (DoC) and Central Board of Indirect Taxes and Customs (CBIC) set the rules for establishment & functioning of these facilities. The matters relating to setting up of ICDs/CFSs/AFSs were brought under CBIC in 2018. Accordingly, the Board had reconstituted the Inter-Ministerial Committee vide order issued under F.No. 434/04/2018-Cus.IV dated 20.06.2018.

In the last two decades, both the cargo volumes and capacities of ICDs/CFSs have increased manifold. A few key initiatives transforming the manner of trade in recent years, such as implementation of the Authorized Economic operator (AEO) programme, rising penetration of the Direct Port Delivery (DPD) and Direct Port Entry (DPE) initiatives, Self-Sealing (RFID seals), Self-Assessment, Electronic Cargo Tracking System (ECTS) and RMS based facilitation have completely changed the operation of Export-Import logistics. The CBIC is also targeting higher DPD, DPE numbers with minimum but more effective Customs interventions aided by technological measures.

Similarly, physical infrastructure has undergone exponential improvements with the development of expressways, national highways connecting ports to hinterland. Many new private ports & terminals within the existing ports have come up on both Western and Eastern coasts of the country. The operationalisation of Western and Eastern Dedicated Freight Corridors is near future is expected to completely change the dynamics of cargo movement.

At present, majority of CFSs are located up to 50 kms away from the port and are concentrated in high numbers in the western and southern India. ICDs on the other hand are concentrated in the northern hinterland. Similarly, the traffic across ICDs is also not distributed evenly, only 25 ICDs cater 83% of the total volume (in terms of Shipping Bills and Bills of Entries).

Therefore, on account of plethora of changes in the policy, technology landscape and the logistics ecosystem over the time, there is a need for revising the policies and procedure for setting up of new ICDs/CFSs/AFSs to meet the requirement of the changing paradigm and the aspirations of the trade.

Accordingly, the new policy:

- i. takes into account the present capacity, future growth potential and regional imbalances and also addresses the need for bringing uniformity, transparency and seamless approval process;
- ii. addresses the identified regulatory and logistics concerns associated with the hard and soft infrastructure of ICDs/CFSs/AFSs in India;
- iii. establishes a framework of functional requirements pertaining to the design and operation of dry ports, as well as establish certain processes to enable sustainable growth of the sector; and
- iv. aims to lay down appropriate institutional, administrative and regulatory frameworks for development and smooth operation of ICDs/CFSs/AFSs, including procedures for regulatory inspection and the execution of applicable customs control and formalities.

Distinction between ICD, CFS and AFS

Inland Container Depot (ICD):

An off seaport (or port) facility_ having such fixed installations or otherwise, equipment, machinery etc. providing services for handling / clearance of laden import, export containers for home use, warehousing, temporary admissions, re-export etc under customs control and with storage facility for customs bonded or non-bonded cargo.

An ICD is a "self-contained Customs station" like a port or air cargo unit where filing of Customs manifests, Bills of Entries, Shipping Bills and other declarations, assessment and all the activities related to clearance of goods for home use, warehousing, temporary admissions, re-export, temporary storage for onward transit and outright export, transshipment, etc., take place. An ICD would have its own automated system with a separate station code (such as INTKD 6, INSNF6 etc.) being allotted by Ministry of Commerce and with in-built capacity to enter examination reports and enable assessment of documents, processing of manifest, amendments, etc.

Container Freight Station

An off seaport (or port) facility having such fixed installations or otherwise, equipment, machinery etc. Providing services for handling / clearance of laden import, export containers for home use, warehousing, temporary admissions, re-export etc under customs control and with storage facility for customs bonded or non-bonded cargo.

Though by definition, both ICD and CFS are similar, a CFS is only a Customs area notified under section 8 of the Customs Act, 1962, located in the jurisdiction of a Commissioner of Customs exercising control over a specified Customs port, airport, LCS/ICD while an ICD is notified under section 7 of the Customs Act, 1962. A CFS cannot have an independent existence and has to be linked to a Customs station within the jurisdiction of the Commissioner of Customs. It is an extension of a Customs port set up with the main objective of decongestion. In a CFS only a part of the Customs processes mainly the examination of goods is normally carried out by Customs besides stuffing/de-stuffing of containers and aggregation/ segregation of cargo. Thus, Custom's functions relating to processing of manifest, import/ export declarations and assessment of Bill of Entry/Shipping Bill are performed in the Custom House/Custom Office that exercises jurisdiction over the parent port/airport/ICD/LCS to which the said CFS is attached. In the case of Customs Stations having facility of automated processing of documents, terminals are provided at such CFSs for recording the result of examination, etc. In some CFSs, extension Service Centers are available for filing documents, amendments etc. However, the assessment of the documents etc. is carried out centrally.

An ICD may also have several CFSs attached to it within the jurisdiction of the Commissioner of Customs just as in the case of a port.

Air Freight Station (AFS)

An off-airport common user facility equipped with fixed installations of minimum requirement and offering services for handling and temporary storage of import and export cargo etc.

While CFS handles maritime cargo, an AFS is meant to handle air cargo.

Important centers of activity relating to ICDs/CFSs/AFSs

Rail Siding (in case of a rail-based terminal): The place where container trains are received, dispatched and handled in a terminal. Similarly, the containers are loaded on and unloaded from rail wagons at the siding through overhead cranes and / or other lifting equipment.

Container Yard: Container yard occupies the largest area in the ICD/CFS. It is stacking area where the export containers are aggregated prior to dispatch to port, import containers are stored till Customs clearance and where empty containers await onward movement. Likewise, some stacking areas are earmarked for keeping special containers such as refrigerated, hazardous, overweight/over- length etc.

Warehouse: Public warehouse appointed under section 57 or private warehouse licensed under section 58 is a covered space/shed where export cargo is received and import cargo stored/delivered; containers are stuffed/stripped or reworked; LCL exports are consolidated and import LCLs are unpacked; and cargo is physically examined by Customs. Export and import consignments are generally handled either at separate areas in a warehouse or in different nominated warehouses/sheds.

Gate Complex: The gate complex regulates the entry and exits of road vehicles carrying cargo and containers through the terminal. It is place where documentation, security and container inspection procedures are undertaken.

Functions and benefits of ICDs/CFSs/AFSs

The primary functions of ICD/CFS/AFS include receipt and dispatch/delivery of cargo, stuffing and stripping of containers, transit operations by rail/road to and from serving ports; customs clearance, consolidation and desegregation of loose Container Load (LCL) cargo, temporary storage of cargo and containers, reworking of containers; and maintenance and repair of container units.

ICD/CFS/AFS, inter alia, offer the following benefits to the trade, namely, serving as concentration points for long distance cargo movement and transit facility, making available customs clearance facility available near the centers of production and consumption free movement of cargo at gateway ports and decongesting the ports, reducing the costs of transport, inventory, demurrage and level of pilferage; enabling intermodal transshipments 86 repositioning of containers for shipping lines.

Criteria for new ICDs/CFSs/AFSs

Geographical Criteria for approvals

It has been seen in the past that the tendency of developers to set up facilities in few selected areas led not only to proliferation at those centers but also has resulted in investments being made near big cities/ports, far from the manufacturing/exporting units. Moreover, such distorted penetration results in higher costs for inland units apart from creating manpower issues for the departments.

Therefore, it has been decided to group the country in three types of areas for the purposes of opening of new ICDs/CFSs as under following:

- **Green Zone:** States low on ICD/CFS infrastructure. These will be open for proposals (Himachal Pradesh, Bihar, Jharkhand, West Bengal, Sikkim, Assam, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya and Telengana and Union territories of Jammu and Kashmir and Ladakh);
- **Blue Zone:** States where the proposals can be accepted only for specific trade generating locations with no existing facilities or with over utilized facilities (Uttarakhand, Uttar Pradesh, Chattisgarh, Odisha, Andhra Pradesh, Goa, Karnataka and Kerala and Union Territories of Pudhucherry, Diu and Daman); and
- **Red Zone:** The identified states have adequate ICD/CFS infrastructure. These may be closed for any new CFSs development indefinitely. However, in exceptional cases

IMC may approve the setting up of ICDs in trade generating locations with high export & import potential and need of new facilities (all the states and union territories not listed in Green and Blue Zones).

Distance of ICD from ports - Rail transport is price competitive with road transport when the lead distance is more than 200 kms. Rail connected ICDs are favored at hinterland locations with lead distances up to 1,500 kms in north India. The development of ICDs within 200 kms of a connecting/Nearest serving seaport shall be discouraged. The measure is expected to further encourage DPD & DPE movement between hinterland &

ports. For calculation of distance, the chargeable route by rail and shortest road (National Highway / State Highway) from serving port shall be considered. This rule shall be applicable across all geographical zones.

Distance between ICDs - No Greenfield ICD shall be permitted to be established within 100kms distance from existing ICD. Distance will be referred as chargeable railways route (both directions) between ICDs and shortest road distance (National Highway / State Highway, both directions) in case of road linked ICD. This rule shall be applicable across all Geographical zones.

Development in States with low Logistics Infrastructure - To support infrastructure development in states with limited logistics infrastructure, priority should be given to Identifying and promoting ICD/CFS/AFS facilities where presence of such facilities is limited. These are clustered in Green Zone as proposed above. IMC can give relaxation on Distance rules in Green Zone.

National Logistics Action Plan/ Policy - The approval and notification of all new ICD/CFS, including existing and new MMLPs will be processed in consonance with the national logistics action plan/policy.

Inland National Waterways - Development of ICDs based on Inland National Waterways as mode of transportation will be encouraged with relaxation being given on Geographical Zone & Distance rules.

Railways Freight Corridors - Approval of Greenfield ICDs directly along/Linked with DFCs (Eastern & Western DFCs and any new operationalized railways freight corridor) will be accorded with no more than one ICD directly connected with these corridors within chargeable distance of 100 kms in both directions. It is expected that some of existing ICDs will get connected directly to freight corridors and while some will operate in Hub & Spoke model in future. With priority of increasing utilization of Freight corridors as they operationalize and lowering the logistics costs, IMC can accord approvals to these facilities in any zone while maintaining distance rules on the corridors.

Exceptions - IMC can approve creation of additional facilities near existing ICDs (all 3 zones) if the demand exceeds the existing capacity of ICDs/CFSs in trade generating location/area. This can be determined by analyzing the existing utilization of ICDs in designated trade generating location/ area.

In no case a new CFS shall be set up which is linked to an ICD. Only CFSs connected to ports in the permissible Zones (as mentioned above) shall be allowed after considering existing capacity and utilization parameters.

AFSs are relatively new to India, hence, in the case of AFSs, the IMC while considering the application, will only take into account the demand-supply gap and take appropriate decision.

Volume

The facility must be economically viable to manage and attractive to the users, to the railways for full train load movements; to other transport operators; seaports; shipping lines; freight forwarders etc. and must operate at certain minimum amount of traffic. The applicants must therefore study carefully the viability of the project from the point of view of the TEU traffic availability.

In the time of growing international trade, the creation of any infrastructure facility must commensurate with the generation of demand in actual terms. This is particularly important as such facilities have a long gestation period for being fully operationalized. Accordingly, the minimum threshold performance shall be 7200

TEUs/consignments per year (two way) for an ICD and 1200 TEUs/ consignments per year (two way) for a CFS. However, no such threshold performance is prescribed for an AFS.

Land

The minimum area requirement is seven hectare for ICD having minimum area of four hectares as Customs Notified Area and minimum one hectare nominated for DPD 8s DPE nominated space. For states in Green Zone, ICD with three hectares for customs notified area and one hectare for DPD 8a DPE may be considered. The minimum area requirement shall be two hectare for a CFS. For AFS 1000 Sq. meters of covered area each for imports and exports respectively shall be made available.

Ownership of Land - The applicant must have the legal rights over the land which is proposed for ICD/CFS construction. If the land is not owned and the land is leased, the lease agreement with lessor must be for period of 30 years. Change of Land Use certificate, wherever required shall accompany the application and land should be free from acquisition proceeding at date of application. The land parcels should be contiguous with only exception for setting up non-bonded storage facility.

Other Criteria

Legal entity - The applicant must be a legal entity in India under applicable law. The entity must possess a valid GST registration and should have been operating for a minimum period of three years.

Prior experience - The applicant must have prior experience of operating as CCSP or should have other trans-border logistics experience such as logistics service provider including customs brokers, transporters, freight forwarders, shipping lines and port terminal operators.

Application and Approval Procedures

Setting up of new ICD/CFS/AFS

The application for setting up of new ICD/CFS/AFS shall be submitted to the Member (Customs), CBIC, Office of the Commissioner (RI&I), 5th floor, Hudco Vishala Building, Bhikaji Cama Place, New Delhi 110066, email: mgt.valavan@nic.in, in the format provided in Annexure-I. Application shall also accompany a Detailed Project Report (DPR) in format provided in Annexure-II. The application should be submitted in six copies with one advance copy to jurisdictional Commissioner of Customs for his recommendation on feasibility and five copies to Member (Customs), CBIC. No application fee will be charged from the applicants. Without waiting for the report from jurisdictional Commissioner, the other copies of the application shall be sent by office of the Commissioner (RI&I) to all the members of IMC for their comments.

Applicants shall familiarize themselves with statutory Customs requirements in relation to bonding, transit bond, security, insurance, other necessary procedural requirements and cost recovery charges payable before filing the application.

The jurisdictional Commissioner of Customs, upon receipt of the advance copy, will examine the feasibility of the proposal and send his recommendations, along with reasons thereof, to Member (Customs), CBIC, within 30 days of receipt of the application. The recommendations of jurisdictional Commissioner shall take into account manpower availability, existing ICD/ CFS capacity and its utilization, future projections, reduction in logistics cost and the impact on local trade stakeholders of the new proposed facility in lines with policy. The

jurisdictional Commissioner shall do his own analysis based on historical data and existing facilities working in the vicinity. The jurisdictional Commissioner while forwarding his recommendation shall make a categorical statement whether an application merits consideration or rejection.

On receipt of the proposal, the members of the IMC will furnish their comments within 30 days.

Proposals for setting up ICD/CFS/AFS will be considered on merits by the IMC. Normally, the IMC meetings will be held twice in a year. The committee may approve or refuse to grant approval for setting up of ICD/CFS/AFS. The recommendations of the jurisdictional Commissioner will be a relevant factor but not necessarily binding on the IMC. The IMC can independently decide about approval/rejection of any project based on the valid considerations. The applicant shall not make any investment before obtaining the approval from IMC. The "in-principle" approval from the jurisdictional Customs Commissioner regarding the feasibility of the proposed facility shall not be considered as final. Any investment made by the prospective developer before the approval of IMC shall be at the risk of developer and as a result would not constitute a relevant factor for approval of the facility.

On approval of a proposal, a Letter of Intent (LOI) will be issued to the applicant with conditions as may be considered necessary, which will enable applicant to initiate steps to create infrastructure. The applicant would be required to set up the infrastructure within one year from the date of approval.

The LOI will have a validity of 12 months. It will be further extendable by a maximum of 12 months once only. Only in exceptional cases, IMC would further extend it by 6 months in one go for maximum 2 terms. Therefore, no extension after this time will be provided and proposal will be deemed as rejected. Once rejected, new proposal must be submitted afresh.

The IMC has right to suspend or revoke the approval granted in the following cases: i. on breach of any conditions of applicable law or contained herein; or ii. the setting up/continuance of the ICD/CFS/AFS would be prejudicial to public interest; or iii. if the ICD/CFS/AFS entity or any of its promoters is convicted of an offence under the provision of any Act in force.

Applications for other purposes

Change of CFS to ICD and vice versa and notification of AFS in Existing ICD - When a CFS operator wants to upgrade the facility to ICD or convert the ICD to CFS, he shall approach the IMC for approval for such a change. Such applications shall be processed in the similar manner as that of a new facility.

Change in Ownership - Jurisdictional Commissioner of Customs can approve the change of custodian of existing facilities under section 45 of the Customs Act, 1962 and the change may be informed to the Commissioner (RI&I). There will be no need to approach IMC for change in ownership provided the residual entity meets turnover and other requirements established within the framework of this policy. However, any pre-condition prescribed in this policy which the original developer is required to fulfill, shall be met by the new owner as well. The new owner shall ensure and confirm that all the liabilities under the Customs Act, 1962 and regulations thereof, payable by the existing operator are duly discharged before such change of ownership.

Change in Location - For change of location of an existing facility, the operator of the facility shall approach IMC. If the new location is in the same locality of the existing cluster of CFSs/AFSs, and serves to the same gateway port, the IMC after consulting the jurisdictional Commissioner of Customs, may approve such

request. However, in case such change of location involves substantial geographical change (outside existing District or involves change of port to which the CFS serves), it should be treated as closure of the existing facility and setting up of a new facility.

Post Approval Obligations

Operationalising the facility

The applicant shall take all necessary actions to operationalise the facility within the validity period of the LOI. The applicant must put up the required infrastructure and meet the regulatory requirements in compliance with applicable law to become functional. The Check list for various requirements is given at the Annexure-III.

The applicant, after receipt of LOI, shall send monthly progress report to jurisdictional Commissioner of Customs in the proforma as may be prescribed by him. Failure to submit progress report would have an adverse effect in cases where extension is to be sought. Non-compliance to send reports shall be a valid ground for rejection of request for extension.

After development of infrastructure as per requirements, applicant shall apply to CBIC for notification of facility as ICD or AFS under Section 7(aa) of Customs Act, 1962 through the jurisdictional Commissioner of Customs.

Further, applicant will approach jurisdictional Commissioner of Customs to issue notifications under section 8 of the Customs Act 1962 for approving landing place and specifying limits of Customs area and under Section 45(1) of the Customs Act, 1962 for declaration as "Custodian".

These notifications will be issued only if the Board or the jurisdictional Commissioner of Customs, as the case may be, is fully satisfied with the readiness of the facility and fulfillment of compliances under the Handling of Cargo in Customs Areas Regulations (HCCAR), 2009.

Further, after the issuance of LOI and before the issuance of the notifications as mentioned above, the jurisdictional Commissioner of Customs shall coordinate with the Directorate General of Human Resource Development (DGHRD) for creating the required numbers of cost recovery posts.

The jurisdictional Commissioner of Customs while forwarding the recommendation for issuance of notification shall:

- a. satisfy himself about the readiness of the facility including fulfillment of the requirements listed at Annexure-III;
- b. ensure that the required number of cost recovery posts are created; and
- c. confirm that once the facility is notified the Commissionerate will be able to deploy the officers.

Regulatory and other compliances

The facility operator who is appointed as custodian of the goods meant for import and export shall be required to comply with provisions of the Customs Act, 1962, rules and regulations thereof and circulars/instructions

issued from time to time by the Board in relation to the custody, storage, handling and disposal of cargo including the Handling of Cargo in Customs Area Regulations, 2009.

The operator shall comply with the laws relating to Indian Railways (for safety of siding and smooth rake operations in the facility), labor, environment (including the laws

relating to the storage of hazardous goods, legal metrology (certification for installed weighing instruments including weight bridges etc.) food safety (certification of facility by FSSAI for storage) etc.

The operator shall also comply with the circulars/instructions issued by the Board on cost recovery charges from time to time for the officers deployed. The payment of cost recovery charges for the officers and staff deployed and exemption from such payment shall be governed by the extant rules, policy and circulars in this regard.

No alteration of the plan of the ICD / CFS shall be made without the concurrence of the jurisdictional Commissioner of Customs. Further, no reduction in minimum prescribed physical area shall be allowed.

For Rail linked ICDs, investors will be required to provide at their own cost all infrastructure facilities including land, track, and maintenance of assets including track, rolling stock, etc. as per extant railway rules applicable to such sidings. The cost of the railway staff would be governed as per the prevailing Indian Railways policy.

The custodians should strictly follow any guidelines/directions issued on account of force-majeure of Government of India from time to time.

Record keeping handling, receipt and storage

For the proper discharge of duties, the custodian shall execute a Bond covering the value of the goods stored in the ICD/CFS with the Assistant/Deputy Commissioner of Customs. The custodian shall ensure that all goods held in the ICD/CFS are adequately covered as per extant circulars issued by the Board.

The custodian shall provide safe, secure and spacious place for loading, unloading and storage of the cargo.

The custodian shall also provide sufficient modern handling equipments in operating condition for handling the cargo in the notified area.

The custodian shall be responsible for the proper receipt, handling, storage and shall be accountable for the loss of imported goods after the landing and before clearance, and also for goods meant for export/transshipment. They shall also maintain proper records of all such goods including the records of goods which are cleared with the permission of the Customs or disposed of, under section 48 of the Customs Act 1962 or otherwise. Further, custodians shall share available data with the Government Departments/Agencies ensuring reasonable commercial and individual privacy.

If any imported goods are pilfered or lost after unloading in the customs area while in the custody of the custodian, then in terms of provisions of section 45(3) of the Customs Act 1962, they shall be liable to pay the duty on such pilfered goods.

Infrastructure and other facilities

The custodian shall also take steps to bring about necessary improvements in the infrastructural facilities and other amenities required to be provided to the trade and to Customs staff, as may be necessitated from time to time, consequent upon the growth in the volume of Import and Export Trade handled at the ICD/CFS.

In case the custodian wants to sublet any of the functions inside the customs area or connected with the customs area, the same should be done with prior approval of the Commissioner of Customs and the custodian shall remain responsible for the omissions and commissions of the said agency.

Performance Monitoring

The Commissioner of Customs shall ensure that annual audit/inspection of the notified facilities are conducted in terms of the circulars/ instructions issued in this regard.

The jurisdictional Commissioner of Customs shall, based on the findings of the annual inspection report or otherwise, take necessary remedial action including penal action, for any contravention, under the Customs Act, 1962 read with HCCAR, 2009. It may be noted that each violation shall be treated as separate for the purpose of initiating penal actions.

The jurisdictional Commissionerates must list out functional, non-functional and approved count of ICDs on their websites, latest figures of volume handled, Infrastructure profiles, compliance with HCCAR 2009 rules to be maintained on month on month basis on the Commissionerate's web-portal.

Term, renewal and de-notification of the facility

The duration of the award for the operation of the facility shall be governed by HCCAR 2009 unless otherwise mentioned in any other guidelines. The applicant shall get the award renewed by the jurisdictional Commissioner of Customs.

At the time of renewal, the jurisdictional Commissioner of Customs shall satisfy himself about the functioning of the facility including the minimum volume projected at the time of initial proposal.

The ICDs not meeting the minimum prescribed threshold performance for four consecutive financial years will be considered for de-notification by the Board based on the recommendation of the jurisdictional Commissioner of Customs. As regards CFSs, jurisdictional Commissioner can de-notify the facility if it failed to meet the prescribed minimum threshold performance for four consecutive financial years. In the case of AFSs, the Board may analyze the performance of the facility and may consider the de-notification wherever necessary, based on the recommendation of the Jurisdictional Commissioner of Customs.

The jurisdictional Commissioners of Customs can order for closure of a facility when requested by a custodian. Such requests should be approved within 6 months subject to clearance of dues of Cost Recovery Charges, disposal of detained/Seized cargo & cases against CCSP if any. Jurisdictional Commissioner will take no dues certificate thereafter commissioner may de-notify any CFS/AFS and in the case of ICD he shall forward the proposal for de-notification to the Board.

Scope and applicability

The policy and guidelines prescribed here will be applicable to all the new proposals that are submitted to IMC after the date of issue of this circular. The proposals already submitted but are yet to be considered by

the IMC shall also be governed by these guidelines. As regards the existing facilities and the proposals for which Letter of Intent has already been issued but the facilities are yet to commence their operations, shall also be governed by these guidelines to the extent to which they are applicable (such as post approval obligations, term, renewal and de-notification etc). The proposals which have been approved by IMC will be scrutinized under old policy.

The Circular can be accessed at: <https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-circulars/cs-circulars-2020/Circular-No-50-2020.pdf>

Maharashtra AAR issued guidelines for online e-hearing

AAR
 Authority For Advance Ruling
MAHARASHTRA



The Hon'ble AAR, Maharashtra vide **Trade Circular ARA- 01T of 2020, dated November 02, 2020**, issued the guidelines to initiate online e-hearing provisional basis, in respect of applications filed before the Advance Ruling Authority under Maharashtra State Goods and Services Tax Act, 2017.

The authorities issued online process and general instructions for the same and the same are procedural in nature. The service of advance ruling order will be done through e-mail only. In case if it is necessary for hearing in person, the AAR officer may opt to conduct personal hearing by physical presence.

Online process of e-hearing:-

The application for advance ruling is currently being filed online by the applicant along with payment of fee on GST website. This mechanism will continue to be online. The process of advance ruling further includes submission of documents to author it and hearing on the issues. The submission of documents will continue to be through postal services or courier. The changes are made only in respect of mode of hearing.

E-hearing – If submissions made by the applicant are in order, then the application will be fixed for preliminary hearing and thereafter for the final hearing. These hearings will be conducted on Microsoft Teams application. The applicant or authorised representative and the concerned officer of the department will be communicated to attend the hearing on Advance Ruling application through e-mail. Applicant and the concerned officer

should download Microsoft Teams app either on desktop/ laptop/ cell phone and should have a good quality internet connection. The advance ruling office will create the hearing event by using the Microsoft Teams application and will schedule the date and time of hearings. The link of such hearing will be sent to the email of the applicant or the authorised representative and concerned officer well in advance. The applicant/ authorized representative and concerned officer can attend the e -hearing on Microsoft Teams application by clicking on this link and connecting to the Microsoft Teams application on scheduled date and time. The applicant, attending the e- hearing shall carry ID proof. If the applicant wishes to be represented by an authorised representative, in that case, the authorised representative shall file Authorisation Letter/Vakalatnama along with copy of photo ID Card and contact details, through their email id. An applicant can join e-hearings along with the authorised representative but only after informing the Advance Ruling Authority. After every hearing through the e-hearing mechanism, the advance ruling office will send an email to applicant and concerned departmental officer or their authorised representatives, if any, stating that the event of hearing in respect of the application has been conducted on such date and the said mail may mention the submissions made by the applicant as well as the concerned officer or their authorised representatives. The applicant and the concerned officer or their authorised representatives, if any, are expected to revert the mail with remark 'noted' and in case of any disagreement, may communicate their say in detail . If the applicant does not revert on the mail sent within two days from the date of mail, then it will be assumed that they agree with the contents of the entailed record of personal hearing. Standard protocol and etiquettes shall be observed by all the attendees for such e- hearing.

General Instructions:

The service of advance ruling order will be done through email only. The date on which the advance ruling order is mailed to the designated email id of applicant shall be considered as valid service date for all further purposes. The physical copy of order shall be sent on specific request from the applicant/ authorised representative/ concerned officer.

In case, the circumstances or legal provisions, etc. render it necessary for hearing in person, the advance ruling officer may opt to conduct personal hearing by physical presence. The applicant or his authorised representative may also request the Advance Ruling Authority to conduct physical hearing (with reasonable cause for requesting physical attendance) during the advance ruling proceedings. The decision of advance ruling authority will be final in respect of conducting a personal hearing with physical attendance. In such circumstances, the same will be carried out with mutually suitable timing of the officer and the applicant. The instructions as enumerated above with respect to e-Hearing shall not be applicable in such cases.

Documents required to be submitted for e-hearing may be sent by the applicant on mail id **advancerulinggst@mahagst.gov.in**. In such case, the original copies of the documents should be preserved for production upon being directed by authority at any time in future. It is to be noted that the responsibility for producing the originals and proving their genuineness lies with the applicant as it has been electronically filed.

The guidelines of this circular are procedural in nature and hence cannot be made use of in the interpretation of provisions of the law. These are further subject to changes due to unforeseen circumstances of Covid-19 pandemic or as decided by the authority, which would be informed in due course.

The Circular can be accessed at:
https://mahagst.gov.in/sites/default/files/ddq/GST_ARA_Trade%20Circular_For_e_hearing.pdf

Important Press Releases of the week

GST collection in the month of October, 2020 is ₹1,05,155 crore

GST collection



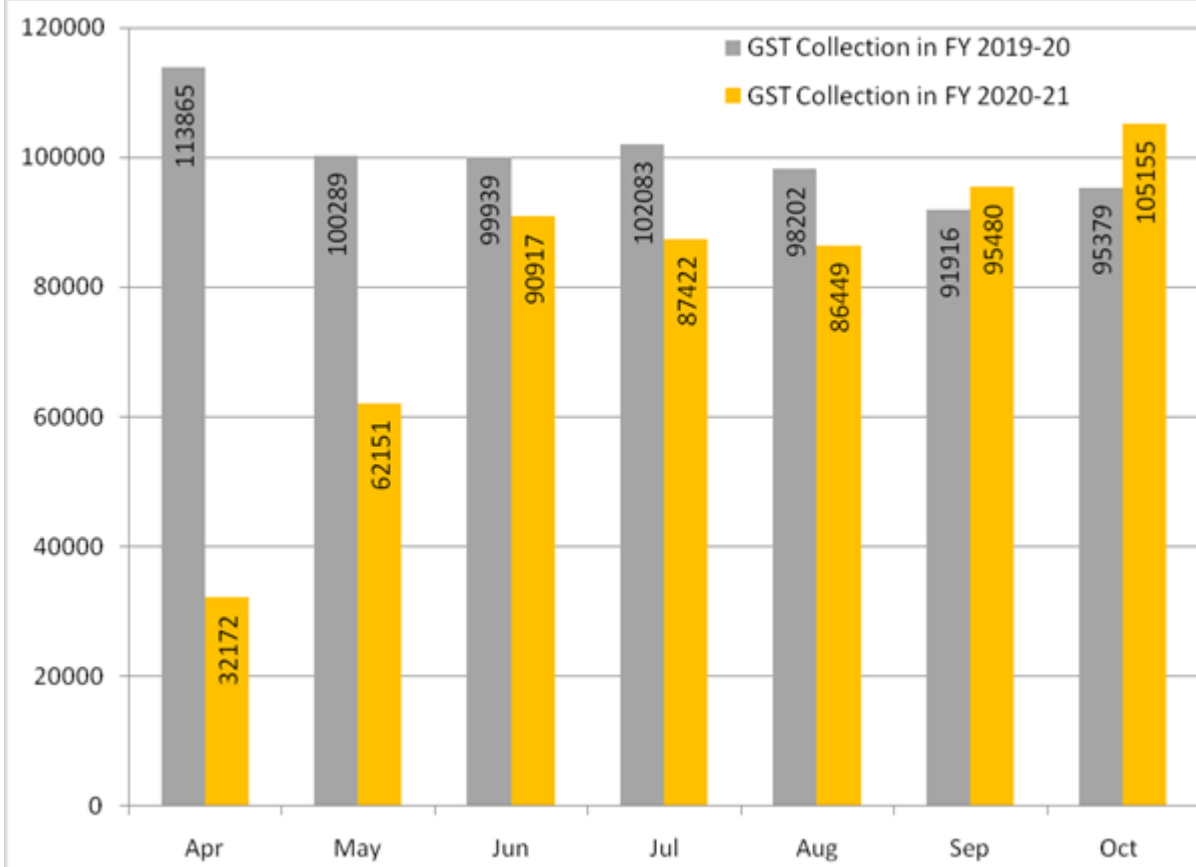
www.a2ztaxcorp.com

The gross GST revenue collected in the month of October, 2020 is ₹ 1,05,155 crore of which CGST is ₹ 19,193 crore, SGST is ₹ 25,411 crore, IGST is ₹ 52,540 crore (including ₹ 23375 crore collected on import of goods) and Cess is ₹ 8,011 crore (including ₹932 crore collected on import of goods). The total number of GSTR-3B Returns filed for the month of October upto 31st October, 2020 is 80 lakh.

The government has settled ₹ 25,091 crore to CGST and ₹ 19,427 crore to SGST from IGST as regular settlement. The total revenue earned by Central Government and the State Governments after regular settlement in the month of October, 2020 is ₹ 44,285 crore for CGST and ₹ 44,839 crore for the SGST.

The revenues for the month are 10% higher than the GST revenues in the same month last year. During the month, revenues from import of goods was 9% higher and the revenues from domestic transaction (including import of services) are 11% higher than the revenues from these sources during the same month last year. The growth in GST revenue as compared to that in months of July, August, and September, 2020 of -14%, -8% and 5% respectively clearly shows the trajectory of recovery of the economy and, correspondingly, of the revenues.

The chart shows trends in monthly gross GST revenues during the current year. The table shows the state-wise figures of GST collected in each State during the month of October, 2020 as compared to October, 2019 and for the full year.



The Press Release can be accessed at: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1669239>

GST: More than 495 Lakh e-invoices generated on the NIC portal within a month of introduction

E-invoicing

www.a2taxcorp.com

Path breaking e-invoice initiative which completed one month on the 31st October, is poised to revolutionize the way businesses interact with each other. According to NIC, within the first month of the introduction itself, more than 495 Lakh e-invoices were generated on the NIC portal by 27,400 taxpayers.

The e-invoice system, the game-changer in the GST system, was launched on 1st October, 2020 for the businesses with aggregate turnover of more than Rs. 500 Crores in the financial year.

It will be yet another milestone in India's journey in enhancing ease of doing business. The data captured by the Invoice Registration Portal will flow seamlessly to the GSTR 1 return of the taxpayer in GST Common Portal (gst.gov.in), thus reducing the compliance burden.

Starting with 8.4 Lakh e-invoices on 1st October, 2020, the usage has gradually picked up and 31st October, 2020 saw the generation of as many as 35 lakh e-invoices in a single day. This coupled with the generation of 641 Lakh e-way bills during the month of October, 2020, (by far the highest in a month during two and half years of journey of e-way bill system), establishes the robustness of the system. As per the feedback received from the taxpayers, the response of the system is good and the generation of IRNs is hassle-free. Proactive communication by the NIC Help desk with taxpayers has helped them in finetuning their systems to reduce the errors.

Currently, there are three modes of generation of IRN in the NIC system. First is the direct API interface of the ERP system of taxpayer with the NIC system. Second is the API interface of the ERP system of the taxpayer through GSP with the NIC system. The third is using the offline tool for bulk uploading of invoices and generating IRNs. Around 15% of the taxpayers are using the offline tool for the IRN generations and 85% are integrating through API.

The Government is planning to reduce the aggregate turnover cut off to Rs 100 Crores for the generation of IRN by the taxpayers in the coming days. NIC has already enabled the API and offline tool based trial sites for these taxpayers and geared up with the required infrastructure to handle the generation of e-invoices from these taxpayers.

Keeping requirements of small taxpayers in view, who need to prepare 5-10 B2B invoices in a day, NIC is also developing an offline Excel-based IRN preparation and IRN printing tool which will allow them to enter the invoice details, prepare the file to upload on NIC IRN portal, download the IRN with QR code and print the e-invoice with QR code.

Presently, the generation of IRN using API interface is allowed for businesses with aggregate turnover more than Rs 500 crores, GSPs, and shortlisted ERPs. Now, direct access will be extended to the taxpayers using the E-way Bill API interface. Generally, the big businesses will enable their suppliers and clients to use their ERP/SAP systems for the generation of invoices. Therefore, it has been decided to facilitate them to enable their suppliers and clients to use their integration channels.

The Press Release can be accessed at: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1669430>

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Central Government released Rs 6,000 cr as second tranche to 16 States and 3 Union Territories on account of GST compensation under Special Borrowing Window



The Ministry of Finance, Government of India, under its “Special Window to States for meeting the GST Compensation Cess shortfall,” will be releasing an amount of Rs 6000 crore as second tranche to 16 States and 3 Union Territories today. This amount was raised at a weighted average yield of 4.42 percent. This amount will be passed on to the States/UTs at the same interest rate, which is lower than the cost of borrowings for the States and UTs, thus benefitting them. **Ministry of Finance has facilitated loans of Rs 12,000 crore till date under the Special Window to States/UTs.**

21 States and 3 Union Territories till date, have opted for the Special Window under Option I. The loans raised by Gol are released on a back-to-back basis to States/UTs, in lieu of GST Compensation Cess releases. The loans have been released to the following States and Union Territories - Andhra Pradesh, Assam, Bihar, Goa, Gujarat, Haryana, Himachal Pradesh, Karnataka, Madhya Pradesh, Maharashtra, Meghalaya, Odisha, Tamil Nadu, Tripura, Uttar Pradesh, Uttarakhand, UT of Delhi, UT of Jammu and Kashmir and UT of Puducherry.

The Press Release can be accessed at: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1669467>

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Rajasthan decides to go for Option-1 to meet the GST implementation shortfall



The Government of Rajasthan has communicated its acceptance for Option-1 out of the two options suggested by the Ministry of Finance to meet the shortfall in revenue arising out of GST implementation. The State has now joined 21 other States and 3 Union Territories (Delhi, Jammu & Kashmir and Puducherry) who have opted for Option-1.

The States who choose Option-1 are getting the amount of shortfall arising out of GST implementation through a special borrowing window put in place by the Government of India. The window has been operationalised now and the Government of India already borrowed an amount of Rs. 12,000 crores on behalf of the States in two instalments and has passed it on to 21 States and 3 Union Territories on 23rd October, 2020 and 2nd November, 2020. Now the Government of Rajasthan will receive funds raised through this window. The next instalment of borrowings is likely to be released on 9th November, 2020.

Under the terms of Option-1, besides getting the facility of a special window for borrowings to meet the shortfall arising out of GST implementation, States are also entitled to get unconditional permission to borrow the final instalment of 0.50% of Gross State Domestic Product (GSDP) out of the 2% additional borrowings permitted by the Government of India, under AtmnirbharAbhiyaan on 17th May, 2020. This is over and above the Special Window of Rs.1.1 lakh crores. On receipt of the choice of Option-1 from the Government of Rajasthan, the Government of India has today granted the State Government of Rajasthan additional borrowing permission of Rs.5,462 crores (0.5% of Rajasthan's GSDP).

States who have opted for Option-1 are – Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Goa, Gujarat, Haryana, Himachal Pradesh, Karnataka, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Mizoram, Nagaland, Odisha, Rajasthan, Sikkim, Tripura, Tamil Nadu, Uttar Pradesh, and Uttarakhand, along with the three Union Territories of Delhi, Jammu & Kashmir and Puducherry. **The amount of additional borrowing permission granted to these States and the amount of funds raised through special window and released to the 21 States and 3 UTs so far is annexed.**

State wise additional borrowing of 0.50 percent of GSDP allowed and amount of funds raised through special window passed on to the States till 05.11.2020

The Press Release can be accessed at: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1670379>

Government extends Emergency Credit Line Guarantee Scheme till November 30, 2020

Emergency Credit Line Guarantee Scheme (ECLGS)



The Union Government has extended the Emergency Credit Line Guarantee Scheme (ECLGS) by one month till November 30th, 2020, or till such time that an amount of Rs. 3 lakh crore is sanctioned under the Scheme, whichever is earlier, in view of the opening up of various sectors in the economy and the expected increase in demand during the ongoing festive season. This extension will provide a further opportunity to such borrowers who have not availed of the Scheme so far, to obtain credit under the Scheme.

The ECLGS was announced as part of the Aatma Nirbhar Bharat Package (ANBP) to provide fully guaranteed and collateral free additional credit to MSMEs, business enterprises, individual loans for business purposes and MUDRA borrowers, to the extent of 20 percent of their credit outstanding as on 29.2.2020. Borrowers with credit outstanding up to Rs. 50 crore as on 29.2.2020, and with an annual turnover of up to Rs. 250 crore are eligible under the Scheme. Interest rates under the Scheme are capped at 9.25 percent for Banks and FIs, and 14 per cent for NBFCs. Tenor of loans provided under the Scheme is four years, including a moratorium of one year on principle repayment.

As per data uploaded by Member Lending Institutions on the ECLGS portal, an amount of Rs. 2.03 lakh crore has been sanctioned under the Scheme to 60.67 lakh borrowers so far, while an amount of Rs. 1.48 lakh crore has been disbursed.

The Press Release can be accessed at: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1669449>

Ministry of MSME launches special drives for increasing Udyam Registration



New online system of MSME/Udyam Registration launched by Union MSME Ministry, w.e.f. 1st July, 2020, has stood the test of Time & Technology as more than 11 lakh MSMEs have successfully registered themselves by now.

It may be stated that Ministry of MSME had revised the definition of MSMEs and process of registration w.e.f. 1st July, 2020. **It also launched a new portal for MSME/Udyam registration (<https://udyamregistration.gov.in>).** Since then, the portal is working smoothly. In a major first, this portal is seamlessly integrated with CBDT and GST networks as also with the GeM. It may be noted that through this integration, now MSME registration is a totally paperless exercise.

Ministry has instructed all of its Field Establishments such as MSME-Development Institutes, MSME Technology Centers, NSIC, KVIC, Coir Board to extend full support to entrepreneurs for Udyam Registration. Similarly, all District Magistrates and District Industries Centers have been requested to expedite registration by the MSMEs. Grievances of MSMEs relating to registration are being handled by CHAMPIONS' platform through its network of Central Control Room and 68 State Control Rooms across the country.

As per the analysis of the registrations till October 31, 2020 (more than 10 Lakh), the trend and broad picture is as follows:-

- 3.72 lakh enterprises have registered under the Manufacturing category whereas 6.31 lakh enterprises under Service sector.
- The share of Micro Enterprises is 93.17% whereas Small and Medium Enterprises are 5.62% and 1.21% respectively.

- 7.98 lakh enterprises are owned by Male whereas 1.73 lakh enterprises by Female entrepreneurs.
- 11,188 enterprises are owned by Divyangjan entrepreneurs.
- The Top 5 Industrial sectors of registrations are – Food Products, Textile, Apparel, Fabricated Metal products and Machinery & equipment.
- 1,01,03,512 persons have been given employment by these registered units.
- 5 leading States for Udyam registrations are Maharashtra, Tamil Nadu, Rajasthan, Uttar Pradesh and Gujarat.
- Registration without PAN is permitted upto 31.03.2021 as a transitional arrangement.
- Similarly, Registration without GST number is also permitted upto 31.03.2021 as a transitional arrangement.

Enterprises which are not yet registered, should register themselves to avail the benefits of Ministry of MSME and other Government agencies. The registration is free of cost and should be done only on the Government portal showing .gov.in.

Entrepreneurs are again advised to be careful of fake and misleading agencies and websites/portals. For any assistance, entrepreneurs can contact nearby DICs or CHAMPIONS' Control Rooms of the Ministry or can write on our portal <https://champions.gov.in>.

The Press Release can be accessed at: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1670895>

PIB issued statistics of India's Merchandise Trade Preliminary data for the month of October, 2020



India's merchandise exports in October 2020 were USD 24.82 billion, as compared to USD 26.23 billion in October 2019, showing a fall of 5.4%. Exports during April-October 2020-21 were USD 150.07 billion, exhibiting a decline of 19.05% over the same period last year.

The value of India's merchandise imports in October 2020 was USD 33.6 billion, as compared to USD 37.99 billion in October 2019, a decline of 11.56%. Merchandise imports during April-October 2020-21 were USD 182.29 billion, as compared to USD 286.07 billion during the same period last year, exhibiting a negative growth of 36.28%.

India was thus a net importer in October 2020, with a trade deficit of USD 8.78 billion, as compared to trade deficit of USD 11.76 billion, an improvement by 25.34%.

In October 2020, the value of non-petroleum exports was USD 23.21 billion, registering a positive growth of 1.84% over October 2019. The value of non-petroleum and non-gems and jewellery exports in October 2020 was USD 20.28 billion, as compared to USD 19.07 billion in October 2019, registering a positive growth of 6.34%. The cumulative value of non-petroleum and non-gems and jewellery exports in April-October 2020-21 was USD 124.79 billion, as compared to USD 137.72 billion for the corresponding period in 2019-20, exhibiting a decrease of 9.39%.

In October 2020, Oil imports were USD 5.98 billion, as compared to USD 9.73 billion in October 2019, a decline by 38.52%. Oil imports in April-October 2020-21 were USD 37.84 billion, as compared to USD 74.93 billion, showing a decline of 49.5%.

Non-oil imports in October 2020 were estimated at USD 27.62 billion, as compared to USD 28.26 billion in October 2019, showing a decline of 2.26%. Non-oil imports in April-October 2020-21 were USD 144.45 billion, as compared to USD 211.14 billion, registering a decline of 31.59% during the same period of the last year.

Non-oil, non-GJ (gold, silver & Precious metals) imports were USD 22.83 billion in October 2020, recording a negative growth of 8.31%, as compared to non-oil and non-gold imports of USD 24.9 billion in October 2019. Non-oil and non-gold imports were USD 126.97 billion in April-October 2020-21, recording a negative growth of 29.28%, as compared to non-oil and non-gold imports of USD 179.55 billion in April-October 2019-20.

Major commodities of export which have recorded positive growth during October 2020 vis-à-vis October 2019 are: Other cereals (369.30%), Rice (112.15%), Oil meals (76.62%), Iron ore (73.89%), Oil seeds (54.06%), Carpet (37.67%), Cereal preparations and miscellaneous processed item (36.13%), Ceramic products and glassware (34.62%), Drugs and pharmaceuticals (21.82%), Spices (21.61%), Jute mfg. Including floor covering (18.76%), Meat, dairy and poultry products (16.65%), Handicrafts excl. Handmade carpet (11.37%), Fruits and vegetables (8.92%), Mica, coal and other ores, minerals including process (7.68%), Cotton yarn/fabrics/made-ups, handloom products etc. (6.52%), RMG of all textiles (6.31%), Tobacco (4.34%), Organic and inorganic chemicals (1.91%), Tea (0.14%).

Major commodities of export which have recorded negative growth during October 2020 vis-à-vis October 2019 are Petroleum products (53.30%), Cashew (21.57%), Gems and jewellery (21.27%), Leather and leather manufactures (16.69%), Man-made yarn/fabrics/made-ups etc. (12.82%), Electronic goods (9.40%), Coffee (9.25%), Marine products (8.09%), Plastic and linoleum (6.88%), Engineering goods (3.84%).

Major commodity groups of import showing positive growth in October 2020 over the corresponding month of last year are: Pearls, precious & Semi-precious stones (50.47%), Fertilizers, Crude & manufactured (46.25%), Gold (35.88%), Sulphur & Unroasted Iron Pyrites (32.09%), Project goods (28.75%), Fruits & vegetables (22.81%), Electronic goods (16.12%), Medcni. & Pharmaceutical products (13.33%), Vegetable Oil (7.29%), Metaliferrous ores & other minerals (4.80%), Chemical material & products (2.00%).

Major commodity groups of import showing negative growth in October 2020 over the corresponding month of last year are: Silver (90.54%), Newsprint (79.99%), Cotton Raw & Waste (77.40%), Pulses (65.15%), Transport equipment (56.32%), Leather & leather products (41.37%), Petroleum, Crude & products (38.52%), Pulp and Waste paper (29.88%), Machine tools (29.62%), Wood & Wood products (26.51%), Textile yarn Fabric, made-up articles (25.13%), Iron & Steel (22.32%), Machinery, electrical & non-electrical (15.63%), Professional

instrument, Optical goods, etc. (11.95%), Artificial resins, plastic materials, etc. (7.53%), Coal, Coke & Briquettes, etc. (6.50%), Organic & Inorganic Chemicals (2.89%), Non-ferrous metals (2.26%), Dyeing/tanning/colouring materials (0.46%).

MERCHANDISE TRADE: Preliminary Data, October 2020

Summary Value in USD Billion

	Total			Non-Petroleum			Non- Petroleum and Non-Gems & Jewellery		
	2019-20	2020-21	% change	2019-20	2020-21	% change	2019-20	2020-21	% change
Exports	26.23	24.82	-5.40	22.79	23.21	1.84	19.07	20.28	6.34
Imports	37.99	33.60	-11.56	28.26	27.62	-2.26	24.90	22.83	-8.31
Deficit	11.76	8.78	-25.34	5.47	4.41	-19.38	5.83	2.55	-56.26

Change by top Commodity Groups

Value in USD Million

	Top Increase in October 2020 as compared to October 2019			Top Decline in October 2020 as compared to October 2019		
	Commodity group	Change in value	% change	Commodity group	Change in value	% change
Export	Drugs And Pharmaceuticals	372.05	21.82	Petroleum Products	-1835.58	-53.30
	Rice	359.82	112.15	Gems And Jewellery	-790.40	-21.27
	Organic And Inorganic Chemicals	143.85	73.89	Leather And Leather Manufacturers	-248.07	-3.84
Import	Electronic Goods	768.69	16.12	Petroleum, Crude & Products	-3747.66	-38.52
	Pearls, Precious & Semi-Precious Stones	768.48	50.47	Transport Equipment	-1459.42	-56.32
	Gold	660.15	35.88	Machinery, Electrical & Non-Electrical	-462.62	-15.63

The Press Release can be accessed at: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1669762>

Factual position in respect to Service Charges levied by banks



There have been several media reports alluding to steep increase in service charges by certain Public Sector Banks (PSBs). In this context, the factual position is as follows:

- **Basic Savings Bank Deposit (BSBD) accounts including Jan Dhan accounts** - No service charge is applicable on the 60.04 crore BSBD accounts, including 41.13 crore Jan Dhan accounts opened by the poor and unbanked segments of society, for the free services prescribed by RBI.
- **Regular Savings accounts, Current Accounts, Cash credit accounts & Overdraft accounts:** In this regard, while the charges have not been increased, Bank of Baroda had made certain changes w.e.f. 1st November, 2020, with regard to the number of free cash deposits and withdrawals per month. The number of free cash deposits and withdrawals have been reduced from 5 each per month to 3 each per month, with no change in the charges for transactions in excess of these free transactions.

Bank of Baroda has since informed that in the light of the current COVID related situation, they have decided to withdraw the changes. Further, no other PSB has increased such charges recently.

Although, as per RBI guidelines, all banks, including PSBs, are permitted to levy charges for their services in a fair, transparent and non-discriminatory manner, based upon costs involved, other PSBs have also intimated that they do not propose to raise bank charges in the near future in view of the COVID pandemic.

The Press Release can be accessed at: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1669751>

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Important Updates of the week

GSTN issued comprehensive guide for taxpayers on common errors and suggested solutions

GST Portal - Known Issues & Suggested Solutions

Here is a comprehensive guide for Taxpayers on common Errors & suggested Solutions:
<http://bit.ly/Refund-Tutorials>

Facing issues while applying for GST Refunds?

CLICK

You can use 'ctrl+F' on your keyboard to search the document with desired keyword.

successfully submitted

GST Refund

/gstsystemsindia Infosys_GSTN /GoodsandServicesTaxNetwork

GSTN has issued a comprehensive guide dated November 05, 2020 for **taxpayers on common errors on GST Portal and suggested solutions with respect to registration, returns, payment, refunds, E-way bill, appeal, and DRC-03.**

The **Complete Solutions Guide** can be accessed at: <https://tutorial.gst.gov.in/offlineutilities/gsterrorandresolution/gstissuesandsuggestededsolutions.pdf>

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A list of GSTINs has been issued by NIC for whom e-invoicing is mandatory



National Informatics Centre (NIC) has issued a list of GSTINs dated November 05, 2020 For whom e-invoicing shall be mandatory.

The List of GSTINs generating IRN Can be accessed at: <https://einvoice1.gst.gov.in/Others/GSTINsGeneratingIRN>

Compliance Calendar for the month of November, 2020



Compliance Calendar

for the month of

November, 2020

www.a2ztaxcorp.com

Important dates in November, 2020 for compliance under GST are as follows: –

Due Dates	Forms	Period	Description
November 11, 2020	GSTR-1	October, 2020	Taxpayers having an aggregate turnover of more than Rs. 1.50 Crores (> Rs 1.50 Cr) or opted to file Monthly Return
November 12, 2020	GSTR-2B	October, 2020	Auto generated ITC statement

November 22, 2020	GSTR-3B	October, 2020	<p>Taxpayer having turnover upto ₹5 crores in previous financial year (monthly return) in the state of:</p> <ul style="list-style-type: none"> • Chhattisgarh • Madhya Pradesh • Gujarat • Daman and Diu and Dadra and Nagar Haveli • Maharashtra • Karnataka • Goa • Lakshadweep • Kerala • Tamil Nadu • Puducherry • Andaman & Nicobar island • Telangana • Andhra Pradesh
November 24, 2020	GSTR-3B	October, 2020	<p>Taxpayer having turnover upto ₹5 crores in previous financial year (monthly return) in the state of:</p> <ul style="list-style-type: none"> • Jammu and Kashmir • Ladakh • Himachal Pradesh • Punjab • Chandigarh • Haryana • Delhi • Rajasthan • Uttar Pradesh • Bihar • Sikkim • Arunachal Pradesh • Nagaland • Manipur • Mizoram • Tripura • Meghalaya • Assam • West Bengal • Jharkhand • Odisha • Uttarakhand

November 20, 2020	GSTR-3B	October, 2020	Taxpayers having an aggregate turnover more than rupees 5 Crores (> Rs 5 Cr) in the preceding financial year
November 20, 2020	GSTR-5 & 5A	October, 2020	Non-resident taxable person and ODIAR services provider file Monthly GST Return
November 13, 2020	GSTR-6	October, 2020	Every Input Service Distributor (ISD)
November 10, 2020	GSTR-7	October, 2020	Return for Tax Deducted at source to be filed by Tax Deductor
November 10, 2020	GSTR-8	October, 2020	E-Commerce operator registered under GST liable to TCS

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Video of the week

When arrest can be done in GST for Non-Bailable Offences || CA Bimal Jain



When arrest can be done in
GST for Non-Bailable Offences

CA Bimal Jain



You can access the complete video on “When arrest can be done in GST for Non-Bailable Offences || CA Bimal Jain” at following link: <https://youtu.be/g7EH71KE3bQ>

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Income Tax

Important Notification, Circular of the week

CBDT gives exemption to Abu Dhabi's sovereign wealth fund MIC Redwood for investments



Central Board of Direct Taxes (CBDT)

The Central Board of Direct Taxes (CBDT) has exempted dividend, interest and long term capital gains made by sovereign wealth fund MIC Redwood 1 RSC Limited, Abu Dhabi, United Arab Emirates in India from income tax subject to certain conditions.

The exemption has been given under the clause 23 FE of section 10 of the Income Tax Act which allows sovereign wealth funds to invest in infrastructure projects in India subject to conditions including prohibition from undertaking any commercial activity within or outside India. Exemption will be allowed on investments made by the fund till March 31, 2024, the CBDT said in a notification dated November 02, 2020.

The fund will have to fulfill several other conditions to get the exemption, including filing of income tax returns for the years that the investment is made till the time its liquidated, auditing of its books, quarterly statement of investments besides a segmented account of income and expenditure in respect of such investment which qualifies for exemption.

The fund will continued to be owned and controlled, directly or indirectly, by the Government of the Abu Dhabi at all times and will be regulated under the law of the Government of Abu Dhabi.

No portion of the earnings will be credited to any private person, the conditions state further. The fund will not have any loan, borrowing, advances, deposits or investment in it of any kind directly or indirectly from any person other than the Government of the Abu Dhabi, while only surplus fund of the Government of Abu Dhabi can be invested into the fund. A monitoring mechanism to protect the investment will have to be set up by the fund, but it will not manage or control daily operations or appoint executive directors.

The conditions also bar the fund from carrying out asset management for a third party. India has permitted investments by sovereign wealth funds, the Abu Dhabi Investment Authority and pension funds from other

countries in 34 odd categories of infrastructure projects with the addition of affordable rental housing complexes in August.

The Notification can be accessed at: <http://www.egazette.nic.in/WriteReadData/2020/222899.pdf>

Source from: <https://economictimes.indiatimes.com/news/economy/policy/cbd-t-gives-exemption-to-abu-dhabis-sovereign-wealth-fund-mic-redwood-for-investments/articleshow/79013936.cms>

I-T department allows condonation of delay in filing audit reports by trusts, institutions



Central Board of Direct Taxes (CBDT)

The Income Tax Department has allowed condonation of delay in filing audit reports by trusts, institutions, universities and hospitals who claim tax exemption. Any funds, trusts, institutions including educational and medical universities or hospitals claiming income tax exemption will have to get their accounts audited if their total income of that year exceeds the maximum amount not chargeable to tax.

Income tax law mandates that such institutes can claim tax benefits available to them only after furnishing the tax audit report in form 10BB before the prescribed time. **The Central Board of Direct Taxes (CBDT) in a circular said that income tax commissioners would admit belated applications in filing Form 10BB for years prior to assessment year (AY) 2018-19 for "condonation of delay".**

"The commissioner, while entertaining such applications regarding filing form 10 BB, shall satisfy themselves that the applicant was prevented by reasonable cause from filing such application within the stipulated time. Further all such applications shall be disposed of by March 31, 2021," it said.

The Circular can be accessed at: https://www.incometaxindia.gov.in/communications/circular/circular_19_2020.pdf

Source from: <https://economictimes.indiatimes.com/news/economy/policy/i-t-department-allows-condonation-of-delay-in-filing-audit-reports-by-trusts-institutions/articleshow/79045645.cms>

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Important Press Releases of the week

Income Tax Department conducts searches in West Bengal



The Income Tax Department has carried out searches on 05/11/2020 in the case of one prominent coal trader of West Bengal having premises in Raniganj, Asansol, Purulia and Kolkata. The searches were based on intelligence gathered, which indicated that large scale unaccounted cash was being generated and used for various purposes.

The searches have led to seizure of documents indicating that companies of the assessee group held bogus investments in unquoted equity shares of paper concerns to the magnitude of around Rs. 150 crore, out of which investments of around Rs. 145 crore have been sold. These sale transactions were found to be sham transactions and have been admitted by the assessee in the statement recorded during the search.

The searches have also led to seizure of a substantial number of incriminating documents showing cash generation in coal and sand trading, sponge iron sales etc. Documents have also been seized indicating huge unaccounted expenses for facilitation of coal transport and various trading activities.

The searches have led to seizure of unaccounted cash and bullion of around Rs. 7.3 crore. Further investigations are going on.

The Press Release can be accessed at: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1670627>

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Income Tax Department conducts searches in Kerala



The Income Tax Department has carried out search and seizure operations on 05.11.2020 in the case of a well-known self-styled evangelist of Thiruvalla in Kerala and his group of various trusts that enjoy exemption under the Income-tax Act, 1961 as charitable/religious trusts. The group operates places of worship, a number of schools and colleges across the country, a medical college and a hospital in Kerala. The action covered 66 premises located in Kerala, Tamilnadu, West Bengal, Karnataka, Chandigarh, Punjab and Telengana.

The searches were carried out as credible information was received that the group has received donations from foreign countries ostensibly for helping the poor and the destitute and for evangelical purposes, but was actually siphoning out such tax-exempted funds in cash to engage in unaccounted cash transactions for personal and other illegal expenses in real estate transactions.

The group operates about 30 trusts, registered across the country, and most of them exist only on paper and have been found to be used for routing the unaccounted funds and for accommodation transactions.

It has been found that the modus operandi of the group is to systematically inflate expenses with the help of other parties, who would return the inflated amount in cash through domestic hawala channels to the functionaries of the group. Some of these other parties were also covered in the search action. During the search action, evidences have been found of systematic inflation of expenses in purchase of consumables, construction expenses, real estate development expenses, payment of salary, etc.

The search has led to unearthing of a number of real estate transactions involving unaccounted cash payments. Related documents such as sale agreements, etc have been seized. The group has also inflated the price in real estate transactions to show as if the money received in donations is being spent on the activities of the trusts. The evidence found so far indicate that the siphoning of funds in cash may be running into hundreds of crores of rupees.

Unexplained cash of approximately Rs. 6 crore has also been found during the search, including Rs 3.85 crore in a place of worship in Delhi.

Substantial electronic computing and data storage has been found, which is being examined. Further investigations are going on.

The Press Release can be accessed at: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1670628>

Important Update of the week

CBDT has issued refunds of over Rs. 1,29,190 crore to more than 39.49 lakh taxpayers between April 01, 2020 to November 03, 2020



Income Tax India ✓

@IncomeTaxIndia

⋮

CBDT issues refunds of over Rs. 1,29,190 crore to more than 39.49 lakh taxpayers between 1st April,2020 to 03rd November,2020. Income tax refunds of Rs. 34,820 crore have been issued in 37,55,428 cases & corporate tax refunds of Rs. 94,370 crore have been issued in 1,93,059 cases.

As per the recent tweet of Income Tax India, the **CBDT issues refunds of over Rs. 1,29,190 crore to more than 39.49 lakh taxpayers between April 01, 2020 to November 03, 2020.**

Income tax refunds of Rs. 34,820 crore have been issued in 37,55,428 cases & corporate tax refunds of Rs. 94,370 crore have been issued in 1,93,059 cases.

Source from: <https://twitter.com/IncomeTaxIndia/status/1323904156852105217>

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CNBC-TV18: Govt Sources say April-Oct FY21 net direct tax mop up seen at Rs 3.82 lakh cr Vs Rs 5.15 lakh cr (YoY)



CNBC-TV18 ✓
@CNBCTV18Live

⋮

Sources say April-Oct FY21 net direct tax mop up seen at Rs 3.82 lk cr Vs Rs 5.15 lk cr (YoY), net corp tax collection seen at Rs 1.71 lk cr Vs Rs 2.70 lk cr (YoY)



As per the recent tweet of CNBC-TV18, the **Govt Sources say April-Oct FY21 net direct tax mop up seen at Rs 3.82 lakh cr Vs Rs 5.15 lakh cr (YoY), net corp tax collection seen at Rs 1.71 lakh cr Vs Rs 2.70 lakh cr (YoY).**

Sources say **Govt meets approximately 29% of FY21 Budget Estimate of Rs 13.19 lakh cr for direct tax Vs 37% (YoY) 'Big cut' in FY21 direct tax budget estimate likely due to COVID-19.**

Source from: <https://twitter.com/CNBCTV18Live/status/1323932209372225536>

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GST News Flash

- **GST Compliance tightened: Buyers from big firms to show valid e-invoices for tax credit**

<https://www.a2ztaxcorp.com/gst-compliance-tightened-buyers-from-big-firms-to-show-valid-e-invoices-for-tax-credit/>

- **Dharmendra Pradhan: Consensus on including LNG under GST soon**

<https://www.a2ztaxcorp.com/dharmendra-pradhan-consensus-on-including-lng-under-gst-soon/>

- **Protein supplement importer held for evading Rs 14 crore in customs duty**

<https://www.a2ztaxcorp.com/protein-supplement-importer-held-for-evading-rs-14-crore-in-customs-duty/>

- **GST: Madras HC order quashing levy of interest on ITC component**

<https://www.a2ztaxcorp.com/gst-madras-hc-order-quashing-levy-of-interest-on-itc-component/>

- **Finance secretary: GST rate cut sends wrong signal to domestic business**

<https://www.a2ztaxcorp.com/finance-secretary-gst-rate-cut-sends-wrong-signal-to-domestic-business/>

- **100 notices issued for ₹55-crore suspected GST evasion in Chandigarh**

<https://www.a2ztaxcorp.com/100-notices-issued-for-%e2%82%b955-crore-suspected-gst-evasion-in-chandigarh/>



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Tax and Law Practitioners

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Thanks & Best Regards,

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