



Editor's desk...

First our heartfelt thanks for the wonderful reception to the first edition of this re-designed newsletter - GiST. This is the fuel to us to take it forward. Further, in line with the new-age mantra, "Speed is the spice of information", apart from GiST, we will also be publishing **ALERTS**, as and when there is some important information needs immediate attention / update.

This issue covers some very important judgements in GST, which lays down good law and reprimands bad practices, like violation of Principles of Natural Justice (PNJ). Despite thousands of judgements rendered against the violation of PNJ, the authorities merrily continue to violate, which only modifies the age-old adage, *everything will change except the attitude of the authorities...*

Case laws

Top picks



Bail cannot be refused as an indirect method of punishing the accused person before he is convicted. Furthermore, it has to be borne in mind that there is as such no justification for classifying offences into different categories such as economic offences and for refusing bail on the ground that the offence involved belongs to a particular category- ***AJAJ AHAMAD 2022 (4) TMI 599 - ORISSA HIGH COURT***

The provisions of the GST Act does not provide for lapsing of the credit, which could not be successfully transitioned under the new regime while filing TRAN-1 and therefore, if the credit was available to be transitioned, it cannot be denied on account of wrong declaration - ***SRI DESIKANATHAR TEXTILES Pvt Ltd 2022 (4) TMI 598 - MADRAS HIGH COURT***

Case laws

GST



3. The delay in filing appeal against cancellation of registration is condonable in view of the relaxation given by the SC order. Further, cancellation of registration would defeat the very purpose of GST and therefore, the registration shall stand revived forthwith - ***GK DIGITAL PRINTING 2022 (4) TMI 410 - MADRAS HC.***
4. Refund rejected as the supplier is reported to be “risky” - No Personal Hearing granted - Violation of Principles of Natural Justice - Order is set aside - ***RICHIE RICH EXIM 2022(4)TMI 296 - DELHI HC. - Taking risk may get a reward but not a refund!!!***
5. Refund of the IGST paid on the goods exported shall be granted with 6% interest as the petitioner claimed drawback on customs component only- ***RP EXIM 2022 (4) TMI 409 - GUJARAT HIGH COURT.***
6. There would be a likelihood of bias, if the person, who carried out the search and seizure operation, is also empowered to conduct adjudication proceedings - ***SWASTIK PLASTICS 2022-TIOL-478-HC-DEL-GST.***

Notifications

Circulars

Notification No. 01 & 02/2022 - CT (Rate) dt 31.03.2022	The rate of tax for Brick/fly ash bricks/roofing tiles increased from 5 % to 12% with ITC and 6% without ITC.
Notification No. 03 & 04/2022 - CT dt 31.03.2022	Brick/fly ash bricks/roofing tiles excluded from the purview of threshold exemption of Rs.40 lakh limit and composition scheme under Sec 10
Notification No. 18/2022 - Customs dt 31-03-2022	Notification No. 52/2003-Customs dated 31.03.2003 amended for extending exemption from IGST to EOUs on imports till 30.06.2022
Notification No. 19/2022 - Customs dt 31-03-2022	Exemption from IGST on goods imported against AA/EPCG authorizations extended by three (03) months i.e. up to 30.06.2022
Notification No. 19/2022 - Customs (N.T) dt 31-03-2022	Exemption of deposits from the provision of Section 51 A of Customs Act, 1962 in respect of goods imported through customs station where automated system is not in place, accompanied baggage, etc..



Notifications

Circulars

Notification No. 20/2022 Customs (N.T) dt 31-03-2022	- Customs (Electronic Cash Ledger) Regulations 2022 notified.
Notification No. 25/2022 Customs(N.T) dt 31-03-2022 ***	- Notification to appoint officers of Revenue Intelligence.
Notification No. 26/2022 Customs(N.T) dt 31-03-2022 ***	- Notification to assign functions to officers and to officers in rank above to them as proper officers.
Notification No. 27/2022 Customs(N.T) dt 31-03-2022 ***	- Notification to appoint officers for Faceless Assessment.
Notification No. 28/2022 Customs(N.T) dt 31-03-2022 ***	- Notification under 110AA for assigning proper officer for multiple Jurisdiction.
Notification No. 29/2022 Customs(N.T) dt 31-03-2022 ***	- Notification for assigning proper officer for pending cases

Corrigendum dt 04-04-2022



Notifications

Circulars

Notification No. 30/2022 - Customs(N.T) dt 31-03-2022	Notification for Limitation on Sec 124 relating cases of confiscation where entry has been made
Notification No. 11/2022 - Customs(ADD) dt 31-03-2022	Anti-dumping Duty levied on jute products originating in or exported from Nepal and Bangladesh extended upto 31.08.2022
Notification No.64/2015 - 2020 dt 31-03-2022	Existing Foreign Trade Policy 2015-20 which is valid upto 31-03-2022 extended upto 30-09-2022
Notification No.66/2015-2020 dt 31-03-2022	Exemption from Integrated Tax and Compensation Cess under Advance Authorization under Para 4.14 of FTP 2015 - 20, EPCG scheme under Para 5.01 (a) of FTP 2015-20 and under EOU scheme under Para 6.01(d)(ii) of FTP 2015-20 is extended upto 30.06.2022
Public Notice No. 53/2015-2020 dt 31-03-2022	Validity of existing Handbook of Procedures extended upto 30-09-2022





cookies

Finance Act, 2022 enacted - Effective date for prospective changes for GST to be notified.

Gross GST collection touches an all-time high of 1.42 lakh crore in March 2022 - *Fake invoices circulation has also touched an all-time high of 52000 crores!*

Rajasthan increases e-way bill limit to 2 lakhs for intra-city movements.



cookies

Tribunal issues contempt notice to AC, CGST who failed to honour its order of sanction of refund by issuing SCN to partially reject it - *Un-Civil Disobedience movement.*

An antique idol of Shivalingam with Nagabharanam was saved from being smuggled out of the country by alert Chennai Air Cargo Customs officials.



Centre may offer a “special package to some States” to tide over financial difficulties as the compensation regime of 5 years for GST ends in June.
- *Pl don't read “to special States”*



LEGACY LAW

2022-VIL-270-CESTAT-AHM-ST

GOYAL & CO CONSTRUCTION PVT LTD Vs C.S.T - AHMEDABAD

Service Tax - Disclosure of income under IDS Scheme, 2016- Demand of service tax - Appellant are engaged in providing Construction of Residential and Commercial Complex Service and Real Estate Service - On basis of information that Appellant have sold many properties in cash after demonetization of old currency note and deposited said cash in bank account, an enquiry was initiated - Revenue approached Deputy Director (Cost) to work out gross receipts in respect of cash amount deposited in bank/declared under Income Tax Disclosure Scheme (IDS) 2016 - Deputy Director (Cost) furnished report by worked out gross receipts - Revenue issued show cause notice to Appellant proposed to demand service tax on gross receipt considered as taxable value towards rendering taxable service - Principal Commissioner confirmed demand - Whether Appellant are liable to pay Service tax under construction service on cash amount deposited in Bank and income disclosed under IDS - HELD - Department's allegation that income disclosed under IDS is attributable to construction services provided to their clients/customers is based on assumption that Appellant have no other activity except construction service - Perusal of material on record make it clear that apart from construction activity, Appellant also earned income from business of land sale, sale of flat, office and shop - Department has not been able to support their allegation with evidence that disclosed income under IDS were collected for providing construction service - Income declared by Appellant under IDS is not attributable to taxable service provided by them to their clients - Income tax and service tax are operating in two different fields - Demand of service tax cannot be made by relying income disclosed in income tax provision, without undertaking any independent investigation under Service Tax law - Service tax demand cannot sustain merely on basis of income declared under IDS - Impugned order set aside and appeal allowed.



before parting...

Once I appeared before an adjudicating authority, who was very proud of his honesty. After the hearing, he told me, "Though you have a very good case, I may not be able to drop the case" and I asked him back, " But why Sir". He smiled at me and asked me, "Why are you appearing and forcefully arguing for the client?". I earnestly replied, "Sir, he had engaged me to represent his case and had also paid me for that". Now his smile grew to a grin, and he said, "Exactly Mr. Jaikumar. You devotedly argue because the client pays you and I religiously confirm the case because the Government pays me. Simple".

Till date, I am not able to understand the parallel he drew, as I always thought that he was paid by the Government not to bat for the Revenue but to be judicious. But I never told him my mind voice but started to prepare the appeal.



**chennai - coimbatore - madurai - pune
bengaluru - hyderabad - ahmedabad - delhi**