

Thinking Beyond

The Academy's Monthly Newsletter

A knowledge sharing initiative

April 2023



Follow us on :



Hiregange Academy

1010, 26th Main, Above Union Bank of India,
Jayanagar 4th T Block, Bengaluru KA 560041



vignesh.p@hiregangeacademy.com,
chandana@hiregangeacademy.com,
divyashree@hiregangeacademy.com

Input tax credit – Burden of proof to substantiate genuineness of Credits



CA Vikram Katariya



CA Shilpi Jain

Claim of bogus input tax credit (ITC) and claim of refund of taxes never paid to the Revenue – The Government has realized that these two are major reasons for huge leakages of revenue. Under the erstwhile indirect tax laws, the Courts have in numerous cases decided in favour of the assessee, whereby certain procedural/documentation lapses such as taking credit on the strength of photocopy of invoice or an invoice which did not mention the name of the recipient assessee or an invoice with improper details, etc., were termed as procedural and credit was not denied to the recipient. [Read more](#)

Read this article published in TIOL:

https://taxindiaonline.com/RC2/inside2.php3?filename=bnews_detail.php3&newsid=45333

All about GST on Ocean Freight



CA Rajesh Maddi



Ms. Keerthana
Tadisetty

Indian port

there should be supply of goods / services or both as specified under Section 7 of CGST Act. The activity of transportation carried out by the shipping line would clearly be a service and leviable to GST. [Read More](#)

Ocean freight is a process through which merchandise goods, cargo and commodities are transported by ships via shipping lines. Over 90% of all the world's trade is carried by sea.

Indian GST on the Ocean Freight comes into light when the goods are transported from/to to/from any foreign port. For levy under GST,

Legal Updates – March 2023

- Assessee permitted to rectify GSTR-1 as there is no escapement of tax.
- Declaration under clause 5 of Circular No. JC (HQ)-1/GST/2020/Appeal/ADM-8 while an appeal is pending for reason of non-constitution of GST Tribunal.
- Opportunity of Personal Hearing mandatory even if NA opted by Assessee
- Applying the Dominant Intention Test to determine whether a collection of supplies should be taxed at the same rate as a composite package or separately at a higher rate.
- Power of Recovery of Taxes exercised by issuing Summons u/s 70.
- Recipients of a supply cannot claim ITC if the supplier did not deposit the tax.
- The services provided by an Indian branch office of an entity directly to its group entities do not qualify as intermediary services.
- Assessee having not complied with the requirement of release of seized goods i.e., perishable goods, is not entitled to release of such seized goods.
- Cash cannot be seized as it does not form part of the stock in trade of the petitioner's business.
- Refund of unutilized ITC cannot be refused if the petitioner proves goods were exported, invoices were issued by a registered dealer, and taxes were paid.
- Imposition of a penalty under Section 129 on goods stored in a godown is not valid.
- The recipient bears the burden of proving the correctness of their ITC claim.
- Eligibility of ITC when supplier preceding immediate supplier did not pay tax.

[Read more](#)

IDT Compliance Calendar

Indirect Tax Compliance Calendar

May 2023

Mon.	Tue.	Wed.	Thu.	Fri.	Sat.	Sun.
1 (National Holiday)	2	3	4	5	6	7
				<ul style="list-style-type: none"> • MPR for Apr-2023 (SEZ) 		
8	9	10	11	12	13	14
		<ul style="list-style-type: none"> • GSTR-7 for Apr-2023 • GSTR-8 for Apr-2023 • Form A/B for Apr-2023 • MOOWR Monthly returns • SERF for Apr-2023 	<ul style="list-style-type: none"> • GSTR-1 for Apr-2023 (Non-QRMP scheme) 		<ul style="list-style-type: none"> • IFF for Apr-2023 (QRMP scheme) • GSTR-5 for Apr-2023 • GSTR-6 for Apr-2023 	<ul style="list-style-type: none"> • GSTR-2B for Apr-2023 available for download • GSTR-6A available for download
15	16	17	18	19	20	21
•					<ul style="list-style-type: none"> • GSTR-3B for Apr-2023 (Non QRMP) • GSTR-5A for Apr-2023 	
22	23	24	25	26	27	28
			<ul style="list-style-type: none"> • PMT-06 for Apr-2023 			
29	30	31				
	<ul style="list-style-type: none"> • ITC-03 (When opted for composition scheme) 					

Comments

** It is suggested to adhere to compliance requirements by Friday where the due date is falling on Saturday or Sunday.

Disclaimer: This Compliance Calendar is meant for informational purposes only and does not purport to be advice or opinion, legal or otherwise. We do not assume any legal liability for any direct, indirect loss or damage of any kind for the accuracy, completeness, or usefulness of any information herein.

Sl. No	Functionality	Particulars
1	<u>New facility to verify document Reference Number (RFN) mentioned on offline communications issued by State GST authorities</u>	To enable the taxpayers to ascertain whether an offline communication was indeed sent by the State GST tax officer or not, a new facility for Reference Number (RFN) generation by the State tax officer and verification by the taxpayer has been provided. Under this feature, the State Tax office can generate an RFN for the physically generated correspondence sent to the taxpayer, which can be validated by the taxpayer by going through the Services > User Services > Verify RFN option and provide the RFN to be verified.
2	<u>Advisory on Bank Account Validation</u>	GSTN has integrated the bank account functionality into the GST system, it was introduced to make sure that the bank accounts provided by the taxpayer are correct. The bank account validation status can be seen under the Dashboard→My Profile→Bank Account Status tab in the FO portal.
3	<u>Updated Advisory: Time limit for Reporting Invoices on the IRP Portal</u>	The government had decided to impose a time limit on reporting old invoices on the e-invoice IRP portals for taxpayers with AATO greater than or equal to 100 crores, with these they will not be allowed to report invoices older than 7 days on the date of reporting and these will apply to all document types for which IRN is to be generated (includes debit note/credit note also) and it is proposed to implement from 01.05.2023 onwards.



Customs	
Circulars	
Circulars No. and Date of issue	Subject
10/2023-Customs, Dated- 11-04-2023	<p>Online filing of AEO-LO application</p> <p>Summary: The AEO application processing for AEO-T2 and T3 on the web-based portal <www.aeoindia.gov.in> has been functional since July,2021. To take this endeavour for digitization forward, in line with the government's Digital India initiative, the Board has decided to launch a new version (V 3.0) for on-boarding of AEO-LO applicants by way of online filing, real-time monitoring, and digital certification.</p> <p><u>Read more:</u></p>

Customs	
Instructions/Guidelines	
Instruction No. and Date of issue	Subject
Instruction No. 14/2023- Customs, Dated- 17-04-2023	<p>Registration of Importers as per provision of Plastic Waste Management Rues, 2016, as amended reg.</p> <p>Summary Importers of plastic packaging product or products with plastic packaging or like, require registration with CPCB/SPCB/PCC at the time of clearance. Out of that difficulties are being faced by several importers, as their consignment is held up, as the registration on Centralised EPR portal is still under process. In view of above, CPCB has requested concerned authorities to consider clearance of above-mentioned import consignments, based on the proof of submission of application for registration on the portal. <u>Read more:</u></p>

Customs – Tariff	
Notifications	
Notification No. and Date of issue	Subject
21/2023-Customs Dated- 01-04-2023	Regarding implementation of Advance Authorization Scheme under Foreign Trade Policy, 2023 Summary: - Exempts materials imported into India against a valid Advance Authorization issued by the Regional Authority in terms of paragraph 4.03 of the Foreign Trade Policy from the whole of the duty of customs leviable thereon and from the whole of the additional duty leviable, subject to such conditions specified under. Read more
22/2023-Customs Dated- 01-04-2023	Regarding implementation of Advance Authorization Scheme for deemed export under Foreign Trade Policy, 2023. Summary For the deemed export under FTP, 2023, CBIC has been exempts materials imported into India from the whole of duty of customs as well as additional duty leviable, subject to such conditions specified under. Read more
23/2023-Customs Dated- 01-04-2023	Regarding implementation of Advance Authorization Scheme for annual requirement under Foreign Trade Policy, 2023, 2023 Summary CBIC has been notified, the annual requirement against a valid advance authorization scheme for material imported, for such condition and process would be followed under the FTP-2023. Read more

Customs – Tariff	
Notifications	
Notification No. and Date of issue	Subject
24/2023-Customs Dated- 01-04-2023	<p>Regarding implementation of Advance Authorization Scheme for export of prohibited goods under Foreign Trade Policy, 2023.</p> <p><u>Summary</u> If met the condition stated under the said notification, the whole duty of customs as well as additional duty leviable shall be exempted where it meant for export of prohibited items under FTP 2023. Read more</p>
25/2023-Customs Dated-01-04-2023	<p>Regarding implementation of Duty-Free Import Authorization Scheme under Foreign Trade Policy, 2023</p> <p><u>Summary</u> Subject to such condition stated in said notification, the whole of duty under custom would be exempted to materials imported into India against a valid Duty-Free Import Authorization issued by the Regional Authority. Read more</p>
26/2023-Customs Dated-01-04-2023	<p>Regarding implementation of EPCG Scheme under Foreign Trade Policy, 2023.</p> <p><u>Summary</u> Exempt goods from the duty of custom with additional duty, integrated tax and cess subject to condition like, the goods imported are covered by a valid authorisation issued under EPCG Scheme in of FTP permitting import of goods at zero customs duty, etc. Read more</p>
27/2023-Customs Dated-01-04-2023	<p>Regarding Exemption for import of fabrics under Special Advance Authorization Scheme under para 4.04A of Foreign Trade Policy, 2023 for manufacture and export of garments.</p> <p><u>Summary</u> Subject to condition, exempts fabrics imported into India against a valid Special Advance Authorisation. Such conditions are-</p> <p>The importer execute a bond, binding himself to pay an amount equal to the duty leviable on the imported materials in respect of which the conditions specified in this notification are not complied with, together with interest etc. Read more</p>

Customs – Tariff	
Notifications	
Notification No. and Date of issue	Subject
28/2023-Customs Dated-01-04-2023	Seeks to amend Notifications of G&J and EOU schemes-reg, 2023. Summary CBIC issued the notification to amend the eight notifications issued under G&J and EOU schemes to line with Foreign Trade Policy, 2023. Read more
29/2023-Customs Dated-03-04-2023.	Amendment to Notification 40/2015 - Customs dated 21.07.2015. Summary Amended the said notification by adding “6. Gemmological Science International Ltd., Mumbai, Maharashtra” in the Table, after serial number 5 and the entries relating thereto. “NN- 40/2015-Customs- Regarding Exemption for customs duty on cut and polished diamonds imported by specified agencies in FTP” Read more
30/2023-Customs Dated-10-04-2023.	Seeks to amend notification No. 55/2022- Customs, dated 31.10.2022, in order to exempt Rice in the husk (paddy or rough), of seed quality, from export duty of 20%. Read more
31/2023-Customs Dated-20-04-2023.	Seeks to further amend notification No. 55/2022- Customs, dated 31.10.2022, in order to notify Nepalgunj road as an additional LCS (Land Customs Stations) against condition number 1. Read more
32/2023-Customs Dated-26-04-2023.	Amending Customs Notifications to implement the "Amnesty Scheme for one time settlement of default in export obligation by Advance and EPCG authorization holders" notified by DGFT. Summary: Interest shall be payable as specified in terms of Public Notice of the Government of India, Ministry of Commerce and Industry No. 02/2023, dated the 1 st of April, 2023. Read more
33/2023-Customs Dated-20-04-2023.	Seeks to amend notification Nos. 11/2022-Customs and 12/2022-Customs dated 01.02.2022 with respect to PMP of wearable and hearable devices. Read More

Webinar on “How to Handle Departmental Audit” – Legal framework, Preparation and Approach

Hiregange Academy
www.hiregangeacademy.com

Webinar on

HOW TO HANDLE DEPARTMENTAL AUDIT

LEGAL FRAMEWORK, PREPARATION AND APPROACH

SPEAKER:
CA ROOPA NAYAK
PARTNER, H N A & CO. LLP
BANGALORE

FRIDAY, 12 MAY 2023
04.00PM -5.30PM

WEBINAR FEES:
₹500 ONLY

REGISTER NOW
To register please fill the registration form

TARGET AUDIENCE

- Any Taxpayer Who is Interested to Understand the Nuances and Practices of Departmental Audit.
- Chartered Accountants & CMAS.
- Accountants.

FOR ANY QUERIES
8951893203 - VIGNESH, vignesh.p@hiregangeacademy.com,
9620116163 - DIVYASHREE M.R, divyashree@hiregangeacademy.com
CHANDANA L. R., chandana@hiregangeacademy.com

Follow us on:

Date : 12th May 2023 (Friday)

Time: 4.00 pm to 5.30 pm.

Target Audience:

- Any Taxpayer who is interested to understand the nuances and practices of Departmental Audit.
- Chartered Accountants & CMAs.
- Accountants

For registration [click here](#)

Advance GST Certificate Course

Date : 17th to 31st May 2023

Time: 3.00 pm to 6 pm

Target Audience:

1. Students who wish to learn to the next level.
2. Professionals and Practitioners in GST.
3. Officers in corporates dealing with GST

For registration [click here](#)

Hiregange Academy
www.hiregangeacademy.com

ADVANCE GST CERTIFICATE COURSE

33 HOURS LIVE COURSE (ONLINE)

17th to 31st May, 2023
3pm to 6pm

COURSE FEES - ₹7,500/-

NUMBER OF SEATS
75 ONLY

Register Now
To register, please fill the registration form

For any queries:
8951893203 - VIGNESH, vignesh.p@hiregangeacademy.com,
9620116163 - DIVYASHREE M.R, divyashree@hiregangeacademy.com
CHANDANA L. R., chandana@hiregangeacademy.com

Follow us on:

Activities for the Month

Workshop on Basic MS Excel for Commerce students at Shree Gurukul PU College, Tumkur on 30th April, 2023.



Thinking Beyond

The Academy's Monthly Newsletter

A knowledge sharing initiative

For more information on training programs conducted by us,
please visit

www.hiregangeacademy.com

or you may reach us via email (given below)/ring us up at
9620116163

Hiregange Academy
1010, 26th Main, Above Union Bank of India,
Jayanagar 4th T Block, Bengaluru KA 560041

info@hiregangeacademy.com, vignesh.p@hiregangeacademy.com,
chandana@hiregangeacademy.com, divyashree@hiregangeacademy.com