

Indirect Tax

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and more...

Notifications

CBIC notifies 'Public Tech Platform for Frictionless Credit' as the system with which information may be shared by the common portal based on consent under sub-section (2) of Section 158A of the Central Goods and Services Tax Act, 2017

The Ministry of Finance, under the Central Board of Indirect Taxes and Customs, has issued Notification No. 06/2024-Central Tax, dated 22nd February 2024 exercises its authority under Section 158A of the Central Goods and Services Tax Act, 2017 (CGST Act). This notification introduces the "Public Tech Platform for Frictionless Credit" as the designated system for sharing information through the common portal based on consent, as specified in sub-section (2) of Section 158A.

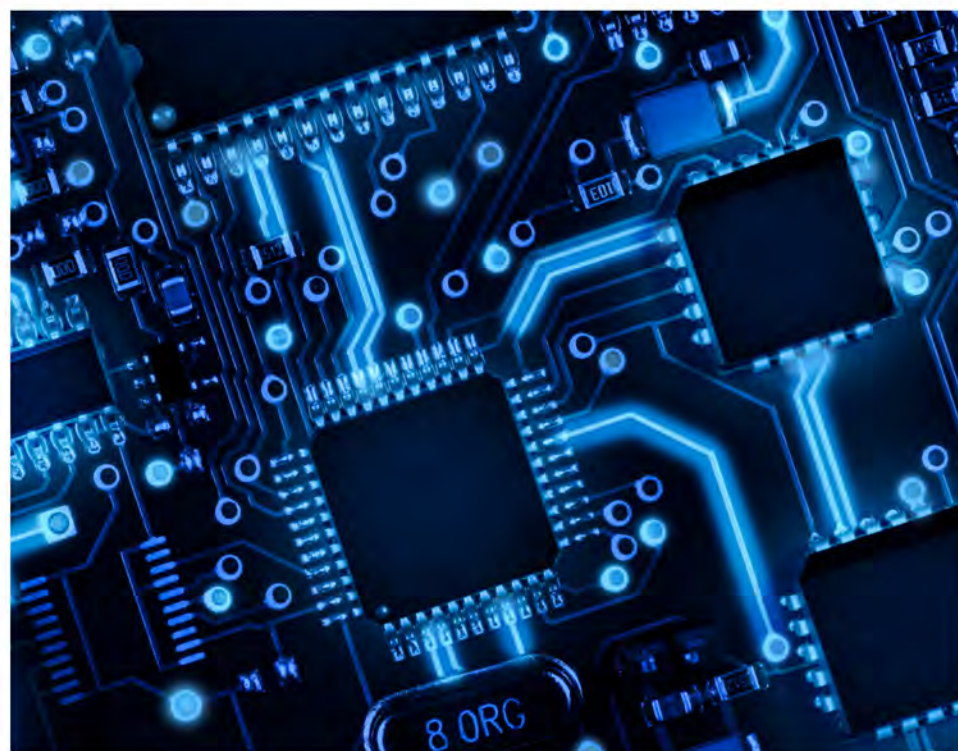
Detailed Analysis: The rescission of Notification No. 30/2023-CT, dated the 31st July, 2023 is likely rooted in the evolving economic landscape or amendments in tax policies. A detailed analysis of the reasons behind this decision will shed light on the government's objectives.

The notification, under S.O. 818(E), empowers the Central Government to designate the "Public Tech Platform for Frictionless Credit" for the purpose of information sharing. This platform, defined within the notification, is described as an enterprise-grade open architecture information technology platform. It originated from the Reserve Bank of India's conceptualization, outlined in its "Statement on Developmental and Regulatory Policies" dated 10th August 2023. Developed by the Reserve Bank Innovation Hub, this platform is designed to facilitate the operations of a vast credit ecosystem. The platform's primary objective is to ensure digital access to information from various sources. It operates on a standard and protocol-driven architecture, featuring an open and shared Application Programming

Interface (API) framework. The platform's conceptualization and development align with the Reserve Bank of India's vision for fostering innovation and efficiency within the credit and financial services sector.

Enhanced E-Invoicing Initiatives & Launch of Enhanced <https://einvoice.gst.gov.in> portal

GSTN on the occasion of one year of the successful going live with the additional five new IRP portals, the e-invoice master information portal, and the e-invoice QR Code Verifier app, announces the launch of the revamped e-invoice master information portal <https://einvoice.gst.gov.in>. This enhancement is part of the ongoing effort to further improve taxpayer services.



Judgements

Appeal is maintainable against cancellation of GST registration if its filed within 7 month from cancellation.

Facts of the case

The GST registration of the petitioner firm was revoked due to its failure to file returns for a continuous period exceeding six months. The appeal challenging the cancellation order was dismissed on the grounds of its non-maintainability and being barred by limitation.

Ruling

Under section 107(3) and (4) of the CGST Act, 2017, the delay in filing an appeal could have been extended by the Appellate Authority, as the initial period of three months could be further extended by another three months and additionally by one month. Hence, the appeal filed on 26-8-2023, which fell within seven months from the date of the cancellation order, was permissible and should not have been rejected on the grounds of delay. Moreover, the petitioner could have alternatively been given the opportunity to approach the appropriate authority under section 30 for the revocation of the cancellation of the license, upon payment of applicable penalties, fines, and interest. The petitioner should be allowed to file an application under section 30 after completing all formalities within 30 days, and this application should be processed in accordance with the law.

Source: Jharkhand High Court Judgement dated February, 23 2024 in case Rana Engineering vs. Union of India WP(T) No. 6387 of 2023.



Judgements

Input tax credit cannot be rejected solely on ground that taxpayer had not claim ITC in GSTR-3B

Facts of the case

Input tax credit (ITC) eligibility and conditions for claiming credit for the period from 2017 to 2020: The petitioner-assessee, engaged in the trade of electrical products and hardware, asserts eligibility for ITC for the assessment years 2017-2018, 2018-2019, and 2019-2020, duly reflected in GSTR 2A returns. The assessee contends that GSTR-9 (annual) returns were filed, duly reflecting the assessee's ITC claims. However, the said ITC claims were rejected on the grounds that the assessee had not claimed ITC in GSTR 3B returns.

Ruling

When a registered person asserts eligibility for Input Tax Credit (ITC) based on GSTR-2A and GSTR-9 returns, the assessing officer should scrutinize the validity of the ITC claim by examining all pertinent documents, including by requesting the registered person to furnish such documents. However, in the present case, the rejection of the ITC claims was solely based on the failure to claim ITC in GSTR 3B returns, without any reference to GSTR-2A and GSTR-9 returns. Consequently, the order rejecting the said claim was to be invalidated, and the matter was to be remanded back.

Source: Madras High Court Judgement dated February, 20 2024 in case of Sri Shanmuga Hardwares Electricals vs. State Tax Officer Writ Petition No's 3804, 3808 & 3813 of 2024 and 4105, 4107 of 2024 and others.

ITC cannot be reversed solely on the ground that supplier 's GST registration was cancelled with retrospective effect.

Facts of the case

Input tax credit (ITC) denial – Suppliers' registration cancelled for Period from 2017 to 2018: The petitioner-assessee challenges an assessment order whereby the Input Tax Credit (ITC) claimed by the assessee was reversed due to the cancellation of the GST registration of the relevant supplier with retrospective effect. The assessee contends that purchases made in 2017-2018 were supported by tax invoices, e-way bills, transport documents, and proof of payment to the supplier through regular banking channels.

Ruling

The reconsideration of the Input Tax Credit (ITC) claim should not lead to its rejection solely on the basis of the supplier's GST registration being cancelled retrospectively. Disregarding the documents submitted by the assessee rendered the impugned assessment order unsustainable, necessitating its annulment and withdrawal.

Source: Madras High Court Judgement dated February, 15 2024 in case of Engineering Tools Corporation vs. Assistant Commissioner (ST) WP No. 3505 of 2024.

Judgements

Madras High Court holds that the impugned order was to be annulled as Opportunity of personal hearing was not given.

Facts of the case

The assessment order was issued on the basis of the assessee's failure to respond to the show cause notice. The assessee argued that his GST practitioner, whom he had engaged, had been involved in an accident, and thus he was unaware of the intimation, show cause notice, and the subsequent order until he received a call regarding the outstanding amounts. The department maintained that both an intimation and show cause notice had been posted on the GST portal. The assessee contested the department's order, asserting that he had not been given the chance for a personal hearing.

Ruling

The impugned order was issued due to the assessee's failure to respond to the show cause notice. Based on the documents on record, it seemed that the assessee was not granted a personal hearing. Consequently, the impugned order was required to be nullified, and the matter was to be sent back for further review.

Source: Madras High Court Judgement dated February, 02 2024 in case of Joshikaa Enterprises vs. Assistant Commissioner (ST) W.P.No. 2299 Of 2024 W.M.P. Nos. 2487, 2489 Of 2024.



Judgements

Allahabad High Court held's that the Adjudicating Authority should be instructed to grant the assessee an opportunity for a personal hearing.

Facts of the case

The petitioner-assessee requested the granting of an installment plan for making payments of the tax and interest in question, citing financial hardship.

Ruling

Wherever a written request is received from the individual liable for tax or penalty, or if there's a potential adverse decision against them, the opportunity for a personal hearing should be provided. Even if no such request is received, if there's a possibility of an adverse decision, the person must still be given the chance for a personal hearing. Any order made without granting this opportunity should be overturned.

Source: Allahabad High Court Judgement dated February, 01 2024 in case of K. J. Enterprises vs. State of U.P. Writ Tax No. 1544 of 2022.



CBIC issues exchange rates for import and export of goods.

CBIC vide Notification-13/2024 of Customs dated February, 15 2024 issues exchange rates for import and export of goods. Rate chart is mentioned below:

SCHEDULE-I

Sl. No.	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
		(For Imported Goods)	(For Export Goods)
1.	Australian Dollar	55.05	52.70
2.	Bahraini Dinar	228.90	212.20
3.	Canadian Dollar	62.30	60.35
4.	Chinese Yuan	11.80	11.4
5.	Danish Kroner	12.10	11.80
6.	EURO	90.65	87.55
7.	Hong Kong Dollar	10.75	10.50
8.	Kuwaiti Dinar	278.25	260.95
9.	New Zealand Dollar	51.75	49.40
10.	Norwegian Kroner	7.95	7.75
11.	Pound Sterling	106.10	102.65
12.	Qatari Riyal	23.55	22.10
13.	Saudi Arabian Riyal	22.85	21.55
14.	Singapore Dollar	62.60	60.65
15.	South African Rand	4.50	4.20
16.	Swedish Kroner	8.00	7.80
17.	Swiss Franc	95.60	92.05
18.	Turkish Lira	2.80	2.60
19.	UAE Dirham	23.30	21.95
20.	US Dollar	83.90	82.20

Schedule-2

Sl. No.	Foreign Currency	Rate of exchange of 100 units of foreign currency equivalent to Indian rupees	
		(For Imported Goods)	(For Export Goods)
1.	Japanese Yen	56.10	54.40
2.	Korean Won	6.45	6.05

Source: Notification No-13/2024 dated February, 13 2024 of Customs

GST Revenue

Gross Goods and Services Tax (GST) revenue collected for February 2024 is ₹1,68,337 crore, marking a robust 12.5% increase compared to that in the same month in 2023. This growth was driven by a 13.9% rise in GST from domestic transactions and 8.5% increase in GST from import of goods. GST revenue net of refunds for February 2024 is ₹1.51 lakh crore which is a growth of 13.6% over that for the same period last year.

Source: pib.gov.in




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