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NOTIFICATIONS & UPDATES

Government makes changes in GSTR-1/IFF filing on the GST portal

The statement of outward supplies in FORM GSTR-1 is to be furnished by all normal taxpayers on a monthly or quarterly basis, as applicable.



Quarterly GSTR-1 filers have also been provided with an optional Invoice Furnishing Facility (IFF) for reporting their outward supplies to registered persons (B2B supplies) in the first two months of the quarter. Continuous enhancements & technology improvements in GSTR-1/IFF have been made from time to time to enhance the performance & user-experience of GSTR-1/IFF, which has led to improvements in Summary Generation process, quicker response time, and enhanced user-experience for the taxpayers.

The previous phase of GSTR-1/IFF enhancement was deployed on the GST Portal in November 2021. In that phase, new features like the revamped dashboard, enhanced B2B tables, and information regarding table/tile documents count were provided. In continuation to the same, the next Phase of the GSTR-1/IFF improvements would be implemented shortly on the GST Portal, details of which are discussed as below:

- **Removal of 'Submit' button before filing:** Earlier there was a two-step filing of GSTR-1/IFF. Taxpayers first clicked on the 'Submit' button and then clicked on the 'File' button to file the GSTR-1/IFF through DSC or EVC. No change in the data entered was allowed after pressing the 'Submit' button (post submission of GSTR1/IFF). In this phase of GSTR-1 enhancement, the 'Submit' button now will

be removed from GSTR-1/IFF, and taxpayers will now have the flexibility to add or modify records till the Filing is completed by pressing the 'File Statement' button. Thus, the two-step filing process will now be a single step filing process.

- **Consolidated Summary:** Taxpayers will now be shown a table-wise consolidated summary before actual filing of GSTR-1/IFF. This consolidated summary will have a detailed & table-wise summary of the records added by the taxpayers. This will provide a complete overview of the records added in GSTR-1/IFF before actual filing.
- **Recipient wise summary:** The consolidated summary page will also provide recipient-wise summary, containing the total value of the supplies & the total tax involved in such supplies. This summary will be made available in all cases where the recipient count is up to one hundred, which will cover more than 90 percent of the taxpayers. Viewing for more than one hundred recipients on the screen not being user friendly and having technical constraints will be addressed in the next version of improvements.

The recipient-wise summary will be made available with respect to the following tables of GSTR-1/IFF:

Table No.	Description
4A	B2B supplies
4B	Supplies attracting reverse charge
6B	SEZ supplies
6C	Deemed exports
9B	Credit/Debit notes

- **Summary PDF:** Taxpayers can now view and download detailed summary of the GSTR-1/IFF in a new PDF format. The earlier format

of the GSTR-1 summary was slightly different from the notified format, in which few tables of the notified format were clubbed together and made available to the users. The new summary format has been aligned with the notified format of GSTR-1. It will also contain the total outward supplies liability of the taxpayer (other than reverse charge), to be auto-populated in GSTR-3B.

Source: gst.gov.in

CBIC issues guidelines for recovery proceedings under the provisions of Section 79 of CGST Act, 2017

CBIC has issued different guidelines for recovery proceedings under the provisions of Section 79 of CGST Act, 2017.

Sub-section (12) of section 75 of the CGST Act, 2017 (hereinafter referred to as "the Act") provides that notwithstanding anything contained in section 73 or section 74 of the Act, where any amount of self-assessed tax in accordance with the return furnished under section 39 remains unpaid, either wholly or partly, or any amount of interest payable on such tax remains unpaid, the same shall be recovered under the provisions of section 79. An explanation has been added to sub-section (12) of section 75 vide section 114 of Finance Act, 2021 with effect from 01.01.2022 to clarify that "self-assessed tax" shall include the tax payable in respect of outward supplies, the details of which have been furnished under section 37, but not included in the return furnished under section 39.

Doubts are being raised by the trade and the field formations regarding modalities for initiation of the recovery proceedings under section 79 of the Act in the cases covered under the explanation to sub-section (12) of section 75 of the Act. In view of the above, the following guidelines are hereby issued with respect to the recovery

proceedings under section 79 of the Act in such cases. Sub-section (12) of section 75 of the Act is reproduced hereunder for reference:

"(12) Notwithstanding anything contained in section 73 or section 74, where any amount of self-assessed tax in accordance with a return furnished under section 39 remains unpaid, either wholly or partly, or any amount of interest payable on such tax remains unpaid, the same shall be recovered under the provisions of section 79.

Explanation. - For the purposes of this sub-section, the expression "self-assessed tax" shall include the tax payable in respect of details of outward supplies furnished under section 37, but not included in the return furnished under section 39. "

From the perusal of the above provision, it is clear that where the tax payable in respect of details of outward supplies furnished by the registered person in GSTR-1, has not been paid through GSTR-3B return, either wholly or partly, or any amount of interest payable on such tax remains unpaid, then in such cases, the tax short paid on such self-assessed and thus self-admitted liability, and the interest thereon, are liable to be recovered under the provisions of section 79.

There may, however, be some cases where there may be a genuine reason for difference between the details of outward supplies declared in GSTR-1 and those declared in GSTR-3B. For example, the person may have made a typographical error or may have wrongly reported any detail in GSTR-1 or GSTR-3B. Such errors or omissions can be rectified by the said person in a subsequent GSTR-1/ GSTR-3B as per the provisions of sub-section (3) of section 37 or the provisions of sub-section (9) of section 39, as the case may be. There may also be cases, where a supply could not be declared by the registered person in GSTR-1 of an earlier tax period, though the tax on the same

was paid by correctly reporting the said supply in GSTR-3B. The details of such supply may now be reported by the registered person in the GSTR- 1 of the current tax period. In such cases, there could be a mismatch between GSTR-1 and GSTR-3B (liability reported in GSTR-1 tax paid in GSTR-3B) in the current tax period. Therefore, in all such cases, an opportunity needs to be provided to the concerned registered person to explain the differences between GSTR- 1 and GSTR-3B, if any, and for short payment or non-payment of the amount of self-assessed tax liability, and interest thereon, before any action under section 79 of the Act is taken for recovery of the said amount.

Source: gst.gov.in

JUDGEMENTS AND ADVANCE RULING

Vehicle carrying goods not to be stopped/seized by authorities for expiry of E-way bill

Issue: Whether goods are to be seized or stopped in case of e-way bill has expired while vehicle entering into the state.

Hon'ble High Court of Tripura passed judgement in case Podder & Podder Industries Private Limited Vs The State of Tripura and others.



Honb'le High Court stated, We are constraint to note that any impact on the free-flow of goods and services (bona fide) ought to be encouraged and not discouraged since the free-flow and movement of goods and services throughout the Union of India is meant to be for the purpose of development of the nation. No doubt the rule making authorities have the authority to put conditions such as requirement

of an e-way bill to cover the goods that have been transported. However, it must not be lost sight of the fact that an e-way bill has supplied to cover the goods under the transit by a registered dealer under the GST Act. Learned Government Advocate when queries as to whether there was any doubt about the genuinity of the transaction is concerned, fairly admitted that there is at present no question or any doubt over the genuineness of the transaction. Therefore, the question that next comes for consideration before this Court is as to whether a vehicle carrying goods for which the e-way bill has expired and the vehicle as well as goods ought to be seized or should the authority concerned release such goods and vehicle by seeking an undertaking from the assessee concerned either the buyer or the seller.

Source: *Podder & Podder Industries Private Limited vs The State of Tripura and others*

HC Quashes vague SCN for Cancellation of GST registration

Issue: If the allegations in the show cause notice are not specific and are on the contrary vague, lack details and/or unintelligible that is sufficient to hold that the noticee was not given proper opportunity to meet the allegations indicated in the show cause notice.

Hon'ble High Court of Gujarat High Court quashed vague show cause notice issued to taxpayer for application of GST registration in case of Shah Industries through proprietor Vishal Hastimal VS State of Gujarat, The writ applicant is a proprietor of a proprietary concern and he has been served with a show cause notice dated 02.11.2021 calling upon him to show cause as to why the GST registration should not be

cancelled. The show cause notice is bereft on any material particulars or information. In the absence of any material particulars and the details, it is difficult for any individual to respond to such a vague show cause notice. Probably what the Authority is trying to convey is that the registration had been merely on paper and no actual business activity is found on the place of business, as the writ applicant – a registered person was not found at the place of business of writ applicant. If such are the allegations, it is expected of the Authority to furnish some details in this regard.

Source: *Shah Industries through proprietor Vishal Hastimal VS State of Gujarat*

Duty Drawback claim allowed despite availment of ITC

Issue: Whether Duty drawback can be claimed even if ITC of the duty has been availed.

Hon'ble Madras High Court in case of Numinous Impex (I) Pvt. Ltd. Vs Commissioner of Customs passed judgement , As far as the goods falling under Customs Heading No. 8483-40-00 of the Customs Tariff Act 1975 are concerned, the rate of duty for goods both covered under these two Columns is only at 2%. Thus, there is no variation as far as the rate of duty is concerned. In this case, admittedly, the petitioner is entitled to duty drawback at 2% irrespective of the fact that whether the petitioner has availed input tax credit under the provisions of the Central Goods and Services Tax Act, 2017 or under the provisions of the State Goods and Services Tax Act, 2017.

The expression 'CENVAT Facility' in Column Nos.4 & 5 of the Schedule to the Notification No.131/2016-Cus (N.T) dated 31.10.2016 is to be

read as 'Input Tax Facility' under the respective enactments. Further, as per notes and conditions in Paragraph No.7 to Notification No.131/2016-Cus (N.T) dated 31.10.2016, if the rate indicated is the same in the Column Nos.(4) and (6), it shall mean that the same pertains to only customs component and is available irrespective of whether the exporter has availed of Cenvat facility or not.

This Writ Petition has been filed for a direction to the respondents to settle the pending refund claims of the petitioner on the exports made.

The petitioner had exported consignments of goods classifiable under Customs Heading No.8483-40-00 of the Customs Tariff Act 1975 and claimed duty drawback under Section 75 of the Customs Act, 1962. Additionally, the petitioner claimed refund of input tax credit availed on the input and input services used in the export goods.

It is the case of the petitioner that the exports effected by the petitioner are "zero rated supply" within the meaning of Section 16 of the Integrated Goods and Services Tax Act, 2017 and therefore, the petitioner is entitled to refund of unutilized input tax credit under Section16(3)(a) of the Integrated Goods and Services Tax Act, 2017.

Since on the same export, the petitioner has claimed duty drawback under the provisions of Customs and Central Excise Duties and Service Tax Drawback Rules, 2017 r/w relevant Notification issued under Section 75 of the Customs Act, 1962, the refund of unutilized input tax credit under Section 16(3)(a) of the Integrated Goods and Services Tax Act, 2017 is being denied.

In the light of the above discussion, this Writ Petition deserves to be allowed. The respondents are directed to scrutinize the refund claims filed by the petitioner under Section 16(3) of the Integrated Goods and

Services Tax Act, 2017 read with Section 54 of the Central Goods and Services Tax Act, 2017 and Rule 89 of the Central Goods and Services Tax Rules, 2017 and other applicable Rules and refund the same together with applicable interest under the provisions of the respective enactments.

Source: *Numinous Impex (I) Pvt. Ltd vs The Commissioner of Customs*

CUSTOMS

Central Board of Indirect Taxes and Customs(CBIC) issues instructions for implementation of Notification No-28/2021 of Customs dated April 24th, 2021 which was to exempt custom duty and health cess on Import of Oxygen and Other related equipments till September 30th, 2021.



CBIC stated that owing to the peculiar circumstance of the COVID-19 wave, parts of medical oxygen related equipment were imported on emergency requirement and at times are said to have been assembled at the premises of hospital or other establishments. Considering the medical national emergency faced by the nation, these very exceptional circumstances may have led to the importers not being able to adhere to certain procedural aspects of the IGCR. Considering the circumstances in which such imports were undertaken, the benefit of the exemption notification may not be denied, merely on the issue of not observing the procedure, provided that the goods so imported have been put to the intended use, i.e., in the manufacture of specified equipment related to the production, transportation, distribution or storage of Oxygen, which if required, is verifiable from

invoices and other documents showing supply of such manufactured goods by the importer.

Source: *Instruction No. 4/2022-Customs dated April 27, 2022*

GST REVENUE COLLECTION

The gross GST revenue collected in the month of April 2022 is Rs 1,67,540 crore of which CGST is Rs 33,159 crore, SGST is Rs 41,793 crore, IGST is Rs 81,939 crore (including Rs 36,705 crore collected on import of goods) and cess is Rs 10,649 crore (including Rs 857 crore collected on import of goods).

The gross GST collection in April 2022 is all time high, Rs 25,000 crore more than the next highest collection of Rs. 1,42,095 crores, just last month.

Source: pib.gov.in

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