



Like every year, 2020 has also dawned with lot of hope. Nearly 3 years of engagement with GST is too tiring. Restriction of unmatched credit from 20 % to 10 % and introduction of Rule 86 A empowering the officers to stop utilisation of credit in given circumstances, does not augur well for the honest taxpayers. The silver lining is the amendment / clarification in the context of applicability of RCM for renting of motor vehicles, which came on the new year eve. With bulk of the legacy litigation settled under Sabka Vishwas, the focus of both the Department, as well as taxpayers and professionals would turn more towards GST now.

Let us hope that GST turns out to be a real Good Simple Tax during this year.

Table Of Content

1	GST Case Laws
2	Notifications & Circulars
3	NEWS
4	Revenue and Statistics
5	The Legacy



GST CASE LAWS

1 M/s ARAVIND LIFESTYLE BRANDS LTD & Ors 2019-TIOL-2861-HC-KAR-GST

Failure to fill up the details of stock in TRAN-1 thereby being unable to file TRAN-2, cannot stand in the way of allowing transitional credit. Karnataka HC comes to the rescue.



Right time all HCs set up special TRAN benches!

2 M/S ABHI MOBILE HOUSE - 2019-VIL-607-P&H

Hans Raj Sons vs. Union of India - TS-1145-HC-2019(P&H)-NT

HC allows the claim for transitional credit. If Tran-1 is not enabled credit can be taken by the assessee themselves in GSTR-3B.



If the mountain will not come to Muhammad, then Muhammad must go to the mountain!



www.swamyassociates.com

3 M/s FUSION BUILDTECH PVT LTD 2019-TIOL-71-NAA-GST

Giving discount cannot be considered as passing on ITC benefit. Holds NAPA.



What do you want me to do Lord?

4 SALES TAX BAR ASSOCIATION TS-1141-HC-2019(DEL)-NT

Delhi HC wields its stick on the Chairman, CBIC and CEO GSTN to file status report on various grievances raised by the taxpayers.



Principal summons parent for the unruly behaviour of the student!

5 JMK HOLDINGS 2019-TIOL-80-NAA-GST

Availment of ITC and passing on the benefit should go in tandem. Assessee cannot claim that he would pass on the benefit at the time of handing over the flat.



Theoretically good. Practically?



swamy associates

6 M/s PRECOT MERIDIAN LIMITED 2019-VIL-616-MAD

Denying refund of IGST paid on exported goods, on the ground that full drawback has been claimed for such goods is not sustainable. Circular 37/18 Customs, held to be illegal.



Drawback is always a drawback.

7 JOHNSON & JOHNSON PVT LTD TS-1165-NAA-2019-NT

Johnson & Johnson held guilty of anti- profiteering and told to pay Rs.230 Crs.



Be soft, not only on skin but also on our purse.

8 M/S SIEMENS LTD 2019-VIL-84-AAA

Mobilization advances lying as on 01.07.2017, attracts GST. It cannot be considered as a "Deposit" but is in the nature of advance only.



Mobilise additionally to pay GST also.



9 VISION DISTRIBUTION PVT LTD 2019-TIOL-2918-HC-DEL-GST

Non reflection of the credit in the Electronic Credit Ledger is not due to any fault of the assessee but of the inefficient software systems adopted by the Government. Permitting the Government to get away with such an argument for rejecting the refund claim, would be putting premium on inefficiency. Government directed to sanction refund.

10 KALYAN JEWELLERS INDIA Ltd 2019 TIOL-499-AAR-GST

Sale of gift vouchers attracts 12% GST if they are made of paper and 18% GST if they are made of plastic and chip enabled, rules AAR. Specific provisions regarding taxability of vouchers u/s 12(4) of the CGST Act has been ignored by the AAR, leading to double levy of GST, once when the voucher is bought and again when the same is redeemed.






New gift vouchers in market. Can be used only to pay GST on any purchase! Sold out within minutes!






NOTIFICATIONS & CIRCULARS

CENTRAL TAX NOTIFICATIONS – 16.12.2019 to 31.12.2019

NO	DATE	GIST
73	23.12.2019	<p>Due date for filing GSTR-3B for November 2019 extended to 23.12.2019.</p> <p> There are three things certain in life Death, Taxes and Portal glitches.</p>
74	26.12.2019	<p>Late fee waived for registered persons who have not filed GSTR 1 for the period July'2017-Nov'2019 but shall furnish the same within the period between 19.12.2019-10.01.2020. This notification comes into effect from 19.12.2019.</p> <p> Those who filed belated returns before 19.12.2019, to regret.</p>
75	26.12.2019	<p>CGST (Ninth Amendment) Rules, 2019</p> <ol style="list-style-type: none"> 1. Amendment to Rule 36(4): Credit eligibility with respect to invoices not reflected in GSTR 2A reduced from 20% to 10% w.e.f. 01.01.2020 2. Rule 86A inserted: Commissioner can block ITC having reasons to believe that ITC has been fraudulently availed in Electronic credit ledger. <p> Back to the days of forced seizure of RG 23 A Part II?</p> <ol style="list-style-type: none"> 3. Insertion of clause (c) under Rule 138E: W.e.f 11.01.2020, e-way bill cannot be generated if recipient or supplier has not filed GSTR 1 for any two months or quarters.



NO	DATE	GIST
76,77 & 78	26.12.2019	<p>Due dates for Filing GSTR-1, GSTR-3B & GSTR-7 returns for registered taxpayers in the state of Assam, Manipur, Meghalaya & Tripura extended to 31.12.2019</p> <p> May trigger more CAA protests to avoid return filing nightmares!</p>

CENTRAL TAX (Rate) NOTIFICATIONS - 16.12.2019 to 31.12.2019

NO	DATE	GIST
27	30.12.2019	Rate of Tax on Woven and non-woven bags and sacks of polyethylene or polypropylene strips, Flexible intermediate bulk containers increased from 12% to 18%
28	31.12.2019	Exemption to one time upfront amount payable for long term lease of industrial/financial plots by Government Entities – Government ownership in the entity reduced from 50 % to 20 %. Conditions imposed for claiming exemption.
29	31.12.2019	<p>Amendment to the RCM on Renting of motor vehicles.</p> <p>Detailed write up in the link below.</p> <p>http://bit.do/RCM-on-Renting-of-Motor-Vehicle</p>



CGST CIRCULARS– 16.12.2019 to 31.12.2019

NO	DATE	GIST
128	23.12.2019	Generation and quoting of Document Identification Number (DIN) on any communication issued by the officers of the Central Board of Indirect Taxes and Customs (CBIC) to tax payers and other concerned persons. DIN's scope expanded to cover all communications.
129	24.12.2019	Standard Operating Procedure to be followed in case of non-filers of returns – reg.
130	31.12.2019	Clarification on RCM on Renting of Motor Vehicle.

Grievance Redressal Committees (GRC) will be constituted at Zonal/State level with both CGST and SGST officers and including representatives of trade and industry and other GST stakeholders (GST practitioners and GSTN etc.) These committees will address grievances of specific/general nature of taxpayers at the Zonal/ State level. Link: <http://bit.do/GST-GRC-CS-Instructions>

GST Grievance Redressal Committees (GRC)



GST Council votes for Single rate of GST @ 28% on both State run and State authorized lottery w.e.f 1st March, 2020



 Lottery divides the States and GST Council's record unanimity in decisions comes to an end.

Updated version of the Offline tool of GSTR-9C (Version 1.5) was made available on the portal on 24-12-2019. A minor issue in auditor's certificate issued in Part-B(ii) . The issue to be fixed shortly. Where Part-B(ii) of the certificate is not applicable may continue with statement preparation and filing.





REVENUE AND STATISTICS

(Amount Rs. in Cr.)

GST Collected in December 2019

The gross GST revenue collected in the month of December, 2019 is ₹ **1,03,184 crore** of which CGST is ₹ **19,962 crore**, SGST is ₹ **26,792 crore**, IGST is ₹ **48,099 crore** (including ₹ **21,295 crore** collected on Imports) and Cess is ₹ **8,331 crore** (including ₹ **847 crore** collected on imports). The total number of GSTR 3B Returns filed for the month November up to 31st December, 2019 is **81.21 lakh**.

State	Dec-18	Dec-19	Growth
Jammu and Kashmir	293	409	40%
Himachal Pradesh	595	699	18%
Punjab	1,162	1,290	11%
Chandigarh	143	168	18%
Uttarakhand	1,055	1,213	15%
Haryana	4,646	5,365	15%
Delhi	3,146	3,698	18%
Rajasthan	2,456	2,713	10%
Uttar Pradesh	4,957	5,489	11%
Bihar	909	1,016	12%
Sikkim	150	214	43%
Arunachal Pradesh	26	58	124%
Nagaland	17	31	88%
Manipur	27	44	64%
Mizoram	13	21	60%
Tripura	48	59	24%
Meghalaya	108	123	14%
Assam	743	991	33%
West Bengal	3,230	3,748	16%
Jharkhand	1,995	1,943	-3%
Odisha	2,347	2,383	2%
Chhattisgarh	1,852	2,136	15%
Madhya Pradesh	2,094	2,434	16%
Gujrat	5,619	6,621	18%
Daman and Diu	77	94	22%
Dadra and Nagar Haveli	129	154	20%
Maharashtra	13,524	16,530	22%
Karnataka	6,209	6,886	11%
Goa	342	363	6%
Lakshadweep	4	1	-78%
Kerala	1,416	1,651	17%
Tamil Nadu	5,415	6,422	19%
Puducherry	152	165	9%
Andaman and Nicobar Island	22	30	36%
Telangana	3,014	3,420	13%
Andhra Pradesh	2,049	2,265	11%
Grand Total	69,983	80,849	16%





SABKA VISHWAS

NIDHI GUPTA 2019-TIOL-2953-HC-DEL-CX

PIL filed challenging the Circular No.1072/05/2019-CX Dt. 25.09.2019 where the department were allowed to settle cases in which notices were issued after 30.06.2019 and demands quantified after 30.06.2019. The Hon'ble Supreme Court held that the circular is *prima facie* not violative of the provisions of the Scheme or of the Finance Act.

Hurry up!

Due date for opting

*SABKA VISHWAS LEGACY DISPUTE RESOLUTION SCHEME **15.01.2020***

Notification No. 07/2019-C.E-NT, Dt. **31.12.2019**



SABKA VISHWAS
(Legacy Dispute Resolution)
SCHEME, 2020
For Service Tax and Central Excise.
Make a New Beginning!

swamy associates
—best amongst—



Walk an extra mile to achieve the target.

M/s SYNPOL PRODUCTS PVT LTD 2019-TIOL-2951-HC-AHM-CX

Is Sabka Vishwas applicable for redemption fine? HC allows the assessee to file the declaration and direct the department not to reject the same till the outcome of the WRIT petition.

SWAMY ASSOCIATES & SABKA VISHWAS

No. of Declarations Filed	Demand	Payable Under SVLDRS	Already Paid	Balance Payable
1166	₹1085,87,54,105	₹526,49,18,724	₹557,91,76,259	₹185,21,59,521





CENTRAL EXCISE AND SERVICE TAX CASE LAWS

1 TRAVANCORE TITANIUM PRODUCTS LTD 2 2019-TIOL- 2952-HC-KERALA-CUS

Detention of imported capital goods is not proper when the application seeking waiver of procedural requirements under EPCG scheme is pending before the EPCG Committee.

2 KN FOOD INDUSTRIES PVT LTD 2019-TIOL-3651-CESTAT-ALL

Payment of Ex-gratia charges by the principal to the job worker for lower off take of goods cannot attract service tax in the hands of the job-worker, in the absence of any specific agreement to tolerate an act against payment of consideration.



Toleration as service – becoming intolerable day by day.

3 M/S. AKSHAY ELECTRICALS – 2019-TIOL-3597-CESTAT-MUM

If Section 78 penalty is waived under Section 80, obviously there is no justification for invoking extended period also.



Section 80- Is it a double coated wafer or double edged knife?

4 M/S DATA POWER SOLUTIONS 2018-TIOL-2682-HC-MAD-CX

Refund of utilised credit upon closure of factory is entitled.

5 AEON FORMULATIONS 2019-TIOL-2894-HC-MAD-CX

Equal penalty under rule 26 is not the rule. Authority has the discretion to impose lesser penalties.



6 VRK & CO. (CESTAT – HYD) 2019- TIOL-3592-CESTAT-HYD

Even when cement and steel was supplied by the customer, when other goods are in the scope of the contractor, the activity would amount works contract.

7 M/S. HINDUSTAN ZINC LTD. 2019- TIOL-2874-HC-RAJ-CX

No need to reverse proportionate credit when part of the invoice value is retained towards performance guarantee.



Retain the money and credit too!



CONTACT



#18, rams flats, ashoka avenue
directors colony , kodambakkam
Chennai - 600024.



044-24811147



mail@swamyassociates.com

WE ARE ALSO FOUND IN

- Coimbatore
- Bengaluru
- Hyderabad
- New Delhi
- Pune

