



# **The GST Bulletin**

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**July 2024 Issue - I  
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## About The GST Bulletin

The GST Bulletin is a Weekly Newsletter from Team CGA Legal, a leading Indirect Tax Consultancy firm. The Newsletter is intending to keep its readers updated with all important legal and judicial updates in Goods & Services Tax and other Indirect Tax laws. The Newsletter also has a special column of GST Compliance Calendar for the month. Along with it, CGA Legal also sends various legal recommendations which have immense implications in improving the compliance of GST in your business.

All editions of our newsletters can be referred from below link below;  
<https://www.cgalegal.co.in/home/newsletters.php>

## Other Offerings from Team CGA Legal

- **CGA Legal GST Compliance Calendar:** Our Monthly Calendar detailing all GST related compliances for the month so that you never miss of any of the compliances.
- **CGA Legal Meet:** Our Monthly Webinar series discussing various trending GST legal and compliance issues

All the previous editions can be accessed on our website  
[www.cgalegal.co.in](http://www.cgalegal.co.in)

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## GST Compliance Calendar - JULY 2024

Date	Types of Return	Period	Types of Taxpayer
10-07-2024	GSTR-7	June 2024	TDS Deductor
10-07-2024	GSTR-8	June 2024	E-Commerce Operator
11-07-2024	GSTR-1	June 2024	Turnover more than INR 5 crore in the preceding FY or Turnover up to INR 5 crores and opted for monthly return filing
13-07-2024	GSTR-1	April to June 2024	Turnover up to INR 5 Crores and under QRMP Scheme
13-07-2024	GSTR-6	June 2024	ISD
13-07-2024	GSTR-5	June 2024	Non Resident Taxable Person
18-07-2024	CMP-08	Apr to June 2024	Composition Dealer
20-07-2024	GSTR-3B	June 2024	Turnover more than INR 5 crore in the preceding FY or Turnover upto INR 5 crore in the preceding FY but opted for monthly return filing
20-07-2024	GSTR-5A	June 2024	OIDAR
22-07-2024	GSTR-3B	Apr to June 2024	Taxpayers opted for QRMP Scheme, having aggregate turnover upto INR 5 Cr for *Category A States
24-07-2024	GSTR-3B	Apr to June 2024	Taxpayers opted for QRMP Scheme, having aggregate turnover upto INR 5 Cr for **Category B States

## GST Updates – CBIC Circulars

### **Circulars issued in line with the recommendations of the 53<sup>rd</sup> GST Council Meeting**

**Dated: 26-06-2024**

In line with the recommendations made by the 53rd GST Council Meeting, the CBIC has come up with certain Circulars providing clarifications on various issues under GST. The summary of such circulars along with detail description can be fetched through the link provided below:

<https://www.cgalegal.co.in/article-detail.php?id=52&tittle=Circulars-issued-for-the-implementation-of-the-recommendations-of-the-53rd-GST-Council-Meeting>

## GST Updates – GST Technical Update

### Enhancements to Address-Related Fields in GST Registration Functionalities

**Dated: 04-07-2024**

The enhancements have been made to address-related fields in the registration functionalities: New Registration, Amendment Application (Core & Non-Core), and Geocoding Business Addresses. These enhancements are based on the analysis of tickets and user feedback.

#### 1) Validation updates for address field

##### ✓ For Indian Addresses :-

- PIN Code, State, District, and City/Town/Village: Must be selected from autosuggestions.
- Other Fields: Alphanumeric values and limited special characters are allowed (e.g., -, /, &, ,, ', #, ., (), "", :, ;, \_ and space). Special characters cannot start the entry.

##### ✓ For Addresses Outside India :-

- Zip Code, State, District: All values except `{}` are allowed.
- Other Fields: Similar rules as for Indian addresses apply. Special characters cannot start the entry.

2) Detailed instructions for allowable input values are available when hovering over the relevant icon in the address fields.

3) Existing data in the system remains unchanged, even if it includes now-disallowed special characters. However, editing address details in an amendment application will trigger validation based on the new rules.

## GST Updates – GST Technical Update

- Zip Code, State, District: All values except `{}` are allowed.
  - Other Fields: Similar rules as for Indian addresses apply. Special characters cannot start the entry.
- 2) Detailed instructions for allowable input values are available when hovering over the relevant icon in the address fields.
  - 3) Existing data in the system remains unchanged, even if it includes now-disallowed special characters. However, editing address details in an amendment application will trigger validation based on the new rules.
  - 4) The said changes have been made based on the tickets raised, wherein users were not aware of the characters allowed and not allowed in address fields or which fields are editable and which fields are to be selected from a drop-down menu only. One such specific case was when taxpayers were inserting a hash (#) at the beginning of the Building Number field. In such cases, the help desk or support team informed the taxpayer to remove the hash (#) character and submit the application again.
  - 5) Changes are applicable to Normal Taxpayers – Regular, SEZ Unit, SEZ Developer, Composition, Input Service Distributer and Casual Taxpayers.
  - 6) **In addition, the field of locality/sub locality is not mandatory :-**
    - If the Locality/Sub-locality field is left blank or is mapped to another Pin Code, the system displays the following warning messages: "Locality/Sub-locality does not match the Pin Code. Do you want to save the details?" or "You have not filled in Locality/Sub-locality. Do you want to save the details and proceed further?"

## GST News

### **GST appeal process to be fully digitized**

**Dated: 02-07-2024**

The Goods and Services Tax Network (GSTN) will digitise the entire process of dispute resolution via appeal to the GST Appellate Tribunal (GSTAT), a senior official told FE. A portal is likely to be ready for this purpose before the full operationalization of all the benches of the tribunal.

FE had reported earlier that the government intends to operationalize all the benches of GST Appellate Tribunal (GSTAT) by January 2025, as it aims to alleviate the significant backlog of pending GST-related disputes at the appellate level, citing a source. The principal bench of GSTAT, in New Delhi, is expected to start functioning from July-August.

For more information, kindly follow the link below:

<https://www.financialexpress.com/business/industry-gst-appeal-process-to-be-fully-digitised-3510235/>

## GST – Judicial Precedents

### 1. Demand and Recovery

**Court rules denial of oral hearing violates natural justice. Even if not requested, Authority must provide the personal hearing.**

#### **M/s New Regal Electric Works Versus State Of U.P. And Another [Allahabad High Court]**

**Facts:** Learned counsel for the revenue contended, the petitioner was denied opportunity of hearing because he had tick marked the option 'No' against the option for personal hearing (in the reply to the show-cause-notice), submitted through online mode. Having thus declined the opportunity of hearing, the petitioner cannot turn around to claim any error in the impugned order passed consequently.

**Held:** Once it has been laid down by way of a principle of law that a person/assessee is not required to request for "opportunity of personal hearing" and it remained mandatory upon the Assessing Authority to afford such opportunity before passing an adverse order, the fact that the petitioner may have signified 'No' in the column meant to mark the assessee's choice to avail personal hearing, would bear no legal consequence.

Even otherwise in the context of an assessment order creating heavy civil liability, observing such minimal opportunity of hearing is a must. Principle of natural justice would commend to this Court to bind the authorities to always ensure to provide such opportunity of hearing. It has to be ensured that such opportunity is granted in real terms - The stand of the assessee may remain unclear unless minimal opportunity of hearing is first granted. Only thereafter, the explanation furnished may be rejected and demand created.

The matter is remitted to the respondent no.2/Assistant Commissioner, State Tax, Sector - 1, Pratapgarh, Prayagraj to issue a fresh notice to the petitioner within a period of two weeks from today - petition disposed off by way of remand.

## GST – Judicial Precedents

### 2. Appeals

#### Pre-deposit is only required in case of payment of tax and not interest

#### **M/s Evergreen Construction and Anr. Versus Commissioner of Commercial Taxes Government Of West Bengal And Ors. [Rajasthan High Court]**

**Facts:** This intra court appeal by the writ petitioner is directed against an interim order dated 25.01.2024 passed in WPA 28330 of 2023 by which the appellants were directed to deposit 20% of the disputed remaining unpaid interest within a time frame.

**Held:** In the case on hand the provision for filing an appeal before the tribunal does not contemplate payment of 20% of the disputed interest and it is specific in stating that no appeal shall be filed under sub-section (1) of Section 112 unless the appellant has paid a sum equal to 20% of the remaining amount of tax in dispute - the legislative intent as amplified in Section 112(8)(b) of the Act clearly restricts the pre-deposit amount to 20% of the remaining amount of tax in dispute and does not speak of interest.

The discretion to be exercised by the court should be in terms of the statute and, therefore, the said condition imposed by the learned Single Bench calls for interference.

Appeal allowed.

## GST – Judicial Precedents

### 3. Registration

#### Violation of Principal of Natural Justice

##### **S.B. Jewels Versus Union Of India [Gujarat High Court]**

**Facts:** The 2nd respondent authority, who is an officer of the Central GST department, issued show cause notice on 8th April 2022 to the petitioners proposing to cancel their registration certificate under the GST Act by simply stating that the same was upon direction received from the Deputy Commissioner (Preventive). It is the case of the petitioners that the petitioners have not been given any supportive documents of such notice and as such the petitioners were asked to remain present for hearing on the very same day in the afternoon i.e. on 8th April 2022. The petitioners could not remain present because of extremely short time. However, the 2nd respondent authority has, thereafter, proceeded to pass impugned order dated 22nd April 2022 cancelling the registration certificate of the petitioners under the GST Acts.

**Held:** This Court in the case of Aggarwal Dyeing and Printing Works [2022 (4) TMI 864 - GUJARAT HIGH COURT], it was held that 'the sum and substance of various judgments on the principles of natural justice is to the effect that wherever an order is likely to result in civil consequences, though the statute or provision of law, by itself, does not provide for an opportunity of hearing, the requirement of opportunity of hearing has to be read into the provision.'

Keeping in mind the facts of the present case, it appears that the show cause notice, which was issued upon the petitioners dated 8th April 2022, wherein the petitioners were directed to remain present on the very same date i.e. on 8th April 2022 for the purpose of explaining the show cause notice. It is also an undisputed fact that along with the show cause notice, the petitioners were not given any material evidence which is sought to be relied upon in support of the show cause notice. In this light, if the impugned order dated 22nd April 2022 is perused, the said order is completely non-speaking and cryptic order. The facts of the present case and the facts in the case of Aggarwal Dyeing and Printing Works are identical and similar in nature and thereby, we are unable to take any different view than the view taken by the Coordinate Bench of this Court in the case of Aggarwal Dyeing and Printing Works. Accordingly, the present petition deserves to be allowed solely on the ground of violation of principles of natural justice.

## GST – Judicial Precedents

### 4. ITC

#### Constitutional validity of Section 16(2)(c) and Section 16(4) of the CGST/SGST Act and time limit for availing the credit extended retrospectively from FY 2017-18

##### **M/s. M. Trade Links vs. UOI [Kerala High Court]**

The honorable High Court while upholding the constitutional validity of Section 16(2)(c) and Section 16(4) of the CGST/SGST Act held that the Input Tax Credit is in the nature of a benefit or concession extended to the dealer under the statutory scheme. Even if it is held to be an entitlement, this entitlement is subject to the restrictions as provided under the Scheme or the Statute. The claim to Input Tax Credit is not an absolute right, but it can be said that it is an entitlement subject to the conditions and restrictions as envisaged in Sections 16 (2) to 16 (4), Section 43, and Rules made thereunder.

Thus, the nature of the claim for ITC by the dealer is in the nature of concession or entitlement, which is not an absolute right and is subject to the conditions and restrictions as per the scheme of the GST legislation. This Court, therefore, does not find substance in the submissions of the learned Counsel for the petitioners that Section 16 (1) of the GST Act provides an absolute right to claim Input Tax Credit and conditions in sub-section (2) of Section 16 cannot take away the right conferred under sub-section (1) of Section 16.

Further, taking care of the difficulties faced by the taxpayers in the initial days of implementation of GST, the time limit for furnishing the return for the month of September is to be treated as 30th November in each financial year with effect from 01.07.2017, in respect of the petitioners who had filed their returns for the month of September on or before 30th November, and their claim for ITC should be processed, if they are otherwise eligible for ITC.



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*The views expressed in this Bulletin are personal view of the presenter. This Bulletin includes general information about legal issues and developments in the law of GST in India. Such materials are for informational purposes only and June not reflect the most current legal developments. These informational materials are not intended, and must not be taken, as legal advice on any particular set of facts or circumstances. We disclaim all liability in respect to actions taken or not taken based on any or all the contents of this presentation to the fullest extent permitted by law.*