

INDIRECT TAX

December, 2024

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1 Advance Rulings & Judgements

Supreme Court allows Review Petition against Canon India Judgement: DRI officers have the authority to issue notices and recover dues under Customs Act, 1962

Brief Facts

In 2021, the Supreme Court ruled that officers of the Directorate of Revenue Intelligence ('DRI') do not qualify as "proper officers" under Section 2(34) of the Customs Act, 1962 which defines the authority empowered to issue show-cause notices ('SCN's') under Section 28 for demand of customs duty. It was clarified that only officers expressly assigned by the Board or specifically designated as "proper officers" by the Commissioner of Customs could exercise such authority, effectively excluding DRI officers from issuing SCNs.

Subsequently, through the Finance Act 2022, the Central Government retrospectively amended the Customs Act, redefining "proper officer" as an officer to whom those functions have been assigned by the Board or the Principal Commissioner of Customs or Commissioner of Customs under section 5 of the Act.

The landmark decision triggered widespread implications, as numerous customs cases were contested on the grounds of jurisdiction, challenging the validity of notices issued by DRI officers. In response, the Customs Department filed a review petition against the Apex Court's judgement and sought to reinstate the DRI's authority and resolve ambiguities in procedural enforcement within the Customs framework.

Observations

The Supreme Court grouped the review petition in Canon India with Mangali Impex, Sunil Gupta vs. UOI (wherein the constitutional validity of Section 28(11) of the Customs Act was challenged), and other related cases, and heard them together, clarifying several legal points as outlined below.

- The Circular No. 4/99-Cus dated 15.02.1999, issued by the Central Board of Excise & Customs, and Notification No. 44/2011 dated 06.07.2011, which empowered DRI officers to issue SCNs under Section 28 of the Act, 1962 and assigned them functions related to Sections 17 and 28, were not presented before the Court during the Canon India case. As a result, the judgment in Canon India was made without considering the said documents, affecting its accuracy.
- The reliance placed in *Canon India* on the decision of Commissioner of Customs v. Sayed Ali and Another reported in (2011) SCC 537 is misplaced for two reasons: first, the Sayed Ali case involved customs (Preventive) officers who, at the time of that decision, were not authorized to issue show cause notices under Section 28 of the Act, unlike DRI officers and secondly Sayed Ali judgement considered Section 17 of the Act as it was before its amendment by the Finance Act, 2011, whereas the show cause notices in Canon India were based on the amended Section 17.
- Section 28(11) of the Customs Act was retrospectively introduced through the 2011 Validation Act, allowing Customs officers appointed before 6 July 2011 to act as "proper officers" for issuing SCNs in response to the Sayed Ali ruling. The amendment clarified the legislative intent, ensuring SCN validity without changing the authority of proper officers. It applies to both pre- and post-amendment periods, addressing limitation claims. The Supreme Court upheld its constitutionality by overruling the Delhi High Court's decision in Mangali Impex and affirming the Bombay High Court's ruling in Sunil Gupta.
- Section 97 of the Finance Act, 2022, which retrospectively validated all SCNs issued under Section 28 of the Customs Act cannot be deemed unconstitutional. It addresses the defect noted in *Canon India* case and is not manifestly arbitrary, disproportionate, or overbroad. Accordingly, the Apex Court held that the findings on the vires of the Finance Act, 2022, are limited to the issues raised in the petition for review of the Canon India judgment and any challenges on other grounds remain open.

Decision

The Supreme Court confirmed that officers of the DRI, Customs (Preventive) Commissionerates, Directorate General of Central Excise Intelligence, Central Excise Commissionerates, and other similarly positioned officers are deemed proper officers for the purposes of Section 28 and are authorized to issue SCNs under it. Accordingly, any challenges to the maintainability of such notices, based on the lack of jurisdiction due to the officers not being proper officers, that are still pending before various judicial forums shall now be addressed as per the manner prescribed by the Supreme Court in the judgement

[Canon India Pvt Ltd (TS-515-SC-2024-CUST)]

Hon'ble High Court of Patna allows 10% pre-deposit for GST Appeal to GST Tribunal for stay on recovery proceedings till the constitution and active functionality of GST Tribunal.

Brief Facts

- In the given case, the adverse order of demand has been passed by the Appellate Authority and being aggrieved by such order, the petitioner desires to file appeal application before GST Tribunal which is yet to be formed.
- The Petitioner filed a writ application in order to avail stay on recovery proceedings by the Adjudicating Authorities.

Observations

Whether the Petitioner is allowed to pay only 10% pre-deposit (effective from 01.11.2024) to maintain the appeal before the GST Tribunal which are yet to be formed?

Decision

- The High Court of Patna concluded that Tribunal has not yet been constituted and the Court had been granting relief order based on the judgment of SAJ Food Products Pvt. Ltd. v. The State of Bihar & Others in C.W.J.C. No. 15465 of 2022 in case of such similar writ petitions filed earlier, allowing the petitioners to deposit twenty per cent of the disputed amount of tax, till the Tribunal is constituted and an appeal is filed also allowing stay of recovery.
- The High Court of Patna further observed that the pre-deposit for maintaining an appeal before GST Tribunal has been reduced to 10% of total tax amount involved w.e.f. 01.11.2024.

- The High Court of Patna concluded that it is an admitted position that the GST Tribunals have not been constituted yet and there is no possibility of an appeal being filed prior to 01.11.2024.
- In such circumstance the High Court of Patna directed that the petitioner on payment of "ten per cent" of the tax amounts in dispute shall be entitled to stay of recovery till the Tribunal is constituted and an appeal is filed within such term as provided therein.

[Maa Sunaina Construction Pvt Ltd. vs Union of India (Civil Writ Jurisdiction No. 14554 of 2024 – Patna HC) dated 21 October 2024]

Hon'ble High Court of Bombay held that the Petitioner cannot escape Audit Proceedings on the grounds of Registration Cancellation on the date of Audit.

Brief Facts

- The petitioner was engaged in the rental and leasing services of commercial properties and other ancillary activities relating to the same. After conducting business for three years, the petitioner applied for cancellation of its GST registration on the ground that they have ceased to be liable to pay tax on account of the closure of business.
- The GST Department initiated Audit Proceedings under Section 65 for the period while the petitioner had an active GST Registration and business.
- The petitioner replied that its registration is cancelled, an audit under Section 65 of the Act cannot be conducted but another notice for conducting an audit for the financial year 2020-21 was issued. Aggrieved by the order, the petitioner filed a writ petition.

Observations

Whether the provisions of Section 65 of the SGST Act dealing with audit would apply to a person who was registered under the CGST Act for the period for which an audit is ordered but who ceases to be registered on the date the audit is ordered?

Decision

- The Bombay High Court held that the definition of the 'registered person' under the CGST Act does not exclude a person whose registration has been cancelled. Therefore, for the purpose of the CGST Act, 'registered person' would include a person who at any point was granted registration certificate, even though subsequently registration may have been cancelled. The phrase 'registered person' for the purpose of Section 65 and on a holistic reading of all the connected provisions would mean a person who was registered at some point under the CGST Act even though, subsequently, such registration has been cancelled. The petitioner's contention that a person whose registration has been cancelled is not covered by the provisions of Section 65 is misconceived.
- The Bombay High Court held that even if the registration is cancelled, such a person is liable for tax or other dues determined before or after the date of cancellation as per Section 29(3) of the CGST Act. The cancellation of registration does not discharge such person of any obligation under the CGST Act for any period before or after such cancellation. There is an obligation cast on a person in whose case of audit is conducted to comply with the directions of the tax authorities under Section 65(5). These obligations are not affected even if registration is subsequently cancelled.

[LJ Victoria Properties Pvt Ltd vs Union of India (Writ Petition (L) No. 34267 of 2024) dated 19 November 2024]

Hon'ble High Court of Allahabad sets aside Order passed without assigning reasons by Appellate Authority as it is violative of principle of natural justice.

Brief Facts

The petitioner had filed the appeal before Appellate Authority against the order passed by the proper officer. However, such appeal was rejected by the impugned order issued by the Appellate Authority without assigning any reason for rejection of appeal.

Observations

Whether the Appellate Authority can reject the appeal by passing the order without assigning the reasons for rejection.

Decision

- Allahabad High Court held that reason is the heartbeat of every conclusion an administrative order must be supported by the reason. Absence of reasons renders order liable to judicial chastisement that Impugned order rejecting appeal without reasons cannot be sustained
- Allahabad High Court allowed the writ petition by remanding the matter back to Appellate Authority to pass speaking order after giving opportunity of hearing within three months.

[YFC Projects Pvt Ltd Vs State of UP [Writ Tax No. 1541 of 2024 – Allahabad HC, dated 21 October 2024]

Vouchers qualify as “Goods” and not “Money” and the Supplier receiving the commission in the form of discount at time of its sale are taxable under GST and its time of supply shall be determined as per Section 12(4) of Central Goods and Services Tax Act, 2017 (‘CGST Act’).

Brief Facts

- M/s. Payline Technology Pvt Ltd (Applicant) is in the business of selling and purchasing Gift Cards, Vouchers, and pre-paid Vouchers (closed or semi-closed-ended vouchers against which goods or services can be purchased from specific brands on e-commerce platforms such as Amazon, Flipkart, etc.). These vouchers are purchased by the appellant from entities against advance payments and at a discounted price. Later, these vouchers are supplied to clients. Once these vouchers are purchased by the appellant from the original issuers, the appellant becomes the absolute owner of these vouchers, and both risk and reward lie with the appellant. The appellant is neither the issuing person nor the user of these Vouchers.
- The Applicant had submitted application for Advance Ruling before the Authority of Advance Ruling for determination of following questions.
 - Whether the Vouchers themselves, or the act of supplying them is taxable, and at what stage, for each of the three categories of transaction undertaken by the appellant is taxable?
 - If the answer to the above question is in the affirmative, what would be the rate of tax and the value of supply at which this would be taxable?

- The application was disposed by Advance Ruling No. UP ADRG 43/2024 dated 20.02.2024 wherein the Authority held —
 - In respect of Question No. 1, that supply of Vouchers by the appellant are treated as goods and are taxable @ 9% CGST & 9% UPGST as per residual entry no.453 of the Third Schedule of Notification No.01/2017-Central Tax (Rate) dt. 28.06.2017
 - To Question No. 2, that value of supply of Vouchers in the present case shall be decided as per sub-section (1), (2) and (3) of Section 15 of the CGST Act, 2017.
- Being aggrieved by the above ruling, the Applicant filed an appeal before Appellate Authority for Advance Ruling.

Issue Involved

Whether the Applicant's opinion that Selling and purchasing of Gift Cards, Vouchers and Prepaid vouchers are in the nature of "money" and hence the same is not taxable as it cannot be treated as both "goods" and/or "Services" correct?

Decision

- AAAR held that the Vouchers, Gift Cards Prepaid Vouchers are indeed taxable under GST as supply of goods with the time of supply determined as per provisions of Section 12(4) of CGST Act.
- AAAR clarified that GST is applicable to the commission or the discount earned through the trading of these instruments, with tax liability arising when such instruments are actually sold or traded.
- AAAR ruled out that the value of such supply shall be the margin between the purchase and selling price of such instruments i.e., vouchers.

[Uttar Pradesh Appeal against Advance Ruling Order No. 04/AAAR/2024, dated 23 September 2024]



2 GST Updates

Due Date for filing of GSTR 3B for the month of October 2024 extended for the taxpayers registered in the states of Maharashtra and Jharkhand.

CBIC extends due date for filing of GSTR 3B for the month of October 2024 to 21 November 2024 for the taxpayers registered in the state of Maharashtra and Jharkhand vide issuance of this notification.

[Notification No. 26/2024 - Central Tax dated 18 November 2024]

Powers of Joint/Additional Commissioners amended for GST Intelligence Notices.

- CBIC has notified the jurisdiction and powers of Principal Commissioners and Commissioners of Central Tax across India. It specifies their authority to pass orders or decisions on notices issued by officers of the Directorate General of Goods and Services Tax Intelligence under various sections of the CGST Act, including sections 67, 73, 74, 76, 122, 125, 127, 129, and 130.
- The changes apply to multiple regions, including Ahmedabad South, Bengaluru East, Delhi North, Jaipur, Kolkata North, and others.
- The notification will take effect from 1 December 2024.

[Notification No. 27/2024 - Central Tax dated 25 November 2024]

Appointment of Common Adjudicating Authority for Show Cause Notices (SCN) issued by DGGI.

- CBIC has appointed Common Adjudicating Authorities for issuing SCN by DGGI. It specifies their authority to pass orders or decisions on notices issued by officers of the Directorate General of Goods and Services Tax Intelligence under various sections of the CGST Act, including sections 67, 73, 74, 76, 122, 125, 127, 129, and 130.

[Notification No. 28/2024 - Central Tax dated 27 November 2024]

Due Date for filing of GSTR 3B for the month of October 2024 extended for the taxpayers registered in the state of Manipur.

CBIC extends due date for filing of GSTR 3B for the month of October 2024 to 30 November 2024 for the taxpayers registered in the state of Manipur vide issuance of this notification.

[Notification No. 29/2024 - Central Tax dated 27 November 2024]

3

Customs Updates



Notifications

Tariff Notification:

1. Notification No. 50/2017-Customs dated 30 June 2017 amended to enhance support to Armed Forces

The Central Board of Indirect Taxes and Customs ('CBIC') has amended Condition No. 48 of Notification No. 50/2017-Customs, dated 30 June 2017 to allow imported goods that are unserviceable or classified as scrap after use to be directly disposed of to the armed forces under the Ministry of Defence on payment of Customs Duty at the rate of 7.50% of the transaction value of such goods **w.e.f.** 14 November 2024.

[Notification No. 47/2024-Customs, dated 13 November 2024]

Non-Tariff Notifications:

1. Amendment in Handling of Cargo in Customs Areas Regulations ('HCCAR'), 2009

The CBIC has made following amendments in the HCCAR, 2009:

- The licensing term for Customs Cargo Service Providers ('CCSP's') in regulation 5(3) is reduced from ten years to five years.
- In sub-regulation (2) of regulation 10, the second proviso has been substituted to provide that the CCSP's now automatically retain their appointments as long as their Authorised Economic Operator authorization is valid and not suspended or revoked under regulation 12.

[Notification No. 75/2024- Customs (N.T.), dated 7 November 2024]

2. De-Notification of Inland Container Depot ('ICD') situated in Pimpri (Maharashtra)

The CBIC has amended Notification No. No. 12/1997- Customs (NT) dated the 2 April 1997 to de-notify ICD Pimpri in relation to loading and unloading of exported and imported goods effective from 11 November 2024.

[Notification No. 76/2024- Customs (N.T.), dated 11 November 2024]

3. Addition in the notified list of Inland Container Depot ('ICD')

The CBIC has amended Notification No. No. 12/1997- Customs (NT) dated the 2 April 1997 to add Jaipur and Dhanakya to the list of notified ICD's for loading and unloading of exported or imported goods or any class of such goods.

[Notification No. 78/2024- Customs (N.T.), dated 12 November 2024 and Notification No. 83/2024- Customs (N.T.), dated 21 November 2024]

4. Addition in the notified list of Customs Seaport

The CBIC has amended Notification No. No. 62/1994-Customs (N.T.) dated 21 November 1994 to add 'Chhara Port' in the list of notified Customs Seaport for loading and unloading of exported or imported goods or any class of such goods.

[Notification No. 81/2024- Customs (N.T.), dated 14 November 2024]

5. Amendment in Notification No. 63/1994-Customs (N.T.) dated the 21 November 1994 to notify commodities permitted for clearance from the Border Haats

The Central Government has amended the list of goods allowed for clearance at designated Border Haats, namely Balat, Kalaichar, Srinagar, Kamalasagar, Bholaganj, Nalikata, and Ryingku. The permitted goods include locally produced vegetables, fruits, food items, spices, minor forest produce like bamboo and broomsticks (excluding timber), and products from cottage industries.

Further, for the purpose of the said notification 'locally produced' shall mean produce of the concerned border district.

[Notification No. 82/2024- Customs (N.T.), dated 20 November 2024

6. Revision of Tariff value for Edible Oils, Brass Scrap, Areca Nut, Gold and Silver

The Central Government has revised the tariff values for edible oils, brass, areca nut, gold and silver effective from 30 November 2024.

[Notification No. 84/2024- Customs (N.T.), dated 29 November 2024

Anti-Dumping Duty:

1. Imposition of Anti-Dumping Duty on on Welded-Stainless Steel Pipes and Tubes imported from Thailand and Vietnam

Considering the findings of the Designated Authority, the Central Government has imposed Anti-Dumping Duty ('ADD') on imports of Welded-Stainless Steel Pipes and Tubes imported from Thailand and Vietnam under Tariff Items 7304 11 10, 7304 11 90, 7304 41 00, 7304 51 10, 7304 90 00, 73059 11 29, 7305 90 99, 7306 11 00, 7306 21 00, 7306 29 19, 7306 30 90, 7306 40 00, 7306 50 00, 7306 61 00, 7306 69 00, 7306 90 11, 7306 90 19 or 7306 90 90 of the First Schedule to the Customs Tariff Act, 1975 of the First Schedule to the Customs Tariff Act, 1975 for a period of five years.

[Notification No. 23/2024- Customs (ADD), dated 4 November 2024]

2. Levy of Anti-Dumping Duty Epichlorohydrin imported from China PR, Korea RP and Thailand

The Central Government has imposed ADD on import of 'Epichlorohydrin' falling under Tariff Item 2910 30 00 of the First Schedule of the Customs Tariff Act, 1975, originating in or exported from China PR, Korea RP and Thailand for a period of five years effective from 11 November 2024.

[Notification No. 24/2024- Customs (ADD), dated 11 November 2024]

3. Amendment in Notification No. 18/2021-Customs (ADD), dated the 27 March 2021

The Central Government has amended column 7 of Sl. No. 2 of Notification No. 18/2021-Customs (ADD) to revise the rate of ADD to USD 40.41 per metric tonne on 'Polyethylene Terephthalate resin having an intrinsic viscosity of 0.72 decilitres per gram or higher,' classified under Tariff Items 3907 6190 and 3907 6990 imported from China PR and produced by Wankai New Materials Co. Ltd.

[Notification No. 25/2024- Customs (ADD), dated 22 November 2024]

Circulars:

1. Clarification on Insurance Amount and Bond Value for Customs Cargo Service Providers (CCSP's) and validity of Bond for AEO-LO

The CBIC has issued Circular No. 22/2024-Customs dated 8 November 2024 to modify Board's Circular No. 42/2016-Customs dated 31 August 2016 and clarify certain aspects of Circular No.32/2013-Customs dated 16 August 2013.

The key points of the Circular are captured as below:

- The insurance amount under Regulation 5(1)(iii) of HCCAR, 2009 has been modified to cover the average value of goods stored for 5 days based on projected storage capacity.
- Insurance calculation to consider projected storage capacity and excludes goods already insured by importers/exporters.
- Approval for AEO-LO CCSPs as custodians is now valid as long as their AEO authorisation is active (not suspended or revoked under Regulation 12 of HCCAR, 2009).

[Circular No. 22/2024-Customs, dated 8 November 2024]

2. Clarification on classification of Clear Float Glass

Considering several references regarding the classification of Clear Float Glass having a tin layer on one side, the CBIC has clarified that Clear Float Glass which is not wired, not coloured, not reflective and not tinted and has only a tin layer on one side and there is no other metal oxide layer on it, will be said to have no absorbent layer and hence will be classified under HSN 7005 2990 and not under HSN 7005 1090.

[Circular No. 23/2024-Customs, dated 14 November 2024]

3. Mandatory additional qualifiers in import declarations in respect of coking/ non-coking coal w.e.f. 15 December 2024

With an aim to offer effective avoidance of queries and enhancing efficiency in assessment and facilitation the CBIC *vide* Circular No. 24/2024-Customs, dated 20 November 2024 has proposed additional qualifiers in import declarations in respect of coking / non-coking coal in terms of Bill of Entry (Electronic Integrated Declaration and Paperless Processing) Regulations, 2018, effective from 15 December 2024.

The qualifiers are based on ash percentage in case of coking coal and Gross Calorific Value ('GCV') in case of non-coking coal as provided in the Annexure appended to the said Circular.

[Circular No. 24/2024-Customs, dated 20 November 2024]

4. Implementation of automation in the Customs (Import of Goods at Concessional Rate of Duty or for Specified End Use Rules), 2022

In response to stakeholders concerns regarding difficulties faced in filing monthly returns on the IGCR portal, the CBIC has decided to allow importers to file the said returns manually with jurisdictional officers till 31 January 2025.

Additionally, the CBIC has also informed that an Excel utility for filing the IGCR-3 monthly statement will be made available by the DG Systems by 15 December 2024. Importers are encouraged to utilize the Excel utility to file their IGCR-3/IGCR-3A statements electronically for both current and past periods by 31 January 2025.

[Circular No. 25/2024-Customs, dated 21 November 2024]

5. Clarification on applicability of concessional duty under IGCR Rules, 2022 for MOOWR Scheme

In response to the representations concerning applicability of the IGCR benefits in relation to the MOOWR Scheme, the CBIC vide Circular dated 21 November 2024 has issued following clarifications:

- **Simultaneous availment of IGCR along with MOOWR:** The CBIC has clarified that the MOOWR units may simultaneously avail of IGCR exemptions and duty deferment under MOOWR, provided the importer agrees to adhere to the additional conditions specified in the Concessional Notification and IGCR Rules, including compliance with time limits and other requirements, alongside the MOOWR provisions when supplying goods from their premises.
- **Applicability of IGCR benefit in certain cases:** The CBIC clarified that the phrase "for use in manufacture of cellular mobile phones" means the components must be used in the manufacturing process of mobile phones but does not require the importer to be the phone manufacturer.

[Circular No. 26/2024-Customs dated 21 November 2024]

Instructions:

1. Guidelines for Customs field formations in maintaining ease of doing business while engaging in investigation into tax evasion cases in import or export

The CBIC has issued following guidelines to be followed by the Customs field formations / Custom Houses while engaging in investigation in respect of Commercial Intelligence / Fraud ('CI') cases:

- Each CI case must be investigated after the approval of the Jurisdictional Commissioners and must reach conclusion within one year. Thorough analysis using available data, technical literature, industry practices, and legal frameworks should precede investigations.
- Open-source information and ongoing investigations should be thoroughly cross-verified, and based on the specifics of the case, the Commissioners may involve the DRI if cross-jurisdictional relevance is identified.
- Principles of ease of doing business should be adhered to, such as prioritizing written requests, setting reasonable timelines, ensuring the relevance of information sought, obtaining prior approval for summons content, addressing challenges faced by entities, disclosing the nature of inquiries, permitting representation by authorized agents, limiting document requests and ensuring timely case closures.

[Instruction No. 27/2024-Customs, dated 1 November 2024]

2. General ways of identification of the Low Voltage Switchgear and Control Gear under EEQCO as per phased implementation plan

As per the Office Memorandum dated 1 November 2024, the Ministry of Heavy Industries ('MHI') issued the Electrical Equipment Quality Control Order, 2020 ('EEQCO') for Low Voltage Switchgear, with the first phase becoming effective from 10 November 2024. In this regard, MHI has released a document outlining the general methods for identifying products covered under EEQCO as per the phased implementation plan.

[Instruction No. 28/2024-Customs, dated 12 November 2024]

3. Registration of Foreign Manufacturing Facilities as per Food Safety and Standards (Import) First Amendment Regulations, 2021

To enhance the safety and quality of imported food products, the CBIC, in collaboration with the Food Safety and Standards Authority of India ('FSSAI'), has introduced comprehensive guidelines for the mandatory registration of Foreign Food Manufacturing Facilities ('FFMF') falling under five food categories namely Milk and Milk products; Meat and Meat products including Poultry, Fish and their products; Egg powder; Infant Food and Nutraceuticals effective from 1 September 2024.

For streamlining the registration process, FSSAI has developed the Registration of Foreign Food Manufacturing Facilities ('ReFoM') portal, which will serve as a centralized repository where Competent Authorities from exporting countries will submit detailed information about FFMFs intending to export regulated food products to India

In this connection, the CBIC has issued instruction dated 14 November 2024 directing the officers under respective jurisdiction to familiarize themselves with the said guidelines.

[Instruction No. 29/2024-Customs, dated 14 November 2024]

Order:

1. Order for extension of validity of CAVR Order No. 02/2023-Customs in respect of Stainless Steel of J3 grade

The CBIC has issued an order extending the validity of CAVR Order No. 02/2023-Customs under the Customs (Assistance in Value Declaration of Identified Imported Goods) Rules, 2023. The extension applies to Stainless Steel of J3 grade classified under HSN codes 7219 1200, 7219 1300, 7219 1400, 7219 2390, 7219 3290, 7219 3390, 7219 3490, 7219 3590, 7219 9012, 7219 9013, 7219 9090, 7220 2029, 7220 2090, 7220 9022, 7220 9029, and 7220 9090, for a period of one year, until 28 November 2025.

[CAVR Review Order No. 02/2024-Customs, dated 13 November 2024]



4 Foreign Trade Policy

Notifications

1. Syncing of ITC (HS) 2022- Schedule-1 (Import Policy) with Finance Act 2024 (No.2 of 2024) dated 16 August 2024

The Director General of Foreign Trade ('DGFT') has amended the Import Policy of ITC (HS) 2022- (Schedule-I) in sync with the Finance Act, 2024 dated 16 August 2024 with immediate effect.

[Notification No. 40/2024-25, dated 26 November 2024]

2. Amendment in Import Policy Condition of ITC HS Codes 85423100, 85423900, 85423200, 85429000 and 85423300 covered under Chapter 85 of ITC (HS), 2022, Schedule-1(Import Policy)

The DGFT vide the latest notification has declared that the requirement of compulsory registration under Chip Imports Monitoring System ('CHIMS') in terms of Policy Condition No. 08 of Chapter 85 of ITC (HS) 2022, Schedule-1 (Import Policy) has been 'Discontinued' with immediate effect.

[Notification No. 41/2024-25, dated 29 November 2024]

Public Notice

1. Further abeyance of Public Notice No. 05/2024 dated 27 May 2024

Considering the request received from the Gem and Jewellery Export Promotion Council ('GJEPC') the DGFT has issued a public notice dated 1 November 2024 for extending abeyance of Public Notice No. 05/2024 dated 27 May 2024 till 31 December 2024.

During the interim period, wastage norms under Para 4.59 of Handbook of Procedures 2023 and SIONs M1 to M7 as existed prior to issuance of the said Notice dated 27 May 2024 shall stand restored.

[Public Notice No. 29/2024-25, dated 1 November 2024]

2. Amendment to Para 4.59 of the Handbook of Procedures, 2023 and modification of SION M-1 to M-8 for Jewellery Exports

The DGFT has announced amendments to para 4.59 of the Handbook of Procedures, 2023 to specify maximum permissible wastage or manufacturing losses for gold, silver, and platinum jewellery based on the type of item and the manufacturing process, differentiating between handcrafted and mechanized products effective from 1 January 2025.

Further, SION M-1 to M-8 has been modified to reflect changes in the quantities of gold, platinum and silver required for various jewellery exports.

[Public Notice No. 30/2024-25, dated 1 November 2024]

3. Provisions enabling the import of inputs subject to mandatory Quality Control Orders ('QCO's') by Advance Authorisation holders, EOUs, and SEZs

In furtherance of Notification No. 71/ 2023 dated 11.03.2024 the DGFT has issued a public notice to include Ministry of Heavy Industries in the list of Ministries/ Department under Appendix 2Y of FTP 2023, with immediate effect.

[Public Notice No. 31/2024-25, dated 5 November 2024]

4. Amendment in Para 4.71 of Handbook of Procedures, 2023

The DGFT has issued a public notice to add Amritsar Airport as an additional port of export in Para 4.71 of the Handbook of Procedures, 2023 for exports under schemes of gold/ silver/ platinum jewellery and articles thereof.

[Public Notice No. 32/2024-25, dated 13 November 2024]

5. Fixation of one new SIONs at SION A-3682 under 'Chemical and Allied Product' (Product Code 'A')

The DGFT vide public notice dated 14 November 2024 to notify SION for export product Clobetasol Propionate under Chemical and Allied Group.

[Public Notice No. 33/2024-25, dated 14 November 2024]

1. Harmonisation of Schedule-II (Export Policy), ITC (HS) 2022

The DGFT has released the draft Schedule II (Export Policy) for Chapters 40 to 98, through Trade Notice No. 11/2024-25. After considering the feedback received, the revised Schedule II covering all chapters (Chapters 1 to 98) has now been issued for further comments and consultation.

[Trade Notice No. 22/2024-25, dated 14 November 2024]

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Compliance Calendar

S. No.	Compliance Category	Compliance Description	Frequency	Due Date	Due Date falling in December 2024
1	Form GSTR-1 (Details of outward supplies)	Registered person having aggregate turnover more than INR 5 crores and registered person having aggregate turnover up to INR 5 crores who have not opted for Quarterly Returns Monthly Payment ('QRMP') Scheme	Monthly	11 th day of succeeding month	For Tax Period November 2024-11 th December 2024
2	Form GSTR-3B (Monthly return)	Registered person having aggregate turnover more than INR 5 crores and registered person having aggregate turnover up to INR 5 crores who have not opted for Quarterly Returns Monthly Payment ('QRMP') Scheme	Monthly	20 th day of succeeding month	For Tax Period November 2024-20 th December 2024
3	QRMP Scheme Invoice furnishing facility ('IFF')	Optional facility to furnish the details of outward supplies under QRMP Scheme	Monthly	1 st day to 13 th day of succeeding month	For Tax Period November 2024 – 1 st to 13 th December 2024

	Form GST PMT-06 (Monthly payment of tax)	Payment of tax in each of the first two months of the quarter under QRMP Scheme	Monthly	25 th of the succeeding month	For Tax Period November 2024 – 25 th December 2024
4	Form GSTR-6 (Return for Input Service distributor)	Return for input service distributor	Monthly	13 th of the succeeding month	For Tax Period November 2024- 13 th December 2024
5	Form GSTR-7 (Return for Tax Deducted at Source)	Return filed by individuals who deduct tax at source.	Monthly	10 th of the succeeding month	For Tax Period November 2024- 10 th December 2024
6	Form GSTR-8 (Statement of Tax collection at source)	Return to be filed by e-commerce operators who are required to collect tax at source under GST.	Monthly	10 th of the succeeding month	For Tax Period November 2024- 10 th December 2024

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