



Anivesh
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Indirect Tax Updates From 1st September 2025 to 15th September 2025

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56th GST Council Meeting

- The Government of India, in the 56th GST Council Meeting, announced “GST 2.0”, a comprehensive reform to simplify the tax framework, rationalise rates by reducing GST on various commodities, thereby fostering consumption in the upcoming festive season.
- **Simplified rate structure:** The previous four GST slabs (5%, 12%, 18%, 28%) are largely merged into two primary slabs: 5% (merit rate) and 18% (standard rate). A special ‘de-merit’ rate of 40% will apply for certain “sin goods” and “luxury items”.
 - ✓ Life insurance and health insurance premiums are exempted from payment of GST.
 - ✓ Many daily essentials — such as toothpaste, soaps, hair oil, kitchenware, etc. will get reduced rates, moving from higher slabs to 5% or being exempted (depending on the item).
 - ✓ Essential agricultural/food items are also beneficiaries.
 - ✓ Items like tobacco, pan masala, luxury cars, aerated drinks, etc., are moved to the 40% slab.
 - ✓ All rate changes (rates, exemptions) except tobacco sector related changes came into effect from September 22, 2025.
- **Place of supply changes for intermediaries:** Section 13(8)(b) of the IGST Act (which had deemed the supplier’s location as place of supply for intermediary services) proposed to be omitted. This benefits sectors like IT, BPO, consulting etc., by aligning place of supply with where the recipient is located, which helps with export refunds.
- **Operationalisation of GST Appellate Tribunal (GSTAT)** - GSTAT will act as the second appellate authority, positioned between State/Area-level Appellate Authorities and the High Courts.

Anivesh (ALC) Comments: Consumer items will become cheaper and likely it will reduce inflation due to cut rates of various household commodities. Estimated revenue loss is significant (in hundreds of billions of rupees), however, government appears to believe the benefit to growth, ease-of-doing business etc. will outweigh costs.

Important Case Laws

1. M/s Sahil Steels vs. State Of Rajasthan [Rajasthan HC: W.P.N. 11326 of 2025]

Limitation u/s 107(1) of the CGST Act commences from date of actual communication to Assessee.

The issue was the Petitioner's appeal was rejected on grounds of limitation u/s 107(1) of the CGST Act, when the Petitioner was not able to access GST portal due to unforeseen reasons/dispute with consultant.

The Rajasthan High Court held that the expression 'communication to such person' u/s 107(1) requires purposive interpretation to protect the assessee's statutory right, especially with the 30-day condonation cap u/s 107(4). Mere uploading on the portal does not constitute communication where access is denied due to credential issues. The Court observed that there was department's inordinate delay in updating credentials and suggested emailing assessment orders to avoid communication gaps. The writ petition was allowed, quashing the Appellate Authority's and restoring the appeal to decide case on merits.

Anivesh (ALC) Comments: The decision will serve as an authority in Rajasthan and could impact other jurisdictions to grant relief where delay in communication arises because the taxpayer had no access to the portal/electronic medium.

- Whether the said ground can be taken in other situations as well wherein assessee can demonstrate that it did not see the GST portal for a considerable period of time even though the notice was available on GST portal?

Important Case Laws

2. Sukraft Recycling Private Limited vs. UOI [Bombay HC: W.P.N 540 of 2024]

Exporter is entitled to refund of unutilized compensation cess

The Petitioner is a manufacturer of Kraft Paper and uses coal as a raw material in its production process. On purchase of coal, compensation cess was paid in addition to GST. The Petitioner exported Kraft Paper on payment of IGST @ 12%, utilizing available ITC, including that of compensation cess. While refund of ITC relating to CGST and IGST was granted, refund of unutilized ITC of compensation cess amounting to about Rs. 36 lakhs for FY 2021–22 was rejected by the Department. The Department argued that Section 16(3) of the IGST Act offers only two alternative refund mechanisms, and since the Petitioner opted for refund by paying IGST on exports, it could not separately claim refund of unutilized ITC of compensation cess.

The High Court held that the Department's reasoning was flawed, noting that compensation cess is a distinct levy covered by CGST/IGST provisions through incorporation. Further, it has been observed that the Petitioner was entitled to refund of unutilized ITC of compensation cess despite opting for payment of IGST on exports, and absence of a bond or LUT could not bar the claim. The authorities were directed to grant the refund with interest, allowing the writ petition.

Anivesh (ALC) Comments: This ruling enforces that unutilized ITC of compensation cess is refundable under Section 16(3)(a) IGST Act even if exports are made with IGST payment. The Court rejected the department's restrictive view, strengthening exporters' entitlement to cess refunds.

Important Case Laws

3. Air Transport Corporation Assam Pvt. Ltd. vs. State Of Assam [Gauhati HC: W. P (C) 470 of 2023]

Summary in Form GST DRC-01 cannot substitute proper SCN u/s 73 CGST/AGST Act

The Petitioner was issued only a summary of SCN in Form GST DRC-01 dated December 28, 2023, however, no proper SCN under Section 73 of the Act and the summary indicated no date or venue for personal hearing. Without providing any opportunity of hearing, the Department passed an order on April 29, 2024 demanding tax of Rs. 67,75,803/-. The Petitioner challenged the action, contending that issuance of a proper SCN is mandatory, and the order was also unsigned, violating Rule 26(3) of the CGST Rules and principles of natural justice.

The High Court held that issuance of a proper SCN under Section 73 is a mandatory requirement, while the summary in Form GST DRC-01 is only an additional requirement under Rule 142 of the CGST Rules. The determination of tax attached to the summary cannot be treated as SCN and tax determination are distinct requirements. Further, it has been observed that passing an order without providing an opportunity of hearing is in violation of Section 75(4) of the CGST Act and against the principles of natural justice. Accordingly, the Court quashed the summary of SCN issued in Form GST DRC-01 and disposed of the writ petition in favour of the Petitioner.

Important Case Laws

4. Hikal Limited vs. UOI [Bombay HC] [W.P. No. 78 of 2025]

Omission of Rules 89(4B) and 96(10) without savings clause nullifies pending SCNs and orders

The issue was whether show cause notices and orders based solely on non-compliance with Rules 89(4B) and 96(10), which stood omitted without a savings clause, could survive and be enforced u/s 73/74 of the CGST Act?

The Bombay High Court held that once Rules 89(4B) and 96(10) were omitted without any savings clause, the common law principle applied whereby an omitted provision is obliterated from the statute book as if it never existed, except for “transactions past and closed”. Since none of the impugned SCNs or orders had attained finality, they lapsed upon omission. The Court rejected reliance on Section 6 of the General Clauses Act, noting it applies only to repeal by a Central Act or Regulation, not to omission by delegated legislation such as Rules. Section 174(3) of the CGST Act could not operate as a savings clause either. The Court also noted that the Kerala High Court had already declared Rule 96(10) unconstitutional, binding across India in the absence of contrary authority. The High Court quashed the impugned show cause notices and orders, directed authorities to process and dispose of refund claims within four months, and disposed of the writ petitions in favour of the assesseees.

Important Case Laws

5. UOI vs. SICPA India Private Limited [Sikkim HC: W.A. N. 02 of 2025]

No refund of unutilized ITC u/s 54(3) CGST Act on closure of business.

The Respondent accumulated unutilized ITC and sought cash refund u/s 49(6) pursuant to discontinuance of business. The Department rejected the claim, holding that proviso to sec 54(3) restricts refunds to zero-rated supplies and inverted duty structure, excluding business closure. The Respondent challenged the rejection via writ petition, which was allowed by the Single Judge, finding no express prohibition in the Act or Rules for such refund. Being aggrieved by the Order passed by Ld. Single Bench, the Petitioner filed appeal before the Division Bench, contending the Single Judge's order has contravened SC ruling in VKC Footsteps India Pvt. Ltd. v. UOI.

The Sikkim High Court held that Section 49(6) is not an independent refund provision but subjects refunds to conditions under Section 54 of the CGST Act. Refund is statutory and not constitutional, limited by legislature to specified circumstances. Following SC in VKC Footsteps, proviso to S. 54(3) is restrictive, allowing unutilized ITC refund only for zero-rated supplies or inverted duty structure. The Single Judge's view of no express prohibition ignored this restriction and SC interpretation. The appeal was allowed, setting aside Single Judge's judgment and rejecting the refund claim.

Anivesh (ALC) Comments: This ruling enforces that refund provisions must be strictly construed within Section 54(3) of the CGST Act, limited to zero-rated supplies and inverted duty cases. Relying on VKC Footsteps (2021), the Court held hardship cannot justify enlarging refund rights.

Important Case Laws

6. RCC Engineering Pvt. Ltd. vs. Deputy AC [Andhra Pradesh HC: W.P.N. 21892 of 2025]

Absence of assessing officer's signature u/s 160 and 169 CGST Act, 2017 renders assessment order invalid.

The petitioner, RCC Engineering Pvt. Ltd., was issued assessment orders in Form GST DRC-07 dated 19.08.2024 and 24.08.2024 under the CGST Act, 2017 for FYs 2019-20, 2021-22, and 2022-23. These orders were challenged by the petitioner primarily on the ground that they did not bear the signature of the assessing officer. The Government Pleader for Commercial Tax admitted that the orders lacked the officer's signature. The issue before the Court was whether the absence of the signature of the assessing officer on the assessment orders would render the orders invalid and whether the provisions of Sections 160 and 169 of the CGST Act, 2017 could cure such a defect, despite the delay in filing the writ petition.

The High Court, relying on earlier decisions (*A.V. Bhanoji Row, SRK Enterprises, SRS Traders*) and Rule 26(3) of the CGST Rules, 2017, held that the signature of the assessing officer is mandatory and its absence renders the assessment orders invalid. The Court observed that such unsigned orders cannot be considered validly served, making the delay in approaching the Court irrelevant. Accordingly, the impugned assessment orders were set aside, and the department was granted liberty to conduct fresh assessments after issuing notice and ensuring that the orders bear the proper signature. The period from the date of the original assessment orders until receipt of the Court's order was excluded for limitation purposes.

Important Case Laws

7. Smt. Lalita vs. UOI [Allahabad HC: W. Tax No. 4082 of 2025]

Repeated provisional attachment u/s 83 CGST Act, 2017 after lapse is impermissible.

The issue was whether revenue authorities can repeatedly issue provisional attachment orders u/s 83 CGST Act, 2017 after the initial order lapses by operation of law.

The Allahabad High Court held that Section 83(2) CGST Act, 2017 limits provisional attachment to one year, and subsequent attachments on the same grounds are impermissible, as per the Supreme Court in ***Kesari Nandan Mobile***. The court reasoned that allowing repeated attachments would render Section 83(2) ineffective and contradict legislative intent, emphasizing that provisional attachment is a pre-emptive measure, not a recovery tool, with a one-year investigation period. The court found the fourth attachment an executive overreach, unsupported by statute, and invalid. The writ petition was allowed, quashing the impugned order and directing authorities to de-freeze the petitioner's bank account within three days.

Anivesh (ALC) Comments: This ruling enforces that once a provisional attachment order under Section 83 of the CGST Act lapses after one year, the authorities cannot issue a fresh or renewed attachment on the same grounds. It emphasizes that provisional attachment is a pre-emptive measure, not a tool for recovery, and any repeated attachment beyond the statutory period would amount to executive overreach.

Important Case Laws

8. Jindal Stainless Ltd vs. CC [CESTAT Hyderabad] [Custom appeal No. 25193 of 2015]

Technical violation in pre-shipment inspection certificate does not warrant confiscation

The Petitioner imported 500.74 MT of stainless steel scrap (Grade 304) through two Bills of Entry in December 2014. Such import require a Pre-Shipment Inspection Certificate (PSIC) from a DGFT authorized agency in the country of export. The scrap was imported from Turkey, but no inspection agency was authorized by DGFT for Turkey. The Appellant, therefore, obtained the PSIC from M/s Worldwide Inspection Services, Benin, which was DGFT-authorized, however, not an authorized agency for Turkey. The Department confiscated the goods under Section 111(d) of the Customs Act, 1962, allowed redemption on payment of fine of Rs. 40,00,000/- u/s 125, and imposed a penalty of Rs. 10,00,000 u/s 112(a) of the Customs Act.

The Hon'ble CESTAT, Hyderabad held that the absence of a notified agency in Turkey could not imply a prohibition on imports from that country. It observed that Section 111(d) makes goods "liable to confiscation" but leaves the discretion with the adjudicating authority. Since the violation was only technical and the goods had been tested and found compliant post-import, confiscation, redemption fine, and penalty were unwarranted. Accordingly, the impugned order was set aside, and the appeal was allowed with consequential relief to the Appellant.

Anivesh (ALC) Comments: This ruling enforces that a mere technical lapse in obtaining PSIC from a non-notified agency does not justify confiscation under Section 111(d) of the CGST Act. The Tribunal held that absence of an authorized agency in the exporting country cannot imply import prohibition. It provides relief to importers where compliance gaps are procedural, not substantive.

Important Case Laws

9. CCGST vs. M/s DLF Infocity Developers [CESTAT Kolkata][Service Tax appeal No. 75796 of 2016]

Supply of electricity to tenants constitutes sale of goods, not taxable service in Finance Act, 1994.

The Respondent supplied electricity to its tenants during the period 2008-09 to 2012-13 and recovered amounts based on meter readings. On scrutiny, it was found that they collected around Rs. 63.66 crore but had not paid service tax of about Rs. 6.31 crore. The adjudicating authority, after examining agreements and a Chartered Accountant's certificate, observed that the electricity charges were recovered as reimbursement for power supplied by the State distribution company, and held that supply of electricity amounted to sale of goods and not provision of service. Accordingly, proceedings were dropped. Being aggrieved by the order passed by adjudicating authority, the Department filed appeal before Hon'ble CESTAT and argued that the Respondent was not a transmission or distribution utility under Section 65B(23), so exemption did not apply and hence, electricity supply to tenants, billed on consumption with mark-up, was taxable as "Management, Maintenance or Repair Services."

The Tribunal noted the judgments of the Hon'ble Supreme Court in *Commissioner of Sales Tax vs. M.P. Electricity Board* which held electricity to be goods. It was held that recovery of electricity charges from tenants was in the nature of sale of goods, and the Respondent acted only as a pure agent in procuring electricity. A transaction involving pure sale of goods cannot be taxed as a service.

Important Case Laws

10. M/s Bharat Industrial Enterprises Ltd vs. CST [CESTAT Chandigarh] [ST Appeal No. 377 of 2011]

Commission paid to agents for export/sale of rice exempted from payment of Service Tax

This Assessee is engaged in cultivation of paddy and sale/export of rice. The assessee availed services of commission agents for export/domestic sale of rice and, during 2007-08, paid service tax under reverse charge. Later, a refund claim of Rs.13,63,497/- was filed on the ground that commission paid on sale/export of rice is exempt under Notification No. 13/2003-ST, as rice qualifies as “agricultural produce.” The Original Authority sanctioned refund, but the Commissioner, in revision, disallowed the claim and ordered repayment with interest. The Department held that rice, obtained after de-husking paddy, did not fall within the scope of “agricultural produce” under the notification. Accordingly, commission paid on sale/export of rice was not eligible for exemption, and the refund earlier sanctioned was liable to be recovered with interest.

The Hon’ble CESTAT, Chandigarh observed that the definition of “agricultural produce” in Notification No. 13/2003 includes cereals, and rice is specifically covered therein. It also referred to CBIC Circular dated May 26, 2011 clarifying that services of commission agents for export of rice are exempt. Relying on the notification, circular, and precedents, the Tribunal set aside the Department’s order and allowed the appeal with consequential relief.

Anivesh (ALC) Comments: This ruling enforces that rice is to be treated as agricultural produce, making commission on its sale/export exempt from service tax. It affirms that departmental interpretations cannot override clear notifications and CBIC circulars.

Important Case Laws

11. M/s Renault Nissan Technology & Business Centre India Pvt. Ltd. vs. CCGST&CE [CESTAT Chennai : Service Tax Appeal No. 40528 of 2015]

Secondment constitutes manpower supply service, exempt for SEZ authorized operations.

The appellant, RNTBCI, an SEZ unit engaged in R&D for its parent companies, M/s Renault and M/s Nissan, provides engineering, IT, and business support services. During audit, it was found that RNTBCI made foreign currency payments to the parent companies for salaries, social security, relocation, administrative fees, and training of seconded employees in India, reflected in its accounts, and also paid remuneration to its directors. The Department contended that services from the parent companies constituted Manpower Recruitment or Supply Agency Services, liable to service tax under reverse charge, and that directors' remuneration was also taxable. It invoked the extended limitation for 2008-09 to 2012-13, demanding tax, interest, and penalties, issuing show cause notices and statements of demand.

The Tribunal, following the Supreme Court decision in Northern Operating Systems, held that the overseas parent companies were the employers of the deputed employees, and the transfer of employees to RNTBCI constituted a manpower supply service. However, as the seconded employees worked exclusively on SEZ authorized operations, the appellant was entitled to full exemption from service tax under Section 26 of the SEZ Act read with Section 51 and SEZ Rules. The Tribunal held that the extended limitation period could not apply since the appellant's non-liability view was bona fide, and directors' remuneration was not taxable as they were company employees. Accordingly, the Tribunal allowed the appellant's appeals and dismissed the Revenue's, granting full exemption.

Pharmaceuticals Sector: Revision of MRPs due to reduction in rate of GST

Office Memorandum dated September 12, 2025: The benefit of the GST rate reduction must be passed on to patients effective from September 22, 2025, ensuring that the lower tax rates translate into reduced prices for drugs and formulations (including medical devices).

- **Revise MRP for all Relevant Products:** All manufacturers and marketing companies selling drugs/formulations must revise the Maximum Retail Price (MRP) accordingly, with the changes taking effect from September 22, 2025, to reflect the rationalized GST rate structures recommended by the 56th GST Council meeting.
- **Issue Revised Price Lists:** Companies shall issue a revised price list or supplementary price list in Form VVI to dealers, retailers, State Drug Controllers, and the Government, clearly indicating the revised GST rates and the corresponding updated MRP.
- **Sensitize Stakeholders via Media:** Manufacturers/marketing companies must inform dealers, retailers, and consumers about the GST rate reduction through electronic, print, and social media channels; industry associations are encouraged to release advertisements in leading national (including vernacular) newspapers to promote compliance starting from September 22, 2025.
- **No Mandatory Recalling/Re-labelling of Old Stocks:** Recalling, re-labelling, or re-stickering of stocks released before September 22, 2025 is not required, provided that price compliance at the retailer level is ensured through the awareness and communication measures outlined above. Companies wishing to re-label or re-sticker existing stocks may do so in a phased manner to prevent shortages of drugs/formulations (including medical devices) in the market; this aligns with CDSCO directions issued on September 11, 2025 under Rule 104A of the Drugs and Cosmetics Rules, 1945.

Consumer Sector: Revision of MRPs due to reduction in rate of GST

Office Memorandum dated September 9, 2025: Manufacturers, packers, or importers of pre-packaged commodities are permitted to declare a revised retail sale price (MRP) on unsold stock until 31st December 2025, or until exhausted, reflecting changes due to GST rate adjustments under Rule 33 of the Legal Metrology (Packaged Commodities) Rules, 2011.

- **Conditions for Price Revision:** The revised MRP shall not overwrite the original MRP, which must remain displayed; the adjustment can include the extent of tax increase or reduction, ensuring the revised price aligns with GST changes effective from October 1, 2025, and shall not exceed the original price plus/minus the tax impact.
- **Method of Revision:** The revised MRP can be implemented by stamping, applying a sticker, or online printing on unsold stock or packaging material, with corrections made after packing, provided the original MRP remains visible, and the process does not cause shortages.
- **Advertisement and Notification Requirement:** Manufacturers, packers, or importers must publish at least two advertisements in one or more newspapers and circulate notifications to dealers, the director of legal metrology in the Central Government, and Controllers of Legal Metrology in States/UTs to inform about the price revision.
- **Use of Existing Packaging Materials:** Any packaging material or wrapper not exhausted by the GST revision date may be used until 31st December 2025, or until depleted, after making necessary MRP corrections through stamping, sticking, or online printing as applicable.

New Rates of GST on Heavy Industries

- **Press Release dated September 8, 2025:** The new rate of GST on many items related to heavy industries will have wide scale impact.
 - ✓ Two-Wheelers (Bikes upto 350cc which includes bikes of 350cc) – (28% to 18%)
 - ✓ Small Cars (GST reduced from 28% to 18%).
 - ✓ Large Cars (GST reduced to flat 40% with no cess).
 - ✓ Tractors (<1800 cc reduced from 12% to 5%).
 - ✓ Road tractors for semi-trailers (engine capacity more than 1800 cc down from 28% to 18%).
 - ✓ Tractor parts reduced to 5%.
 - ✓ Buses having seating capacity of 10+ persons (GST reduced from 28% to 18%).
 - ✓ Commercial Goods Vehicles (Trucks, delivery-vans, etc.) (GST reduced from 28% to 18%).
- **Benefits for Consumers and Industry**
 - ✓ Lower GST in automobiles will push demand, helping automobile manufacturers and the large ancillary industry (tyres, batteries, components, glass, steel, plastics, electronics, etc). Demand boost will lead to new hiring in dealerships, transport services, logistics, and component MSMEs.

New Rates of GST on Heavy Industries

- ✓ Rate Cut will also encourage replacement of old vehicles with new fuel-efficient models, thereby supporting cleaner mobility.
- ✓ It will promote make in India and manufacturing sector.
- ✓ Informal sector such as drivers, mechanics, gig workers, service garages etc. will also get benefit.
- ✓ Removal of the additional cess has not only reduced the rates but also makes taxation simple and predictable.
- ✓ Lower GST on two Wheelers will reduce prices of bikes, making them more accessible to youth, professionals, and lower-middle-class households.
- ✓ Reduction in rate of GST on Commercial Vehicles will help align with PM Gati Shakti & National Logistics Policy targets and Cheaper trucks directly help reduce logistics cost, improving export competitiveness. Also, it will support MSME truck owners, who form a large share of India's road transport sector.
- ✓ Reduction in rate of buses will encourage shift from private vehicles to shared/public transport, reducing congestion and pollution.
- ✓ Reduction in rate of GST of tractor parts will increase affordability of tractors will increase mechanisation in the agriculture sector and will improve the productivity of staple crops like paddy, wheat, etc.

GST Circular

1. **Circular No. 251/8/2025-GST dated September 12, 2025:** Clarification issued on various doubts related to treatment of secondary or post-sale discounts under GST are as under:
 - **Input Tax Credit (ITC) and Financial/Commercial Credit Notes**
 - ✓ Suppliers can issue financial/commercial credit notes for discounts. These do not reduce the supplier's tax liability since transaction value remains unchanged. Therefore, recipients not required to reverse ITC on such discounts.
 - **Post-sale Discounts – Whether Consideration?**
 - ✓ Normally, post-sale discounts between manufacturers and dealers are just a price reduction and not an inducement or consideration for further supply. Such discounts are not treated as additional consideration.
 - ✓ Exception: If the manufacturer has an agreement with the end customer for discounted supply, and issues credit notes to dealers to honor that discount, then such discount becomes part of overall consideration as inducement for supply. Routine discounts are not consideration for promotional services, but GST applies where dealers undertake specific promotional activities under an agreement with defined consideration.
 - **Post-sale Discounts vs. Promotional Activities**
 - ✓ Discounts given to dealers are not consideration for promotional activities since they benefit the dealer's own sales. However, if dealers perform specific promotional activities (e.g., advertising, co-branding, special drives, exhibitions, customer support) under an agreement with defined consideration, GST will be applicable on such services.

GST Circular

Anivesh (ALC) Comments: ITC will be available in cases of financial/ commercial credit notes. Post-sale discounts are not taxable, unless tied to specific agreements with end-customers or distinct promotional services. This clarity ensures consistent compliance and mitigates disputes, providing much-needed certainty for taxpayers, dealers, manufacturers, and tax authorities nationwide.

The CBIC Circular 251/08/2025 dated September 12, 2025 comprehensively clarifies the GST treatment of post-sale discounts, reinforcing the precedents and legal position established by advance rulings such as *MRF Ltd.* and *Vedmuttha Electricals*, and judicial pronouncements by the Madras High Court in *Supreme Paradise* and *Shivam Steels*. Post-sale discounts issued as non-GST financial or commercial credit notes do not require ITC reversal if GST on the original invoice remains unchanged. Pure commercial discounts that are not linked to services by dealers do not constitute consideration attracting GST. Discounts tied to explicit promotional or service agreements are subject to GST as consideration for supply.

GST Advisory

1. **Advisory dated September 9, 2025:** W.e.f. October 1, 2025, taxpayers will not be able to file GST returns that are older than three years from their due date, as per the Finance Act, 2023. Such restriction applies to returns under Sections 37, 39, 44, and 52, covering forms like GSTR-1, GSTR-3B, GSTR-4, GSTR-5, GSTR-6, GSTR-7, GSTR-8, and GSTR-9/9C. Taxpayers are therefore advised to reconcile their records and file any pending GST returns before this deadline, as once barred, such returns cannot be filed on the GST portal.

Anivesh (ALC) Comments: If taxpayer miss filing a return beyond 3 years from its due date, the GST portal will not allow taxpayer to file for that period anymore.

Customs Notifications

1. **Notification No. 53/2025-Customs (N.T.) dated September 08, 2025:** Tariff values on import of Crude Palm Oil, RBD Palm Oil, Palmolein, Soya Bean Oil, Brass Scrap, Gold, Silver, and Areca Nuts remain unchanged w.e.f. September 9, 2025.
2. **Notification No. 54/2025-Customs (N.T.) dated September 10, 2025:** Dalpatpur, Moradabad (Uttar Pradesh) notified as a authorized Customs station for unloading of imported goods and loading of export goods or any class of such goods.
3. **Notification No. 56/2025-Customs (N.T.) dated September 15, 2025:** Tariff values on import of Crude Palm Oil, RBD Palm Oil, Palmolein, Soya Bean Oil, Brass Scrap, Gold, Silver, and Areca Nuts changed w.e.f. September 16, 2025.
4. **Notification bearing S.O. 4082(E) dated September 8, 2025:** Provisions of the Carriage of Goods by Sea Act, 2025 (19 of 2025) to be applicable from September 10, 2025.

Customs Notifications

5. **Notification No. 55/2025-Customs (N.T.) dated September 12, 2025:** This Notification supersedes the 2018 Regulations and lays down a fresh framework for finalisation of provisional assessments under Section 18 of the Customs Act, 1962.
- Provisional assessment to be finalized within 2 years. Extension to be granted by Principal Commissioner/Commissioner of Customs upon sufficient cause. Applies to all provisional assessments pending on the date of enforcement or made thereafter.
 - Each Bill of Entry / Shipping Bill provisionally assessed is treated as a separate case.
 - Proper officer must intimate requirements within 15 days of provisional assessment.
 - Importer/Exporter must provide documents within 2 months (extendable by another 2 months by proper officer and beyond that, upto maximum of 14 months, by higher authority).
 - Importer/Exporter may pay duty voluntarily during pendency, adjustable at finalisation, with interest liability.
 - Proper officer must finalise assessment within 3 months of receiving documents/conclusion of enquiry. Proper officer must follow principles of natural justice and pass speaking order if final assessment differs from provisional assessment. On finalization, bonds/security executed earlier are cancelled/recredited if dues are cleared. If dues remain unpaid beyond 90 days, they may be adjusted against security or recovered under Section 142.
 - Non-compliance attracts penalty as per Section 158(2)(ii) of the Customs Act, without prejudice to other actions.

Anivesh (ALC) Comments: It will bring stricter timelines for both trade and customs authorities. It will encourage faster closure of provisional assessments.

Customs Circulars

1. **Circular No. 21/2025-Customs dated September 12, 2025:** Strengthening Trade Facilitation through Institutionalised Consultation Mechanisms
 - **Permanent Trade Facilitation Committees (PTFCs) and Customs Clearance Facilitation Committees (CCFCs)** to play vital for stakeholder engagement.

Particulars	PTFCs	CCFCs
Meetings	Fortnightly	Once every two months
Membership	DGFT, custodians, PGAs, shipping lines, logistics providers, trade councils, Customs Brokers, etc.	Senior Customs officers, Shipping, Railways, Highways, Civil Aviation, PGAs under SWIFT, DG Systems (ICES/ICEGATE), NCTC, Directorate of Logistics.

- **Grievance Redressal Strengthening** – Faceless Assessment Framework uses a tri-layer mechanism i.e. Anonymised Escalation Mechanism (AEM), Turant Suvidha Kendras (TSKs) & NACs. Also, each zone must set up a mechanism to monitor grievances received from Social Media/Email.

Customs Circulars

2. **Circular No. 22/2025-Customs dated September 12, 2025:** Notification No. 55/2025 issued laid down a fresh framework for finalisation of provisional assessments under Section 18 of the Customs Act, 1962.
- Two-year time limit for finalisation of provisional assessment (extendable by Commissioner/Principal Commissioner for sufficient cause).
 - Importers/exporters may file one bond for all-India provisional assessments.
 - Pending cases (as on March 29, 2025): documents/enquiries must be completed by May 29, 2026.
 - Officers is required to follow principles of natural justice, adjust differential duties or refunds, and cancel/re-credit bonds upon completion and ensure strict compliance with timelines.
 - Officers to be sensitised to ensure strict compliance with timelines.
 - If documents not provided, Proper Officer to finalise based on available records, following natural justice.
 - Additional duty payable with interest.
 - Refunds to be processed under Section 18(4)/(5) of the Customs Act.

Foreign Trade Policy Updates

1. **Notification No. 29/2025 dated September 8, 2025**: Policy condition on export of certain animal by-products under Chapter 23 of ITC(HS) 2022 has been revised in line with specific EU regulations.
2. **Public Notice No. 21/2025 dated September 3, 2025**: SION for export product 'Acetyl Salicylic Acid 75 mg' Film-coated Tablets under Chemical & Allied Product Group 'A' notified so that Regional Authorities (RAs) can issue Advance Authorisation directly without referring cases to the Norms Committee, thereby ensuring faster clearance and uniformity.
3. **Public Notice No. 22/2025 dated September 9, 2025**: Application to be filed in ANF-4G for amendments in unutilized and un-transferred DFIA's which are system-related and corrective in nature such as correction in unit of measurement, correction in ITC HS code of import item, correction in value of the import item etc. Such amendment would require approval of Head of Office.

Foreign Trade Policy Updates

4. **Policy Circular No. 4/2025-26 dated September 3, 2025:** Vide Notification No. 26/2025-26 dated August 22, 2025, policy condition on import of paper products under HS Codes 48059100, 48059200, 48059300, 48109200, and 48109900 specified wherein a Minimum Import Price (MIP) of Rs. 67,220 per MT (CIF value) is imposed on Virgin Multi-layer Paper Board (VPB) under the above HS codes until March 31, 2026.

Now, it has been clarified that Import of Virgin Multi-layer Paper Board (VPB) by 100% EOU and units located in SEZ shall not be subject to Minimum Import Price provided that such imported goods are not sold to Domestic Tariff Area (DTAs).

Also, Imports of Virgin Multi-layer Paper Board (VPB) under Advance Authorization or Duty Free Import Authorization (DFIA) schemes shall also be exempted from the Minimum Import Price restriction.

THANK YOU

See You Next Time



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