Anivesh
Legal Consultants

Indirect Tax Updates – 1st December 2025 to 31st December 2025

Index

December GST collections

GST Collections	December' 24 (Rs. in Crores)	December' 25 (Rs. in Crores)	% Growth (Rs. in Crores)
Gross domestic revenue	1,21,118	1,22,574	1.2%
Less: Refund – domestic	11,372	18,422	62%
Net Domestic Revenue	1,09,746	1,04,151	**-5.1%**
Gross Import Revenue	43,438	51,977	19.7%
Less: Refund – Imports	10,766	10,558	-1.9%
Net Customs Revenue	32,671	41,419	**26.8%**

Top 5 gainers

Top 5 losers

State/ UT	Growth (+)	State/UT	Growth (-)
Sikkim	16%	Lakshadweep	-37%
Haryana	16%	Chhattisgarh	-28%
Uttarakhand	15%	Ladakh	-25%
Maharashtra	15%	Jharkhand	-17%
Gujrat	12%	Odisha	-12%

Important Case Laws

1. **<u>State of Karnataka vs Taghar Vasudeva Ambrish [Supreme Court: Civil Appeal No. 7846/7847 of 2023]</u>**

Exemption from payment of GST on Hostel accommodation service

The issue was whether leasing of a residential property to a company, which further sub-lets the premises to students and working professionals for long-term stay, qualifies as 'renting of residential dwelling for use as residence' and is eligible for GST exemption under Entry 13 of NN 9/2017-IGST (Rate) for the period prior to July 18, 2022 (relevant period)?

The Hon'ble Supreme Court held that GST exemption under Entry 13 depends on the nature and end-use of the property as a residential dwelling, and not on the identity of the lessee. Leasing a residential property to a company which sub-lets it for long-term residential use as a hostel qualifies for exemption. The Court further held that sub-letting for residential purposes does not negate the exemption and that subsequent amendments restricting the exemption are prospective and not applicable to the relevant period.

<u>Anivesh (ALC) Comments</u>: It provides certainty and relief to hostel operators and property owners, reduces past GST disputes and demands, and establishes that exemption is use-based, not lessee-based, preventing retrospective taxation on similar arrangements for the pre-amendment period.

Important Case Laws

2. **<u>M/s Bambino Agro Industries Ltd vs. State of UP [Allahabad HC: Writ Tax N. 2707 of 2025]</u>**

Merely uploading Notices and Orders on GST portal not to be treated as 'Communication of Order'

The issue was whether uploading SCNs and adjudication orders only on the GST Common Portal amounts to valid "communication" for starting the limitation period for filing appeals under Section 107 of the CGST/UPGST Acts?

The Hon'ble Allahabad High Court held that electronic service is permissible, and notices/orders may be made available on the GST portal. However, mere uploading of Order will not be treated as 'communication' for limitation purposes unless there is actual or legally recognized constructive service under Section 169 of the CGST Act. The deeming fiction of service under Section 169(2) & (3) applies only to modes in clauses (a), (b), (e) and (f) of Section 169(1), not to electronic modes under clauses (c) and (d). Since GSTN/revenue cannot verify when a taxpayer actually viewed/downloaded a document on the portal, uploading alone cannot trigger limitation under Section 107 of the CGST Act. Limitation to appeal begins from effective 'communication' (actual or constructive service) strictly as per Section 169. If the assessee claims a later date of communication, presumption may favor the assessee, the burden lies on the revenue to prove earlier communication. In absence of acknowledgement or proof of receipt, email/SMS alerts do not conclusively establish communication for limitation. Accordingly, the Impugned orders were set aside.

<u>Anivesh (ALC) Comments</u>: It would certainly provide relief to taxpayers from losing appeal rights merely due to portal uploads and clarifies that "communication" requires verifiable service, not just electronic availability.

Important Case Laws

3. **<u>JBD Educationals Pvt Ltd Vs State Of Andhra Pradesh [Andhra Pradesh HC: W.P. 5898/2024]</u>**

Interest on Refund to be computed till date of amount actually credited into bank account

The issue was whether the Petitioner is entitled to statutory interest on delayed VAT refund when the refund was sanctioned within the prescribed period but actually paid after the expiry of 90 days, and whether administrative/technical delays or COVID-related extensions can justify denial of interest.

The Hon'ble Andhra Pradesh High Court held that interest on VAT refund is mandatory and automatic if the refund is not actually paid within 90 days as prescribed under the APVAT Act and Rules. Mere sanction of refund within time is not sufficient; what is relevant is the date of actual credit/payment made to the taxpayer. Administrative delays, technical issues, or COVID-related extensions cannot override the statutory mandate. Accordingly, the Department was directed to pay interest for the period of delay till the date of actual refund.

Important Case Laws

4. Mcleod Russel India Limited Vs UOI [Gauhati HC: WP(C) No. 5725 OF 2022]

CBIC was directed to provide practical mechanism in case of non-compliance with Section 16(2)(aa)

This issue was whether Input Tax Credit can be denied to a bona fide purchaser under Section 16(2)(aa) of the CGST/AGST Act solely due to supplier's failure to upload invoice details in GSTR-1, resulting in non-reflection in GSTR-2A/2B?

The Gauhati High Court held that ITC cannot be denied automatically to a bona fide purchaser for supplier default. Section 16(2)(aa) aims to prevent fraudulent ITC and promote supplier compliance, it places an onerous and impractical burden on bona fide purchasers, as compliance is dependent on factors beyond their control. The provision was not struck down as unconstitutional, but was read down to the extent that before denying ITC, the tax authorities must give the bona fide recipient an opportunity to prove genuineness of the transaction through tax invoices and supporting documents. Denial of ITC solely due to the supplier's default would otherwise defeat the objective of GST and lead to cascading taxation. Further, the Court directed CBIC provides a practical mechanism to address this issue.

Anivesh (ALC) Comments: The decision has placed obligation on CBIC to develop a practical administrative mechanism, which is likely to influence future litigation, departmental practice, and compliance frameworks of GST.

Important Case Laws

5. <u>Vishal Vs State of Haryana [P&H High Court: CRM-M No. 41128 of 2022 (O&M)]</u>

Prosecution related to GST cases can be initiated under Criminal laws

The issue was FIR registered against the Petitioner for alleged fake invoicing and fraudulent availment of ITC under Sections 420, 467, 468, 471 IPC read with Section 11 of the CST Act is liable to be quashed on the ground that the GST Act is a complete code, and therefore criminal prosecution under IPC is impermissible; and whether, at the stage where investigation is complete and charges have been framed, the High Court should exercise powers under Section 482 Cr.P.C. to quash the FIR.

The Hon'ble Punjab & Haryana High Court held that FIR cannot be quashed at this stage. The Court observed that although the GST Act is a complete code and prescribes offences under Section 132 for fake invoicing and wrongful ITC, it cannot be conclusively determined at this stage whether the allegations fall exclusively under the GST Act or also attract offences under the IPC, particularly if GST registration was obtained using forged documents or with dishonest intent from inception. Since the investigation was complete, chargesheet filed, and charges framed, the High Court declined to interfere. The Petitioner was left at liberty to raise all legal pleas before the trial court, and the petition seeking quashing of the FIR was dismissed.

Important Case Laws

6. **<u>J M Jain Prop. Sh Jeetmal Choraria Vs UOI [Delhi HC: W.P. (C) 16754/2025 & CM APPL. 68768/2025]</u>**

GST Department can issue SCN based on material collected from Income Tax Department

The issue was whether a SCN issued by DGGI can be quashed at the SCN stage on the ground that it is based on material, documents and statements collected by the Income Tax Department, and whether presumptions under Sections 132(4), 132(4A) and 292C of the Income Tax Act are applicable in GST proceedings. Also, whether reliance on incorrect / non-existent case law (AI-generated citations) vitiates the SCN.

The Hon'ble Delhi High Court held that presumptions under the Income Tax Act do not automatically apply to GST proceedings, however, the Department is entitled to independently scrutinize and rely upon documents and material seized by the Income Tax Department to form a prima facie view and issue an SCN. Since the GST authorities had independently analysed the material and supplied RUDs, the SCN was not vague and cannot be quashed at this stage. The Court, however, strongly cautioned departments against citing fake or AI-generated judgments, observing that such practice is impermissible. The petitioner was directed to reply to the SCN and raise all objections during adjudication.

Important Case Laws

7. **Reckitt Benckiser vs CGST [Chandigarh CESTAT: Service Tax Appeal No. 60385 of 2016]**

Royalty paid under licensing agreements is classifiable as IPR service

The issue was whether royalty paid to overseas group companies under licensing agreements for use of intellectual property is classifiable as IPR Service or as Franchise Service, thereby disentitling the Appellant from the benefit of the exemption Notification.

The Hon’ble CESTAT, Chandigarh held that the agreements were pure licensing arrangements and not franchise agreements, as there was no grant of representational right or control over operations of the Appellant. The services were correctly classifiable as ‘IPR Service’ and not to be treated as ‘Franchisee Service’. Accordingly, the Appellant was entitled to exemption, and the service tax demand was set aside.

Anivesh (ALC) Comments: This judgment provides significant relief to taxpayers by affirming that mere permission to use intellectual property, without grant of representational rights or operational control, does not constitute a franchise.

Important Case Laws

8. <u>HDFC Bank Ltd vs CC [Chennai CESTAT: Customs Appeal No. 41046 of 2016]</u>

Transaction value cannot be rejected merely because higher remittances were made later on sale

The issue was whether the Department was justified in rejecting the declared transaction value of gold imported on a consignment basis and demanding differential duty on the ground that the actual remittances to foreign suppliers (made later) were higher than the value declared in the Bills of Entry at the time of import.

The Hon'ble CESTAT, Chennai held that rejection of the declared transaction value was unjustified. In case of consignment imports by a nominated bank, duty is correctly payable on the declared value based on the internationally prevailing price at the time of import, as reflected in the supplier's invoice. Subsequent remittances made after sale of gold in India do not alter the transaction value for customs purposes. Any postponement of payment to the supplier cannot be treated as short-payment of duty. Accordingly, the demand of differential duty was set aside and the appeal was allowed.

Important Case Laws

9. <u>Tek Chand International vs CC [Chennai CESTAT: Customs Appeal No. 40827 of 2014]</u>

Order passed based on seized documents without returning it violates principles of natural justice

The issue was whether the adjudication order rejecting declared transaction value, demanding differential customs duty/anti-dumping duty and imposing penalties, passed ex-parte by relying on data retrieved from a seized laptop without returning the laptop and non-relied documents to the importer, violated the principles of natural justice, thereby vitiating the proceedings.

The Hon'ble CESTAT, Chennai held that there was a clear violation of principles of natural justice. The department relied heavily on data retrieved from the seized laptop but failed to return the laptop and non-relied documents despite repeated requests by the appellant, thereby prejudicing the appellant's right to effectively defend the case. Passing an ex-parte order in such circumstances was unsustainable. Consequently, the impugned order was set aside, and the matter was remanded for de novo adjudication with directions to return the laptop and non-relied documents to the appellant and thereafter grant a fair opportunity of hearing.

Important Case Laws

10. <u>United Sales Agency vs CC [Kolkata CESTAT: Customs Appeal No. 75366 of 2025]</u>

Certificate of Origin cannot be treated as inauthentic without providing documents

The issue was whether denial of preferential customs duty benefit and demand of differential duty is sustainable when the Certificate of Origin (COO) is alleged to be inauthentic based only on an FTA Cell letter, without supplying the underlying verification report, and when the original/self-assessments of Bills of Entry were not challenged.

The Hon'ble CESTAT, Kolkata held that denial of exemption and demand of differential duty is unsustainable as the Department failed to provide the verification report forming the basis of alleging the COO to be inauthentic, making the conclusion based on hearsay and violative of natural justice. Further, since the original/self-assessments of the Bills of Entry had attained finality and were not challenged as per law, recovery under Section 28 was not permissible. Consequently, the demands, confiscation and redemption fine were set aside and the appeals were allowed.

GST Notifications

1. <u>**Notification No. 19/2025-CT dated December 31, 2025**</u>**:** Valuation of tobacco related products to be based on retail sale price (RSP), wherever such RSP is declared on package w.e.f. 01.02.2026.
   - The notified goods include pan masala, unmanufactured tobacco (other than tobacco leaves), cigarettes and cigars, other manufactured tobacco products (excluding bidis), and products containing tobacco or nicotine intended for inhalation without combustion, classified under specified tariff headings.
   - For these goods, RSP-based valuation will apply, meaning GST will be computed with reference to the maximum retail sale price, inclusive of all taxes, duties, cess, and surcharges.
   - Where multiple RSPs are declared, the highest RSP will be deemed to be the applicable RSP.
   - Any increase in RSP at any stage before, during, or after supply will be considered for valuation.
   - If different RSPs are declared for different regions, the area-specific RSP will apply for valuation in that region.

GST Notifications

2. **<u>Notification No. 20/2025-CT dated December 31, 2025</u>:** Amendment made in the CGST Rules, 2017 to be effective from February 1, 2026. Firstly, Rule 31D to be inserted for providing mechanism of computation of value and applicable tax in respect of tobacco related products on basis of RSP. Secondly, Rule 86B of the CGST Rules to be amended to exempt taxpayers dealing with tobacco and pan masala products (other than manufacturers) from the mandatory 1% cash payment requirement.

3. **<u>Notification No. 19/2025-CT(R), IT(R) and UT(R), all dated December 31, 2025</u>:** Tobacco related products to be leviable to GST @40% instead of earlier 28% w.e.f. February 1, 2026. However, biris covered under HSN 2403 19 21 or 2403 19 29 to be leviable to GST @18% w.e.f. February 1, 2026.

4. **<u>Notification No. 03/2025-Compensation Cess (Rate) dated December 31, 2025</u>:** No Compensation Cess on tobacco related products from February 1, 2026 since uniform rate of GST on such products would be 40%.

GST Advisories

1. **Advisory dated December 5, 2025:** If a taxpayer fails to furnish bank account details within 30 days of registration, the system will automatically suspend the registration. Bank details can be added through a non-core amendment, and once furnished, cancellation proceedings are automatically dropped. If not dropped on the same day, taxpayers can manually initiate the dropping of proceedings. OIDAR and NRTP taxpayers are generally exempt, except OIDAR taxpayers who have appointed a representative in India.

2. **Advisory dated December 5, 2025:** From the November 2025 tax period onwards, the values auto-populated in Table 3.2 of GSTR-3B (inter-state supplies to unregistered persons, composition taxpayers, and UIN holders) will be non-editable and must be filed as system-generated based on GSTR-1, GSTR-1A, and IFF. Any correction to these values can be made only through Form GSTR-1A for the same tax period, which will instantly update Table 3.2 in GSTR-3B before filing. Amendments can also be carried out in subsequent periods through GSTR-1/IFF. Taxpayers are advised to ensure accurate reporting in GSTR-1/GSTR-1A/IFF to avoid discrepancies and repeated amendments.

Key FAQs released on Form GSTR-9/9C

- GSTR-9 and GSTR-9C will be enabled only after filing all GSTR-1/1A/IFF and GSTR-3B for FY 2024-25.
- Tables 4, 5, 6, 8 and 9 of GSTR-9 are auto-populated from GSTR-1/1A/IFF, GSTR-2B and GSTR-3B.
- Table 4G1 applicable only to e-commerce operators liable to pay tax under Section 9(5) of the CGST Act.
- Table 8A (ITC as per GSTR-2B) to capture inward supplies pertaining to FY 2024-25 appearing in GSTR-2B, including invoices reported up to Oct-2025 and excluding prior-year invoices.
- IMS actions do not directly affect GSTR-9; accepted/deemed accepted records flowing into GSTR-2B will populate Table 8A.
- Supplies added/amended through GSTR-1A are considered for auto-population of Tables 4 and 5 of GSTR-9 from FY 2024-25 onwards.

Key FAQs released on Form GSTR-9/9C

- Table 6A1 to capture ITC of FY 2023-24 claimed in FY 2024-25 (other than Rule 37/37A reclaims).
- Tables 6B to 6H and 7A to 7H cover ITC pertaining only to the current financial year.
- Table 6H to capture ITC reclaimed due to Rule 37/37A is to be reported in Table 6H of the year in which it is reclaimed.
- Reversal of ITC relating to an earlier FY but reversed in the current FY should not be reported in Table 7 of GSTR-9, as Table 7 captures only current-year reversals.
- Table 7J of GSTR-9 reflects net ITC of the current FY only, which may differ from Table 4C of GSTR-3B if prior-year ITC is claimed or reversed in the current year.
- Table 8C covers only ITC of FY 2024-25 first claimed in next FY within the specified time period; reclaimed ITC is excluded. ITC claimed in next FY to be shown in newly inserted Table 8H1.
- Table 8A reflects only eligible ITC for the FY.

Key FAQs released on Form GSTR-9/9C

- IGST on imports to be reported in Table 8G.
- Table 9 covers auto-populated from net liability in GSTR-3B; negative liability not auto-populated and table remains editable.
- RCM liability and corresponding ITC are to be reported in GSTR-9 of the year in which the tax is actually paid, not the year to which the transaction relates.
- Late fee u/s 47(2) applies to both GSTR-9 and 9C; system auto-calculates based on filing dates.
- Non-GST Purchases not required to be reported in GSTR-9.
- Change in the label of Table 12 and table 13 does not make any difference in the reporting compared to any preceding financial years. ITC of earlier FY claimed in the current FY is captured in Table 12B of GSTR-9C and may result in apparent mismatches; reasons for unreconciled differences can be explained in Table 13. Values in Tables 12A to 12C of GSTR-9C depend on the accounting methodology adopted; any mismatch in Table 12F should be justified in Table 13.

Key FAQs released on Form GSTR-9/9C

- ITC re-claim in Table 4(D)(1) shall be restricted to the closing balance of the ITC Reclaim Ledger plus ITC reversed in Table 4(B)(2) of the current period.
- RCM ITC claimed in Tables 4(A)(2) & 4(A)(3) shall not exceed the RCM liability paid in Table 3.1(d) along with the available balance in the RCM Ledger.
- Filing of GSTR-3B will be blocked where the ITC Reclaim Ledger or RCM Ledger reflects a negative closing balance.
- Excess ITC reclaimed earlier must be reversed in Table 4(B)(2); where ITC is unavailable, the amount will be added to liability of taxpayer. For negative RCM balance, taxpayers must either pay additional RCM liability or reduce RCM ITC claimed in the current period.
- Taxpayers have been provided opportunities to declare or amend opening balances for transactions prior to the introduction of these ledgers.

Central Excise Notifications

1. **<u>Notification No. 3 & 4/2025-CE and Notification No. 3,4,5 and 6/2025-C.E. (N.T.), all dated December 31, 2025</u>:**

- Central Excise (Amendment) Act, 2025 (34 of 2025) to be applicable from February 1, 2026.
- Change in rate of Central Excise Duty on Tobacco related products w.e.f. February 1, 2026.
- Chewing tobacco (HSN 2403 99 10), Jarda scented tobacco (HSN 2403 99 30) and Gutkha (HSN 2403 99 90) manufactured with aid of packing materials and packed in pouches, shall be levied and collected duty of excise in accordance with the provisions of the said Section 3A of the Central Excise Act, 1944 i.e. based on production capacity of packing machines of such goods w.e.f. February 1, 2026.
- Chewing tobacco, Jarda scented tobacco and Gutkha packing Machines (Capacity Determination and Collection of Duty) Rules, 2026 notified for duty payable, capacity determination, abatement etc w.e.f. February 1, 2026.

Customs Notifications

1. **<u>Notification No. 50/2025-Customs dated December 30, 2025</u>:** Rate of BCD revised on specified goods under India-Australia Economic Cooperation and Trade Agreement w.e.f. January 1, 2026.
2. **<u>Notification No. 51/2025 dated December 30, 2025</u>:** Rate of BCD, AIDC and Health Cess revised on specified goods under India-Switzerland Economic Cooperation and Trade Agreement w.e.f. January 1, 2026.
3. **<u>Notification No. 52/2025-Customs dated December 30, 2025</u>:** Rate of BCD, AIDC and Health Cess revised on specified goods under India-Norway Economic Cooperation and Trade Agreement w.e.f. January 1, 2026.
4. **<u>Notification No. 53/2025-Customs dated December 30, 2025</u>:** Rate of BCD, AIDC and Health Cess revised on specified goods under India-Iceland Economic Cooperation and Trade Agreement w.e.f. January 1, 2026.

Customs Notifications

1. **<u>Notification No. 76/2025-Customs (N.T.) dated December 11, 2025 & Notification No. 77/2025-Customs (N.T.) dated December 15, 2025</u>:** Tariff value of Crude Palm Oil, RBD Palm Oil, Crude Palmolein, RBD Palmolein, Crude Soya bean Oil and Brass Scrap (all grades), gold, silver and areca nuts revised.
2. **<u>Notification No. 78/2025-Customs (N.T) dated December 30, 2025</u>:** Tariff values for specified goods including palm oil, palmolein, soybean oil, brass scrap, gold, silver and areca nuts revised w.e.f. December 31, 2025.
3. **<u>Notification No. 79/2025-Customs (N.T) dated December 31, 2025</u>:** Sea Cargo Manifest and Transshipment Regulations (Fifth Amendment) Regulations 2025 to be applicable from January 1, 2026.
4. **<u>Notification No. 80/2025-Customs (N.T) dated December 31, 2025</u>:** Tariff values for specified goods including palm oil, palmolein, crude soybean oil, brass scrap, gold, silver, and areca nuts w.e.f. January 1, 2026.

Customs Notifications

1. **Notification No. 07/2025-Customs (CVD) dated December 7, 2025:** Continuation of Countervailing Duty on Textured Tempered Glass falling under tariff heading 70071900, originating in or exported from Malaysia up to June 8, 2026.
2. **Notification No. 34/2025-Customs (ADD) dated December 15, 2025:** Continuation of Anti-dumping Duty on import of Faced Glass Wool in Rolls falling under tariff heading 7019, originating in or exported from China PR up to June 17, 2026
3. **Notification No. 35/2025-Customs (ADD) dated December 18, 2025:** Anti-dumping Duty imposed on import of Cold Rolled Non-Oriented Electrical Steel originating in or exported from China PR to be applicable for five years.
4. **Notification No. 36/2025-Customs (ADD) dated December 24, 2025:** Anti-dumping Duty imposed on import of 1,1,1,2-Tetrafluoroethane (R-134a) originating in or exported from China PR to be applicable for five years.
5. **Notification No. 37/2025-Customs (ADD) dated December 24, 2025:** Anti-dumping Duty imposed on import of Calcium Carbonate Filler Masterbatch originating in or exported from Vietnam to be applicable for period of five years.

Customs Notifications

6. **<u>Notification No. 38/2025-Customs (ADD) dated December 25, 2025</u>:** Anti-dumping Duty imposed on import of 2-Ethyl Hexanol originating in or exported from the European Union, Indonesia, Korea RP, Malaysia, Taiwan and the USA extended till June 26, 2026.

7. **<u>Notification No. 39/2025-Customs (ADD) dated December 26, 2025</u>:** Anti-dumping Duty imposed on import of Polyethylene Terephthalate (PET) resin having intrinsic viscosity of 0.72 dl/g or higher originating in or exported from China PR extended till June 26, 2026.

8. **<u>Notification No. 40/2025-Customs (ADD) dated December 30, 2025</u>:** Anti-dumping Duty imposed on import of Hot Rolled Flat Products of alloy or non-alloy steel flat products originating in or exported from Vietnam to be applicable after adjusting Safeguard Duty paid on such goods till April 20, 2028.

9. **<u>Notification No. 41/2025-Customs (ADD) dated December 31, 2025</u>:** Anti-dumping Duty imposed on import of Low Ash Metallurgical Coke (below 18% ash content) originating in or exported from Australia, China PR, Colombia, Indonesia, Japan and Russia to be applicable for six months.

10. **<u>Notification No. 02/2025-Customs (SG) dated December 30, 2025</u>:** Safeguard Duty imposed on import of specified non-alloy and alloy steel flat products originating in or exported from Vietnam to be applicable till April 20, 2028.

Customs Circular and Instructions

1. **<u>Instruction No. 33/2025-Customs dated December 5, 2025</u>:** Officers are being instructed to stop collecting anti-dumping duty on import of titanium dioxide originating in or exported from China PR with immediate effect.

2. **<u>Circular No. 30/2025-Customs dated December 31, 2025:</u>** The transitional provisions for Sea Cargo Manifest and Transhipment Regulations, 2018 (SCMTR) extended till March 31, 2026 so as to facilitate smooth implementation, during which stakeholders are required to file correct electronic declarations.

3. **<u>Instruction No. 34/2025-Customs dated December 30, 2025:</u>** Customs Officers posted at international airports instructed to make use of Body Worn Cameras (BWCs) interacting with passengers at international airports, particularly for baggage clearance in the Red Channel, to enhance transparency and accountability. Standard Operating Procedure has been prescribed to standardize the use, handling, storage and monitoring of BWC recordings across all airports.

Foreign Trade Policy Updates

1. **<u>Notification No. 49/2025 dated December 9, 2025</u>:** Exemption from payment of IGST and Compensation Cess on import made under Diamond Imprest Authorisation (DIA)

2. **<u>Notification No. 50/2025 dated December 18, 2025</u>:** Import Policy of diluted Potassium Clavulanate, Potassium Clavulanate (KGA), and specified intermediates is made 'Restricted' till November 30, 2026 subject to revised policy conditions.

3. **<u>Notification No. 51/2025 dated December 29, 2025</u>:** Export of Organic Sugar under tariff item 17011490 and 17019990 is allowed, subject to an overall ceiling of 50,000 MT per financial year, in accordance with the procedure prescribed in FTP and the modalities specified by APEDA.

4. **<u>Notification No. 52/2025 dated December 31, 2025</u>:** Policy condition regarding Minimum Export Price (MEP) of US$ 1400 FOB per Metric Ton for export of Natural Honey under tariff item 04090000 extended from December 31, 2025 till March 31, 2026.

5. **<u>Notification No. 53/2025 dated December 31, 2025</u>:** Import Policy of Low Ash Metallurgical Coke, including coke fines, coke breeze, and ultra-low phosphorous metallurgical coke under ITC Codes 27040020, 27040030, 27040040, and 27040090, revised from 'Free' to 'Restricted' from January 1, 2026 to June 30, 2026. All other imports under these codes, including high ash metallurgical coke to remain 'Free'.

Foreign Trade Policy Updates

1. **<u>Public Notice No. 33/2025-26 dated December 1, 2025</u>:** Import and export of gems and jewellery parcels for personal carriage permitted through Ahmedabad Airport.

2. **<u>Public Notice No. 34/2025-26 dated December 1, 2025</u>:** Amendment regarding the extension of the validity period for Letters of Permission (LoP) or Letters of Intent (LoI) for various units including Export Oriented Units (EOU), Electronics Hardware Technology Parks (EHTP), Software Technology Parks (STP), and Bio-Technology Parks (BTP). Once a unit commences production, the validity of the LoP/LoI can now be extended for up to 5 years at a time. The initial 2 years validity period (with certain exceptions like oil refinery projects) to be extended by one additional year provided valid reasons are recorded in writing.

3. **<u>Public Notice No. 36/2025-26 dated December 10, 2025</u>:** Format of Appendix-2G and all approvals/updates relating to the enlistment and operation of Pre-shipment inspection agencies (PSIAs) under Appendix-2G has been revised.

Foreign Trade Policy Updates

4. **<u>Public Notice No. 37/2025-26 dated December 11, 2025</u>:** Unit of measurement (UoM) for the import items under SION A-290 has been amended.

5. **<u>Public Notice No. 35/2025-26 dated December 10, 2025</u>:** Procedure for claiming deemed export benefits streamlined key details of which are as under:

- Applications for deemed export benefits must now be submitted online via the DGFT portal using ANF 7A. Physical copies of documents are no longer required unless specifically requested.
- Applications must be filed with the jurisdictional Regional Authority (RA) or the Development Commissioner of the SEZ/EOU, depending on the location and nature of the supplies.
- A single application can only cover one category of supply.
- Specific claim routes are now clearly demarcated for Domestic Tariff Area (DTA) suppliers versus EOU recipients.
- Claims can only be filed after full payment for the supplied goods has been received.

Foreign Trade Policy Updates

6. **Public Notice No. 38/2025 dated December 17, 2025:** Specified Standard Input Output Norms (SIONs) for Chemical and Allied Products and General Note for All Export Product Groups stands amended.

7. **Public Notice No. 39/2025 dated December 17, 2025:** Procedure prescribed for the first round of TRQ allocation of Gold under tariff head 7108 under India-UAE CEPA for FY 2025-26.

8. **Public Notice No. 40/2025 dated December 19, 2025:** SBER Bank included in the list of banks authorized by RBI to import gold for domestic consumption to be applicable from June 25, 2025 to March 31, 2026.

9. **Public Notice No. 41/2025 dated December 31, 2025:** Provision of FTP amended to standardize formats of various letters and permissions issued by Development Commissioners to Export Oriented Units (EOUs).

Foreign Trade Policy Updates

10. **<u>Trade Notice No. 19/2025-26 dated December 31, 2025</u>:** Market Access Support (MAS) under the *Export Promotion Mission (EPM) – Niryat Disha* launched to strengthen India export market access such as buyer-seller meets, trade fairs, exhibitions, and other market access initiatives. It has been launched on pilot basis to facilitate early implementation and active stakeholder participation. Registration procedure and implementation shall be undertaken through the Trade Connect ePlatform (https://www.trade.gov.in/).

11. **<u>Policy Circular No. 8/2025-26 dated December 17, 2025</u>:** Procedure prescribed for implementation of the Import Management System (IMS) for import of restricted IT hardware (HSN 8471) for the calendar year 2026. Importers must apply for import authorisation on the DGFT portal between December 22, 2025 and December 15, 2026, with authorisations valid up to December 31, 2026 and can apply for multiple applications in a year.

THANK YOU

See You Next Time

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