

DA TAX ALERT INDIRECT TAX

AN E-TAX ALERT FROM
Darda Advisors LLP

March 2024

Issue: 46

**GST COMPLIANCE
CALENDER**

**GOODS AND
SERVICE TAX**

**CUSTOMS AND
OTHER**

DA NEWS

PREFACE

We are pleased to present to you the Forty sixth edition of DA Tax Alert, our monthly update on recent developments in the field of Indirect tax laws. This issue covers updates for the month February 2024.

During the month of February 2024, there were certain changes under Goods and Service Tax, Customs and other; key judgments and rulings such as Order issued merely based on gap in returns without further verification are invalid and Refund is allowed on re-export of goods

In the Forty sixth edition of our DA Tax Alert-Indirect Tax, we look at the tumultuous and dynamic aspects under indirect tax laws and analyze the multiple changes in the indirect tax regime introduced during the month of February 2024.

The endeavor is to collate and share relevant amendments, updates, articles, and case laws under indirect tax laws with all the Corporate stakeholders.

We hope you will find it interesting, informative, and insightful. Please help us grow and learn by sharing your valuable feedback and comments for improvement.

We trust this edition of our monthly publication would be an interesting read.

Regards

Vineet Suman Darda
Co-founder and Managing Partner

Darda Advisors LLP
Tax and Regulatory Services

www.dardaadvisors.com

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GST COMPLIANCE CALENDAR

March
2024

10

GSTR-7
TDS Deductor

10

GSTR-8
TCS
Deductor

11

GSTR-1
Normal Taxpayer

13

GSTR-1/6
QRMP Taxpayer & Input
Service Distributor

20

GSTR-5A
OIDAR Service Provider

20

GSTR-3B
Normal & QRMP Taxpayer

20

GSTR-5
Non-Resident Taxable
Person

ITC allowed despite discrepancies in GSTR-3B – HC

DA Insights:

The claim for ITC cannot be claimed merely basis of gap in returns which is rightly held by the Honorable High Court.

Issue:

The assessee erroneously and inadvertently filed Nil GSTR-3B returns and stated that they are eligible for ITC in relevant assessment periods and that this is duly reflected in the GSTR-2A returns. Consequently, the petitioner states that GSTR-9 (annual) returns were filed duly reflecting the ITC claims of the petitioner. By rejecting such claim, it is stated that the orders impugned herein were issued and accordingly writ petitions filed.

Legal Provisions:

Section 16 and Section 17 of CGST Act, 2017

Observation and Comments:

The Honorable High Court observed and held that:

In each impugned order, there is reference to the petitioner's ITC claim and the petitioner's assertion that such ITC claim exceeds the tax liability. In the operative portion of each order, such claim was rejected solely on the ground that the petitioner had not claimed ITC in the GSTR-3B returns.

When the registered person asserts that he is eligible for ITC by referring to GSTR-2A and GSTR-9 returns, the assessing officer should examine whether the ITC claim is valid by examining all relevant documents, including by calling upon the registered person to provide

such documents. In this case, it appears that the claim was rejected entirely on the ground that the GSTR-3B returns did not reflect the ITC claim. Therefore, interference is warranted with the orders impugned herein.

For reasons set out above, the orders impugned herein are quashed and these matters are remanded for reconsideration.

[M/s.Sri Shanmuga Hardwares Electricals vs STO \[Writ Petition Nos.3804, 3808 & 3813 of 2024 and W.M.P.Nos.4105, 4107, 4110, 4111, 4116 & 4119 of 2024\]](#)

Payment routed through Intermediary as per FEMA, a 'receipt in foreign currency', Allows IGST-refund – HC

DA Insights:

The Madras HC rightly held that merely because receipts are routed through the Intermediary (i.e. Paypal) and received in Indian currency ipso-facto would not mean that Assessee, an online investment service provider, has not exported services within the meaning of Section 2(6) of IGST Act.

Issue:

Assessee is engaged in the business of providing online services through its website w.r.t. opinions on equity and future market, trading stocks, options based on stock and share markets. Users visiting its website subscribe to plans as given and make payments and services are provided in the form of information and knowledge on various investment options also, payments are routed through the Paypal, an intermediary, appointed by the Assessee. The refund filed by the assessee rejected on the said ground which was further rejected by the first appellate authority against which the writ petition is filed.

Legal Provisions:

Section 2(6) of IGST Act, 2017

Observation and Comments:

The Honorable High Court observed and held that:

The amounts are received in convertible foreign exchange by the said intermediary namely Paypal and the amounts are first credited into its account with CITI Bank of the said intermediary namely Paypal thereafter, the amounts in Indian currency are transferred

from the intermediaries CITI Bank account to the Assessee's account with HDFC Bank after deduction of its service charges.

Such outing of the payment by the intermediary viz., Paypal from its account in CITI Bank to the Assessee's own account with HDFC Bank in Indian Rupees is in accordance with the provisions of the Foreign Exchange Management (Manner of Receipt and Payment) Regulations, 2016 as notified by Notification No: FEMA 14(R)/2016-RB dated May 02, 2016 and reckoned that Regulation 3(2) of the Foreign Exchange Management (Manner of Receipt and Payment) Regulations, 2016, makes it clear that in respect of an export from India, receipt shall be made in currency appropriate to the place of final destination as mentioned in the declaration form and as per Regulation 3(2)(b), any other mode of receipt of export proceeds for an export from India in accordance with the directions issued by the RBI to authorized dealers from time to time.

If payments are routed through an intermediary to person like Assessee, the intermediary should be an authorised person to receive such payment in convertible foreign exchange and as an intermediary, the Assessee is required to only credit the amounts in convertible foreign exchange into RBI.

Afortune Trading Research Lab LLP vs. Additional Commissioner & Ors. [TS-80-HC(MAD)-2024-GST]

Payment routed through Intermediary as per FEMA, a 'receipt in foreign currency', Allows IGST-refund – HC

DA Insights:

The Madras HC rightly held that merely because receipts are routed through the Intermediary (i.e. Paypal) and received in Indian currency ipso-facto would not mean that Assessee, an online investment service provider, has not exported services within the meaning of Section 2(6) of IGST Act.

There is no dispute with on the services provided by the Assessee to its foreign clients, the export services were provided within the meaning of Section 2(b) of the IGST Act moreover, Paypal merely acts as an intermediary who receives the remittances in freely convertible foreign exchange and in as much required to comply with the requirements of the foreign exchange.

The Assessee is entitled to refund and reference to Circular No.88/07/2019-GST dated February 01, 2019, to conclude that the Assessee has not realized the amount in freely convertible foreign exchange therefore cannot be countenanced.

Eicher Motors Ltd. vs. The Superintendent of GST and Central Excise [TS-19-HC(MAD)-2024-GST]

Vague SCN, non-speaking order cancelling GST-registration quashed, HC raps Revenue for non-application of mind

DA Insights:

The Honorable High Court rightly held that the order cancelling the GST registration of the Assessee was not a speaking order which reflects non-application of mind by the authorities.

Issue:

The SCN was issued proposing to cancel its registration, the recitals in the SCN disclosed that the GST registration was liable to be cancelled as the principal place of business was not found/available at the time of field visit. The Assessee could not tender its reply to the SCN for various reasons beyond his control hence, the impugned order was passed. The Assessee filed the writ petition to contend that the action of the authorities cancelling the GST registration was arbitrary and illegal

Legal Provisions:

Section 29(2) of CGST Act, 2017

Observation and Comments:

The Honorable High Court observed and held that:

The SCN was vague and lacked material particulars such as the time and place of the field visit were not disclosed nor the details of the officials who allegedly conducted the visit have been provided.

The lack of material particulars in the SCN vitiates the same and the proceedings were liable

to be dropped moreover, the report of the officials who had allegedly visited the site of business has not been appended to the SCN nor was supplied to the Assessee.

The time period was too short and is not sufficient for any noticee to tender an effective and complete defence of its case thus, on both these grounds the SCN was vitiated and the proceedings in pursuance thereof are also liable to be set aside on this ground alone.

The cancellation order is a non-speaking order and does not reflect any application of mind hence, both the grounds go to the route of the jurisdiction of the authorities.

[KKR Industries vs. Union of India and Ors. \[TS-723-HC\(ALL\)-2023-GST\]](#)

Extended period for issuance of SCN for FY 2018-19 is valid - HC

DA Insights:

The extended period for issuance of SCN for FY 2018-19 is considered valid in the said judgment.

Issue:

The petitioner has filed a writ petition challenging a notification and a demand-cum-show cause notice issued by the respondent. The notification in question, dated 31.03.2023, extends the time limit for issuance of an order for recovery of tax not paid or short paid or input tax credit wrongly availed or utilized, relating to the period of Financial Year 2018-2019, up to 31.03.2024.

The court also allows the proceedings initiated pursuant to the show cause notice to proceed until the returnable date, but no final order shall be passed in respect of the impugned show cause notice.

Legal Provisions:

Section 73 of CGST Act, 2024 and Notification no. 09/2023 - Central Tax dated 31.03.2023

Observation and Comments:

The Honorable High Court observed and held that:

The petitioner argues that there was no COVID-19 pandemic in existence after the year 2022, and therefore, there was no occasion for the Council to extend the time limit under subsection (10) of Section 73 of the CGST Act, 2017 based on the factor of the pandemic.

The petitioner's counsel cites orders from the Hon'ble Allahabad High Court, Hon'ble Gujarat High Court, Hon'ble Punjab & Haryana High Court, and Hon'ble Madras High Court, which have granted interim protection to noticees in similar situations as the petitioner.

The court issues notice returnable on 15.03.2024 and directs the petitioner to file their reply to the show cause notice by that date.

[M/S Indus Towers Limited vs UOI & Others](#)

HC sets-aside demand order due to non-communication of SCN hearing to assessee

DA Insights:

The natural justice is not followed and accordingly honorable High Court sets aside the SCN.

Issue:

The petitioner impugns order whereby the SCN has been adjudicated and a demand created against the petitioner and submitted that the petitioner never received any communication with regard to the hearing and the communication alleged to have been sent by the respondent was sent on an incorrect e-mail address.

Legal Provisions:

Section 73 of CGST Act, 2017

Observation and Comments:

Keeping in view of the fact that petitioner was never intimated about the hearing on the show cause notice, we are of the view that the matter calls for a remit so that the petitioner can be given an opportunity of hearing.

In view of the above, the impugned order dated 21.11.2023 is set aside. The matter is remitted to the adjudicating authority to adjudicate the show cause notice dated 30.08.2022 afresh.

[Babaji Bags vs UOI \[TS-85-HC\(DEL\)-2024-GST\]](#)

Imposing the GST liability based on PAN India basis without factual basis unsustainable – HC

DA Insights:

The Honorable High Court has given mixed judgment by giving partial relief on the impugned assessment order.

Issue:

An assessment order is challenged primarily on the ground of breach of principles of natural justice and lack of jurisdiction. Pursuant to an inspection carried out by the respondent in November 2022, an intimation in Form DRC-01A was issued to the petitioner in January 2023. In response thereto, the petitioner sought further time for issuing a reply. This was followed by the show cause notice and the impugned assessment order.

Legal Provisions:

Section 73 of CGST Act, 2017

Observation and Comments:

The Honorable High Court observed and held that:

On examining the impugned assessment order, it is noticeable that the assessing officer has taken into consideration the closing balance of creditors on all India basis. Similarly, based on the profit and loss account of the petitioner, the total revenue and expenditure of the corporate entity were made the basis for imposing GST. These conclusions clearly reflect non-application of mind.

At the same time, it should be recognized that an intimation and show cause notice preceded the assessment order. There is also a time lag of about two months between the show cause

notice and the assessment order. Therefore, it follows that the petitioner was negligent in not responding to the show cause notice and participating in proceedings.

Therefore, the impugned assessment order is quashed subject to the condition that the petitioner remits 5% of the disputed tax demand as a condition for remand. The petitioner is also permitted to file a reply to the show cause notice within a maximum period of two weeks from the date of receipt of a copy of this order along with 5% of the disputed tax demand.

M/s.Ralco Synergy Pvt. Ltd. Vs JCST and Others [W .P. N o.5554 of 2024 and W.M.P.Nos.6148 & 6150 of 2024]

Order issued merely based on gap in returns without further verification are invalid – HC

DA Insights:

The assessments under section 73 or 74 should be done by verifying all the records and just not merely on the basis on gap in returns which is rightly held by Honorable High Court.

Issue:

The petitioner carries on trade in electrical products and hardware. By asserting that nil returns were erroneously and inadvertently filed in the GSTR-3B returns, the petitioner states that he is eligible for Input Tax Credit (ITC) in each of the above mentioned assessment periods and that this is duly reflected in the GSTR-2A returns. Consequently, the petitioner states that GSTR-9 (annual) returns were filed duly reflecting the ITC claims of the petitioner. By rejecting such claim, it is stated that the orders impugned herein were issued.

Legal Provisions:

Section 74 of CGST Act, 2017

Observation and Comments:

The Honorable High Court observed and held that;

When the registered person asserts that he is eligible for ITC by referring to GSTR-2A and GSTR-9 returns, the assessing officer should examine whether the ITC claim is valid by examining all relevant documents, including by calling upon the registered person to provide such documents. In this case, it appears that the claim was rejected entirely on the ground that the GSTR-3B returns did not reflect the ITC claim. Therefore, interference is warranted with

the orders impugned herein.

For reasons set out above, the orders impugned herein are quashed and these matters are remanded for reconsideration.

[M/s.Sri Shanmuga Hardwares Electricals vs The State Tax Officer \[Writ Petition Nos.3804, 3808 & 3813 of 2024 and W.M.P.Nos.4105, 4107, 4110, 4111, 4116 & 4119 of 2024 – Madras High Court\]](#)

GST Notification / Circulars/ Guidelines/ Instructions

Public Tech Platform for Frictionless Credit

CBIC has introduced the "Public Tech Platform for Frictionless Credit" as the designated system for consent-based information sharing under Section 158A of the Central Goods and Services Tax Act, 2017. This platform, conceptualized by the Reserve Bank of India and developed by its subsidiary, aims to streamline credit operations through an open architecture IT platform with standardized protocols and APIs.

Notification No. 06/2024 – Central Tax, dated 22nd February, 2024

GSTN Portal Changes

Advisory: Enhanced E-Invoicing Initiatives & Launch of Enhanced

GSTN has launched an upgraded version of the e-invoice master information portal, <https://einvoice.gst.gov.in>, featuring several new functionalities to enhance taxpayer services. New features include PAN-based search, automatic e-invoice exemption list, global search bar, daily IRN count statistics, and improved accessibility compliance.

Over 1.6 crore e-invoices were reported through the new IRP portals in the past year, showcasing system robustness. GSTN also introduced an internal health dashboard for monitoring the e-invoice ecosystem. Other initiatives include expansion of IRP portals, accessibility of e-invoicing reporting, hourly auto-population of e-invoices in GSTR-1, and e-invoice download for the past six months. An enhanced version of the e-invoice verifier app will be launched soon.

Subject: Instances of Delay in registration reported by some Taxpayers despite successful Aadhar Authentication in accordance with Rule 8 and 9 CGST, Rules, 2017-reg

In accordance with Rule 9 of the Central Goods and Services Tax (CGST) Rules, 2017, pertaining to the verification and approval of registration applications, following is informed:

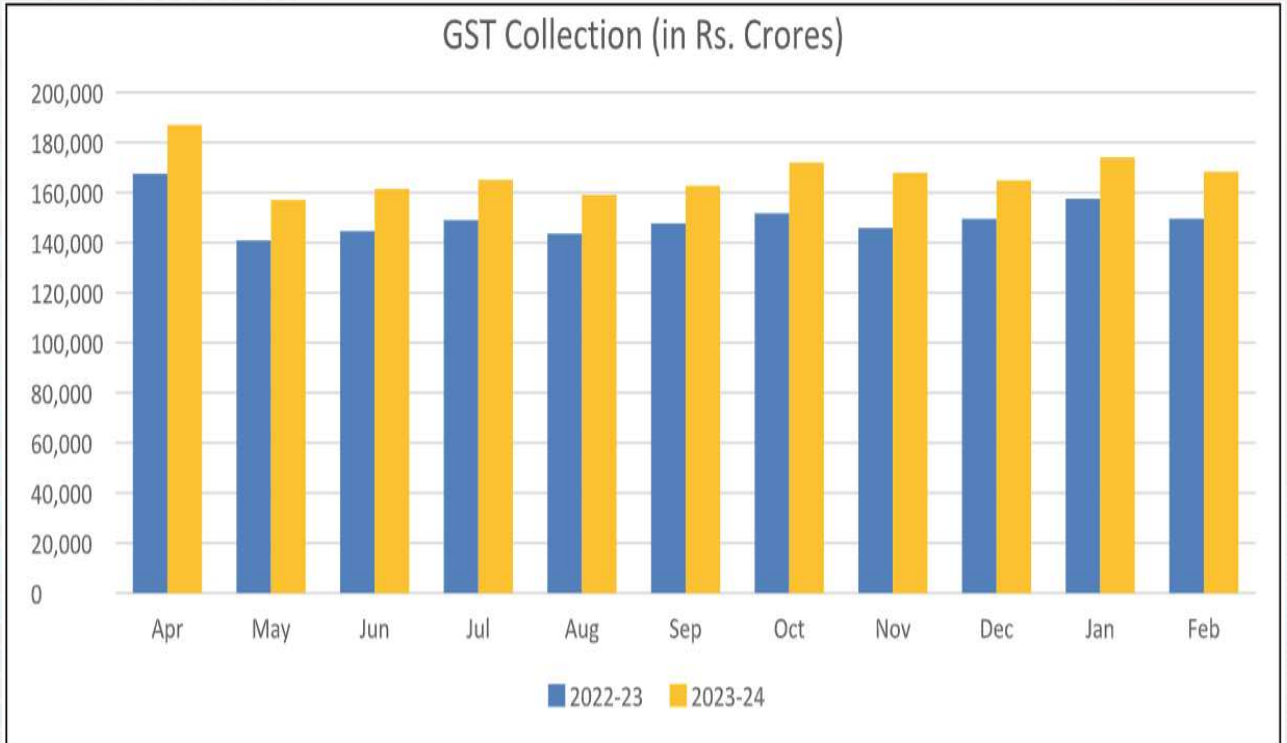
Where a person has undergone Aadhaar authentication as per sub-rule (4A) of rule 8 but has been identified in terms of Rule 9(aa) by the common portal for detailed verification based on risk profile, your application for registration would be processed within thirty days of application submission. Necessary changes would also be made to reflect the same in the online tracking module vis-à-vis processing of registration application.

Advisory: Integration of E-Waybill system with New IRP Portals

- GSTN announce the successful integration of E-Waybill services with four new IRP portals via NIC, enabling taxpayers to generate E-Waybills alongside E-Invoicing on these four IRPs.
- This new facility complements the existing services available on the NIC-IRP portal, making E-Waybill services, along with E-Invoicing, available across all six IRPs.
- Please find below the websites for all six IRP portals:

- 1) <https://einvoice1.gst.gov.in>
- 2) <https://einvoice2.gst.gov.in>
- 3) <https://einvoice3.gst.gov.in>
- 4) <https://einvoice4.gst.gov.in>
- 5) <https://einvoice5.gst.gov.in>
- 6) <https://einvoice6.gst.gov.in>

GST Revenue Collection in February - Rs. 1,68,337 Cr.



Source: PIB

Interest on delayed Excise duty Refund allowed – CESTAT

DA Insights:

The Honorable CESTAT rightly held that the appellants are entitled to claim interest from the date of payment of initial amount till the date its refund as the provisions of section 243 Income Tax Act, 1961 and section 35FF of Central Excise Act, 1944.

Issue:

The appellants are in appeal against the impugned orders wherein the interest on delayed refund i.e. from the date of deposit till payment thereof has been rejected by the authorities.

Legal Provisions:

Section 35FF of the Central Excise Act, 1944

Observation and Comments:

The Honorable CESTAT observed and held that:

On-going through the provisions of both Income Tax Act, 1961 and Central Excise Act, 1944, the interest on delayed refund is payable after expiry of 3 months from the date of granting refund or from the date of communication of order of the appellate authority, which are pari-materia. Therefore, the decision of Hon^{ble} Apex Court in the case of Sandvik Asia Ltd. (supra) is law of land, in terms of Article 14 of the Constitution of India which is to be followed.

As the Hon^{ble} Apex Court has answered the issue holding that the assessee is entitled to claim interest from the date of payment of initial amount till the date its refund. Therefore, I hold that the appellants are entitled to claim the interest on delayed refund from the date of deposit till its realization.

[M/s.Fujikawa Power and others vs CCE&ST \[Appeal No.E/60966/2019-Ex \(SM\) – CESTAT Chandigarh\]](#)

Refund is allowed on re-export of goods – CESTAT

DA Insights:

The Revenue authorities did not consider the appeal matter completely and accordingly; the case is dismissed by the Honorable CESTAT.

Issue:

The respondent had filed the refund claim under section 26A of the Customs Act, 1962 for refund of the import duties paid by them in consequence of the goods having been re-exported. It is submitted that the respondent would be eligible for drawback only and the Commissioner (Appeals) has directed for adjustment in drawback and rejected the appeal filed by the department. It is submitted that the refund claim filed under sec. 26A itself is erroneous and therefore the original authority ought not to have sanctioned refund.

and also deducted 2% of the refund amount paid for the reason that in case of drawback, the respondent would be eligible only for 98% of the refund / drawback.

There is no error in the order passed by the Commissioner (Appeals) and the impugned order does not require any interference.

Legal Provisions:

Section 26A of Customs Act, 1962

Observation and Comments:

The Honorable CESTAT observed and held that:

The refund claim having been filed under section 26A ought to be rejected as not maintainable although the respondent would be eligible for drawback as per section 74 of the Customs Act, 1962. Taking into account that the department's contention is limited to the claim of refund filed under section 26A and not the eligibility of drawback, the Commissioner (Appeals) rejected the department's appeal with a direction to the respondent to prefer a drawback claim. The respondent thereafter submitted a representation for drawback claim

[CC vs M/s. Suguna Poultry Farm Ltd. \[Customs Appeal No.41329 of 2014 – CESTAT Chennai\]](#)

Larger limitation period inapplicable for de-bonding after verification & no dues certificate issuance

DA Insights:

The issuance of SCN in non-existing section and authorities already aware of the relevant notification under which the appellant taken the benefit are adequate reason for non-applicability of larger period of limitation.

Issue:

The appellant is an 100% EOU and applied for permission for De-bonding and exit from EOU. Subsequent to the De-bonding and exit from EOU, SCN was issued to the Appellant based on audit objection, wherein it was contended that the 100% EOU had wrongly claimed the benefit of Notification no. 23/2003-CE dated 31-3-2003 while calculating the duty payable on the finished goods in stock at the time of De-bonding. It was contended that the said Notification applies only to goods cleared in DTA pursuant to DTA sales entitlement under Para 6.8 of the Foreign Trade Policy and the same does not apply to the finished goods cleared at the time of De-bonding and Order is issued against which the appeal is filed to CESTAT.

Legal Provisions:

Notification no. 23/2003-CE dated 31-3-2003

Observation and Comments:

The Honorable CESTAT observed and held that:

As per Proviso to said Section 3 (1), Excise duty on goods manufactured by a 100% EOU and brought to any place in India shall be an amount equal to aggregate of customs duties leviable on like goods

when imported into India and the value of such goods shall be as per the Customs Act 1962 and the Customs Tariff Act 1975. The said Acts do not provide for calculating the basic customs duty on the local Maximum Retail price (MRP) but require adoption of the transaction value as per Section 14 of the Customs Act 1962.

As regards the CVD, the Principal Commissioner has wrongly calculated the same on MRP instead of MRP less abatement under Notification No. 49/2008-CE (NT) dated 24-12-2008. Accordingly, the value taken for calculation of CVD is also ex-facie erroneous.

Even otherwise, the SCN, which is purportedly issued under Section 11A (5) of the Central Excise Act 1944 was not maintainable in law since the said Section 11A (5) stood omitted with effect from 14-05-2015. The show cause notice having been issued under a non-existing provision is not maintainable in law.

It is evident from the letter that the department was fully aware of availing of notification No.23/2003- CE. Therefore, the larger period of limitation is inapplicable in the present case and impugned order is not tenable and is liable to be set aside. Accordingly, the impugned order is set aside.

[Contacare Ophthalmics and Diagnostics and others vs CCE&ST \[EXCISE Appeal No. 11611 of 2016-DB\]](#)

Pre-deposit is mandatory to file appeal before CESTAT

DA Insights:

The Honorable CESTAT rightly held that after the introduction of Section 35F w.e.f 6.8.2014, there is no power to waive the pre-deposit.

Issue:

The appellant in this case did not make the required predeposit for the appeal, as mandated by Section 35F of the Central Excise Act, 1944 read with Section 83 of the Finance Act, 1994. The appellant argued that they have a cenvat credit balance as of June 2017, which they requested to be considered as payment towards the predeposit. They stated that they were unable to carry forward this credit to the GST regime due to various reasons.

Legal Provisions:

Section 35F of the Central Excise Act, 1944 read with Section 83 of the Finance Act, 1994

Observation and Comments:

The Honorable CESTAT observed and held that:

The predeposit varied from case to case and the Tribunal could also waive the requirement to make predeposit in deserving cases. However, after the introduction of Section 35F w.e.f 6.8.2014, there is no power to waive the predeposit. So also, the amount to be deposited is fixed and prescribed by the statute. The payment of predeposit being mandated by the statute, the appeal cannot be entertained/admitted without predeposit.

The Tribunal held that the appellant must make the predeposit and that the adjustment from the cenvat credit account cannot be allowed. They stated that the cenvat credit availed under the erstwhile law cannot be retained as cenvat credit after the introduction of the Cenvat Credit Rules,

2017.

The Tribunal granted the appellant one month's time to make the predeposit and scheduled a compliance report for a later date.

M/s.Logical Logistics Private Limited vs CGST&E [DEFECT DIARY NO.41139/2023 (ST) – CESTAT Chennai]

Customs Notification / Circulars / Guidelines / Instructions

Procedure for filing and processing of Bill of Entry amendment requests

The notice outlines the procedure for filing and processing amendment requests for Bill of Entry in customs, citing relevant regulations and advisories. It clarifies the avenues for filing amendments online through the Common Portal or Service Centre, categorizing amendments into self-approval and officer approval types. The notice specifies scenarios and documents required for various types of amendments and emphasizes the discontinuation of pre-approval processes. It also highlights the importance of genuine amendment requests and urges officers to promptly address pending requests.

[Public Notice No. 13/2024 - JNCH, dated 23rd February, 2024](#)

Mandatory Qualifiers in Import/Export Declarations (JNCH)

The notice cites Board's Circular No. 15/2023, which requires more detailed product information in import/export declarations. The notice aims to reduce queries, improve efficiency, minimize delays, inform policymaking, and ease of doing business. The notice affects various stakeholders involved in import/export activities at JNCH, including importers, exporters, customs brokers, general trade, port terminal operators, shipping lines/shipping agents, and container freight stations.

[Public Notice No. 20/2024 -JNCH, dated 28th February, 2024](#)

Merchanting Trade in Foreign Country Allowed, Except CITES/SCOMET Goods

The amendment extends permission for merchanting trade to include shipments within one specific foreign country, allowing Indian intermediaries to participate. Compliance with RBI guidelines is mandatory, with exceptions for goods listed in the CITES Appendices or under SCOMET. The amendment reflects the government's efforts to enhance and adapt foreign trade policies for a more efficient global trade environment.

[Notification No. 62/2023 - DGFT, dated 29th February, 2024](#)

Suspension of Inoperative SIONs by DGFT

The DGFT by the Notice announcing the suspension of inactive Standard Input-Output Norms (SION) effective from April 1, 2024. Under paragraph 1.03 and 2.04 of the Foreign Trade Policy, the suspension of specific SIONs listed in Annexure "A" unless representations for reinstatement are submitted by March 15, 2024, via email to "dgft@nic.in". This decision signals a move towards streamlining trade policies and fostering efficiency in foreign trade frameworks. Businesses impacted are advised to review existing norms and submit representations for affected SIONs promptly.

[Public Notice No. 44/2024 - DGFT, dated 22nd February, 2024](#)

Customs Notification / Circulars / Guidelines / Instructions

DGFT Policy Circular: Relief in Average Export Obligation for Declining Sectors

Policy Circular No. 10/2023-2024 issued by the Directorate General of Foreign Trade (DGFT) introduces relief measures for sectors experiencing a decline in exports. Based on Para 5.17 of the Handbook of Procedures (HBP) of FTP, 2023, the circular adjusts the Average Export Obligation (EO) proportionately to the reduction in exports for specific sectors. Regional Authorities are directed to re-fix the Annual Average EO for EPCG Authorizations accordingly, with consideration of earlier Policy Circulars before issuing demand notices or EODC. This initiative reflects the government's proactive support for affected sectors and aims to mitigate the economic impact of export decline.

[Public Circular No. 10/2023-24 - DGFT, dated 22nd February, 2024](#)

Promoting Women's Engagement in International Trade

Circular No. 2/2024-Customs by India's Ministry of Finance stresses the importance of women's participation in global trade, building on previous directives. It calls for their representation in trade committees like PTFC and CCFC and advocates for agenda points reflecting women's perspectives. The circular encourages establishing help desks for women traders and offers training opportunities for their upskilling. This initiative aims to foster gender equality and empowerment in international trade, benefiting both women and trade efficiency.

[Circular No. 2/2024 - Customs, dated 8th March, 2024](#)

Amendment for Import of Inputs Subjected to Quality Control Orders by Advance Authorisation Holders and EOUs

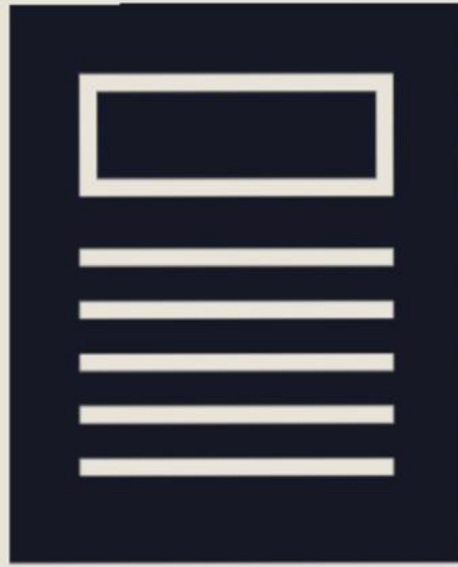
The Notification introduces amendments to the Foreign Trade Policy (FTP) 2023 regarding the import of inputs subjected to Quality Control Orders (QCOs) by Advance Authorisation holders and EOUs. The amendments provide conditions for importing inputs without compliance to mandatory QCOs, including pre-import conditions, endorsement of exemption, and regularization of unutilized imports. The exemption from QCOs is applicable only for physical exports and not for deemed exports.

[Notification No. 69/2023 - Customs, dated 7th March, 2024](#)

Extension of RoDTEP Support for Exporters and Revised Implementation Dates

The Government of India extends RoDTEP support for exports by Advance Authorisation (AA) holders, Export Oriented Units (EOU), and Special Economic Zones (SEZ) units until 30th September 2024. Amendments to the Foreign Trade Policy include deletion of ineligible supplies under the scheme, addition of Appendix 4RE for AA holders, EOU, and SEZ units, and revisions in RoDTEP rates for 25 HS codes. Implementation dates are specified for different categories of exporters, with SEZ units awaiting IT integration with ICEGATE. The RoDTEP scheme, initially extended till June 2024, is further extended till September 2024.

[Notification No. 70/2023 - Customs, dated 8th March, 2024](#)



DA NEWS

Driven by Quality, Powered by Ideation

Goods and Services Tax

- Transfer of land development rights on a Joint Development Agreement for residential projects to attract GST, rules Telangana HC
- GST anti-profiteering: Supreme Court issues notice to Centre
- GST raids expose retail chain's over Rs.100 crore tax evasion in Hyderabad
- New GST On Online Gaming to Yield USD 1.7 Billion for India
- E-invoicing to pave the path for India at 100's economic resilience

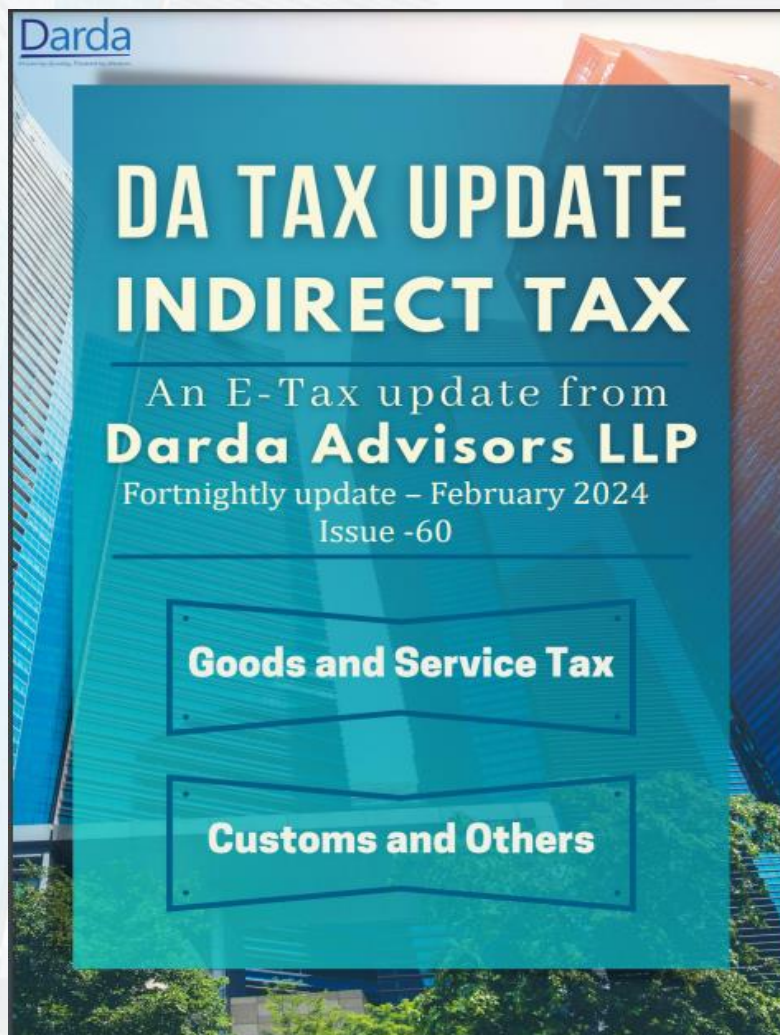
Customs and other

- India pitches re-examination of customs duties moratorium on e-commerce
- Trade diplomacy: Govt depts red-flag high duties to curb China imports, seek nuance in strategy
- India to raise customs hike with B'desh
- Government to review customs duties on manufacturing inputs

DA Updates and Articles for the month of February 2024

DA - Indirect Tax Fortnightly Update – February 2024

https://dardaadvisors.com/wp-content/uploads/2024/02/DA-Indirect-Tax-Fortnightly-Update_February-2024F.pdf



DA Updates and Articles for the month of February 2024

DA Newsflash (SEZ): Plan to include SEZs and EOUs in the RODTEP Scheme

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da@dardaadvisors.com

Our Locations

Hyderabad

6-3-1086, 5th Floor, Vista Grand Towers, Raj Bhavan Road, Somajiguda, Hyderabad - 500082, TS

Chennai

13, T.K. Mudali Street, Choolai, Chennai - 600112, Tamil Nadu

Delhi-NCR

N 93, Ground floor, Mayfield garden, Sector 51, Gurgaon, Haryana - 122018

Bhilwara

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