

DA TAX ALERT INDIRECT TAX

AN E-TAX ALERT FROM
Darda Advisors LLP

December 2024

Issue: 55

**GST COMPLIANCE
CALENDER**

**GOODS AND
SERVICE TAX**

**CUSTOMS AND
OTHER**

DA NEWS

PREFACE

We are pleased to present to you the Fifty-Fifth 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 November 2024.

During the month of November 2024, there were certain changes under Goods and Service Tax, Customs and other; key judgments and rulings such as Reassessment of ITC Eligibility under Amended Section 16 of CGST Act and HC Quashes Enhanced Customs Duty Valuation, Reaffirms Importer's Right to Challenge Reassessment.

In the Fifty-Fifth 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 November 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

Follow us- <https://lnkd.in/dc4fRzn>

GST COMPLIANCE CALENDAR

December
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

Reassessment of ITC Eligibility under Amended Section 16 of CGST Act

DA Insights:

This judgment reinforces the adaptability of tax authorities to statutory amendments, emphasizing fair reassessment processes. Businesses can take note of the evolving regulatory landscape and seek relief for previously disallowed claims where new provisions are applicable.

Issue:

The petitioner challenged the denial of Input Tax Credit (ITC) for financial years 2018-19 and 2019-20 under Section 16(4) of the CGST/SGST Acts, contending that the newly inserted Section 16(5) made him eligible for the ITC.

Legal Provisions:

Section 16(4)(5), CGST Act

Observation and Comments:

The Kerala High Court, presided by Justice Gopinath P., addressed the petitioner's grievance over the denial of ITC based on procedural limitations under Section 16(4). The Court noted the petitioner's argument that Section 16(5), introduced through the Finance (No. 2) Act, 2024, rendered him eligible for ITC even for periods previously disallowed.

Observing that the provisions of Section 16(5) were not considered in earlier orders, the Court quashed the impugned orders denying ITC and directed the competent authority to reassess the matter.

The Court mandated that fresh orders be passed within three months, considering the provisions of Section 16(5) and ensuring the petitioner is afforded an opportunity for a hearing. This decision acknowledges the retrospective implications of the amended provisions, aligning justice with legislative intent.

[Louis Mathew Antony vs. State Tax Officer & Ors. \[TS-764-HC\(KER\)-2024-GST\]](#)

Challenge to Retrospective GST Registration Cancellation

DA Insights:

This judgment underscores the importance of adherence to natural justice principles in tax proceedings, highlighting procedural fairness and proper communication as essential safeguards for taxpayers.

Issue:

The petitioner challenged the retrospective cancellation of its GST registration by the department, citing failure to receive proper notices and violation of natural justice principles.

Legal Provisions:

Section 29(2) & 107, CGST Act

Observation and Comments:

The Bombay High Court noted that the petitioner's GST registration was initially revoked for failing to update bank details, later restored, and subsequently cancelled again on the petitioner's request, effective November 30, 2021. However, the department entertained an appeal to cancel the registration retrospectively from July 1, 2021, without serving proper notices or granting a hearing to the petitioner.

The Court observed procedural lapses, particularly that the Show Cause Notices were issued after the registration was already cancelled, and no hearing was provided to the petitioner before passing the impugned order. Emphasizing the principles of natural justice, the Court set aside the appellate order and remanded the matter to the Deputy Commissioner of State Tax for fresh consideration. It also directed that future notices to the petitioner be served via email to ensure transparency and compliance.

Vindu Trading vs. Office of Deputy Commissioner & Ors. [TS-766-HC(BOM)-2024-GST]

Validity of Pre-Deposit via Electronic Credit Ledger Under GST

DA Insights:

This case highlights the Court's interpretation of the word "may" in tax statutes and its support for the flexibility in utilizing ITC for tax liabilities, broadening the scope for taxpayers in similar disputes. The ruling also clarifies procedural aspects of the appeal process and pre-deposit requirements under GST laws.

Issue:

Whether the pre-deposit made through the Electronic Credit Ledger (ECrL) should be accepted by the Revenue, and whether Ford India Limited's appeal could be rejected due to this mode of payment.

Legal Provisions:

Section 49(4) & 107(6) of the TNGST Act, 2017

Observation and Comments:

The Madras High Court ruled in favor of Ford India Limited, quashing the order that rejected its appeal based on the mode of payment through the Electronic Credit Ledger (ECrL). The Court examined the word "may" in Section 49(4) of the TNGST Act, which implied that using ECrL for the pre-deposit was permissible. If "shall" were used instead of "may," the interpretation would have been stricter. The Court also noted that, according to Section 107(6), the pre-deposit can be used for output tax liability and that the circular issued by the CBIC allowed the use of ITC to cover self-assessed output tax as well as any tax liability resulting from GST proceedings. The appeal was deemed valid, and the Revenue was directed to accept it.

The Court dismissed the Revenue's reliance on the Flipkart case, which had been stayed by the Supreme Court. The judgment also referenced

the Patna High Court's decision in Friends Mobile, reinforcing the position that pre-deposits via the Electronic Credit Ledger were valid. The Court concluded that Ford India's appeal should be accepted, and the pre-deposit method via ECrL was legally justified.

[Ford India Limited vs Joint Commissioner \(GST Appeals\) and Others \[TS-772-HC\(MAD\)-2024-GST\]](#)

Refund of IGST on Ocean Freight Allowed Despite Statutory Limit

DA Insights:

This judgment underscores the judiciary's approach to balancing constitutional principles with practical realities in refund claims arising from unconstitutional levies. It reinforces taxpayers' rights to seek redress for unconstitutional tax collections, even beyond statutory timelines.

Issue:

Whether the refund of IGST paid on ocean freight, filed after the statutory two-year period, is valid in light of the Supreme Court's judgment declaring such levy unconstitutional.

Legal Provisions:

Notification No. 8/2017-IT(Rate) and 10/2017-IT(Rate) and Article 226 of the Constitution of India

Observation and Comments:

The Gujarat High Court allowed the refund of IGST paid on ocean freight by the petitioner, holding that the levy was unconstitutional as per the Mohit Minerals case. The Court recognized that refund claims could only arise after the notifications were conclusively struck down in 2022, making earlier compliance with the two-year statutory limit impractical. It referred to the Supreme Court's Mafatlal decision, which categorized unconstitutional levies as eligible for refunds via writ jurisdiction under Articles 32 and 226.

The Court ruled that the petitioner filed the refund application within a reasonable time post the final judgment and, therefore, it could not be deemed time-barred. The rejection orders by the revenue authorities were quashed, and the petitioner's writ was allowed.

[H K Enterprise vs Union of India & Others \[TS-778-HC\(GUJ\)-2024-GST\]](#)

HC Rules Procedural ITC Errors as Revenue-Neutral, Exempts Assessee from Penalty under CGST Act

DA Insights:

This judgment highlights the importance of distinguishing procedural errors from substantive violations in ITC claims. It also reinforces the need for a uniform approach across states to avoid unnecessary litigation.

Issue:

Whether an Assessee can be penalized under Section 73 of the CGST Act for availing ITC as CGST and SGST instead of IGST in an inter-state transaction, especially in a revenue-neutral situation.

Legal Provisions:

Section 73 of the CGST Act

Observation and Comments:

The Kerala High Court observed that the mistake of availing ITC as CGST and SGST instead of IGST was inadvertent and did not result in any revenue loss. The Court relied on a Karnataka Revenue Officer's decision in a similar case, which treated such errors as revenue-neutral and not warranting penal proceedings.

The Court noted that there was no outward supply attracting IGST in this case, and therefore, the Assessee could not be deemed to have availed excess credit. It emphasized procedural fairness, directing that proceedings under Section 73 of the CGST Act were unnecessary. The judgment also recommended the GST Council address such concerns to ensure seamless revenue-sharing between states.

[*Rejimon Padickapparambil Alex vs Union of India & Ors \[TS-781-HC\(KER\)-2024-GST\]*](#)

HC Allows Retrospective ITC Claim, Overrides Procedural Delay in Appeal Filing

DA Insights:

This ruling highlights the judiciary's preference for substantive justice over procedural rigidity, especially in cases involving retrospective legislative amendments. It underscores the importance of providing taxpayers a fair opportunity to claim legitimate benefits.

Issue:

Whether the assessee can claim credit retrospectively under Section 16(5) of the Karnataka GST Act, as inserted by the Finance (No. 2) Act, 2024, and whether a delay in filing an appeal can be condoned under Section 107(4) of the KGST Act.

Legal Provisions:

Section 16(5) & 107(4) of the KGST Act

Observation and Comments:

The Karnataka High Court observed that the assessee was entitled to claim input tax credit (ITC) retrospectively under Section 16(5) of the KGST Act, introduced by the Finance (No. 2) Act, 2024. The Court emphasized that the retrospective amendment provided relief for claims filed up to November 30, 2021, for specific financial years.

The Court set aside the appellate order rejecting the condonation of delay under Section 107(4). While the procedural aspect of delay was not addressed in detail, the Court granted relief based on substantive entitlement under the amended law. It directed the authorities to revert the matter to the show-cause notice stage and adjudicate the ITC claim in light of the retrospective amendment, granting the assessee a fair opportunity to present its case.

Varshini Lift Tech & Earth Movers vs. Assistant Commissioner & Ors. [TS-787-HC(KAR)-2024-GST]

HC Upholds Blocked ITC Provisions, Directs Petitioners to Adjudicate Case on Merits

DA Insights:

The Gujarat HC's judgment reinforces the need for fact-based adjudication of blocked credit provisions under the CGST Act. Petitioners must demonstrate the relevance of these provisions in their specific business context. The ruling aligns with the Supreme Court's view that blocked credit issues should be addressed in the proper adjudicatory forum.

Issue:

The petitioners challenged the constitutional validity of Section 17(5)(c) and (d) of the Central Goods and Services Tax (CGST) Act, 2017, which restricts Input Tax Credit (ITC) on certain goods and services.

Legal Provisions:

Section 17(5)(c) and (d) of the CGST Act, 2017

Observation and Comments:

The Gujarat High Court heard the petitioners' challenge to the blocked credit provisions under Section 17(5) of the CGST Act, specifically Clauses (c) and (d), which prevent the input tax credit on certain goods and services. The petitioners cited the Supreme Court's decision in *Safari Retreats Pvt. Ltd. (Civil Appeal No. 2948 of 2023)*, which upheld the constitutional validity of these provisions. The court noted that the interpretation of the provisions does not require any reading down, and the challenge against their constitutionality was not substantiated. The petitioners were allowed to approach the respondent authority to demonstrate, based on facts, whether the blocked credit provisions apply to their case.

In line with the Supreme Court's decision, the Gujarat High Court directed the petitioners to comply with the show cause notice and have the matter adjudicated on merits. It was emphasized that each case must be decided on its specific facts, particularly using the functionality test to determine if the construction of immovable property, such as a building, qualifies as "plant" under Section 17(5)(d). The court thus disposed of the petition with the liberty for the petitioners to demonstrate their case during the adjudication process.

[Sankalp IN & Anr. vs. Union of India & Ors. \[TS-788-HC\(GUJ\)-2024-GST\]](#)

GST Notification / Circulars / Guidelines / Instructions

CBIC Appoints Common Adjudicating Authorities for DGGI Show Cause Notices

CBIC's Notification No. 28/2024-Central Tax, issued on November 27, 2024, appoints designated officers to adjudicate show cause notices issued by DGGI under sections 73, 74, 122, 125, and 127 of the CGST Act. The notices, related to alleged GST violations, were issued between September 2 and 15, 2023. The appointed adjudicating authorities include Joint or Additional Commissioners from CGST and Central Excise Commissionerates, ensuring streamlined and consistent resolution of tax disputes.

Notification No. 28/2024 – Central Tax, dated 27th Nov, 2024

Amendments to GSTAT Jurisdictions and Seating Arrangements

The Ministry of Finance, in its notification dated November 26, 2024, introduced amendments to Section 109 of the Central Goods and Services Tax Act, 2017. The revisions affect the jurisdiction and seating arrangements of the Goods and Services Tax Appellate Tribunal (GSTAT) across India. Key changes include the swapping of jurisdictions between Varanasi and Prayagraj in Uttar Pradesh, and between Jalandhar and Chandigarh in Punjab and Chandigarh. The notification also specifies district-wise jurisdictions for state benches in several states, such as Andhra Pradesh, Gujarat, Maharashtra, and Tamil Nadu. The update aims to improve the efficiency of the appellate process by clearly defining the territorial boundaries for each GSTAT state bench.

Notification No. S.O. 5063(E), dated 26th Nov, 2024

GSTN Portal Changes

Advisory for Reporting TDS Deducted by Scrap Dealers in October 2024

In light of Notification No. 25/2024-Central Tax, which mandates TDS deduction by registered persons receiving metal scrap supplies from another registered person, the Ministry of Finance has issued an advisory. The advisory addresses a technical issue where taxpayers who registered in October 2024 could not report TDS for that month due to delayed GST registration approval. To resolve this, taxpayers who received registration in November 2024 but deducted TDS in October 2024 are instructed to report the consolidated TDS amount for the period from October 10, 2024, to November 30, 2024, in the GSTR-7 return for November 2024.

Advisory for Biometric-Based Aadhaar Authentication and Document Verification for GST Registration Applicants in Madhya Pradesh

Madhya Pradesh has implemented biometric-based Aadhaar authentication and document verification for GST registration applicants, as per the amended Rule 8 of the CGST Rules, 2017. Applicants will receive an email after submitting Form GST REG-01 with a link either for OTP-based Aadhaar authentication or for booking an appointment at a GST Suvidha Kendra (GSK) for biometric authentication and document verification. Those required to visit a GSK must carry specific documents, including Aadhaar and PAN cards, as well as the original documents uploaded during registration. The GSK appointment must be scheduled within the allowed time frame, and ARNs will be generated once the process is completed.

Advisory on Biometric-Based Aadhaar Authentication and Document Verification for GST Registration in Ladakh

GST registration applicants in Ladakh are now subject to biometric-based Aadhaar authentication and document verification under amended Rule 8 of the CGST Rules, 2017. The process involves OTP-based or biometric Aadhaar authentication and may require appointment booking at a GST Suvidha Kendra (GSK). Applicants must carry original documents for verification, including Aadhaar and PAN cards, and follow the guidelines provided in email notifications for appointment scheduling and GSK visits.

GST Collection

Rs 1,82,269 crore gross GST revenue collected for November 2024

GST Gross and Net Collections as on 30/11/2024 (Amount in crores)						
GST Collections	Monthly			YTD		
	Nov-2023	Nov-2024	% Growth	Nov-2023	Nov-2024	% Growth
A	B	C	D = C/B-1	E	F	G = F/E-1
A.1. Domestic	B	D	E = D/C-1	G	H	I = H/G-1
CGST	30,420	34,141		2,46,265	2,71,514	
SGST	38,226	43,047		3,09,003	3,37,412	
IGST	47,810	50,093		3,58,901	4,02,056	
CESS	11,239	12,398		87,179	93,835	
Gross Domestic Revenue	1,27,695	1,39,678	9.4%	10,01,348	11,04,817	10.3%
A.2. Imports						
IGST	39,198	41,736		3,23,039	3,44,260	
CESS	1,036	855		8,053	7,635	
Gross Import Revenue	40,234	42,591	5.9%	3,31,092	3,51,894	6.3%
A.3. Gross GST Revenue(A.1+A.2)						
CGST	30,420	34,141		2,46,265	2,71,514	
SGST	38,226	43,047		3,09,003	3,37,412	
IGST	87,009	91,828		6,81,940	7,46,316	
CESS	12,274	13,253		95,231	1,01,469	
Total Gross GST Revenue	1,67,929	1,82,269	8.5%	13,32,440	14,56,711	9.3%

Link:

https://tutorial.gst.gov.in/downloads/news/approved_monthly_gst_data_for_publishing_nov_2024.pdf

HC Quashes Enhanced Customs Duty Valuation, Reaffirms Importer's Right to Challenge Reassessment

DA Insights:

The decision reaffirms the right of the importer to challenge valuation decisions when the proper officer fails to demonstrate reasonable doubt based on independent and cogent evidence.

Issue:

The case concerns the reassessment of the customs duty on polyester knitted fabrics imported by the assessee. The challenge was to the enhanced valuation of goods by the proper officer under Section 17(5) of the Customs Act, 1962, despite the absence of a “reason to doubt” the declared value, and the failure to issue a show cause notice or a speaking order.

Legal Provisions:

Section 17(5) of the Customs Act, 1962 and Rule 12 of the Customs Valuation Rules, 2007

Observation and Comments:

The Delhi High Court quashed the CESTAT's decision that had upheld the reassessment of the import value based on the proper officer's evaluation. The court emphasized that the exchange of communications between the importer and the Customs authorities did not amount to the importer waiving its right to a show cause notice or a speaking order under the Customs Act. The HC ruled that the proper officer's failure to establish a reasonable doubt about the declared value was a critical flaw in the reassessment process. The court pointed out that the officer could not base the enhancement of value solely on National Import Database

(NIDB) data without independent evidence. Furthermore, it held that a reassessment must be based on cogent and independent evidence, and any concession made by the importer could not deprive them of their right to question the correctness of the valuation decision.

The HC restored the First Appellate Authority's (FAA) ruling in favor of the importer, noting that merely clearing the goods at a higher value under protest did not waive the right to challenge the reassessment. The court also reaffirmed the statutory obligation of the Customs officer to pass a speaking order and form a reasoned opinion based on the available evidence. It emphasized that the reassessment process under Section 17(5) and Rule 12 of the Customs Valuation Rules required a two-step inquiry, including the formation of a reasoned opinion and communication of that opinion to the importer for further clarification. In light of these findings, the HC allowed the appeal in favor of the importer.

[Niraj Silk Mills vs. Commissioner of Customs \[TS-580-HC-2024\(DEL\)-CUST\]](#)

HC Quashes 26-Year-Old Customs Recovery Notice Due to Inordinate Delay

DA Insights:

This case reaffirms the principle that even when the law does not specify a limitation period, actions by authorities must be taken within a reasonable time. An unexplained delay of 26 years renders proceedings legally unsustainable.

Issue:

Whether the recovery notice issued after 26 years for non-submission of an Export Obligation Discharge Certificate under Section 143 of the Customs Act, 1962, is barred by delay and constitutes unreasonable action.

impermissible. It held that the delay was neither explained nor justified, and there were no allegations of fraud or suppression to extend the reasonable period. The recovery notice was quashed, and the petition was allowed in favor of the petitioner.

Legal Provisions:

Section 28 & 143 of the Customs Act, 1962

Observation and Comments:

The Bombay High Court quashed the recovery notice dated December 15, 2022, issued by the Customs Department, holding that proceedings initiated after 26 years were barred by inordinate and unexplained delay. The court noted that while Section 143 of the Customs Act does not prescribe a limitation period, actions must be initiated within a "reasonable period." Drawing guidance from Section 28 of the Act, which provides a five-year limit in cases of fraud or suppression, the court emphasized that 26 years was far beyond a reasonable timeframe.

The court relied on the Supreme Court's judgment in *Union of India vs. Citi Bank* and its own decision in *Coventry Estates Pvt. Ltd.* to conclude that adjudication proceedings delayed to such an extent are unreasonable and

[*Mahindra and Mahindra Ltd. vs. Union of India \[WP No. 4339 of 2024\]*](#)

Customs Duty Refund: Tribunal Clarifies Unjust Enrichment and Interest Timeline in Refund Claims

DA Insights:

This case underscores the significance of documentary evidence, like a Chartered Accountant's certificate, in refund claims. It also reaffirms the timeline for calculating interest on refunds, ensuring accountability in refund processes.

Issue:

- Whether the refund of duty paid on short landing of imported goods is subject to unjust enrichment.
- Whether interest on refund is payable from three months of filing the refund application or from the date of the Commissioner (Appeals) order.

Legal Provisions:

- Section 11B of the Customs Act, 1962 (pertaining to refunds).
- Section 11BB of the Customs Act, 1962 (relating to interest on delayed refunds).

Observation and Comments:

The Tribunal observed that the refund of duty paid on goods that did not land in India cannot attract unjust enrichment. It noted that the duty amount was reflected as receivable in the books of accounts, supported by a Chartered Accountant's certificate, demonstrating that the incidence of duty was not passed on. Relying on its earlier decision in *Petronet LNG Ltd. (2012)* and other precedents, the Tribunal upheld the Commissioner (Appeals) decision allowing the refund without unjust enrichment.

Regarding the claim for interest, the Tribunal relied on the Supreme Court's ruling in *Ranbaxy Laboratories Ltd.* which establishes that interest under Section 11BB is payable from three months after the filing of the refund application. It rejected the Revenue's argument based on the now-overturned Gujarat High Court decision in *Manisha Pharmo Plast Pvt. Ltd.* Consequently, the Tribunal directed that interest on the refund should be granted from three months post-application.

[Commissioner of Customs, Ahmedabad vs. Petronet LNG Ltd., Final Order No. 12365-12367/2024](#)

HC Quashes Revenue's Recovery Certificate and Lifts Attachment of Deceased Director's Property

DA Insights:

This judgment clarifies the limitations on the Revenue's ability to recover dues from a deceased director. The Court reiterates that personal liability for company dues cannot be attributed to a director after death unless there is clear evidence of neglect or breach of duty.

Issue:

The issue in this case was whether the recovery proceedings initiated by the Revenue for the outstanding dues of a company from the property of its deceased director were legally sustainable.

Legal Provisions:

Section 53(3) of the Gujarat Value Added Tax (VAT) Act

Observation and Comments:

The Gujarat High Court observed that the recovery certificate and the attachment of the residential premises of the deceased ex-director were issued in violation of the legal prerequisites for recovery under Section 53(3) of the VAT Act and Section 18 of the CST Act. These provisions stipulate that for dues to be recovered from the director's property, the director must have been involved in gross neglect, misfeasance, or breach of duty in relation to the affairs of the company.

In this case, the director had already resigned and passed away before the recovery proceedings began. The Court noted that proceedings against a deceased individual were not legally viable, as it was impossible to provide an opportunity for hearing to the deceased director. The Court further explained that the director could not be held personally liable for the company's sales tax dues, particularly when there was no evidence of negligence or misfeasance. Consequently, the

Court quashed the recovery certificate and lifted the attachment on the deceased director's property. This judgment followed earlier decisions in cases like C.V. Cherian, Sadhna Ramchandra Jeswani, and Shankar Rudra, reinforcing that posthumous recovery against a director is not legally permissible without proper grounds.

Preeti Rajendra Barbhaya Vs State of Gujarat & ors

High Court Rules Pre-Deposit Refundable Post-Insolvency Resolution Under IBC

DA Insights:

This ruling reinforces the principle that claims of the Revenue are extinguished upon approval of the resolution plan under the IBC, even if the claims were not lodged during the resolution process. The case also highlights the significance of the NCLT's orders in binding the Revenue on the issue of extinguished dues.

Issue:

The issue is whether the pre-deposit made by the assessee during the pendency of appeals before CESTAT is refundable after the initiation of the insolvency proceedings under the Insolvency and Bankruptcy Code (IBC) and the subsequent approval of the resolution plan.

Legal Provisions:

Section 31 of the Insolvency and Bankruptcy Code, 2016 (IBC)

Observation and Comments:

The Jharkhand High Court allowed the appeals filed by the assessee against the rejection of the refund of the pre-deposit amount. The court observed that the claims of the Revenue against the assessee, relating to a period prior to the initiation of insolvency proceedings, had "stood extinguished" as these claims did not form part of the approved resolution plan. The judgment cited Section 31 of the IBC and the Supreme Court's decisions in Ghanashyam Mishra & Sons and Ruchi Soya Industries. The Court clarified that the pre-deposit amounts retained by the Revenue amounted to unjust enrichment since the tax liabilities had already been extinguished by the resolution process under IBC.

Further, the Court observed that the orders passed by the NCLT had attained finality and were

binding on the Revenue, effectively extinguishing the Revenue's claims. The court therefore quashed the order rejecting the refund and directed the refund of the pre-deposit amount along with statutory interest.

[Orissa Manganese and Minerals Ltd. vs. Commissioner, CGST, TS-565-HC-2024\(JHAR\)-EXC](#)

Customs Notification / Circulars / Guidelines / Instructions

Extension for Manual Filing of IGCR-3 Monthly Statement until January 2025

In response to challenges faced by importers in electronically filing the IGCR-3 monthly statement, the CBIC has issued Circular No. 25/2024-Customs, granting an extension to allow manual submissions until January 31, 2025. From February 2025 onwards, online filing will be compulsory. To aid in the transition, an Excel utility will be made available by DG Systems, CBIC by December 15, 2024, enabling importers to submit their IGCR-3 statements electronically for both current and previous periods. Importers are encouraged to utilize the tool for efficient electronic filing.

[Circular No. 25/2024 - Customs, dated 21st Nov, 2024](#)

Clarifications on Applicability of Concessional Duty under IGCR Rules, 2022

The Circular provides clarifications on the applicability of concessional duty under the IGCR Rules, 2022 for the MOOWR (Manufacture in Other than Warehouse) Scheme. It addresses concerns regarding the simultaneous availment of IGCR benefits and duty deferment under MOOWR, confirming that MOOWR units can avail both benefits, provided they comply with the conditions of both schemes. Additionally, the circular clarifies that goods imported by MOOWR units for value addition and subsequent supply to cellular mobile phone manufacturers are eligible for concessional duty under IGCR, as long as all other conditions are met.

[Circular No. 26/2024 - Customs, dated 21st Nov, 2024](#)



DA NEWS

Driven by Quality, Powered by Ideation

Goods and Services Tax

- GST on cigarettes, tobacco, aerated beverages may be hiked to 35%; GST Council decision on Dec 21
- 55th GST Council Meeting: Reforms in inverted duty structure awaited
- Insurance premiums may drop if GST Council decides to reduce taxes: FM
- Faster ITC claim: Now suppliers can see & take action on whether buyer rejected the invoice or accepted it on the new IMS portal of GST
- GST Evasion Of Rs 25,000 Crore Revealed In Major Crackdown On 18,000 Bogus Companies

Customs and other

- SC restores DRI's key powers; Rs 20K cr Customs duty recovery back on track
- CBIC relaxes norms for Customs Cargo Service Providers
- Sun Pharmaceutical faces over ₹76 cr in penalties from customs for product misclassification
- GST, customs, excise case hearings to be virtual by default now: Expert views on pros and cons

DA Updates and Articles for the month of November 2024

DA - Indirect Tax Fortnightly Update – November 2024

Link: https://dardaadvisors.com/wp-content/uploads/2024/11/DA-Indirect-Tax-Fortnightly-Update_November-2024.pdf

DA Newsflash (DGFT): Clarification on RCMC Requirements for Post-Export Remission

Link: <https://www.linkedin.com/feed/update/urn:li:activity:7260581519264489473>

DA Newsflash (Customs): Supreme Court Validates DRI Authority to Issue Show-Cause Notices under Section 28 of the Customs Act, 1962

Link: <https://www.linkedin.com/feed/update/urn:li:activity:7260635911468523520>

DA Newsflash (Central Excise) - SC upheld ITC eligibility on Telecom Infra

Link: <https://www.linkedin.com/feed/update/urn:li:activity:7265238756109033473>

DA Newsflash (Customs): Important Clarifications on Concessional Duty under IGCR Rules, 2022 Regarding MOOWR Transactions

Link: <https://www.linkedin.com/feed/update/urn:li:activity:7267058481717739520>

Darda

Driven by Quality, Powered by Ideation

Darda Advisors LLP offers a wide range of services in the tax and regulatory space to clients in India with professionals having extensive consulting experience. Our approach is to provide customized and client-specific services. We provide well-thought-out strategies and solutions to complex problems in tax and regulatory matters. Our service offerings are:

Invest India Services

- Invest India Study
- Inception And Incorporation Relate
- Incentives, Subsidies and Grant Service
- Start-Up India and MSME Services



Indirect Tax Services

- GST Services
- Representation and Litigation Support
- Corporate Training
- SEZ/EOU/STP Services
- Customs and International Trade
- GCC VAT

Other Services

- Corporate Secretarial Services
- Corporate & International Tax Services
- Certification & Attestation Services
- Financial Advisory Services
- Accounting Advisory Services
- RBI Services



www.dardaadvisors.com



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

Moti Chambers, 62&63, Sancheti Colony, Pur Road. Bhilwara - 311001, Rajasthan

Disclaimer:

For private circulation and internal use only. The information contained herein is of general nature and not intended to address the circumstances of the particular individual or entity. The information in this document has been obtained or derived from sources believed by Darda Advisors LLP (DA) to be reliable but DA does not represent that this information is accurate or complete. Readers of this publication are advised to seek their own professional advice before taking any course of action or decision, for which they are entirely responsible, based on the contents of this publication. DA neither accepts nor assumes any responsibility or liability to any reader of this publication in respect of the information contained within it or for any decision's readers may take or decide not to or fail to take.