



**Anivesh**  
Legal Consultants

# **Indirect Tax Updates February 1, 2025 to February 15, 2025**

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# GST Notifications

1. **Notification No. 09/2025 – Central Tax dated February 11, 2025:** Various Amendments made in the CGST Rules, 2017 to be effective from the specified dates:

Sr. No.	Rules	Particulars	Effective Date
1.	Rule 2	Taxpayers who do not opt for Aadhaar authentication required to visit a Facilitation Center for photograph and original document verification, with their application deemed complete only after successful verification.	February 11, 2025
2.	Rule 24	Unregistered persons engaged in the movement or transportation of goods can now generate e-Way Bills by enrolling on E-way Bill portal in Form GST ENR-03 and getting a Unique Enrolment Number.	February 11, 2025
3.	Rule 27		
4.	Rule 32	Following changes have been made in Table 6 of GSTR 3B: <ul style="list-style-type: none"><li>- Addition of column for adjustment of negative tax liability of previous tax period</li><li>- Separate columns to provide for mandatory payment through E-cash ledger for inward RCM supplies and supplies under Section 9(5) of CGST Act. <b>ALC Comments: Circulars 167/2021 and 240/2024 clarified that GST for supplies under Section 9(5) has to be paid through e-cash ledger only. But, no legal provision present in GST law which provides the said restriction.</b></li><li>- Omission of TDS/TCS table. <b>ALC Comments: Table not required as TDS/TCS credit flows directly to E-cash ledger.</b></li></ul>	February 11, 2025

# GST Notifications

Sr. No.	Rules	Particulars	Effective Date
5.	Rule 8	<p>Modifying the distribution mechanism of Input Tax Credit (ITC) by Input Service Distributors (ISD).</p> <p><b>ALC Comments:</b> Certain provisions earlier provided under Section 20 of CGST Act now incorporated in Rule 39 of CGST Rules (i.e. distribution of ITC on basis of recipient units' turnover).</p> <p>➤ New rule specifically provides for invoice by normal GSTIN to ISD GSTIN for RCM cases.</p>	April 1, 2025
6.	Rule 37	<p>Changes to GSTR-7, which deals with Tax Deducted at Source (TDS) reporting.</p> <p><b>ALC Comments:</b> Revised tables provides for invoice level details while earlier reporting was required on aggregate vendor level basis.</p> <p>➤ A new instruction clarifies that the amount liable for TDS should exclude the GST amount.</p>	April 1, 2025
7.	Rule 38 (ii)	<p>Updates in FORM GSTR-8 [Tax Collected at Source (TCS)] reporting by E-Commerce Operators.</p> <p><b>ALC Comments:</b> Revised tables provides for POS wise break-up which was earlier not required.</p> <p>➤ The term "GSTR-1" has been replaced with "GSTR-1 or GSTR-1A" to accommodate amendments in outward supply reporting.</p>	April 1, 2025

# GST Circulars

## 1. Circular No. 247/04/2025 - GST dated February 14, 2025: Clarifications issued on various issues pursuant to recommendations of 55th GST Council meeting held on 21st December 2024:

- Pepper (green, white, or black) of genus Piper is covered under HS Code 0904 and leviable to GST @ 5%.
- Agriculturists supplying dried pepper and raisins is not liable to be registered u/s 23(1) of the CGST Act. Hence, exempt from GST.
- GST @5% on ready to eat popcorn mixed with salt and spices if sold loose (not pre-packaged and not labeled) and GST @12% if pre-packaged and labeled.
- GST @18% on supply of popcorn mixed with sugar (e.g. Caramel or Sugar Popcorn) as it qualifies in the nature of 'sugar confectionary.'
- Further, GST rate on popcorn mixed with salt and spices upto 14.02.2025 regularized on 'as is' basis.  
**ALC Comments: Whether refund available if excess paid on popcorns by mistake in past period?**
- Supply of Autoclaved Aerated Concrete (AAC) blocks containing more than 50% flash content is covered under HS Code 6815 leviable to GST @12%.
- Amendment made wherein Compensation Cess was made applicable to all motor vehicle known as utility vehicles by whatever name called, with engine capacity exceeding 1500 cc, length exceeding 4000 mm and ground clearance of 170 mm (unladen condition) clarified to be applicable prospectively i.e. from July 26, 2023.

# GST Instructions

- 1. Instruction No. 02/2025 - GST dated February 7, 2025:** Clarification provided on procedure to be followed in appeal filed by Department against interest and/or penalty only related to Section 128A of the CGST Act
  - If the tax due has already been paid and the notice/demand pertains only to interest or penalty under Section 73 of the CGST Act, then taxpayer is eligible for the amnesty scheme. Hence, the Department should not deny benefits to taxpayer if the Department has filed appeal or is in the process of filing an appeal.
  - The Department is required to:
    - Withdraw the appeal; or
    - If the order under Section 73 of the CGST Act is under review, then accept the review, Where tax has been paid by the taxpayer.
  - The amnesty scheme aims to reduce litigation, and taxpayers should not be denied its benefits due to minor technicalities.

# GST Advisories

1. **GST Advisory dated February 06, 2025:** Advisory issued that E-way bill not mandatory for inter-state transportation of gold, silver and precious stones ('specified goods')
  - State of Kerala has made E-way bill mandatory for intra-state transportation of specified goods under its state regulations.
  - Some taxpayers (other than taxpayers of Kerala) started generated E-way bill voluntarily for specified goods even though it was not required under GST law. The said option on E-way bill portal is now withdrawn (except for Kerala).
2. **GST Advisory dated February 08, 2025:** Biometric-based Aadhaar authentication and document verification based on data analysis and risk parameters for GST registration applicants of Maharashtra and Lakshadweep implemented from February 8, 2025.

# GST Advisories

3. **GST Advisory dated February 12, 2025**: Advisory issued for GST Registration Process in light of Rule 8 of CGST Rules, 2017 amended vide Notification No. 09/2025 – Central Tax dated February 11, 2025

- If Applicant not opting aadhaar authentication: Applicant is required to visit the designated GST Suvidha Kendra (GSK) for photo capturing and document verification. Upon selecting 'No' for Aadhaar authentication, an email will be sent with GSK details and required documents with link to book appointment and visit GSK for photo verification/capturing. If photo capturing/document verification not completed within 15 days, the ARN will not be generated.
- If Applicant is opting for Aadhar Authentication: Promoters/Partners should first visit the GSK for biometric authentication and photo capturing, followed by the Primary Authorized Signatory (PAS) with required documents. Certain relaxations are provided if Promoter/Partner/PAS has already been biometric verified in any State/UT during a previous registration.

If any of the Promoter/Partner/PAS fails to visit GSK or biometric authentication fails or document verification not completed within 15 days of submitting REG-01, ARN will not be generated.



# GST Advisories

4. **GST Advisory dated February 15, 2025:** Introduction of Form ENR-03 for Enrolment of Unregistered Dealers/Persons in e-Way Bill Portal for generating e-way Bill.
- A new feature has been introduced in the E-Way Bill (EWB) system to facilitate the enrolment of unregistered dealers engaged in the movement or transportation of goods w.e.f. 11.02.2025.
  - In accordance with Notification No.12/2024 dated July 10, 2024, Form ENR-03 has been introduced for the enrolment of unregistered dealers.
  - Unregistered dealers engaged in the movement or transportation of goods can now generate e-Way Bills by enrolling themselves on the EWB portal and obtaining a unique 15-character Enrolment ID.
  - This ID will serve as an alternative to the Supplier GSTIN or Recipient GSTIN for generating e-Way Bills.
  - The applicant must select their State, enter their PAN details, type of enrolment, address details and mobile number (to be verified via OTP).

# Important GST Case Laws

1. **Eastland Switchgears Private Limited & Anr. Vs. The Assistant Commissioner of Revenue, Colootola and Ezra Street Charge, West Bengal [2025-VIL-148-CAL]: Calcutta High Court**
  - The Calcutta High Court held that the Petitioner is required to inform the Petitioner about the findings of the audit, their rights and obligations, and the reasons for such findings. In the present case, the Department has merely stated that the ‘decision stands’ without providing any reasons for rejecting the Petitioner reply. Accordingly, the matter was remanded back to Department to issue fresh SCN recording reasons and thereafter the SCN shall be adjudicated in accordance with law.
2. **M/s AR Foundations Private Limited Vs. The Appellate Deputy Commissioner (ST) – Chennai II [2025-VIL-137-MAD]: Madras High Court**
  - The Madras High Court held that payment made by the Petitioner through Form GST DRC-03 should be considered as the pre-deposit for the purpose of filing the appeal in terms of Circular No. 224/18/2024-GST dated July 11, 2024 issued by CBIC. Hence, the order passed by the Department was set aside.

# Important GST Case Laws

## 3. M/s BLA Infrastructure Private Limited Vs. The State of Jharkhand [2025-VIL-103-JHR]: Jharkhand High Court

- The Jharkhand High Court held that the refund of statutory pre-deposit is a right vested on Petitioner after an appeal is allowed in its favour and the pre-deposit made by an assessee cannot be forfeited taking aid of section 54 of the CGST Act and the same cannot be the intent of the CGST Act, 2017. The refusal of the refund of pre-deposit by treating it as time-barred is unreasonable and contradicts the Limitation Act, 1963.

## 4. M/s Addichem Speciality LLP Vs. Special Commissioner [2025-VIL-127-DEL]: Delhi High Court

- Appellate Authority under Section 107(4) of the CGST Act is not empowered to condone the delay in filing an appeal beyond one month after the three-month period specified in Section 107(1).
- It is well settled that once a statute prescribes a specific period of limitation, the Appellate Authority does not inherently hold any power to condone delay in filing the appeal by invoking the provisions of Limitation Act, 1963. The CGST Act is a self-contained code and Limitation Act do not apply.

# Important GST Case Laws

## 5. M/s Cotton Corporation of India Vs. UOI [2025-VIL-124-AP]: AP High Court

- The last date for filing annual return for FY 2020-21 was 28.02.2022. Therefore, the last date to pass an order under Section 73 was 28.02.2025.
- It was held that when a period for certain action is defined in terms of months, it would mean that the corresponding date of the corresponding month would be the cutoff date. Therefore, the cutoff date for issuing an order was 28.02.2025 and the three months period for issuance of SCN was 28.11.2024 and the SCN issued on 30-11-2024 was time barred.
- The time-limit for issuance of SCN and order is mandatory and not directory as the provision is intended to protect the taxpayers.
- **ALC Comments:** It is not known how many cases will be hit by such interpretation as huge number of SCNs were issued just before the due date or what was considered as the due date (i.e. 29.11.2024 and 30.11.2024).

# Important GST Case Laws

## 6. M/s Atulya Minerals Vs. Commissioner of State [2025-VIL-120-ORI]: Orissa High Court

- The Orissa High Court held that the Department can only block ITC ledger for period of one year and cannot make negative entry to appropriate the future ITC. Hence, blocking of electronic credit ledger can be lifted if the Petitioner is able to demonstrate that there is no reason to continue the blocking of ITC.

## 7. M/s Priyanka Refineries Private Limited Vs. Deputy Commissioner [2025-VIL-113-AP]: AP High Court

- The Petitioner is engaged in providing certain edible oil products in India. The Petitioner filed application of refund of ITC under Inverted Duty Structure. The Department disallowed refund on ground that Circular No. 181/13/2022-GST dated 10.11.2022 has clarified that no application for refund is allowed under Section 54 of the CGST Act after 18.07.2022.
- The AP High Court held that Notification denying refund of ITC comes into effect only from 18.07.2022. Such restriction in Circular would apply only to the extent of ITC arising after 18.07.2022 and further observed that such Circular would have to be struck down, to the extent of the clarification that the restriction imposed by the Notification, would be applicable in respect of all refund applications filed on or after 18.07.2022 for ITC accruing prior to 18.07.2022.

# Important GST Case Laws

## 8. M/s Tirumala Balaji Marbles and Granites Vs. Commissioner of State [2025-VIL-126-AP]: AP High Court

- The Department rejected application of registration on ground that the Petitioner and its authorized representative do not belong from state of Andhra Pradesh.
- The Andhra Pradesh High Court held that mere apprehension, however well founded, cannot deprive the petitioner of his right to carry on trade and business. It is also necessary to notice that Article 19 of the Constitution of India, grants every citizen of this Country, the right to set up and do business anywhere in the country. In such circumstances, the order of rejection is clearly without any basis in law.

# Customs Notifications

- 1. Notification No. 07/2025 – Customs (NT) dated February 01, 2025** – Changes made in Customs (Import of Goods at concessional rate of duty or for specified end use) Rules, 2022 as follows:
  - Statement of imports on Concessional rate is to be submitted by importer in Form IGCR-3 on Quarterly basis. Earlier the statement was to be submitted on Monthly basis.
  - Goods can be sent to job worker for a maximum period of one year. Earlier the limit was six months.
- 2. Notification No. 09/2025 – Customs (NT) dated February 07, 2025** – Rajkot, Gujarat included in the list of authorized Customs airports within Gujarat for unloading of imported goods and loading of export goods or any class of such goods w.e.f. February 7, 2025.
- 3. Notification No. 14/2025 – Customs dated February 13, 2025** – Agriculture Infrastructure and Development Cess (AIDC) reduced from 100% to 50% on import of Bourbon Whiskey (under HSN 2208 3011 and 2208 3091) w.e.f. February 13, 2025.

# Foreign Trade Policy

1. **Notification No. 56/2024-25 dated February 4, 2025** - Export Policy of De-oiled Rice Bran (HSN 2302 4000, 2306 9019, 2306 9029 and 2306 9090) revised from 'Free' to 'Prohibited' up to September 30, 2025.
2. **Notification No. 57/2024-25 dated February 6, 2025** – Time Period for export of Broken Rice to Senegal through NCEL extended upto February 28, 2025.
3. **Notification No. 58/2024-25 dated February 7, 2025** – Classification of Vintage Motor Vehicles revised to align it with Central Motor Vehicles Rules, 1989.
4. **Notification No. 59/2024-25 dated February 10, 2025** – Export Policy of Raw Human Hair (HSN 05010010 & 05010020) is free if FOB value is US Dollar 65 or above per kilogram.
5. **Public Notice No. 45/2024-25 dated February 4, 2025** – Wastage permissible and Standard Input Output Norms (SION) under Handbook of Procedures with regard to export of jewellery and article has been revised.



# Foreign Trade Policy

6. **Public Notice No. 46/2024-25 dated February 6, 2025** – SION for Export of Erthromycin Stearate Tablet amended.
7. **Public Notice No. 47/2024-25 dated February 7, 2025** - Amendment in SION at E-136 to allow export of wheat floor with Millets.
8. **Public Notice 48/2024-25 dated February 12, 2025** - Procedure prescribed for submitting applications by February 28, 2025 for import of Calcined Petroleum Coke (CPC) for use in Aluminum industry for 0.8 Million MTs and import of Raw Petroleum Coke (RPC) for 1.9 Million MTs for FY 2025-26.
9. **Trade Notice 28/2024-25 dated February 11, 2025**
  - Manual Certificate of Origin (CoOs) issued after specified dates will be considered null and void.
  - Manual CoOs issued would be in contravention to guidelines and are liable to be rejected by Customs Authorities of Recipient Countries.
10. **Trade Notice No. 31/2024-25 dated February 13, 2024** – Guidelines issued for obtaining Import Authorization in relation to Import of Premium Frozen Duck Meat in India.

# Foreign Trade Policy

## 11. Trade Notice 29/2024-25 dated February 11, 2025

- The Applicant is required to submit replies to SCN and information requests during Adjudication, Appeal, and Review under the FTDR Act online on DGFT portal.
- Payment of penalties imposed under the FTDR Act to be made mandatorily made against corresponding online Enforcement-cum-Adjudication (ECA), Appeal, or Review file.
- The use of miscellaneous payments feature to be avoided to ensure proper accounting of penalties paid and to avoid unintended future action.

## 12. Trade Notice 30/2024-25 dated February 12, 2025 - Procedure for filing application of Tariff Rate Quota (TRQ) of Gold Bullion under India-UAE Comprehensive Economic Partnership Agreement (CEPA) prescribed. The due date for submitting applications for Tariff Rate Quota (TRQ) for the import of gold bullion under the India-UAE Comprehensive Economic Partnership Agreement (CEPA) for FY 2025-26 is February 28, 2025.

# THANK YOU

See You Next Time



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