



Anivesh
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Indirect Tax Updates From 1 June 2025 to 15 June 2025

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GST Advisory

1. GST Advisory dated June 7, 2025:

- From July 2025 return onwards, the outward supply in Form GSTR-3B will be locked and non-editable as per GSTR-1/IFF and any amendments will be routed through Form GSTR-1A only.
- The ability to modify auto filled values in Form GSTR-3B will be limited to improve filing accuracy and accordingly, necessary corrections will be made via Form GSTR-1A.

Anivesh (ALC) Comments: Taxpayers must use GSTR-1A to correct errors in the same period before filing GSTR-3B to get the correct figure in GSTR-3B.

GST Advisory

2. GST Advisory dated June 7, 2025:

- Taxpayers will no longer be able to file GST returns after 3 years from their original due date, as per amendments made under the Finance Act, 2023 w.e.f. July, 2025.
- This applies to following returns: GSTR-1, Form GSTR-3B, Form GSTR- 4, Form GSTR-5, Form GSTR-6, Form GSTR-7, Form GSTR-8 and Form GSTR-9.

3. GST Advisory dated June 10, 2025:

- GSTN has resolved a technical glitch affecting QRMP taxpayers filing refund applications. Previously, the system did not recognize IFF-uploaded invoices for M1 and M2 months of a quarter, causing incorrect prompts to file GSTR-1.
- Refunds can now be filed based on IFF invoices, provided GSTR-3B has been filed for the last period.

Anivesh (ALC) Comments: It is much needed relief for quarterly taxpayers who could not file refund applications earlier during first or second month of a quarter.

GST Advisory

4. **GST Advisory dated June 11, 2025:** Taxpayers is required to enter Order details manually on GST portal while filing the waiver applications in SPL-01 and SPL-02 for the taxpayers who are facing technical issues on GST portal.
5. **GST Advisory dated June 12, 2025:** A specific technical issue has emerged i.e. when taxpayers try to file SPL-01/SPL-02 forms, payment details made through Form GSTR-3B or the 'Payment towards demand order' option are not getting auto-populated in Table 4. This includes Pre-deposit amounts, Form GST DRC-03 payments and General payment made through Form GSTR-3B. Accordingly, it has been clarified that taxpayers can still file Form GST SPL-01/SPL-02 forms, even if the portal shows payment mismatch or fails to populate Table 4. However, taxpayers must upload payment proof on GST portal as PDF attachments for the jurisdictional officer's review. Failure to do so may lead to rejection of application and loss of amnesty scheme benefits.

GST – Circular

1. **Circular No. 249/06/2025-June 9, 2025**: GST communications generated and served via the GST portal already contain Reference Number (RFN) which can be verified online and therefore, quoting Document Identification Number (DIN) on them is not required. Such RFN-based communications are deemed to be valid and authentic under Section 169(1)(d) of the CGST Act, 2017, and earlier circulars mandating DIN stand modified accordingly.
2. **Circular issued by Department of Trade & Taxes, Delhi bearing F.3(640)/GST/P&R/2025-348-55 dated June 13, 2025**: All the personal hearing to be mandatorily be conducted in virtual mode and no person shall be required to appear in person for personal hearing before SGST department, Delhi.

Customs – Notifications

1. **Notification No. 13/2025 & 14/2025-Customs (ADD), both dated 6 June, 2025:** Anti-dumping duty imposed on the import of the following goods for five years:

Goods	Country of Origin or Export	Rate of Duty
<i>Insoluble Sulphur</i>	China PR and Japan	259 to 358 USD per MT
<i>Vitamin-A Palmitate</i> (excluding 1.6 MIU/Gm used for animal consumption)	China PR, Switzerland, and the European Union	0.87 to 20.87 USD per kg

2. **Notification No. 41/2025-Customs (N.T.) dated 11 June, 2025:** Commissioner of Customs, Chennai-II (Import) appointed as the Common Adjudicating Authority for multiple show cause notices issued to M/s Bando (India) Pvt. Ltd.
3. **Notification No. 42/2025 & 43/2025-Customs (N.T.) dated 11 June & 13 June, 2025:** Tariff Value of Edible Oils, Brass Scrap, Areca Nut, Gold and Silver revised.

Customs – Instructions

1. **Instruction No. 13/2025-Customs dated June 2, 2025:** Customs Officers are being instructed to ensure compliance in relation to removal of port restrictions and removal of requirement of testing and certification issued by Central Leather Research Institute (CLRI) for export of Finished Leather, Wet Blue Leather, El Tanned Leather, and Crust Leather, notified vide Notification No. 15/2025-26 dated May 26, 2025 issued by DGFT.
2. **Instruction No. 14/2025-Customs dated June 5, 2025:** Customs Officers are being instructed to ensure compliance for list of 117 approved establishments of Bhutan issued by FSSAI with scope of approval in relation to Agreement signed between FSSAI, Ministry of Health and Family Welfare, Government of India and Bhutan Food and Drug Authority (BFDA) . Further, it has been informed that there is no change in the format of the Health Certificate or in the list of authorized signatories previously communicated.

Customs – Instructions

3. **Instruction No. 15/2025-Customs dated June 12, 2025:** Customs Officers are being instructed to ensure compliance in relation to consolidated repository of SCOMET clarifications, available on CBIC website. Also, it has been clarified that such information is for reference only, and each item must still be assessed individually.

Foreign Trade Policy Updates

1. **Public Notice No. 09/2025-26 dated June 10, 2025**: New Standard Input Output Norm (SION) A-3686 under the 'Chemical and Allied Product' group notified.
2. **Public Notice No. 10/2025-26 & Public Notice No. 11/2025-26, both dated June 12, 2025**: The name of the Sports Goods Export Promotion Council' amended as 'Sports Goods & Toys Export Promotion Council' along with updated details with immediate effect.
3. **Trade Notice No. 05/2025-26 dated June 13, 2025**: Rollout of 'Source from India' feature on the Trade Connect e-Platform to all Status Holder exporters with valid IECs. Exporters can create micro-pages to showcase their products and credentials for global buyers. Indian Missions Abroad will use this as a reference point to match foreign sourcing requests. Also, steps for registration of such platform is also provided.

Important Case Laws

1. **M/s R.T. Infotech Vs Additional Commissioner Grade 2 [ALH High Court]**: Whether the purchasing dealer (R.T. Infotech) can be denied Input Tax Credit (ITC) under Section 16(2)(c) of the CGST Act, 2017, due to non-deposit of tax by the seller (M/s Bharti Airtel Ltd.), despite the buyer having paid GST through banking channels against valid tax invoices?

The Hon'ble Allahabad High Court held that the buyer has no control over whether the seller files GST returns or deposits the collected tax. The buyer should not be penalized for the seller's fault. Authorities failed to reasonably consider the facts or take effective steps against the defaulting supplier. Order was quashed.

Anivesh (ALC) Comments:

- Similar judgment was recently given by Gauhati High Court in the case of *Mcleod Russel India Limited vs. UOI*.
- This judgment follows the principles laid down in the judgments of *Arise India Limited* by Delhi High Court affirmed by Hon'ble Supreme Court in *Onquest Merchandising* given in context of Delhi VAT Act having similar provisions as Section 16(2)(c) of CGST Act.

Important Case Laws

2. **M/s Adi Enterprises [AAR GST]**: Whether the time limit under Section 16(4) of the CGST Act applies to ITC on IGST paid via Bill of Entry?

The Maharashtra AAR held that Section 16(4) applies uniformly to all ITC, including IGST paid on import of goods. Though the phrase “invoice or debit note” is used, Bill of Entry qualifies as a tax-paying document equivalent to an invoice. Since the provisions of CGST Act apply to IGST ‘mutatis mutandis’, the same deadline applies for availing ITC, even for imports.

Anivesh (ALC) Comments: The ruling does not seem to correctly apply legal principles.

- The ruling failed to deliberate on the differences in drafting of Section 16(2)(a) which includes the term ‘other tax paying documents’ and Section 16(4) which only uses the term ‘invoice’ and ‘debit note’ but deliberately omits ‘other tax paying documents’.
- Further, the reasoning that provisions of CGST Act will ‘mutatis mutandis’ apply to IGST Act leads to conclusion that time limit of Section 16(4) will apply to Bill of Entry (BoE) seems to be flawed.’

Important Case Laws

3. **Niranjan Paul Vs Assistant Commissioner Of State Tax, Siliguri Charge [Calcutta High Court]:** Whether ITC claimed by the Petitioner can be denied solely on the ground that the supplier was later found to be non-existent and its registration was retrospectively cancelled, even though the petitioner had valid documents for the transactions? It was held that denial of ITC on this ground is not justified if the registration was valid at the time of supply. The Petitioner had valid documents like invoices, e-way bills, and payment proofs. The absence of freight documents alone is not sufficient to deny ITC. The retrospective cancellation of registration cannot be the sole basis for ITC denial.
4. **M/s Maharashtra State Electricity Transmission Company Ltd [Maharashtra AAR]:** Whether certain recoveries (like penalties, forfeitures, or write-backs) made by MSETCL in various contractual situations qualify as a ‘supply’ under GST and thus attract tax liability? Maharashtra AAR held that liquidated damages, penalties, forfeiture of security deposits/EMDs, and write-back of unclaimed creditor balances are not consideration for any supply and hence not liable to GST. These amounts are in the nature of compensation for breach or non-performance and are intended to deter violations, not to tolerate them. Thus, GST is not leviable on such recoveries.

Anivesh (ALC) Comments: This ruling aligns with the Circular No. 178/10/2022-GST dated August 03, 2022 issued by CBIC on non-taxability of such compensatory recoveries.

Important Case Laws

5. M/s. Hitech CNC Engineering Vs. Deputy Commissioner GST (APPEAL), The Commercial Tax Officer, Hosur [Madras High Court GST]:

An ex parte summary order was passed by the Department on July 25, 2023 against the Petitioner. The Petitioner filed an appeal on September 04, 2024, with a delay of 285 days. The Appellate Authority rejected the appeal due to the delay being beyond the condonable period.

The Hon'ble Madras High Court held that the Petitioner's reason of lack of aware for delay was genuine and condoned the delay of 285 days, setting aside the Order passed by the Department. The Appellate Authority directed the Appellant to take the appeal on record and pass orders on merits, after providing an opportunity of hearing.

Anivesh (ALC) Comments: The Court emphasized the principle of natural justice, condoning a substantial delay where the Petitioner was unaware of the ex parte order. Relief was granted conditionally, ensuring balance between taxpayer rights and departmental procedure.

Important Case Laws

6. **M/s Hamsa Sundaramoorthy Vs The Managing Director, Tamil Nadu Housing Board 2025 (6) [Madras High Court GST]**: Whether Tamil Nadu Housing Board (TNHB) can demand an additional GST @5% from allottees of residential flats after advertising the price as 'inclusive' of GST. The Hon'ble Madras High Court held that TNHB cannot charge an extra 5% GST when the sale price was advertised as inclusive of GST. Since buyers paid full advertised amount and no extra GST was mentioned in the agreement, TNHB must honor the original terms. Any extra 5% collected must be refunded, and sale deeds must be executed without demanding further payment.
7. **M/s Meenu Builders Vs The Commissioner Of Central Excise [Delhi-CESTAT-ST]**: The Appellant executed construction work for the Rajasthan Housing Board (RHB), specifically single residential units, and paid service tax on these services from July 1, 2008 onwards. However, these services were exempted under applicable notifications. The appellant later filed a refund claim for service tax paid (both by them and by RHB) during 01.10.2008 to 31.03.2016, arguing that the tax was paid due to a mistake of law. The CESTAT, Delhi held that the Appellant was not required to pay tax, and it was paid by mistake. Accordingly, the time limit under Section 11B of Central Excise Act, 1944 does not apply in cases of tax paid under mistake of law and accordingly, refund along with interest was allowed.

Important Case Laws

8. **CC, Custom House, Cochin Vs M/s Asean Cableship Pvt Ltd [Kerala High Court-CU]**: The vessel was owned by Assessee, which was engaged under a SEAIOCM agreement to perform undersea cable repairs across the Indian Ocean region. The ship was berthed primarily at Cochin Port, and the Department challenged its claim of not being a “foreign going vessel” under Section 2(21) of the Customs Act, 1961, which would not entitle it to an exemption on ship stores under Section 87 of the Customs Act. Against the order of department, the Assessee filed Appeal before CESTAT, Bangalore and got favourable judgement.

Thereby, for the writ filed by department before High Court of Kerala, it was held by the court that the vessel was contractually obligated to maintain operational readiness to repair cables over a vast area, much of which was outside Indian territorial waters. As per Section 2(21) of the Customs Act, it qualifies as a “foreign going vessel” due to its ongoing commitment to overseas operations. Merely being docked in India does not disqualify it from being a foreign going vessel. Thus, it is eligible for exemption under Section 87 for spares and consumables on board. However, customs duty must be paid on ship stores consumed while operating within Indian territorial waters. The Tribunal’s decision favoring the taxpayer was upheld, and the Department’s appeal was dismissed.

Important Case Laws

9. **M/s Commissioner, Customs (Preventive)-Jaipur Vs M/s Pelican Quartz Stone [Delhi-CESTAT-CU]:**
The Appellant exported goods classified as "Engineered Quartz Stone" under Customs Tariff Item (CTI) 68159990. The Customs Department challenged the classification and attempted to reassess the shipping bills post-export by classifying the goods under CTI 68101990. The Department also proposed confiscation and penalties, alleging misclassification.

The Hon'ble CESTAT, Delhi held that Customs authorities cannot re-assess Shipping Bills after goods have been exported, as such re-assessment is beyond their legal authority. Any recovery must follow Section 28 or appeal under Section 128 of the Customs Act. Misclassification alone does not justify confiscation under Section 113(i), as classification is a matter of opinion. Penalties under Sections 114 and 114AA of the Customs Act were also set aside since differing views on classification do not imply misdeclaration or intent to evade duty. The Department's appeal was dismissed.

Anivesh (ALC) Comments: The Tribunal reaffirmed that classification disputes cannot be the basis for confiscation or penalty without fraudulent intent. It also clarified that once goods are exported, Customs has no power to reassess shipping bills, ensuring finality and legal certainty for exporters.

Important Case Laws

10. M/s Addwrap Packaging Pvt. Ltd. V/s UOI [Gujarat-High Court-GST]

The batch of writ petitions challenged the vires of Rule 96(10) of the Central Goods and Services Tax Rules, 2017, which restricted refund of IGST paid on exports if the exporter had availed benefits like Advance Authorization, EPCG, or other exemption notifications.

The Gujarat High Court held that Rule 96(10) is omitted, and the Notification would be applicable to all the pending proceedings/cases as on October 8, 2024. Hence, the refunds denied solely under Rule 96(10) may be reconsidered or restored.

Anivesh (ALC) Comments: This judgment has far-reaching implications for exporters using Advance Authorisation/EPCG schemes. It reasserts the supremacy of statute over delegated legislation and protects export incentives in GST regime.

Important Case Laws

11. M/s Patanjali Ayurved Ltd. V/s Union Of India [Allahabad High Court-GST]

DGGI issued SCN to the Appellant and raised huge penalty u/s 122(1) alleging issuance of invoices without supply and availing fake ITC. The Appellant filed writ petition challenging the notice on two grounds as follows:

- a) Appellant submitted that the section 122(1) can be enforced in case of criminal offences as the word used in the name of section is “Offences” and thereby the notices should be issued according to provision of CrPC. The court held that proceeding under Section 122 of the CGST Act is to be adjudicated by the adjudicating officer and is not required to undergo prosecution.
- b) Further, Appellant submitted that Section 122 can be invoked in cases where the demand is raised u/s 74 of CGST Act and cannot be invoked independently. The court held that both the sections are independent and the proceedings u/s 122 can be continued even in absence of demand under Section 74.

THANK YOU

See You Next Time



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