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Weekly GST Communique

December 2025 – Week 1

A2Z ACADEMY

Exclusive

GST UPDATE PACKAGE ON REAL TIME BASIS

FOR

FINANCIAL YEAR 2025-26

BY A2Z ACADEMY, LED BY CA (ADV) BIMAL JAIN

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GST

Important Judgments, Rulings of the week

Demand Order containing the details of the official and the Department is valid, even in the absence of signature

The Hon'ble Delhi High Court in ***Future Consumer Ltd. v. Union of India [W.P.(C) No. 15611 OF 2025 dated October 10, 2025]*** held that the OIO accompanied by Form GST DRC-07, containing the name , the designation and the ward, and other details of the official will be valid, even if it does not contain the signature of the official passing it. The Hon'ble High Court also held that the rectification application filed by the petitioner shall not be rejected without an opportunity of personal hearing.

Facts:

M/s Future Consumer Ltd. **("the Petitioner")** received the Order-in-Original **("OIO")** dated August 24, 2024, by which a demand was raised. Since, this OIO did not contain the signature of the official passing it, the petitioner filed a rectification application against the said OIO, which was also rejected by the Adjudicating Authority through the Rectification Order that too without providing any opportunity for a personal hearing to the petitioner.

Aggrieved, the petitioner approached the Hon'ble Delhi High Court through this writ petition and sought to set aside the OIO. The petitioner submitted that the OIO does not contain the signature of the official passing the OIO.

Whereas, the Respondent pointed out that the OIO was accompanied by the Form GST DRC-07 which contains the name and designation of the concerned officer. The Respondent additionally submitted that the mechanism that has been set up in the Goods and Services Tax **("GST")** portal is that every Officer who is

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uploading an order has to upload their signature along with their credentials, thus there was no possibility of any irregularities.

Issues:

- Whether the demand order containing the name, designation and other details of the adjudicating officer, but not the signature of the officer, is valid?
- Whether any rectification order can be passed without an opportunity of personal hearing?

Held:

The Hon'ble Delhi High Court in ***W.P.(C) No. 15611 OF 2025*** held as under:

- Noted that, once an OIO is accompanied by a Form GST DRC-07 which duly contains the name, the designation, the ward, and other details of the official; the objection by the petitioner is not be tenable. Hence, the contention of the Petitioner was rejected.

- Observed that, the personal hearing is mandatory in terms of the third proviso of Section 161 of the Central Goods and Services Tax Act, 2017 **("the CGST Act"),** before passing rectification order**.**

- Relied on, the Hon'ble Delhi High Court judgment in the case of ***HVR Solar Private Limited v. Sales Tax Officer Class-II AVATO Ward 67 & Anr. [W.P. (C) 4506/2025 dated April 8, 2025]*** wherein it was held that "*the principles of natural justice had been inbuilt by way of the 3rd Proviso to Section 161 of the CGST Act. If pursuant to a Rectification Application, if a rectification is made and if it adversely affects the assessee, Proviso 3 contemplates an opportunity of hearing to be given. However, when an Rectification Application is made at the instance of assessee and the rectification is being sought to be rejected without considering the reasons for rectification or by giving reasons as to why such rectification could not be entertained. It is also imperative that the assessee to be put on notice.*"

- Noted that, since the OIO is an appealable Order, hence, in view of the infraction of the principles of natural justice in deciding the rectification order, the petitioner is permitted to appeal against the OIO along with the requisite pre-deposit.

- Held that, if the petitioner files the appeal within the stipulated time period, the same shall be decided on merits and shall not be dismissed on ground of limitation.

Our Comments:

In a distinguishing judgment, the Hon'ble Telangana High Court in ***[Silver Oak Villas LLP v. Asstt. Commissioner WP (C) No.6671/2024 dated March 14, 2024]*** held that since the SCN and the demand order were unsigned, it lost its efficacy in the light of Rule 26 (3) of the Central Goods and Services Tax Rules 2017 **("the CGST Rules")** read with the Telangana Goods and Services Tax Act, 2017 and the Rules framed therein. Hence, the Hon'ble Telangana High Court quashed the demand order.

Also, the Hon'ble Guwahati High Court in ***[Naser Ali Mondal vs. State of Assam, WP(C) No. 4157 of 2025 dated July 31, 2025]*** held that an SCN in form GST DRC-01 passed without affixing the digital signature and without providing details of a personal hearing is void under Rule 26(3) of the CGST Rules and Section 73(3) of the CGST Act and hence, liable to be set aside.

Relevant provisions:

Section 161 of the CGST Act: *Rectification of errors apparent on the face of record-*

Provided *that no such rectification shall be done after a period of six months from the date of issue of such decision or order or notice or certificate or any other document:*

Provided further *that the said period of six months shall not apply in such cases where the rectification is purely in the nature of correction of a clerical or arithmetical error, arising from any accidental slip or omission:*

Provided also *that where such rectification adversely affects any person, the principles of natural justice shall be followed by the authority carrying out such rectification.*

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No Coercive Action if Accused Cooperates in Fake ITC Probe

The Hon'ble Chhattisgarh High Court in ***Harsh Wadhwani & Anr. v. Additional Director General Directorate General of GST Intelligence, Raipur & Ors. [WPT No. 148 of 2025 dated October 16, 2025]*** held that traders facing charges for evasion of taxes in alleged fake Input Tax Credit **("ITC")** claims, be protected from any coercive action as long as they are cooperating with the investigation.

Facts:

M/s. Vijay Laxmi Trade Company, Raipur (Chhattisgarh), **("the Petitioner")** filed a claim of ITC for the Financial Year **("FY")** 2024-25, to which the Additional Director General Directorate General of GST Intelligence, Raipur, **("the Respondent")** issued a notice under Section 70 of the Central Goods and Services Act, 2017 **("the CGST Act")**, for alleged evasion of taxes by claiming fake ITC. The Respondent also issued summons to the Petitioner with respect to two parties namely, M/s. Taj Enterprises and M/s. Agastya Enterprises **("the Firms")**.

Aggrieved, the petitioner filed the present writ petition. The petitioner submitted that they are ready to cooperate in enquiry and record their oral evidence by satisfying all the queries needed by the respondent pertaining to aforesaid two firms. In this light, the petitioner prayed to direct the respondent to not take any coercive steps against the petitioners pertaining to the aforesaid two firms and to withdraw the negative balance/block created in the electronic credit ledger **("ECrL")** of the petitioner.

Issues:

Whether the coercive actions be taken against the accused, in cases where he is willing to cooperate in the fake ITC probe?

Held:

The Hon'ble Chhattisgarh High Court in ***WPT NO. 148 of 2025*** held as under:

- Directed that, the petitioners shall remain present before the investigation officers whenever required.
- Held that, if the petitioners cooperate in the investigation, the respondent shall not take any coercive steps against the petitioners or associated firms in respect to aforesaid two firms.

Our Comments:

Section 70 of the CGST Act:

Power to summon persons to give evidence and produce documents.—

(1) The proper officer under this Act shall have power to summon any person whose attendance he considers necessary either to give evidence or to produce a document or any other thing in any inquiry in the same manner, as provided in the case of a civil court under the provisions of the Code of Civil Procedure, 1908 (5 of 1908). 1(1A) All persons summoned under sub-section (1) shall be bound to attend, either in person or by an authorised representative, as such officer may direct, and the person so appearing shall state the truth during examination or make statements or produce such documents and other things as may be required.

(2) Every such inquiry referred to in sub-section (1) shall be deemed to be a "judicial proceeding" within the meaning of section 193 and section 228 of the Indian Penal Code (45 of 1860).

In a similar case in ***Nannapaneni Krishnamurthy Vs. State Of Andhra Pradesh [Criminal Petition No. 2440 of 2021, dated April 19, 2021]***, the Hon'ble Andhra Pradesh High Court held no coercive steps will be taken against the petitioners, including arrest, as and when they appear before the Investigating Officer.

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A single SCN consolidating multiple financial years is impermissible

The Hon'ble Karnataka High Court in ***Emmanuel Constructions (P.) Ltd. vs. Principal Secretary to the Govt. Finance Department, [W.P. 5827 OF 2025 (T-RES) dated October 23, 2025,*** quashed a consolidated show cause notice **("SCN")** and demand orders issued for Financial Year **("FY")** 2019-20 & 2020-21, citing non-conformity with the provisions of the Central Goods and Services Tax Act, 2017 **("the CGST Act").**

Facts:

M/s Emmanuel Constructions (P.) Ltd, **("the Petitioner")** received a single SCN in Form GST DRC-01 dated November 11, 2023, for two different FY 2019-20 and 2020-21. However, two different orders were passed by two different officers for the same SCN. The petitioner filed a writ petition challenging the validity of SCN and demand orders before the Hon'ble High Court of Karnataka. The petitioner submitted that two different officers, for two different financial years, passed demand orders on the basis of the same SCN, which is impermissible under the law and contrary to the provisions of the CGST Act.

Issue:

Whether the issuance of a single SCN for multiple financial years is valid under the CGST Act?

Held:

The Hon'ble High Court of Karnataka in ***W.P. 5827 OF 2025 (T-RES)*** held as under:

- Held that, the single consolidated SCN for different financial years are invalid. Hence, demand orders are also invalid.
- Directed that, the adjudicating authority has the liberty to issue a fresh notice to the petitioner and to proceed further in accordance with the law.
- Concluded that, the time period from the date of the order till the disposal of this writ petition will be excluded for the purpose of limitation under Section 73(10) of the Karnataka Goods and Services Tax, 2017 **("KGST Act").**
- Hence, the Hon'ble High Court quashed the SCN and its respective demand orders.

Our Comments:

Section 73 of the CGST Act: *Determination of tax [pertaining to the period up to Financial Year 2023-24 not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised for any reason other than fraud or any wilful-misstatement or suppression of facts:*

73(10): The proper officer shall issue the order under sub-section (9) within three years from the due date for furnishing of annual return for the financial year to which the tax not paid or short paid or input tax credit wrongly availed or utilised relates to or within three years from the date of erroneous refund.

Recently, the Hon'ble High Court of Karnataka in the ***M/S. Veremax Technologie Services Limited Vs. The Assistant Commissioner of Central Tax Bengaluru, [W.P No. 15810 Of 2024 Dated September 04, 2025****]* held that single SCN cannot be issued for multiple financial years because particular action must be completed within a designated year, and that same is consolidated in section 73(10) of the CGST Act that prescribes a specific time limit for furnishing annual return for the Financial Year to which the tax due relates.

Whereas the Hon'ble Delhi High Court in ***Ambika Traders v. Addl. Commissioner, Adjudication DGGSTI [W.P.(C) 4853 of 2025, dated July 29, 2025]*** held that Section 74(3) and (4) of the CGST Act permit notices "for any period" or "such periods," unlike Section 74(10) of the CGST Act, which uses the term "financial year."

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Hence, an SCN notice can be issued for a period that could be more than one financial year. Also, fraudulent Input Tax Credit **("ITC")** often spans multiple years, and a consolidated SCN is permissible.

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GST registration cancellation on account of non-filing of returns is impermissible where tax liability discharged

The Hon'ble Gujarat High Court in ***Abound It Services vs. State of Gujarat [R/Special Civil Application No. 14354 of 2025 dated November 06, 2025]*** allowed petitioner to file GST returns in accordance with the law, subsequent to which, the cancellation of their Goods and Services Tax **("GST")** registration will stand revoked. In the present case, the petitioner's GST Registration was cancelled on account of non-filing of GST returns despite the fact that the petitioner had already deposited the entire tax with interest, along with late fees.

Facts:

M/s Abound It Services (**"the Petitioner"**) paid the GST along with the late fees and penalty for the period March 2024 to May 2024, however, could not file the GST return for the said period. Therefore, the Adjudicating authority issued a Show Cause Notice **("SCN")** on July 3, 2024, and subsequently, an order for cancellation of GST registration **("Impugned order")**, citing non-filing of the GST returns under section 29(2)(*c*) of the Central Goods and Services Act, 2017 **("the CGST Act")**. The petitioner appealed against the impugned order before the appellate authority, but it was also rejected. Aggrieved, the petitioner filed the present writ petition.

The Petitioner submitted that they have already paid the GST, the late fees and penalty through their Electronic Cash Ledger in accordance with Section 49 of the Gujarat Goods and Services Tax, 2017 **("the GGST Act")** read with Rule 87 of the Gujarat Goods and Services Rules, 2017 **("the GGST Rules")**, hence mere non filing of returns cannot be a ground for cancellation of GST Registration**.** It was also submitted that they are willing to file the GST returns from then onwards.

Issue:

Whether the GST registration cancellation on account of non-filing of returns is permissible where the tax liability is discharged?

Held:

The Hon'ble Gujarat High Court in ***R/Special Civil Application No. 14354 of 2025*** held that:

- Noted that, the petitioner has already deposited the outstanding tax with interest and penalty in accordance with the law. In the interest of justice, the petitioner is permitted to file GST returns.

- Directed that, if such GST return filing by the petitioner s found to be not in accordance with law, the petitioner shall pay forthwith any outstanding amount demand, if any, raised by the respondents. And upon such compliance, the order of cancellation of registration will stand revoked.

Our Comments:

Section 29(2) of the CGST Act, 2017:

The proper officer may cancel the registration of a person from such date, including any retrospective date, as he may deem fit, where—

(a) a registered person has contravened such provisions of the Act or the rules made thereunder as may be prescribed; or

(b) a person paying tax under section 10 has not furnished the return for a financial year beyond three months from the due date of furnishing the said return; or

(c) any registered person, other than a person specified in clause (b), has not furnished returns for such continuous tax period as may be prescribed; or

(d) any person who has taken voluntary registration under sub-section (3) of section 25 has not commenced business within six months from the date of registration; or

(e) registration has been obtained by means of fraud, wilful misstatement or suppression of facts: Provided that the proper officer shall not cancel the registration without giving the person an opportunity of being heard.

Recently, the Hon'ble Gujarat High Court in ***[Wadiwala Automobiles Vs. State of Gujarat, R/Special Civil Application No. 7016 of 2025 dated September 26, 2025]*** permitted the petitioner, whose registration had been cancelled for failure to file returns for six consecutive months, to file the pending returns within eight weeks after having deposited a substantial portion of outstanding tax with interest and late fees. The Hon'ble High Court further directed the petitioner to file an undertaking to comply with the GST Act and Rules and remain regular in future filings; failure will result in automatic cancellation. Further, the respondents are directed to suspend the cancellation, consider the pending returns, and if found in order, call for payment of any remaining dues, whereupon the cancellation will be revoked.

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Invoice value applies for supply to related persons eligible for ITC

The Andhra Pradesh AAR in the matter of ***Sri Lakshmi Ganesh Cement and Iron General Stores [AAR No. 04/AP/GST/2025, order dated July 08, 2025]*** held that for supply of cement and iron to unrelated persons, the transaction value as per Section 15(1) of the CGST Act, 2017 applies; for supplies to related persons eligible

for full input tax credit, the invoice value is deemed value of supply under Rule 28 of the CGST Rules, 2017; further, the registered person providing transportation services to unregistered persons is not liable to pay GST on the transportation charges, as such services are exempt under Serial No. 21A of Notification No. 12/2017-CT (Rate), as amended.

Facts:

Sri Lakshmi Ganesh Cement and Iron General Stores **("the Applicant")** is engaged in trading cement and iron to both wholesale and retail, to registered and unregistered persons, including sales to M/s Sri Lakshmi Ganesh Steels (owned by the applicant's wife).

The Applicant also owns a tempo van and provides transportation services to mostly unregistered persons, such as farmers and individuals; the goods transported are at consignor's risk, and the Applicant does not issue consignment notes or assume responsibility for the goods.

The Applicant sought an Advance Ruling on (i) the value of supply under Section 15 CGST Act for unrelated and related persons, (ii) liability to pay tax on transportation services provided to unregistered persons, and (iii) applicability of exemption notifications to transportation services rendered to unregistered persons.

Issue:

- What is the value of supply U/s 15 of GST Act, 2017 in case of a supply of cement, iron or both to an unrelated person for which price is the sole consideration?
- What is the value of supply U/s. 15 of GST Act, 2017 in case of a supply of cement, iron or both to M/s. Sri Lakshmi Ganesh Steels, a related person who is eligible to claim input tax credit on the said supply?
- Whether the registered person is liable to pay tax on the services of transportation of goods by the road to an unregistered person or not? If yes, at what rate of tax?

Held:

The Andhra Pradesh AAR in ***AAR No. 04/AP/GST/2025*** held as under:

- Observed that, the value of supply under Section 15(1) CGST Act for unrelated persons, where price is sole consideration, is the transaction value—the mutually agreed price actually paid or payable.

- Noted that, for supplies to related persons eligible for full input tax credit, the invoice value as per the second proviso to Rule 28 CGST Rules is deemed to be the open market value for valuation purposes.

- Held that, supply of cement and iron to related entities like M/s Sri Lakshmi Ganesh Steels (owned by applicant's wife) would be valued at invoice value in accordance with Rule 28, subject to full ITC availability.

- Observed that, transportation services by the Applicant to unregistered persons, mostly farmers and individuals, without issuing consignment notes or assuming responsibility for goods, do not amount to Goods Transport Agency (GTA) services as defined in Notification No. 12/2017-CT (Rate). Issuance of consignment note is essential to qualify as GTA.

- Noted that, serial number 21A of Notification No. 32/2017-CT (Rate) dated October 13, 2017 exempts services provided by GTA to unregistered persons from GST liability. Therefore, such transportation services provided by the Applicant to unregistered persons are exempt from GST.

- Directed that, the Applicant is not liable to pay GST on the freight charges received for transportation of goods by road to unregistered persons notwithstanding GTA status and that (i) value of supply to unrelated persons shall be transaction value, (ii) invoice value shall apply for related persons eligible for ITC, and (iii) transportation services to unregistered persons are exempt.

Our Comments:

The ruling provides clarity on valuation principles under Section 15 CGST for related and unrelated party transactions, aligning with Rule 28 CGST Rules that provide alternate valuation methods for related parties with full ITC entitlement. Further the interpretation of Goods Transport Agency (GTA) services aligns with the Notification No. 12/2017-CT and its definition of GTA, particularly the requirement to issue consignment notes. Exemption under serial no. 21A of Notification No. 32/2017-CT (Rate) on transportation services to unregistered persons is upheld here, reflecting the government's intent to exempt rural, casual, and small transportation providers.

Relevant Provisions:

Section 15(1), CGST Act, 2017:

*"**15. Value of Taxable Supply.-***

(1) The value of a supply of goods or services or both shall be the transaction value, which is the price actually paid or payable for the said supply of goods or services or both where the supplier and the recipient of the supply are not related and the price is the sole consideration for the supply."

Rule 28 of the CGST Rules, 2017:

"28. Value of supply of goods or services or both between distinct or related persons, other than through an agent. -

(1) The value of the supply of goods or services or both between distinct persons as specified in sub-section (4) and (5) of section 25 or where the supplier and recipient are related, other than where the supply is made through an agent, shall-

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(a) be the open market value of such supply;

(b) if the open market value is not available, be the value of supply of goods or services of like kind and quality;

(c) if the value is not determinable under clause (a) or (b), be the value as determined by the application of rule 30 or rule 31, in that order:

Provided that where the goods are intended for further supply as such by the recipient, the value shall, at the option of the supplier, be an amount equivalent to ninety percent of the price charged for the supply of goods of like kind and quality by the recipient to his customer not being a related person:

Provided further that where the recipient is eligible for full input tax credit, the value declared in the invoice shall be deemed to be the open market value of the goods or services.

(2) Notwithstanding anything contained in sub-rule (1), the value of supply of services by a supplier to a recipient who is a related person located in India, by way of providing corporate guarantee to any banking company or financial institution on behalf of the said recipient, shall be deemed to be one per cent of the amount of such guarantee offered per annum, or the actual consideration, whichever is higher.

Provided that where the recipient is eligible for full input tax credit, the value declared in the invoice shall be deemed to be the value of said supply of services."

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No adverse order can be passed without the opportunity of personal hearing

The Hon'ble Allahabad High Court in ***Jagjit Enterprises (P.) Ltd. v. State of U.P. [Writ Tax No. 1159 of 2025, dated October 17, 2025]*** quashed an order passed under Section 73 of the Uttar Pradesh Goods and Services Tax Act, 2017 **("the UPGST Act")** without giving any opportunity of personal hearing to the petitioner, following the rationale of the Division bench of the same Court in ***Mahaveer Trading Company v. Deputy Commissioner, State Tax, Writ Tax No. 303 of 2024 dated March 4, 2024***.

Facts:

M/s Jagjit Enterprises (P.) Ltd. (**"the Petitioner")** was issued a Show Cause Notice **("SCN")** followed by the adverse order **("the Impugned Order")** dated December 31, 2023, under Section 73 of the UPGST Act without issuing any further notice or an opportunity for a personal hearing.

The petitioner appealed against the impugned order before the appellate authority, which was also dismissed on September 23, 2025, for being barred by limitation.

Aggrieved, the petitioner has filed the present writ petition.

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Issues:

Whether an adverse order can be passed without providing an opportunity of a personal hearing?

Held:

The Hon'ble Allahabad High Court in ***Writ Tax No. 1159 of 2025*** held as under:

- Relied on, *Mahaveer Trading (supra)*, in which it was observed that it is basic to procedural law under taxing statutes that the opportunity of personal hearing must be provided to an assessee before any assessment/adjudication order is passed against him. It was further held in *Mahaveer Trading (supra)* that, mere change in the substantive law, cannot deny the mandatory requirement of procedural law, and the opportunity of personal hearing thereof. Hence, as per Section 75(4) of the UPGST Act, it is mandatory that an opportunity for a personal hearing be provided to the assessee before the passing of an adverse order.

- Observed that, in *Mahaveer Trading (supra)*, it was further held that if the noticee chooses to waive the right of personal hearing or fails to avail the opportunity of personal hearing granted by the adjudicating authority, then the adjudicating authority (in those facts), is allowed to proceed to deal with the case on the merits, *ex parte*.

- Held that, the matter is remanded to the assessing authority to pass fresh order after giving an opportunity of hearing to the petitioner.

Our Comments:

***Section 75(4) of the UPGST Act**:*

"An opportunity of hearing shall be granted where a request is received in writing from the person chargeable with tax or penalty, or where any adverse decision is contemplated against such person."

The Hon'ble Chhattisgarh High Court in ***Mahindra & Mahindra Ltd. v. Union of India [WA No. 172 of 2024 dated April 10, 2024]*** held that no adverse can be passed without giving an opportunity of personal hearing as mandated under section 75(4) of the CGST Act. The Hon'ble High Court held that the principles of Natural justice must be followed. The officials taking action of a judicial nature must give an adequate opportunity of being heard to a person against whom action is proposed to be taken.

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Exemption on Cotton seed cattle feed manufactured by mixing cotton seed oil cake and de-oiled cake in GST

The Andhra Pradesh AAR in the matter of ***V.K. Industries [AAR No. 06/AP/GST/2025, order dated July 28, 2025]*** held that a uniform blend of decorticated cotton seed oil cake classified under HSN 23061010 and de-oiled cake under HSN 23061020 sold as "cotton seed cattle feed" does not qualify for GST exemption under ***Notification No. 02/2017–Central Tax Rate*** as "Cattle Feed" under HSN 23099010, and must instead be classified under HSN 23061090, attracting GST at 5% (2.5% CGST + 2.5% SGST).

Facts:

V.K. Industries **('the Applicant')** is engaged in processing cotton seeds to manufacture various products, including cotton seed oil cake and de-oiled cake, and now proposes to market a blend as "cotton seed cattle feed."

The Applicant's contention was that the proposed product, a homogeneous blend of cotton seed oil cake and de-oiled cake, is strictly intended for cattle consumption due to the presence of Gossypol (a compound toxic to non-ruminant animals), and thus should be classified as "Cattle Feed" (HSN 23099010), covered by exemption under serial no. 102 of ***Notification No. 02/2017–Central Tax Rate dated June 28, 2017***.

The Applicant approached the Advance Ruling Authority under Section 97(1) of the CGST Act for the below queries.

Issues:

- Whether "cotton seed cattle feed" manufactured by blending decorticated cotton seed oil cake and de-oiled cake in equal proportions is classifiable under HSN 23099010?
- Whether the supply of proposed new product is covered by exemption under serial no 102 of Central Tax Rate vide Notification No. 02/2017 dated June 28, 2017?

Held:

The Andhra Pradesh AAR in ***AAR No. 06/AP/GST/2025*** held as under:

- Observed that, although the product is formulated for cattle and contains Gossypol which limits its use to cattle, it is still a blend of decorticated cotton seed oil cake (expeller variety) and de-oiled cake (solvent-extracted variety), each already classified separately under HSN 23061010 and 23061020 respectively.
- Noted that, per the tariff heading and explanatory notes to Chapter 23 and Customs Tariff Act, such blended cotton seed products remain "residues" from extraction processes and do not lose the

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essential characteristics of the original material, and thus cannot be classified as "Cattle Feed" under HSN 23099010 for exemption.

- Observed that, cotton seeds are primarily used for oil extraction and are not "vegetables" in common parlance, and the blend does not undergo further processing to change its essential character or composition.

- Noted that, there was an absence of supporting test reports, invoices, or sale documents to demonstrate the product's distinct composition or exclusive application as compounded cattle feed.

- Held that, under serial no. 102 of the Notification No. 02/2017–Central Tax Rate dated June 28, 2017, only products that lose the essential characteristics of the original material or are specifically specified in the notification (e.g., compounded animal feed) qualify for exemption.

- Held that, the product must be classified under HSN 23061090 ("oil cake and other solid residues") and is liable to GST at 5% (2.5% CGST + 2.5% SGST) and that exemption as "Cattle Feed" is not available to this product.

Our Comments:

The AAR's reasoning aligns with the plain reading of the Customs Tariff and Chapter Notes, which emphasize that only those animal feeds which are so processed as to lose the essential characteristics of the original residue qualify under HSN 2309 and simple blends retain their original classification under HSN 2306. This interpretation is supported by the explanatory notes to Chapter 23 and Customs Tariff Act, 1975, clarifying scope for classification.

Whereas the Gujarat High Court in ***Dharti Industries v. Office of Commissioner (Appeal) & Ors. [R/Special Civil Application No. 19190 of 2023, order dated September 12, 2024]*** held that cotton seed oil cake intended for cattle feed is exempt under Entry No. 102 of Notification No. 2/2017–Central Tax Rate, regardless of supply being made to traders rather than direct consumption users. The Court reasoned that the exemption persists from VAT to GST regime; the essential character of the cotton seed oil cake as cattle feed remains unaffected by its supply chain route. The Court relied on the Supreme Court's decision in ***Commissioner of Central Excise v. Gopsons Papers Ltd. [(2015) 17 SCC 176]***, confirming that the end use by the purchaser controls the taxability, not the nature of the supplier's sale.

Relevant Provisions:

Serial No. 102 of Notification No. 02/2017–Central Tax Rate dated June 28, 2017:

102. "Aquatic feed including shrimp feed and prawn feed, poultry feed, cattle feed, including grass, hay, straw, supplement, husk of pulses, concentrates and additives, wheat bran and de-oiled cake [from specified headings 2302, 2304, 2305, 2306, 2308, 2309] – Nil GST."

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***Chapter Heading 2306 of the Customs Tariff Act, 1975**:*

2306: Oil-cake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of vegetable or microbial fats or oils, other than those of heading 2304 or 2305

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ITC admissible for capital goods and related services used to lay electricity transmission infrastructure outside the factory

The Gujarat AAR in the matter of ***Alleima India Pvt Ltd [Advance Ruling No. GUJ/GAAR/R/2025/44 GST, order dated October 16, 2025]*** held that input tax credit (ITC) is available on capital goods and related services used for laying underground cables and transmission equipment from the DISCOM substation to the factory premises, even if installed outside the factory premises, subject to the conditions in Section 16 and exceptions in Section 17(5) of the CGST Act.

Facts:

Alleima India Pvt Ltd **("the Applicant")** is engaged in manufacturing at Mehsana, Gujarat, and expanded its plant requiring increased power. For this, it laid a 2.7865 km underground cable line from the Gujarat Energy Transmission Corporation **("GETCO")** substation to its factory, using its own vendor under GETCO's supervision.

GETCO required the Applicant to execute the cable-laying work, either by GETCO directly or by Applicant under supervision. The Applicant opted to do the work at its own cost, using approved vendors, and capitalised the expenses for the assets.

The Applicant contended it was eligible for ITC under Section 16 CGST Act, since the cables, wires, switchyard equipment, and related services were movable, non-immovable property and not hit by the blocked credits under Section 17(5); the ducts and manholes used in the network should also be eligible by relying on CBIC Circular No. 219/23/2024-GST dated June 26, 2024).

The Applicant approached the Authority for a ruling under the CGST Act regarding eligibility of ITC for these assets and services.

Issue:

Whether the Applicant is eligible to avail ITC on procurement of capital goods, cables, wires, electrical equipment, supervision charges, and installation services used for transmission of electricity from the DISCOM substation to the factory premises, even when such goods are installed outside the factory under the GETCO policy, in light of Sections 16 and 17(5) of the CGST Act?

Held:

The Gujarat AAR in ***Advance Ruling No. GUJ/GAAR/R/2025/44 GST*** held as under:

- Observed that, the goods in question i.e., cables, wires, switchyards, aluminium corrugated sheath are movable and can be dismantled, coiled, and relocated, and do not constitute immovable property within the blocked credit category under Section 17(5)(c) and 17(5)(d).
- Noted that, the applicant had capitalised all expenses for the project as assets, fulfilled all Section 16 conditions, and submitted necessary invoices, with depreciation claimed on asset value except GST portion.
- Held that, CBIC Circular No. 219/23/2024-GST dated June 26, 2024 clarifies that ducts, manholes, and such infrastructure for transmission installable qualify as 'plant and machinery,' and ITC on these is not restricted by Section 17(5).
- Noted that. even if the GETCO agreement did not explicitly vest ownership with GETCO, applicant's capitalization and depreciation on the assets sufficed for ITC eligibility, and if assets revert to GETCO, ITC reversal under Section 18(6) is mandated.
- Held that, there is no restriction under Section 17(5) on ITC for such movable transmission infrastructure laid outside the factory premises, if conditions in Section 16 are met.

Our Comments:

The AAR's reasoning relies on interpreting "plant and machinery" and movability, in line with CBIC Circular No. 219/23/2024-GST dated June 26, 2024, which clarified that ducts and manholes for transmission installables are infrastructure covered under 'plant and machinery' for ITC, unless specifically excluded. The decision aligns with the Hon'ble Gujarat Appellate Authority for Advance Ruling ***In the matter of Elixir Industries Private Limited [Advance Ruling Appeal No. GUJ/GAAAR/APPEAL/2025/16, order dated September 22, 2025]*** held that Input Tax Credit (ITC) is admissible on capital goods such as wires, cables, and electrical equipment used for power transmission from the grid to the factory, even if installed outside factory premises and subsequently transferred to Gujarat Energy Transmission Corporation Ltd. (GETCO) for maintenance, provided the conditions under Section 16 of the CGST Act, 2017 are met.

Relevant Provisions:

Section 16 of the CGST Act, 2017:

"16. Eligibility and conditions for taking input tax credi.-

(1) Every registered person shall, subject to such conditions and restrictions as may be prescribed and in the manner specified in section 49, be entitled to take credit of input tax charged on any supply of goods or services

or both to him which are used or intended to be used in the course or furtherance of his business and the said amount shall be credited to the electronic credit ledger of such person.

(2) Notwithstanding anything contained in this section, no registered person shall be entitled to the credit of any input tax in respect of any supply of goods or services or both to him unless,-

(a) he is in possession of a tax invoice or debit note issued by a supplier registered under this Act, or such other tax paying documents as may be prescribed;

(aa) the details of the invoice or debit note referred to in clause (a) has been furnished by the supplier in the statement of outward supplies and such details have been communicated to the recipient of such invoice or debit note in the manner specified under section 37;

(b) he has received the goods or services or both.

Explanation.- For the purposes of this clause, it shall be deemed that the registered person has received the goods or, as the case may be, services-

(i) where the goods are delivered by the supplier to a recipient or any other person on the direction of such registered person, whether acting as an agent or otherwise, before or during movement of goods, either by way of transfer of documents of title to goods or otherwise;

(ii) where the services are provided by the supplier to any person on the direction of and on account of such registered person;

(ba) the details of input tax credit in respect of the said supply communicated to such registered person under section 38 has not been restricted;

(c) subject to the provisions of section 41, the tax charged in respect of such supply has been actually paid to the Government, either in cash or through utilisation of input tax credit admissible in respect of the said supply; and

(d) he has furnished the return under section 39:

Provided that where the goods against an invoice are received in lots or instalments, the registered person shall be entitled to take credit upon receipt of the last lot or instalment:

Provided further that where a recipient fails to pay to the supplier of goods or services or both, other than the supplies on which tax is payable on reverse charge basis, the amount towards the value of supply along with tax payable thereon within a period of one hundred and eighty days from the date of issue of invoice by the supplier, an amount equal to the input tax credit availed by the recipient shall be paid by him along with interest payable under section 50, in such manner as may be prescribed:

Provided also that the recipient shall be entitled to avail of the credit of input tax on payment made by him to the supplier of the amount towards the value of supply of goods or services or both along with tax payable thereon. .."

Section 17(5)(c) & (d), CGST Act, 2017:

17. Apportionment of credit and blocked credits.-

"(5) Notwithstanding anything contained in sub-section (1) of section 16 and sub-section (1) of section 18, input tax credit shall not be available in respect of the following, namely:-

(c) works contract services when supplied for construction of an immovable property (other than plant and machinery) except where it is an input service for further supply of works contract service;

(d) goods or services or both received by a taxable person for construction of an immovable property other than plant and machinery on his own account including when such goods or services or both are used in the course or furtherance of business.

Explanation 1.-For the purposes of clauses (c) and (d), the expression "construction" includes re-construction, renovation, additions or alterations or repairs, to the extent of capitalisation, to the said immovable property;

Explanation 2.—For the purposes of clause (d), it is hereby clarified that notwithstanding anything to the contrary contained in any judgment, decree or order of any court, tribunal, or other authority, any reference to "plant or machinery" shall be construed and shall always be deemed to have been construed as a reference to "plant and machinery."

CBIC Circular No. 219/13/2024-GST dated June 26, 2024:

"Whether the input tax credit on the ducts and manholes used in network of optical fiber cables (OFCs) for providing telecommunication services is barred in terms of clauses (c) and (d) of sub-section (5) of section 17 of the CGST Act, read with Explanation to section 17 of CGST Act ?

1. Sub-section (5) to Section 17 of the CGST Act provides that input tax credit shall not be available, inter alia, in respect of the following:

i. works contract services when supplied for construction of an immovable property (other than plant and machinery) except where it is an input service for further supply of works contract service; or

ii. goods or services or both received by a taxable person for construction of an immovable property (other than plant or machinery) on his own account including when such goods or services or both are used in the course or furtherance of business.

2. Explanation in section 17 of CGST Act provides that the expression "plant and machinery" means apparatus, equipment, and machinery fixed to earth by foundation or structural support that are used for making outward supply of goods or services or both and includes such foundation and structural supports but excludes land,

building or any other civil structures; telecommunication towers; and pipelines laid outside the factory premises.

3. Ducts and manholes are basic components for the optical fiber cable (OFC) network used in providing telecommunication services. The OFC network is generally laid with the use of PVC ducts/sheaths in which OFCs are housed and service/connectivity manholes, which serve as nodes of the network, and are necessary for not only laying of optical fiber cable but also their upkeep and maintenance. In view of the Explanation in section 17 of the CGST Act, it appears that ducts and manholes are covered under the definition of "plant and machinery" as they are used as part of the OFC network for making outward supply of transmission of telecommunication signals from one point to another. Moreover, ducts and manholes used in network of optical fiber cables (OFCs) have not been specifically excluded from the definition of "plant and machinery" in the Explanation to section 17 of CGST Act, as they are neither in nature of land, building or civil structures nor are in nature of telecommunication towers or pipelines laid outside the factory premises.

4. Accordingly, it is clarified that availment of input tax credit is not restricted in respect of such ducts and manhole used in network of optical fiber cables (OFCs), either under clause (c) or under clause (d) of sub-section (5) of section 17 of CGST Act."

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Supreme Court to decide Denial of ITC Due to Seller's Registration cancelled retrospectively

The Hon'ble Supreme Court in ***Roshan Sharma v. Deputy Commissioner of Revenue, State Tax & Anr. [SLP(C) No. 31296/2025, order dated November 10, 2025]*** held that the question of whether Input Tax Credit (ITC) can be denied solely on the ground that the GST registration of the seller has been cancelled—despite the registration being valid on the date of transaction—requires consideration. The Supreme Court issued notice and stayed the operation of the impugned High Court order, which had denied relief to the petitioner citing the availability of alternative remedy before the Commissioner, GST.

Facts:

Roshan Sharma **('the Petitioner'),** a registered dealer, purchased goods from a supplier, whose GST registration was cancelled retrospectively.

The Deputy Commissioner of Revenue, State Tax, West Bengal **('the Respondent')** raised demand for tax, interest, and penalty on the Petitioner, denying ITC on the ground that the seller's GST registration was subsequently cancelled.

The Petitioner contended that denial of ITC is unsustainable as the cancellation of the seller's registration was with retrospective effect, and on the date of supply, the registration was in force. The Petitioner also challenged the denial of an effective opportunity to rebut departmental allegations, including requests for

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cross-examination of the supplier and transporter, and for access to crucial Fastag data to establish movement of goods.

The Respondent contended that the Petitioner had an effective alternative remedy by way of statutory appeal and that denial of ITC is justified based on retrospective cancellation and departmental evidence, including witness statements and alleged document discrepancies.

Aggrieved by the adjudication order (Order-in-Original), and the subsequent High Court order declining relief on grounds of alternative remedy and factual disputes, the Petitioner approached the Supreme Court via a Special Leave Petition under Article 136 of the Constitution of India, seeking redress against denial of ITC.

Issue:

Whether ITC can be denied to a purchaser when the GST registration of the selling dealer has been cancelled with retrospective effect, although the registration was valid on the date of supply, and whether denial of opportunity for cross-examination and access to evidentiary material (such as Fastag data) vitiates the adjudication process?

Held

The Hon'ble Supreme Court in ***SLP(C) No. 31296/2025*** held as under:

- Directed that, in the interim, notice be issued returnable in December 2025 and recorded that the submissions require consideration by the Supreme Court.

The Hon'ble High Court held as under

- Observed that, it prima facie, declined to grant relief to the Petitioner on grounds of the alternative remedy of appeal before the GST Commissioner.

- Noted that, the principal submission by the Petitioner is that ITC cannot be denied merely because of retrospective cancellation of the supplier's registration, especially when valid at the time of transaction. Further it did not decide the substantive issue of ITC denial on merits, but only on maintainability in light of alternate remedies.

Our Comments:

The present case raises substantial questions regarding the denial of ITC due to retrospective cancellation of the supplier's GST registration. The High Court of Calcutta, in its earlier order in ***M.A.T. 854 of 2024 judgment dated May 7, 2024***, had specifically quashed the Order-in-Original on grounds of violation of natural justice—namely, failure to provide copies of witness statements and denial of cross-examination—and remanded the matter for fresh adjudication after supplying the requisite materials and permitting rebuttal evidence.

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Upon remand, the Adjudicating Authority reiterated its demand, leading the Petitioner to challenge the order before the High Court again. The High Court order in ***M.A.T. 1212 of 2025 dated August 28, 2025***, declined to entertain the writ petition, emphasizing the availability of statutory appeal under Section 107 of the CGST Act as an efficacious remedy, and explicitly directed the Petitioner to avail such remedy while preserving the right to present all factual and legal issues (including Fastag records, witness statement challenges, etc.) before the appellate authority. Thus, none of the orders on merits adjudicate the core issue—whether ITC denial is justified when registration is cancelled retrospectively.

The Supreme Court's interim order, of issuing notice to the Respondents recognizes the necessity to consider the scope of denial of ITC under such circumstances, as well as procedural fairness in GST adjudication.

Relevant Provisions:

Section 107 of the CGST Act, 2017

"107. Appeals to Appellate Authority.-

(1) Any person aggrieved by any decision or order passed under this Act or the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act by an adjudicating authority may appeal to such Appellate Authority as may be prescribed within three months from the date on which the said decision or order is communicated to such person."

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Important Notifications, Circulars of the week

MGST Department Announces Temporary Waiver of Late Fees for Monthly Returns of October 2025

The Maharashtra GST Department issued ***Trade Circular No. 16T of 2025 dated November 21, 2025*** announcing **exemption from payment of late fees** for filing monthly returns under the **MVAT Act, 2002**, **CST Act, 1956**, and **Profession Tax (PT) Act, 1975** for the tax period of **Oct 2025**, subject to specified conditions.

This measure has been taken to support taxpayers during the transition to a newly upgraded online automation system aimed at enhancing tax governance and return filing efficiency.

Revised Last Dates for Filing Returns

Return Type	Original Due Date	Extended Due Date
Monthly Returns under MVAT & CST	21 November 2025	27 November 2025
Monthly PTRC Returns under PT Act	30 November 2025	6 December 2025

Late fee exemption is available only if returns for October 2025 are filed on or before the dates mentioned above.

Conditions for Availing the Exemption - To benefit from the waiver, dealers must ensure:

- The **tax payable for the period must be paid** on or before the original return due date.
- The **return must be filed within the extended timeline** as indicated.

Advisory to Dealers

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The circular reiterates that the electronic payment system on the **MAHAGST portal is fully operational**, and thus taxpayers are expected to discharge tax liability within the prescribed timelines to avoid interest charges.

The waiver applies **only to delayed filing of returns** and **not for delayed tax payments**. Interest provisions will continue to apply wherever applicable.

Additional Clarification

Returns filed after **27 November 2025** (MVAT/CST) or **6 December 2025** (PT) will attract late fees as per the respective laws.

The circular also specifies that it is issued for clarification purposes and may not be used for legal interpretation. Trade associations are encouraged to disseminate this information among their members.

For Trade Circular Click Here

Strengthening GST Compliance: State Tax Department Selects 34 Registered Persons for Audit under WBGST Act, 2017

The Directorate of Commercial Taxes, Government of West Bengal, has issued ***Order No. 7152-CT dated November 18, 2025*** announcing the selection of **thirty-four (34) registered persons** for audit under **Section 65 of the West Bengal GST Act, 2017**, read with **Rule 101 of the WBGST Rules, 2017**. The audit will cover the period **beginning on or after 1st April 2022 and ending on or before 31st March 2023, or any part thereof**.

This step has been taken as part of the ongoing compliance and transparency framework to ensure efficient tax administration and adherence to statutory GST obligations across business sectors. The current selection is in continuation of a previously issued order vide **Order No. 501 CT dated 22.01.2025**.

Highlights:

- **34 Registered Persons Selected for Audit**
- Entities include companies, LLPs, and individual taxpayers across multiple industries such as construction, finance, manufacturing, real estate, electronics, textiles, and logistics
- The annexed list contains details of **GSTIN numbers and charge offices** for each selected entity

Applicability

The order comes into **immediate effect**, as confirmed by the signature of the Commissioner of State Tax, Government of West Bengal.

For Order Click Here

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Commissioner of State Tax Goa Assigns Additional GST Functions to Proper Officers Across Goa for Strengthening Tax Administration

The Office of the Commissioner of State Tax, Goa has issued ***Order No. CCT/26-2/2025-26/3919 dated November 26, 2025***, to strengthening the administrative mechanism under the Goa Goods and Services Tax Act, 2017. The order, notified on **26th November 2025**, assigns additional statutory functions to designated Proper Officers under **Section 74A of the GST Act**.

This decision has been undertaken in continuation of earlier orders dated **29th November 2017** and **29th April 2022**, with the objective of ensuring smooth and efficient implementation of provisions under the GST framework.

As per the notification, the powers and responsibilities under **Section 74A sub-sections (1), (2), (3), (5), (6), (7), (9), and (10)** of the Act have been vested in **Deputy Commissioners of State Tax, State Tax Officers and Assistant State Tax Officers**, to be exercised within their jurisdiction unless otherwise directed.

Sr. No.	Functions under Section of the said Act or rules made thereunder	Proper Officer
119	Section 74A, sub-section (1)	Deputy Commissioner of State Tax / State Tax Officer / Assistant State Tax Officer
120	Section 74A, sub-section (2)	Deputy Commissioner of State Tax / State Tax Officer / Assistant State Tax Officer
121	Section 74A, sub-section (2)	Deputy Commissioner of State Tax / State Tax Officer / Assistant State Tax Officer
122	Section 74A, sub-section (2)	Deputy Commissioner of State Tax / State Tax Officer / Assistant State Tax Officer
123	Section 74A, sub-section (2)	Deputy Commissioner of State Tax / State Tax Officer / Assistant State Tax Officer
124	Section 74A, sub-section (2)	Deputy Commissioner of State Tax / State Tax Officer / Assistant State Tax Officer
125	Section 74A, sub-section (2)	Deputy Commissioner of State Tax / State Tax Officer / Assistant State Tax Officer
126	Section 74A, sub-section (2)	Deputy Commissioner of State Tax / State Tax Officer / Assistant State Tax Officer

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These functions are **in addition to** the duties previously assigned to Proper Officers under the order dated 29th April 2022. The Commissioner has clarified that the exercise of assigned powers will remain subject to conditions and restrictions that may be prescribed periodically.

The order comes into **effect retrospectively from 1st November 2024**, ensuring continuity and legal validity in GST administration across the State.

For Order Click Here

Government Fixes Retail Prices of 11 New Drug Formulations (Exclusive of GST) to Ensure Affordable Treatment

The National Pharmaceutical Pricing Authority (NPPA), under the **Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers**, has fixed the retail prices of **11 new drug formulations**, vide ***Order PN/272/140/2025/F/F. No. 8(140)/2025/D.P./NPPA-Div.-II dated November 28, 2025***, ensuring wider access to affordable medicines for patients across the country. The notification has been issued under the provisions of the **Drugs (Prices Control) Order, 2013 (DPCO-2013)**.

The ceiling retail prices, **exclusive of GST**, have been determined for formulations manufactured and marketed by respective pharmaceutical companies. These include medicines commonly prescribed for **cardiac diseases, diabetes, hypertension, allergy, and severe bacterial infections**.

These prices apply specifically to the manufacturers and marketers who sought price fixation through **Form-I** under DPCO-2013.

Compliance Requirements

The notification mandates the following:

- Manufacturers must issue updated **price lists in Form-V** to NPPA via IPDMS and share copies with State Drug Controllers and dealers.
- Retailers and dealers must **display the updated price list prominently** on their premises.
- Only **actual GST paid/payable** may be added over the notified price.
- In case of **non-compliance or overcharging**, companies will be liable to deposit the overcharged amount **with interest**, under DPCO-2013 and the **Essential Commodities Act, 1955**.

Further, previous price orders for the same strength and formulation (where applicable) **stand superseded** by this notification.

Government Commitment

The retail price fixation is in line with the Government of India's ongoing efforts to:

- Improve affordability of essential and chronic-care medicines,
- Strengthen drug price regulation for patient benefit,
- Ensure accessibility of quality health care across India.

For Order Click Here

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Important Press Releases of the week

Delhi CM Rekha Gupta and MoS Finance Pankaj Chaudhary Lead 'Your Money, Your Right' Mega Campaign in New Delhi — Empowering Citizens to Claim Unclaimed Bank Deposits and Investments as Government Reports ₹1,887 Crore Returned in Just Two Months

Delhi Chief Minister Smt. Rekha Gupta and Union Minister of State for Finance Shri Pankaj Chaudhary addressed the mega camp of the **'आपका पैसा, आपका अधिकार' ('Your Money, Your Right')** campaign in New Delhi, today on November 27, 2025.

In her address on the occasion, Delhi Chief Minister Smt. Rekha Gupta said that the Indian banking sector is very strong and people have trusted the banking system for years. Banking governance, especially the digitisation of services, has also been a special focus of the government led by Prime Minister Shri Narendra Modi.

Smt. Gupta highlighted the Government's focus on financial inclusion and the digital delivery of services since 2014, noting that digitisation has not only changed the way people transact money but this step has already transformed the very nature of the Indian economy.

Taking this initiative forward, Smt. Gupta said that the Government has now taken the responsibility to restore citizens' unclaimed assets digitally and through the digital facility under **'आपका पैसा, आपका अधिकार' ('Your Money, Your Right')**, which demonstrates that the Government's policy and intent are focused on the delivery of service. The Delhi Government will also support this campaign and empower the Finance Ministry to ensure that camps are held under **'आपका पैसा, आपका अधिकार' ('Your Money, Your Right')**.

Smt. Gupta appealed to the people of Delhi to check information about their bank accounts, fixed deposits, policies, shares, or mutual fund investments and visit these camps to claim their funds. She said, “This is not just the recovery of common funds — it is the restoration of rights, fulfillment of justice, and affirmation of your entitlements. So far, we have returned approximately 850 million rupees to their rightful owners, and we will continue the efforts to return people's assets.”

In his address, Union Minister of State for Finance Shri Pankaj Chaudhary said, "Today, it is a great honour for me to be among you at this important programme, the **'आपका पैसा, आपका अधिकार' ('Your Money, Your Right')** campaign. This initiative reflects the vision of the Government, which always places the citizen at the centre."

The Union Minister of State for Finance said that under the leadership of Prime Minister Shri Narendra Modi, this government has made it clear that public awareness, public services, and public trust are the real strength of the nation. This campaign is steadily progressing and is being ensured to reach every district of the state within three months from October to December so that no citizen is deprived of their old accumulated capital. Over the past 11 years, our Government has made financial inclusion the foundation of the country's modern development.

Shri Chaudhary informed the audience that the **'आपका पैसा, आपका अधिकार' ('Your Money, Your Right')** campaign is based on the idea that the hard-earned money of any citizen should not remain unattended and should be delivered to them at the right time.

The Minister of State for Finance mentioned several schemes that have facilitated financial inclusion in India, mainly PMJDY, PMJJBY, PMSBY, APY, PMMY, and the PM SVANidhi scheme.

Concluding his address, Shri Chaudhary said that **'आपका पैसा, आपका अधिकार' ('Your Money, Your Right')** is not just about money; it is about trust, respect, and citizens' rights.

In his address, Secretary of the Department of Financial Services, Shri M. Nagaraju, said, “When we began designing this campaign, we identified a simple and impactful approach – Awareness, Accessibility, and Action, the 3A framework.”

Shri Nagaraju informed the audience and said, "From the very beginning, we wanted every citizen to easily understand this process. The campaign video released at the time of launch is now reaching people across the country in various local languages. Along with this, detailed booklets containing frequently asked questions and standard operating procedures for all unclaimed financial assets have been prepared in several regional languages and are being widely shared. These materials are helping families understand the steps involved and giving them the confidence to navigate the claim process."

Mr. Nagaraju informed that the nationwide response has been encouraging. Strong participation has been seen in the states across the four phases of the campaign. Mega district-level camps have been organized in 272 districts, and the next phase is already underway, with 102 additional camps being held tomorrow.

With this pace and coordination, all districts of the country will be covered under the campaign. Senior state government officials, MPs, MLAs, and local representatives are actively participating in these camps and motivating citizens to come forward.

The DFS Secretary, while informing the people, said that as a result of these collective efforts, more than ₹18.87 billion has been returned to citizens within just two months. Although this number may seem modest, it reflects the initial impact of growing awareness, and we hope that many more families will come forward in the coming times.

Highlighting the progress of campaign in Delhi, Shri Nagaraju said that as of August 31, 2025, the pending balance under the Deposited Education and Awareness (DEA) fund related to Delhi is only ₹3,210.84 crore. This indicates that a very large amount is still inaccessible to the citizens of the National Capital. This further underscores the need for stronger engagement in Delhi so that families can receive the amount rightfully due to them.

The **'आपका पैसा, आपका अधिकार' ('Your Money, Your Right')** campaign was inaugurated by the Union Minister of Finance and Corporate Affairs, Smt. Nirmala Sitharaman, on October 4, 2025, from Gandhinagar, Gujarat.

This camp was organised under the aegis of the Department of Financial Services (DFS), Ministry of Finance, Government of India, by the State Level Banker Committee-Delhi, with participation from the Reserve Bank of India (RBI), Insurance Regulatory and Development Authority of India (IRDAI), Securities and Exchange Board of India (SEBI), and the Investor Education and Protection Fund Authority (IEPFA) under the Ministry of Corporate Affairs, along with the Pension Fund Regulatory and Development Authority (PFRDA). A mega camp was conducted at the Dr. Ambedkar International Center, New Delhi.

Unclaimed financial assets such as insurance policy claims, bank deposits, dividends, shares, and income from mutual funds often remain unclaimed due to a lack of awareness or outdated account details. The mega camp provided guidance to citizens on the process of reclaiming their unclaimed assets.

For Press Release Click Here

Piyush Goyal Calls for Strong Centre–State Partnership to Boost India's Export Growth at the Fourth Board of Trade Meeting

Union Minister of Commerce and Industry Shri Piyush Goyal said that India must expand its economy and create more employment opportunities by increasing exports, emphasising the need for strong collaboration between the Central Government and the States to drive export expansion and diversification. The fourth meeting of the reconstituted Board of Trade (BoT), chaired by Shri Goyal, was held in New Delhi today, where the Minister highlighted the resilient performance of the Indian economy amid global volatility and reaffirmed the Government's commitment to accelerating export growth.

Shri Goyal stated that the Export Promotion Mission would incorporate targeted schemes to help landlocked States enhance their competitiveness in the export sector. He noted that, based on inputs received from States, the Ministry of Commerce would work closely with relevant agencies to identify effective and timely solutions to emerging challenges.

Underscoring the importance of quality, the Minister said that India's global reputation as a reliable exporter hinges on ensuring the highest standards in every product and consignment. He emphasized that maintaining consistency in quality is essential for strengthening India's position in global markets and building long-term trust with international partners.

Shri Goyal urged States to actively share their successful models and best practices, particularly in areas such as Ease of Doing Business and Single Window clearance systems. He noted that learning from States that have demonstrated strong performance in these domains would not only help others streamline their processes but also create a spirit of healthy competition. Such collaborative efforts, he added, would contribute to more efficient governance, improved facilitation for exporters and ultimately better outcomes across the country.

The Board of Trade—reconstituted in 2019 through the merger of the Council for Trade Development and Promotion with the BoT—continues to serve as the apex advisory body on policy measures related to the Foreign Trade Policy aimed at strengthening India's trade ecosystem.

The Minister provided an overview of progress made on initiatives announced during earlier BoT meetings. A major achievement has been the rapid scale-up of the Trade Connect e-Platform, launched in September 2024, which now integrates services from Indian Missions, the Department of Commerce, DGFT, Export Promotion Councils, Exim Bank and other partners. With over 62 lakh platform visits, more than 18 lakh registered users, multilingual accessibility, digital consolidation of Certificates of Origin (over 22 lakh issued), and extensive support for MSMEs through market intelligence and product-compliance tools, the platform is emerging as a comprehensive digital gateway for exporters.

He further highlighted the strong performance of the Jan Sunwai video-conferencing module, which has resolved 3,377 out of 3,518 grievances, achieving a closure rate of 96% and reflecting the Ministry's commitment to citizen-centric service delivery.

The Minister noted that the extension of the RoDTEP scheme until 31 March 2026 for all eligible export categories provides predictability for exporters. He also pointed out that India's trade diplomacy has gained momentum, with landmark FTAs concluded over the past two years—including the India–EFTA TEPA (March 2024) and the India–UK Comprehensive Economic and Trade Agreement (July 2025)—and with negotiations underway with several other major partners. He stressed that the newly launched Export Promotion Mission will establish a coordinated, system-driven framework involving government, industry and academia to support sector-specific strategies and long-term export growth.

States presented best practices on export promotion and Ease of Doing Business, fostering mutual learning and cooperation. Shri Goyal reiterated that India's export strategy now focuses on market diversification,

logistics reforms, MSME empowerment and technology adoption—critical pillars for deepening integration with global value chains and positioning India as a competitive and trusted trading partner.

Commerce Secretary Shri Rajesh Agarwal underlined the need to strengthen last-mile connectivity between exporters and government support systems. He highlighted the Ministry's commitment to expanding digital public infrastructure for trade, ensuring faster resolution of trade-related issues, and improving inter-agency coordination to enhance India's export competitiveness.

DGFT and Additional Secretary Shri Ajay Bhadoo emphasised the Directorate's efforts to make all trade-facilitation services fully digital and paperless. He noted that DGFT initiatives—particularly the Trade Connect ePlatform and digital Certificates of Origin—aim to simplify procedures for MSMEs, lower transaction costs and help exporters leverage new opportunities arising from FTAs and global demand diversification.

The meeting witnessed active participation from Ministers of various State Governments, senior officials from the Government of India and States/UTs, Export Promotion Councils, industry associations and a large number of exporters and trade experts. Their engagement reaffirmed the collective commitment to building a robust, technology-enabled and globally competitive trade ecosystem for India.

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India – Slovenia Joint Committee on Trade reviews bilateral trade partnership

The 10th Session of the India–Slovenia Joint Committee on Trade and Economic Cooperation (JCTEC) took place in New Delhi, co-chaired by Joint Secretary, Ministry of Commerce and Industry, Government of India, Shri Saket Kumar, and Director General for Economic, Cultural and Scientific Diplomacy, Ministry of Foreign and European Affairs of Slovenia, Mr. Peter Japelj.

The session provided a platform to review the current state of bilateral economic engagement, strengthen cooperation across key sectors, and chart a forward-looking roadmap for trade and investment between the two nations.

Bilateral trade between India and Slovenia has shown a consistent upward trajectory over the past several years, reflecting the growing depth and resilience of the partnership.

Slovenia's strategic location at the crossroads of Central Europe, coupled with India's expanding engagement with Europe, presents a unique opportunity to bring the regions closer together. This convergence of geographies and interests provides a strong foundation for deepening cooperation in trade, technology, innovation, and connectivity.

The discussions included a comprehensive review of the global and domestic economic landscape, as well as an assessment of bilateral trade and investment relations between the two countries. Sectoral cooperation was explored across agriculture, chemicals and pharmaceuticals, health, transport, energy, tourism, MSMEs,

and Ayurveda and traditional systems of medicine, as well as other trade and business-related matters. Both sides expressed optimism for the early conclusion of a balanced and mutually beneficial India–EU Free Trade Agreement (FTA).

During the visit, Mr. Peter Japelj met with Commerce Secretary, Government of India Shri Rajesh Agrawal, and held discussion on strengthening bilateral cooperation between the two countries.

The 10th JCTEC reaffirmed India's commitment to nurturing a dynamic economic partnership with Slovenia, built on mutual trust, shared values, and enduring friendship, laying the groundwork for deeper collaboration across Europe and India.

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India–UAE Convene Third CEPA Joint Committee Meeting; Bilateral Trade Crosses USD 100 Billion

India and the UAE successfully convened the third meeting of the Joint Committee under the India–UAE CEPA in New Delhi. The meeting was co-chaired by Additional Secretary, Department of Commerce, Shri Ajay Bhadoo and Assistant Undersecretary for International Trade Affairs, UAE, H.E Juma Al Kait. Both sides welcomed the strong growth in bilateral trade, which crossed USD 100.06 billion in FY 2024–25, reflecting a robust increase of 19.6% and reaffirming the UAE's position as one of India's key trading partners. The India-UAE Joint Commission serves as the primary institutional mechanism to review progress, address challenges, and implement the CEPA.

The two sides conducted a comprehensive review of progress under CEPA and detailed discussions were held on market access issues, data sharing, allocation of Gold TRQ, anti-dumping matters, services, Rules of Origin, BIS licensing etc. The India side also briefed the UAE on its recent decision to allocate Gold TRQ through a transparent competitive bidding process.

Both sides reviewed recent high-level engagements, including meetings between Hon'ble Commerce & Industry Minister Shri Piyush Goyal and H.E. Dr. Thani in Mumbai and Dubai. They reaffirmed their shared commitment to expanding non-oil/ non precious metal trade towards the USD 100 billion target by 2030. Discussions also covered regulatory cooperation in pharmaceuticals, resolution of issues related to Certificates of Origin, BIS coordination, and early signing of the MoU on Food Safety and Technical Requirements between Agricultural and Processed Food Products Export Development Authority (APEDA), India and Ministry of Climate Change & Environment (MoCCAE), UAE.

The meeting concluded with both sides agreeing to strengthen trade facilitation, regulatory collaboration, data sharing and convening of Services Subcommittee meeting. The UAE delegation also had a meeting with Commerce Secretary, Shri Rajesh Agrawal where issues related to optimum CEPA utilisation by both sides were discussed. The visit of the UAE delegation underscores the commitment of both countries to deepen the balance of trade, expand market opportunities, and further reinforce the strategic partnership under CEPA.

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From Growth Engine to Global Edge: Supercharging India's Logistics

Key Takeaways

- India's logistics cost has dropped to 7.97% of GDP.
- IPRS 3.0, developed with the Asian Development Bank, rates industrial parks on sustainability, green infrastructure, connectivity, digital readiness, and skills.
- The SMILE program launched logistics plans in 8 pilot cities across 8 states to assess existing logistics infrastructure and improve efficiency and reduce costs.

A New Chapter in India's Logistics Story

India's logistics is entering a new phase and converting itself into a faster, smarter, and globally competitive sector. From integrated digital platforms that streamline freight movement to modern infrastructure connecting every part of the country, a next-generation logistics ecosystem is steadily taking shape. Backed by targeted policy reforms, institutional realignment, and technology-driven solutions, the government is transforming logistics into a key driver of India's economic growth and global trade positioning.

A wave of structural changes is reshaping how logistics is planned, executed, and scaled across the country. Platforms like **ULIP (Unified Logistics Interface Platform)** are integrating data across departments, **while LDB (Logistics Data Bank) 2.0** enables real-time visibility of millions of containers. Every **HSN (Harmonized System of Nomenclature) code is mapped to its line ministry**, improving accountability and policy design. Logistics plans at the **city and state levels under the SMILE (Strengthening Multimodal and Integrated Logistics Ecosystem) programme** are being aligned with national priorities. **Inland waterways transported a record 145.84 million tonnes of cargo last year**, while **rail congestion is being addressed through dedicated freight corridors.** In industrial zones, **plug-and-play parks under NICDC (National Industrial Corridor Development Corporation)** offer ready infrastructure for investors. On the ground, reforms such as **GST and the e-Way Bill** have removed long-standing frictions in interstate transport. These interventions are driving a clear objective: **reducing logistics costs, improving efficiency, and strengthening India's position in global supply chains.**

Multimodal Logistics along the Gangetic Plain

*India is transforming its logistics network along the Gangetic Plain through an **integrated multimodal approach** that combines **road, rail, and inland waterways,** making transport faster, cheaper, and greener. The **Eastern Dedicated Freight Corridor (EDFC),** a **high-speed rail freight line**, has **reduced wagon turnaround times from 15–16 days to 2–3 days** and **cut transit times from over 60 hours to around 35–38 hours. Freight operations are now managed via a central control centre in Prayagraj,** easing congestion on existing rail networks. The **revival of the Ganga Waterway,** linked to the EDFC at **Varanasi,** allows manufacturers to move cargo efficiently to eastern ports like **Haldia. Rapid development of warehousing and logistics facilities** near*

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the corridor has ***boosted employment, improved inventory management****, and enabled* ***timely production and export.*** *These projects involve significant investments from the* ***World Bank,*** *including* ***$1.96 billion for the Eastern Dedicated Freight Corridor and Rail Logistics initiatives*** *and* ***$375 million*** *for the Ganga Waterway development. Together, these efforts are creating an* ***efficient, integrated logistics system*** *that* ***reduces costs, lowers carbon emissions,*** *and* ***strengthens India's connectivity to domestic and international markets.***

Why Logistics Matter More Than Ever

India's path to economic growth increasingly relies on efficient logistics, which are key to enhancing competitiveness and global connectivity.

The National Logistics Policy and PM GatiShakti have injected new momentum into this transformation, laying the foundation for a more integrated and data-driven logistics ecosystem. But strategy needs precision, and that starts with knowing the true cost of logistics.

Until recently, India's logistics costs were often overestimated. Commonly cited figures of 13 to 14 percent of GDP were based on partial or external data. This led to confusion in policymaking and misperceptions globally.

That has now changed.

A new, first-of-its-kind study titled *Assessment of Logistics Cost in India* by the Department for Promotion of Industry and Internal Trade (DPIIT), in collaboration with National Council of Applied Economic Research (NCAER), provides a scientifically grounded estimate. Using a hybrid methodology that combines primary data from over 3,500 industry stakeholders with secondary data from the Ministry of Statistics and Programme Implementation (MOSPI), Reserve Bank of India (RBI), and Goods and Services Tax Network (GSTN), the report places India's logistics cost at 7.97 percent of GDP and 9.09 percent of non-services output for 2023 to 2024. In absolute terms, the total cost is estimated at ₹24.01 lakh crore.

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This is more than just a headline number. The report offers a detailed breakdown by cost components, firm size, and product type. It highlights a critical insight: **smaller firms face significantly higher logistics costs, which affect their ability to scale and compete**. The study also introduces **benchmark freight costs per tonne-kilometre across various transport modes and distances.** This data is essential for better supply chain planning and pricing.

Multimodal transport is emerging as a key lever for efficiency. For example, the report shows that **for journeys of around 600 kilometres, improving the first and last 50 kilometres can significantly lower the total logistics cost.** This underscores the importance of last-mile infrastructure and multimodal logistics integration.

All findings are available through a new interactive dashboard designed to support real-time analysis and informed decision-making. With this data-backed clarity, both the government and industry can make smarter investments, design sharper policies, and upgrade infrastructure faster. This brings India closer to its goal of becoming a global logistics hub.

In short, logistics is no longer a black box. With accurate cost estimates, actionable insights, and targeted interventions, India is transforming its supply chains from a hidden burden into a source of strength.

2025: Supercharging India's Supply Chains

Several initiatives launched in 2025 showcase the government's push to refresh logistics across measurement, local planning, infrastructure, and data integration. These new-generation logistics programs were unveiled to break bottlenecks, accelerate movement, and supercharge supply chains.

1. **PM GatiShakti: Driving Integrated Planning**

During the commemoration of four years of the PM GatiShakti National Master Plan, the transformative impact of this path-breaking initiative was highlighted, and several key initiatives were unveiled. Key launches included:

- **PM GatiShakti District Master Plans**in all **112** Aspirational Districts to guide social and economic infrastructure projects.
- **PM GatiShakti – Offshore,**consolidating geospatial data from multiple ministries to guide offshore projects like **wind farms, marine resource exploration, and coastal infrastructure,** while **minimizing regulatory and environmental risks.**
- **PM GatiShakti Public**, a web-based platform providing access to **230** non-sensitive datasets for private entities, researchers, and citizens, promoting transparency, data-driven decision-making, and cross-sector collaboration.
- **Knowledge Management System, NMP (National Master Plan) Dashboard,**and **Decentralized Data Uploading System**, improving coordination, transparency, and cross-learning across government departments.

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- **Compendium Volume-3**, showcasing best practices and successful on-ground use cases across social, economic, and infrastructure sectors.
- **LEAPS 2025**is a **DPIIT initiative** to benchmark logistics performance and promote innovation and sustainability in the sector.

2. **SMILE: City-Level Logistics Planning**

The **Strengthening Multimodal and Integrated Logistics Ecosystem (SMILE)** program, developed by DPIIT in collaboration with the Asian Development Bank, focuses on streamlining logistics at both state and city levels. As part of this initiative, plans have been launched across **eight pilot cities in eight states**, each selected to demonstrate how local logistics systems can align effectively with national priorities.

SMILE operates on two synchronized fronts:

- **State Level:** It connects growth hubs to trunk routes, economic corridors, and logistics gateways.

- **City level:** It aligns urban freight with city mobility frameworks, master plans, and land use policies. This two-tiered approach makes logistics not an afterthought, but a built-in layer of economic and spatial planning.

Each of the eight pilot cities under SMILE will be building integrated logistics plans that span both urban and peri-urban zones. These plans map and optimize freight-intensive activity such as local retailers, e-commerce delivery routes, warehousing clusters, truck terminals, and last-mile corridors. The aim is to combine data-driven decisions with clear urban policies and institutional coordination. The plans focus on noise reduction, city decongestion, low- and zero-emission vehicles, process automation, and stronger alignment between freight and passenger flows.

The outcome is a national model where central, state, and city agencies, along with private players and start-ups, act in coordination. This supports sustainable urban freight, faster and more affordable movement of goods, cleaner and less congested cities, and millions of new jobs across the logistics value chain.

3. **LEADS 2025: Scoring States on Logistics**

The Logistics Ease Across Different States *(LEADS)* ***2025*** *initiative sets a new benchmark for measuring the logistics performance of States and Union Territories. Evolving into a more comprehensive framework, LEADS now incorporates both* ***perception-based inputs and objective data,*** *with the latter making up* ***32.5%*** *of the* ***framework*** *and expected to increase further. The assessment covers* ***regulatory and institutional support, logistics enablers, infrastructure, services, the operating environment, and sustainability.***

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*The initiative **also monitors five to seven key transport corridors, capturing real-time data on journey times, average truck speeds, and waiting periods. API-enabled tools allow for section-wise monitoring of road speeds, enabling the identification of delay points and performance gaps**. By offering detailed insights and tracking the improvement trajectory of logistics systems, LEADS serves as a key mechanism to enhance logistics efficiency and supply chain robustness across States and Union Territories, supporting India's progress toward its long-term development goals.*

4. **LDB 2.0: Visibility that Moves Markets**

*The upgraded **Logistics Data Bank 2.0** now syncs with Unified Logistics Interface Platform (ULIP) APIs, offering exporters and MSMEs real-time visibility across road, rail, sea, and even high seas. A live container heatmap highlights where containers are delayed, enabling swift corrective action before minor issues escalate. Now users will be able to track shipments using container number, vehicle number, and railway FNR (Freight Name Record) numbers.*

What once required days of coordination and guesswork now appears instantly on a single platform.

5. **IPRS 3.0: Ranking Industrial Parks**

The **Industrial Park Rating System (IPRS) 3.0**, co-developed by DPIIT and the Asian Development Bank, adds transparency and accountability to India's industrial infrastructure. It evaluates industrial parks across a broad set of performance indicators, helping identify where excellence thrives and where improvement is needed.

Each park is assessed and categorized as a **Leader**, **Challenger**, or **Aspirer**, based on factors such as infrastructure quality, logistics connectivity, digital readiness, sustainability features, and tenant satisfaction. This clear and consistent grading gives investors reliable information to guide decisions, while motivating States and Union Territories to upgrade their facilities and attract more investments.

Under NICDC, 20 plug-and-play industrial parks are in development. 4 are completed, the other 4 are under construction, and several are on the drawing board. These ready-to-use parks reduce entry barriers for industries and send a strong signal to global and domestic investors that India is serious about ease of doing business and industrial growth. With IPRS 3.0, India is not just building more parks. It is building better ones: more competitive, more inclusive, and more geared towards the goals of national development.

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6. **Guidebook on HSN Codes: Clarity that Counts**

*A comprehensive guidebook has mapped **12,167 HSN codes** across **31 ministries**. Mapping each HSN code with the respective line ministry will help the industry understand processes related to their sectors. For businesses, it simplifies coordination. For policymakers, it sharpens accountability, and for trade negotiators, it strengthens India's hand on the global stage.*

Conclusion

Logistics has long operated behind the scenes and is gradually receiving more attention. The past decades have laid the tracks and built the systems, with the current developments propelling these efforts to roar: faster, greener, and fully connected.

If *Make in India* builds the factories, logistics builds the highways, waterways, and data flows that carry their output to the world. With initiatives like PM Gatishakti Public/Offshore, SMILE, LEAPS 2025, LEADS 2025, IPRS 3.0, LDB 2.0, etc., and green corridors on the move, India is transforming its logistics from a cost centre into a powerful competitive advantage system. The journey from growth engine to global edge has begun.

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CBIC wins top prize in Public Outreach & Communication Category at India International Trade Fair (IITF) 2025

In acknowledgement of its comprehensive outreach efforts, innovative public engagement formats and inclusive communication strategy, the **GST & Customs Pavilion has bagged the Gold Prize in the 'Public Outreach and Communication' Category** at IITF 2025 in New Delhi, today on November 29, 2025.

The Central Board of Indirect Taxes and Customs (CBIC) successfully showcased its flagship **'GST & Customs Pavilion'** at the **India International Trade Fair (IITF) 2025** in **New Delhi**, from **14th-27th November 2025**.

Built around the theme **"Next-Gen GST: सरल कर, खुशहाल राष्ट्र"**, the Pavilion aimed at deepening public understanding of the Government of India's latest reforms in indirect taxation and trade facilitation. Designed as an interactive and educational space, the Pavilion served as an important public interface where **taxpayers, industry representatives, students, and citizens** could engage with CBIC's ongoing initiatives to simplify compliance and enhance service delivery.

The CBIC pavilion received overwhelming footfall and active participation from people across age groups, professions and sectors, reflecting strong public interest and optimism toward recent GST reforms.

Key Highlights of the CBIC Pavilion:

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1. **Expert Helpdesks for Instant Support:** Eight helpdesks from GST, Customs, GSTN, ICEGATE and CPGRAMS provided quick, on-the-spot assistance with registration, refunds, return filing, grievances and trade procedures.
2. **Multilingual Learning Content**: Educational videos and tutorials—available in 10 regional languages plus Hindi and English—simplified GST and Customs processes for all visitors.
3. **Interactive Digital Exhibits**: Digital screens and interactive displays showcased CBIC's key reforms, technological upgrades and achievements, highlighting smoother, more transparent compliance systems.
4. **Engaging Awareness Activities**: Magic shows, puppet shows, quizzes, caricature artists, VR games and selfie corners made tax awareness fun and accessible, supported by informative brochures.
5. **Youth-Focused Career Guidance**: Dedicated sessions introduced students to career opportunities in CBIC and its role in revenue administration and trade facilitation.

The CBIC expresses gratitude to all visitors, stakeholders and partners for their enthusiastic participation and reaffirms its ongoing commitment to **simplifying taxes, enhancing transparency and building a more citizen-friendly indirect taxation ecosystem**.

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Strategic Tax Initiatives and Support Measures Enabling Global Competitiveness in GIFT City

Gujarat International Finance Tec-City (GIFT City) has achieved significant growth as India's first International Financial Services Centre (IFSC), marking a major step in strengthening India's footprint in global finance and smart urban development. The world-class integrated financial and technology hub now houses **over 1034 registered entities** representing banking, capital markets, insurance, fintech, aircraft & ship leasing, and other ancillary services

GIFT City currently hosts **38 banking units with an aggregate asset base of USD 100.14 billion and cumulative banking transactions amounting to USD 142.98 billion**

The two international exchanges operating from GIFT IFSC have reported **an average monthly turnover of USD 89.67 billion**, while **GIFT NIFTY alone recorded USD 102.35 billion turnover in May 2025**

Global Corporates and Capability Centres Strengthen Presence

GIFT City has emerged as a preferred destination for leading multinational enterprises to set up their Global Capability Centres (GCCs). Notable companies include **Infineon Technologies, Technip Energies, TELUS, and Tata Electronics**, each contributing to employment and technology depth across semiconductor design, energy transition, and digital capabilities

Major technology and consulting firms such as **Accenture, Capgemini, IBM Consulting, and NASSCOM** have also expanded operations, reinforcing GIFT City's position as a high-value global talent and innovation centre.

Rapid Growth in FinTech and Bullion Markets

GIFT City continues its emergence as a global fintech innovation hub. As of September 2025, **20 FinTech/TechFin entities and 8 sandbox participants** are operational within the IFSC framework.

Further, the **India International Bullion Exchange (IIBX)**, launched in 2022, is facilitating efficient and transparent bullion trade supported by OECD-compliant responsible sourcing frameworks.

Integrated Smart City Infrastructure Powering Business Competitiveness

GIFT City sets a benchmark for smart urban development through high-performance infrastructure including:

- **District cooling system reducing energy consumption by 30%**
- **Automated waste collection system**
- **Underground utility tunnel spanning 17 km**
- **24×7 water supply with near-zero discharge recycling**
- **99.999% power reliability**
- **Tier-IV Green Data Centre infrastructure by STT Global**

Transport connectivity is further strengthened through **metro integration with Ahmedabad and Gandhinagar, proximity to the upcoming bullet train, 12 EV buses linking the region, and 20-minute access to Ahmedabad Airport**.

Policy Measures and Incentive Framework Driving Growth

To attract global investment and innovation, the Government of India has introduced progressive direct tax, indirect tax, and business-enabling reforms. Units in IFSC are eligible for:

- **10-year income-tax holiday within a 15-year block**
- **GST exemption on transactions within IFSC**
- **Stamp duty exemption**
- **No STT / CTT / MAT**
- **Custom duty exemptions in SEZ**
- **Employer PF contribution reimbursement**

A **Single Window IT System (SWITS)** has been introduced for compliance and regulatory facilitation, enabling ease of doing business for financial service entities.

Gateway for Global Education

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GIFT City continues to evolve as an academic hub, welcoming top international universities. **Deakin University and University of Wollongong are already operational, while Queen's University Belfast and Coventry University are set to launch campuses shortly**.

The introduction of **Academic Infrastructure Service Providers (AISP)** enables foreign universities to establish campuses with regulatory flexibility and world-class facilities.

GIFT City – Anchoring India's Vision for Viksit Bharat 2047

GIFT City's rapid expansion — from nearly **1,000 acres to 3,300+ acres** including SEZ and Domestic Tariff Area — underscores its strategic role in driving India's long-term economic agenda.

With its integrated ecosystem spanning finance, technology, talent, infrastructure, and innovation, GIFT City is poised to act as a global gateway for channeling capital into India's development journey — reinforcing India's aspirations toward **Viksit Bharat 2047**.

Table — Fiscal and Non-Fiscal Support Measures for GIFT City:

Category	Detailed Incentives / Support Measures
Direct Tax Benefits	• **100% Income-tax exemption for 10 years within a 15-year block** for IFSC units under **Section 80-LA** of the Income Tax Act, 1961. • **Reduced withholding tax on interest income** paid to non-residents. • **Minimum Alternate Tax (MAT) not applicable** for companies opting for concessional tax regime (as shown in the "Competitive Tax Regime" graphic on page 12).
Indirect Tax Benefits	• **GST not applicable** to transactions conducted within IFSC. • **Custom Duty exemption** on goods imported into the SEZ area of GIFT City. • **Zero Stamp Duty** on transactions related to setting up operations inside GIFT SEZ (Page 12 tax incentive chart also highlights "0% Stamp Duty").
IT/ITeS Policy Support	• **Fiscal incentives covering both CAPEX and OPEX** to IT/IteS enterprises. • **Incentives for employment generation** under state policy. • **Aatmanirbhar Gujarat Rojgar Sahay Scheme** to support job creation. • **Electricity duty concessions for IT/IteS units**. • **Self-certification for labour laws & industrial compliance**, reducing procedural burden.

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Other Incentives	• **Exemptions from certain provisions of the Companies Act, 2013**, available for IFSC units. • **No Securities Transaction Tax (STT)** and **No Commodity Transaction Tax (CTT)** for activities conducted in IFSC. • **100% reimbursement of employer's Provident Fund contribution**, supporting workforce expansion. • **Relaxed regulatory environment** for setting up Academic Infrastructure Service Providers (AISPs) for foreign universities operating inside IFSC.
Governance & Regulatory Ease	• **Single Window IT System (SWITS)** for approvals, filings and compliance for IFSC units. • **Delegation of Development Commissioner powers to IFSCA**, reducing administrative layers and speeding project clearances. • **Unified Regulator — IFSCA** regulates banking, capital markets, AIFs, insurance, fintech and other financial services under one authority, ensuring faster and simplified rules.
Sector-Specific Product & Business Enablement	• **Approval of new-age financial products** — aircraft leasing, ship leasing, global in-house centres, fintech sandbox innovations etc. under Section 3(1) of IFSCA Act, 2019. • **Dual entry routes for fintechs**: direct authorization or sandbox testing. • **Policy support for AIFs, fund managers, insurers, bullion market participants and capital markets intermediaries**, enabling cross-border financial activity inside India.

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Important Updates of the week

IRS officer Vivek Chaturvedi appointed as CBIC's New chairman; replaces Sanjay Kumar Agarwal

Vivek Chaturvedi, a 1990-batch Indian Revenue Service (Customs & Indirect Taxes) officer and member of the Central Board of Indirect Taxes and Customs (CBIC), has been appointed as the chairman of the indirect taxes apex policy-making body.

The Department of Personnel & Training (DoPT), in an order, said the Appointments Committee of the Cabinet has approved Chaturvedi's appointment as Chairman, CBIC.

He succeeds Sanjay Kumar Agarwal, a 1988-batch IRS officer, who completed his tenure and retired on November 28, 2025.

Before becoming a member of the CBIC, Chaturvedi served as Principal Director General of Vigilance and Chief Vigilance Officer in the organisation.

In that role, he was responsible for vigilance oversight within the indirect tax administration, with a focus on transparency and internal control mechanisms.

Chaturvedi had earlier succeeded Vivek Ranjan, Member (Tax Policy & Legal), who completed his tenure on August 31, 2025.

With over three decades in service, Chaturvedi brings extensive experience in vigilance, compliance and tax administration to the CBIC chair.

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Justice Surya Kant sworn in as 53rd Chief Justice of India

Justice Surya Kant was sworn in by President Droupadi Murmu as the 53rd Chief Justice of India (CJI) at the Rashtrapati Bhavan on Monday (November 24, 2025.). He took his oath of office, pledging his commitment to uphold the Constitution and faithfully discharge duties, in Hindi.

Chief Justice Kant has a tenure as top Judge of a little over a year. He retires on February 9, 2027. He was appointed to the Supreme Court on May 24, 2019.

Born on February 10, 1962, at Hisar in Haryana, Mr. Kant completed his graduation from his hometown, and earned his Bachelor's degree in Law in 1984 from Maharishi Dayanand University, Rohtak. He started his legal practice at the Hisar district court and shifted to Chandigarh in 1985 to practice in the Punjab and Haryana High Court.

Justice Kant has been a part of several impactful decisions of the Supreme Court, including the abrogation of Article 370 of the Constitution which removed the 'special status' to the erstwhile State of Jammu and Kashmir. Justice Kant was also part of the Bench which held the electoral bonds scheme unconstitutional. He was a member of the Benches which heard the Pegasus spyware case and suspension of the sedition law.

He was the youngest Advocate General of Haryana on July 7, 2000, and designated as senior advocate in March 2001. He was elevated as a Judge of the Punjab and Haryana High Court on January 9, 2004. Justice Kant was appointed as the Chief Justice of the High Court of Himachal Pradesh in October, 2018.

To Know more Click Here

GSTN issues Advisory to Taxpayers to Update Bank Account Details on GST Portal by 2nd December to Avoid Auto-Suspension of GST Registration

The Goods and Services Tax Network (GSTN) has issued an advisory urging all GST-registered taxpayers to update their bank account details on the GST portal to ensure compliance with Rule 21A read with Rule 10A of the CGST Rules. Taxpayers who fail to provide valid bank account details by **2nd December 2025** (implementation date on the portal) will be liable for **auto-suspension of GST registration**, resulting in disruption of business operations. GSTN has encouraged taxpayers to update their details at the earliest to avoid inconvenience and ensure smooth functioning under the GST system. For more information, visit **www.gst.gov.in**.

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Allahabad HC: GST Authorities Cannot Levy Tax on Pre-GST Work Contracts

The Allahabad High Court has ruled that Goods and Services Tax (GST) authorities cannot impose tax, penalty or interest on work completed before the introduction of the GST regime.

The case involved a work contractor who received notices for FY 2018-19 under the GST Act. An ex-parte order was later passed due to his inability to respond in time.

The contractor challenged the order, arguing that the disputed payment related to work executed for the Jal Nigam during 2015-16 and 2016-17, periods governed by the Value Added Tax (VAT) regime, not GST. He said VAT had already been deducted as required at that time.

Justice Piyush Agarwal held that payment made after the implementation of GST does not give authorities jurisdiction over transactions completed beforehand.

Since the work contract and execution occurred under the VAT system, the matter fell within the jurisdiction of VAT authorities.

The Court stated that GST officials could not assume authority merely because of discrepancies between GSTR-3B and Form 26AS.

“Once the record shows the petitioner executed a work contract allotted by the Jal Nigam prior to GST, subsequent payment cannot justify GST levy,” the order said.

The writ petition was allowed, and the ex-parte GST order was set aside.

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Frequent cancellation of GST registration without assigning reasons is ‘economic death’: HC

The Allahabad High Court has pulled up GST authorities for passing frequent orders for the cancellation of GST registration of traders without assigning reasons and said it amounted to 'economic death' as it inflicts disproportionate hardship on them and disrupts legitimate business activities.

The court in its judgment dated Nov 20 highlighted that depriving a dealer of this statutory lifeline, without assigning reasons or affording adequate opportunity, is antithetical to both the letter and spirit of the GST law.

Allowing a writ petition filed by M/S Anil Art and Craft, a division bench comprising Justice Saumitra Dayal Singh and Justice Indrajeet Shukla set aside the order dated Oct 15, 2025, passed by assistant commissioner, state tax, Bhadohi sector-1, cancelling petitioner's GST registration with retrospective effect from Oct 8, 2025.

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Prior to this, a show cause notice in Form GST REG-17 had been issued alleging wrongful availment and passing on of bogus input tax credit in violation of section 16 of the GST law, based on a DGGI survey and alleged dealings with non-existent suppliers.

The bench observed that merely stating that a reply is "not satisfactory" reveals only the conclusion of the authority and not the reasoning which led to that conclusion, thereby failing the minimum standard of a reasoned administrative order.

Emphasising that recording of reasons is a "sine qua non" of fair procedure, the court noted that this requirement is so fundamental that even a law student would recognise it as non-negotiable.

The court remarked that the officer had acted "carelessly" and in "complete defiance" of basic procedural safeguards, questioning what could have compelled such a non-speaking order in a matter carrying grave civil consequences.

Underlining the severity of cancellation of GST registration, the court described such an action as virtually announcing the "economic death" of a business entity in a regime where registration is the gateway for issuing tax invoices and availing or passing on input tax credit. Once registration is cancelled, the taxpayer is effectively disabled from participating in the formal supply chain, even as past tax liabilities, returns, and obligations continue.

The court directed that a copy of the judgment and petition be communicated to the commercial tax commissioner, who has been asked to issue appropriate instructions within 15 days to all GST officers dealing with registration cancellation.

These instructions must specifically provide for penal consequences against officers who pass non-speaking orders or deny reasonable opportunity in such matters, so that similar lapses are not repeated, the court added.

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Videos of the Week

After GSTIN cancellation, taxpayers aren't obliged to check GST portal for notices

You can access the video on **"After GSTIN cancellation, taxpayers aren't obliged to check GST portal for notices"** at following link: https://www.youtube.com/shorts/TR7ss9TA0ew

Glimpses of Deliberations at Exchange Summit on e-invoicing at Singapore 😊

You can access the video on **"Glimpses of Deliberations at Exchange Summit on e-invoicing at Singapore 😊"** at following link: https://www.youtube.com/shorts/Kf-vSHEyPOM

Glimpses of GST Chronicles organised by Zoho Books at CP, Delhi 😊

You can access the video on **"Glimpses of GST Chronicles organised by Zoho Books at CP, Delhi 😊"** at following link: https://www.youtube.com/shorts/6D13qhOSEc4

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GST Compliance Calendar for the month of December 2025

Important dates in December 2025 for compliance under the Goods and Services Tax (GST).

Due Dates	GSTR Form/Description	Period
10.12.2025	**GSTR – 7:** Summary of Tax Deducted at Source (TDS) and deposited under GST laws	**November 2025**
10.12.2025	**GSTR – 8:** Summary of Tax Collected at Source (TCS) and deposited by e-commerce operators under GST laws	**November 2025**
11.12.2025	**GSTR – 1:** GST Filing of monthly Statement of Outward Supplies by a registered person with aggregate turnover exceeding INR 5 Crores during the preceding financial year or any registered person has opted to file a monthly return.	**November 2025**
13.12.2025	**GSTR – 1 IFF:** Details of B2B Supply of a registered person with turnover less than INR 5 Crores during the preceding year and who has opted for quarterly filing of return under QRMP.	**November 2025**

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13.12.2025	**GSTR – 6:** Details of Input Tax Credit (ITC) received and distributed by an Input Service Distributors (ISD).	**November 2025**
13.12.2025	**GSTR – 5:** Summary of outward taxable supplies and tax payable by a non-resident taxable person.	**November 2025**
20.12.2025	**GSTR – 5A:** Summary of outward taxable supplies and tax payable by a person supplying OIDAR services.	**November 2025**
20.12.2025	**GSTR – 3B:** GST Filing of returns by a registered person with aggregate turnover exceeding INR 5 Crores during the preceding financial year.	**November 2025**
25.12.2025	**PMT – 06:** Payment of GST by Registered person opted to file return under QRMP Scheme.	**November 2025**
28.12.2025	**GSTR – 11:** Statement of inward supplies received by persons having Unique Identification Number (UIN)	**November 2025**
31.12.2025	**GSTR – 9:** An annual return is to be filed by all regular taxpayers having the turnover above 2 crores in a particular financial year (i.e. taxpayers who file regular returns in FORM GSTR-3B, GSTR-1, etc.).	**Financial Year 2024-2025**
31.12.2025	**GSTR – 9C:** A self-certified reconciliation statement form for all the taxpayers having the turnover above 5 crores in a particular financial year.	**Financial Year 2024-2025**

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Customs & DGFT etc,

Important Notifications, Circulars of the week

CBIC launches SWIFT 2.0 and onboarding of AQCS, PQMS and FSSAI on SWIFT 2.0 as Single Touch Point for Trade for NOC Processing

The CBIC issued ***Circular No. 29/2025-Customs dated November 21, 2025*** regarding the Launch of SWIFT 2.0 and onboarding of AQCS, PQMS and FSSAI on SWIFT 2.0 as Single Touch Point for Trade for NOC Processing.

CBIC, in its continuous efforts toward trade facilitation and enhancement of ease of doing business, is developing Single Window Interface for Facilitating Trade (SWIFT 2.0), an upgraded, unified, and fully digital Single Window platform designed to provide a single touch point for importers, exporters, other stakeholders and all Partner Government Agencies in relation to all EXIM processes. SWIFT 2.0 brings enhanced automation, seamless data exchange, and end-to-end digital processing for EXIM clearances involving Partner Government Agencies (PGAs). The earlier version of SWIFT functioned as a document-repository-based NOC clearance system, whereas SWIFT 2.0 is an advanced, fully digital, data-driven platform designed to serve a wide range of trade stakeholders.

The following features will be available to importers, exporters, and other trade stakeholders under SWIFT 2.0-

- Importers and exporters can submit additional data fields and documents which are necessary to obtain No Objection Certificates (NOC) from the PGAs directly in SWIFT 2.0 thereby reducing physical touch point of interaction with PGAs.
- Users can view all their details in a unified dashboard and track responses to queries, as well as review their previous transaction history with any PGA.
- Trade members will receive real-time SMS and email alerts on the status of their NOC applications, ensuring they are promptly informed about any required action.

- Users can make online payments for PGA fees through the system and can obtain digital receipts for their records.
- Trade Stakeholders will be notified of the scheduled date and time of visual inspections by PGAs and can track confirmations directly through the SWIFT 2.0 platform.
- Importers and exporters can digitally view and download the approved NOCs issued by PGAs.
- The trading community will benefit from a seamless experience as all NOC-issuing PGAs are gradually integrated into a single platform, eliminating the need to navigate multiple PGA systems.

As a background, reference is invited to Board Circular No. 09/2015-Cus dated 31.03.2015, Circular 03/2016-Cus dated 03.02.2016, and Circular 10/2016-Cus dated 15.03.2016 regarding the earlier version of SWIFT. These Circulars, in the earlier version of SWIFT, provided integration for NOC / test report for six PGAs viz. Food Safety and Standards Authority of India (FSSAI), Plant Quarantine (PQ), Animal Quarantine and Certification Services (AQCS), Central Drugs Standards Control Organization (CDSCO), Wildlife Crime Control Bureau (WCCB), and a lab module for the Textile Committee (TC) to provide test-related NOC, for live consignments. This SWIFT platform enabled importers to lodge their clearance documents online through ICEGATE at a single point, facilitated risk-based inspection and obtained online NOC from the PGAs. However, importers were still required to upload additional documents on respective PGA portals if so desired by PGAs for processing NOCs.

SWIFT 2.0 is proposed to onboard over 60 PGAs in a phased manner, incorporating the above features as indicated at para 2. Under the first phase of the SWIFT 2.0 rollout, consolidated lists of data fields/values and mandatory documents required by the following PGAs have been finalised for implementation:

1. Animal Quarantine and Certification Services (AQCS);
2. Plant Quarantine Management System (PQMS);
3. Food Safety and Standards Authority of India (FSSAI)

The detailed list of data elements and document codes for AQCS, PQMS, and FSSAI is annexed as Annexure A, B, and C, respectively, for reference.

These data fields/values and mandatory documents have been formulated after inter-ministerial consultations involving the Department of Animal Husbandry & Dairying, Directorate of Plant Protection, Quarantine and Storage (DPPQS), Food Safety and Standards Authority of India, and the Central Board of Indirect Taxes and Customs (CBIC), with the objective of ensuring a single touch point for EXIM clearances for trade.

The finalized data elements and document codes will be effectively implemented through the Integrated Declaration in the Bill of Entry. These data elements and documents are required to be declared/uploaded by the trade at the time of filing the Bill of Entry or by filing the additional details and documents in the unified application dashboard under SWIFT 2.0, wherever import consignments are subjected to clearance by PGAs.

In view of the above, field formations are requested to issue suitable Public Notices/Trade Notices to sensitize stakeholders and ensure accurate filing of the required data/documents. These measures will enhance ease in doing business experience to stakeholders.

DG Systems is advised to issue a detailed advisory in this regard. Mandatory filing for all three PGAs shall be effective from 01.12.2025.

For Circular Click Here

Government of India Extends Validity of CAVR Order for Stainless Steel of J3 Grade

The Central Board of Indirect Taxes & Customs (CBIC), Ministry of Finance, Government of India, has issued ***CAVR Review Order No. 02/2025-Customs dated November 26, 2025***, extending the validity of **CAVR Order No. 02/2023-Customs** pertaining to the valuation of **Stainless Steel of J3 grade** under the *Customs (Assistance in Value Declaration of Identified Imported Goods) Rules, 2023*.

This extension applies to imports of J3 grade stainless steel falling under the following **HS Codes**: 72191200, 72191300, 72191400, 72192390, 72193290, 72193390, 72193490, 72193590, 72199012, 72199013, 72199090, 72202029, 72202090, 72209022, 72209029 & 72209090.

Invoking the powers under **Section 14(1) of the Customs Act, 1962**, read with **Rule 10(2) and Rule 5 of the Customs (Assistance in Value Declaration of Identified Imported Goods) Rules, 2023**, CBIC has extended the validity of the order **for a further period of one year**.

Accordingly, the renewed validity period will be **from 29 November 2025 to 28 November 2026**.

The decision aims to ensure continued transparency and consistency in value declaration for imports of the specified stainless-steel grade.

For Circular Click Here

CBIC Notifies notified Project Imports (Amendment) Regulations, 2025 – Jaipur Metro Projects Included

The Central Board of Indirect Taxes and Customs (CBIC) has notified **Project Imports (Amendment) Regulations, 2025** through ***Notification No. 49/2025-Customs dated November 28, 2025***, amending the *Project Imports Regulations, 1986*. The amendment inserts a new entry under Serial No. 3FF of the Regulations to include the (xiv) **Jaipur Metro Projects Managing Director or Director (Project), Rajasthan Metro Rail Corporation Limited (RMRCL)** as an eligible authority for availing project import benefits.

The notification will come into force on **29th November 2025**.

With this inclusion, capital goods required for Jaipur Metro projects will now be eligible for concessional customs duty under the Project Imports scheme, promoting efficiency in procurement and accelerating development of metro infrastructure in Rajasthan. The measure aligns with the Government's ongoing focus on strengthening urban transport networks and enhancing public mobility through sustainable mass transit systems.

For Notification **Click Here**

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DGFT Issues Amendments to Para 2.08 of the Handbook of Procedures (HBP) 2023 to Further Streamline IEC Processing

The DGFT issued ***Public Notice No. 32/2025-26 dated November 20, 2025***, has issued amendments to Para 2.08 of the Handbook of Procedures (HBP) 2023 to enhance trade facilitation and ensure seamless electronic governance in the processing of Importer-Exporter Codes (IEC).

In exercise of powers conferred under Paragraphs 1.03 and 2.04 of the Foreign Trade Policy, 2023, as amended from time to time, the Director General of Foreign Trade hereby makes the following amendments in Para 2.08 of the Handbook of the Procedures 2023 with immediate effect.

The details earlier required to be filed in ANF-1A have now been incorporated in the ANF-2A. Accordingly, ANF-1A stands deleted and ANF-2A is revised with immediate effect. The revised ANF-2A is attached as Annexure – I.

Para 2.08 (c) of the HBP 2023 is amended as follows:

Para No.	Existing Provision	Revised Provision
2.08 (c)	The applicant is required to submit online application with the following details/documents (scanned copies to be uploaded) along with the IEC application;	The details submitted in the IEC application shall be validated through online integration with records maintained by relevant Ministries/Departments/Organisations/Banks, wherever feasible. Further, the applicant is required to submit the following details/documents (scanned copies to be uploaded),

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		unless specifically exempted by the system during the online application process.
2.08 (d)	RAs would conduct post-verification of online IECs as per the guidelines.	The guidelines for the conduct of post-verification of Online IECs will be issued by DGFT Headquarters from time to time.

Para 2.08(c) (i) and 2.08(c) (ii) of the HBP 2023 remain unchanged.

Effect of the Public Notice: ANF-1A has been merged with the revised ANF-2A, and Para 2.08 (c) and Para 2.08(d) of the Handbook of Procedures 2023 is amended to enable electronic validation of details submitted in the IEC application, post-verification of Online IECs, and to update the corresponding document submission requirements.

For Public Notice Click Here

DGFT's Trade Notice regarding the Collection of Information on Export-Related Non-Tariff Measures, Testing and Certification Requirements

The DGFT issued ***Trade Notice No. 18/2025-26 dated November 25, 2025*** regarding the Collection of Information on Export-Related Non-Tariff Measures, Testing and Certification Requirements.

Reference is invited to the Export Promotion Mission (EPM) announced in the Union Budget 2025–26. As part of designing the Support for Export Quality & Technical Compliance, the Directorate General of Foreign is undertaking a comprehensive mapping of mandatory and voluntary Non-Tariff Measures (NTMs), including certifications, testing requirements, inspections, audits, labelling norms, and other regulatory compliance conditions applicable to Indian exports across global markets.

To build an accurate and actionable database, exporters, Export Promotion Councils, Commodity Boards, and Industry Associations are requested to furnish information on relevant NTMs and certification requirements, including (but not limited to):

- Name and nature of the certification/inspection/testing
- Whether mandatory or voluntary
- Sector(s) affected
- Approximate cost and validity
- Country/region where applicable
- List of recognised labs or certifying bodies
- Any additional compliance challenges faced

Inputs must be submitted within 7 days of issuance of this Trade Notice through the online form at: https://forms.gle/9e1XmB2vLGftAhmt5

It is clarified that non-submission may result in the relevant certifications or NTMs not being prioritised in the creation of the database, which may consequently affect future support measures proposed under the Export Promotion Mission or other interventions.

For Trade Notice [Click Here]

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Income Tax

Important Notifications, Circulars of the week

CBDT Notifies Three Institutions for Income Tax Exemption under Section 10(46) of the IT Act

The Central Board of Direct Taxes (CBDT), Department of Revenue, Ministry of Finance, has issued **three notifications** granting Income-tax exemption to statutory institutions under Section 10 of the Income-tax Act, 1961.

Haryana State Board of Technical Education (HSBTE), Panchkula

- **Notification No.: 163/2025**
- **PAN: AAAGT0008A**: HSBTE has been granted exemption under **Section 10(46)** for specified income including government grants, affiliation & examination fees, royalties, donations, sale proceeds of securities, rental income from property and interest on bank deposits.

The notification is applicable for:

- **AY 2025-26**, and
- **AYs 2026-27 to 2029-30**, subject to statutory conditions including non-commercial operations and mandatory filing of income-tax returns.

Odisha Real Estate Regulatory Authority (ORERA)

- **Notification No.: 164/2025**
- **PAN: AAAGO0648F**: ORERA has been notified under **Section 10(46A)(b)** as a statutory authority constituted under the Real Estate (Regulation and Development) Act, 2016.

This notification is **effective from AY 2025-26**, subject to ORERA continuing to operate with the purposes specified in Section 10(46A).

State Pollution Control Board, Odisha (SPCB)

- **Notification No.: 165/2025**
- **PAN: AAALS2490J**: SPCB Odisha has been granted exemption under **Section 10(46)** for specified income such as statutory consent & authorization fees under Water and Air Acts, penalties & levies, government grants, environmental research contributions, sale of scrap and miscellaneous receipts, and interest income.

The notification applies to:

- **FY 2023-24 to FY 2025-26 (AYs 2024-25 to 2026-27)** and
- **FY 2026-27 to FY 2027-28 (AYs 2027-28 to 2028-29)**, subject to statutory compliance requirements.

Additional Notes

- All three notifications include explanatory memoranda confirming that **no taxpayer is adversely affected by retrospective application**.
- All entities must continue to remain **non-commercial**, **retain the nature of specified income**, and **file income-tax returns annually** to retain exemption status.

For Notifications Click Here

Government of India Issues Office Memorandum on Giving Effect to Mutual Agreement Procedure (MAP) Outcomes Where Appeal Is Pending Before Commissioner of Income Tax (Appeals)

The Central Board of Direct Taxes (CBDT), Ministry of Finance, Government of India has issued an ***Office Memorandum dated November 27, 2025***, to streamline the implementation of outcomes reached under the **Mutual Agreement Procedure (MAP)** in cases where related appeals are pending before the **Commissioner of Income Tax (Appeals) [CIT(A)]**.

The clarification comes in response to instances where taxpayers who filed MAP applications under Rule 44G of the Income Tax Rules, 1962, simultaneously had appeals pending before the CIT(A). The new guidelines aim to ensure a clear and uniform process for giving effect to MAP resolutions.

Key Highlights of the Office Memorandum:

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- **Recognition of practical challenges**: CBDT noted that in several cases, MAP resolutions were received while the corresponding appeals remained pending with the CIT(A), creating procedural uncertainty.
- **Procedure following MAP resolution**: Under Rule 44G(8), upon receipt of the MAP resolution from the Competent Authority in India, the taxpayer is required to convey acceptance or rejection of the resolution in writing along with proof of withdrawal of appeal. For cases where the appeal is pending with the CIT(A), a clear withdrawal process has now been specified.
- **Role of CIT(A) in the process**: When an appeal is pending before the CIT(A) and the taxpayer submits a withdrawal request based on MAP grounds, the CIT(A) may formally **intimate acceptance of the withdrawal** to both the Competent Authority and the taxpayer.
- **Effect of such intimation**: The intimation issued by the CIT(A) shall be **treated as proof of withdrawal of appeal** for the purposes of giving effect to MAP resolutions under Rule 44G.

The clarification is expected to **enhance administrative efficiency, reduce procedural delays, and promote speedy implementation of MAP outcomes**, thereby strengthening dispute-resolution mechanisms under international tax treaties.

For Office Memorandum Click Here

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Important Press Releases of the week

CBDT launches 2nd NUDGE initiative to strengthen voluntary compliance in respect of Foreign Assets

Analysis of the Automatic Exchange of Information (AEOI) for FY 2024-25 (CY 2024) by the Central Board of Direct Taxes (CBDT) has identified high-risk cases where foreign assets appear to exist but have not been reported in the ITRs filed for AY 2025-26. Accordingly, the CBDT is launching the second NUDGE campaign, under which SMSs and emails will be issued from 28th November 2025 to such taxpayers, advising them to review and revise their returns on or before 31st December 2025 to avoid penal consequences.

The campaign aims to facilitate correct reporting in Schedule Foreign Assets (FA) and Foreign Source Income (FSI) in ITRs. Accurate and complete disclosure of foreign assets and income is a statutory requirement under the Income-tax Act, 1961, and the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015.

Adopting a **PRUDENT [P – Professionalism, R – Responsible & Responsive, U – Understanding (laws, transactions & business), D – Dedication & Due Diligence / Data-based decision making, E – Effective enforcement (with empathy), N – Non-intrusive administration (taxpayer-centric, compliance-nudging), T – Technology (technology-based tax administration)]** approach to tax administration, CBDT utilises advanced data analytics to simplify compliance processes, reduce information asymmetry and reinforce a transparent and trust-oriented interface with taxpayers. The initiative aligns with the vision of Viksit Bharat, fostering accountability, transparency and a culture of voluntary compliance.

The CBDT continues to strengthen its data-driven, non-intrusive and taxpayer-centric measures aimed at improving voluntary compliance. The “Non-intrusive Usage of Data to Guide and Enable (NUDGE)” initiative reflects CBDT’s commitment to a forward-looking, technology-enabled and trust-based tax administration focused on promoting accurate reporting and enhancing revenue mobilization.

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The first NUDGE campaign, launched on 17th November 2024, targeted select taxpayers who had been reported by foreign jurisdictions under the AEOI framework as holding foreign assets that were not disclosed in their Income Tax Returns (ITRs) for AY 2024-25. The initiative yielded positive outcomes, with 24,678 taxpayers (including several not directly nudged) revisiting their returns and disclosing foreign assets amounting to ₹29,208 crore, along with foreign-source income of ₹1,089.88 crore.

The CBDT receives information relating to foreign financial assets of India residents from partner jurisdictions pursuant to Common Reporting Standards (CRS) and from the United States under the Foreign Account Tax Compliance Act (FATCA). This information assists in identifying potential discrepancies and guiding taxpayers towards timely and accurate compliance.

The CBDT advises all eligible taxpayers to utilise this opportunity to ensure complete compliance with statutory reporting requirements. For further information on CRS, FATCA, Schedule FA and Schedule FSI, taxpayers may refer to the official website www.incometax.gov.in.

For Press Release Click Here

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Important Updates of the week

Supreme Court Tax Ruling: TDS On Payments To Foreign Firms Cannot Exceed 10% If Tax Treaty Allows It

CBDT's key statutory compliance timelines under the Income-tax Act, 1961 for the month of December 2025. Taxpayers—including individuals, corporates, firms, and Government offices—are advised to take note of the following important due dates to ensure timely submission of returns, statements, certificates and tax payments.

10 December 2025 -

Due date for filing of return of income for the assessment year 2025-26 if the assessee (not having any international or specified domestic transaction) is (a) corporate-assessee or (b) non-corporate assessee (whose books of account are required to be audited) or (c)partner of a firm whose accounts are required to be audited or the spouse of such partner if the provisions of section 5A apply

Note: The due date of furnishing of Return of Income has been extended from October 31, 2025 to December 10, 2025, vide Circular no. 15/2025, dated 29-10-2025

15 December 2025 -

Uploading of declarations received in Form 27C from the buyer in the month of November, 2025

15 December 2025 –

Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of November, 2025 has been paid without the production of a challan

15 December 2025 -

Third instalment of advance tax for the assessment year 2026-27

15 December 2025 -

Due date for issue of TDS Certificate for tax deducted under section 194-IA in the month of October, 2025

15 December 2025 -

Due date for issue of TDS Certificate for tax deducted under section 194-IB in the month of October, 2025

15 December 2025 -

Due date for issue of TDS Certificate for tax deducted under section 194M in the month of October, 2025

15 December 2025 -

Due date for furnishing statement in Form no. 3BB by a stock exchange in respect of transactions in which client codes been modified after registering in the system for the month of November, 2025

15 December 2025 -

Due date for issue of TDS Certificate for tax deducted under section 194S (by specified person) in the month of October, 2025

30 December 2025 -

Due date for furnishing statement by a recognised association in respect of transactions in which client codes been modified after registering in the system for the month of November, 2025

30 December 2025 -

Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IB in the month of November, 2025

30 December 2025 -

Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194M in the month of November, 2025

30 December 2025 -Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA in the month of November, 2025

30 December 2025 -

Furnishing of report in Form No. 3CEAD for a reporting accounting year (assuming reporting accounting year is January 1, 2024 to December 31, 2024) by a constituent entity, resident in India, in respect of the international group of which it is a constituent if the parent entity is not obliged to file report under section 286(2) or the parent entity is resident of a country with which India does not have an agreement for exchange of the report etc.

30 December 2025 -

Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194S (by specified person) in the month of November, 2025

31 December 2025 -

Filing of belated/revised return of income for the assessment year 2025-26 for all assessee (provided assessment has not been completed before December 31, 2025)

To Know more Click Here

Income Tax department tells charitable trusts to add 'irrevocable' clause or lose tax benefits

Public charitable Trusts are being told by the Income Tax (I-T) department that their trust deeds must state that they are 'irrevocable' and make no expenses to foreign companies.

A trust that fails to unambiguously put down these conditions would not receive tax benefits offered to donors as well as charitable trusts.

The tax office has rejected some trust applications to renew the tax benefits which are vital for the survival of a charitable trust, two persons aware of the development told ET. A charitable trust must apply for renewals to claim tax relief every five years.

I-T Dept Tells Charitable Trusts to Add 'Irrevocable' Clause or Lose Tax Benefits

The tax department could be driven by fears that a settlor of a trust may take the liberty at some point to dismantle the organisation and distribute assets to trustees; or, some trusts could book bogus expenses to move money abroad. But, practitioners feel this ultra-cautious stance could impact the functioning of several trusts.

"The absence of an irrevocability clause is being confused with the requirement of a clause stating what happens to the trust assets on dissolution of the trust. Here too, the trust funds can only be used for the objects of the trust, which could include donation made to another trust for the objects. Unfortunately, there's an apprehension that funds may be distributed to the trustees or given back to the settlor, which in law is not permissible, unless the settlor has a revocability clause in the trust deed. Therefore, the absence of such a clause cannot be a ground to deny registration," an tax expert said, who advises many trusts.

Under Section 80G of the I-T Act, 1961, individuals, Hindu Undivided Families (HUFs), companies, and firms, including Non-Resident Indians, opting for the old tax regime, can claim deductions on donations to eligible charitable institutions and relief funds. Once constituted, a trust or a Section 8 company (a non-profit under the Companies Act) must be registered under Sec 12A of the law to claim tax exemption on generated incomes used for charitable or religious purposes.

According to another tax expert, the 'irrevocability' clause is to ensure that charitable assets remain permanently dedicated to public benefit, without any possibility of reverting to private hands, while money collected under India's tax exemptions for charitable use must be spent within the country. "Funds meant for Indian public benefit should not be diverted abroad," she said.

However, in law, unless the settlor has retained the right of revocation in the trust deed, a trust would be irrevocable. So, there may not be a need to explicitly state that it is irrevocable. "On the contrary, the question that should be raised is whether there is any clause for revocability of the trust in the trust deed. If not, it is automatically irrevocable," she said.

As regards spending outside India, there have been conflicting High Court decisions as to whether prior approval of the Central Board of Direct Taxes (CBDT) is required if the charitable purpose is outside India or if the spending is outside India for charitable purposes in India.

She thinks that registration cannot be denied merely because the trust deed permits spending outside India. "In fact, if the trust deed does not permit the trust to spend outside India, the trust will never be able to spend outside India even with prior CBDT approval. Courts and tribunals have held that the existence of such a clause permitting spending outside India cannot be a ground for denial of registration, but that only if there is actual spending without CBDT's approval, the spending would not be allowable as an application of income. Denial of registration under section 12A is like a death sentence to a trust," he said.

Such denials, it's felt, should only be in exceptional cases where there is an outright violation of law.

Since 2020, non-profits have had to comply with new rules – particularly, share more information when they renew and apply for the licence to obtain foreign donations. For instance, they have to submit the year-wise activity report to the authorities instead of presenting a general report, besides sharing receipt and payment accounts with the government, along with the audited accounts.

To Know more [Click Here]

HC ruling protects landowners from tax deductions on highway acquisition compensation

Bengaluru, In a significant relief for landowners affected by compulsory acquisitions, the Karnataka High Court has allowed a writ petition filed by Supriya S Shetty, challenging the deduction of income tax on compensation paid for National Highway expansion.

The case was heard by Justice S R Krishnakumar, with the Advocate who is appearing for the petitioner against the Union of India and the Central Board of Direct Taxes (CBDT).

The petitioner and her husband, a well-known land-developing family from Mangaluru, had consolidated around 17.5 acres in Tenkulipady village over nearly two decades for a wellness resort project.

Their plans were interrupted in 2020 when the National Highways Authority of India acquired 33.50 cents of their land for the widening of NH-169.

Although compensation was awarded under the National Highways Act and the RFCTLARR Act, the authorities deducted over Rs 16 lakh as TDS despite Section 96 of the RFCTLARR Act exempting such compensation from income tax.

This dispute reflects a larger problem faced by thousands of landowners across Karnataka, where officials routinely deduct ten per cent TDS and the Income Tax Department later treats parts of the compensation as taxable income. Many families end up losing a substantial portion of their compensation, making it difficult to repurchase land or rebuild their livelihoods after acquisition.

The Advocate contended that the NHAI and the tax authorities acted contrary to Parliament's clear mandate that acquisition compensation must remain tax-free. Imposing income tax, he argued, unfairly burdens citizens whose property is taken for public projects and defeats the welfare intent of the RFCTLARR Act.

Justice Krishnakumar had previously ruled on similar issues. In 2022, he held that compensation determined under the RFCTLARR framework cannot be subjected to TDS or income tax in KIADB acquisitions-a judgment the Supreme Court declined to stay, making it binding across Karnataka. Relying on this precedent, the court in the present case held in favour of the petitioner.

With the writ petition now allowed, the ruling is expected to have far-reaching consequences for land acquisitions undertaken by agencies such as the NHAI, KIADB, Railways and pipeline authorities.

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Gujarat high court grants relief to 82-year-old woman who failed to file income tax return, sought reassessment

The Gujarat high court granted relief to an 82-year-old woman, Shushila Patel, for her failure to file an income tax return (ITR) for 2017-18 and directed the I-T authorities to re-examine her tax assessment upon her request.

The bench of Justice A S Supehia and Justice Pranav Trivedi set aside an order passed by the I-T authority in 2022, which rejected her request for re-assessment under Section 264 of the Income Tax Act. The judges called for a more compassionate and thorough review given her age and health conditions.

The court underscored that the senior citizen regularly filed her I-T returns otherwise. The HC noted that Patel, suffering from multiple health issues, including Alzheimer's, hypertension, and diabetes, failed to file her ITR due to the inadvertence of her accountant and manager.

The department's counsel argued that the petitioner failed to respond to notices and did not utilise opportunities to present her case during assessment and revision proceedings. However, the HC set aside the order rejecting her revision application and remanded the case back to the tax authority.

The bench said, "In view of settled legal precedent, we are of the opinion that the Commissioner, while exercising the powers under the provision of Section 264 of the Income Tax Act, ought to have examined positively in favour of the petitioner without rejecting her application on technical grounds. However, we also find that the petitioner committed a mistake in not timely responding to the show-cause notices and providing the material. But, at the same time, her age and her ailment cannot be ignored."

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SC issues notice to Centre, EC, 12 political parties over PIL against tax exemption on anonymous cash donations below Rs 2,000

The Supreme Court on Monday issued notices to the Centre, the Election Commission and 12 political parties on a PIL challenging the validity of an Income Tax Act provision that allowed political parties to receive "anonymous" cash donations below Rs 2,000.

"Thus, with the advent of UPI revolution in the country, permitting exemption of income received by way of contribution in cash below Rs 2,000 under Section 13A(d) of the Income Tax Act, 1961, can no more be justified and is manifestly arbitrary and has no nexus to the object of maintaining transparency in the funding of political parties," the PIL submitted.

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A Bench of Justice Vikram Nath and Justice Sandeep Mehta asked the Centre, the Central Board of Direct Taxes, the EC, BJP, Congress and 10 other political parties to respond to the PIL and posted the matter for hearing after four weeks.

The order came after senior counsel Vijay Hansaria pointed out that the matter related to transparency in political funding and that it concerned all political parties across the country.

Filed by one Khem Singh Bhati, the PIL urged the top court to declare clause (d) of Section 13A of the Income Tax Act, 1961 unconstitutional and direct the poll panel to scrutinise Form 24A contribution reports of all recognised political parties at the national and state level and to require them to deposit the amount received by way of contributions for which address and/or PAN had not been furnished.

Section 13A of the Act deals with the special provision relating to the incomes of political parties. Under this provision, income of a political party received by way of interest on securities, income from house property or income from other sources and any income by way of voluntary contributions are exempted from the computation of total income, the PIL stated.

Besides BJP and Congress, the PIL has also made Aam Aadmi Party, BSP, CPI(M), National People's Party, Biju Janata Dal, DMK, JD(U), JMM, Samajwadi Party, and TMC respondents in the case.

Underlining that lack of transparency undermined the purity of the election process, the PIL submitted that it deprived voters of the crucial knowledge about the source of political funding, including the donors and their motives, preventing them from making a rational, intelligent and fully informed decision while casting their vote.

The PIL sought a direction to the poll panel to prescribe as a condition for registration of a political party and allotment of the election symbol that no amount can be received in cash by any political party.

Referring to the top court's 2024 verdict scrapping the electoral bonds scheme, the petitioner submitted that political parties must disclose names and all other particulars of persons paying any amount to it.

It said the EC should be directed to issue notices to the defaulting political parties under the Election Symbol Order, 1968, as to why the reserved symbol shall not be suspended or withdrawn for failure to submit Form 24A contribution reports with full particulars within a prescribed period.

It has also sought a direction to the Central Board of Direct Taxes (CBDT) to scrutinise the income tax returns and audit reports filed by political parties under Sections 142 and 143 of the Income Tax Act for the last five years.

The plea said that the CBDT should be directed to initiate appropriate proceedings for the levy of tax, penalty and prosecution for failure to comply with the requirements of Section 13A of the Income Tax Act read with Section 29C of the Representation of the People Act, 1951.

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Supreme Court Tax Ruling: TDS On Payments To Foreign Firms Cannot Exceed 10% If Tax Treaty Allows It

The Supreme Court has made it clear that Indian companies cannot be forced to deduct more than 10% tax when they make payments to foreign companies, if India has a tax treaty (DTAA) with that country.

The ruling comes after the income tax department had argued that since many foreign recipients did not have a Permanent Account Number (PAN), the TDS should be 20% under Section 206AA of the Income Tax Act.

The Court rejected this argument, saying that international tax treaties override domestic tax rules, and the 10% rate specified in the DTAA must be respected. The ruling upholds earlier decisions of the Karnataka and Delhi High Courts.

What Was The Dispute?

The income tax department said these foreign companies did not provide a PAN (Permanent Account Number).

Under Section 206AA, if someone does not give a PAN, the tax deducted should automatically be 20%.

So, the IT department wanted Indian companies like Mphasis, Wipro, Manthan Software to deduct 20% TDS, not 10%. However, the companies during the hearing had argued they had made payments towards technical services to various recipients in different countries as per DTAA.

What The Supreme Court Ruled

The Supreme Court agreed with the companies and said that tax treaties (DTAA) override the domestic law (Section 206AA of the Income Tax Act). If the DTAA says TDS should be 10%, India cannot demand 20%. Not having a PAN does not mean the rate automatically becomes 20%.

This means the income tax department cannot force a higher deduction just because the foreign party doesn't have a PAN.

Why Is This Important?

Whenever an Indian company pays money to a foreign company, for example, for software services or technical support, it must deduct a small portion of tax before sending the money abroad. This is called tax deducted at source (TDS).

India has Double Tax Avoidance Agreements (DTAA) with many countries. These treaties usually say that India can deduct only 10% tax on such payments.

The ruling gives clarity and relief to Indian IT and software companies that often pay foreign firms for technical services. It ensures smooth cross-border business, especially in the tech sector. It also prevents double taxation.

Meanwhile, Deloitte India on Tuesday said the Budget for 2026-27 should streamline the withholding tax regime. To further streamline the withholding tax regime and enhance compliance efficiency, it suggested using GST to reduce TDS/TCS compliance. It also recommended that withholding tax provisions be designed for 3 categories– goods, services and residuary transactions, (like interest and dividends).

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Abbreviations		
1.	GST	Goods and Services Tax
2.	CGST	Central Goods and Services Tax
3.	IGST	Integrated Goods and Services Tax
4.	CGST Act	Central Goods and Services Tax Act, 2017
5.	CGST Rules	Central Goods and Services Tax Rules, 2017
6.	IGST Act	Integrated Goods and Services Tax Act, 2017
7.	IGST Rules	Integrated Goods and Services Tax Rules, 2017
8.	ITC	Input Tax Credit
9.	RCM	Reverse Charge Mechanism
10.	Customs Act	Customs Act, 1956
11.	IT Act	Income Tax Act, 1961
12.	IT Rules	Income Tax Rules, 1962
13.	CBIC	Central Board of Indirect Taxes
14.	CBDT	Central Board of Direct Taxes

Thank You

About us:

A2Z Taxcorp LLP is a boutique Indirect Tax firm having its offices at New Delhi and Guwahati specializing in GST, Central Excise, Custom, Service Tax, VAT, DGFT, Foreign Trade Policy, SEZ, EOU, Export – Import Laws, Free Trade Policy, etc. It is a professionally managed firm having a team of experienced and distinguished Chartered Accountants, Company Secretary, Lawyers, Corporate Financial Advisors and Tax consultants to provide various services like litigation and representation, transaction advisory, diagnostic reviews/ health checks, audit defense & protection, retainership & compliance, configuration of tax efficient business model etc. Its clientele consists mainly of Foreign MNC, large/mid-sized Indian companies which includes exporters, FMCG, consumer durables, automobiles, aerated beverages, ceramic tiles, real-estate, hospitality, etc.

Thanks & Best Regards,

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