

CUSTOMS AND GST ALERT



NEWS UPDATES

- The Finance (No 2) Act, 2024 has received the President’s assent. Amendments pertaining to Customs laws have become effective from 16.08.2024 and those pertaining to GST laws would become effective from a date to be notified by the Central Government.
- Central Government has released the draft “Bill of Entry (Post Import Amendment) Regulations, 2024”, specifying the manner, time limit, conditions and restrictions for post-import amendment of bills of entry under section 149 of the Customs Act, 1962. The draft regulations can be accessed [here](#).

CASE LAW UPDATES

Goods and Services Tax

SRI AVANTIKA CONTRACTORS (I) LTD v. APPELLATE AUTHORITY FOR ADVANCE RULING (GST) AND ORS

Writ Petition No 8405 of 2023

Telangana High Court holds that construction services provided in a foreign country through a foreign fixed establishment of an Indian sub-contractor to a foreign fixed establishment of an Indian principal contractor who had been awarded a construction contract in the foreign country by the Indian government, were not taxable under Indian GST law; holds the “location of supplier”, “location of recipient” and “place of supply” to all fall outside India.

NATIONAL PLASTO MOULDING v. STATE OF ASSAM

[2024] 165 taxmann.com 255

Gauhati High Court, applying ratio of judgements delivered in the Value Added Tax (VAT) regime, holds that a purchasing dealer could not be punished where the selling dealer had failed to deposit GST collected by it to the Government; sets aside show cause notices and orders issued by invoking sections 16(2)(c) and (d) of the Central Goods and Services Tax Act, 2017 but grants liberty to the GST department to investigate cases involving non-*bona fide* purchase transactions.

Customs

CHIRIPAL POLY FILMS LTD v. COMMISSIONER OF CUSTOMS – CUSTOMS AHMEDABAD

Customs Appeal No 10228 of 2024

CESTAT, Ahmedabad Bench holds that in the absence of specific charging provisions in the Customs Tariff Act, 1975 for levy of interest, redemption fine and penalty on delayed payment of Integrated Goods and Services Tax (IGST) on import of goods, the same could not be demanded by taking recourse to machinery provisions meant for recovery of Basic Customs duty.

REGULATORY UPDATES

Goods and Services Tax

INSTRUCTION NO 02/2024-GST

Central Government has announced the launch of 2nd All-India drive against fake GST registrations (in force till 15.10.2024); prescribed modalities regarding identification of fraudulent registrations (based on data analytics and risk parameters), actions to be taken by field formations (physical verification, suspension / cancellation of registration, blocking of electronic credit ledger, provisional attachment, etc), and feedback and reporting mechanisms.

INSTRUCTION NO 03/2024-GST

Central Government has directed that, during audit proceedings, wherever it is observed that a prevalent trade practice of not paying GST on a particular transaction is being followed by taxpayers of a particular sector, and where the Principal Commissioner, Audit interprets such transaction to be taxable, they must refer the matter to the policy wing of Central Board of Indirect Taxes and Customs for appropriate clarification to promote uniformity and avoid litigation.

Foreign Trade Policy

NOTIFICATION NO 23/2024-25-FTP

Directorate General of Foreign Trade has prohibited export of *De-Oiled Rice Bran* till 31.01.2025.

TRADE NOTICE NO 12/2024-25-FTP

Directorate General of Foreign Trade has implemented “e-BRC system”, facilitating automatic transmission of Inward Remittance Messages for trade account transactions. Pursuant thereto, two new features are being introduced from 20.08.2024: (i) bulk upload functionality for generation of multiple e-BRCs; and (ii) API integration with ERP, accounting, or other software systems.

TRADE NOTICE NO 13/2024-25-FTP

Directorate General of Foreign Trade has announced launch of the revamped “Non-Preferential Certificate of Origin (eCoO) 2.0” system, with new features such as multi-user access, e-signature option and integrated dashboard. Exporters may begin filing Non-Preferential Certificates of Origin through the new system (accessible at <https://www.trade.gov.in>) from 28.08.2024.

For any clarifications, please write to:

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