

# INDIRECT TAX DIGEST

18 August 2025

[www.bdo.in](http://www.bdo.in)

## GOODS & SERVICES TAX (GST)



### LEGISLATIVE UPDATES

#### TRADE NOTICE

01/2025  
(Thiruvananthapuram Zone)<sup>1</sup>

CBIC had issued instructions for providing a quick and effective grievance redressal mechanism to GST registration applicants *vide* Instruction No. 04/2025<sup>2</sup>. As per this instruction, an applicant whose Application Reference Number (ARN) is assigned to Central Jurisdiction and who has a grievance *qua* any query raised in contravention of Instruction No. 03/2025<sup>3</sup> may approach the jurisdictional Zonal Principal Chief Commissioner/Chief Commissioner.

In this regard, a dedicated email ID - [cgst-tvmregn@gov.in](mailto:cgst-tvmregn@gov.in) - has been notified by the Office of the Chief Commissioner of Central Tax, Central Excise and Customs, Thiruvananthapuram Zone, on which applicants can raise their grievances containing the ARN details, jurisdiction details (Centre / State) and issue in brief.

### JUDICIAL UPDATES

#### Time period under section 73(2) of the CGST Act must be calculated as per calendar months

#### Tata Play Ltd. Vs. Sales Tax Officer, Class II [TS-672-HC(DEL)-2025-GST]

##### Issue

- Whether a show cause notice issued on 30 November 2024 for FY 2020-21 is barred by limitation since the last date to issue an order is 28 February 2025?
- Whether a minimum of three personal hearing adjournments must be provided to a Taxpayer as per section 75(4) of the Central Goods and Services Tax Act, 2017 (CGST Act)?

##### Ratio

- **Computation of period of limitation:**
  - Section 73(10) of the CGST Act prescribes an outer limit for passing an order under the CGST Act, whereas section 73(2) of the CGST Act provides that a show cause notice must be served at least three months prior to the outer limit prescribed for passing an order.
  - Thus, the purpose of section 73(10) is to fix a date by which the order must be issued, whereas section 73(2) ensures that at least three months are available to a taxpayer for filing a reply to the show cause notice and for being heard in a proper manner. Thus, the period between the issuance of the show cause notice and the outer limit for passing the order must be at least three months.
  - In the present case, the outer limit for issuing the order for FY 2020-21 was to end on 28 February 2025. Calculating backwards, the show cause notice had to be issued at least three months prior to 28 February 2025. Thus, ensuring that there is a clear three-month period between the date of issuance of the show cause notice and the outer limit for passing the order.
  - It may be noted that the dates which were considered by the Andhra Pradesh High Court in *M/s. Cotton Corporation of India*<sup>4</sup> are identical to those in the present case. On the contrary, the Supreme Court in *Himachal Techno Engineers*<sup>5</sup> had held that the expression ‘*three months*’ must be interpreted as **three calendar months (i.e., months of the British Calendar) and not as 90 days**. Hence, the ratio laid down by the Andhra Pradesh High Court was not agreed upon.

<sup>1</sup> Dated 22 July 2025

<sup>2</sup> Dated 2 May 2025. Our update on the same may be accessed by clicking [here](#)

<sup>3</sup> Dated 17 April 2025. Our alert on the instruction can be accessed by clicking [here](#)

<sup>4</sup> The Cotton Corporation of India Vs Assistant Commissioner (ST) (Audit) (FAC) and Ors [TS-58-HC(AP)-2025-GST]

<sup>5</sup> State of Himachal Pradesh and Anr. Vs. Himachal Techno Engineers and Anr. [2010 12 SCC 210]

- In the instant case, even if the time period is calculated as 90 days, there is a clear gap of 90 days between 30 November 2024 and 28 February 2025. Thus, viewed in either way, the show cause notice is not barred by limitation.
- Considering the above, it was held that the show cause notice was issued well within the stipulated time period. Hence, the said show cause notice and the consequent order are neither time-barred nor issued without jurisdiction and hence, not liable to be set aside.
- **Adequate personal hearing opportunity**
  - The Taxpayer was provided with an adequate opportunity for filing a reply, and two dates were also affixed for a personal hearing. For the first hearing, the Taxpayer sought an adjournment, but for the second hearing, no adjournment was sought.
  - Only upon sufficient cause being shown by the Taxpayer, an adjournment for a hearing can be granted by the tax authorities and as per the *proviso* to section 75(4), a maximum of three adjournments can be granted in any circumstances.
  - However, the aforesaid provision cannot be interpreted to mean that **a minimum of three adjournments must be granted to every Taxpayer**. For seeking an adjournment, a Taxpayer has to show sufficient cause and, at the bare minimum, at least request an adjournment.
- Based on the above, entertaining the present writ petition is not warranted. However, since the Impugned Order is an appealable Order, the Taxpayer may avail the appellate remedy by 31 August 2025 after depositing the pre-deposit as mandated under section 107 of the CGST Act.

### Quashes another show cause notice issued on the same issue and the same period, where DGGI took cognisance

#### M/s. HM Leisure Vs. Assistant Commissioner of CGST, Div.-1 & 2 and Ors. [TS-692-HC(BOM)-2025-GST]

##### Issue

- Whether the tax authorities in Goa can issue a show cause notice on the very same subject matter and for the same period and adjudicate the same despite the fact that a show cause notice has already been issued by the Directorate General of GST Intelligence (DGGI) on an all-India level, including the State of Goa?

##### Ratio

- If multiple show cause notices are issued conferring jurisdiction on a plurality of officers on the same subject matter, it would result in chaos, harassment, contrary and conflicting decisions.
- In the present case, since the first show cause notice issued by DGGI for the same period and on the same subject matter is pending before the Karnataka High Court, which includes the turnover of the Goa branch, no adjudication should have been carried out by the tax authorities for the Goa branch. Doing so would result in duplication or multiplicity of proceedings on the same issue for the same period. Instead, the subject proceedings should have been transferred by the tax authorities in Goa to DGGI.
- Although the tax authorities in Goa were requested to keep the subject proceedings in abeyance, the same was ignored, and the tax authorities proceeded to pass the Impugned Order confirming the demand of GST on the very same issue. Accordingly, applying the ratio laid down by the Supreme Court in *Kusum Ingots and Alloys Ltd.*<sup>6</sup>, the Writ Petition was allowed by setting aside the Impugned Order.

## CUSTOMS



## LEGISLATIVE UPDATES

### ACT

Bills of Lading Act, 2025<sup>7</sup> and Carriage of Goods by Sea Act, 2025<sup>8</sup>

The Indian Bills of Lading Act, 1856 (IBL Act) and the Indian Carriage of Goods by Sea Act, 1925 (ICGS Act), being pre-independence statutes, require revisiting. Accordingly, without changing the spirit of the said legislations and to bring them in line with modern legislations and facilitate simplification and ease of understanding, the above laws have been repealed by the following legislations that shall come into effect from a notified date:

- Carriage of Goods by Sea Act, 2025 (repeals ICGS Act); and
- Bills of Lading Act, 2025 (repeals IBL Act).

<sup>6</sup> Kusum Ingots and Alloys Ltd. Vs. Union of India [2004 6 SCC 254]

<sup>7</sup> Dated 24 July 2025

<sup>8</sup> Dated 8 August 2025

## NOTIFICATION

26/2025-Customs (ADD) <sup>9</sup>	<p>Vide Notification No. 12/2021-Customs (ADD)<sup>10</sup>, effective 5 March 2021, Anti-Dumping Duty (ADD) was imposed on 'Black Toner in Powder Form' (subject to certain exclusions) classified under HSN 3707, originating in or exported from China PR, Malaysia and Taiwan. The said levy was valid till 9 August 2025.</p> <p>Vide Notification No. 26/2025-Customs (ADD), imposition of ADD on the aforesaid goods has now been extended by a further period of 5 years, i.e., till 3 August 2030.</p>
27/2025-Customs (ADD) <sup>11</sup>	<p>Vide Notification No. 35/2020 (ADD), effective 10 November 2020, ADD was imposed for a period of five years on 'Woven Fabric (having more than 50% Flax content) commonly known as 'Flax Fabric'' classified under HSN 5309 originating in or exported from China PR and Hong Kong.</p> <p>Vide Notification No. 27/2025-Customs (ADD), imposition of ADD on the aforesaid goods has been extended by a further period of three months, i.e., till 9 February 2026.</p>

## INSTRUCTION

25/2025-Customs <sup>12</sup>	<p>Instruction No. 07/2024<sup>13</sup> which notified the list of authorised officers (FSSAI and Customs officials) at 159 prescribed Points of Entry, has been expanded to provide six additional Points of Entry.</p>
-------------------------------	--

## JUDICIAL UPDATES

FOREIGN TRADE  
POLICY

## LEGISLATIVE UPDATES

## NOTIFICATION

24/2025-26 <sup>14</sup>	<p>Vide Notification No. 21/2025-26<sup>15</sup>, effective 27 June 2025, import of certain goods from Bangladesh was regulated to the effect that their import would not be allowed through any land port on the India-Bangladesh border and shall only be allowed through the Nhava Sheva Seaport.</p> <p>Vide Notification No. 24/2025-26, effective 11 August 2025, the aforesaid restriction shall also apply to the following goods:</p> <ul style="list-style-type: none"> <li>▪ HSN 531090 - Bleached and unbleached woven fabrics of Jute or of other textile bast fibre</li> <li>▪ HSN 560890 - Twine, cordage, rope, etc. of Jute</li> <li>▪ HSN 560790 - Twine, cordage, rope and cables</li> <li>▪ HSN 630510 - Sacks and bags of Jute</li> </ul>
--------------------------	--

## TRADE NOTICE / CIRCULAR / PUBLIC NOTICE

Public Notice No. 18/2025-26 <sup>16</sup>	<p>A quantity of 5,841 Metric Tonnes has been allocated for the export of Sugar (HSN 1701 0000) to the European Union from India under the Tariff Rate Quota for the period starting from October 2025 to September 2026.</p>
Policy Circular No. 03/2025-26 <sup>17</sup>	<p>Policy Circular No. 1/2025-26<sup>18</sup> clarified that organic textiles do not fall within the scope of the National Programme for Organic Production accreditation categories. Therefore, organic textile exports do not require Transaction Certificates from NAB-accredited bodies under the NPOP framework as provided in Public Notice No. 39/2024-25<sup>19</sup>.</p> <p>In this regard, the requirement for the exporters to furnish a valid Transaction Certificate from certification bodies designated through Textile Exchange, Global Organic Textile Standard, or as mandated by buyers at the time of export is deleted.</p>

<sup>9</sup> Dated 4 August 2025<sup>10</sup> Dated 5 March 2021<sup>11</sup> Dated 6 August 2025<sup>12</sup> Dated 6 August 2025<sup>13</sup> Dated 1 April 2024<sup>14</sup> Dated 11 August 2025<sup>15</sup> Dated 27 June 2025. Our update on the same may be accessed by clicking [here](#)<sup>16</sup> Dated 1 August 2025<sup>17</sup> Dated 31 July 2025<sup>18</sup> Dated 15 July 2025<sup>19</sup> Dated 5 January 2025

## CENTRAL EXCISE/ SERVICE TAX/ VALUE ADDED TAX



### LEGISLATIVE UPDATES

#### NOTIFICATION

<p>Maharashtra Settlement of Arrears of Tax, Interest, Penalty or Late Fee (Payable by Public Sector Undertaking Companies) (Amendment and Validation) Act, 2025 (Maharashtra)<sup>20</sup></p>	<p>The Maharashtra Settlement of Arrears of Tax, Interest, Penalty or Late Fee (Payable by Public Sector Undertaking Companies) Act, 2025 is amended with retrospective effect from 21 March 2025 to extend its applicability to Corporations, Public Sector Banks, Departments, Rural or Urban Local Bodies, or other Authorities, Enterprises or Entities, which are established under an Act of the Parliament or any State Legislature or by any Government Resolution.</p> <p>Further, consequential changes are also made in the title of the aforesaid Act wherein the phrase '<b>(Payable by Public Sector Undertaking Companies)</b>' has been deleted with retrospective effect from 21 March 2025.</p>
<p>35/ST-1 (Haryana VAT)<sup>21</sup></p>	<p>The concessional rate of VAT leviable on the sale of Aviation Turbine Fuel (ATF) under the Haryana Value Added Tax Act, 2003, in the following specific cases, shall now be valid only till 6 July 2027:</p> <ul style="list-style-type: none"> <li>▪ ATF sold to all passenger flights, including flights under the Regional Connectivity Scheme - UDAN, at all airports, except flights that do not carry any passengers but operate only for re-fuelling / parking and;</li> <li>▪ ATF is sold to dealers, which is used in all Maintenance, Repair and Overhaul activities and air adventure activities.</li> </ul>

#### TRADE NOTICE

<p>Trade Circular 01/2025<sup>22</sup> and Memo No. 106 CT/PRO/21U/PRO/2025<sup>23</sup> (West Bengal)</p>	<p>Effective 18 July 2025, the West Bengal Sales Tax (Settlement of Dispute) Act, 1999 (an act for enforcement of payment, and settlement of disputes relating to arrears of tax, late fee, interest or penalty under the West Bengal Value Added Tax Act, 2003, West Bengal Tax on Entry of Goods into the Local Areas Act, 2012 (Entry Tax) and the Central Sales Tax Act, 1956) was amended to <i>inter alia</i> extend its applicability to disputes/ proceedings pending before the tax authorities on 31 March 2025 (Earlier 10 February 2023).</p> <p>In this regard, a Trade Circular is issued by the Directorate of Commercial Taxes, Government of West Bengal, highlighting the changes made in the aforesaid Act. The said circular also clarifies that the definition of '<b>arrear tax, penalty, late fee or interest in dispute</b>' has been amended to provide that only the arrear in dispute, as reduced by any deposit/payment already made by a taxpayer or any amount recovered against a particular case. Further, the designated officers for making applications for settlement under the Amnesty Scheme have also been notified.</p>
--	---

### JUDICIAL UPDATES

**In the Revenue Sharing Arrangement, Service Tax is not leviable on 'Entry Fees' remitted to a joint operator by another joint operator**

**Delhi Warehousing Pvt Ltd [TS-655-CESTAT-2025-ST]**

#### Issue

- In case of a revenue sharing agreement, whether the Taxpayer, being the person collecting Entry Fee, is required to pay Service Tax on the entire amount collected from the customers or whether the liability to pay Service Tax is limited to its share of Entry Fee retained by the Taxpayer?

<sup>20</sup> Dated 30 July 2025

<sup>21</sup> Dated 1 August 2025

<sup>22</sup> Dated 4 August 2025

<sup>23</sup> Dated 4 August 2025

## Ratio

- The agreement entered into between the joint operators was followed in letter and spirit. Consequently, the liability towards Service Tax was discharged both by the Taxpayer as well as by the joint operator to the extent of their respective shares of Entry Fees.
- The net effect is that the tax authorities have received Service Tax on the entire amount of 'Entry Fees', collectively from the Taxpayer and the joint operator. Thus, the tax authorities are not prejudiced in any manner by the *modus operandi* adopted by the contracting parties.
- Reliance placed by the Taxpayer on the Commissioner (Appeals) ruling in its own case for the subsequent period, which was decided in favour of the Taxpayer, has not been challenged by the tax authorities. Thus, the issue on merits stands settled in the Taxpayer's favour.
- Considering the above, without going into the question of the applicability of an extended period of limitation and imposition of interest and penalty, the appeal was allowed by setting aside the Impugned Order.

## INDIRECT TAX NEWS FLASH



Press Trust of India (6 August 2025)	<ul style="list-style-type: none"> <li>▪ <a href="#">GSTAT hearings to start "very soon": Centre appoints key members, states to follow suit</a></li> </ul>
Times of India (1 August 2025)	<ul style="list-style-type: none"> <li>▪ <a href="#">GST collections: July gross mop up at ₹1.96 lakh crore, rises 7.5% year-on-year</a></li> </ul>
Economic Times (6 August 2025)	<ul style="list-style-type: none"> <li>▪ <a href="#">Santa's not coming: Trump's 25% tariffs set to hit India's Christmas exports; MSMEs brace for impact</a></li> </ul>
Live Mint (7 & 12 August 2025)	<ul style="list-style-type: none"> <li>▪ <a href="#">Trump tariffs impact: What's going to get expensive after 50% imposition and who's going to pay for it</a></li> <li>▪ <a href="#">US tariffs threaten India's diamond, shrimp, and textile exports, warns Crisil</a></li> </ul>
Hindustan Times (12 August 2025)	<ul style="list-style-type: none"> <li>▪ <a href="#">Over half of India's export to US affected by Trump tariffs: Govt in Parliament</a></li> </ul>

## ABOUT BDO GLOBAL

BDO is an international network of independent public accounting, tax and advisory firms. We support organisations with an unwavering focus on quality, industry expertise, and the innovative use of technology to deliver impactful solutions. Our commitment to people, clients, and communities is at the core of everything we do. With our people-first culture, we foster an environment where diversity thrives, growth is nurtured, and continuous learning drives lasting progress for a sustainable future.

## ABOUT BDO INDIA

BDO India offers Assurance, Tax, Advisory, Technology Products & Solutions, Digital Transformation, and Managed Services & Outsourcing to domestic and international clients across various industries. Bringing together expertise, innovatively driven and delivered through technology, we empower businesses to navigate their unique challenges with transformative, impactful, client-centric solutions. The team in India comprises over 11,000\* professionals, led by more than 350 Partners and Directors, operating out of 20 offices across 14 key cities.

\*Includes employees from BDO RISE and BDO EDGE

## CONTACT US

For any content related queries, you may please write to the service line experts at [taxadvisory@bdo.in](mailto:taxadvisory@bdo.in)  
For any other queries or feedback, kindly write to us at [marketing@bdo.in](mailto:marketing@bdo.in)

## BDO INDIA OFFICES

### Ahmedabad

BDO India LLP  
Westgate Business Bay, Block - A,  
Level-6, Opp. Nirvana Party Plot,  
S. G. Highway, Ahmedabad - 380051, INDIA

### Bengaluru - Office 1

Prestige Nebula, Floor 3  
Infantry Road  
Bengaluru 560001, INDIA

### Bengaluru - Office 2

SV Tower, No. 27, Floor 3 & 4  
80 Feet Road, 6th Block, Koramangala  
Bengaluru 560095, INDIA

### Bhopal

Floor 3, Pradhan Business Center  
Ansal Pradhan Enclave, E 8 Arera  
Colony Near Dana Pani Square,  
Bhopal 462026, INDIA

### Chandigarh

Plot no. 55, Floor 5  
Industrial & Business Park  
Phase 1, Chandigarh 160002, INDIA

### Chennai

Olympia Cyberspace, Floor 10, Module 4  
No: 4/22 Arulayiammanpet, SIDCO Industrial  
Estate Guindy, Chennai 600032, INDIA

### Coimbatore

Pacom Square, Floor 3, 104/1, Sakthi  
Main Road, Bharathi Nagar, Ganapathy  
Coimbatore 641006, INDIA

### Delhi NCR - Office 1

Magnum Global Park, Floor 21, Archview  
Drive, Sector 58, Golf Course Extn Road  
Gurugram 122011, INDIA

### Delhi NCR - Office 2

Windsor IT Park, Plot No: A-1  
Floor 2, Tower B, Sector 125  
Noida 201301, INDIA

### Goa

BIZ - Nest, Floor 7  
A Wing, Sunteck Corporate Park  
Opp. Shram Shakti Bhavan, Patto  
Panaji, Goa 403001, INDIA

### Hyderabad

1101/B, Manjeera Trinity Corporate  
JNTU-Hitech City Road, Kukatpally  
Hyderabad 500072, INDIA

### Kochi

XL/215 A, Krishna Kripa  
Layam Road, Ernakulam  
Kochi 682011, INDIA

### Kolkata

Floor 4, Duckback House  
41, Shakespeare Sarani  
Kolkata 700017, INDIA

### Mumbai - Office 1

The Ruby, Level 9, North West &  
South East Wings, Senapati Bapat Marg  
Dadar (W), Mumbai 400028, INDIA

### Mumbai - Office 2

601, Floor 6, Raheja Titanium, Western  
Express Highway, Geetanjali Railway  
Colony, Ram Nagar Goregaon (E),  
Mumbai 400063, INDIA

### Mumbai - Office 3

Floor 20, 2001 & 2002 - A Wing, 2001-  
F Wing Lotus Corporate Park, Western  
Express Highway, Ram Mandir Fatak Road,  
Goregaon (E) Mumbai 400063, INDIA

### Mumbai - Office 4

2nd floor, Empire Complex  
414, Senapati Bapat Marg  
Lower Parel West,  
Mumbai 400013, INDIA

### Pune - Office 1

Floor 6, Building No. 1  
Cerebrum IT Park, Kalyani Nagar  
Pune 411014, INDIA

### Pune - Office 2

Floor 2 & 4, Mantri Sterling, Deep Bunglow  
Chowk, Model Colony, Shivaji Nagar  
Pune 411016, INDIA

### Vadodara

1008, Floor 10, "OCEAN", Sarabhai  
Compound, Nr. Centre Square Mall,  
Dr. Vikram Sarabhai Marg Vadodara  
390023, INDIA

Ahmedabad | Bengaluru | Bhopal | Chandigarh | Chennai | Coimbatore | Delhi | Goa | Hyderabad | Kochi | Kolkata | Mumbai | Pune | Vadodara

This publication has been carefully prepared, but it has been written in general terms and should be seen as containing broad statements only. This publication should not be used or relied upon to cover specific situations and you should not act, or refrain from acting, upon the information contained in this publication without obtaining specific professional advice. Please contact BDO India LLP to discuss these matters in the context of your particular circumstances. BDO India LLP, its partners, employees and agents do not accept or assume any responsibility or duty of care in respect of any use of or reliance on this publication and will deny any liability for any loss arising from any action taken or not taken or decision made by anyone in reliance on this publication or any part of it. Any use of this publication or reliance on it for any purpose or in any context is therefore at your own risk, without any right of recourse against BDO India LLP or any of its partners, employees or agents.

BDO India LLP, a limited liability partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO is the brand name for the BDO network and for each of the BDO Member Firms.

Copyright © 2025 BDO India LLP. All rights reserved. Published in India.

Visit us at [www.bdo.in](http://www.bdo.in)

