

# CUSTOMS AND GST ALERT

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## NEWS UPDATE

The Hon'ble Prime Minister, in his Independence Day speech, announced the Government's intention to introduce significant GST reforms focusing on three key pillars: (i) Structural reforms (*correcting inverted duty structure, resolving classification issues, and ensuring stability and predictability in rates and policy*); (ii) Rate rationalisation (*reducing taxes on common-man items and aspirational goods, reducing slabs, and discontinuing compensation cess*); and (iii) Ease of living (*in the areas of registration, refunds and returns*).

## CASE LAW UPDATES

### **ARMOUR SECURITY (INDIA) LTD v. COMMISSIONER, CGST, DELHI EAST AND ANR**

SLP (C) No 6092 of 2025

**Supreme Court** holds that (i) any action arising from the audit of accounts or detailed scrutiny of returns must be initiated by the tax administration (either Central or State GST department) to which the concerned assessee is assigned; (ii) intelligence based enforcement action could be initiated either by the Central or State GST department against any assessee; and (iii) bar on parallel proceedings would only apply qua issuance of show cause notices on the same subject matter, and not qua any pre-show cause notice proceedings.

### **KESARI NANDAN MOBILE v. OFFICE OF ASSISTANT COMMISSIONER OF STATE TAX (2), ENFORCEMENT DIVISION-5**

Civil Appeal No 9543 of 2025

**Supreme Court** holds that the Central Goods and Services Tax Act, 2017 (CGST Act) did not permit issuance of a second provisional bank attachment order, after the first provisional bank attachment order had ceased to operate, due to expiry of one year from the date of issuance thereof.

#### **AMBIKA TRADERS v. ADDITIONAL COMMISSIONER**

[2025] 177 taxmann.com 134

**Delhi High Court** holds that issuance of a consolidated show cause notice or order covering multiple financial years was permissible, especially in cases involving fraudulent availment or utilisation of input tax credit spanning multiple years.

#### **TATA PLAY LTD v. STATE TAX OFFICER, AVATO**

[2025] 176 taxmann.com 1000

**Delhi High Court** holds that a show cause notice issued under section 73 of the CGST Act (non-fraud cases) for FY 2020-21 on 30.11.2024 was not barred by limitation, observes that although the due date for passing order under the said section was 28.02.2025, the due date for issuance of show cause notice would be 30.11.2024 *i.e.* three (full) calendar months prior to 28.02.2025.

#### **RIETER INDIA PVT LTD v. COMMISSIONER OF CENTRAL TAX, KOLHAPUR**

2025 (7) TMI 554

**CESTAT, Mumbai bench** holds that an assessee would be eligible to obtain a cash refund of Countervailing Duty and Special Additional Duty paid in the GST regime, but on imports undertaken in the pre-GST regime, since there was no facility to avail CENVAT credit of such duties.

### **REGULATORY UPDATE**

#### **Foreign Trade Policy**

#### **NOTIFICATION NO 24/2025-26**

Directorate General of Foreign Trade has notified additional restrictions on imports from Bangladesh, whereby import of certain jute products shall be permitted only through the Nhava

Sheva sea port (and not through any land port), with effect from 11.08.2025. This restriction shall not apply to export of Bangladesh goods to Nepal / Bhutan transiting through India. However, re-export of Bangladesh goods from Nepal / Bhutan to India shall not be allowed.

**For any clarifications, please write to:**

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