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Judgements and Rulings

No TCS liability on E-commerce operator who does not collect consideration | Karnataka High Court | Hiveloop Technology Private Limited[1]

Issue for consideration

- Whether an e-commerce operator (ECO) that does not collect consideration/payment for supplies made by other suppliers on its platform can be made liable to collect TCS under Section 52 of the CGST Act?
- Whether Section 17(2) of the CGST Act, requiring reversal of ITC, is applicable where the e-commerce operator promotes its own platform without charging consideration?
- Whether Section 74(1) of the CGST Act could be invoked against the petitioner for non-compliance with Section 52 of the CGST Act?

Facts

- The petitioner, Hiveloop Technology Private Limited (HTPL), owns and operates an e-commerce portal 'www.udaan.com', a B2B platform where registered users undertake transactions of sale and purchase of goods.
- During the relevant period, the petitioner only granted access to the online portal and did not collect consideration from the registered users.
- The petitioner provided an option to arrange for logistics, customer services, etc., and these services were provided by separately empanelled service providers, which provided these facilities directly to the users.
- A separate company, Hiveloop Logistics Private Limited (HLPL), was incorporated for providing logistics, warehousing and payment services to the registered users of the platform. Thus, the petitioner only granted access to the platform and was not collecting consideration for supplies made through it.
- The DGGI issued a Show Cause Notice dated September 19, 2022 (SCN), under Section 74(1) of the CGST Act, alleging that the petitioner failed to collect TCS @ 1% under Section 52 of the CGST Act and, failed to restrict ITC availment under Section 17(2) of the CGST Act on account of non-reversal of ITC relating to free supplies made by them.
- The petitioner challenged the SCN before the Karnataka High Court.

Findings of the Court

- Section 52 of the CGST Act provides that every e-commerce operator shall collect TCS on the net value of taxable supplies made through it by other suppliers, where the consideration with respect to such supplies is to be collected by the operator. The obligation to collect TCS is triggered only when consideration is collected or received by the e-commerce operator.
- The SCN is based on an incorrect assumption that services provided by HLPL are provided by the petitioner, thereby attracting Section 52 of the CGST Act, as HLPL and the petitioner are separate legal entities and conducting business on their own account.
- Since HLPL independently provides logistics and payment services, and the petitioner neither collects consideration nor mandates engagement with HLPL, Section 52 of the CGST Act does not apply to the petitioner.
- As the transactions in question were not supplies of the petitioner, Section 74 of the CGST Act has no application since Section 74 applies only when tax has not been paid or short paid by reason of fraud, willful misstatement or suppression of facts to evade tax, and a notice under Section 74 must be issued to a person chargeable with tax.
- However, as the petitioner was not “a person chargeable with tax”, Section 74 of the CGST Act does not apply in this case.
- The High Court stated that, unlike Section 201 of the Income-tax Act, the CGST Act has no provision to treat a person who has not collected tax as an "assessee in default". Thus, the petitioner cannot be subjected to proceedings under Section 74 of the CGST Act.
- On Section 17(2) of the CGST Act allegation, it was held that the SCN erroneously assumed that the petitioner's promotion of its entire platform, along

[1]Hiveloop Technology Private Limited v. Additional Director Directorate General of GST Intelligence, TS-215-HC(KAR)-2026-GST

with services provided therein, constituted "free supplies" requiring ITC reversal.

- Section 17(2) of the CGST Act applies only where goods or services are used partly for effecting taxable supplies and partly for effecting exempt supplies. The promotion of one's own platform is an activity which primarily benefits the petitioner itself. Hence, Section 17 of the CGST Act is not attracted.

Conclusion

- The writ petition was allowed with the Show Cause Notice and all further proceedings in pursuance of it quashed.

Dhruva Comments

The judgment establishes that the TCS obligation is conditional upon the e-commerce operator actually collecting consideration from platform users and, cannot be extended to operators who merely provide access to an online marketplace without collecting payments.

Separately, the ruling reaffirms that Section 74 of the CGST Act is not an omnibus provision inasmuch as it would only apply to a person chargeable with tax, and as e-commerce operators are not persons chargeable with tax, they cannot be subjected to proceedings under Section 74 of the CGST Act.

Consolidated Show Cause Notice for multiple financial years under GST-Issue referred to Larger Bench| Bombay High Court | Rollmet LLP & Ors[2].

Issue for consideration

- Whether a single consolidated SCN under Sections 73/74 of the CGST Act, 2017 covering multiple financial years is legally valid, or whether it is against the mandate of Sections 73(10) and 74(10) which prescribe year-wise limitation?

Facts

- A batch of writ petitions were filed before the Bombay High Court challenging consolidated SCN issued under Sections 73/74 of the CGST Act covering multiple financial years.
- The petitioners contended that such consolidated notices are contrary to the mandate of sub-section (10) of Section 73/74 of the CGST Act, which prescribes year-wise limitation and that the statutory scheme requires period-wise assessment, thereby rendering a composite SCN without jurisdiction.
- The petitioners relied primarily on the Bombay High Court Division Bench ruling in **Milroc Good Earth Developers**[3], which had held that there is no provision in the CGST Act to club various tax periods in a single SCN, and similar views taken in **Paras Stone Industries**[4] and **Rite Water Solutions**[5].
- The Revenue, on the other hand, relied on the Delhi High Court decisions in **Mathur Polymers**[6] and **Ambika Traders**[7] and the Allahabad High Court decision in **S.A. Aromatics Pvt. Ltd**[8], which had held that a consolidated SCN for multiple financial years is permissible.

Findings of the Court

- The Court noted that Sections 73/74 of the CGST Act fall under Chapter XV of the CGST Act titled "Demand and Recovery" and constitute a complete code in themselves and are distinct from assessment provisions.
- The Court observed that Section 73/74 of the CGST Act does not expressly confine the SCN to a single financial year or tax period and sub-section (3) specifically uses the expression "for any period under sub-section (1)" and further permits a statement for "such periods other than those covered under sub-section (1)". The Court found that the legislature's conscious use of the words "any period" and "such periods" strongly suggests that proceedings under these provisions were never intended to be confined to a single financial year.

[2] Rollmet LLP v. Union of India, 2026 (4) TMI 1218
[3] Milroc Good Earth Developers v. Union of India, 2025 (10) TMI 867
[4] Paras Stone Industries v. Union of India, 2026 (1) TMI 839
[5] Rite Water Solutions (India) Ltd. v. Joint Commissioner CGST, 2025 (11) TMI 1939
[6] Mathur Polymers v. Union of India, 2025 (9) TMI 112
[7] Ambika Traders v. Additional Commissioner DGGSTI, 2025 (8) TMI 315
[8] S.A. Aromatics v. Union of India, 2026 SCC OnLine All 19

- The Court held that sub-section (10), which prescribes limitation for passing orders under sub-section (9), operates independently of sub-section (1) and does not restrict the power of the proper officer to issue a consolidated SCNs clubbing different periods.
- The Court referred to the clarification issued by the GST Policy Wing dated September 16, 2025, which stated that the consolidation of proceedings does not operate to extend or alter the limitation period prescribed for each individual financial year. The Court found this circular to be a relevant policy document that addresses the core anxiety of the petitioners that consolidated notices would prejudice their limitation rights and resolves it against them.
- The Court acknowledged that as a co-ordinate bench it would ordinarily be bound by the earlier Division Bench ruling in Milroc. However, it noted that the Milroc ruling was primarily guided by the Madras and Kerala High Court decisions, particularly the observations in **Tharayil Medicals**[9] and **Titan Company Ltd**[10], both of which had in turn relied on the Supreme Court's judgment in **Caltex India**[11].
- The Court questioned the merit of applying the ratio in Caltex which dealt with the validity of an assessment order covering multiple years where some years were barred and upheld the order for limitation-compliant years was correctly applied in those decisions to the context of SCNs under Sections 73/74 of the CGST Act.
- The Court found considerable merit in the reasoning of the Delhi High Court in Mathur Polymers and Ambika Traders and the Allahabad High Court in SA Aromatics. The Court found significant merit in the Revenue's submissions, particularly in light of the Supreme Court's speaking order dismissing the SLP in Mathur Polymers, which constitutes a declaration of law under Article 141 of the Constitution.
- However, since the bench was bound by the co-ordinate bench ruling in Milroc and given the significant legal issues and conflicting judicial positions warranting authoritative resolution, the Court referred the issue to a Larger Bench.
- The Court directed that all interim orders passed in the batch matters would continue until the Larger Bench decides the issues.

Conclusion

- The matter has been referred to a Larger Bench of the Bombay High Court for authoritative determination of the five questions of law framed, including whether a consolidated SCN for multiple financial years is legally permissible under Sections 73/74 of the CGST Act.

Dhruva Comments

The reference by the Bombay High Court Division Bench to a Larger Bench acknowledges the deep judicial divide on a practically significant issue.

Additionally, the Karnataka High Court Division Bench in **Chimney Hills Education Society**[12] delivered a pro-Revenue ruling holding that consolidated SCNs for multiple financial years are permissible, directly at odds with the earlier single judge decisions of that court in **Pramur Homes**[13] and other similar rulings.

The law on this issue thus remains in a state of flux, with the Bombay HC Larger Bench set to deliver the definitive word for that jurisdiction.

GST return defaulter in one State can be denied registration in another State | Rajasthan High Court | Leighton India Contractors Private Limited[14]

Issue for consideration

- Whether a company that has failed to file GST returns in one State and whose registration has been cancelled or put in abeyance can be denied GST registration in another State?

Facts

- The petitioner, Leighton India Contractors Private Limited, sought GST registration in the State of Rajasthan.

[9] Tharayil Medicals v. The Deputy Commissioner, 2025 (4) TMI 1152
[10] Titan Company Ltd v. The Joint Commissioner CGST,2025 (4) TMI 1152,
[11] The State of Jammu and Kashmir v. Caltex (India) Ltd., 1965 (12) TMI 125
[12] The Commissioner of Central Tax v. Chimney Hills Education Society 2026 (5) TMI 125
[13] Pramur Homes v. Union of India, 2025 (12) TMI 1188
[14] Leighton India Contractors Private Limited v. Union of India & Ors, TS-235-HC(RAJ)-2026-GST

- The Revenue declined to grant registration in Rajasthan on the grounds that the petitioner had not filed its GST returns in the State of Tamil Nadu.
- The petitioner contended that failure to file returns in Tamil Nadu could not be a ground for denying GST registration in Rajasthan.

Findings of the Court

- The Central GST Act, 2017, is parallel to the State GST Act, 2017, and the provisions of the Act are simultaneously State-centric and Central-centric.
- If a company fails to comply with statutory provisions after obtaining registration in a particular State, resulting in cancellation or suspension of such registration, it cannot bypass compliance by seeking fresh registration in another State.
- A company that is already registered in one State but is non-compliant with the law is treated as a defaulter and, consequently, may also be refused registration in any other State.

Conclusion

- The writ petition was dismissed. The Rajasthan High Court held that a GST return defaulter in one State can be denied registration in another State.

Dhruva Comments

This ruling underscores the unified and interconnected nature of India's GST framework, emphasising that compliance obligations are not limited to a single State but, apply across the entire GST ecosystem prevalent in India. Interestingly, there is no statutory provision to which such powers may be traced.

Businesses operating in multiple States should note that non-compliance in any State including cancellation or suspension of registration on account of return defaults, may have consequences for registration in other States.

Late fee leviable for delayed filing of Form GSTR-9C | Madras High Court | Tvl. Madhu Agencies[15]

Issue for consideration

- Whether a late fee under Section 47(2) of the CGST Act can be levied for the delayed filing of Form GSTR-9C.

Facts

- The petitioner's aggregate turnover exceeded Rs. 5 crores for the Assessment Year 2021-22, making it liable to file Form GSTR-9C along with its annual return in Form GSTR-9.
- The due date for filing the annual return was December 31, 2022. The petitioner filed Form GSTR-9 belatedly on January 13, 2023, with a delay of 13 days, for which a late fee was paid.
- However, the petitioner filed Form GSTR-9C only on June 20, 2025. The Revenue treated the date of filing of Form GSTR-9C as the date of proper filing of the annual return and levied a late fee accordingly.

Findings of the Court

- Section 44 of the CGST Act provides that every registered person shall furnish an annual return, which may include a self-certified reconciliation statement.
- The Court, relying on the Supreme Court ruling in **Caryaire Equipment India Private Ltd.**[16] held that the word "include" ordinarily adds to and expands the natural content of the expression to which it is appended.
- Rule 80(3) of the CGST Rules, 2017 mandates that every registered person whose aggregate turnover during a financial year exceeds five crore rupees shall also furnish a self-certified reconciliation statement in Form GSTR-9C along with the annual return. The words "along with" in this context are mandatory.
- Section 47(2) of the CGST Act levies a late fee for failure to furnish the return required under Section 44 by the due date. Reading Section 44 of the CGST Act with Rule 80(3) of the CGST Rules and the definition of "return" under Section 2(97) of the CGST Act, it was held that Form GSTR-9C is a component that completes the annual return in cases covered by Rule

[15] Tvl. Madhu Agencies v. The State Tax Officer, Trichy, 2026 (4) TMI 1343

[16] Commissioner of Customs v. Caryaire Equipment India Private Ltd, (2012) 4 SCC 645.

80(3) of the CGST Rules. Thus, Filing Form GSTR-9 without Form GSTR-9C amounts to non-filing of the return as required under Section 44 of the CGST Act

- A perusal of Form GSTR-9C shows that the assessee is required to self-reconcile turnover, tax paid, input tax credit and other details based on the audited annual financial statement, which only completes the annual return in Form GSTR-9.

Conclusion

- The writ petition was dismissed. The levy of a late fee for the belated filing of Form GSTR-9C was upheld. The petitioner was granted liberty to prefer an appeal before the appropriate authority on factual aspects.

Dhruva Comments

The Madras High Court's ruling establishes that Form GSTR-9C is an integral component of the annual return that is required to be filed, under Section 44 of the CGST Act and is not a standalone, independent filing obligation. The judgment clarifies that the annual return is considered complete only when both Form GSTR-9 and Form GSTR-9C are filed, and accordingly, the late fee under Section 47(2) applies to the delay in filing Form GSTR-9C as well. Taxpayers with aggregate turnover exceeding Rs. 5 crores should take note of this ruling and ensure timely filing of Form GSTR-9C along with Form GSTR-9 to avoid late fees.

Relevant date for payment of customs duty on warehoused goods is the date of the out-of-charge order | Supreme Court| Ruchi Infrastructure Limited[17]

Issue for consideration

- What is the relevant date for the determination of customs duty on warehoused goods cleared for home consumption

Facts

- The appellant had entered into contracts for the import of RBD Palmolein. The contracted supplies were shipped between June 4, 2001, and July 14, 2001. Bills of Entry for warehousing were filed, and thereafter, Bills of Entry for home consumption were filed for clearing the goods.
- A tariff value notification dated August 3, 2001, fixing the tariff value of RBD Palmolein at USD 372 per MT, came into force with effect from August 6, 2001. The Revenue demanded differential duty on goods covered by four ex-bond Bills of Entry on the basis of this revised tariff value.
- The appellant contended that customs out-of-charge orders had been obtained before August 6, 2001, and that the revised tariff value could not therefore be applied to those consignments.
- The learned Single Judge found ambiguity regarding the exact date of the out-of-charge orders and disposed of the writ petition with conditional directions. The matter came up before the Division Bench in a writ appeal.
- Before the Division Bench, the Customs Department filed an affidavit confirming that out of charge orders for all four ex-bond Bills of Entry had been issued before August 6, 2001.

Findings of the Kerala High Court

- Once the customs out-of-charge orders were obtained in respect of the warehoused goods, the continued warehousing of the goods thereafter had no relevance to the determination of duty payable by the importer. Subsequent warehousing was merely an arrangement by the importer for storing goods in a private warehouse.
- The relevant date for payment of import duty is the date on which the goods are cleared for home consumption, which is the date on which the customs out-of-charge orders are issued. This principle was drawn from the Supreme Court decisions in **Priyanka Overseas Pvt. Ltd.**[18] and **Biecco Lawrie Ltd**[19]**.**
- Since the out-of-charge orders for all four ex-bond Bills of Entry were issued before August 6, 2001, the enhanced tariff value introduced by the notification effective August 6, 2001, could not be applied to those consignments.

[17] The Union of India v. Ruchi Infrastructure Limited, 2026 (4) TMI 545

[18] Priyanka Overseas Pvt. Ltd. v. Union of India,1990 (11) TMI 145

[19] Commissioner of Customs, Calcutta v. Biecco Lawrie Ltd, 2008 (2) TMI 646

- Aggrieved by the Order of the Division bench, the Revenue approached the Supreme Court by way of Special Leave Petition (SLP).

Findings of the Supreme Court

- The SC dismissed the Revenue's SLP, holding that it did not find any ground to interfere with the order of the Division Bench.

Conclusion

- The SLP was dismissed. The Division Bench ruling that demand for differential duty based on the revised tariff value was held unsustainable in respect of the consignments for which out-of-charge orders had been issued before August 6, 2001, was upheld.

Dhruva Comments

The Supreme Court's dismissal of the appeal by declining to interfere with the ruling of the High Court has affirmed the position laid down by the Division Bench of the High Court, which ruled that duty liability crystallises on the date of the out-of-charge order, protecting importers from the retrospective impact of subsequent tariff or valuation changes where clearance has already been permitted.

Relevant date for unutilised ITC refund to be reckoned as per unamended Explanation 2(e) to Section 54 of the CGST Act | Delhi High Court | Kanika Exports & Malik Seasoning and Spices Pvt. Ltd[20].

Issue for consideration

- What would be the relevant date from which the two-year limitation period under Section 54 of the CGST Act is to be calculated for the refund of unutilised ITC on account of export of goods without payment of tax, as well as the refund of ITC accumulated due to inverted duty structure, pertaining to FY 2017-2018.
- Whether the amendment to Explanation 2(e) to Section 54 of the CGST Act, brought into effect from February 1, 2019, would apply retrospectively to refund claims pertaining to a period before the said amendment.

Facts

Facts in W.P.(C) 12512/2021 (Kanika Exports):

- The petitioner is a partnership firm engaged in the business of readymade garments, which exported goods without payment of tax. The petitioner filed a refund application on March 29, 2020, claiming a refund of Input Tax Credit (ITC) accumulated as on March 31, 2018, for the period July 2017 to March 2018.
- The Adjudicating Authority applied Explanation (2)(a) to Section 54 of the CGST Act, wherein the relevant date in case of goods exported out of India, is the date of exports and on this basis computed the limitation period of two years from the relevant date of October 2017 and March 2018 being the date of exports and rejected the refund claim of the Petitioner as being time-barred. The Appellate Authority upheld the rejection.

Facts in W.P.(C) 17538/2022 (Malik Seasoning and Spices Pvt. Ltd.):

- The petitioner is engaged in the manufacturing and trading of spices and seasonings. It filed refund applications on March 28, 2021, for the period July 2017 to March 2018 and on March 30, 2021, for the period April 2018 to March 2019, both under the category of ITC accumulated due to inverted duty structure.
- The Adjudicating Authority applied the amended Explanation 2(e) and held that the relevant date would be the due date for furnishing of returns under Section 39 of the CGST Act, for the period in which such claim for refund arises.
- It was also observed that the Petitioner failed to furnish a proper bifurcation of the refund claim to demonstrate whether any portion fell within the prescribed limitation period and proceeded to reject the entire refund claim as being time-barred.
- The petitioner in both the above petitions contended that the pre-amendment Explanation 2(e) of Section 54 of the CGST Act, which construes the relevant date to be the end of the financial year in which such a

[20] Kanika Exports v. Union of India & Ors. along with M/s Malik Seasoning and Spices Pvt. Ltd. v. Commissioner of GST, TS-270-HC(DEL)-2026-GST

claim for refund pertains, should be applied to determine the relevant date.

Findings of the Court

- Section 54 of the CGST Act prescribes distinct relevant dates for computing the two-year limitation period, depending on the nature of the refund claimed. The determination of the relevant date is not uniform across all categories of refunds.
- Unamended Explanation 2(e) to Section 54 of the CGST Act provided that, in the case of refund of unutilised ITC under sub-section (3), the relevant date would be the end of the financial year in which such claim for refund pertains.
- This was substituted by the CGST (Amendment) Act, 2018, with effect from February 1, 2019, restricting its application to clause (ii) of the first proviso to Section 54(3) of the CGST Act and changing the relevant date to the due date for furnishing of return under Section 39.
- The Court concurred with the decisions of the Jammu & Kashmir High Court in **Bharat Oil Traders**[21] and the Bombay High Court in **Babasaheb Keda Shetkari Sahakari Soot Girni Limited**[22] holding that the applicable provision would be the one which existed on the date of the transaction (date of export in the present case), and the limitation period prescribed when the transaction took place cannot be curtailed based on a subsequent amendment that could not have been in the knowledge of the taxpayer at the time.
- Since the refund in both cases pertained to the period before the amendment to Explanation 2(e), the applicable provision would be the unamended Explanation 2(e) to Section 54 of the CGST Act and the amended Explanation 2(e) to Section 54 of the CGST Act cannot be applied retrospectively to divest the vested rights of the claimants.
- On the question of whether Explanation 2(a) (relevant date being the date of exports) or Explanation 2(e) applies in cases of refund of unutilised ITC arising from exports, the Court held that Explanation 2(a) covers refund of "tax paid" in respect of goods exported and Explanation 2(e) specifically covers the refund of "unutilised ITC." The two provisions operate on separate footings.
- Hence, in cases of refund where tax is paid at the time of export, Explanation 2(a) is applicable. In cases of refund of unutilised ITC on account of exports or inverted duty structure, Explanation 2(e) read with the first proviso to Section 54(3) of the CGST Act is the applicable provision.

Conclusion

- In W.P.(C) 12512/2021, the refund application filed on March 29, 2020, was within the limitation period, as the relevant date under unamended Explanation 2(e) is March 31, 2018 (end of FY 2017-18), and the two-year period expires on March 31, 2020.
- In W.P.(C) 17538/2022, the applicable provision is the unamended Explanation 2(e), making both refund claims timely.
- Both petitions were allowed, the impugned rejection orders were set aside, and the Revenue was directed to process the refund applications on merits within three months.

Dhruva Comments

The Delhi High Court's ruling settles a critical question regarding the computation of the limitation period for the refund of unutilised ITC under Section 54 of the CGST Act.

The judgment draws a clear and principled distinction between refund of "tax paid" on exports (governed by Explanation 2(a), relevant date being the date of exports) and refund of "unutilised ITC" arising from exports or inverted duty structure (governed by Explanation 2(e))

The ruling conclusively holds that the amendment to Explanation 2(e) effective from February 1, 2019, operates prospectively, and the unamended provision continues to govern refund claims in respect of transactions that occurred before the amendment.

[21] Bharat Oil Traders v. Assistant Commissioner and Anr, (2025) SCC Online J&K 1416

[22] Babasaheb Keda Shetkari Sahakari Soot Girni limited v. The State of Maharashtra, W.P. (C) 5600/2021

Regulatory Updates

DGFT Notification[23]| Amendment to Para 2.62 of Foreign Trade Policy 2023 -Certificates of Origin

- Certificates of Origin (CoO) for exports from India can henceforth only be issued by agencies authorised by the Directorate General of Foreign Trade; such authorised agencies shall issue CoOs in the manner prescribed by DGFT from time to time.
- All IEC[24] holders availing CoOs are mandated to use identical invoice numbers in both the CoO and the corresponding Shipping Bill to enable automated utilisation verification.

DGFT Public Notice[25] | Amendment to Para 2.90 of Handbook of Procedures 2023 Certificates of Origin

- Para 2.90 of HBP-2023 is amended to clarify that the list of authorised agencies to issue CoOs is notified in Appendices 2B, 2C, 2D and 2E.
- All authorised agencies must accept applications and issue CoOs only via https://www.trade.gov.in or such other platform as may be designated by DGFT from time to time; manual issuance outside the designated platform is not permissible and may lead to revocation of the authorisation to issue CoOs.

GSTN Advisory[26] | Introduction of IMS Offline Tool

- An Invoice Management System (IMS) Offline Tool has been introduced on the GST portal to enhance taxpayer convenience and ease of compliance; the tool is built on MS Excel. The offline tool enables taxpayers to take actions such as accept, reject, or keep pending invoices uploaded by their suppliers through GSTR-1, GSTR-1A, or IFF, for both individual as well as bulk invoices, in an efficient manner.
- The IMS was originally introduced on the GST portal from the October 2024 tax period.

Customs Instruction[27] | Instruction No. 06/2026-Customs - Clarification on drawback for re-export of SEZ to DTA supplies

- Instruction No. 06/2026 clarifies that goods supplied by an SEZ unit to the DTA, on payment of applicable customs duties, shall be treated as "imported goods." Accordingly, where such goods are subsequently re-exported, duty drawback under Section 74 of the Customs Act, 1962 shall be admissible, subject to conditions such as identification of goods.

Customs Circular[28] | Clarification on remission/rebate under RoDTEP and RoSCTL in case of short realisation of sale proceeds

- Full remission or rebate under RoDTEP and RoSCTL schemes is available on the full FoB value without deducting agency commission and bank charges, provided such deductions fall within the overall limit of 12.5% of the FoB value.
- Agency commission and foreign bank charges, separately or jointly, exceeding the 12.5% limit must be deducted from the FoB value for the purpose of granting RoDTEP and RoSCTL benefits.
- Compensation received from Export Credit Guarantee Corporation (ECGC) for short realisation of sale proceeds may be treated as receipt of sale proceeds, and accordingly, remission or rebate under RoDTEP and RoSCTL may not be recovered, provided the RBI writes off the realisation requirement on merits, and the exporter produces a certificate from the concerned Foreign Mission of India confirming non-recovery of sale proceeds.

[23] Notification No. 05/2026-27 dated 07th April 2026
[24] Importer Exporter Code
[25] Public Notice No. 01/2026-27 dated 07th April 2026
[26] GSTN Advisory dated 21st April 2026
[27] Instruction No. 06/2026-Customs dated 27th April 2026
[28] Circular No. 20/2026-Customs dated 10th April 2026

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