



## INDIRECT TAX E-BULLETIN

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**KHAITAN  
& CO**

*Advocates since 1911*

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## 01.

## GOODS AND SERVICES TAX

## KEY AMENDMENTS EFFECTIVE FROM 1 APRIL 2021

## Changes effective from 1 April 2021

Particular	Change
E-invoicing	Taxpayer having turnover of more than 50 Crores
Six digit HSN code	Applicable to taxpayers having aggregate turnover of 5 Crores or more in the preceding financial year

## NOTIFICATIONS AND CIRCULARS

## No Penalty for QR code non-compliance

CBIC has waived penalty for non-compliance with QR Code requirement on invoices (as per Notification No. 14/2020 dated 21 March 2020). Period for which penalty is waiver is between 1 December 2020 and 30 June 2020. In effect, the time limit for compliance (to be eligible for waiver) is extended to 1 July 2021.

[Notification No. 06/2021-CT dated 30 March 2021]

## Clarification on refund related issues

CBIC issued following clarifications in respect of GST refunds:

- Rule 89(1) of the CGST Rules places no restriction on recipient of deemed export supplies in availing ITC for refund;
- Claims should be supported with requisite declarations and undertakings;
- System will require debit of ITC at the time of filing refund claim;
- Extension of time limit for rectifying incorrect details related to export of services to SEZ unit / developers, for period between 1 July 2017 till 30 July 2019 granted till 31 March 2021;

- Value of export/zero rated supplies must be included while calculating "adjusted total turnover" at the time of computing refund amount. An illustrative calculation of adjusted total turnover is provided as under:

Suppose, the supplier manufactures one type of goods and undertakes domestic as well as overseas supplies.

Details of inward supply and outward supply details are as per table below:

(in INR)

Outward Supply	Value per unit	No of units supplied	Turn over	Turnover as per amended definition
Local (Qty: 5)	200	5	1000	1000
Export (Qty:5)	350	5	1750	1500(1.5*5*200)
<b>Total</b>			<b>2750</b>	<b>2500</b>

'Adjusted Total Turnover' for Refund = ₹2500 (not ₹2700)

ITC = ₹ 270

Refund =  $1500 \times 270 / 2500 = ₹ 162$  (instead of 147.27)

[Circular No. 147/03/2021-GST dated 12 March 2021]

## CASE LAWS | SUPREME COURT &amp; HIGH COURTS

## Restriction on rebate under review by Gujarat HC

Post dismissal of writ challenging Rule 96(10) along with GST Notifications which imposes restrictions on rebate option, in a review petition argued by us, Gujarat High Court held "We are of the view that we should hear this Review Application as and when physical functioning of the High Court Commences".

*Cosmo Films Limited vs Union of India* [SCA No. 15833 of 2018]

## Criminal proceedings under CGST Act

SC granted interim stay against order cancelling anticipatory bail on failure to comply with bail conditions (ie deposit of INR 2.1 crores). SC ordered that amount already recovered by the Revenue shall remain with the Department.



[*Achin Aggarwal vs Principal Chief Commissioner GST & CE., SLP (Criminal) Diary No. 4813/2021 - SC*]

## Filing / Revision of TRAN-1 allowed

Karnataka High Court permitted filing/revision of TRAN-1 either electronically or manually on or before 31 March 2021.

[*Shriprop Projects Pvt Ltd & Ors. vs UOI and Ors. WP No. 4241/2021 (Kar) - Order dated 10 March 2021*]

## AAR & AAAR

### Classification of Hand Sanitizers

Hand Sanitizers are classifiable as 'disinfectants' under CTH 3808 and liable to 18% GST as opposed to 'medicaments' (for therapeutic or prophylactic use) classifiable under CTH 3004, subjected to 12% GST.

[*Wipro Enterprises Private Limited (GST AAR Karnataka) Advance Ruling No. KAR ADRG 08/2021 dated 26 February 2021*]

# 02.

## LEGACY TAXES (CENTRAL EXCISE / SERVICE TAX / VAT / CST)

### NOTIFICATIONS AND CIRCULARS

#### VAT Amnesty scheme announced in Karnataka

Karnataka has introduced the "Karasamadhana Scheme 2021", which provides for the following:

- a. 100% waiver of arrears of interest and penalty payable by a dealer under the Karnataka Value Added Tax Act 2003, Karnataka Sales Tax Act 1957 and Central Sales Tax Act 1956 relating to assessments / re-assessments / rectification already completed or which are to be completed before 31 July 2021.
- b. Waiver from penalty under specified sections of the Karnataka Value Added Tax Act 2003.
- c. 100% waiver from arrears of interest or penalty under the following statutes as well, vis-à-vis assessments / re-assessments /

rectification already completed or which are to be completed before 31 July 2021:

- Karnataka Tax on Entry of Goods Act, 1979;
  - Karnataka Tax on Professions, Trades, Callings and Employments Act, 1976;
  - Karnataka Tax on Luxuries Act, 1979;
  - Karnataka Agricultural Income Tax Act, 1957; and
  - Karnataka Entertainments Act, 1958
- d. The benefit under the scheme is subject to the fulfilment of the following conditions:
    - A dealer has to make the full payment of arrears of tax before 31 July 2021;
    - If any appeal or any proceeding has been instituted before any Appellate Authority or any court of law, the dealer has to withdraw the same and file a declaration evidencing such withdrawal while applying under the scheme; and
    - A dealer is precluded from filing any appeal or instituting any proceeding after availing of the benefits under the scheme.
  - e. A dealer is restricted from taking benefit under the scheme in a case where:
    - State has filed an appeal before the Karnataka Appellate Tribunal or the Central Sales Tax Appellate Tribunal;
    - State has filed an appeal or revision before the Karnataka High Court or Supreme Court; and
    - Suo moto revision proceedings have been initiated and d) Rectification has been made after 31 July 2021.
  - f. A dealer intending to avail the benefit of the scheme has to apply electronically on or before 31 October 2021 in the prescribed format.

[*Order No. FD 49 CSL 2021 dated 29.03.2021*]

### CASE LAWS | SUPREME COURT & HIGH COURTS

#### Goods cleared under an exemption notification are not 'exempted goods' if the exemption is conditional

The Respondent in this case was manufacturing 'zarda' in the State of Tripura and availing the benefit of area-based exemption Notification. The Notification dated 21 January 2004 provided exemption from basic excise duty, additional duty of excise and National Calamity Contingent Duty. However, the exemption was subject to the condition that the quantum of duty saved by the



manufacturers have to be mandatorily invested in specified operations in the State of Tripura.

The Respondent sought to avail the credit of input and input services utilized for manufacturing 'zarda'. The Department sought to deny the same holding that since the goods were 'exempted goods', no credit could be availed.

The Hon'ble High Court examined the definition of 'exempted goods' under Rule 2(d) of CENVAT Credit Rules 2004 and the contours of Notification dated 21 January 2004. Accordingly, it held that exempted goods would mean excisable goods which are exempt from the whole of the duty of excise leviable thereon. However, in the present case, Notification dated 21 January 2004 cannot be seen as a Notification granting unconditional exemption from payment of duties. Since the exemption was subjected to certain conditions, the definition of Rule 2(d) was not being satisfied. Accordingly, the Respondent was allowed to avail the CENVAT Credit.

*[Union of India & Ors v M/s Dharampal Satyapal Ltd; 2021 - VIL - 235 -TRI -CE]*

## CESTAT to pass a speaking order and must furnish reasons for relying on judicial precedent

The Appellant filed an appeal before the Hon'ble Karnataka High Court challenging the order of CESTAT. The CESTAT had upheld the order of the lower authorities whereby the Appellant had been denied the credit of input services vis-à-vis the trading activities. While upholding the order of the lower authorities, the CESTAT relied on the judgment on the Hon'ble Madras High Court in the case of M/s Flsmidh Pvt Ltd v CCE.

The Hon'ble High Court held that CESTAT has not even assigned any reason as to how the judgment in the case of M/s Flsmidh (supra) applies to the fact situation of the Appellant. The Hon'ble High Court further observed that every quasi-judicial authority has to assign reasons and is duty bound to examine as to how the ratio of the cases relied on are applicable in each scenario. Accordingly, the order was set aside as being cryptic and vague.

*[ABB India Limited v Commissioner of Central Excise, Bengaluru; 2021 - VIL -210 - KAR -ST]*

## CASE LAWS | CESTAT

### Performance based incentives given to air travel agents cannot be equated with consideration

The Appellant, an air travel agent received performance-based incentives from the airlines and also a fixed ticket booking commission from the CRS companies.

The Department sought to levy service tax on the performance-based incentives and the commission so received by the Appellant under 'Business Auxiliary Service' and more specifically under Section 65(19) of the Finance Act as 'promoting and marketing the service of a client'.

Larger Bench of Hon'ble CESTAT observed that for any service to be promotional, a service provider must 'promote' or 'endorse' the service of the client. Insofar as ticket bookings are concerned, the Appellant merely gives a choice to the customers to book the tickets and it is the complete discretion of the customer to book a ticket of any airlines as per his choice. This only results in the augmentation of the Appellant's business and incidentally results in the ticket sales of the airlines going up. But it cannot be said that the Appellant promotes the business of the airlines in any manner.

Similarly, for CRS services, the Hon'ble CESTAT held that the customer is not at all aware as to whose software is being used by the Appellant to provide the service. When the ultimate recipient is not even aware that a particular service is being promoted, then it cannot be said that the Appellant is providing promotional services.

The Hon'ble CESTAT further held that whenever any consideration is given for a service, the same is specific and will need to have a nexus with the service so rendered. Incentives on the other hand are based on general performance and are not related to any particular transaction of service.

Basis the aforesaid rationale, it was held that performance-based incentives and commission given by air travel agent cannot be brought to service tax.

*[Kafila Hospitality & Travels Pvt Ltd v Commissioner, Service Tax, Delhi; 2021-VIL-101-CESTAT-DEL-ST]*

### Certain services held to be eligible input service for CENVAT Credit

The Appellant was involved in the manufacture and clearance of pressure cookers. For the purposes of its business operations, it availed services in the nature of air and travel service, outdoor catering service, club and association service and goods transport operator service. The Department sought to deny the credit on the ground that the same does not qualify as 'input



service' under Rule 2(l) of the CENVAT Credit Rules 2004.

The Hon'ble CESTAT analyzed the definition of 'input service' and held that the credit of the aforesaid input service can be denied only if they are used for personal use. The Hon'ble CESTAT also analyzed the exclusions under the Rule 2(l) and held that the Appellant has on facts succeeded to justify that the input services in question were used for business purposes and not for personal use of the employees.

[*Hawkins Cookers Limited v Commissioner of Thane; 2021-VIL-107-CESTAT-MUM-CE*]

[*Notification No. 33 /2021-Customs (N.T.) dated 29 March 2021*]

## Prior filing of Bill of Entry

In the Finance Act, 2021, Section 46 of the Customs Act was amended to provide for filing of bills of entry before the end of the day (including holidays) preceding the day of the arrival of goods at customs port/station.

In the following cases, such bills of entry can be filed before the end of the day (including holidays) of the arrival of;

- Vessels coming from (i) Bangladesh (ii) Maldives (iii) Myanmar (iv) Pakistan (v) Sri Lanka
- Aircrafts to customs airport
- Vehicle at the land customs station

[*Notification No. 34 /2021-Customs (N.T.) and 35/2021-Customs (N.T.) both dated 29 March 2021*]

## Re-fixation of tariff value

CBIC has revised tariff value for Palm Oil & Palmolein (crude, RBD, other), Crude Soya bean Oil, Brass Scrap (all grades), gold, silver and areca nuts.

[*Notification No. 29 /2021-Customs (N.T.) dated 15 March 2021*]

## Show cause notices issued by DRI

Supreme Court in *Canon India Private Limited v. Commissioner of Customs*, [judgment dated 9 March 2021 in Civil Appeal No.1827 of 2018] has held that DRI officers are not 'the proper officer' for issuance of notice under Section 28(4) of the Customs Act.

In view of the above, CBIC has directed that all fresh notices under Section 28 of the Customs Act are required to be issued by jurisdictional Commissionerates from where imports have taken place.

[*Instruction No. 04/2021-Customs dated 17 March 2021*]

# 03.

## CUSTOMS

### NOTIFICATIONS & CIRCULARS

#### EOU, STP, EHTP & BTPs

Import of goods by 100% Export Oriented units, Software Technology Park units, electronic hardware Technology Park units and Bio-Technology Park units without payment of IGST and Compensation cess has been extended till 31 March 2022.

[*Notification No. 19 /2021-Customs dated 30 March 2021*]

#### Import from Japan under IJCEPA

Central Government has amended notification No. 69/2011-Customs dated 29.07.2011 to extend deeper tariff concessions to imports of specified goods from Japan under India-Japan Comprehensive Economic Partnership Agreement (IJCEPA) with effect from 1st April, 2021.

Now all 806 line entries are fully exempt from basic customs duty which earlier were attracting varying duty upto 9.10%.

[*Notification No. 20 /2021-Customs dated 30 March 2021*]

#### Customs Common Portal

Central Board of Indirect Taxes and Customs (CBIC) has notified <https://www.icegate.gov.in> as the Common Customs Electronic Portal for facilitating registration, filing of bills of entry, shipping bills, payment of duty, and for data exchange with other systems within or outside India.



## CASE LAWS | SUPREME COURT & HIGH COURTS

### Alternate statutory remedy

Bombay High Court held that alternate remedy cannot be a bar where orders have been passed in violation of the principles of natural justice as well as the statutory provisions. In this case goods were confiscated, and penalty was imposed without issuance of notice or waiver thereof by the importer under Section 124 of Customs Act, as well as declared value was rejected under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 without conveying grounds for doubting the truth or accuracy of the declared value of the imported goods.

[*Syska Led Lights Pvt. Ltd vs Union of India*]

### Suspension of clearance of goods under IPR Rules

Bombay High Court held that provisions of the Intellectual Property Rights (Imported Goods) Enforcement Rules, 2007 [IPR Rules] cannot be read de hors provisions of the Trade Marks Act, 1999. Under IPR Rule 7, Customs authorities may suspend clearance of imported goods, on a notice given by the right holder, suspected to be goods infringing intellectual property rights. However, such goods can be disposed off under IPR Rule 14 only if the right holder has established ownership over such trade marks within 14 days, failing which suspected goods are required to be released to the importer.

[*NBU Bearings Pvt. Ltd. vs Union of India*]

### Installation certificate under Project Import is directory

Madras High Court has affirmed the order of the Tribunal wherein it was held that the production of "installation" certificate of the goods imported under the "Project Import Regulations, 1986" is only directory and not mandatory and "sale invoices" for the goods produced from such imported machinery would tantamount to discharge of the obligation to produce the proof of installation.

[*Commissioner of Customs vs Soumag Eletronics Limited*]

### Detention cum demurrage waiver certificate

Bombay High Court held that irrespective of the contractual obligations between parties, in view of the Regulation 10 of the Sea Cargo Manifest and Transshipment Regulations, 2018, the shipping line is under a legal obligation to comply with the

detention cum demurrage certificate and levying detention charges thereafter disregarding such waiver certificate would be illegal and unlawful.

[*The Supreme Industries Limited vs The Central Board of Indirect Taxes & Customs*]

### Seizure of goods under Section 110 of the Customs Act

Madras High court held that notice is not required to extend period of seizure beyond six months without service of show cause notice under Section 124 of the Customs Act. However, (i) the Commissioner of Customs is to record reasons in writing as to why the proposed extension by six months is justified/warranted, and (ii) the reasons as well as intimation of extension should be communicated to the importer before the expiry of the first six months of the original six months as completed under Section 110(2) meaning that the factum of the extension should be known to the assessee before the expiry of the period of six months under Section 110(2).

[*Kannan Ramdurai Iyer vs DRI*]

### Conversion of free shipping bill to drawback shipping bill

Gujarat High Court has quashed Para 3(a) of the circular No. 37/2010-Cus dated 23.09.2010 which stipulated that the request for conversion of free shipping bills to export promotion scheme shipping bills or conversion of shipping bills from one scheme to another scheme should be made by the exporter within three months from the date of the Let Export Order (LEO). The Court held that exporters would be entitled to amend shipping bill under Section 149 of the Customs Act without time limit of 3 months as prescribed under the said circular.

The Court held that the circular to the extent of para 3(a) is ultra vires Articles 14 and 19(1)(g) of the Constitution of India as also ultra vires Section 149 of the Customs Act.

[*Mahalaxmi Rubtech Ltd. vs Union of India*]

## 04. TRADE PROTECTION MEASURES

### NOTIFICATIONS FOR LEVY OR EXTENSION OF EXISTING LEVY

### Anti-dumping / Countervailing duty





Products	Country of origin / Country of export	Notification
<b>Anti-dumping duty</b>		
Phenol (HS 29071110)	European Union and Singapore	Upto 7 June 2021 vide Notification No.11/2021-Customs (ADD) dated 3 March 2021
Black Toner in Powder Form (HS 3707)	People's Republic of China, Malaysia & Taiwan	Upto 9 August 2025 vide Notification No. 12/2021-Customs (ADD), dated 5 March 2021. Provisional ADD was imposed vide Notification dated 10 August 2020
Ciprofloxacin Hydrochloride (HS 29419030)	People's Republic of China	Upto 1 September 2025 vide Notification No. 13/2021-Customs (ADD), dated 5 March 2021. Provisional ADD was imposed vide Notification dated 2 September 2020
Faced Glass Wool in Rolls (HS 7019)	People's Republic of China	Upto 17 March 2026 vide Notification No. 14/2020-Customs (ADD), dated 18 March 2021
Tyre Curing Presses (HS 8477 5100)	People's Republic of China	Upto 30 September 2021 vide Notification No. 15/2020-Customs (ADD), dated 26 March 2021. Duty was levied for a period of five years vide notification dated 29 March 2016 which is now extended for another six months.
2-Ethyl Hexanol (2- EH) in all forms and grades	Malaysia, Indonesia, European Union,	Upto 25 March 2026 vide Notification No. 17/2020-Customs

(HS 29051620)	South Korea, Taiwan, USA	(ADD), dated 26 March 2021. Duty was levied for a period of five years vide notification dated 29 March 2016 which is renewed for another five years.
Bottle-grade PET resin (HS 3907)	People's Republic of China	Upto 26 March 2026 vide Notification No. 18/2020-Customs (ADD), dated 27 March 2021
Malamine (HS 2933 61 00)	People's Republic of China	Upto 30 September 2021 vide Notification No. 19/2020-Customs (ADD), dated 31 March 2021
<b>Countervailing duty (CVD)</b>		
Textured Tempered Glass (HS 70071099)	Malaysia	Upto 8 March 2026 vide Notification No. 3/2020-Customs (CVD), dated 9 March 2021

## BY INDIA - INITIATION, PROVISIONAL, FINAL INCLUDING REVIEW

### Sunset Review

Review of levy of anti-dumping duty on PVC Flex films originating or exported from China, has been initiated on the basis of the complaint received from All India Laminated Fabric Manufacturers Association

[DGTR Case No. ADD (SSR) -04/2021 dated 24 March 2021].

Review of levy of anti-dumping duty on Barium Carbonate originating or exported from China, has been initiated on the basis of the application received from M/s Amaravathi Chemicals and Fertilizers Pvt. Ltd.; Mis Kadapa Barium Salts; M/s Rahul Barium Chemicals Pvt. Ltd. and Mis Shree Pavan Chemicals & Minerals

[DGTR Case No. ADD (SSR) -27/2020 dated 2 March 2021].



## Conclusion of investigations

Pursuant to conclusion of investigations, the Central Government has decided not to impose any anti-dumping duty on "new pneumatic radial tyres of rubber for buses and lorries, with or without tubes and/or flaps" originating or exported from Thailand.

[F.No.354/12/2021-TRU dated 1 March 2021]

# 05.

## FOREIGN TRADE POLICY AND SPECIAL ECONOMIC ZONES

### NOTIFICATIONS / CIRCULARS / PUBLIC NOTICES PERTAINING TO FTP

#### Foreign Trade Policy 2015-20 extended to 30 September 2021

The existing Foreign Trade Policy 2015-20 which was valid till 31 March 2021 has been extended upto 30 September 2021. Similar extension has also been made in the related procedures, by extending validity of Hand Book of Procedures. Validity period of the Status Holder Certificates has also been extended. Notifications has also been issued under Customs to extend exemption of IGST and Compensation Cess on the imports made under Advance / EPCG Authorisations and by EOUs etc. up to 30 September 2021.

[Notification No. 60/2015-2020 dated 31 March 2021; Public Notice No. 48/2015-2020 dated 31 March 2021]

#### Application for Rebate of State Levies

The last date for applying for Rebate of State Levies (RoSL) claim under a scrip mechanism for Shipping Bills prior to 1 October 2017 is notified as 31 December 2021.

[Public Notice No. 43/2015-20 dated 17 March 2021]

#### E-filing - Adjudication, Appeal and Review under FTDR Act

Guidelines for Online Adjudication, Appeal and Review proceedings under Foreign Trade (Development & Regulation) Act, 1992 and Foreign Trade (Regulation) Rules, 1993 which has been implemented with effect from 27th February 2021.

[Trade Notice No. 44/2020-21 dated 01 March 2021]

#### Export of Diagnostic Kits and their components

Procedure and criteria laid down for submission and approval of applications for export of Diagnostic Kits and their components/laboratory reagents.

[Trade Notice No. 45/2020-21 dated 02 March 2021]

#### Import of Denatured Ethyl Alcohol

List of Documents to be submitted while applying for import authorization for import of Denatured Ethyl Alcohol (DEA).

[Trade Notice No. 46/2020-21 dated 16 March 2021]

#### Online filing of import authorizations

New online module introduced for filing of electronic, paperless applications for import authorizations with effect from 22.03.2021.

[Trade Notice No. 47/2020-21 dated 23 March 2021]

#### E-filing for Non-preferential Certificate of Origin

Extension of facility of electronic filing for Non-Preferential Certificate of Origin (CoO) through the Common Digital Platform for exports w.e.f. 15 April 2021.

[Trade Notice No. 48/2020-21 dated 25 March 2021]

#### Online application for Closure of Advance Authorizations

Advance Authorization Holders to make online application for fulfilment of export obligations to the Regional Authority. Such online facility can be used for redemption, surrender, duty paid regularization, bond waiver or clubbing of authorizations.

[Trade Notice No. 49/2020-21 dated 30 March 2021]



## CASES | CESTAT, HIGH COURT AND SUPREME COURT

### NFE to include all receipts, SEIS cannot be restricted by DGFT

Circular Nos. 06/2018 dated 22.05.2018 and 08/2018 dated 21.06.2018 in so far as they seek to add and amend the provisions of the FTP 2015-20 by inserting additional conditions to curtail the rights / benefits claimed by the service provider are ultra vires the Foreign Trade Policy for 2015-20.

[*Atlantic Shipping Private Limited vs UOI (Bombay High Court)*]

### Notification prescribing Minimum Import Price for Cashew Kernels not ultra vires the provisions of Customs Act and Foreign Trade Act

Constitutional validity of Notification No. 53 dated 2-12-2013 issued by the DGFT prescribing Minimum Import Price for Cashew Kernels challenged. It was held that notification issued by the DGFT is to be considered as notification issued by the Central Government which is binding upon the petitioners as the same is issued in exercise of powers vested with the Central Government under section 3(2) of the Foreign Trade Act and therefore cannot be held to be ultra vires to the provisions of the Customs Act or the provisions of the Foreign Trade Act, or Article 14 of the Constitution of India.

[*Pam Agro Industries vs UOI (Gujarat High Court)*]

## 06. INCENTIVE / INDUSTRIAL POLICIES BY STATE / UT / CENTRAL GOVERNMENT

### CENTRAL GOVERNMENT POLICIES

#### The Production Linked Incentive Scheme

The Production Linked Incentive Scheme ("PLI Scheme") aims to provide companies with incentives on incremental sales of products manufactured in domestic units. One of its key

objects is to invite foreign companies to set up operations in India and to enhance India's exports along with its own manufacturing capabilities. Under the PLI Scheme, Government would provide incentive to units in identified sectors over a period of 5 years. Some of the key eligibility criteria for availing benefits under PLI Scheme are as under:

- a. The applicant must be a manufacturer registered in India;
- b. the minimum investment requirement for an eligible applicant may range from INR 10 crores (~USD 1.3 mn) to INR 500 crores (~USD 68.2 mn); and
- c. The applicant should be amongst one of the eligible industry identified under the PLI scheme.

As of now, there is no consolidated document that captures a uniform set of rules and regulations governing the manner in which incentives is to be provided to eligible entities under the PLI Scheme.

[Click [Here](#) for our detailed overview on the PLI Scheme]

## 07. OTHER REGULATORY LAWS

### AMENDMENT IN LEGAL METROLOGY RULES

#### Amendment to Legal Metrology (General) Rules, 2011

The Ministry of Consumer Affairs, Food and Public Distribution, on 3 March 2021 has issued the Legal Metrology (General) (Amendment) Rules, 2021 with an objective to avoid double stamping of the same weights and measures. The amendments are as follows:

- Every weight or measure used or intended to be used in any transaction should be verified and stamped by the legal metrology officer of the state of manufacturer or import or at the place of installation and be re-verified and stamped at periodical intervals by the legal metrology officer in the state in which such weight or measure is put to use;
- All Types of weights and measures and such weighing and measuring instruments which are not required to be installed or calibrated at the place of use should be verified in the state of manufacture or import;
- All types of weights and measures meant for domestic use should be verified in the state of manufacturer or import;



- All non-automatic weighing instruments, upto maximum capacity of 50kg should be verified in the state of manufacture or import, if it is not dismantled or do not require calibrations before putting into use; and
- All other weights and measures and such weighing and measuring instruments which are required to be installed or calibrated at the place of use shall be verified and stamped at the place of installation.

[Department of Consumer Affairs Notification in F. No. F. No. 1-9/41/2020-W&M dated 3 March 2021]

## AMENDMENT UNDER FOOD SAFETY AND STANDARDS

### Amendment to Food Safety and Standards (Food Products Standards and Food Additives) Regulations 2011

An amendment has been proposed in the Food Safety and Standards (Food Products Standards and Food Additives) Regulations to provide for standards for certain new products (which were not available earlier), namely:

- a. **Shea butter:** Which is product obtained by pressing and extraction from shea kernels derived from Shea tree.

- b. **Borneo tallow / Illipe butter:** Which is a fat obtained by pressing and extraction from Illipe seeds.

The above standards would come into effect from **18 March 2021**. Some of the key standards provided for the specified products are as under:

[Food Safety and Standards Authority of India Notification in F. No. Stds/O&F/Notification (5)/FSSAI-2017 dated 18 March 2021]

### New Articles under compulsory standard marks by Bureau of Indian Standards (BIS):

Following items have been brought under the compulsory standard marks by Bureau of Indian Standards in the month of March 2021:

Sr. No.	Goods / Article	Indian Standard
1.	Sewing Machines	IS 15449 (Part 1): 2004
2.	Flux Cored (Tubular) Electrodes for Gas Shielded and Self-Shielded Metal Welding of Carbon or Carbon Manganese Steel	IS 15769: 2008

Click [Here](#) For Complete list of goods / article under compulsory standard marks by BIS

We hope the e-Bulletin enables you to assess internal practices and procedures in view of recent legal developments and emerging industry trends in the indirect tax landscape.

For any queries in relation to the E-Bulletin, please email us at [idt.bulletin@khaitanco.com](mailto:idt.bulletin@khaitanco.com).



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