

SEPTEMBER 2025

**ELCINA
POLICY
CAPSULE**

ELCINA Policy Capsule September 2025 **(CONTENT)**

No.	Policy / Regulation	Date / Source	Key Highlights
1	CBIC Notification No. 55/2025-Customs (N.T.) – Customs (Finalisation of Provisional Assessment) Regulations, 2025	12 Sep 2025	Replaces 2018 regulations; applies to all provisional assessments; documents to be submitted within 2 months (extendable to 14 months).
2	CBIC Circular No. 251/08/2025 – Post-Sale Discounts under GST	12 Sep 2025	Clarifies ITC treatment: no reversal for financial/commercial discounts; post-sale discounts to dealers reducing price not taxable; GST applies only if linked to specific promotional services.
3	Telecommunications (Lawful Interception) Amendment Rules, 2025	12 Sep 2025	Updates “competent authority” definition; relaxes requirement from two nodal officers to one or more; effective immediately; simplifies lawful interception procedures.
4	DGFT Public Notice No. 22/2025 – Amendments in Unutilized/Un-Transferred DF/As	9 Sep 2025	Allows corrective amendments in ANF 4G for UoM, HS codes, or import value; approval by Head of Office required; facilitates ease of doing business.
5	GST on Drones	Sep 2025	Uniform 5% GST on all drones; flight/motion simulators exempt; reduces costs, simplifies compliance, supports Make in India, boosts adoption across sectors.
6	Next-Gen GST Reforms – Electronics, ICT, Renewable Energy	Sep 2025	GST rates reduced: ACs, dishwashers, large TVs (28→18%), monitors/projectors (28→18%), batteries/power banks (28→18%), radios, renewable devices, composters (12→5%); promotes domestic manufacturing, MSMEs, renewable energy adoption, and job creation.

7	Ministry of Mines Incentive Scheme – Critical Minerals Recycling	8 Sep 2025	₹1,500 Cr for lithium, cobalt, nickel, graphite, rare earths recycling; Capex: 20%, Opex: 40–60% of incremental sales; output ≥99% purity; FY 2025-26 to 2030-31; strengthens domestic supply chains, creates high-value jobs.
8	Semicon India 2025 – Startups & DLI Scheme	Sep 2025	Showcased indigenous SoCs for broadband, surveillance, smart meters, motor control, space; startups like InCore, Aheesa, MosChip, Vervesemi; accelerates India’s chip design ecosystem and reduces import dependence.
9	Customs Notification No. 37/2025 – Defence Imports	17 Sep 2025	Expands concessional duty list: simulators, HACFS/IAWDS parts, low-noise amplifiers, MRSAM components, transport aircraft, rescue vessels, ejection seats, high-performance batteries, comm devices, diving systems, sonobuoys, missiles; effective 22 Sep 2025.
10	Key GST Notifications (13–16/2025 – Central Tax)	17 Sep 2025	Annual return exemption for turnover <₹2 Cr; provisional refunds restricted for 40% cases/Aadhaar-less taxpayers; Finance Act 2025 sections effective 1 Oct; CGST (Third Amendment) Rules, 2025 notified; improves compliance, transparency, refund verification.
11	Guidebook on Mapping of HSN Codes	20 Sep 2025	Maps 12,167 HSN codes to 31 Ministries/Departments; resolves misclassification; enhances policy alignment, investment facilitation, Ease of Doing Business, and trade negotiations.
12	DoT Draft Telecommunications (Migration) Rules, 2025	19 Sep 2025	Framework for migrating licenses under Indian Telegraph Act & Wireless Telegraphy Act to 2023 Act; application 12 months before expiry; structured digital process; 30-day feedback invited.

13	DoT Draft Telecommunications (User Identification) Rules, 2025	19 Sep 2025	Biometric-based user ID framework; e-KYC for Aadhaar, D-KYC otherwise; secure data storage; enhances telecom security, IoT, enterprise, and consumer accountability; 30-day consultation.
14	DGFT Notification No. 31/2025-26 – Revised SCOMET List	23 Sep 2025	Updates export control list under Appendix-3 of Schedule-II (ITC HS 2022); aligns with multilateral regimes; effective 30 days post-issuance; compliance essential to avoid trade disruptions.
15	CBIC Notification 40/2025-Customs – Project Imports Duty Exemption Extension	25 Sep 2025	Duty exemption extended to 30 Sep 2027; sectors include power generation, transmission, mega power, nuclear, water supply; supports infrastructure and electronics manufacturing projects.
16	Ministry of Steel Order No. (7)/2018-TD(Vol-II)-Part (1) – Steel QCO Exemption	27 Sep 2025	Six-month exemption for 52 steel grades for electronics/IT; ensures uninterrupted supply; members requested to confirm applicability; feedback to policy@elcina.com .
17	DGFT Notification 35/2025 – RoDTEP Extension	30 Sep 2025	Extended till 31 Mar 2026; applicable to DTA, AA, EOU, SEZ units; RoDTEP rates 0.3–3.9%; helps maintain export competitiveness; ELCINA urges exporters to leverage benefits.

ELCINA Policy Capsule September 2025

1. CBIC Notification No. 55/2025-Customs (N.T.) dated 12th September 2025 : CBIC Issues New Customs (Finalisation of Provisional Assessment) Regulations, 2025

The Ministry of Finance (Department of Revenue) has notified the *Customs (Finalisation of Provisional Assessment) Regulations, 2025* vide Notification No. 55/2025-Customs (N.T.) dated 12th September 2025. These regulations replace the 2018 provisions and streamline timelines for finalising provisional assessments under the Customs Act, 1962.

Key Highlights:

- Applicable to all provisional assessments (pending and new).
- Importers/exporters must submit requisitioned documents within **2 months** (extendable up to **14 months**).
- Customs officers must complete enquiries within **14 months** and finalise assessments within **2 years**.
- Importers/exporters can make voluntary payments during pendency, adjustable at finalisation.
- Refunds, interest, or recovery of dues will follow provisions of Section 18 of the Act.
- Penalties prescribed for contravention of regulations.

This new framework ensures **time-bound clearance, greater certainty, and accountability** in the finalisation of provisional assessments.

For more details, members are advised to refer to the CBIC official website Notification No. 55/2025-Customs (N.T.) dated 12th September 2025.

2. CBIC Circular No. 251/08/2025 dated 12th September 2025 : CBIC Issues Clarification on Post-Sale Discounts under GST

The Central Board of Indirect Taxes and Customs (CBIC), through Circular No. 251/08/2025 dated 12th September 2025, has clarified the treatment of **secondary or post-sale discounts** under GST to ensure uniform implementation across field formations.

Key clarifications include:

- **Input Tax Credit (ITC):** Recipients of supply are **not required to reverse ITC** where discounts are provided through financial or commercial credit notes, as the original transaction value and corresponding tax liability remain unchanged.
- **Post-Sale Discounts to Dealers:** Discounts offered by manufacturers to dealers purely to reduce the sale price are **not considered as consideration for services** and do not attract GST.
- **Promotional Activities:** GST applies **only** when discounts are linked to specific promotional activities (e.g., advertising, co-branding, special sales drives, exhibitions, or customer support services) with clearly defined consideration in an agreement. In such cases, dealers are deemed to provide a distinct service, and GST is chargeable.

This circular provides much-needed clarity on the treatment of post-sale and secondary discounts, helping businesses comply with GST provisions while avoiding unnecessary reversal of ITC. It also emphasizes the need to distinguish between ordinary price reductions and incentives linked to specific services.

For more details, members are advised to refer to the CBIC official website Circular No. 251/08/2025 dated 12th September 2025.

3. Ministry of Communications notification G.S.R. 625(E), 12.09.2025 : Telecommunications (Lawful Interception) Amendment Rules, 2025

The Ministry of Communications has notified the *Telecommunications (Procedures and Safeguards for Lawful Interception of Messages) Amendment Rules, 2025* (G.S.R. 625(E), dated 12th September 2025). These rules amend the 2024 Interception Rules to streamline lawful interception procedures under the Telecommunications Act, 2023.

Key Updates:

- The definition of “**competent authority**” has been updated to include the Union Home Secretary, State Home Secretaries, and requests for interception beyond a state’s territorial jurisdiction.
- The requirement for “**two nodal officers**” has been relaxed to “**one or more nodal officers**” to improve operational flexibility.
- The rules come into effect immediately upon publication in the Official Gazette.

These amendments aim to enhance clarity, simplify procedures, and strengthen compliance while ensuring lawful interception capabilities are maintained across central and state agencies.

For more details, members are advised to refer to the Ministry of Communications official website Ministry of Communications notification G.S.R. 625(E), 12.09.2025.

4. DGFT Public Notice No. 22/2025 dated 9th September 2025: DGFT Allows Amendments in Unutilized and Un-Transferred DF/As

The DGFT, via Public Notice No. 22/2025 dated 9th September 2025, has introduced provisions for corrective amendments in **unutilized and un-transferred Duty-Free Authorizations (DF/As)** under the Foreign Trade Policy, 2023.

Key Highlights:

- **Application Form:** Amendments must be filed through **ANF 4G**.
- **Nature of Amendments:** Limited to **system-related or corrective errors**, such as:
 - Correction in **Unit of Measurement**
 - Correction in **ITC HS Code** of import items
 - Correction in **value of import items**
- **Approval:** Amendments require **approval from the Head of Office**.

These changes aim to **facilitate ease of doing business**, allowing importers to rectify system-level discrepancies before DF/As are utilized or transferred.

For more details, members are advised to refer to the DGFT official website DGFT Public Notice No. 22/2025 dated 9th September 2025.

5. 56th GST Council Release : GST on Drones Reduced to 5% to Boost India's Drone Ecosystem

The 56th GST Council, under PM Narendra Modi, has approved a **uniform 5% GST** on all drones—commercial or personal, with or without cameras—replacing the earlier 18% and 28% rates. Flight simulators and motion simulators for pilot training have been fully exempted.

Civil Aviation Minister hailed the reform as a landmark step in indirect taxation, highlighting its potential to **lower costs, simplify compliance, and encourage Make in India initiatives**. The move is expected to accelerate drone adoption across **agriculture, infrastructure, logistics, mining, and defense**, while generating **jobs in manufacturing, software, analytics, and operations**.

This rationalization establishes **policy certainty, supports training ecosystems, and positions India as a leader in drone technology**.

For more details, members are advised to refer to the CBIC official website 56th GST Council Release.

6. Next-Gen GST Reforms to Boost Electronics, ICT, and Renewable Energy Sectors

The Indian government has rolled out **GST rate reductions** on key electronics, ICT hardware, and renewable energy products to promote affordability, domestic manufacturing, and technological adoption.

Key Highlights:

- **Air conditioners, dishwashers, large TVs:** 28% → 18%
- **Monitors & projectors (non-TV):** 28% → 18%
- **Electric accumulators & power banks:** 28% → 18%
- **Two-way radios, renewable energy devices, composting machines:** 12% → 5%

Expected Impact:

- Strengthens domestic manufacturing and MSME participation
- Reduces import dependency and promotes localisation in components like semiconductors, LED panels, and energy storage systems
- Enhances digital growth, education, and internal security
- Supports renewable energy adoption and sustainable technologies
- Generates employment, deepens global value chain integration, and advances Digital India and Aam Aadmi Bharat goals

These reforms aim to make **essential technology products more accessible** while fostering growth across India's electronics and technology ecosystem.

For more details, members are advised to refer to the PIB official website [PIB Press Release](https://www.pib.gov.in/PressReleasePage.aspx?PRID=2164954) <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2164954>

7. Ministry of Mines Notification F.No. 02/12/2024-ES dated 8th September 2025 : Incentive Scheme for Promotion of Critical Minerals Recycling

To reduce India's heavy dependence on imported critical minerals like lithium, cobalt, nickel, graphite, and rare earths, the **National Critical Mineral Mission (NCMM)** has launched a recycling-focused incentive scheme with ₹1,500 crore support. The initiative aims to build domestic capacity for "urban mining" from e-waste, used lithium-ion batteries, and other scrap.

Key Features:

- **Eligibility:** Registered recyclers of e-waste, battery scrap, and other critical mineral-containing scrap authorized under CPCB/SPCB regulations. Supports both new units and expansion/modernization.
- **Incentives:**
 - **Capex subsidy:** Up to 20% of plant & machinery costs.
 - **Opex subsidy:** 40–60% of incremental sales over FY 2025-26 baseline, subject to thresholds.
 - **Incentive ceiling:** ₹50 crore for large recyclers, ₹25 crore for small/new recyclers; state-level incentives additional.
- **Output Requirements:** Recovered metals/compounds $\geq 99\%$ purity; minimum 80% yield. Only extraction qualifies (not collection/shredding).
- **Tenure:** FY 2025-26 to FY 2030-31, with rolling application appraisal.
- **Governance:** Managed via a Project Management Agency with oversight by an Executive Committee and Governing Council under the Mines Ministry.

The scheme will strengthen domestic recycling capacity, reduce import dependence, create high-value jobs, and secure supply chains for critical minerals essential to energy transition, defence, space, and electronics sectors.

For more details, members are advised to refer to the PIB official website Ministry of Mines Notification F.No. 02/12/2024-ES, 08.09.2025

8. Semicon India 2025: Accelerating India's Aatmanirbhar Chip Vision

At Semicon India 2025, held at Yashobhoomi, New Delhi, Prime Minister Narendra Modi highlighted the pivotal role of Indian startups in advancing domestic semiconductor design under the **Design Linked Incentive (DLI) Scheme**. The exhibition showcased indigenous System-on-Chip (SoC) solutions for **broadband, surveillance, smart energy meters, motor control, and space applications**, reflecting India's push toward a full-stack semiconductor ecosystem.

Key Highlights:

- **RISC-V Based SoC Generator Platforms:** InCore Semiconductors introduced a breakthrough platform that automates SoC design, reducing frontend chip development from months to minutes. Their portfolio includes Azurite (ultra-low power), Calcite (balanced performance), and Dolomite (high-performance vector processing for networking and edge AI).

- **Networking & Broadband:** Aheesa Digital Innovations' Vihaan SoC, built on 64-bit RISC-V VEGA processor, offers full Indian design, secure boot, and standard network interfaces, available for OEM/ODM use in 2026.
- **Surveillance & CCTV:** Companies like 3rdiTech, Netrasemi, BigEndian Semiconductors, and Mindgrove are developing indigenous SoCs for CCTV and security applications, with over ₹300 crore in combined VC funding and products targeted for 2026.
- **Smart Energy Meters:** MosChip Technologies' Vidyut SoC demonstrates fully indigenous design and validated IPs, supporting India's self-reliance in energy metering.
- **Motor Control & Space-Grade ICs:** Vervesemi is developing chips for EVs, drones, and precision motor-control, including ASICs for ISRO, reducing import dependence.
- **4G-LTE Modem Chipset:** MBit Wireless has developed an indigenously designed modem chipset with complete protocol stack, undergoing field testing with major telecom operators.

India is rapidly moving toward becoming a **full-stack semiconductor nation**, leveraging startup innovation and DLI-backed support to design world-class chips domestically.

For more details, members are advised to refer to the **Semicon India 2025** official website

9. CBIC Customs Notification No. 37/2025 – Amendment dated 17th September 2025 : broadens the scope of defence-related imports eligible for concessional customs duty

The Central Government has issued **Notification No. 37/2025-Customs**, amending **Notification No. 19/2019-Customs** dated 6 July 2019. The amendment expands the list of goods eligible for customs duty exemption in the public interest.

Key additions to the exemption list include:

- *Flight Motion Simulators and Target Motion Simulators (and their parts)*
- *Parts and sub-assemblies of HACFS and IAWDS*
- *Low noise amplifiers and vent guide assemblies for the MRSAM system*
- *Military transport aircraft (C-140, C-295 MW)*
- *Deep submergence rescue vessels and unmanned underwater platforms*
- *Ejection seats for fighter aircrafts*
- *High-performance batteries for drones and specialized equipment*
- *Communication devices, including software-defined radios*
- *Diving systems and components*
- *Sonobuoys, ship-launched missiles, and rockets (over 100 mm calibre)*

- *Parts, sub-assemblies, spares, accessories, tools, and documentation for a wide range of defence platforms, excluding specified systems (e.g., 12.7mm SRCG, 155mm/45 Cal Dhanush, etc.)*

Effective from: 22 September 2025.

This notification broadens the scope of defence-related imports eligible for concessional customs duty, thereby facilitating the development and operational readiness of defence and aerospace systems in India.

For more details, members are advised to refer to the CBIC official website CBIC Customs Notification No. 37/2025 – Amendment dated 17th September 2025.

10. Key GST Notifications Issued on 17 September 2025 (Notification Nos. 13/2025 – 16/2025 – Central Tax): key amendments under the Finance Act, 2025, improving procedural transparency in GST administration.

The Central Board of Indirect Taxes and Customs (CBIC) has issued four important GST-related notifications dated **17 September 2025**, introducing procedural relaxations and implementing new provisions under the Finance Act, 2025.

Key Highlights:

- **Annual GST Return Exemption:** Taxpayers with an **annual turnover below ₹2 crore** are **exempted from filing Annual GST Return** for the financial year, continuing the ease of compliance for small businesses. (*Notification No. 15/2025 – Central Tax*)
- **No Provisional Refund in Certain Cases: Provisional refunds** under Section 54(6) of the CGST Act will **not be available** for:
 - Taxpayers claiming **40% refund cases**, and
 - Those **without Aadhaar authentication** as per Rule 10B. (*Notification No. 14/2025 – Central Tax*)
- **Implementation of Finance Act, 2025 Provisions:** The following sections of the **Finance Act, 2025** have been brought into effect from **1 October 2025**:
 - **Sections 122 to 124 and Sections 126 to 134**
 - **Clauses (ii) and (iii) of Section 121** (*Notification No. 16/2025 – Central Tax*)
- **CGST (Third Amendment) Rules, 2025 Notified:** The **Central Goods and Services Tax (Third Amendment) Rules, 2025** have been officially notified, incorporating the above provisions and procedural updates. (*Notification No. 13/2025 – Central Tax*)

These notifications streamline compliance for small taxpayers, strengthen refund verification through Aadhaar authentication, and operationalize key amendments from the Finance Act, 2025 effective **1 October 2025**.

ELCINA welcomes the government's continued efforts to streamline GST administration while ensuring data transparency and refund efficiency.

For more details, members are advised to refer to the CBIC official website CBIC **Notification Nos. 13/2025, 14/2025, 15/2025,16/2025 – Central Tax** dated 17th September 2025.

11. Piyush Goyal Launches Guidebook on Mapping of HSN Codes | Date: 20 September 2025, New Delhi | Celebrating 10 Years of Make in India & Next Gen-Reforms 2.0

Union Minister of Commerce & Industry, **Piyush Goyal**, released the **Guidebook on Mapping of Harmonized System of Nomenclature (HSN) Codes**, prepared by the **Department for Promotion of Industry and Internal Trade (DPIIT)**. The Guidebook maps **12,167 HSN Codes to 31 Ministries/Departments**, aiming to promote a **data-driven approach** for manufacturing development, investment facilitation, and trade policy alignment.

Key Objectives:

- **Manufacture in India:** Align sectoral policies, strengthen value chains, and develop skilled workforce.
- **Strengthen Brand India:** Enhance global perception of 'Made in India' through quality improvement.
- **Make for the World:** Support effective trade negotiations and boost exports.

Significance:

- Resolves misclassification and lack of ownership of unmapped HSN codes.
- Provides clarity for Ministries and Departments on product custodianship.
- Streamlines regulatory processes and enhances **Ease of Doing Business**.
- Facilitates better policy interventions and informed trade negotiations, advancing India's goal of **Viksit Bharat by 2047**.

The initiative involved thorough **review of Allocation of Business (AoB) Rules, inter-ministerial consultations**, over **300 one-on-one meetings**, and extensive **industry engagement**, ensuring alignment with ground realities and sectoral priorities.

This Guidebook is a **strategic milestone for the electronics and manufacturing sector**, enabling clear policy alignment, targeted investment promotion, and efficient trade facilitation. It is expected to **strengthen India's global manufacturing competitiveness** and provide clarity to industry stakeholders on HSN code ownership and regulatory compliance.

For more details, members are advised to refer to the PIB official website <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2169207>

12. DoT notification G.S.R. 689(E) Dated 19 September 2025: Draft Telecommunications (Migration) Rules, 2025 Notified for Stakeholder Feedback

The **Department of Telecommunications (DoT)** has issued the **Draft Telecommunications (Migration) Rules, 2025** for public consultation. These rules provide a framework for migrating **existing telecom licenses** under the **Indian Telegraph Act, 1885** and **Wireless Telegraphy Act, 1933** to **new "relevant authorisations"** under the **Telecommunications Act, 2023**. Stakeholders are invited to submit comments within **30 days** of notification.

Key Provisions:

a) Application for Migration

- a. Licensees must apply **12 months before license expiry** (or within 90 days if less than 12 months remain).
- b. Applications must include details of all licenses, beneficial interests, and a **₹10,000 processing fee**.
- c. Multiple licenses held by one entity must migrate **together**.

b) Migration Eligibility

- a. Eligibility conditions under the new authorisation rules apply (except **minimum net worth**).
- b. Migration allowed to the **corresponding authorisation** for the same service area.
- c. Certain service-specific shifts allowed (e.g., **ISP Cat-C → Internet Service Authorisation**).

Schedule A: Maps each type of existing license (**Access Service, NLD, ILD, GMPCS, Internet, VSAT, M2M, PM WANI, etc.**) to the corresponding new authorisation (**Unified Service, Long Distance, Internet, M2M, PM WANI, etc.**).

The draft rules provide a **clear migration path** for legacy licensees to transition into the unified authorisation framework under the 2023 Act. While the structured approach and digital processes are expected to **simplify compliance**, industry stakeholders should review the **fee implications, pending dues, and spectrum reassignment conditions** to ensure smooth migration.

ELCINA encourages members to submit feedback within the 30-day consultation period to address operational and regulatory concerns.

For more details, members are advised to refer to the DOT official website DoT notification G.S.R. 689(E) Dated 19 September 2025.

13. DoT notification G.S.R. 691(E) Dated 19 September 2025 : Draft Telecommunications (User Identification) Rules, 2025 Notified

The **Ministry of Communications (DoT)** has released the **Draft Telecommunications (User Identification) Rules, 2025** under the **Telecommunications Act, 2023**, inviting public feedback within **30 days**. The draft rules aim to establish a **biometric-based framework** for identifying users of notified telecommunication services, enhancing security, accountability, and transparency.

Key Highlights:

- a. **Scope & Applicability:** Applies to entities providing notified telecom services and their users, including **individuals and businesses**.
- b. **Identification Framework**
 - o **e-KYC:** For Aadhaar holders.
 - o **D-KYC:** For users without Aadhaar or unable to complete e-KYC.
- c. **Biometric Identity Verification System (BIVS)**
 - o Authorised entities must establish and maintain **BIVS**, using live photographs or other biometric attributes.
 - o Each user is assigned a **unique user ID**.
 - o Data must be securely stored and shared among authorised entities.

The draft rules mark a significant step towards **strengthening telecom security and accountability**, particularly for IoT, enterprise, and consumer segments. While the biometric-based framework ensures **real-time verification and fraud prevention**, industry stakeholders need to evaluate **operational feasibility, data privacy, and integration with existing systems**.

ELCINA encourages members to provide feedback during the consultation period to address practical implementation concerns.

For more details, members are advised to refer to the DOT official website DoT notification G.S.R. 691(E) Dated 19 September 2025.

14. DGFT No. 31/2025-26 dated 23 September 2025: DGFT Notifies Revised SCOMET List 2025

The **Directorate General of Foreign Trade (DGFT)** has issued a notification revising the **SCOMET (Special Chemicals, Organisms, Materials, Equipment and Technologies) List** under **Appendix-3 of Schedule-II (Export Policy), ITC(HS) 2022**. The update aligns India's export control list with **multilateral export control regimes**.

Key Highlights:

- The **revised SCOMET List** will be uploaded on the DGFT website under: **Regulatory Updates → Import, Export and SCOMET Policy** DGFT Website
- The **notification is effective 30 days** from the date of issuance to allow industry stakeholders adequate transition time.
- Issued under powers of **Section 3, 5, and 14A** of the **Foreign Trade (Development & Regulation) Act, 1992**, in line with **Foreign Trade Policy 2023** provisions.

The revised SCOMET List reflects India's commitment to global non-proliferation and export control obligations. Manufacturers and exporters of controlled chemicals, technologies, and dual-use items should **review the updated list carefully** and ensure compliance with the revised export policy. Early alignment with licensing and documentation requirements will help avoid disruptions in international trade.

For more details, members are advised to refer to the DGFT official website DGFT No. 31/2025-26 dated 23 September 2025.

15. CBIC notification 40/2025-Customs dated 25th September 2025 : Project Imports Duty Exemption Extended by Two More Years

The **Central Government** has extended the **duty exemption for Project Imports** under **Notification No. 50/2017-Customs** for select sectors. The exemption, originally set to lapse on **30 September 2025**, is now extended to **30 September 2027**, supporting investment in critical infrastructure and industrial projects.

Key Sectors & Applicable Duty Rates:

S. No.	Goods / Project Type	Duty Rate	Effective Till	Notes
597	Power Generation Projects (including gas turbine projects)	5%	30 Sept 2027	Excluding captive power plants for non-power activities
597	Power Transmission / Sub-transmission Projects	5%	30 Sept 2027	
598	Mega Power Projects (Thermal / Hydel meeting capacity criteria)	Nil	30 Sept 2027	Certified by Joint Secretary, Ministry of Power
602	Nuclear Power Projects (≥ 440 MW)	Nil	30 Sept 2027	Certified by Joint Secretary, Department of Atomic Energy
603	Water Supply Projects	Nil	30 Sept 2027	Notified under heading 9801, items 26 & 26A
601	All goods for Project Imports	5%	30 Sept 2027	Condition 111 and proviso inserted (02/01.02.2022)

Other Highlights:

- The extension ensures continuity of benefits for ongoing and upcoming **infrastructure and energy projects**.
- Effective from **30 September 2025**.

The extension of **Project Imports duty exemptions** provides a **strategic advantage for the electronics manufacturing sector**, particularly for capital-intensive projects such as **electronics parks, semiconductor fabs, PCB manufacturing facilities, and assembly plants**.

ELCINA urges electronics manufacturers to **review ongoing and planned project imports** to maximize the benefits of this extended duty exemption and align procurement with project timelines.

For more details, members are advised to refer to the CBIC official website CBIC notification 40/2025-Customs dated 25th September 2025.

16. Ministry of Steel Order No. (7)/2018-TD(Vol-II)-Part(1) dated 27th September 2025 : Steel Grades Exempted under Steel QCO for Electronics Industry

Following ELCINA's continuous representations and discussions, the Ministry of Steel has issued Order No. (7)/2018-TD(Vol-II)-Part(1) dated 27th September 2025, providing a six-month exemption for 52 steel grades under the Steel Quality Control Order (QCO) for strategic sectors.

Key Highlights:

- **S.No. 24 to S.No. 31** of the list are specifically exempted for the **Electronics/IT industry**.
- The exemption is intended to support uninterrupted supply of steel for electronics manufacturing and related operations.
- ELCINA is collecting member feedback to confirm whether the listed grades cover all steel used in their operations.

Members are requested to **review the attached Order** and confirm whether the exempted grades meet their requirements. This will help ELCINA **consolidate industry inputs** and engage with the Ministry for any further clarifications.

Feedback should be sent to policy@elcina.com at the earliest.

For more details, members are advised to refer to the MoS official website Ministry of Steel Order No. (7)/2018-TD(Vol-II)-Part(1) dated 27th September 2025

17. DGFT notification 35/2025 dated 30th September 2025 : RoDTEP Export Incentive Extended by Six Months to 31 March 2026

The **Government of India** has extended the **Remission of Duties and Taxes on Exported Products (RoDTEP) scheme** for six months, now applicable for exports up to **31 March 2026**.

The scheme refunds taxes, duties, and levies incurred during manufacturing and distribution of goods which are **not reimbursed under any other mechanism** at the Centre, state, or local level. It is applicable to:

- **Domestic Tariff Area (DTA) units**
- **Advance Authorisation (AA) holders**
- **Export Oriented Units (EOUs)**
- **Special Economic Zone (SEZ) units**

Key Highlights:

- **Extension Period:** 1 October 2025 – 31 March 2026
- **RoDTEP Rates:** 0.3% – 3.9%, as per 8-digit HS Code listings (Customs Tariff 2025-26, August Edition)
- All export items remain eligible under existing rates
- Maintain competitiveness of Indian exports by neutralising non-creditable taxes and duties

The RoDTEP extension is **critical for the electronics manufacturing sector**, where **DTA, SEZ, and EOU units** often export high-value components and devices such as PCBs, semiconductor components, and consumer electronics.

ELCINA urges electronics exporters to **leverage the extended RoDTEP benefits** for both existing and upcoming export orders, ensuring all claims are filed within prescribed timelines to maximise cost advantages.

For more details, members are advised to refer to the DGFT official website **DGFT notification 35/2025 dated 30th September 2025**.

For any queries regarding this ELCINA Policy Capsule, please contact policy@elcina.com.

Electronic Industries Association Of India

**Elcina House, 422, Okhla
Industrial Estate, Phase-III, New
Delhi, 110020, India**

**For any queries regarding this ELCINA Policy
Capsule, please contact:**



policy@elcina.com



www.elcina.com