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Ref.No.MAIT/PY/2468

May 05, 2022

Shri G.D. Lohani,
Joint Secretary (TRU-1),
Central Board of Indirect Taxes and Customs,
North Block, New Delhi – 110 001

Subject: Clarification reg. Corrigendum dated 07.04.2022 issued with respect to Notification No. 57/2021-Cus. dated 29.12.2021

Respected Sir,

Greetings from MAIT!

We would like to take this opportunity to thank CBIC for its continued support to the industry in policy related issues.

Please refer to the Corrigendum dated 07.04.2022 issued with respect to Notification No. 57/2021-Cus. dated 29.12.2021.

MAIT members who import LCD Panels (hereinafter referred to as '**subject goods**') for use in manufacture of Television Sets (hereinafter referred to as '**TV(s)**') and have been classifying them under Customs Tariff Heading ('**CTH**') 8524 91 00 under First Schedule to Customs Tariff Act, 1975 ('**Customs Tariff**'). On the import of the subject goods, our members have been availing concession on basic customs duty under S. No. 29 to Notification no. 24/2005-Cus dated 01.03.2005 ('**N. No. 24/2005**') which was amended vide Notification No. 57/2021-Cus dated 29.12.2021 with effect from 01.01.2022 ('**N. No. 57/2021**'). The relevant part of N. No. 24/2005 as it stood after amendment vide N. No. 57/2021, has been reproduced below:

S. No.	Heading, sub-heading or tariff item	Description
29	8524 or 9013 80 00	Liquid Crystal Devices

It should be noted that the amendment made under N. No. 24/2005 vide N. No. 57/2021, was carried out to align N. No. 24/2005 with the changes introduced in Customs Tariff which were necessitated owing to changes in Harmonised System of Nomenclature. The effect of the amendment N. No. 24/2005 vide N. No. 57/2021 was that 'Liquid Crystal Devices' which were rendered classifiable under CTH 8524 under the revised Customs Tariff, were exempted from the entire of customs duty under S.No. 29 of N. No. 24/2005.

Consequent to N. No. 57/2021, the Government of India has issued a Corrigendum dated 07.04.2022 ('**Corrigendum**') modifying certain amendments introduced under N. No. 25/2005 vide N. No. 57/2021. One of the changes brought about by the Corrigendum was in relation to entry no. 4(iv) under N. No. 57/2021 which pertains to S. No. 29 under N. No. 24/2005. The aforesaid Corrigendum has modified S. No. 29 to N. No. 24/2005 to read as under:

S.No.	Heading, sub-heading or tariff item	Description
29	8524	Liquid crystal devices for goods mentioned S. Nos. 1 to 38A

The Corrigendum has effectively modified the description of S. No. 29 of N. No. 24/2005 to read as "*Liquid crystal devices for goods mentioned at S. Nos. 1 to 38A*". Therefore, the Corrigendum has restricted the scope of the exemption granted under S. No. 29 of the N. No. 24/2005 to a limited number of products as against all the 'Liquid Crystal Devices' prior to issuance of Corrigendum.

In this regard, MAIT is of the humble view that the purpose of issuing a corrigendum is essentially to correct an error in a document that has been issued earlier. Thus, the scope of the corrigendum is limited to correction of such error that may have inadvertently crept into the final document that has been issued.

Further, it is submitted that that a corrigendum which brings about substantial change cannot be construed as merely a correction and assumes the nature of an amendment. In this regard, reliance is placed on the decision of **Gupta Dyeing and Printing Mills - 2001(137) E.L.T. 977(G.O.I.)** wherein it was held that when a set of words or numbers in a notification are being replaced vide a corrigendum by another set of words or numbers which bring about a substantial change, the same cannot be construed as a correction and would take the colour of an amendment. Basis the aforesaid judicial decision, it can be understood that since the Corrigendum under consideration has replaced certain words in N. No. 57/2021 which bring about a substantial change, it shall assume the nature of an amendment and will cease to be a mere correction.

MAIT further wishes to highlight that it is a settled law that an amendment to a notification has to be treated as prospective in nature unless expressly stated. In this regard, reliance is placed on the decision of **Jubilant Organosys Ltd. - 2011 (273) ELT 447 (G.O.I.)** wherein it was held that an amendment or a corrigendum which brings about a substantial change, shall be prospective in nature. Applying the aforesaid judicial decision to the present case, it is apparent that the Corrigendum under consideration will have prospective application only.

In light of the above submissions, it can be understood that since the Corrigendum under consideration seeks to make a correction that brings about a substantial change, it shall assume the nature of an amendment which will have prospective application. Accordingly, MAIT humbly requests your good office to issue a clarification to the effect that the amendment introduced vide Corrigendum to entry no. 4(iv) of N. No. 57/2021 is **prospective in nature**.

Look forward to an early resolution.

With regards,



George Paul
Chief Executive Officer

CC: Shri Vivek Johri, Chairman, CBIC