

GST LAW COMMUNIQUE

Latest updates for the month of July 2025

A] Important Notifications (Rate)

No new rate notifications were issued during the month

B] Important Notifications

No new notifications were issued during the period.

C] Important Circulars

No new circulars were issued during the period.

D] Important Instructions

No new instructions were issued during the period

E] Important Case Laws

1]B. Braun Medical India Pvt. Ltd. Vs. Union of India 2025 (97) G.S.T.L.118- Delhi High Court-

Input tax credit - Denial of - Mistake in tax invoice - A demand was created against assessee vide impugned order for excess claim of input tax credit - Assessee submitted that invoices raised by a supplier for purchases of products inadvertently reflected Bombay address and Bombay GSTN of assessee, instead of Delhi GSTN number - **HELD:** Only basis for rejecting ITC was mention of Bombay office GSTN instead of Delhi office GSTN - If credit was not granted for such a small error on behalf of supplier, substantial loss would be caused to assessee - Therefore, impugned order was to be set aside.

2]Alfa Tools Pvt. Ltd. Vs. Union of India- 2025(97) G.S.T.L.125-Ahmedabad High Court-

Assignment of leasehold rights - Tax liability - Scope of supply - Plot was allotted to assessee on lease by State industrial development corporation (GIDC) - Assessee assigned its leasehold rights in an industrial plot, allotted by GIDC, to a company for a consideration - **HELD :** Assignment by sale and transfer of leasehold rights of plot of land allotted by GIDC, in favour of third party-assignee for a consideration, shall be assignment/sale/transfer of benefits arising out of 'immovable property' in favour of third party-assignee who would become lessee of GIDC in place of original allottee-lessee - In such circumstances, provisions of Section 7(1)(a) of GST Act providing for scope of supply read with Clause 5(b) of Schedule II and Clause 5 of Schedule III would not be applicable to such transaction of assignment of leasehold rights of land and building - Therefore, same would not be subject to levy of GST as provided under Section 9 of GST Act - Accordingly, impugned show cause notice was to be set aside.

Incorporating

- 1] Important Notifications
- 2] Important Circulars/Clarifications
- 3] Important Case laws, AAR, AAAR
- 4] Compliance calendar for the month of July 25



3]Almost Transport India Ltd. Vs. Additional Commissioner of Central Tax(Appeals),Guntur-2025(98)G.S.T.L.5-Andhra High Court-

Refund of IGST - Zero rated supply/Export - Registration, effect of - Non mentioning of categories of supply in registration - Petitioner was initially registered for supply of goods - Subsequently, it filed application for amendment of registration for purpose of including services being supplied by petitioner - Petitioner commenced supply of zero rated services, being engineering services for metro projects, to customers who were outside India - Petitioner had supplied such services, on payment of IGST - Petitioner claimed refund of unutilized input tax credit, arising out of IGST paid on export of services - Both original and appellate authorities held that petitioner had registered itself only for supply of goods and as such could not claim refund of tax for supply of services On writ, **HELD** : Section 16 of IGST Act read with Section 54 of CGST Act, 2017, narrows down general provision of section 54(1) of CGST Act, by stipulating that it is only a registered person, who can claim refund in relation to zero rated supplies made with or without payment of tax - Petitioner was claiming, refund of tax paid, in relation to zero rated supply of services - A claim for refund can be made by petitioner, only if it is a registered person - Certificate of registration is given to registered person - There is only one registration certificate that is given to a person undertaking supply of goods or services - Non-mention of categories of supply being undertaken by applicant / registered person, in application form, cannot preclude grant of refund to such persons - By extension, petitioner would be entitled to a refund, in relation to zero rated services, once petitioner is a registered person - Petitioner would not be precluded from claiming such refund on ground that certificate of registration does not contain details of services which are being supplied - Refund of input tax credit claimed by petitioner was to be granted.

4]Santana Row Fashions LLP Vs. Additional Commissioner,Grade-2 - 2025(98)G.S.T.L.28- Allahabad High Court-

Appellate Tribunal - Appeals to - Pre-deposit in case penalty is imposed - Goods were seized and penalty was imposed under Section 129(1)(a) - First Appeal was filed and 25 per cent of pre-deposit of penalty was paid - Appeal was rejected - Appeal to Appellate Tribunal was contemplated but Tribunal was not yet constituted - **HELD** : Section 112 contemplates pre-deposit only in respect of tax amount in dispute - Since no tax amount was disputed but only penalty was in issue, no further amount was required to be deposited - Impugned order of penalty was to remain stayed - Goods which were seized were to be released subject to complying with requirements of rule 140 - Amount of penalty deposited at time of institution of first appeal was to be adjusted while determining amount of security in form of bank guarantee and bonds to be executed under rule 140.

5]Brijbihari Concast Pvt. Ltd.Vs. D.G. of GST Intelligence, Meerut- 2025(98) G.S.T.L.29-Delhi High Court-

Provisional Attachment - Bank Account - Competent Authority provisionally attached bank account of assessee - A period of more than 16 months had lapsed since surprise investigation - One year had elapsed since impugned order of provisional attachment of bank account was passed and no SCN had yet been issued - Alleged evasion of GST is amount of Rs.15.09 crores - Entire amount would not be payable immediately - Until issue relating to evasion was adjudicated in accordance with law, business of assessee could not be prejudiced by complete attachment of bank accounts - It would be sufficient if 10 per cent of amount was secured by way of minimum balance in bank account of assessee - Petitioner would be free to operate its bank account and no third party interest would be created till Final Order-in-Original.

6] Unnati Motors Vs.State of Assam- 2025(98) G.S.T.L.33- Gauhati High Court-

Demand - Tax or ITC not involving fraud, etc. - Show cause notice and Order as condition precedent - Assistant Commissioner of State Tax issued summary of show cause notice dated 8-12-2023 without issuing any show cause notice under Section 73(1) and summary of order dated 30-4-2024 without passing any order under Section 73(9) of CGST Act, 2017 - **HELD** : In Construction Catalysers (P.) Ltd. v. State of Assam [2025 (93) G.S.T.L. 213 (Gau.) = (2024) 24 Centax 122 (Gau.)], it was held that (i) summary of show cause notice in GST DRC-01 is not a substitute to show cause notice to be issued in terms with Section 73(1) ibid, (ii) Summary of Order passed under Section 73(9) ibid is different from Summary of Statement of determination of tax to be issued in terms with Section 73(3) ibid and (iii) Summary of show cause notice, Summary of statement and Summary of order do not dispense with requirement of issuance of a proper show cause notice and statement as well as passing of

an order as per mandate of Section 73 ibid by proper officer - Therefore, in instant case, Summary of show cause notice and Summary of order were to be set aside.

7]Duakem Pharma Pvt.Ltd. Vs.Deputy Commissioner of Revenue- 2025(98) G.S.T.L.37- Calcutta High Court-

Demand - Tax or ITC not involving fraud, etc. - Determination beyond show cause notice - Period April, 2018 to March, 2019 - Petitioner-assessee challenged order passed under Section 73 of CGST/WBGST Act for period April, 2018 to March, 2019 - In show cause notice, it was indicated that ITC found reversible in proportion to exempt supply - Proper officer concluded that petitioners were liable to tax on assessable value of outward supply on inward receipt of taxable goods, since aforesaid determination and fastening of liability on petitioners on basis of assessable value of outward supply on inward receipt of taxable goods did not find place in show cause notice - **HELD** : Determination and/or fastening liability to extent whereby proper officer had determined a sum equals to 12 per cent on assessable value of outward supply on inward receipt of taxable goods appeared to be beyond show cause - Further, determination on account of CGST and WBGST at 5 per cent in respect of other supplies on basis of data available with him also did not find place in show cause - Demand could not be sustained and same were accordingly to be set aside.

8]A. M. Enterprises Vs. State of Karnataka – 2025(98)G.S.T.L.57-Karnataka High Court-

Input tax credit - Conditions precedent - ITC fraud - Blocking of electronic credit ledger - Electronic Credit Ledger of assessee was blocked vide impugned order, invoking Rule 86A of CGST Rules - Assessee pointed out that before passing impugned order, pre-decisional hearing was not provided to assessee and that impugned order did not contain any reason to believe as to why it was necessary to block electronic credit ledger - Further, in impugned order except stating that assessee had availed credit of input tax fraudulently by receiving tax invoices without physical receipt of goods, no other reasons were forthcoming - **HELD** : Since no pre-decisional hearing was provided by respondent authorities before passing impugned order and impugned order did not contain independent or cogent reasons to believe, impugned order was to be set aside.

9] Bigleap Technologies & Solutions Pvt. Ltd. Vs. State of Telengana-2025(98) G.S.T.L.72- Telangana High Court-

Assessment - Validity of - Unsigned order - Petitioner had challenged show cause notices and final orders issued by revenue on ground said notices and orders did not contain either physical or digital signatures of Proper Officer - Though these notices and orders were placed on GST portal, petitioners contended that lack of authentication rendered them legally unsustainable and they could not withstand judicial scrutiny - **HELD**: As per Rule 142 of CGST/TGST Rules, 2017, which makes it clear like noonday that said rule mandates and makes it imperative for Proper Officer to serve notice/order in prescribed Forms - Since prescribed Forms as per Rule 142 ibid need signature, such requirement must be held to be mandatory, in absence of signature, said notice/order could not be held to be a valid notice/order - Thus, impugned notices and orders were to be set aside and revenue was directed to issue fresh show cause notice in accordance with law.

10]Lord Vishnu Construction Pvt. Ltd. Vs. Union of India- 2025(98) G.S.T.L.85- Patna High Court-

Service of order, notice, etc. - Uploading in portal under wrong tab - Violation of natural justice - Period 2017-18 - Assessee submitted that in first week of March 2024, it had learnt that an order under Section 73(9) of CGST/BGST Act had been passed whereby certain discrepancies and allegations of wrong computation of tax were recorded and a demand was imposed against it - Assessee also submitted that no notice was ever communicated to assessee under head of 'Notices and orders' as same was uploaded under heading 'Additional notice and order'; hence, it could not come to know of same and could not file reply - Assessee, thus, challenged order and subsequent demand passed under Section 73(9) ibid - **HELD** : Assertion by assessee that notice/show cause/reminders all were placed under heading 'Additional notices and orders' had not been denied by respondents and there was no specific averments in counter affidavit/ supplementary counter affidavit that notices/show cause/ communication were put under heading 'Notice and order' on common portal, assessee had made out a case for interference - Therefore, impugned order and subsequent demand were to be set aside.

11] Haigreeva Infratech Projects Ltd. Vs. State of Andhra Pradesh -2025(98)G.S.T.L.103- Andhra Pradesh High Court-

State/UT GST officer - Parallel proceedings - Period 2017-21 - Assessee was served with notices for relevant assessment period by state GST authorities as well as Central GST authorities - Assessee aggrieved by simultaneous notices approached instant court - Case of assessee was that assessee could be subjected to assessment either by state authorities or by central government authorities and there could not be simultaneous assessment of tax by both authorities - **HELD:** One authority had already dropped proceedings and other had already passed assessment orders - In view of same, petition of assessee became infructuous, accordingly, same was to be dismissed.

12] Sabre Travel Network (Inia) Pvt.Ltd.Vs.Union of India-2025(98) G.S.T.L.210- Bombay High Court-

Appeals to Appellate Authority - Appeal not signed by authorised signatory - Appeal was dismissed on ground that it was not signed by authorised signatory and appellant had not submitted Board Resolution appointing said person as authorised signatory - **HELD :** If Appellate Authority had any doubts with regard to authority and he wanted to verify authority of signatory, it was his duty to call upon appellant - Board Resolution was also available - Impugned order was to be set aside and matter was to be remanded for de novo consideration.

13] Agarwal Steels Vs. Additional Commissioner- 2025(98) G.S.T.L.348- Allahabad High Court-

Penalty - Detention of goods and vehicle - E-way bill and invoice - Vehicle carrying goods of assessee were intercepted - On physical inspection, respondents found no discrepancies in goods, but same were detained on ground that e-tax invoice was not accompanying goods - Proceedings under Section 129 of CGST/UPGST Act, 2017 were initiated and on payment of tax and penalty, goods were released - Thereafter, respondent not being satisfied by reply of assessee passed impugned order imposing penalty - Assessee filed an appeal against same, however same was dismissed - Assessee vide instant petition submitted that before issuance of show cause notice and passing of seizure order, e-tax invoice was produced before authority, in spite of same, impugned order was passed - **HELD :** Instant court in Shyam Sel and Power Ltd. v. State of U.P. [2023 (78) G.S.T.L. 283 (All.) = (2023) 11 Centax 99 (All.)] and Galaxy Enterprises v. State of U.P. [2023 (79) G.S.T.L. 160 (All.) = (2023) 12 Centax 137 (All.)] specifically held that in case deficiency is pointed out in show cause notice and same is cured before passing of detention order, no penalty can be justified - In view thereof, impugned orders could not be sustained and same were to be quashed.

14] Om Traders Vs. Union of India- 2025998) G.S.T.L.405- Patna High Court-

Returns - Rectification of - GSTR-3B - Period 2019-20 - For month of April, 2019, GSTR-1 was filed on 10-5-2019 and GSTR-3B was filed on 20-6-2019 - While filing GSTR-3B, assessee inadvertently filled wrong figures in GSTR-3B return - Assessee submitted application to rectify GSTR-3B on par with figure mentioned in GSTR-1, but same was rejected - Subsequently, impugned order was passed by concerned authority raising demand of tax, interest and penalty for month of April, 2019 arising out of mistakes in filing GSTR-3B - On writ, **HELD :** In instant case, it was error committed by assessee while filling up of certain figures in GSTR-3B return and it was not tallying with GSTR-1 - To that extent assessee's request was for rectification of same - Thus, assessee had made out a case so as to interfere with impugned order - Therefore, concerned authority was to be directed to rectify GSTR-3B on par with contents of GSTR-1.

15] Raman Metal Works Vs. Additional Commissioner- 2025(98) G.S.T.L.548- Allahabad High Court-

Penalty - Detention of goods or vehicles in transit - Sham transaction - Registration cancellation of supplier - Vehicle carrying goods of assessee from wholesaler was intercepted - A show cause notice was issued to assessee on ground that registration of supplier firm was cancelled - A detention order was passed and penalty was imposed on assessee under Section 129 of CGST Act, 2017 - Same was also affirmed by Appellate Authority - Assessee vide instant petition submitted that e-way bill was generated by supplier firm, and it would be presumed that when e-way bill was generated, supplier firm was in existence - **HELD :** Once registration of supplier was cancelled on 7-11-2020, it could not have issued tax invoice dated 1-12-2020 and transaction was sham - Considering facts and circumstances, order passed by appellate authority needed no interference - Petition was to be dismissed.

F] GST portal updates

1] GST Portal is now enabled to file appeal against waiver order (SPL 07): Taxpayers who have filed waiver applications in Forms SPL-01 or SPL-02 may receive either an Acceptance Order in SPL-05 or a Rejection Order in SPL-07 from the jurisdictional authorities. The GST portal has now been enabled to allow taxpayers to file appeal applications (APL-01) against SPL-07 rejection orders. To file such an appeal, taxpayers should navigate to Services → User Services → My Application, select “Appeal to Appellate Authority,” click on “New Application,” and under Order Type choose “Waiver Application Rejection Order,” then enter the relevant details and proceed with filing. It is important to note that appeals filed under the waiver scheme cannot be withdrawn on the portal, so taxpayers should exercise caution before filing. If a taxpayer does not wish to appeal against a waiver application rejection order but instead wants to restore an appeal against the original demand order that was earlier withdrawn for filing the waiver application, they can do so by submitting an undertaking through the “Orders” section in the “Waiver Application” case folder. In case of any difficulty or technical issue, taxpayers may raise a ticket on the GST Helpdesk at <https://selfservice.gstsystem.in>.

2] Regarding GSTR-3A Notices issued for non-filing of form GSTR 4 to cancelled Compositional Taxpayers: As per Section 39(2) of the CGST Act, 2017, read with Rule 68 of the CGST Rules, notices in Form GSTR-3A are issued for non-filing of GSTR-4. However, due to a system glitch, such notices have been wrongly sent in some cases, including to taxpayers whose registrations were cancelled before FY 2024-25. The matter is under examination, and corrective measures are being implemented to prevent recurrence. Taxpayers who have already filed the return or whose registrations were cancelled before FY 2024-25 may ignore these notices, as no action is required. For other issues, taxpayers should raise a grievance through the GST Self-Service Portal with relevant details for resolution.

Compliance Calendar for the month of August 2025

| Due Date of Compliance | Compliance |
|-------------------------------|---|
| 10.08.2025 | Monthly GSTR 7 for the month of July 2025 (TDS deductor) |
| | Monthly GSTR 8 for the month of July 2025 (TCS collector) |
| 11.08.2025 | Monthly GSTR 1 for the month of July 2025 (Regular Monthly Taxpayer) |
| 13.08.2025 | IFF for taxpayers under the QRMP scheme (July 25) |
| 13.08.2025 | GSTR-5 for the month of July 2025 (Non-Resident Taxpayer) |
| 13.08.2025 | GSTR-6 for the month of July 2025 (Input Service Distributor) |
| 20.08.2025 | Monthly GSTR 3B for the month of July 2025 (Regular Monthly Taxpayer) |
| 20.08.2025 | Monthly GSTR 5A for the month of July 2025 (OIDAR service provider) |
| 25.08.2025 | PMT-06 Monthly tax payment for July 2025 under QRMP Scheme |

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