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Thinking Beyond

Monthly Newsletter- September 2025

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**Insightful Articles on
GST, Customs and
Foreign Trade Policy
Topics**



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Introduction:

The much-anticipated wait has finally come to an end with the official launch of the Goods and Services Tax Appellate Tribunal (GSTAT) by the Government on 24th September 2025. This marks a significant milestone in the evolution of the GST regime in India as well as in the broader history of the Indian judiciary. The inauguration ceremony was graced by Smt. Nirmala Sitharaman, Union Minister of Finance and Corporate Affairs; Shri Pankaj Chaudhary, Union Minister of State for Finance; Justice Shri Sanjaya Kumar Mishra, President of GSTAT; along with the appointed members of the Tribunal.

In this context, it becomes important to understand the journey of GSTAT, the timelines and procedures for filing appeals, and the key features of the GSTAT portal. The following aspects are covered in this article

- a. Appellate Mechanism under GST
- b. Scope of GSTAT, different benches and its jurisdiction
- c. Time limits for filing the appeals before GSTAT:
- d. Requirements for filing an appeal to GSTAT
- e. How to file appeals before GSTAT?
- f. Key features of GSTAT Portal
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- i. Hearing before GSTAT
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- k. The action points for the taxpayers
- l. The duties of the authorized representative
- m. Expectations from GSTAT

A. Appellate Mechanism under GST:

The GST law establishes a two-tier appellate mechanism. In the first stage, appeals lie before the First Appellate Authority against orders passed by adjudicating authorities. In the second stage, further appeals can be filed before the GST Appellate Tribunal (GSTAT) against the orders of the First Appellate Authority (Section 107) or against orders passed by the Revisional Authorities (Section 108). The statutory framework governing GSTAT is set out under Sections 109 to 116 of the CGST Act, 2017 and Rules 109A to 113A of the CGST Rules, 2017.

While the first appellate stage has been operational since the inception of GST, the second stage—i.e., the GSTAT—remained non-functional for over eight years, until its formal constitution on 24th September 2025. Preparatory work, including the recruitment of members and staff as well as establishment of infrastructure, commenced almost a year prior to the official launch.

It is noteworthy that the provisions relating to GSTAT, as originally enacted on 1st July 2017, were challenged before the Madras High Court in *Revenue Bar Association v. Union of India [2019 (30) G.S.T.L. 584 (Mad.)]*. The Court struck down the provisions as unconstitutional. Subsequently, the Government undertook necessary amendments to rectify the deficiencies in the Tribunal's framework. Under the revised provisions, a Principal Bench has been established in New Delhi, along with State Benches across various states. In addition, the GSTAT (Procedure) Rules, 2025 were notified on 24th April 2025.

B. Scope of GSTAT, different benches and its jurisdiction:

Section 109 provides that the Central Government shall constitute a Principal Bench at New Delhi and such number of State Benches as per the request of the State Governments. In addition to hearing of appeals against the orders of the first appellate authority and revisional authority, the GSTAT is also conferred with the jurisdiction to examine and adjudicate the cases related to Section 171(2) of CGST Act, 2017. The jurisdiction of the Principal Bench and State Bench are as follows

SI No	Bench	Jurisdiction
01	Principal Bench (New Delhi)	a. Cases in which one of the issues involved related to place of supply b. Examination and adjudication of matters related to Section 171(2) (Anti profiteering) c. National Appellate Authority for Advance Ruling d. Cases or class of cases as may be notified by Government
02	State Bench (Notified States)	Cases in which place of supply not involved

The composition of benches are as follows

Position	Number of members	Judicial Members	Technical Members
Principal Bench	4	1 Judicial Member + 1 President	1 Technical Member (Centre) + 1 Technical Member (State)
State Bench	4	2 Judicial Members	1 Technical Member (Centre) + 1 Technical Member (State)

The GSTAT may in its discretion refuse to admit appeal where the tax or input tax credit or amount of fine, fee or penalty does not exceed fifty thousand rupees. The president can transfer the cases from one bench to another bench subject to above referred jurisdiction.

C. Time limits for filing the appeals before GSTAT:

Considering the non-constitution of GSTAT, the Government had been extending the time limits for filing the appeals. Section 112 of CGST Act, 2017 had been amended to provide that the due date for filing the appeal of 3 months from the date of communication of order starts from the notified date. The GST Council in its 56th meeting had stated that GSTAT would be operational from end of September to accept the appeals and from end of December for

hearing the appeals. Accordingly, Notification vide S.O. 4220(E). dated 17-09-2025 was issued by Government (Ministry of Finance) notifying 30-06-2026 as the last date for filing of appeal before the GSTAT against the orders communicated before 01-04-2026. For orders communicated after 01-04- 2026, the appeal shall be filed within 3 months from the date of communication of the order.

The President of GSTAT while addressing the gathering stated that the filing of appeals to GSTAT is completely online including the hearings and the same is operational from 24-09-2025. For this, the Government had established a separate website <https://efiling.gstat.gov.in> by partnering with National Informatics Centre (NIC). He stated that more than 4,00,000+ orders has been passed by first appellate authorities across India against which the appeal lies with GSTAT and another 1.8 lakhs appeals are pending before the appellate authorities. Considering, the appeals to be filed before GSTAT and to manage this heavy volume and prevent overloading of the GSTAT portal, the President vide F.No. GSTAT/Pr.Bench/portal/125/25-26/1449-1502 dated 25-09-2025 had notified the staggered timelines for filing appeals on the GSTAT portal to avoid the burden on GSTAT portal in case of bulk filing of appeal. The staggered filing schedule is as follows:

Appeal to First Appellate Authority filed (APL-01 / APL-03) or Revision (RVN-01) notices issued on the GST portal starting from and ending on	Due date of filing		
	Start Date	End Date (Recommended)	Last date for filing
1-July-17 to 31-Jan-22	24-Sep-25	31-Oct-25	30-Jun-26
1-Feb-2022 to 28-Feb-2023	1-Nov-25	30-Nov-25	30-Jun-26
1-Mar-2023 to 31-Jan-2024	1-Dec-25	31-Dec-25	30-Jun-26
1-Feb-2024 to 31-May-2024	1-Jan-26	31-Jan-26	30-Jun-26
1-June-2024 to 31-Mar-2026	1-Feb-26	30-Jun-26	30-Jun-26
Orders issued up to 31-Mar-2026 if not filed/ uploaded on the Portal	1-Apr-26	30-Jun-26	30-Jun-26
Order issued after 31-Mar-2026	3 months from date of communication of order		

The GSTAT portal allows the filing of appeals based on the CRN/ARN number of the appeal filed before the First Appellate Authority. The linking of the appeal filing to CRN/ARN number of appeal filed with First Appellate Authority may be due to Rule 18(3) of GSTAT (Procedure) Rules, 2025 which requires the taxpayers to file as many appeals of Order-in-Originals passed (DRC-07) by adjudicating authority.

If the taxpayer had filed the manual appeal and the appellate authority had also passed the order manually, the taxpayer cannot file the appeal in GSTAT portal as per the above staggered timelines. For these instances, the User Advisory for GSTAT E-filing portal stated that for all the Appeals filed before the Appellate authority or notices of the Revisional authority where the ARN/CRN is not available in the GSTN system, the filing window will open from midnight of 31st December 2025 and will expire on June 30, 2026.

D. Requirements for filing an appeal to GSTAT

a. Pre-deposit requirement in case of order involving tax, interest and penalty:

- Full amount of tax, interest, fine, fee and penalty admitted by taxpayer and
- 10% of remaining amount of tax in dispute in addition to amount paid under subsection (6) of Section 107, arising from the said order (subject to a maximum of twenty crore rupees of CGST and SGST each) in relation to which the appeal has been filed

b. Pre-deposit in case of order demanding penalty without involving demand of any tax:

10% of said penalty in addition to the amount payable under the proviso to subsection (6) of section 107. This condition has been notified with effect from 01-October 2025 vide Notification No.16/2025-CT dated 17-09-2025.

c. Appeal filing fees: The taxpayer is required to pay the fees below while filing the appeal

SI No	Particulars	Fees (Rs.) (Each under CGST and SGST)
01	Appeal to GST Tribunal	Rs.1,000/- per Rs.1,00,000/- of tax/ITC/fine/fee/penalty (Minimum 5,000/-; Maximum 25,000/-)
02	Appeal in respect of an order with no demand (Refund appeals)	5,000

SI No	Particulars	Fees (Rs.) (Each under CGST and SGST)
03	Interlocutory Application to Appellate Tribunal (GSTAT Form-01)	5,000
04	Application for inspection of records (GSTAT Form- 03)	5,000
05	Application under any other provision not specifically mentioned	5,000
06	Certified true copy of final order (to non-concerned parties)	Rs. 5 /- per page
07	Reply to Appeal	Not Applicable
08	Order Sheet (GSTAT Form-02)	
09	Memorandum of Appearance (GSTAT Form-04)	
10	Affidavits of illiterate/visually challenged persons (GSTAT Form-05)	
11	Summons for production of documents (GSTAT Form- 06)	
12	Deposition of Petitioner's/Respondent's Witness (GSTAT Form-07)	
13	Certificate of Discharge (GSTAT Form-08)	
14	Petition/application/reference by departmental authority	
15	Application for rectification of errors	

E. How to file appeals before GSTAT?

Rule 110(1) of the CGST Rules, 2017 provides that the appeal to GSTAT shall be filed electronically. Also, the appeal can be filed manually only when the registrar allows the same by issuing a special or general order. However, Rule 115 of GSTAT (Procedure) Rules, 2025 only allows online filing of the GSTAT Appeals. The president in his inaugural address has stated that all appeals before GSTAT shall be filed online in the new website <https://efiling.gstat.gov.in>. To support filing of appeals online, the Government had also launched GSTAT portal and circulated the GSTAT Manual for guiding the taxpayers, officers and other stakeholders to file an appeal in GSTAT portal.

F. Key features of GSTAT Portal

The new website provides user logins for different categories of persons as follows:

- Taxpayer,
- Practitioner or an Authorized Representative acting on behalf of the taxpayer,
- Tax official and
- Any other category person.

It is noteworthy that one user can create multiple accounts with different login ids.

Each person registering in the GST Appellate Tribunal portal has to enter certain basic fields based on the capacity of the person registering. The details that are required for registering in the GSTAT portal are as follows

In the capacity of Taxpayer:

Sl. No.	Taxpayer	Observation
01	GSTIN	Enter GSTIN
02	Login Id	Enter GSTIN
03	Captcha	Enter Captcha
04	Fetch Data	Click on Fetch Data

OTP will be sent to the taxpayer, and the following details will be auto filled

05	Mobile Number	Auto- filled
06	Name	Auto- filled
07	Jurisdiction	Auto- filled
08	Email Id	Auto- filled
09	Address	Auto- filled
10	Pin-Code	Auto- filled
11	Designation	Auto- filled

In the capacity of GST Tax Official:

Sl. No.	GST Tax Official	Observation
01	State/Centre	To be filled manually
02	Select (Sub-Level)	To be filled manually
03	Name	To be filled manually
04	Designation	To be filled manually
05	Login Id	To be filled manually
06	Mobile Number	To be filled manually
07	Name	To be filled manually
08	Jurisdiction	To be filled manually
09	Sub Jurisdiction	To be filled manually
10	Role	To be filled manually
11	User	To be filled manually
12	Address	To be filled manually
13	Office	To be filled manually
14	Pin-Code	To be filled manually

OTP will be sent to Mobile No. and Email Id

In the capacity of Advocate/Authorized/Legal Representative:

Sl. No.	Authorized Representative	Observation
01	Sub Type Representative	Advocate/Legal Representative
02	Registration No. / Enrollment No.	To be filled manually
03	Pin-Code	To be filled manually
04	Mobile Number	To be filled manually
05	Email Id	To be filled manually
06	Whom are you representing	To be filled manually
07	Name	To be filled manually
08	AIBE Number	To be filled manually
09	Address	To be filled manually
10	Login Id	To be filled manually

Send OTP to Mobile No. and Email Id

Enter Captcha

Enter the OTP

Enter Captcha

Upload Registration Certificate/Enrollment No. and Photo (size<2 MB), enter Document No. and enter Captcha

Login Id and Password will be sent to the registered e-mail id and Mobile No.

Once these details are filled in in GSTAT portal, the details of authorized representative can be selected from the GSTAT portal by the taxpayers while filing the appeal in GSTAT portal.

G. Filing of the Appeal in the GSTAT Portal

With the notified staggered timelines to file the appeal before the GSTAT, now the question arises that, how to file the appeal in the GSTAT Portal. The GSTAT has provided the detailed manual to file the appeals. The key points required for filing the appeals are detailed in below table

Sl. No.	Action	Key Points
01	Login to GSTAT Portal	Enter User ID, Password, Captcha → Click Login
02	Navigate to Appeal Filing	Go to Appellant Corner → Filing → Appeal Filing
03	Disclaimer	Read and confirm disclaimer before proceeding
04	Enter Order Details	Provide ARN/CRN → Auto-fetch if available, else enter manually
05	Fill Basic Details	Select Act & Section → Save and Next
06	Case Details	Enter case-specific details
07	Appellant & Respondent Details	Appellant auto-populated → Add Respondent(s)
08	Representative Details	Enter CA/Advocate details or choose In-person
09	Demand Details & Predeposit	Enter confirmed/admitted demand → System autofetch if possible
10	Make Payment	Online (bank) or Offline (Bharatkosh)
11	Upload Documents	Upload PDFs (Appeal memo, Affidavits, Annexures)
12	Checklist	Verify compliance with required items
13	Preview	Preview compiled APL-05 form
14	Checklist	Submit appeal → APL -02A verification page
15	Acknowledgement	Download provisional acknowledgement (16-digit number)

Rule 18 to 37 of GSTAT (Procedure) Rules, 2025 provides that once the appeal is filed online, the same will be scrutinized and an acknowledgement will be issued. In case of deficiency, they may issue the deficiency memo. Only on rectifying the deficiency, the appeal number will be allocated.

H. Filing of appeals by department:

Section 112 also provides the opportunity for the department to file an application to the GSTAT against the order of the Appellate Authority or Revisional Authority after examining the same for the purpose of satisfying himself as to the legality or propriety of the said order. In this context, the CBIC considering the National Litigation Policy had specified the monetary limits for filing the appeal by the department vide Circular No.207/1/2024-GST dated 26-06-2024. The limits are as follows

Appellate Forum	Monetary Limit (demand involved) (in Rs)
GST Appellate Tribunal	20,00,000/-
High Court	1,00,00,000/-
Supreme Court	2,00,00,000/-

The following have been specified in the circular ibid while computing the monetary threshold amount for the filing of the appeal.

- Consider only the tax demand where the dispute involved is taxes of CGST/SGST/IGST/UTGST/Compensation cess;
- Consider only the demand of interest or penalty or late fee where the dispute involved is interest or penalty or late fee amount only;
- Consider the entire demand of interest, penalty, and/ or late fee, where the dispute involved is interest, penalty, and/ or late fee and without tax demand;
- Consider the amount of Erroneous Refund demand

I. Hearing before GSTAT

Section 109(8) provides that the appeals shall be heard by a minimum of 2 members, at least one being a judicial member and one technical member. However, if the issue does not involve substantial question of law and the demand amount is less than 50 lakhs, the appeal can be heard by a single member.

The President of GSTAT in his address had also stated that 90% of the would be handled by the single member bench as more than 90% orders of Appellate Authorities or FORM GST APL-04 demand are less than 50 Lakhs subject to condition that issue shall not contain question of law. Each bench can carry 4 court proceedings at a point of time. Further, it is important that section 112(2) provides that if amount involved is less than Rs.50,000/-, then the appeal can be refused in its discretion of the Appellate Tribunal.

J. Orders of the GSTAT and next course of action:

The GSTAT pass such orders confirming or modifying or annulling the decision or order appealed against or may refer back the case to the first appellate authority or revisional authority or to the original adjudicating authority. The GSTAT may amend any order passed so as to rectify the any error apparent on the face of the record either on own motion or on application filed before it within a period of 3 months from date of order. The jurisdiction for filing appeal against the orders of the GSTAT is as follows

Order passed by	Order passed by	Next Appeal	Relevant Provision / Timeline / Form
GSTAT - Principal Bench [Delhi]	Dispute relating to Place of Supply	Supreme Court (direct appeal)	Section 118, Time: within 180 days.
GSTAT - State Benches	Any other aspect (other than place of supply)	High Court (if substantial question of law)	Section 117, Time: within 180 days.
High Court	Substantial question of law (from State Benches)	Supreme Court	-

K. The action points for the taxpayers

- Check the pendency of the cases
- Check the favorable orders passed by first appellate authorities to check the probability of filing the appeal by the department. Sufficient documentation to be kept ready for future litigation from the Revenue
- A check on the ongoing cases in the Higher Forum for the same issues
- Update knowledge on the matters triggering litigation where new circulars and notifications are provided giving retrospective effect
- In case any appeal is filed by the revenue, cross objections shall be filed timely. If in case, the appeal is received in delay, the same has to be brought to the notice of the concerned authority
- Maintain proper documentation of any correspondence with the department for future use.

L. The duties of the authorized representative

The Authorized Representative shall gear up to the coming GSTAT Appeals in various aspects:

Pre-Drafting Arrangements:

- Being ready with all the relevant GST manuals containing provisions, notifications etc.
- Acquire knowledge from various online and offline sources with respect to filing before GSTAT
- An immediate list of all the Appeals to be filed before the GSTAT including those against which writ is filed in the High Court but which are likely to be disposed/withdrawn for filing an appeal to GSTAT

Human resources Planning:

- a. Preparedness of the team members to file the appeals in GSTAT
- b. Training the team members
- c. Knowledge on the forms to be filed with the Tribunal including condonation of delay applications with supporting affidavit and evidences

Drafting Stage Legwork:

- a. Proper Appeal book with annexures, page numbering and index.
- b. Include all possible grounds on merits, limitations, quantification, penalty, interest etc.
- c. Concise Submissions
- d. Counter and distinguish the incorrect precedents and submitting appropriate case laws
- e. Submitting CA Certificates (wherever necessary and applicable), expert opinion, technical literature
- f. Self-Contradictory points to be avoided
- g. Proper narration of facts
- h. All adverse findings to be rebutted

M. Expectations from GSTAT

For all litigation matters pending after the First Appellate stage, the GST Tribunal (GSTAT) serves as the next level of recourse for seeking relief in long-standing disputes. The types of cases typically placed before the GSTAT include

- a) Legal and Interpretational Issues
- b) Factual evaluation such as reconciliations
- c) Combination of understanding factual and legal aspects involved in a particular matter

All these matters require time and expertise to provide appropriate justice to each specific case before GSTAT. While delivering the order, the GSTAT shall ensure the following aspects

- a. Deliver the timely justice
- b. Ensure similar rulings across India by avoiding contradictory rulings in different benches
- c. Ensure the Judicial discipline by following the decisions of Higher Courts under GST
- d. Ensure sufficient weightage is given to Pre-GST decisions when the provisions are pari materia
- e. Ensure the long-standing judicial principles are upheld
- f. A clear understanding of the Notifications, Circulars, Amendments, press releases to the members with an intent to understand the intention of the law
- g. Ensure the independence despite of many technical members from the department

- h. Faster communication from the GSTAT taking the help of Technology and better services such as virtual hearings, e-court facilities, reduced documentation, usage of analytical tools.

Conclusion:

The operationalization of GSTAT marks a historic milestone in India's GST journey, providing a unified, independent appellate forum. It bridges the long-standing litigation gap by centralizing appeals under Section 112 of the CGST Act, 2017. The staggered timelines and new e-filing portal ensure systematic handling of the large backlog of cases. By functioning as both an appellate authority and a national advance ruling authority, GSTAT strengthens taxpayer confidence. The tribunal's structure of Principal and State Benches ensures nationwide accessibility with judicial and technical expertise. MSMEs and taxpayers now gain a transparent, technology-driven redressal mechanism promoting "Minimum Government, Maximum Governance." Ultimately, GSTAT reinforces "One Nation, One Tax, One Market," harmonizing litigation with efficiency, scale, and trust. Time will prove its effectiveness and the challenges.

Special acknowledgements to Chintala Deepthi and Kasagoni Sanjay for helping the authors in bringing out this article. Any suggestions/clarifications, please write to laxman@hanaindia.com, akash@hnaindia.com

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Introduction:

In a landmark ruling that brings much-needed clarity to India's Goods and Services Tax (GST) regime, the Supreme Court has authoritatively interpreted the crucial antiharassment provision of **Section 6(2)(b)** of the CGST Act, 2017. The case of **Armour Security (India) Ltd. vs. Commissioner, CGST Delhi East Commissionerate [TS-711-SC-2025-GST]** in the Supreme Court of India settles a longstanding debate on when and how a taxpayer can be shielded from simultaneous investigations and proceedings by both Central and State tax authorities.

The dispute emerged from a classic scenario: a company was served a Show Cause Notice (SCN) by the State GST authority on a specific issue, only to later face summons and a search from the Central GST authority on a seemingly overlapping matter. The taxpayer cried foul, invoking Section 6(2)(b) to argue that the second action was barred by law. The relevant extract of the clause (b) of sub-section(2) of section 6 is "(b) where a proper officer under the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act has *initiated any proceedings* on a *subject matter, no proceedings shall be initiated* by the proper officer under this Act *on the same subject matter*". The Delhi High Court's dismissal of this plea led to an appeal, setting the stage for the Supreme Court to lay down the law.

Before this verdict, a cleavage of opinion existed across India's High Courts, creating uncertainty for taxpayers and authorities alike. The Supreme Court's judgment serves to reconcile these conflicting views.

The Legal Conflict: Divergent Views from the High Courts:

The "Against" View: Summons as Proceedings (Favouring the Taxpayer)

Several High Courts had taken a broader view, holding that any coercive action, including

summons, could trigger the bar under Section 6(2)(b) if the subject matter was the same.

- **High Court of Orissa in Anurag Suri v. DGGIT — [2021]:** Quashed a State SCN because the Central authority (DGGI) was already investigating the same period. The Court held that the circular dated 05.10.2018 precluded State authorities from proceeding as long as the Centre was "seized of the matter."
- **High Court of Jharkhand in Vivek Narsaria v. State of Jharkhand — [TS-17-HC(JHAR)-2024-GST]:** Held that a "chain of events" under the Act meant that any enquiry or investigation by one authority should preclude another. It directed the State authority to continue proceedings as its search action was "prior in point of time."
- **High Court of Punjab & Haryana in Stalwart Alloys India Pvt. Ltd. v. Union of India [TS-534-HC(P and H)-2024-GST]:** Took a strict view, stating that the word "subject matter" meant the "nature of proceedings." Therefore, if the State initiated proceedings for wrongful ITC availment for one period, the DGGI could not initiate for a later period, as the nature was the same.

- **High Court of Himachal Pradesh in Kundlas Loh Udyog v. State of H.P.[TS-586-HC(HP)-2024-GST]:** Echoed the Punjab & Haryana view, interpreting "subject matter" as the "nature of proceedings" and holding that once the State acts on an issue, the Centre is barred from acting on the same.

The "For" View: Summons are not Proceedings (Favouring the Revenue)

Other High Courts drew a clear distinction between investigation and adjudication, ruling that the bar applies only after the issuance of an SCN.

- **Allahabad High Court in G.K.Trading Company v. Union of India [TS-1159-HC-2020(ALL)-NT]:** Provided a seminal distinction, holding that an "inquiry" u/s 70 is not synonymous with "proceedings" u/s 6(2)(b). The court clarified that proceedings include actions like assessment and demand (initiated via SCN), while summons are merely a step in the inquiry process.
- **Madras High Court in Kuppan Gounder P.G. Natarajan v. Directorate General of GST Intelligence [TS-400-HC(MAD)-2021-GST]:** Held that the scope of Sections 6(2)(b) and 70 are "different and distinct." The words "proceedings" and "inquiry" cannot be mixed to create a bar on the power to summon.
- **Kerala High Court in K.T. Saidalavi v. State Tax Officer, SGST Department [TS-717-HC(KER)-2024-GST]:** Explicitly held that the initiation of an enquiry or issuance of summons u/s 70 cannot be deemed "initiation of proceedings," which is a reference to the issuance of a notice.
- **Rajasthan High Court in Rais Khan v. Addl. Commissioner, Enforcement Wing-II:** Relied on the Allahabad and Madras decisions to dismiss a writ petition, holding that the issuance of summons u/s 70 is not hit by the bar under Section 6(2)(b).
- **Delhi High Court in Indo International Tobacco Ltd. v. Vivek Prasad, Additional Director General (DGGI) [TS-03-HC(DEL)-2022-GST]:** Introduced nuance, stating that Section 6 and the circulars are not intended to cover situations where an investigation has pan-India implications involving multiple taxpayers, as restricting it to territorial jurisdiction would lead to an incomplete investigation.

The Supreme Court's Synthesis: A Landmark Summary

The Supreme Court, in a detailed judgment, affirmed the Delhi High Court's decision and dismissed the appeal. It effectively endorsed the line of reasoning taken by the Allahabad, Madras, Kerala, and Rajasthan High Courts, while clarifying the contrary views.

Decoding "Proceedings" and "Subject Matter"

The Court's analysis revolved around dissecting two pivotal phrases in Section 6(2)(b): "**initiation of any proceedings**" and "**same subject matter**."

- **The "Initiation of Proceedings" is the Issuance of a Show Cause Notice**

The Court drew a clear line between **investigation** and **adjudication**.

- **Investigation (No Bar):** Actions such as issuing **summons (u/s 70)**, conducting searches (u/s 67), and making **seizures** are merely evidence-gathering exercises. They are precursors to formal proceedings and **do not** qualify as "initiation of proceedings" under Section 6(2)(b). The authorities are well within their rights to conduct such intelligence-based inquiries, regardless of which administration the taxpayer is assigned to.
- **Adjudication (Bar Applies):** The bar is triggered only at the stage of **formal adjudication**, which commences with the **issuance of a Show Cause Notice (SCN)** under sections like 73 or 74. The SCN is the foundation of the case against the taxpayer, outlining the charges, the legal provisions violated, and the demand amount. It is at this point that the "proceedings" are deemed to have begun.
- **The "Subject Matter" is Defined by the Show Cause Notice**

The Court provided a precise definition of "subject matter," tying it directly to the contents of the SCN.

It refers to the specific **tax liability, deficiency, or obligation** arising from a **particular contravention** alleged by the department.

The bar against parallel proceedings is attracted **only if two SCNs seek to recover an identical or overlapping liability from the very same contravention**.

The Court established a **two-fold test** to determine if the subject matter is the same:

- a) Is the authority proceeding on an identical tax liability or alleged offence based on the **same facts**?
 - b) Is the **demand or relief sought** identical?
- Crucially, the Court held that proceedings concerning distinct infractions (e.g., different financial years, different sets of fake invoices, different suppliers) do not constitute the "same subject matter," even if the nature of the alleged offence (e.g., availing fake ITC) is similar.
 - **Reaffirming the GST Architecture: Single Interface & Cross-Empowerment**

The judgment reaffirmed the dual pillars of GST administration:

- **Single Interface:** For everyday administrative functions like registration, return scrutiny, and audit, a taxpayer is assigned to either the Central or State administration to avoid dual control and harassment.
- **Cross-Empowerment:** For **intelligence-based enforcement-actions** (stemming from specific evasion tips, not routine audits), both Central and State authorities are empowered to investigate any taxpayer, anywhere. The authority that initiates such action is empowered to see it through to its "logical conclusion", which may or may not culminate in an SCN.

Conclusion: A Balanced and Pragmatic Verdict

The Supreme Court's verdict is a masterstroke in balancing the

powers of the tax authorities with the rights of the taxpayers. It empowers officers to conduct unfettered investigations based on intelligence, which is vital for curbing evasion in a vast economy like India. Simultaneously, it protects taxpayers from the final, adversarial stage of adjudication being conducted by multiple authorities on the exact same issue, which would be a clear violation of natural justice and legislative intent.

[This judgment provides a clear, predictable, and legally sound framework for both the Department and industry to operate within, reducing unnecessary litigation and fostering a more stable business environment.](#)

For territorial jurisdiction of the jurisdictional officers vis-à-vis all India jurisdiction on intelligence-based proceedings:

Jurisdiction of officers is at the core of implementing a taxing statute. It determines the authority and power under which the administration is working. It is the threshold issue in any proceeding. If the jurisdiction of the administration itself comes under question, all execution takes a back stage. Cross empowerment under a taxing statute is a novel concept. We see that Constitutional provisions introduced vide 101st Amendment are silent on the issue of cross-empowerment. 9th GST Council meeting alluded to crossempowerment, but actual mechanism is to be implemented through statutes. Provisions of the CGST/SGST/IGST Acts do contemplate cross empowerment. The back-drop of 11th GST Council meeting has not got the adequate attention. The CBIC has issued clarifications, but the Hon'ble Madras High Court in case of **Tvl Vardhan Infrastructure Vs Special Secretary [TS-162-HC(MAD)-2024-GST]** has relied on the proceedings of **22nd GST Council Meeting** and held that no notifications have been issued for crossempowerment with advise of GST Council, except for the purpose of refund of tax under Chapter-XI of the respective GST Enactments r/w Chapter X of the respective GST Rules.

With regard to territorial jurisdiction of the jurisdictional officers vis-à-vis all India jurisdiction of DGGI, and the Hon'ble Delhi court held that since "intelligence based enforcement action" has repercussion or involvement of taxpayers beyond territorial jurisdictional limit of officer initiating such action and such action had a common thread or involvement of multiple taxpayers, and transfer of all investigations to DGGI, having pan- India jurisdiction was not prohibited. However, in this case, an SLP is pending in Hon'ble Supreme Court **M/S SSM EXPORTS VERSUS COMMISSIONER OF CENTRAL EXCISE AND SERVICE TAX AND CGST & ORS. [TS-738-SC-2024-GST]**. Hence, the final word in the matter seems some distant away.

Way Forward Action Points for Professionals and Industry

This ruling has immediate and practical implications. Here's how to navigate the postjudgment landscape:

For Professionals like CAs, Lawyers, Consultants:

- **Advise Unconditional Compliance with Summons:** Counsel clients that resisting summons from one authority merely because another is already investigating is no longer a viable strategy. Cooperation is mandatory.
- **Shift Focus to the Show Cause Notice:** The SCN is the new battlefield. Scrutinize every SCN with a fine-tooth comb. If a client receives a second SCN, immediately compare its contents with the first to determine if the "subject matter" is truly identical, using the Supreme Court's two-fold test.

- **Adopt Proactive and Strategic Communication:** If a client is facing inquiries from two authorities, proactively write to the second authority, formally informing them of the ongoing proceedings and enclosing relevant documents (e.g., the first SCN). Politely request them to liaise with the first authority to avoid duplication of effort.
- **Build Your Defense on This Precedent:** Use this judgment to robustly challenge any duplicate SCNs issued on an identical subject matter. Conversely, use it to defend the department's right to investigate until an SCN is issued.
- **Maintain a Centralized Audit Trail:** Implement a system to meticulously track all communications,

For Industry (Taxpayers & Businesses):

- **Do Not Panic at Multiple Inquiries:** Understand that investigations from different authorities are legal. Your duty is to comply and seek professional help to respond effectively.
- **Strengthen Internal Governance:** Ensure you're accounting and invoicing systems are robust to withstand scrutiny from any authority. A clean internal record is the best defence.
- **Establish a Clear Protocol:** Designate a team or officer responsible for handling all tax notices. Ensure every communication is logged, acknowledged, and escalated to your tax advisors immediately.
- **Leverage the GST Portal:** Regularly check the common portal for any SCNs or orders. This is often the first formal indication of adjudication proceedings being initiated against you.
- **Foster a Cooperative Stance:** While being vigilant about your rights, maintain a cooperative and transparent approach with tax authorities. This helps in building trust and can lead to a more efficient resolution of disputes.

For the Tax Department (Central and State):

- **Train Officers on the Distinction:** Conduct extensive training programs to ensure all field officers understand the critical distinction between investigation (summons, search) and proceedings (SCN). They must be confident that their investigative powers remain unfettered until an SCN is issued.
- **Implement Robust Internal Checks Before SCN Issuance:** Before issuing an SCN, the proper officer must mandatorily check the GST portal and internal systems to ensure that no other authority (Central or State) has already issued an SCN on the same subject matter (using the SC's two-fold test).
- **Develop a Standard Operating Procedure (SOP) for Inter-Departmental Communication: Establish clear channels and protocols for:**

Verifying Claims: When a taxpayer claims another authority is already investigating, the officer must immediately verify this with the said authority.

Deciding Jurisdiction: If an overlap in the intended subject matter of an SCN is found, departments must communicate to decide which one will proceed, and the other must transfer all evidence.

Sharing Intelligence, Not Cases: Focus on seamless intelligence sharing at the investigation stage to strengthen cases, avoiding

- **Heed the Supreme Court's Guidelines on Summons:** The Court endorsed the Guidelines on Issuance of Summons dated 17.08.2022. Summons mustnot be issued routinely for information available on the portal. They should be well-thought-out, specific, and not used for "roving inquiries."
- **Leverage Technology for Transparency:** The IT infrastructure (GST Portal) must be upgraded to provide real-time visibility of issued SCNs (not investigations) across administrations to practically enforce the bar under Section 6(2)(b).

The Armour Security judgment has provided the compass to navigate the complex cross-empowerment framework of GST. **For professionals and businesses alike, the message is clear: focus on the Show Cause Notice, because that is where the real action and protection begin.**



Credit eligibility under GST w.r.t Pre-fabricated Buildings/Structures



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Input tax credit (ITC) is at the heart of GST which intends to avoid cascading effect of taxes thereby ensuring that businesses pay tax only on value addition at each stage of the supply chain. However, ITC is a statutory right and not a constitutional right as was held in the case of M/s. M. Trade Links Vs Union of India . This would mean that for being eligible to ITC of any GST paid, the provisions in the statute have to be adhered to.

In this article we are examining the eligibility of credit related to GST paid on prefabricated buildings / Pre-engineered building (PEB). In today's era where everyone wants things to reach them at a fast pace, PEB's have become popular as they enable structures being built in no time as compared to the brick and cement building.

What is Prefabricated building?

PEB is a structure whose components or modules are manufactured in a factory and then transported to the construction site for quick assembly. This is a trending alternative to traditionally constructed buildings. PEBs are trending because they offer a faster, more affordable alternative to traditional construction. PEBs can be used as office premises, guest house, supermarket, manufacturing units, etc. Additionally, it enables the flexibility of being dismantled and re-assembled at some other location.

What's the dispute?

The moment, it is a building that comes into existence, it's a natural tendency of the department officers to deny any GST paid on it, by treating it to be an immovable property that is constructed to remain at one place for a long period of time. One such ruling was given by the Authority of Advance Ruling (AAR), Gujarat in the case of M/s. HMSU Rollers (India) Private Limited which is summarised below:

Facts of the case:

M/s. HMSU Rollers (India) Pvt Ltd ('Applicant'), for their project expansion, received works contract services for installation of PEB structure, for which invoice is issued under SAC 995411 (Installation, assembly and erection services of pre-fabricated buildings). A 10-ton crane is installed in PEB and the load of the crane is borne by PEB.

AAR's discussion and conclusion:

AAR noted that Applicant received works contract services for installation and erection of a PEB, which constitutes an **immovable property**.

Under Section 17(5)(c) and (d) of the CGST Act, ITC is specifically blocked in respect of works contract services and goods or services used for the construction of immovable property (other than plant and machinery) on one's own account.

The term "plant and machinery" as defined in the law expressly excludes land, building or any **other civil structures**.

Thus, AAR ruled that the PEB in question is a civil structure, and even if it facilitates the operation of an overhead crane, it cannot by any stretch be considered "plant and machinery" within the meaning of the Act.

Consequently, any inputs, input services, or capital goods like rails and electrification which are used in its construction and become embedded in the structure also become part of the immovable property, and the ITC thereon stands blocked by virtue of Section 17(5)(c) and (d).

Writers' comments:

The ruling has considered the PEB to be an immovable property which itself is prone to challenge for the following reasons:

a. Classification for the PEB is under HSN 9406 under the Customs Tariff (as is applicable for GST classification) which also includes completed buildings. In Note-4 of chapter 94, it is specified that for the purpose of heading 94.06, the expression "*Prefabricated buildings*" means **buildings which are finished in the factory or put up as elements, presented together, to be assembled on site, such as housing or worksite accommodation, offices, schools, shops, sheds, garages or similar buildings**.

b. In the case of M/s. Bharti Airtel Ltd.8, the Hon'ble Supreme Court itself has noted that PEB structures are movable. Thus, the moment PEBs are movable, the restriction u/s 17(5)(c) and (d) should not be applicable.

c. Even assuming PEB is immovable, one can consider it to be a support structure for the crane which is itself a plant and equipment and thereby credit should be eligible since the term P&M as defined under GST includes support structures.

However, the following points need to be taken care by the trade and industry while claiming the credit on PEB:

a.If the HSN mentioned in the invoice is 9406, it would represent that what is purchased is goods and installation/its commissioning is merely an incidental service. Though in the view of the writers, 9954 HSN mentioned in the invoice itself should not lead to a conclusion that the structure is immovable.

b. The Supreme Court in the case of Bharti Airtel supra noted various aspects/tests that need to be present for any structure to be regarded as movable. One of such test is the intention of erecting the structure. Whether it is intended to be permanent/not. In this regard, businesses should have some material to indicate that it is not a permanent structure.

c. Getting a Chartered Engineers certification which also indicates the movability of the structure.

d. One could also consider reversing credit w.r.t. PEB under protest and applying for refund or availing credit and not utilising it, in order to avoid any interest demands on the ITC claimed.

Hence, any business can ensure that certain aspects are taken care of, while finalising the contracts/agreements/work orders and invoices for procurement of PEB to ensure that any dispute from department in this regard can be defended effectively. GST being a new law, it would take time for this issue to settle. Due to this if businesses take a conservative view and do not avail credit on their purchases of PEB within the time limit provided in the law, any subsequent favourable decisions on this aspect would be of no avail for them for the past PEB installations.

Hence, businesses need to take a reasoned decision in this regard since the amounts involved in these transactions are not small.

The views expressed are strictly personal and cannot be regarded as an opinion. For any queries or feedback please write to shilpijain@hnaindia.com or divya.v@hnaindia.com



Spotlight on Export Benefit Schemes

Remission of Duties and Taxes on Exported Products ('RoDTEP Scheme')

Part 2: Mechanism and Compliances

The RoDTEP scheme aims to reimburse duties, taxes, and levies incurred on exported products, including prior stage cumulative indirect taxes on goods and services used in their production and distribution. For instance, if a pharmaceutical manufacturer pays excise duty (neither reccredited nor refunded) on fuel used in production, such cost is refunded under this scheme to reduce the overall tax burden. However, only duties directly borne on exported products are refunded through this scheme. Indirect expenses such as blocked GST credits on food, construction, or other non-production costs would be outside the scope. Also, the rebate is not available for duties and taxes which are already exempted or remitted or credited. This scheme is currently applicable till 31.03.2026.

Ineligibility:

Following categories of exports are not eligible for RoDTEP benefits:

1. Export of imported goods
2. Exports through transshipments.
3. Export product subject to minimum export price or export duty
4. Export of restricted or prohibited items
5. Deemed exports
6. SEZ supplies by DTA
7. Exports by MOOWR unit
8. Exports under jobbing scheme
9. Export of second hand goods
10. Exports from non-EDI ports.

Mechanism to claim RoDTEP benefits:

1. Check whether the exported product is covered under the RoDTEP schedule or not.
2. Identify the RoDTEP rates applicable for the exported products. Appendix-4R is applicable for DTA and Appendix-4RE is applicable for exports made by SEZ/AA/EOU. Both the schedules can be accessed at <https://www.dgft.gov.in/CP/?opt=RoDTEP>.
3. If the RoDTEP rate is available for the exported product, mention the intention to claim RoDTEP benefit by ticking appropriate box in the shipping bill. The RoDTEP amount would be automatically calculated based on the HSN details entered by the exporter.
4. If the shipping bill is transmitted to the DGFT portal, the scrolls would be generated on the ICEGATE portal. However, if there are any transmission errors, the exporter needs to resolve the same on ICEGATE portal and retransmit the shipping bill to the DGFT portal.
5. Once the scrolls are generated, the exporter can convert them into scrips within 1 year from the date of scroll. If the scrolls are not converted to scrips within 1 year, they will be automatically converted to scrip on the date of expiry of 1 year.
6. Multiple scrolls of same port code can be clubbed and converted into a single scrip.

7. The scrip generated can be utilised for payment of Basic Customs duty on imports. If the exporter does not have any imports, he can sell these scripts to any other person. It shall be noted that the scrip cannot be used for payment of other taxes and duties like SWS, IGST, ADD, CVD etc.,

8. The scrips have a validity period of 2 years. In case the exporter does not utilise or transfer the scrips within this period, they would be lapsed.

Small hack while converting scrolls to scrips:

As discussed, a scroll remains valid for one year for conversion into a scrip, and the scrip, once issued, has a validity of two years for utilisation. Therefore, exporters may strategically assess their requirement for scrips and convert scrolls on FIFO basis only when there is an actual need to pay BCD. Immediate conversion of scrolls upon generation may result in the loss of the additional one-year validity period available for the scroll.

Compliances:

Any exporter whose total RoDTEP claim exceeds Rs. 1 crore in a financial year is required to file the Annual RoDTEP Return (ARR) by 31st March of the following financial year. In case the return is not filed by this date, the exporter can still file the same by 30th June by paying a composition fee of Rs. 10,000. However, if the return is not filed even after this extended period, the exporter cannot use scrips for payment of BCD, and no further scrolls will be generated until exporter files the return along with a composition fee of Rs. 20,000.

The requirement to file the ARR has been implemented from FY 2023-24. The due date for filing the ARR for FY 2023-24 was 31.03.2025, which has been extended to 30.06.2025. The additional period for filing with a composition fee of Rs. 10,000 has also been extended until 30.11.2025.



Updates in GST



GST

Notification-Central Tax

Notification No. and Date of issue	Subject
Notification no. 13/2025-CT-GST dated 17.09.2025	<p>Seeks to notify the Central Goods and Services Tax (Third Amendment) Rules 2025.</p> <p>HNA Comments:</p> <p>Central Goods and Services Tax (Third Amendment) Rules, 2025 introduce several updates to the GST framework. Key changes include modifications to FORM GSTR-9 and FORM GSTR-9C to refine the reporting of input tax credit (ITC) and taxable turnover, particularly for e-commerce transactions. A new process for provisional refunds, based on a risk assessment system, has been implemented, with the proper officer now required to issue a refund order within seven days.</p> <p>Read more : https://taxinformation.cbic.gov.in/view-pdf/1010462/ENG/Notifications</p>
Notification no. 14/2025-CT-GST dated 17.09.2025	<p>Seeks to notify category of persons under section 54(6).</p> <p>HNA Comments:</p> <p>Category of registered person who shall not be allowed refund on provisional basis under section 54 of CGST Act, 2017 (Persons who have not undergone Aadhaar authentication; Suppliers of areca nuts, pan masala, Tobacco etc).</p> <p>Read more : https://taxinformation.cbic.gov.in/view-pdf/1010464/ENG/Notifications</p>
Notification no. 15/2025-CT-GST dated 17.09.2025	<p>Seeks to exempt taxpayer with annual turnover less than Rs 2 Crore from filing annual return.</p> <p>HNA Comments:</p> <p>Exemptions from filing of annual return for the financial year 2024-25 onwards to registered person whose aggregate turnover in any financial years is upto Rs. 2 crore.</p> <p>Read more: https://taxinformation.cbic.gov.in/view-pdf/1010465/ENG/Notifications</p>
Notification no. 16/2025-CT-GST dated 17.09.2025	<p>Seeks to notify clauses (ii), (iii) of section 121, section 122 to section 124 and section 126 to 134 of Finance Act, 2025 to come into force.</p> <p>HNA Comments:</p> <p>Notification no. 16/2025-CT-GST states that the provisions of clauses (ii) and (iii) of section 121, sections 122 to 124, and sections 126 to 134 of the Finance Act, 2025, shall come into force from the 1st day of October 2025.</p> <p>Read more : https://taxinformation.cbic.gov.in/view-pdf/1010466/ENG/Notifications</p>

Notification No. and Date of issue	Subject
<p>Notification no. 09/2025-CT(R)-GST dated 17.09.2025</p>	<p>Seeks to supersede Notification No. 1/2017- Central Tax (Rate) dated 28.06.2017.</p> <p><u>HNA Comments:</u></p> <p>Notification no. 09/2025-CT(R) supersedes the earlier Notification No.01/2017-Central Tax (Rate) dated 28th June 2017. The majority of changes in the rate of goods proposed in the 56th GST Council have been given effect through this notification.</p> <p><u>Read more: https://taxinformation.cbic.gov.in/view-pdf/1010436/ENG/Notifications</u></p>
<p>Notification no. 10/2025-CT(R)-GST dated 17.09.2025</p>	<p>Seeks to supersede Notification No. 2/2017- Central Tax (Rate) dated 28.06.2017</p> <p><u>HNA Comments:</u></p> <p>Through this notification, the CBIC gives effect to the recommendations relating to exemptions on various goods, including those pertaining to food items, the education sector, and the health sector, as discussed in the 56th GST Council meeting held on 3rd September 2025. This notification supersedes the earlier Notification No. 2/2017–Central Tax (Rate) dated 28.06.2017. It also includes two annexures: Annexure I lists the drugs and medicines granted full exemption, while Annexure II lists the indigenous handmade musical instruments that are fully exempt.</p> <p><u>Read more: https://taxinformation.cbic.gov.in/view-pdf/1010437/ENG/Notifications</u></p>
<p>Notification no. 11/2025-CT(R)-GST dated 17.09.2025</p>	<p>Seeks to amend Notification No. 3/2017- Central Tax (Rate) dated 28.06.2017.</p> <p><u>HNA Comments:</u></p> <p>This notification has been issued to amend Notification No. 3/2017–Central Tax (Rate) dated 28th June 2017, which prescribed a concessional GST rate of 2.5% (CGST) on petroleum operation supplies. Pursuant to the amendment made through Notification No. 11/2025–Central Tax (Rate), the goods listed in the annexure to Notification No. 3/2017 will now attract the standard GST rate of 18%, replacing the earlier concessional rate of 5%.</p> <p><u>Read more: https://taxinformation.cbic.gov.in/view-pdf/1010438/ENG/Notifications</u></p>
<p>Notification no. 12/2025-CT(R)-GST dated 17.09.2025</p>	<p>Seeks to amend Notification No. 8/2018- Central Tax (Rate) dated 25.01.2018.</p> <p><u>HNA Comments:</u></p> <p>This notification amends the earlier Notification No. 8/2018-Central Tax (Rate) dated 28.01.2018, which exempts intra-State supplies of specified goods from so much of the central tax leviable thereon under Schedule IV of Notification No. 1/2017–Central Tax (Rate) as is in excess of the amount calculated at the rate specified. The Notification No. 8/2018–Central Tax (Rate) dated 25.01.2018 has been amended to replace the reference to Schedule IV of Notification No. 1/2017 with Schedule II or Schedule III of Notification No. 9/2025–Central Tax (Rate). It is mainly a technical amendment that updates the cross-reference in the original Notification 8/2018. Any goods or services, or concessional rates earlier linked to Schedule IV of Notification No. 1/2017–Central Tax (Rate), shall now be governed by the rates and conditions specified in Schedules II and III of Notification No. 9/2025–Central Tax (Rate).</p> <p><u>Read more: https://taxinformation.cbic.gov.in/view-pdf/1010439/ENG/Notifications</u></p>
<p>Notification no. 13/2025-CT(R)-GST dated 17.09.2025</p>	<p>Seeks to amend Notification No. 21/2018- Central Tax (Rate) dated 26.07.2018.</p> <p><u>HNA Comments:</u></p> <p>The notification seeks to amend Notification No. 21/2018–Central Tax (Rate) dated 26.07.2018, which grants concessional GST rates on a range of handicraft goods, handmade articles, and artisanal products to promote traditional artisans and cottage industries. Pursuant to the recommendations of the 56th GST Council, the Central Government has undertaken a revision and consolidation of the list of goods along with the corresponding GST rates under this notification. For the majority of the listed goods, a GST rate of 5% shall apply; Certain items, such as silver filigree work and handmade imitation jewellery, will attract a GST rate of 3%.</p> <p><u>Read more: https://taxinformation.cbic.gov.in/view-pdf/1010440/ENG/Notifications</u></p>

<p>Notification no. 14/2025-CT(R)-GST dated 17.09.2025</p>	<p>Seeks to notify GST rate for bricks.</p> <p><u>HNA Comments:</u></p> <p>This notification seeks to notify the rate of tax to be charged at 6% CGST & SGST respectively, on items of Fly ash bricks; Fly ash aggregates; Fly ash blocks, Bricks of fossil meals or similar siliceous earths, Building bricks, and Earthen or roofing tiles with effect from 22nd September 2025.</p> <p><u>Read more:</u> https://taxinformation.cbic.gov.in/view-pdf/1010441/ENG/Notifications</p>
<p>Notification no. 15/2025-CT(R)-GST dated 17.09.2025</p>	<p>Seeks to amend Notification No 11/2017 - Central Tax (Rate) dated 28th June, 2017 to implement the recommendations of the 56th GST Council.</p> <p><u>HNA Comments:</u></p> <p>Through this notification, the CBIC amends the principal Notification No. 11/2017-Central tax (Rate) dated 28th June 2017, which enumerates several significant changes in the rate of tax for services as proposed by the 56th GST council with effect from 22nd September 2025.</p> <p><u>Read more:</u> https://taxinformation.cbic.gov.in/view-pdf/1010453/ENG/Notifications</p>
<p>Notification no. 16/2025-CT(R)-GST dated 17.09.2025</p>	<p>Seeks to amend Notification No 12/2017-Central Tax (Rate dated 28th June, 2017 to implement the recommendations of the 56th GST Council.</p> <p><u>HNA Comments:</u></p> <p>This notification amends the principal Notification No. 12/2017-Central tax (Rate) dated 28th June 2017, which enumerates several exemptions for services (insurance service provided to individuals) & also inserts certain explanations (with respect to local delivery services by/through ECO) as proposed by the 56th GST council with effect from 22nd September 2025, through this notification.</p> <p><u>Read more:</u> https://taxinformation.cbic.gov.in/view-pdf/1010454/ENG/Notifications</p>
<p>Notification no. 17/2025-CT(R)-GST dated 17.09.2025</p>	<p>Seeks to amend Notification No 17/2017-Central Tax (Rate), dated 28th June, 2017 to implement the recommendations of the 56th GST Council.</p> <p><u>HNA Comments:</u></p> <p>This notification amends the taxability of local delivery services made through the E-Commerce Operator. For such delivery services, the GST that is leviable and collectable from local delivery service providers through the ECO shall be paid by the ECO under section 9(5) of the CGST Act, 2017, except in cases where the local delivery service providers are registered.</p> <p><u>Read more:</u> https://taxinformation.cbic.gov.in/view-pdf/1010455/ENG/Notifications</p>

GST

Circulars

Notification No. and Date of issue	Subject
<p>Circular no. 251/08/2025-GST dated 12.09.2025</p>	<p>Clarification on various doubts related to treatment of secondary or post-sale discounts under GST.</p> <p><u>HNA Comments:</u></p> <p>Through this Circular, the CBIC clarifies that dealers are not required to reverse Input Tax Credit (ITC) in cases where manufacturers issue financial or commercial credit notes without tax adjustment, as the original transaction value and tax liability remain unchanged. It further clarifies that post-sale discounts in a principal-to-principal sale merely reduce the dealer's purchase cost and do not constitute consideration for the dealer's onward supply to consumers, except where the manufacturer has an agreement with end customers and issues credit notes to enable sales at concessional rates, which will then be treated as consideration. Similarly, ordinary post-sale discounts are not to be treated as consideration for promotional services; however, where dealers undertake specific promotional activities such as co-branding, advertising, exhibitions, or customer support under an agreed arrangement with defined consideration, the same shall be regarded as a separate supply of services and liable to GST.</p> <p><u>Read more :</u> https://taxinformation.cbic.gov.in/view-pdf/1003287/ENG/Circulars</p>

Communication to taxpayers through eOffice - requirement of Document Identification Number (DIN).

HNA Comments:

CBIC had earlier mandated quoting of a Document Identification Number (DIN) on all communications with taxpayers, as per Circulars No. 122/41/2019 and 128/47/2019. Later, Circular No. 249/06/2025 clarified that communications issued via the GST common portal, which already bear a verifiable Reference Number (RFN), do not require DIN, since the RFN itself validates the communication. On similar lines, it was noted that communications issued through CBIC's eOffice system carry an automatically generated unique "Issue Number." Earlier, as no mechanism was available to verify these numbers, officers were required to generate and quote DIN additionally. Now, CBIC has introduced an online utility that enables taxpayers and other stakeholders to authenticate communications dispatched using the eOffice public option by verifying the Issue Number. The utility confirms details such as file number, date of issue, type of communication, issuing office, and masked recipient details. Accordingly, the Board has decided that for communications dispatched via the eOffice public option, the Issue Number itself shall be treated as the DIN. Quoting a separate DIN in such cases is unnecessary. However, DIN shall remain mandatory for communications not sent via the eOffice public option or for those not carrying a verifiable RFN on the GST portal.

Read more: <https://taxinformation.cbic.gov.in/view-pdf/1003290/ENG/Circulars>

Circular no. 252/09/2025-GST
dated 23.09.2025



Updates in Customs and FTP



Updates in Customs and Foreign Trade Policy

Type	Particulars	Subject
Customs Notification (Tariff)	37/2025 – Customs dated 17.09.2025	<p>Exemption on Defence Related Imports</p> <p>Summary: The government has added 18 new products to the list of defence imports exempt from Customs duties and IGST.</p> <p>Comments: The exemption covers items like simulators, amplifiers, transport aircraft, and underwater vessels (including their parts) etc., to lower duties on import of defence equipment not made in India.</p>
Customs Notification (Tariff)	38/2025 – Customs dated 17.09.2025	<p>Exemption of IGST on works of arts and antiques</p> <p>Summary: The BCD on import of arts and antiques has been exempted earlier in May 2025. However, recently, the CBIC has exempted IGST also on these imports.</p> <p>Comments: The exemption is applicable only for museum or art gallery and the imported goods shall be used for public exhibition, but not for sale.</p>
Customs Notification (Tariff)	39/2025 – Customs dated 17.09.2025	<p>IGST on goods imported for petroleum operations increased</p> <p>Summary: IGST on goods specified in list 33 of Notification No. 50/2017 – Customs imported for use in relation to petroleum or coal bed methane operations is increased from 12% to 18%.</p> <p>Comments: This change is made following the GST rate changes that happened through 56th Council Meeting. This increased IGST leads to increase in the cost of petroleum products since they are outside the purview of GST.</p>
Customs Notification (Tariff)	40/2025 – Customs dated 25.09.2025	<p>Exemption for project imports – extended!!</p> <p>Summary: Any goods imported for setting up the following projects are exempted from payment of customs duty or have lesser customs duties (applicable till 30.09.2027):</p> <ol style="list-style-type: none"> 1. Power generation transmission, sub-transmission and distribution projects – 5% 2. Mega power projects, specified nuclear power plant, water supply projects – Nil. 3. Any other project import – 5% <p>Comments: Earlier valid till 30.09.2025, now extended to 30.09.2027. Exemption for coal mining projects not extended. They now attract 5% duty under the residual category.</p>
Customs Notification (Tariff)	41/2025 – Customs, 43/2025 – Customs & 43/2025 – Customs dated 25.09.2025	<p>India-EFTA Trade and Economic Partnership Agreement</p> <p>Summary: India has signed an FTA with EFTA nations (Iceland, Liechtenstein, Norway, and Switzerland), and these notifications implement the first phase of tariff concessions.</p> <p>Comments: Imports like watches, wines, and chocolates from these countries will become cheaper. The FTA provides for phased reduction or elimination of duties.</p>
Customs Notification (Non-Tariff) and Customs Circular	55/2025 – Customs dated 10.09.2025 and Circular 22/2025 – Customs dated 12.09.2025 Customs dated 12.09.2025	<p>Provisional Assessment – new regulations notified</p> <p>Summary: The CBIC has notified Customs (Finalization of Provisional Assessment) Regulations, 2025 suppressing the earlier 2018 regulations. These regulations conform to the changes made in section 18 of the Customs Act. 1962 vide the Finance Act, 2025.</p> <p>Comments: Earlier, no time limit was prescribed for finalizing provisional assessments, causing delays and interest costs. Now, finalization shall be completed within 2 yrs, extendable by 1 year.</p>

Type	Particulars	Subject
Customs Circular	21/2025 – Customs dated 12.09.2025	<p>Strengthening Institutionalized Consultation Mechanisms</p> <p>Summary: CBIC broadens the members of PTFC to include DGFT, custodians, PGAs, shipping lines, trade councils etc., and CCFC to include senior customs officers, Ministry of Shipping, Railways, Highways, Civil Aviation etc., It also increases the frequency of their meetings.</p> <p>Comments: To address reduced direct interaction due to faceless systems, CBIC is strengthening these forums for quicker issue resolution and better trade representation.</p>
Customs Circular	23/2025 – Customs dated 12.09.2025	<p>Communication through E-Office</p> <p>Summary: The auto-generated Issue Number on e-office communications would serve as DIN. No need to generate DIN separately for documents issued through e-office. Taxpayer can verify the authenticity of the document by entering the issue number on https://verifydocument.cbic.gov.in/</p> <p>Comments: This change avoids duplication of two unique numbers on the same letter and simplifies verification for taxpayers. The validation mechanism keeps the communications by CBIC fully authentic and traceable.</p>
DGFT Notification	31/2025-26 dated 23.09.2025	<p>SCOMET List updated</p> <p>Summary: The Government has revised the SCOMET list under Appendix-3 of Schedule-II (Export Policy). The said amendment has been made in line with multilateral export control regimes.</p> <p>Comments: Multilateral export control regimes are voluntary agreements between countries to regulate the trade of dual-use goods and sensitive technologies to prevent misuse. By adhering to them, India reinforces its commitment to non-proliferation and responsible export controls.</p>
DGFT Notification	35/2025-26 dated 23.09.2025	<p>Extension of RoDTEP till 31.03.2026</p> <p>Summary: Earlier the RoDTEP scheme was applicable for the exporters only till 30.09.2025. The said scheme is now extended to exporters of DTA/AA/EOU/SEZ till 31.03.2026.</p> <p>Comments: This extension comes as a relief to the exporters who are facing challenges due to higher US tariffs.</p>



GST Portal News and Updates



Sl.No	Date	Functionality	Particulars
01	01.09.2025	Gross and Net GST revenue collections for the month of Aug, 2025	<p>Please click on the link below to view the gross and net GST revenue collections for the month of August, 2025.</p> <p>https://tutorial.gst.gov.in/downloads/news/approved_monthly_gst_data_for_publishing_aug_2025.pdf</p>
02	23.09.2025	Advisory: New Changes in Invoice Management System (IMS)	<p>This is to bring to your notice that several new changes have been introduced in the Invoice Management System (IMS) to simplify the taxation system and reduce the compliance burden on the taxpayers. The following are the key updates</p> <p>Pending action for specified records: Taxpayers can keep specified records pending for a limited time period. For monthly taxpayers, this period is one tax period (months), for quarterly taxpayers also it is one tax period (quarter) only. The specified records which can be kept pending in the system are mentioned below</p> <ol style="list-style-type: none"> Credit notes, or upward amendment of Credit note Downward amendment of CN where original CN rejected Downward amendment of Invoice / DN only where original Invoice already accepted and 3B has been filed ECO-Document downward amendment only where original accepted, and 3B has been filed <p>Declaring ITC reduction amount:</p> <p>It is clarified that, in cases where the recipient has not availed Input Tax Credit (ITC) in respect of the relevant invoice or document, no reversal of ITC shall be warranted. Further, in cases where ITC has been availed only partially, the obligation to reverse ITC shall be limited to the extent of such availment.</p> <p>Therefore, In IMS a facility has been made available to taxpayers to declare the amount of ITC actually availed and, to the extent applicable, required to be reversed in respect of the selected record. The said facility permits reversal of ITC, either in full or in part, by entering the amount availed to be reversed. This facility may also be utilized in cases where the taxpayer has already effected such reversal, either wholly or partially, at an earlier point of time, or where the ITC pertaining to the relevant invoice or document was never availed. Such facility is provided for the afore-mentioned specified records.</p> <p>Option to save remarks: Taxpayers can now save remarks while taking reject or pending action on records. This optional facility allows taxpayers to add remarks (will be rolled out shortly). Such remarks will be visible in GSTR-2B for future reference and to suppliers in the Outward Supplies view dashboard, to take corrective measures.</p> <p>Important Dates:</p> <p>The changes of keeping credit notes pending and declaring the ITC amount, as mentioned above shall be made effective on the portal from October tax period. Due date for keeping records pending: The due date for keeping records pending is calculated based on the date/ tax period in which such documents has been communicated by the supplier.</p> <p>Prospective Application:</p> <p>The new changes will be available only for records filed by suppliers after the production rollout of these changes. Taxpayers are advised to carefully review these changes before taking action and filing their returns.</p>

Sl.No	Date	Functionality	Particulars																						
03	25.09.2025	Advisory to file pending returns before expiry of three years	<p>As per the Finance Act,2023 (8 of 2023), dt. 31-03-2023, implemented w.e.f 01-10-2023 vide Notification No. 28/2023 – Central Tax dated 31th July, 2023, the taxpayers shall not be allowed file their GST returns after the expiry of a period of three years from the due date of furnishing the said return under Section 37 (Outward Supply), Section 39 (payment of liability), Section 44 (Annual Return) and Section 52 (Tax Collected at Source). These Sections cover GSTR-1, GSR-1A, GSTR 3B, GSTR-4, GSTR-5, GSTR-5A, GSTR-6, GSTR 7, GSTR 8 and GSTR 9 or 9C.</p> <p>Hence, above mentioned returns will be barred for filing after expiry of three years. The said restriction will be implemented on the GST portal from October 2025 Tax period. Which means any return for which due date was three years back or more and hasn't been filed till October Tax period will be barred from Filing. In this regard an advisory was already issued by GSTN on 29th October, 2024'</p> <p>Illustration : For ease of reference and better clarity, the latest GST returns that will be barred from filing w.e.f 1st November 2025 are detailed in the table below:</p> <table border="1"> <thead> <tr> <th>GST Forms</th> <th>Barred Period (w.e.f. 1st November,2025)</th> </tr> </thead> <tbody> <tr> <td>GSTR-1/IFF</td> <td>September-2022</td> </tr> <tr> <td>GSTR-1Q</td> <td>July-Sep 2022</td> </tr> <tr> <td>GSTR-3B/M</td> <td>September-2022</td> </tr> <tr> <td>GSTR-3BQ</td> <td>July-Sep 2022</td> </tr> <tr> <td>GSTR-4</td> <td>FY 2021-22</td> </tr> <tr> <td>GSTR-5</td> <td>September-2022</td> </tr> <tr> <td>GSTR-6</td> <td>September-2022</td> </tr> <tr> <td>GSTR-7</td> <td>September-2022</td> </tr> <tr> <td>GSTR-8</td> <td>September-2022</td> </tr> <tr> <td>GSTR-9/9C</td> <td>FY 2020-21</td> </tr> </tbody> </table> <p>Hence, the taxpayers are once again advised to reconcile their records and file their GST Returns as soon as possible if not filed till now.</p>	GST Forms	Barred Period (w.e.f. 1st November,2025)	GSTR-1/IFF	September-2022	GSTR-1Q	July-Sep 2022	GSTR-3B/M	September-2022	GSTR-3BQ	July-Sep 2022	GSTR-4	FY 2021-22	GSTR-5	September-2022	GSTR-6	September-2022	GSTR-7	September-2022	GSTR-8	September-2022	GSTR-9/9C	FY 2020-21
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04	26.09.2025	Invoice-wise Reporting Functionality in Form GSTR-7 on portal-reg	<p><i>Vide Notification No. 09/2025 – Central Tax dated 11.02.2025, Form GSTR-7 was amended to enable capture of invoice-wise reporting of tax deducted at source (TDS).</i></p> <p><i>In this regard, it is informed that the functionality for invoice-wise reporting in GSTR-7 has now been made operational on the GSTN portal. Hence from September 2025 tax period in Form GSTR-7 invoice level reporting is required.</i></p> <p><i>Accordingly, all TDS Deductors are requested to prepare the data accordingly so that they could furnish invoice-level details on which TDS has been deducted while filing FORM GSTR-7 for the September return period onwards. Due date for September tax period return filing is 10th October 2025.</i></p> <p>For any difficulty or concerns, it is advised to raise a grievance through the Self-Service Portal available on the GST Portal, along with all relevant details, to facilitate prompt and effective resolution.</p>																						



Firm Updates and Achievements



MAHRATTA CHAMBER OF COMMERCE, INDUSTRIES AND AGRICULTURE

Capability Building Program for Industry Upskilling on

“A Guide to Successfully Facing a GST Audit or Litigation”

Tuesday, 23rd September, 2025 – 10.00 a.m. to 5.00 p.m.

**Venue: Shekhar Natu Training Hall No. 3, MCCIA Trade Tower, 5th floor,
Senapati Bapat Road, Pune 16**

(Medium of Instructions: Combination of English, Hindi, and Marathi)

We are pleased to share that HNA Pune Branch successfully conducted a session on “A Guide to Successfully Facing a GST Audit or Litigation” as part of MCCIA’s Capability Building Program for Industry Upskilling on 23rd September 2025. The session, led by CA Nandini H. Gupta and CA Vyankatesh Agarwal, provided valuable insights on handling departmental audits, drafting effective replies, and understanding key legal aspects under GST. The interactive workshop was well-received by participants, offering practical guidance and real-life examples to help businesses navigate GST audits confidently

" GST 2.0 Reforms - Practical Insights for CAs & Industry" at AIWCAA

We are delighted to share that CA Asha Latha delivered an insightful session on “GST 2.0 Reforms – Practical Insights for CAs & Industry” at AIWCAA on 26th September 2025, which was attended by around 55 Chartered Accountants. Her in-depth knowledge and engaging presentation made the session highly informative and greatly appreciated by all participants.



CA Asha Latha

Please find the recording attached for your reference.

[Click Here](#)



Our Recent Podcasts on GST 2.0



Intermediary under GST 2.0 by CA Vikram Katariya and Advocate... :

[Click Here](#)



DN & CN post GST rate change by CA Vikram Katariya and Advocate... :

[Click Here](#)



Fate of Compensation Cess credit post GST 2.0 by CA Vikram Katariya :

[Click Here](#)



IDS Refund post GST rate revision by CA Vikram Katariya and... :

[Click Here](#)



GST 2.0 | The Next Big Overhaul in India's Indirect Tax System | EP01 :

[Click Here](#)



Part-02 | GST 2.0 | Impact and Action Points for Manufacturers, Dealers and consumers :

[Click Here](#)



Issue: RoDTEP Benefit issued for Export of goods, was missed to encash due to scroll not being generated automatically.

Facts: It is often assumed that scrolls will be generated on ICEGATE after selecting “Yes” under the RoDTEP scheme in the shipping bill. However, due to transmission issues or data mismatches, scrolls may not be generated sometimes, which leads to non-realization of eligible RoDTEP benefit.

How is this identified: While doing a comprehensive review of RoDTEP claim for one of our clients, we identified the RoDTEP claim as per shipping bills is not matched with actual RoDTEP amount received on ICEGATE portal. Upon further analysis, we understand that the root cause was non-transmission of shipping bills from ICEGATE to DGFT portal.

Solution: To resolve this, we identified the transmission errors, resolved the same, flagged the issue before the department to generate scrolls for the missed RoDTEP claim, this enabled the client to encash the RoDTEP benefit by way of credit to the bank account.

Although the RoDTEP claim amount may seem small, exporters should give it significant attention, as it can accumulate to a substantial sum depending on the export turnover.

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