



Inside this edition

Notifications and Updates

Advisory for Simplified GST Registration Scheme.

Advisory for Furnishing of Bank Account Details as per Rule 10A.

Rulings

SC: Upholds High Court's view that emails to GST Practitioner constitute valid service

HC: Invoking extended limitation u/s 74 absent 'jurisdictional facts', sans allegation of fraud/suppression, illegal.

AAR: No ITC on GST paid for long-term land lease for setting car-battery cell factory.

AAR: Liquidated damages under concession contract are 'pre-agreed cash compensation', not taxable under GST.

HC: Appeal delay beyond four months condonable by Appellate Authority, subject to proper explanation.

Customs

Seeks to amend further the Project Import Regulations, 1986.

& more...

Advisory for Simplified GST Registration Scheme.

The GSTN has introduced a **Simplified GST Registration Scheme under Rule 14A of the CGST Rules, 2017, effective November 1, 2025**, to ease compliance for small taxpayers. Businesses estimating a monthly output tax liability not exceeding ₹2.5 lakh can opt for this scheme while applying in FORM GST REG-01 by selecting the Rule 14A option. Aadhaar authentication is mandatory for the Primary Authorized Signatory and one Promoter/Partner, and registration will be granted electronically within three working days upon successful verification. Taxpayers wishing to withdraw later must file all pending returns and meet minimum filing requirements—three months’ returns before April 1, 2026, or one tax period after April 1, 2026—with no pending amendment/cancellation applications or proceedings under Section 29. This initiative aims to reduce compliance burden and promote ease of doing business for small taxpayers.

Source- Notification

Advisory for Furnishing of Bank Account Details as per Rule 10A.

The **GSTN on 20th November, 2025** has reminded taxpayers of the requirement under Rule 10A of the CGST Rules to furnish bank account details within 30 days of registration or before filing GSTR-1/IFF, whichever is earlier. This mandate applies to all taxpayers except those registered under TCS, TDS, or suo-moto registration. The changes will soon be implemented on the GST Portal, and failure to comply may result in suspension of GST registration and disruption of business activities.

Taxpayers who have not yet provided their bank details should update them immediately through a non-core amendment by navigating to: Services → Registration → Amendment of Registration Non-Core Fields.

Source- Notification

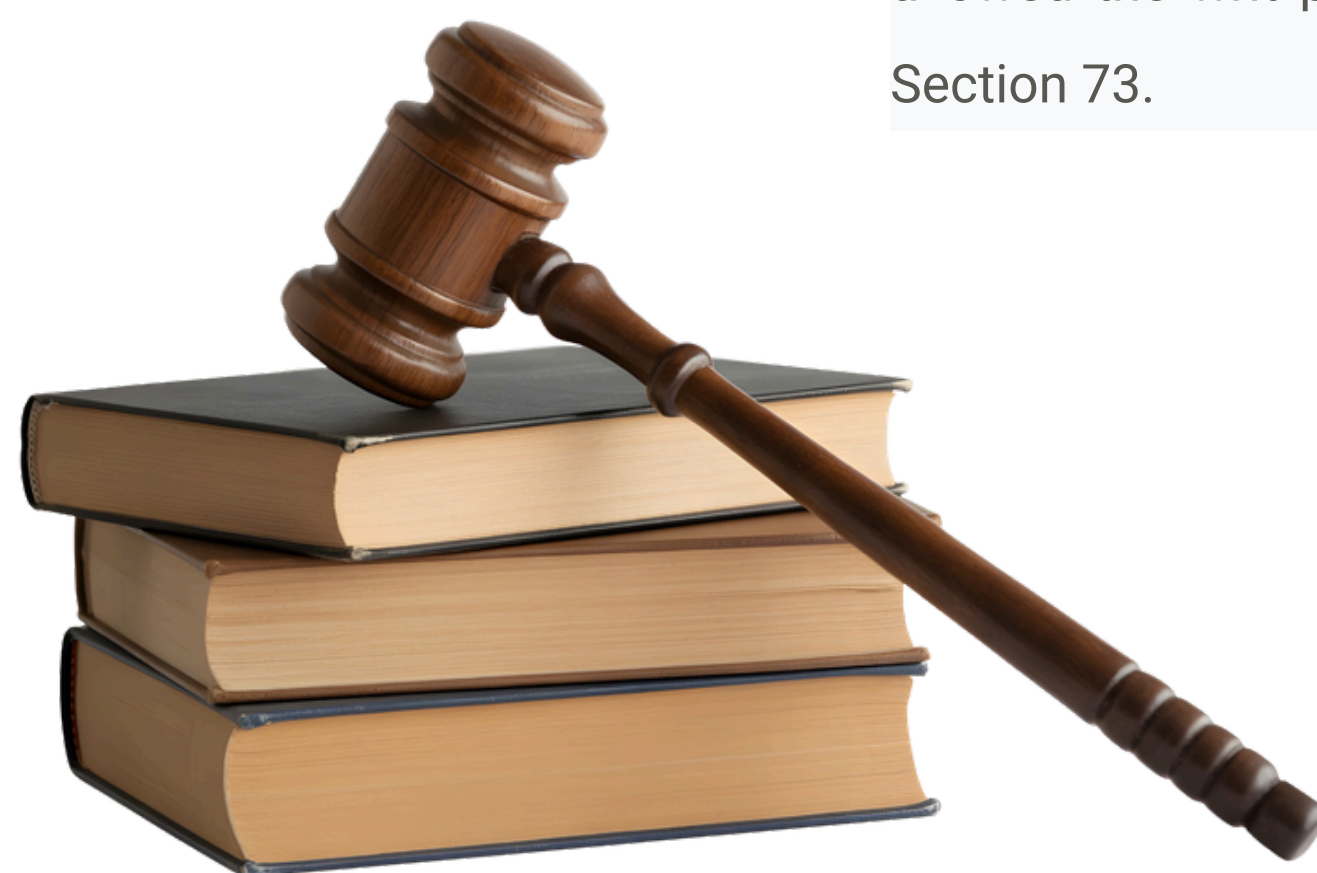


SC: Upholds High Court's view that emails to GST Practitioner constitute valid service

In the case of **Mathur Polymers v. Union of India & Ors.** [SPECIAL LEAVE PETITION (CIVIL) Diary No. 50279/2025, dated 7th November 2025], the **Hon'ble Supreme Court** dismissed the assessee's Special Leave Petition challenging the Delhi High Court's ruling on the validity of service of notices under the CGST Act. The Court upheld that service of personal hearing notices on the registered e-mail address of the GST Practitioner or Chartered Accountant constitutes valid communication under Section 169(1)(c). The Delhi HC had earlier found no violation of natural justice, noting that the assessee concealed receipt of notices sent to the registered GST email on the portal. The HC also affirmed the legality of consolidated show cause notices covering multiple financial years, stating such consolidation may be necessary to establish patterns of tax evasion. The SC declined to interfere, leaving the HC's dismissal and ₹50,000 cost intact, reinforcing that email service to the registered GST practitioner is legally sufficient.

HC: Invoking extended limitation u/s 74 absent 'jurisdictional facts', sans allegation of fraud/suppression, illegal.

In the case of **Neeyamo Enterprise Solutions Pvt. Ltd. vs. Commercial Tax Officer, Office of JC (ST) (Intelligence)** [W.P(MD)Nos.30453 to 30458 of 2024, dated 11th November 2025], the **Hon'ble Madras High Court** quashed assessment orders issued under Section 74 of the CGST Act for FYs 2018–19 to 2023–24, holding that the department wrongly invoked extended limitation without alleging fraud, wilful misstatement, or suppression of facts—which are mandatory jurisdictional facts under Section 74. The Court noted that the show cause notices used the term “determined” instead of “specified,” indicating pre-determination, and emphasized that absence of jurisdictional facts invalidates the proceedings entirely (not just procedural defects). Relying on Supreme Court rulings in *Reliance Industries* and *Tamil Nadu Housing Board*, the Court clarified that mere non-payment or short payment of tax is insufficient; the SCN and order must show the offending conduct. Disagreeing with contrary views, the Court held that lack of these elements undermines the foundation of the SCN, set aside the orders, and allowed the writ petition, while granting Revenue liberty to proceed under Section 73.



Rulings

AAR: No ITC on GST paid for long-term land lease for setting car-battery cell factory.

In the matter of **Agratas Energy Storage Solutions Pvt Ltd.** [GUJ/GAAR/R/2025/46, dated 3rd November 2025] the Hon'ble Gujarat Authority for Advance Ruling held that Agratas Energy, a Tata Motors subsidiary leasing 321 acres of land for 50 years from the State Government to build a car battery cell factory, cannot claim ITC on GST paid under reverse charge on lease rentals due to the restriction under Section 17(5)(d) of the CGST Act. The bar applies regardless of whether payments are made before or after construction, and even for repairs, maintenance, or renovation, since these falls under "construction." ITC is also disallowed for vacant land leased for industrial purposes. The AAR clarified that the term "for" in Section 17(5)(d) covers all goods and services used for construction, not just those directly linked, and emphasized that clauses (c) and (d) operate independently. It also rejected the argument that annual lease rentals should be treated like upfront premium payments (which are exempt for government entities), stating they are different in nature, relying on the Panbari Tea Co. case and GST Council discussions.

AAR: Liquidated damages under concession contract are 'pre-agreed cash compensation', not taxable under GST.

In the matter of **JBM Ecolife Mobility Surat Pvt. Ltd.** [GUJ/GAAR/R/2025/47, dated 3rd November 2025] the Hon'ble Gujarat Authority for Advance Ruling held that GST is not applicable on liquidated damages paid under a concession agreement for operating electric

buses in Surat. These damages, imposed for defaults or breaches, are considered pre-agreed cash compensation for genuine loss, not payment for any taxable supply. The AAR relied on CBIC Circular No. 178/10/2022-GST, which clarifies that such payments are merely a flow of money and not consideration for services. Referring to rulings in GSPC, Achampet Solar, and CESTAT's decision in South-eastern Coalfields, the AAR concluded that liquidated damages under the agreement are not taxable under GST.

HC: Appeal delay beyond four months condonable by Appellate Authority, subject to proper explanation.

In the case **Ashok Ghosh vs, The State of West Bengal and Ors.** [MAT 82 of 2025, dated 4th November 2025], the Hon'ble Calcutta High Court held that the Appellate Authority could condone delays in filing GST appeals beyond the four-month period prescribed under Section 107(4) of the CGST Act, provided a proper explanation is given. The Court clarified that the timeline for filing appeals is directory, not mandatory, relying on earlier judgments like S.K. Chakraborty & Sons and Pijush Kanti Chowdhury. It further noted that a Supreme Court stay on a similar judgment does not negate its precedent value. The Court distinguished SC rulings in Singh Enterprises and Hongo India as they pertain to the Central Excise Act, not GST. Consequently, the HC set aside the Appellate Authority's order and directed reconsideration of the assessee's request for condonation of delay.

Source- Rulings



HC: Allowing ITC on stock & premises insurance, quashes demand premised on misclassification as motor insurance.

In the case of **Arraycom (India) Limited vs. State of Gujarat & Ors. [R/SPECIAL CIVIL APPLICATION NO. 11979 of 2025, dated 20th November 2025]**, the Hon'ble Gujarat High Court ruled that Input Tax Credit (ITC) on insurance premiums for stock-in-trade and business premises cannot be denied by misclassifying them as motor vehicle insurance under Section 17(5)(b) of the CGST Act. The Court noted that the assessee had valid fire and special perils policies covering equipment, premises, and stock—not motor vehicles. The Revenue's demand of approx. ₹1.72 lakh (including interest and penalty) was based on an incorrect interpretation despite clear documentation. Observing a jurisdictional error, the HC quashed the adjudication order and bank attachment, holding that ITC disallowance was unjustified as the policies were unrelated to motor vehicles.

HC: Payment made under protest during assessment eligible to be treated as pre-deposit for appeal.

In the case of **Getronics Solutions India Pvt Ltd vs Commissioner of Central Tax (Appeals II) [WRIT PETITION NO. 11470 OF 2024 (T-RES), dated 14th November 2025]**, the Hon'ble Karnataka High Court ruled that any payment made under protest during assessment proceedings under Section 74 can be treated as the mandatory 10% pre-deposit required for filing an appeal under Section 107(6) of the CGST Act. The Court held that the Appellate Authority erred in rejecting the appeal on the ground that

such payment cannot be considered as pre-deposit. It clarified that the deposit already made satisfies the statutory requirement and directed the authority to hear the appeal on merits without insisting on additional payment.

HC: 2-yr limitation for claiming refund of wrongly paid tax only directory; Directs merit-based decision.

In the case of **Merck Life Science Private Limited Vs Union of India & Ors [WRIT PETITION NO. 27259 OF 2024 (T-RES), dated 7th November 2025]**, the Hon'ble Karnataka High Court ruled that the two-year limitation under Section 54 for refund claims is directory, not mandatory, and directed a merit-based decision. The Assessee, providing intermediary services to foreign clients, wrongly paid IGST (₹69.8 lakhs) treating supplies as exports for July–Nov 2017, later correctly paid CGST+SGST in March 2018 and sought IGST refund. Revenue admitted excess IGST payment but rejected the claim solely on limitation grounds. Referring to Article 265, Sections 77 CGST & 19 IGST, Rule 89(1A), and precedents (Lenovo India, Nspira Management Services), the Court held that authorities cannot retain tax not due and must refund under principles of restitution and unjust enrichment. It set aside the rejection order and remanded the matter for fresh consideration on merits.



Seeks to amend further the Project Import Regulations, 1986

The **CBIC, through Notification No. 49/2025-Customs dated 28 November 2025**, has amended the Project Imports Regulations, 1986. Effective 29 November 2025, a new entry has been added under Sr. No. 3FF in the Table to include Jaipur Metro Projects, with the designated authority being the Managing Director or Director (Project), Rajasthan Metro Rail Corporation Limited (RMRCL). This amendment enables Jaipur Metro projects to avail benefits under the Project Imports scheme, facilitating concessional duty for specified infrastructure imports.

Source- Customs

Fixation of Tariff Value of Edible Oils, Brass Scrap, Areca Nut, Gold and Silver- Reg.

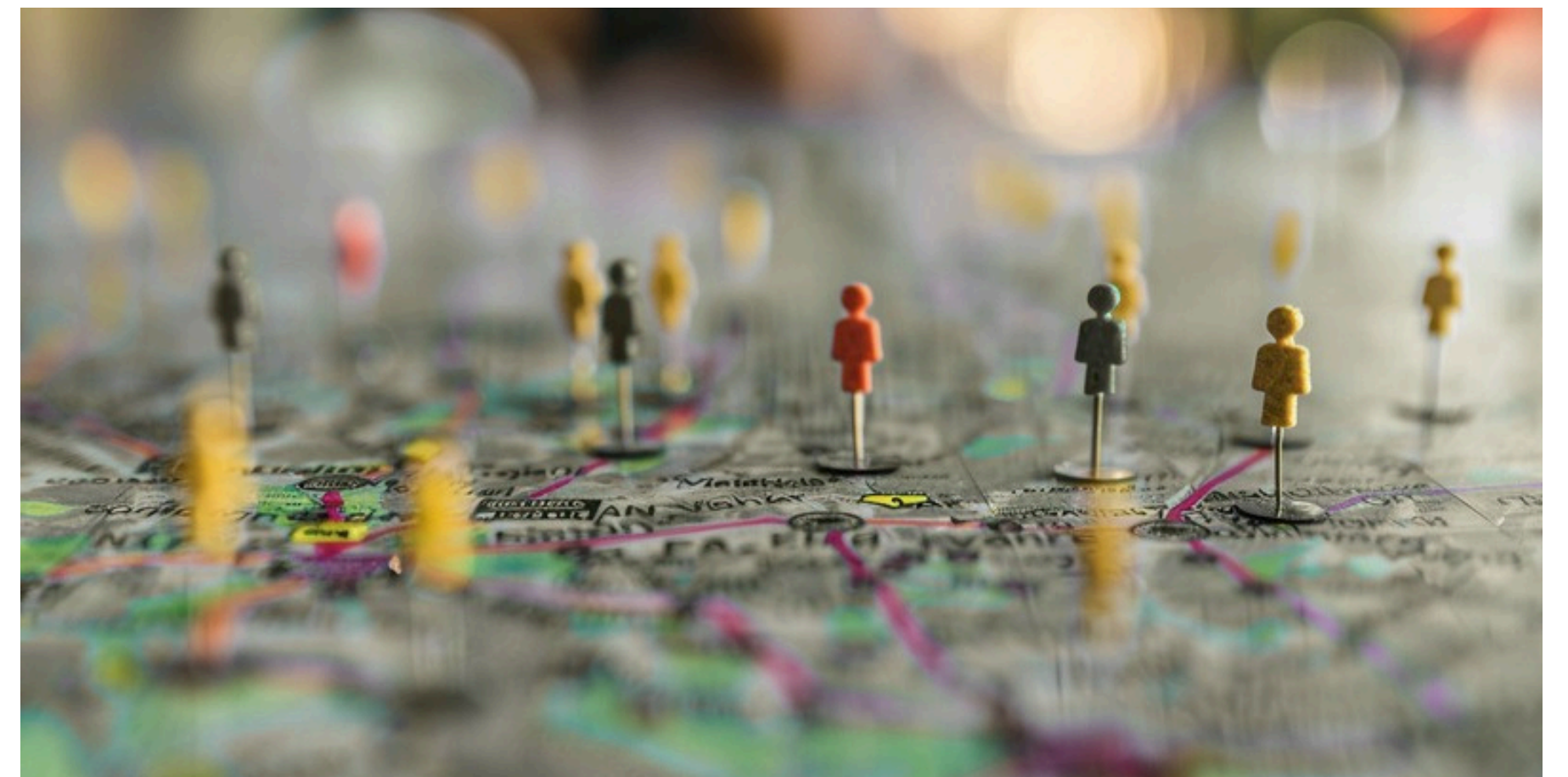
The **CBIC, through Notification No. 74/2025-Customs (N.T.) dated 14 November 2025**, has revised tariff values under Section 14(2) of the Customs Act, 1962 by substituting Tables 1, 2, and 3 of Notification No. 36/2001-Customs (N.T.). The new tariff values effective 15 November 2025 are: Crude Palm Oil – \$1,066/MT; RBD Palm Oil – \$1,084/MT; Crude Palmolein – \$1,088/MT; RBD Palmolein – \$1,091/MT; Crude Soyabean Oil – \$1,159/MT; Brass Scrap – \$6,163/MT; Gold – \$1,350 per 10 grams; Silver – \$1,739 per kilogram; Areca Nuts – \$7,142/MT (unchanged). These changes aim to align customs valuation with current international prices for edible oils, metals, and precious commodities.

Source- Customs

Fixation of Tariff Value of Edible Oils, Brass Scrap, Areca Nut, Gold and Silver

The **Central Board of Indirect Taxes & Customs (CBIC), through Notification No. 75/2025-Customs (N.T.) dated 28 November 2025**, has revised tariff values under Section 14(2) of the Customs Act, 1962 by substituting Tables 1, 2, and 3 of Notification No. 36/2001-Customs (N.T.). Effective 29 November 2025, the new tariff values are: Crude Palm Oil – \$1,044/MT; RBD Palm Oil – \$1,081/MT; Crude Palmolein – \$1,088/MT; RBD Palmolein – \$1,091/MT; Crude Soyabean Oil – \$1,173/MT; Brass Scrap – \$6,161/MT; Gold – \$1,336 per 10 grams; Silver – \$1,723 per kilogram; Areca Nuts – \$7,142/MT (unchanged). These changes reflect adjustments in customs valuation to align with international price trends for edible oils, metals, and precious commodities.

Source- Customs



Let's Connect

+91.135.2743283, +91.135.2747084

3rd Floor, MJ Tower, 55, Rajpur Road, Dehradun - 248001

E: info@vkalra.com | W: vkalra.com

Follow us on    

**For any further assistance contact
our team at kmt@vkalra.com**

© 2025 Verendra Kalra & Co. All rights reserved.

This publication contains information in summary form and is therefore intended for general guidance only. It is not a substitute for detailed research or the exercise of professional judgment. Neither VKC nor any member can accept any responsibility for loss occasioned to any person acting or refraining from actions as a result of any material in this publication. On any specific matter, reference should be made to the appropriate advisor.

