



LEGAL NEWS LETTER

DELHI GST PROFESSIONALS GROUP



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LEGAL

NEWS LETTER

DELHI GST PROFESSIONALS GROUP

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PRAVEEN KHANDELWAL

MESSAGE FROM PATRON IN CHIEF OF DGST GROUPL

**Dear Family
Namaskar**

I must candidly admit that what DGST Group has done for the last few months is beyond imagination. During the last four decades I happened to experience and know this profession I or for that matter anyone has not seen such commitment, dedication and passion in pursuing the spread of legal education amongst professionals, revenue officers and other GST stakeholders. Absolutely matchless work being done by DGST Group under the mentorship of my best friend Sushil Verma – your call him SV Sir.

It was unimaginable in today's very competitive world that this Group shall come forward and hold such seriously successful GST Moot Tribunal just to ensure the youngsters, whether advocates or CAs, start learning the basics nuances of tribunal working. And I have been a witness to both the Tribunals and all over the country, in government circles and among trade and industry, people are really happy about this step DGST GROUP has taken up – and more so providing free education without any charge. Such marathon sessions for full days with more than 10 CAs and Advocates as appellant counsels and your SV Sir as a Government counsel are a treat to watch and experience and feel that Tribunal indeed. What more beautiful than this could be, I am not aware! And on top three very competent qualified and passionate Tribunal Members sitting on dais grilling both the sides as if this was the real Court room. And topics chosen created so much excitement everywhere and for all stake holders. When I get reports from villages that the professionals there are getting benefitted through such a step undertaken by DGST Group, I feel proud indeed. Well Done the Core Team led by Narender Ahuja Ji and the Dy. Conveners Chandresh Gupta Ji, Rashmi Jain Ji and above all by your SV Sir. I always feel and want to say that Sushil Verma is such a power house of ideas and has that degree of passion that very few can possess – he just keeps coming on with newer ideas to help professionals.

Industry and traders tell me that no Association of this nature has ever undertaken free legal aid program for needy traders and younger professionals and that too free of charge. Hats off to all the counsels who have shown interest and have come forward to actualize this initiative of the Gorup. SV tells me that few cases have already started coming and you all shall be doing this. Absolutely tremendous achievement for the Group. CAIT Team feels proud of this initiative by SV.

And what I saw on 7th June 2025 at Delhi regarding H C Bhatia Sir getting life time achievement award - really shook my conscious and I was so enthralled with emotions that I found it difficult to speak. I maintain this stand that all of you actually did not honour H C Bhatia Sir but you honored this profession, you honored yourselves and above all set an example for all such Associations to follow. Indeed, that one hour I spent, in spite of my meetings in Parliament that I had to skip, was the best emotional time I had in recent times. Well done and God bless you all. The speeches by SV and Rajmani Jindal brought tears all around and both of them were unable to speak and were choking – such was the deepest respect for H C Bhatia Sir who should remain proud and feel God blessed to have all of you as his disciples.

I am told the Group has started financial help to poor students and already two are enrolled. Keep this one as this God blessed act shall take this Group to places in times to come. All are keenly watching what this Group has been doing.

Above all, I am so impressed that this Group is not discriminating between CAs, Advocates or Company Secretaries – another milestone step. Further this Group is not overawed by Celebrity speakers, so to say, and has achieved such a stupendous success through its own resources – by training over 25 professionals to speak and train others. Salute to you all.

Before I close I must put on record about the bags DGST Group created – such an emotion in the message written on the bag, it is seen to be believed. Heart touching message and blessings of H C Bhatia Sir for all times to come.

And the Ram Darbar picture given to H C Bhatia Sir was a perfect life time achievement award along with such a beautiful memento and a running **slide “Living Legend- H C Bhatia Sir”**. **May Lord Ram always keep him blessed with good health.**

Friends such life skills you are learning in this Group are rarest of rare and such skills combined with professional skills will make you great human beings.

And now the Third Moot Tribunal – 12th July 2025. Keep up the good work.

E Newsletter – really amazed about the articles and contents of this magazine that are quote exciting for many crores traders in India who are reading these articles.

God Bless DGST Group and all of you.

Praveen Khandelwal



Sushil K. Verma

FROM THE DESK OF CHIEF EDITOR

Hi Family

What a fantastic last month has been!

The concept of GST Moot Tribunal has become a wild fire in India; all over the country be it traders, companies or professionals, the commendation is indeed great. Well done the Core Team lead by Narender Ahuja.

The success story that you are creating just proves one thing; nothing is impossible if there is a right focus, good and reasoned intentions and team spirit – all these virtues shall manifest for good of all of us. Two Moot Tribunals, live on YouTube and thousands of viewers and hundreds of laudable comments should make the Core Team a bit worried-level of expectation in the professional circles is up a great deal. Imagine in spite of YouTube live over 200 participants and that too on a holiday, indeed it shows that your Core Team has earned respect that very few could be daring to do.

In the second Moot Tribunal the Core Team started a historic event – giving a LIFE TIME ACHIEVEMENT award to one of the living legends Shri H C Bhatia Sir. Believe me such an emotion charged one hour – I have not even seen in tear jerker movies of Rajender Kumar. And our Chairman Shri Praveen Khandelwal was equally emotional when he called Shri H C Bhatia Sir, his guru too as he is to all of us. The moving speech of Rajmani Jindal touched our hearts and the entire audience in the big hall was in tears. Such was the love and emotions for Shri H C Bhatia Sir that no one could have imagined that he earned it with his devotion, care and forward thinking about youngsters in the profession. We all salute once again to the living legend Shri H C Bhatia Sir who guidance shall act as an impetus to this Group to achieve newer heights for the wellbeing of the profession in India. Did we learn lessons for all us – yes, we should also try to step into his shoes and persevere that devotion to do good to people

And the bags that the Core Team gifted to the participants with a message imprinted on the bags for Shri H C Bhatia Sir – was my best moment indeed. Such long lasting memories and love feelings are to be treasured indeed.

One more event touched my heart – when our youngest, handsome and very talented Tanishq Ahuja, Advocate was admitted into the profession by none other than Shri H C Bhatia Sir offering him the most prestigious gift for a lawyer – a neckband and a copy of Constitution of India and further he was blessed in a traditional style by our Chairman Shri Praveen Khandelwal Ji. I could see his entire family getting emotional.

In the 3rd GST Moot Tribunal on 12th July already over 120 professionals have been registered and the topic is REFUNDS and Interplay of Sections 73 and 74. In all 18 controversial issues are being debated on this topic by 10 including 5 new counsels. And counsels from Indore Ghaziabad and Agra etc. In all we have now trained over 22 new counsels.

And the Fourth GST Moot Tribunal is announced for 12th August 2025 on Works Contracts and Government Services - a topic never debated by any professional body in its entirety and our Group shall. 4 more new counsels shall be roped in for fourth GST Moot Tribunal.

And your Editors – Rajmani Jindal, Kumar Jee Bhatt and C K Gupta have put all the appeals argued on our website for professionals to down load and use the same for their day -to day- practice – without any charge.

Inspite of all the hectic schedule, your E News Letter was dot on time and let us salute to the News Letter Team for such fantastic work, articles and pictures.

Free Legal Aid – another movement we have started with CAIT – offering free legal services, without any charge whatsoever, by Group's 20 advocates and CAs pan India. This service is for very poor traders who cannot afford lawyers and for younger professionals with less than 5 years practice and who would not charge their clients. Already many requests have come in. This is a great service and we shall keep it on.

Financial aid to students – is being offered every month and two students are getting it @ 5000/- per month. Do look for people who deserve this aid and this Group shall not hesitate to come forward.

And last but not the least my sincerest gratitude to Vineet Singhal who made us live on YouTube – pro bono – and to Nishta Garg our Graphic Designer for her creative and beautiful art work for our events. We are grateful to you forever and both are Members of the Core Committee now.

Before I close, our half yearly Conference is on – and on topics that very few could imagine we can deliver on. Wait for the excitement to unveil next month.

Stay Tuned and Stay Learnt.



Kumar Jee Bhat

Message from Dy.Editor

Dear Readers,

Welcome to the sixth edition of our E-LEGAL NEWS LETTER, We're excited to share with you a curated selection of legal news, analysis, and insights relevant to our community.

This month, we're highlighting to mention about the 3rd MOOT Court session on the topics of Refund and section 73 & 74. A deep dive into the latest amendments in the procedures of issues of refunds with recent significant court decisions. We are encouraged by the response we have received and are desirous of having more Moot courts for you, to encourage you to join the appellate work. We also request you to explore and share your thoughts with us.

In all this work, we are motivated by our mentor SV Sir, Sh.Parveen Khandelwal, MP, Sh.H.C.Bhatia Advocate and Sh. Sudhir Cheke, without whose guidance and day and night efforts to make it more and more effective and job oriented for all the professionals but the youngsters in particular. The tireless contribution of our core team, be it in organising the seminar, discussions or moot court, food and presentation of gifts and trophies is all laudable and commendable.

We also want to extend our sincere gratitude to our contributors for their valuable contributions. Your expertise and perspectives are essential to the success of our e-newsletter.

We are committed to providing you with timely and relevant information, and we welcome your feedback and suggestions for future content. If you have any topics you'd like us to cover or if you're interested in contributing to future editions, please don't hesitate to reach out.

Thank you for your continued readership!"



NARENDER AHUJA

Respected seniors and Dear Colleagues,

Generally, I don't share much in sessions like these, but today, I would like to begin my address with a couplet that beautifully captures the essence of our journey:

**"मैं अकेला ही चला था जानिब-ए-मंज़िल मगर
लोग साथ आते गए और कारवाँ बनता गया"**

This line perfectly reflects the inspiring journey that began three and a half years ago with a vision — a vision nurtured by **SV Sir**, who started this initiative with only 40 members and countless dreams in his eyes. At the time, many criticised it as a mere publicity stunt, but Sir stayed focused in his mission: A mission to spread education and knowledge among all specially the young professionals.

I have been associated with this group since its inception. Initially, even I thought the journey would last till the completion of basic knowledge of GST. But SV Sir had a much broader vision. After completing the foundational concepts, he quickly shifted focus to more advanced areas. Where he started teaching us how to interpret law and analyse judgments. Under his guidance, we went on to study nearly 40 landmark judgments that have had a direct or indirect impact on GST.

What began on the 13th floor of the Delhi GST Department soon found a new home at Malviya Smriti Bhawan, where SV Sir started training young professionals — not just in knowledge but in public speaking and presentation skills. I feel privileged to have been given the first opportunity to speak before an audience there.

As our activities grew, so did our membership — expanding from 40 to over 200 members. Our representatives including me have since delivered lectures at various prestigious platforms across Delhi and beyond.

MEGA CONFERENCE

One of the proudest moments for our group was the organization of a Mega Conference — a first-of-its-kind event, where nine first-time speakers delivered outstanding lectures under the mentorship of SV Sir. The event was attended by over 250 participants and marked a significant milestone for us.

GST MOOT TRIBUNAL

The idea of the GST Moot Tribunal followed soon after. Today, we are hosting the 3rd GST Moot Tribunal, a testament to the consistency, quality, and passion that drives this group. The results are there for all to see.

LEGAL AID SERVICES

But SV Sir didn't stop there. Recognizing the need for legal support among small traders, he launched the Legal Aid Committee. This initiative allows young professionals (with up to 5 years of experience) to assist clients by filing appeals before appellate authorities or the tribunal without charging any fee, based on a simple affidavit. It's a step toward both social responsibility and professional empowerment.

HELP THE NEEDY

SV sir's initiative to help students of law or any other profession who are in need of financial aid. Many members of this group have enrolled themselves for this work. Two students are getting a financial aid Rs. 5000/- per month from SV sir who has not involved anyone yet.

HAND HOLDING

We are clearly told to do all appellate work till high court on our own and SV sir and our team shall do the hand holding and we are all ready.

NO CHARGE EVER

This group is under oath not to charge for any effort this group makes including the conference. SV sir just manages this. Even our members do not contribute anything for any mega event.

Such is the passion and such has been a self-fulfilling journey for this group – and I think journey has just taken off.

I would like to conclude with powerful lines from renowned poet Shri Dushyant Kumar:

**"कौन कहता है आसमां में सुराख हो नहीं सकता,
एक पत्थर तो तबीयत से उछालो यारों"**

GOD BLESS YOU ALL.



Sushil K. Verma

“Should we follow the modern electronic jurisprudence?”

Traditionally, courts were fairly consistent in citing to only a handful of sources when deciding cases. This was due in part to the fact that there were very few sources available to them, and in part to the notions of *stare decisis*, which directed the development of the Common Law. As time progressed, the number of sources began to proliferate at a rapid pace and by the twentieth century, lawyers and judges had a large number of sources from which to formulate arguments and draft judicial opinions. There is no need to guess which sources were of paramount importance to lawyers and judges: studies conducted at the time clearly revealed that judicial opinions from the highest appellate court of a jurisdiction were held in higher esteem than any other source

As professional Lawyers or CAs we have a task to find the relevant law and use the same for our practice before various authorities and Courts. Today as the legal information has stayed to proliferate there is an overwhelming availability of legal information, case laws and it is more economical over printed materials. And above all most of us are now getting addicted to use such legal base in our written or oral submissions. Today we are facing a problem of plenty and question the reliability of internet data, videos by professionals, whatsapp university, as we call it. Of course there is another school of thought that lauds such internet age as both the bar and the bench use the same source of information or can use when making their decisions or arguments, as the case may. This is providing a level playing field to the bar and the bench, if I may use this terminology.

But are we as lawyers and judges turning away from our traditional roots to appreciate law in its right perspective to make our arguments or judgments? But my take is that internet age has not dramatically changed the traditional practice for good lawyers or judges – I for one would still like to read the full judgments or law before taking a call on any issue – interpretational issues may crop up, but I would let these be. Hence, such profound internet age has revealed a much broader availability of legal information to prepare the lawyers of impending battles they have to fit and to sharpen their edges and arguments. Indeed, it is so. When you read blogs, articles, analysis, interpretation, opinions – all these help a great deal to appreciate the law better.

I would always favour the traditional techniques that have been taught by legal research and writing professors, and their doctrinal counterparts and for me these must remain an essential part of our legal education system. Appellate jurisprudence in the Internet age has remained the same as it has always been. **Whether one uses the Internet or a treatise to find legal information, the analytical skills necessary to determine relevant precedent remains the most important skill for a lawyer in the Internet age.**

As lawyers and judges we both have to mind their own data and information to resolve the disputes so that the fabric of the society we live in remain stable. But I think my experience is suggesting the modern lawyers using AI, internet information are drifting away from their role as lawyers because many a time these materials are unreliable and the Courts even impose heavy costs. With such ready to use information, that younger professionals think usable I am indeed worried that such an explosion of legal information, reliable or unreliable, will have a profound negative impact on the legal research and jurisprudence – the foundation stone of such a noble profession.

The truth is that commentators have been worried about the explosion of legal information and the effects this has had on legal research and jurisprudence for close to two centuries. With the birth of internet, whatsapp university we could not anticipate or foresee what was coming down the pipeline with their birth. Perhaps more immaturity, lack of analytical power and quick money making before the Courts – and this syndrome has also started impacting the judges who are using AI for their judgments. Hence human potential has been undermined by such internet age to some extent.

How many see in High Court or in Supreme Court young lawyers sitting in Libraries of the Court or even in their private libraries – opinion are given within no time by picking up pieces from the internet data and joining them together – perhaps the resultant document cannot achieve excellence that it should have achieved.

The Internet has made legal information available to all with a high-speed connection. Now, anyone can be a legal publisher through blogs, tweets, and more. This greatly expanded universe of information has created a quandary for lawyers and judges. How can they use this information in a manner that maintains a stable jurisprudence for the times? It has even been suggested that a lawyer who is not skilled in using online information will run afoul of the rules of professional responsibility.

No one would seriously criticise electronic research and its effects on the research abilities of law students, lawyers, and even the young judges.

The one constraint that remains is that regardless of the tools used to perform legal research, law students must gain a deep foundation of “thinking like a lawyer.” Thinking like a lawyer

encompasses the analytical skills that form the basis for “good” lawyering which allow law students (and future lawyers) to uncover and utilize the basic building blocks of each jurisdiction’s jurisprudence.

We as professionals know that the judiciary rely on precedents and newer the precedent better it is. Once this is a fact and it should remain than training to read judgments and analyse them has to continue through - out, our legal careers and if you are not, then success may not come to you as profoundly as for others who read.

Even as judges formulate their opinions, one presumes that each citation is there to bolster the opinion, and to lend it some credibility as it stands as new authority in the jurisdiction. Thus, we can presume that citations are picked with care and not carelessly thrown about for no good reason.

Authority is often used by judges for a number of good reasons, including:

(1) “The authority cited sets out the applicable law in the instant case, and the judge has no choice but to apply it. This is a strict doctrine of stare decisis rigidly applied. Under it the judge finds and applies the existing law ...”

(2) “The authority cited sets out the applicable law which, as a matter of policy, the judge should apply unless other policy considerations require him to abandon precedent.”

(3) “The authority cited contains a rule which, of several possibly applicable rules, the judge prefers to apply to this case ...” and

(4) “The authority cited is in support of the position the judge wishes to take and therefor lends weight to it ...

Such authorities or possibilities that Judges throw at us by using their choice of authorities signals to us lawyers to future research on the subject and improve upon and update the same. Perhaps if we can make study of the latest judgments in post-internet age and pre-internet age, we realise the difference. The judgments of Bengal Immunity, Mafatlal, Golaknath, Gannon Dunkrley and any other such class judgments show the calibre of those judgments, those lawyers and in today’s internet age, I would say we lack such qualities. Research and ability to read has faded completely.

“Case law is king” was the clear result of the previous citation studies in the pre-Internet age. With the overwhelming glut of information now available at a touch of the key stroke, one may assume that this trend would give way in more recent judicial opinions. The analysis of current appellate court citation practices indicate that the use of precedent in the Internet age is similar to what existed in the pre-Internet age. While the resources available to lawyers

and judges have expanded, the use of precedent remains the same. This should bring some measure of comfort to those who practice before the courts, because precedent remains the means by which we maintain uniformity and harmony to the law, to treat all of those who appear before the courts in the same manner.

In the Internet age, one might argue that newer authority would more naturally be cited because researchers most commonly turn to computers to conduct their research. When one performs a search, the computer's search algorithm is set up to bring recent cases to the top of the results list. One drawback to this set-up is that older authorities might be ignored in favour of the easier-to-find newer authorities that are at the top of the results list. Researchers might naturally gravitate to grab the first and easily available source that pops to the top of the list.

Let us realise before it is too late that accessing law in an internet or as other call it electronic format will require different tools or techniques but the materials is the same that we as lawyers and our judges from difference generations have used or created in legal jurisprudence for each branch of law.

The challenge for the Internet-age lawyer, judge, and law student is to bridge this gap through a steady diet of learning how to "think like a lawyer." Internet-age jurisprudence is built solidly on the recent appellate opinions of the court's jurisdiction.

As such, honing one's analytical skills to be able to zero in on the most relevant cases, and using these cases to persuade a court on behalf of one's client, will work for the Internet-age lawyer in the same fashion that worked in the pre-Internet age.

The Internet has, perhaps, made judicial opinions much richer with more citations to authority from various jurisdictions and secondary sources. Future surveys of citations will tell the tale as to whether this will change more dramatically than is currently in practice.

"Information is cheap, but meaning is expensive. Where is the meaning? "always remember. But my take would be to not to abandon our core function, to train younger generation to "think like a lawyer" through conventions established over the centuries – reading printed books and then interplaying these with quick gist on electronic platforms. That would indeed be quite a healthy practice.

Hope you enjoyed this piece.



Arpita Aggarwal

Section 15 of the CGST Act 2017: Valuation of Supply under GST

The term 'supply' encompasses activities such as sale, transfer, exchange, barter, licensing, rental, leasing, and disposal. Should an individual undertake any of these activities during their business and for consideration, such activities will be regarded as a supply under GST.

*(1) The value of a supply of goods or services or both shall be the **transaction value**, which is the price paid or payable for the said supply of goods or services or where the supplier and the recipient of the **supply are not related**, and the **price is the sole consideration** for the supply.*

In this context, to ascertain the value of any supply, whether it pertains to goods, services, or both, the transaction value may be determined based on the price paid or payable in the future for the supply. Additionally, it must be demonstrated that the supplier and the recipient of the supply are not connected and that the price is the sole consideration for the supply. Section 15(1) outlines the criteria for determining the transaction value. To calculate the transaction value of supply under GST, there are two factors on which the value can be determined:

1. Related persons
2. Consideration

Meaning of Persons shall be “related persons” if–

1. Such persons are officers or directors of one another’s businesses;
2. Such persons are legally recognised partners in business;
3. Such persons are employer and employee;
4. Any person directly or indirectly owns, controls, or possesses twenty-five per cent or more of the outstanding voting stock or shares of both entities;
5. One of them directly or indirectly controls the other;
6. A third person directly or indirectly controls both.
7. Together, they directly or indirectly control a third person, or they are members of the same family;

Notes:

- The term “person” also encompasses legal entities, such as corporations and partnerships.
- Persons who are associated in a business capacity, where one acts as the sole agent, sole distributor, or sole concessionaire, regardless of terminology, of the other, shall be regarded as related parties.

Section 2(31) of the CGST Act provides a clear and thorough definition of "consideration," covering different types of payments and value exchanges related to supplying goods or services. It includes both monetary payments and the value of acts or forbearance, while excluding government subsidies. This comprehensive explanation helps ensure clarity about what counts as consideration under GST, making tax calculation and compliance smoother and supporting the overall GST system.

(2) The value of supply includes-

- (a) Any **taxes, duties, cess, fees, and charges levied** under any laws for the time being in force other than this Act, the SGST Act, the UTGST Act and the GST (Compensation to States) Act, if charged separately by the supplier.*
- (b) Any amount that the **supplier is liable to pay in relation** to such supply but which has been incurred by the recipient of the supply and not included in the price actually paid or payable for the goods or services or both;*
- (c) **Incidental expenses**, including commission and packing, charged by the supplier to the recipient of a supply and any amount charged for anything done by the supplier in respect of the supply of goods or services or both at the time of, or before delivery of goods or supply of services;*
- (d) **Interest**, late fee, or penalty for delayed payment of any consideration for any supply; and*
- (e) **Subsidies** directly linked to the price, excluding subsidies provided by the central government and state government.*

In this subsection, the meaning of the value of supply inclusions is illustrated.

Taxes	Any taxes, duties, cesses, fees, and charges levied under any statute.
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	However, if the supplier charges taxes separately under the CGST Act, SGST Act, UTGST Act, or the Goods and Services Tax (Compensation to the States for Loss of Revenue) Act, those taxes should not be added together.
Supplier's obligation met by the recipient	Any amount that the supplier is responsible for paying related to this supply, but which has been used up by the recipient of the supply (and not included in the price paid or payable for the goods or services).
Incidental expenses	Incidental expenses, such as commission and packing fees, are costs that the supplier charges to the recipient of a supply. This includes any charges for services or actions taken by the supplier related to the goods or services, whether at the time of delivery or even before it.
Interest	Interest, late fee, or penalty for delayed payment of any consideration for any supply.
Subsidy	Subsidies are directly linked to the price (excluding subsidies provided by the Central and State Governments).

The services provided by acquiring banks in the digital payment system, whether through RuPay/BHIM UPI or other digital payment methods, are essentially the same. The only difference is that, instead of the merchant or user paying for these services, the Central Government provides an incentive in their place. It is important to note that this incentive is not considered a payment for any service the bank supplies to the government. Instead, it is a subsidy directly linked to the service's price, and under the provisions of section 2(31) and **section 15—as clarified in Circular No. 190/02/2023, dated January 13, 2023**—this subsidy does not form part of the taxable value of the transaction.

(3) The value of supply shall not include any discount which is given-

- (a) **Before or at the time of supply**, if such discount has been duly recorded in the invoice issued in respect of such supply; and*
- (b) **After the supply** has been affected, if-*

- (i) Such discount is established in **terms of an agreement entered into** at or before the time of such supply and specifically linked to relevant invoices; and*
- (ii) **ITC as is attributable to the discount** on the basis of documents issued by the supplier has been reversed by the recipient of the supply;*

Section 15(3) clarifies that the value of supply, **excluding from the transaction value**, should not include any discounts given below –

- **In Case 1** – Discount given **before or at the time of supply** – this discount will not be included in the taxable value, if it is recorded correctly in the invoice issued for that supply.
- **In Case 2**, when a discount is **given after the supply has been made**, it will not be included in the taxable value if these two conditions are met —
 1. This discount is offered based on an agreement made at or before the time of supply, and it is associated with the relevant invoices.
 2. The recipient of the supply has reversed the input tax credit attributable to the discount, as per the document issued by the supplier.

*(4) Where the value of the supply of goods or services or both cannot be determined under sub-section (1), the same shall be **determined in such manner as may be prescribed**.*

In Subsection 4 of Section 15 of the CGST Act, when the value of supply cannot be ascertained as per Subsection 1 of Section 15 of the CGST Act, in that case, the method of calculations can be adopted as suggested by the other authorised law.

This section explains that the value will be determined in the manner prescribed.

- Rules 27 to 35 in the CGST guide how to determine the value of supply when specific cases are not covered under section 15(1).
- These rules include situations where the price is not available or when supplies are made between related persons.

*(5) Notwithstanding anything contained in sub-section (1) or sub-section (4), the value of such supplies as may be **notified by the Government on the recommendations of the Council** shall be determined in such manner as may be prescribed.*

In this context, it is mentioned that when the computation of the value of supply is not made under Subsections (1) and (4), then such valuation will be notified by the Government of India on the recommendation of the GST Council.

The valuation method, as suggested by the council, is as follows:

Rule 27 to Rule 35: Determination of Value of Supply

Rule 27: Understanding the value of supply for goods or services when the payment is not entirely in money.

Rule 28: The value of goods and services exchanged between different or related persons, not through an agent. This approach covers both cases, whether the supply is made with consideration or without it.

Rule 29: Value of supply of goods made or received through an agent.

Rule 30: Value of supply of goods or services based on cost.

Rule 31: Residual method for determination of the value of supply of goods or services.

Rule 31A: Value of supply in case of lottery, betting, gambling, and horse racing.

Rule 32: Determination of value in respect of certain supplies.

Rule 33: Value of supply of services in case of a pure agent.

Rule 34: Rate of exchange of currency, other than Indian rupees, for determination of value.

Rule 35: Value of supply inclusive of integrated tax, central tax, state tax, and union territory tax.

Inference:-

The sections mentioned, such as Section 15 and the CGST Rules, help us understand how to determine the value of the taxable supply of goods or services, commonly referred to as the Transaction Value. This is important because if we cannot determine the value of the taxable supply, we cannot calculate the tax liability. Typically, the value of the taxable supply is based on the price paid or payable; however, it can be challenging to determine this value in some cases. That is why these rules are in place—to guide us in calculating the value of supply. For instance, the term "Open Market Value" refers to the full amount paid or payable, excluding GST, which facilitates the determination of the value of a taxable supply.

Arpita Aggarwal



Sushil K. Verma

10 LEADING JUDGMENTS

M/S HCC-SEW-MEIL-AAG JV VS ASSISTANT COMMISSIONER OF STATE TAX & ORS.- Supreme Court

LIMITATIONS FOR 18-19 AND 19-20 EXTENDED BY GOVT UNDER SECTION 168(A) OF THE CGST ACT. MATTERS DECIDED BY VARIOUS HIGH COURTS, MOSTLY AGAINST THE GOVERNMENT.

\CHALLENGE BEFORE THE SUPREME COURT OF INDIA. SC ORDER AS FOLLOWS:

GST - Challenge to validity of Notification No. 9-Central Tax dated 31.03.2023 and 56/2023-Central Tax dated 28.12.2023, issued in exercise of power under Section 168(A) of the CGST Act, 2017 – Whether the time limit for adjudication of show cause notice and passing order under Section 73 of the CGST/SGST Act for financial year 2019-2020 could have been extended by issuing the Notifications in question under Section 168A of the Act – HELD - There are many other issues also arising for consideration in this matter and there is difference of opinion amongst different High Courts of the country - Issue notice on the SLP as also on the prayer for interim relief, returnable on 07.03.2025 – Ordered accordingly

KEEP FOLLOWING THIS JUDGMENT. IF THE SC DECIDES AGAINST THE GOVERNMENT THAT ALL THESE CASES DONE FOR THE YEARS UNDER REERNCE SHALL BE DEEMED TO BE TIME BARRED AND WE ALL CAN MOVE RECTIFICATION UNDER SECTION 161 OR TAKE THIS GROUND BEFORE THE APPELALTE AUTHORITIES IF APPEALS FILED.

UNION OF INDIA & ORS Vs SHANTANU SANJAY HUNDEKARI & ANR. ETC- SUPREME COURT LIABILITY OF 373 CRORES FASTENED ON THE EMPLOYEE.

The issue before the High Court was one relating to the interpretation of Section 122(1-A) and Section 137 of the GST Act.

The High Court after assigning cogent reasons took the view that the respondent - herein was merely an employee of the Company and he could not have been fastened with the liability of Rs.3731 Crore.

32. For the aforesaid reasons, it is clear from the relevant contents of the show cause notice that the basic jurisdictional requirements/ingredients, are not attracted for issuance of the show cause notice under [Section 74](#) of the COST (*sic*) Act so as to inter alia invoke [Section 122\(1-A\)](#) and [Section 137](#) against the petitioner. Even otherwise, it is ill-conceivable to read and recognize into the provisions of Section 122 and Section 137, of the CGST Act any principle of vicarious liability being attracted. There could be none. Thus, Respondent no. 3 clearly lacks jurisdiction to adjudicate the show cause notice in its applicability to the petitioner. Thus qua the petitioner, the impugned show cause notice is rendered bad and illegal, deserving it to be quashed and set aside.

33. The foregoing discussion would also lead us to conclude that it is highly unconscionable and disproportionate for the concerned officer of the Revenue to demand from the petitioner an amount of Rs.3731 crores, which in fact is clearly alleged to be the liability of Maersk, as the contents of the show cause notice itself would demonstrate, The petitioner would not be incorrect in contending that the purpose of issuing the show cause notice to the petitioner who is merely an employee, was designed to threaten and pressurize the petitioner."

SC DID NOT FIND ANY COGENT REASONS FOR INTERFERING THE ABOVE ORDER.
A WELCOME JUDGMENT.

THE JOINT COMMISSIONER & ORS. VS S.K. CHAKRABORTY AND SONS. & ANR. supreme court

Condonation of delay under section 107 – SC stays the judgment of Calcutta High Court.
GST - Section 107 of the CGST Act, 2017 - Power to condone delay - Condonation of delay in filing appeal before the appellate authority - Applicability of provisions of the Limitation Act, 1963 – **High Court held that the Section 107 of the CGST Act, 2017 has not expressly excluded Section 5 of the Limitation Act, 1963. Since provisions of Section 5 of the Act of 1963 have not been expressly or impliedly excluded by Section 107 of the CGST Act, by virtue of Section 29(2) of the Limitation Act, Section 5 of the Limitation Act stands attracted – Revenue Appeal - SC HELD - Issue notice. In the meantime, operation of the impugned order of the High Court shall remain stayed – Ordered accordingly.**

HC ORDER STAYED MEANS EVEN IN THE CASE OF THE APPELLANT THE DELAY IN CONDONATION STANDS AFFECTED. THOUGH HIS APPEAL MAY NOT BE DISMISSED AS TIME BARRED TILL SC DECIDES THIS ISSUE, WHENEVER.

STATE OF PUNJAB & ORS. VS JAGSEER SINGH- SUPREME COURT GOODS SEIZED AND TRUCKS ISSUES

A VERY SERIOUS ISSUE DECIDED BY SC. INTERIM ORDER PASSED BY HIGH COURT RELEASING THE GOODS ETC ON 25 PERCENT DEPOSIT AND FILING OF SURETY FOR THE BALANCE AMOUNT BY WAY OF SURETY BONDS INSTEAD OF BANK GUARNATEES. STATE OBJECTED TO THIS INTERIM ORDER.

Whether the High Court was justified in passing the interim orders without considering the merits of the case and without ensuring adequate security for the State's revenue - HELD - the High Court had granted the interim relief equivalent to the main relief sought by the respondent, virtually ex parte without hearing the State's stand - if the goods were confiscated as well as the vehicles were released, in the absence of there being any proper bank guarantee or other security provided by the respondent(s), the revenues of the State would be at risk if the respondent is ultimately unsuccessful - the impugned interim order is set aside and matter remanded back to the High Court for fresh consideration - the goods and vehicles have not yet been released and appropriate directions could be issued in accordance with law if the respondent-assessee presses for an interim relief – the appeals are disposed of

ALSO REFER TO THE CASE OF SUPREME COURT TITLED AS STATE OF UP V KAY FRAGRANCES WHICH IS ALSO CRITICAL FOR THIS ISSUE.

SHARDA CONSTRUCTION VS THE STATE OF BIHAR & ORS.- SUPREME COURT

THE APPELLANT MUST BE HEARD ON MERITS – APPEAL FILED COULD BE DISMISSED FOR NON PROSECUTION BUT NOT ON MERITS WITHOUT HEARING THE APPELLANT

The Appellate Commissioner could have dismissed the appeal for non-prosecution due to the consistent absence of the appellant but was not justified in dismissing it on merits without providing the appellant an opportunity to be heard - the principle and rule stated in Order XLI Rule 17 of the Code of Civil Procedure, 1908 ought to have been followed by the Appellate Commissioner who could not have therefore dismissed the appeal filed by the appellant on merits without giving an opportunity to the appellant herein to make his submissions - the orders of the High Court and the Appellate Commissioner are set aside and the matter is restored on the file of the Appellate Commissioner, while imposing a cost of Rs. 25,000 on the appellant for its consistent absence before the Appellate Commissioner – the appeal is allowed

COMMISSIONER OF CGST VS ANSHUL JAIN- SUPREME COURT

A CONTROVERSY TRIGGERED ONCE AGAIN – WHETHER CASH COULD BE SEIZED UNDER SECTION 67(2) – THERE ARE MANY JUDGMENTS ON THIS ISSUE FAVORING THE TAXPAYERS. BUT NOW SUPREME COURT MAY REEXAMINE THIS ISSUE AND THAT IS WHY NOTICE HAS BEEN ISSUED IN THE MATTER.

GST - Section 67(2) of the CGST Act, 2017 – Interpretation of expression “and seize or may himself search and seize such goods, documents or books or things” i.e. whether the term “things” should be read ejusdem generis with goods, documents or books - Whether the GST Officers are empowered to seize cash at the time of raid of the premises of the assessee in exercise of powers under Section 67(2) of the CGST Act – SC issued Notice to Revenue.

RHC GLOBAL EXPORTS PRIVATE LIMITED & ORS. VS UNION OF INDIA & ORS.- Supreme Court.

Once the attachment of the bank account expires by virtue of the operation of law under Section 83(2) of the Act, there is no provision or jurisdiction vested with the Department to renew the attachment - the attachment made by the respondents on the third bank account is without the authority of law and therefore directed to be lifted – the application is allowed.

ASSISTANT COMMISSIONER STATE TAX, DURGAPORE RANGE VS ASHOK KUMAR SUREKA- SUPREME COURT

WHERE GOVERNMENT HAS DECIDED TO NOT TO PURSUE THE MATTERS BELOW A PARTICULAR TAX DEMAND, NO APPEAL COULD BE MAINTAINED. REMEMBER THIS JUDGMENT

Monetary limit of filing SLP - Detention of goods, expired e-Way Bill - Revenue in appeal against setting aside penalty and tax on detention of the vehicle and goods on account of e-way bill relating to the consignment had expired – HELD - Having regard to the latest Circular No.207/1/2024-GST dated 26.06.2024 issued by CBIC, GST Policy Wing, these special leave petitions do not meet the threshold limit mentioned therein as the penalty imposed is only Rs.3.25 lacs - the High Court order would not act as a precedent - the special leave petitions stand disposed.



Sushil K. Verma

QUESTION - ANSWERS

Q 1. Our goods were detained along with vehicle in Bill to Ship to transaction. We procured an order from a buyer in UP and placed order on a Punjab Supplier asking him to dispatch the goods to UP buyer. The Punjab dealer issued the tax invoice, generated an e-way Bill with destination UP and when goods entered UP, we issued tax invoice charging CGST and SGST as per law without taking delivery of goods. The Punjab seller had charged us IGST.

Our goods and vehicle were detailed on the ground that we did not issue E Oway Bill from UP to UP and a huge penalty of over 1650000/- was got deposited. Since were in need of the materials our lawyer advised us to deposit as in his opinion e-way bill was essential. We seek your views, Sir, on this matter.

Opinion: In my view there is no short coming in the procedure you followed. Punjab seller started the journey from Punjab to UP and issued e-way bill in the name of ultimate place of the final recipient, in my view there is no contravention whatsoever of any of the provisions of the Act. You should win this case and get your money back with interest.

Q 2. We are placed in Sikkim. While filing the appeal the officers insist the pre-deposit has to be from Electronic Cash Ledger and not from Electronic Credit Ledger on the ground that tour input tax credit is subject to scrutiny which is taking time as there are a lot of out station parties involved. The amount involved is over 2500000/- . Can the department do this?

Opinion: You can read the Judgment of Union of India v Yasho Industries Limited of Supreme Court of India wherein SC has upheld the judgment of Guj High Court that pre-deposit by the taxpayer from his electronic credit ledger is sufficient compliance of provisions of Section 107(6)(b) of the CGST Act. Regarding your input tax credit is subjected to verification, this is not a ground for not allowing you to make pre deposit from your electronic credit ledger – unless your input tax credit is blocked under the law. You should represent before the authorities or even Commissioner and refer this Judgment clearly stating that under Article 141 of Constitution this judgment is binding upon them and failure to follow amounts to contempt.

Q, Sir, during Covid 19 our refund application was filed beyond two years claiming refund for zero rated transactions amounting to over 1 crore rupees. The proper officer dismissed the application as time barred. Before the appellate authority we took the stand that the Supreme Court extending limitation periods is also applicable to refund application submitted by us, but the appellate authority did not consider and dismissed the same this month. We are now stuck, could you guide us?

Opinion. The stand taken by appellate authority is illegal as the SC Order was under article 142 of the Constitution of India and the refund applications were equally covered provided your application was filed within the extended period. Since factual dates are not given, we are unable to comment. You have a strong case to claim the refund – either wait for the Tribunal or a civil writ petition could be filed before your High Court and I am sure you would get the refund with interest.

Q: An inquiry was initiated by DGGI Dwarka, Delhi against our firm and they were on the verge of issuing show cause notice when CGST South West Zone issued a show cause notice on the same issue that was before the DGGI – based on a general survey of the industry without any notice under Section 142(1A). Can CGST actin be maintained?

Opinion. First notice under Section 142(1A) was not given – If I remember the notice under this section became discretionary only with effect from 2020 and prior to this notice was mandatory. As the amendment was substantive in nature this cannot be held to be clarificatory in nature. Hence, your case should be quashed on this score only if your case as you telephonically advised me related to February 2020.

On this second issue – two notices on the same subject matter, there is no bar but the same needs to be adjudicated by one authority and this one authority will be who first issued the notice i.e. DGGI. This matter is now settled by Supreme Court in Union of India v Star Delta Exim Private Limited.

Q. Our refund of Rs 3.37 crores was delayed by the revenue and after approaching the High Court we were given the refund along with 9 percent interest. The delay was 65 days as calculated under Section 54(7). The Revenue while agreeing to pay the refund filed a review petition before the High Court that High Court could not grant 9 percent interest when statutorily it is fixed at 6 Per Cent under the factual matrix of our case. We seek you opinion about the stand we should take before Rajasthan High Court?

Opinion. The relevant provision has prescribed rate of interest at 6 per cent where the case for refund is governed by the principal provision of Section 56 of the CGST Act - wherever a

statute specifies or regulates the interest, the interest will be payable in terms of the provisions of the statute. The interest could be 9 percent if your case was covered by proviso to Section 56 which is not your case. Hence, I think you should not unnecessarily contest this matter and accept interest at the rate of 6 percent.

Q. We had changed our address and advised our CA to intimate to the Department as per procedure laid down. However, he failed to do so resulting in an exparte order with a huge demand running into crores. When we filed the appeal after coming to know of the order, it was dismissed as time barred on the ground that the order had been sent by registered post at the last known address. Our organization is in panic now? What could we do now?

Opinion: Only way out is to approach High Court with a detailed affidavit of the CA; High Court may consider and take a lenient view. However, it was your mandatory duty to intimate the department about the change in your address and hence the order on the face of it is justified. I am not aware what grounds you took before the appellate authority and what documents you filed in support of delay. However, now the only course open is to file appeal before Tribunal (not in position), you could deposit 10 percent additional of tax and advise the authority of your intention of filing appeal before the Tribunal or approach High Court by way of a civil writ petition with a detailed affidavit of the CA who must own his mistake.

Q. UP Check Post officers at Agra intercepted our vehicle carrying goods worth Rs 2.4 crores meant for exports out of India and the particulars were all mentioned in all the documents. However, they caught a mistake i.e. the e-way bill had expired and they issued a penalty notice under Section 129(1)(a) asking us to pay penalty of 200 percent. It has happened a week ago and we have got the order now. Our counsel says deposit and then file appeal. Could you guide us Sir?

Opinion: In my view you need not deposit any penalty at all because you were making zero rated supplies and no tax was payable on the zero rated supplies and you were entitled to refund of unutilized input tax credit. Hence, no tax was payable and no penalty could be levied at all by any stretch of imagination except to the extent of Rs 25000/- under the same provision.

You should approach High Court immediately as the appellate authorities may not appreciate this legal proposition and Allahabad High Court should entertain writ petition as the order is without jurisdiction.



Renu Sharma

Notifications issued by CBIC from 01.06.2025 to 30.06.2025*Summarised by CA Renu Sharma***Central Tax**

Date	Notification no	Matter
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*No Notification issued***Central Tax (Rate)**

Date	Notification no	Matter
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*No Notification issued***Integrated Tax**

Date	Notification no	Matter
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*No Notification issued***Integrated Tax (Rate)**

Date	Notification no	Matter
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No Notification issued

Date	Corrigendum	Matter
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Circulars from 01.06.2025 to 30.06.2025*Summarised by CA Renu Sharma*

Date	Circular no.	Matter
09.06.2025	249/06/2025-GST	Generation and quoting of Document Identification Number (DIN) on any communication issued by the officers of the Central Board of Indirect Taxes and Customs (CBIC) to tax payers and other concerned persons

24.06.2025	250/07/2025-GST	Reviewing authority, Revisional Authority and Appellate Authority in respect of orders passed by Common Adjudicating Authority (CAA) for show cause notices issued by DGGI

Instruction from 01.06.2025 to 31.06.2025

Date	Instruction No.	Matter
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No Instruction Issued

News, Updates and Advisories Issued by GSTN from 01.06.2025 to 30.06.2025–

Summarised by CA Renu Sharma

Serial no.	Date	Advisory
1	01.06.2025	Gross and Net GST revenue collections for the month of May, 2025
2	01.06.2025	Gross and Net GST revenue collections for the month of Apr, 2025
3	07.06.2025	Advisory regarding non-editable of auto-populated liability in GSTR-3B
4	07.06.2025	Barring of GST Return on expiry of three years
5	10.06.2025	System Validation for Filing of Refund Applications on GST Portal for QRMP Taxpayers
6	11.06.2025	Advisory on filing of Amnesty applications under Section 128A of the CGST Act
7	12.06.2025	Filing of SPL-01/ SPL-02 where payment made through GSTR 3B and other cases
8	16.06.2025	Introduction of Enhanced Inter-operable Services Between E-Way Bill Portals
9	18.06.2025	Advisory to file pending returns before expiry of three years
10	19.06.2025	Handling of Inadvertently Rejected records on IMS









Sushil K. Verma

GST – MY TAKE

PATANJALI'S CASE- ALLAHABAD HIGH COURT

THE HIGH COURT upheld a ₹273.5 crores GST penalty against Patanjali Ayurved, rejecting the company's petition challenging the demand.

The case involved allegations of GST evasion and wrongful input tax credit (ITC) claims, with the Directorate General of GST Intelligence (DGGI) alleging that Patanjali engaged in circular trading of invoices without actual goods movement.

The investigation led to allegations that [Patanjali](#) "acting as a main person indulged in [circular trading](#) of tax invoices only on paper without actual supply of goods. The Directorate General of GST Intelligence ([DGGI](#)), Ghaziabad issued a show cause notice on April 19, 2024 to Patanjali Ayurveda, proposing a penalty of Rs 273.51 crores under Section 122(1), clauses (ii) and (vii) of the Central Goods and Service Tax Act 2017.

Later, the DGGI dropped tax demands under Section 74 through an adjudication order dated January 10, 2025.

The reason for dropping show cause notice:-

The department found that "for all the commodities, the quantities sold were always more than the quantities purchased from the suppliers, thereby making the observation that all the ITC which was availed in the impugned goods was further passed on By the petitioner".

Despite dropping the tax demand, authorities decided to continue with penalty proceedings under Section 122, prompting Patanjali to challenge this before the high court.

Patanjali challenged the penalty, arguing that it should not be imposed without a criminal trial and that Section 122 proceedings are criminal in nature.

The Allahabad High Court dismissed Patanjali's petition, clarifying that GST penalty proceedings are civil in nature and can be adjudicated by proper officers without requiring a criminal trial.

The court emphasized that Section 122 is a penal provision aimed at curbing tax evasion and discouraging unlawful activities like issuing fake invoices or wrongly claiming ITC.

The court also clarified that proceedings under Section 74 (tax evasion) and Section 122 (penalty for contraventions) are independent and the conclusion of one does not automatically abate the other.

MY TAKE

If section 74 proceedings are criminal in nature and require a predicate offence of tax evasion and if the revenue drops these proceedings by an adjudication order, then penalty under section 122 should also abate – I think SC will give relief. Also explanation 1(iii) of Section 74 should also lead to such a conclusion, in my view.

However High Court rejected such an analogy stating both Section 74 and Section 122 are different enforcement mechanisms and can operate independent of each other. A view that seems highly debatable?

By interpreting the words used in section 122, 132, 75 and other such sections the Court has been able to legitimise the view it has taken – but through the scheme, it is hoped Patanjali should get relief from SC, otherwise it is a huge financial burden on Patanjali.