Daily Tax Law Briefing
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Goods & Services Tax (GST) *(4 judgments)*

TITLE	BRIEF FACTS	RATIO
DG Anti Profiteering, Director General of Anti-Profiteering (DGAP) v. Emaar India Ltd. NAPA/153/PB/2025 GSTAT, Principal Bench, Division Bench Court II Click to view	The proceedings arose from a complaint alleging that Emaar India Ltd. failed to pass on the benefit of additional Input Tax Credit (ITC) available after the introduction of GST in respect of its residential project "Gurgaon Greens". The complaint, filed under Rule 128 of the CGST Rules, alleged violation of Section 171 of the CGST Act. Following investigation, remand pursuant to the Delhi High Court's decision in *Reckitt Benckiser India Pvt. Ltd.*, and a fresh DGAP investigation, it was found that additional ITC benefit had accrued to the developer. Although substantial benefit had already been passed on to homebuyers, the DGAP concluded that a balance amount still remained payable to certain eligible buyers.	The GST Appellate Tribunal upheld the DGAP's methodology based on comparison of ITC as a percentage of purchase value and allocation of project-wise savings over the total saleable area, holding it to be consistent with the Delhi High Court's ruling in *Reckitt Benckiser India Pvt. Ltd.* The Tribunal held that the Respondent derived an additional ITC benefit of **2.44%**, resulting in total profiteering of **₹3,49,74,221 (inclusive of GST)**. Since **₹3,21,54,840** had already been passed on, the Respondent was directed to pass on the balance **₹67,32,464** to **232 eligible homebuyers** together with **18% interest** from the date of excess collection until payment. The Tribunal held that excess benefit passed to some buyers could not be adjusted against the shortfall payable to others. No penalty was imposed as Section 171(3A) came into force only from **01.01.2020**, whereas the investigation period was **01.07.2017 to 16.07.2019**. The **DGAP Report dated 03.12.2024 was accepted**.
M/s Shivani Enterprise Proprietor Vibhor Shivkumar Vaid v. Union of India & Ors. R/Special Civil Application No. 1251 of 2026 Gujarat High Court Click to view	The petitioner, a scrap trader, challenged the Show Cause Notice dated 29.02.2024, the Order-in-Original dated 30.08.2025 and Form GST DRC-07 dated 11.09.2025. The proceedings arose from allegations of fraudulent availment of Input Tax Credit based on intelligence received from the Central GST authorities regarding transactions with M/s Ganpati Enterprises. The petitioner contended that only	The Gujarat High Court declined to exercise its writ jurisdiction under Article 226, holding that the petitioner had an efficacious statutory remedy of appeal under Section 107 of the CGST Act, 2017. The Court found that the petitioner had actively participated in the adjudication proceedings without objecting to the alleged incomplete Show Cause Notice and had been afforded adequate opportunity of hearing. It accepted the respondents' explanation

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	three pages of the Show Cause Notice were supplied, certain relied-upon documents were not furnished, and the notice incorrectly referred to documents pertaining to the year 2021 despite cancellation of its GST registration with effect from 08.10.2020.	that the reference to the year 2021 in the list of relied-upon documents was merely a typographical error and that the investigation actually related to the period **October 2018 to November 2019**. The Court held that there was no violation of the principles of natural justice or any statutory provision, and observed that disputed factual issues were appropriately examinable by the appellate authority. Accordingly, the writ petition was **dismissed**, leaving the petitioner to avail the statutory appellate remedy.
Marella Siva Narayana v. Assistant Commissioner of State Tax W.P. No. 13473 of 2026 Andhra Pradesh High Court Click to view	The petitioner challenged the assessment order and Summary of Order in Form GST DRC-07, both dated 22.11.2025, relating to the tax period April 2021 to March 2022. The challenge was primarily on the ground that the impugned assessment order did not bear the signature of the assessing officer. The petitioner also sought quashing of the related show cause notice and consequential proceedings under the CGST Act, 2017.	The High Court held that an assessment order without the signature of the assessing officer is invalid. Relying on its earlier decisions in **A.V. Bhanoji Row v. Assistant Commissioner (ST)**, **M/s. SRK Enterprises v. Assistant Commissioner**, and **M/s. SRS Traders v. Assistant Commissioner (ST)**, the Court reiterated that Sections 160 and 169 of the CGST Act do not cure the defect of an unsigned assessment order. It further held that under Rule 26(3) of the CGST Rules, 2017, an unsigned order is not validly served, and therefore delay in approaching the Court was immaterial. The impugned Summary of Order dated 22.11.2025 was set aside with liberty to the assessing authority to conduct a fresh assessment after issuing proper notice and a duly signed order. The period from the date of the impugned assessment order till receipt of the High Court's order was directed to be excluded for the purpose of limitation. **Writ Petition Allowed. Matter Remanded.**
Truth Fashion v. S.K. Singh, Special Commissioner & Anr. CONT.CAS(C) 484/2025 Delhi High Court	The petitioner initiated contempt proceedings alleging wilful non-compliance with the High Court's order dated 10.02.2025 directing the respondents to grant refund along with statutory interest. The dispute originated from the rejection of the	The Delhi High Court observed that the Department's writ petition challenging the appellate authority's order had already been disposed of by relegating the Department to the remedy of appeal before the GST Appellate Tribunal. Since no interim order had been passed by the

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Click to view	petitioner's GST refund claim for the period April 2022 to March 2023, which was subsequently allowed by the Objection Hearing Authority. Despite earlier directions of the High Court to process the refund, the respondents failed to release the amount, citing a writ petition challenging the appellate order. During the pendency of that writ petition, the refund amount was deposited with the Registrar General of the High Court.	Tribunal restraining release of the refund, there was no legal impediment to disbursing the amount deposited with the Registrar General. The Court accordingly directed that the deposited refund amount be released to the petitioner upon expiry of three weeks, while clarifying that such release would remain subject to any further orders passed by the Appellate Tribunal in the pending appeal. The contempt petition was **disposed of** with the aforesaid directions.

Income Tax *(4 judgments)*

TITLE	BRIEF FACTS	RATIO
M.R. Overseas Pvt. Ltd. v. Deputy Commissioner of Income Tax (DCIT) ITA Nos. 8837 to 8841/Del/2025 (Assessment Years: 2012-13 to 2014-15, 2017-18 & 2018-19) Income Tax Appellate Tribunal, Delhi Click to view	The assessee preferred five appeals challenging reassessment orders passed under Sections 147 read with 143(3) of the Income-tax Act, 1961. The reassessments were initiated following a survey conducted in the case of Shri Ashok Kumar Gupta, who was found to be operating a network of accommodation entry entities through which the assessee was alleged to have routed bogus purchase and sale transactions. The Assessing Officer made additions representing the difference between the alleged bogus purchases and sales along with an estimated commission at 3%, which were affirmed by the CIT(A)/NFAC.	The ITAT upheld the validity of the reassessment proceedings, holding that the reopening was based on tangible material unearthed during the survey and therefore satisfied the legal requirements under Sections 147 and 148 of the Income-tax Act. On the merits, the Tribunal held that once both the purchases and sales were found to be accommodation entries, the addition of the differential amount between purchases and sales was not justified. Instead, only the profit element embedded in such transactions could be assessed. Accordingly, the Tribunal directed the Assessing Officer to compute income by estimating profit at **1% of the assessee's entire turnover** for each of the five assessment years, specifically observing that the direction should not be treated as a precedent. Since the profit estimation subsumed the alleged commission element, the separate **3% commission addition was deleted**. The appeals were **partly allowed**.

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Milind Dashrath Pawar v. National Faceless Assessment Centre, Delhi (NFAC) & Ors. Writ Petition No. 4539 of 2023 Bombay High Court Click to view	The petitioner challenged the reassessment order passed under Sections 147, 144 and 144B of the Income-tax Act, 1961 for Assessment Year 2014-15 on the sole ground that it was barred by limitation. A notice under Section 148 had been issued on 17.07.2019 and, after extension of limitation under the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020 (TOLA), the Assessing Officer referred the matter to the Departmental Valuation Officer under Section 142A. Although the reassessment order bore the date 13.04.2022, it was digitally signed and served only on 26.05.2022, which the petitioner contended was beyond the statutory limitation period.	The Bombay High Court held that the relevant date for determining limitation is the date on which the assessment order is actually signed and comes into operation, and not the date printed on the order. The Court noted that the Department itself admitted that the Departmental Valuation Officer's report was received on 25.02.2022, thereby extending the limitation only up to 26.04.2022 under Explanation 1 and the first proviso to Section 153 of the Income-tax Act. Since the impugned reassessment order was digitally signed only on 26.05.2022, it was clearly beyond the prescribed limitation period. Accordingly, the Court quashed the reassessment order, the consequential demand notice under Section 156, the notice under Section 274 read with Section 271(1)(c), the penalty order under Section 271(1)(c), and the consequential demand notice. **Writ Petition Allowed. Assessment Order and consequential proceedings quashed as time-barred.**
Mitsui Prime Advanced Composites India Pvt. Ltd. v. Income Tax Officer ITA No. 3056/Del/2024 (Assessment Year: 2020-21) Income Tax Appellate Tribunal, Delhi Click to view	The assessee challenged the final assessment order dated 30.04.2024 passed under Sections 143(3), 144C(13) and 144B of the Income-tax Act, 1961 pursuant to the directions of the Dispute Resolution Panel. The assessment involved a transfer pricing adjustment of ₹4,44,72,947 relating to international transactions with its associated enterprise. Before the Tribunal, the assessee raised an additional legal ground contending that although the assessment order was dated 30.04.2024, it was digitally signed only on 01.05.2024, rendering it barred by limitation under Section 144C(13) of the Act.	The Tribunal admitted the additional ground as it involved a pure question of law. Relying upon **SumanJeet Agarwal v. ITO (Delhi High Court)**, **CIT v. Hyundai Rotem Company**, and **Bennett Coleman & Co. Ltd. v. NFAC**, it held that an assessment order becomes complete only when it is digitally signed. The ITBA records established that although the order was dated 30.04.2024, it was digitally signed on **01.05.2024**, i.e., after the expiry of the limitation prescribed under Section 144C(13). Consequently, the assessment order was held to be time-barred and was quashed. Since the assessment itself was annulled, the Tribunal held that the remaining transfer pricing grounds had become infructuous and required no adjudication. **Appeal Allowed. Assessment Order Quashed as barred by limitation.**

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The KEM Hospital and Seth G.S. Medical College Employees' Co-op. Credit Society Ltd. v. National Faceless Assessment Centre (NFAC) & Ors. Writ Petition No. 686 of 2023 Bombay High Court Click to view	The petitioner challenged the final assessment order dated 28.09.2022 passed under Sections 144 and 144B of the Income-tax Act, 1961, the consequential demand notice issued under Section 156, and the show cause notice initiating penalty proceedings under Section 270A. The grievance was that while the show cause notice proposed an addition of **₹2,69,05,368**, the final assessment order made an addition of **₹9,81,95,173** without issuing any further show cause notice or granting the petitioner an opportunity to explain the substantially enhanced addition, which was based on the balance sheet and profit and loss account furnished by the petitioner.	The Bombay High Court held that the principles of natural justice were violated because the Assessing Officer made an addition of **₹9.81 crore** without providing the petitioner any opportunity to explain why such addition should not be made. The Court observed that the final assessment order travelled far beyond the proposal contained in the original show cause notice and, therefore, could not be sustained. Accordingly, the assessment order dated **28.09.2022** was quashed and directed to be treated as a fresh show cause notice. The Income Tax Department was directed to reopen the portal within one week to enable the petitioner to file a detailed reply within fifteen days, along with supporting documents. If requested, a personal hearing was to be granted, and the Assessing Officer was directed to pass a fresh assessment order within eight weeks from receipt of the reply or conclusion of the hearing, whichever was later. **Writ Petition Allowed. Assessment Order Quashed and Matter Remanded.**

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