



GST | WEEKLY CLIENT BRIEF
GST Updates
08th – 12th Sept 2026

THIS WEEK IN BRIEF

The second week of September saw important developments around ITC under Section 16(2)(c), restoration of cancelled GST registrations, GST portal functionality and adjudication under Section 74. The week also saw continued activity before the Supreme Court and High Courts on GST disputes.

WHAT MATTERS TO BUSINESS

- ❖ **ITC / SECTION 16(2)(c)** - The Rajasthan High Court has noted that the constitutional challenge to Section 16(2)(c) stands covered by the Supreme Court's decision in Bhandari Scrap Traders, and directed taxpayers to pursue the statutory appellate remedy.
- ❖ **GST REGISTRATION** - Courts continue to grant relief in appropriate cases involving cancellation of GST registration, subject to payment of outstanding statutory dues and compliance with prescribed conditions
- ❖ **GST PORTAL / APPEALS** - GSTN has enabled filing of appeals against orders reflecting NIL / Zero demand where the taxpayer disputes the underlying liability despite having already paid the amount.
- ❖ **IMPORT / ITC DOCUMENTATION** - A new ICEGATE-linked functionality relating to "Search BoE & Query ICEGATE" at the GST portal has been brought to taxpayers' attention. Importers should ensure that Bill of Entry data and related records are properly reconciled.

01 | GSTN PORTAL UPDATES

Appeals against NIL / Zero Demand Orders

GSTN has addressed the portal-level restriction that earlier prevented taxpayers from filing an appeal in FORM GST APL-01 where the adjudication order reflected NIL or Zero demand, particularly where the taxpayer had already deposited the disputed amount before the order.

The change is significant because the absence of an outstanding demand on the portal does not necessarily mean that the taxpayer has accepted the underlying liability.

Client point: Taxpayers who have received an adverse order but whose demand is reflected as NIL/Zero should review whether an appeal is warranted and ensure that the statutory appeal period is protected.

02 | JUDICIAL DEVELOPMENTS

Important GST decisions and orders

🚩 **M/s Jain Enterprises v. Union of India & Ors.**

Rajasthan High Court • 08 September 2026





The Rajasthan High Court considered a challenge concerning Section 16(2)(c) of the CGST Act, 2017. The Court recorded that the constitutional validity of the provision had already been adjudicated by the Supreme Court in *Bhandari Scrap Traders v. Union of India*.

Client point: Where an assessee seeks to challenge an order involving Section 16(2)(c), the matter should be evaluated in light of the Supreme Court position and the available statutory appellate remedy rather than proceeding solely through a constitutional writ challenge.

✚ **Taba Nitin v. Union of India & Ors.**

Gauhati High Court • 09 September 2026

The petitioner challenged cancellation of GST registration. The Court directed the CGST authorities to intimate the outstanding statutory dues and permitted the taxpayer to make payment within 21 days of receiving the intimation. Upon proof of payment, the authorities were directed to revoke the cancellation and restore the GST registration.

Client point: Businesses whose GST registrations have been cancelled should promptly examine outstanding dues and the possibility of restoration rather than allowing the cancellation to remain unresolved.

✚ **Shree Hanumant Steel Traders & Ors. v. Assistant Commissioner**

Chhattisgarh High Court • 09 September 2026

The Court considered notices issued under Section 74(9) of the GST Act alleging fraud, wilful misrepresentation or suppression. Relying upon the Supreme Court's position that the foundational facts supporting such allegations must be evident from the notice itself, the Court quashed the impugned notices, while leaving it open to the department to issue fresh notices strictly in accordance with law.

Client point: In Section 74 proceedings, taxpayers should examine whether the SCN actually sets out the foundational facts supporting allegations of fraud, wilful misstatement or suppression instead of merely reproducing statutory terminology.

03 | GST / CUSTOMS SYSTEM DEVELOPMENT

Search BoE & Query ICEGATE at GST Portal

An advisory dated 11 September 2026 relates to the “Search BoE & Query ICEGATE” functionality at the GST portal. The functionality is intended to facilitate access to ICEGATE-related Bill of Entry information through the GST system.

Client point: Importers should reconcile Bill of Entry data appearing through the GST/ICEGATE interface with their purchase records, import documentation and ITC records, particularly where import IGST credit is being claimed.

KEY TAKEAWAYS FOR CLIENTS

- Review NIL/Zero-demand orders — the GST portal now permits appeals in specified cases.
- Section 16(2)(c) — the constitutional challenge has to be considered in light of the Supreme Court's ruling referred to by the Rajasthan High Court.





- Cancelled GST registrations — restoration may be possible subject to payment of dues and compliance with court/departmental conditions.
- Section 74 SCNs — examine whether allegations of fraud/suppression are supported by specific foundational facts.
- Importers — reconcile BoE/ICEGATE data with GST records and ITC claims.

DIRECTORY

Authority	Reference
GST Portal – Appeal / APL-01	https://tutorial.gst.gov.in/userguide/appeal/appeal_faq.htm
CBIC – GST	https://cbic-gst.gov.in/
ICEGATE	https://www.icegate.gov.in/
Rajasthan High Court	Official Court records
Delhi High Court	https://www.delhihighcourt.nic.in/

Important: This brief is intended for general client information and should not be treated as a substitute for a review of the underlying order, notification, facts or applicable law.

