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929wp2087.25

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY**  
**NAGPUR BENCH : NAGPUR**  
**WRIT PETITION NO.2087/2025**

M/s. D. P. Jain & Co. Infrastructure Pvt. Ltd. .Vs. Union of India and Ors.

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Office Notes, Office Memoranda of Coram,  
appearances, Court's orders of directions  
and Registrar's orders  
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Court's or Judge's orders

Mr. Bharat Raichandani and Mr. R. K. Joshi, Advocates for petitioner.  
Mr. K. K. Nalamwar, Advocate for respondent Nos.1 to 4.  
Mr. A. J. Gohokar, A.G.P. for respondent Nos. 5 and 6.

**CORAM : ANIL L. PANSARE AND NIVEDITA P. MEHTA, JJ.**  
**DATE : MARCH 27, 2026.**

Heard.

2. Argument is that the impugned notice dated 28.01.2025 is issued under Rule 31 of the Central Goods and Service Tax Rules, 2017. Counsel for petitioner has invited our attention to circular dated 11.07.2024, issued by Central Board of Indirect Taxes and Customs wherein it is clarified that prior to insertion of sub Rule (2) of Rule 28 i.e. before 26.10.2023, the valuation of service of providing corporate guarantee to any banking company or financial institution by a supplier to a related recipient, on behalf of the said recipient, was to be done as per provisions of Rule 28 of the CGST Rules, as it existed then.

3. He has then invited our attention to reply filed by respondent Nos. 2 to 4 wherein in paragraph 2.1, the respondents have averred that the decision is taken that the circulars issued by superior authority are binding on subordinate officers. In support, respondents have relied upon judgment of the Rajasthan High Court in **Laxmi Narayan Sharma Vs. Superintendent, C.Ex. & Cus. Jaipur** [1996 (87) ELT 345]

4. That being so, it is argued that notice under question could not have been issued under Rule 31 and, therefore, is unsustainable.

5. Learned counsel for respondents seeks time to have research on the point and make submissions. Granted.

6. Stand over to 17.04.2026.

7. Interim order to continue.

**(JUDGE)**

**(JUDGE)**

Kahale