GSTAT

Division Bench Court No. Court I

APL/71/KLK/2026

CAMBRIDGE UNIVERSITY PRESS & ASSESSMENT INDIA PRIVATE LIMITED **.....Appellant**

Versus

JOINT COMMISSIONER (APPEAL), KOLKATA APPEAL-I CGST & CX, DHARM RAJ & ORS. **.....Respondent**

Counsel for Appellant
SANJEEV NAIR
NITISH GUPTA

Counsel for Respondent

Hon'ble Satya Gopal Chattopadhyay, Member(Judicial)
Hon'ble Bijoy Kumar Kar, Member (Technical)

ORDER

Heard Mr. Sanjeev Nair, Ld. Advocate appearing for the appellant virtually. Mr. Nair, Ld. Advocate seeks transfer of this appeal from this bench to the Principal Bench, GSTAT, New Delhi on the ground that one of the issues involved in this appeal is covered under Section 20 of the Central Goods and Services Tax Act, 2017. Ld. Counsel refers to the Notification dated 17.09.2025 vide S.O 4219(E) of the Ministry of Finance, Department Of Revenue which provides under clause (c) that where one or more issues involved in an appeal is covered under Section 20, CGST Act, 2017, such appeal shall be heard only by the Principal Bench.

02 The respondent does not turn up despite notice.

03 In view of the gravity of the contention advanced before us by Mr. Nair, Ld. Advocate, we have examined such contention in the light of the facts of the Case and Law governing the Case.

04 It would be appropriate to reproduce the notification dated. 17.09.2025 referred to above for the sake of convenience.

THE GAZETTE OF INDIA: EXTRAORDINARY

MINISTRY OF FINANCE

(Department of Revenue)

NOTIFICATION

New Delhi, the 17th September, 2025

S.O. 4219(E). *In exercise of the powers conferred by the third proviso to sub-section (5) of section 109 of the Central Goods and Services Tax Act, 2017 (12 of 2017) the Government, on the recommendations of the Council, hereby notifies the following cases or class of cases, in respect of which an appeal shall be heard only by the Principal Bench, namely:*

Any case or class of cases,

(a) pending before two or more State Benches where the President is satisfied that an identical question of law is involved;

(b) where one or more issues involved therein covered under section 14 or section 14A of the Integrated Goods and Services Tax Act, 2017(13 of 2017); and

(c) where one or more issues involved therein is covered under section 20 of the Central Goods and Services Tax Act, 2017(12 of 2017).

[F. No. A-50/7/2025-GSTAT-DOR]

BALASUBRAMANIAN KRISHNAMURTHY, Jt. Secy.

05 Clause (c) of the said Notification clearly demonstrates that the appeal shall only be heard by the Principal Bench where one or more issues involved therein is covered under section 20, CGST Act, 2017.

06 Let us turn to section 20, CGST Act, 2017 to examine the merit of the contention of the counsel of the appellant which reads as under :

"[Section 20. Manner of distribution of credit by Input Service Distributor.-

(1) Any office of the supplier of goods or services or both which receives tax invoices towards the receipt of input services, including invoices in respect of services liable to tax under sub-section (3) or sub-section (4) of section 9 [2][of this Act or under sub-section (3) or sub-section (4) of section 5 of the Integrated Goods and Services Tax Act, 2017], for or on behalf of distinct persons referred to in section 25, shall be required to be registered as Input Service Distributor under clause (viii) of section 24 and shall distribute the input tax credit in respect of such invoices.

(2) The Input Service Distributor shall distribute the credit of central tax or integrated tax charged on invoices received by him, including the credit of central or integrated tax in respect of services subject to levy of tax under sub-section (3) or sub-section (4) of section 9 [2][of this Act or under sub-section (3) or sub-section (4) of section 5 of the Integrated Goods and Services Tax Act, 2017,] paid by a distinct person registered in the same State as the said Input Service Distributor, in such manner, within such time and

subject to such restrictions and conditions as may be prescribed.

(3) The credit of central tax shall be distributed as central tax or integrated tax and integrated tax as integrated tax or central tax, by way of issue of a document containing the amount of input tax credit, in such manner as may be prescribed"

07 It is crystally clear that Section 20, CGST Act, 2017 provides for the manner of distribution of credit by Input Service Distributor, in short, ISD . Now the question is whether distribution of Credit by ISD is one of the issues of the appeal in hand as contended by Mr. Nair, Ld. Counsel of the Appellant.

08. In order to determine this question, we have examined the impugned order, the Memo of Appeal and the documents accompanying the appeal. Relevant extract of the impugned order number 315/ CGST/Kol-North/2022 dated 31.08.2022 passed in GST APL 04 is as follows :

"said period does not arise.

6.3 I also find that CUPIPL Kolkata availed ITC mainly on account of ISD credit based on ISD invoices issued by its Head Offices located at New Delhi who were registered separately vide GSTN 07AAACG7926R2ZY & 07AAACG7926R1ZZ. As per condition of ISD credit distribution, tax paid on services, used in course of furtherance of business can only be distributed to CUPIPL Kolkata & ITC available in a month must be distributed in the same month. Deferment of credit distribution is not allowable. As such no ITC is available on invoices of ISD unit which do not follow the same condition. Thus I find that the appellant did not fulfil the conditions for availing ISD credit as provided under Section 20 of the Act and Rule 39 of CGST Rules, 2017 and as such the ISD credit is inadmissible. Accordingly, refund claim of Rs. 5899626/- on such ITC accumulation on account of ineligible ISD credit was appropriately rejected Vide GST REF-06 C.No. V(18)02/Refund/Cambridge/Chow/Kol-N/CGST/20-21 date 29.09.2020. Further as the refund claim was made in connection with inadmissible ITC, I agree to the subsequent demand Order issued in Form FORM GST DRC-07 vide Reference No. ZD191120002563Z dated 10.11.2020 for the inadmissible ITC of Rs. 6,450,835/-along with interest of Rs. 16,76,510/- and penalty of Rs. 6,45,083/-.

7. *On the basis of the foregoing discussion, I pass the following order.*

ORDER

I reject the appeal filed by the appellant and uphold 'Summary of the order in Form DRC-07 vide Reference No. ZD191120002563Z dated 10.11.2020 passed by Assistant Commissioner, CGST & CX, Chowringhee Division, Kolkata North Commissionerate, Kolkata.

SD/-

[DHARM RAJ]

JOINT COMMISSIONER (APPEALS).

COSTA CX, KOLKATA APPEAL - I COMMISSIONFRATE, KOLKATA

9. It would appear from the impugned order of the First Appellate Authority that the claim of the appellant for ISD credit on ITC accumulation was the core issue of the case of the appellant before the Adjudicating Authority. Since the claim was rejected by the Adjudication Authority, Appellant assailed the order of the Adjudicating Authority in Appeal before the First Appellate Authority which was also turned down. Hence this appeal before us.
10. Mr. Nair , Ld. Counsel of the appellant has fairly submitted before us that the appellant has inadvertently brought this appeal before this forum which should have been instituted before the Principal Bench, GSTAT.

In view of the given facts and circumstances of the case and the materials available on record, we are of the considered view that the appeal may be placed before the Hon'ble Principal Bench, GSTAT on transfer and the same shall be treated as disposed of from the files of this Bench subject to decision of the Principal Bench. The registry of this tribunal is to act accordingly.

(Satya Gopal Chattopadhyay)

(Bijoy Kumar Kar)

Dated: 13.07.2026