IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 05.02.2025

CORAM

THE HON'BLE MR.JUSTICE KRISHNAN RAMASAMY

W.P.No.3419 of 2025
and W.M.P.Nos.3800 & 3801 of 2025

Shree Sakthi Enterprises,
389A, NA, Kanadapalayam,
Thrininravur,
Thiruvallur, Tamil Nadu 602 024. .. Petitioner

Vs.

1.Deputy State Tax Officer -II,
Integrated Commercial Taxes Office Complex,
No.122, Elephant Gate Bridge Road,
Vepery, Chennai – 600 003.

2.Deputy State Tax Officer-I,
Integrated Commercial Taxes Office Complex,
No.123, Elephant Gate Bridge Road,
Vepery, Chennai – 600 003. .. Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, pleased to issue Writ of Certiorari, call for the records of the respondents herein in impugned order passed in GSTIN – 33ASHPG5511D1ZC/2018-19 dated 26.04.2024 passed by the 1st respondent and consequential order u/s

161 in GSTIN – 33ASHPG5511D1ZC/2018-19 dated 26.10.2024 passed by the 2nd respondent and quash the same.

For Petitioner : Ms.G.Vardhini Karthik

For Respondent : Mrs.K.Vasanthamala
Government Advocate (T)

ORDER

This writ petition has been filed by the petitioner seeking to call for the records of the respondents herein in impugned order passed in GSTIN – 33ASHPG5511D1ZC/2018-19 dated 26.04.2024 passed by the 1st respondent and consequential order u/s 161 in GSTIN – 33ASHPG5511D1ZC/2018-19 dated 26.10.2024 passed by the 2nd respondent and quash the same.

2.The case of the petitioner is that there was a technical glitch in filing GST returns in the month of July 2017 (17-18). GST Portal did not accept B2B sales data in GSTR-01, but GSTR-3B has been filed with actual sales amount for the said period. The actual figure of July 2017 was not reflected in GSTR-01 and GSTR-3B. Similarly, GSTR-9, which is an annual return filed in the month of July 2017 was not properly uploaded due to the technical glitch. Since there was a significant difference in GSTR-01 and GSTR-3B data, the 1st respondent issued DRC-01 dated 13.12.2023 to the petitioner. In response, the petitioner filed its reply on 12.01.2024. The reply of the petitioner was perused by the 1st respondent and on finding that due to the technical glitch, the petitioner could not declare the actual amount in GSTR-01 and the petitioner had declared the turnover of July 2017 in September 2018, dropped the issue raised in the DRC-01 dated 13.12.2023. However, the 1st respondent issued one more Form DRC-01 dated 27.12.2023, pointing out the same discrepancies which were pointed out in the earlier DRC-01 dated 13.12.2023. In response to the same, the petitioner filed its reply on 25.01.2024 and 24.04.2024. However, the respondent without considering the replies of the petitioner, proceeded and passed the impugned order dated 26.04.2024 determining a demand of Rs.13,80,778/-. Therefore, the petitioner filed a rectification petition before the respondents, which was also rejected. Hence, the present writ petition has been filed challenging the impugned order dated 26.04.2024 and the consequential order dated 26.10.2024 passed in the rectification petition.

3.Learned counsel appearing for the petitioner would submit that the 1st respondent issued DRC-01 dated 27.12.2023 pointing out the same discrepancies, which were pointed out in the earlier DRC -01 dated 13.12.202 and had dealt the discrepancies under two different headings wherein the 1st respondent had confirmed the demand under one head and had treated the proceedings as dropped under another head. Subsequently, impugned order dated 26.04.2024 came to be passed. Further, the rectification petition filed by the petitioner for rectification of the impugned order was also rejected. Hence, he prayed to set aside both the impugned order and the consequential order of rejecting the rectification petition.

4.Mrs.K.Vasanthamala, learned Government Advocate (Tax), would submit that there was a technical glitch in the month of July 2017 and therefore, the actual data was not reflected in GSTR-09. However, the transactions were properly reflected in GSTR-3B. She would fairly submit that the matter may be remanded back to the Assessing Officer for re-consideration.

5.Heard the learned counsel appearing for the petitioner as well as Mrs.K.Vasanthamala, learned Government Advocate (Tax) appearing for the respondents.

6.Considering the submissions made by the learned counsel for the petitioner as well as the learned Government Advocate, it is clear that due to the technical glitch while uploading the transactions, GSTR-01 was not uploaded properly, whereas GSTR-3B was correctly uploaded, which led to significant difference in GSTR-01 and GSTR -3B. Though the issue has been already considered and dropped, the 1st respondent once again issued the show cause notice dated 27.01.2023 for the same discrepancies occurred during the month of July, 2017. Subsequently, impugned order dated 26.04.2024 came to be passed and the rectification petition filed by the petitioner also rejected by the 2nd respondent.

7.Taking note of the submissions made by either parties, the impugned order dated 26.04.2024 passed by the 1st respondent and the consequential rejection order in the rectification petitioner dated 26.10.2024 are set aside and the matter is remanded back to the respondents for re-consideration. The respondents after taking into consideration the difficulties faced by the petitioner in uploading the transaction in GSTR-01 and GSTR-9 in the month of July 2017, shall pass orders in accordance with law.

8.With the above direction, this writ petition is disposed of. No costs. Consequently, connected miscellaneous petitions are closed.

05.02.2025

rst

Index : Yes/No
Internet: Yes/No
Speaking/Non-Speaking Order

To:

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KRISHNAN RAMASAMY, J.

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