2026:AHC:211077-DB

HIGH COURT OF JUDICATURE AT ALLAHABAD

WRIT TAX No. - 3933 of 2026

M/S Ast Pipes Limited

.....Petitioner(s)

Versus

Union Of India And Another

.....Respondent(s)

Counsel for Petitioner(s)	:	Aryan Mishra, Ayush Kumar
Counsel for Respondent(s)	:	A.S.G.I., Dhananjay Awasthi, Krishna Ji Shukla

Court No. - 39

HON'BLE SAUMITRA DAYAL SINGH, J.
HON'BLE SWARUPAMA CHATURVEDI, J.

1. Heard Shri Aryan Mishra, learned counsel for the petitioner, Shri Dhananjay Awasthi, learned counsel for the revenue and Shri Krishna Ji Shukla, learned counsel for the Union of India.

2. Present petition has been filed for the following relief:

> *" A. Issue a writ, order of direction in the nature of certiorary to set aside and quash the impugned order dated 10.09.2026 and summary thereof dated 11.09.2026, passed under Section 161 of the Central Goods and Services Tax Act, 2017.*
>
> *B. Issue a writ, order, or direction in the nature of certiorary to set aside and quash the impugned Ex-parte order In-Original dated 10.11.2023 and Form GST DRC-07 dated 11.12.2023 issued by the Respondent No.2."*

3. On the last date we have made the following observation:

> *"1. Submission is, the petitioner had only prayed for correction of an arithmetical mistake in DRC-07 dated 11.12.2023. Thus, the petitioner sought correction of the tax demand amounting to the reduction by Rs. 3,17,414/-, only. That application was filed on 21.05.2026. It was within limitation considering the second proviso of Section 161 of the CGST Act, 2017.*
>
> *2. Shri Dhananjay Awasthi, learned counsel for the revenue may obtain clear written instructions as to the applicability of second proviso of Section 161 of the aforesaid Act.*

3. Put up as fresh on 08.10.2026".

4. Today, no contrary fact has been pointed out. Second proviso of Section 161 of the CGST Act, 2017 reads as below:

> *"PROVIDED FURTHER that the said period of six months shall not apply in such cases where the rectification is purely in the nature of correction of a clerical or arithmetical error, arising from any accidental slip or omission."*

5. Undeniably, the claim of the petitioner falls within the scope of the second proviso of Section 161 of the CGST Act, 2017.

6. Perusal of the impugned order dated 10.09.2026 reveals that as a fact, the adjudicating authority has recorded as below:

> *"In this regard, I find that the applicant has not identified any specific clerical or arithmetical mistake, such as an incorrect totalling, transcription error, accidental omission of a figure or other patent mistake which can be corrected merely by reference to the undisputed record. The applicant has essentially alleged a discrepancy between the operative portion of the Order-in-Original and the consequential FORM GST DRC-07 and seeks consequential relief therefrom under sub-section 2 of Section 161 of the CGST Act, 2017."*

7. After making other consideration, it has reached a conclusion as below:

> *"6.17 In the present case, therefore, I find that the applicant has failed to establish that there exists any patent, obvious, self-evident and undisputed error in the Order-in-Original or the consequential FORM GST DRC-07 which can be rectified under Section 161 of the CGST Act.*
>
> *The applicant has also failed to establish that the alleged discrepancy is merely a clerical or arithmetical error arising from an accidental slip or omission, so as to fall within the exception contained in the second proviso to Section 161."*

8. Clearly in the facts noted by the adjudicating authority, that reasoning is erroneous. Once it has been noted that the discrepancy exists between the operative portion of the order-in-original and the consequential GST DRC-07, such a discrepancy would clearly fall within the description of 'error apparent on the face of record'. The phrase used under Section 161 of CGST Act itself is, 'any error which is apparent on the face of record'. Thus in the detailed order, the adjudicating authority confirmed demand of tax

Rs.317414/-, penalty Rs. 47,612/- under Section 74 (5) of CGST Act, demand Rs.3,25,972/- towards wrongful availment of transitional credit, equal amount of penalty Rs.3,25,972/- and interest Rs.57,878/-. Against that the DRC-07 narrates tax demand Rs.6,43,386/-.

9. To the extent the amount of tax Rs.317414/- confirmed by the detailed order dated 10.11.2023 is also described to have been adjusted against Rs.3,14,745/- and Rs.2,992/- deposited by the petitioner under Section 74 of the CGST Act read with Section 121 of the said Act, those amounts may never have been included in the DRC-07.

10. Accordingly, the writ petition is **allowed**. The order dated 10.09.2026 and summary thereof dated 11.09.2026, passed under Section 161 of the Central Goods and Services Tax Act, 2017 are set aside.

11. Matter is remitted to the adjudicating authority to pass a fresh order under Section 161 of the Act, keeping in mind the observations made above. That exercise may be completed within a month from today.

October 8, 2026
Fahad

(Swarupama Chaturvedi,J.) (Saumitra Dayal Singh,J.)

Digitally signed by :-
FAHAD NIYAZ
High Court of Judicature at Allahabad