

HC: GST Demand on Excess ITC in GSTR-2A vs. GSTR-3B Held Untenable

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REFER THE DECISION OF THE HON'BLE MADRAS HIGH COURT IN THE CASE OF

Larsen & Toubro Ltd. vs Assistant Commissioner (ST)(FAC), Kancheepuram - Madras HC (2024) 18 CENTAX

FACTS:

Larsen & Toubro Ltd. **received an impugned order based on discrepancies between GSTR-3B returns and the GSTR-2A data.**

The ITC reflected in GSTR-2A was higher than the credit availed and reported in GSTR-3B.

Authorities raised a demand on the excess ITC shown in GSTR-2A, assuming the difference indicated under-utilization or evasion.

Hon'ble High Court Judgement:

The Madras High Court held that no GST demand can be imposed solely because the ITC appearing in GSTR-2A is higher than that in GSTR-3B.

The court emphasized that GSTR-2A is only auto-populated data and cannot be treated as conclusive evidence of liability.

The impugned order was set aside as the demand on the excess ITC reflected in GSTR-2A was untenable.