

HC: Limitation Period Starts from Next Day of Extended Due Date of Annual Return

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

Tvl. Vairam Agencies Vodafone Cell vs. State Tax Officer, Pudukkottai
Citation: (2025) 33 Centax 165 (Mad.)

FACTS:

Under GST, the department has a fixed time limit to pass assessment or adjudication orders.

This time limit is linked to the due date for filing the annual return.

In this case, the due date for annual return was extended till 5-2-2020.

The department passed the order on 6-2-2025.

The taxpayer argued that the order was time-barred (beyond the limitation period).

Hon'ble High Court Judgement:

The High Court applied Section 9 of the General Clauses Act, 1897.

Rule: When counting limitation, the starting day is excluded, and counting begins from the next day.

Therefore:

Since the due date was 5-2-2020, counting starts from 6-2-2020.

The 5-year limitation period ended on 5-2-2025.

Hence, the order passed on 6-2-2025 was time-barred and invalid.