

HC: Mere allegation of mismatch between GSTR-1 and GSTR 3B cannot be the grounds of invoking Section

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

Xiaomi Technology India (P.) Ltd vs. Additional Commissioner, CGST Delhi West Commissionerate; Dated: 29th October, 2024

FACTS:

Petitioner was served with a notice intimating a huge difference between the GSTR 1 and GSTR 3B filed. The department had given many opportunities to the noticee to rebut the allegations, but the noticee had not submitted any documents. The department owing to a doubt of fraud/misstatement, invoked section 74.

Hon'ble High Court Judgement:

Provisions of section 74 would not be attracted on a mere allegation of mismatch between GSTR-3B and GSTR-1 as said provision would itself be liable to be invoked only if it be alleged that a case of fraud, wilful misstatement or suppression of facts is made out.

Section 74 of Central Goods and Services Tax Act, 2017