

TAX INFO

Dated 17/12/2021

Latest update on GST Law: Information regarding **HC Allows Filing Of TRAN-1 Electronically Or Manually As Technical Glitches Should Not Hamper Bonafide Claim** given in **Judgement by Chhattisgarh High Court.**

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Name of Petitioner	Nagorao Auto Engineering Works
Name of Respondent	Union of India
Court	Chhattisgarh High Court
Date of Judgement	02/12/2021
Appeal No.	WPT No.129 OF 2021

Facts of the Case:

To avail the benefit of ITC on goods held in stock as on 30.06.2017, the Petitioner was required to submit their GST TRAN-1 Form within a specific cut-off date which was initially 21.09.2017 but was extended up to 27.12.2017. The proprietor of the petitioner-establishment however expired on 20.09.2017 and because of the said compelling circumstances; the TRAN-1 Form could not be submitted within the period provided under the statute and even under the extended period up-till 27.12.2017. The legal heirs of the proprietor thereafter took charge of the business and thereafter they tried to submit the TRAN-1 Form. However because of the Technical difficulties and Glitches that occurred, the Form could not be uploaded. The GST Council thereafter again vide notification dated 10.09.2018 extended the last date of submitting of TRAN-1 Form for the year 2017 up-till 31.03.2019. The petitioner again made an attempt on 12.11.2018, however again because of Technical difficulties; the TRAN-1 Form could not be uploaded. Immediate thereafter, the petitioner made a representation to the Commissioner in this regard seeking permission to submit the TRAN-1 Form by opening of the Portal or permitting them to submit manually. The said representation of the petitioner was undecided for a pretty long time which compelled the petitioner to file the present writ petition.

Decision of the Court:

Technical glitches at the transition stage to GST should not affect statutory right of dealers. Attempt must always be made not to deprive a dealer from a bonafide claim, through technicalities. In the wake of the transition period to GST and the switching over to the electronic portal, admittedly glitches had occurred. Thus, a reasonable opportunity ought to have been granted to all "registered persons"/taxpayers to submit/revise/re-revise electronically their Form GST TRAN-1/TRAN-2.

Taking note of the fact that the husband of the petitioner who was the original proprietor having expired in the midst of introduction of the new GST regime on 20.09.2017 and the then compelling circumstances, and further because of the technical glitches and difficulties which the petitioner faced in the course of submission of TRAN-1 form, The Court directs the Department to permit the petitioner either submit the TRAN-1 Form online by opening of the portal or permit to submit the TRAN- 1 Form manually and thereafter to process the assessee's claim for grant of the input tax credit at the earliest. Let this exercise be completed within a period of 60 days from the date of receipt of copy of this order.

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