

Star Truck Service v. Superintendent of Central Tax, Karimangar Urban Range and Others

Case number: Writ Petition No. 24398 of 2025 with I.A. Nos. 1 and 2 of 2025

Citation: No neutral or reporter citation stated in the official order

Decision date: 26 August 2025

Unrectified GSTR-1 mismatch and excess-ITC penalty sustained; belated writ also rejected

Court: Telangana High Court

Bench: Hon'ble Chief Justice Aparesh Kumar Singh and Hon'ble Sri Justice G.M. Mohiuddin

Decision stage: Final High Court dismissal with express substantive findings sustaining the challenged assessment and an additional limitation ground; later appellate/review status not exhaustively verified.

01 Facts of case and issues

Star Truck challenged a 20 August 2024 assessment, its 30 August DRC-07 summary and a 25 June 2025 DRC-13 bank-recovery notice. The assessment demanded Rs. 4,38,566 for short-paid GST, interest and Rs. 43,856 penalty; it also confirmed Rs. 11,374 excess ITC, interest and Rs. 40,000 penalty. The taxpayer had replied to the 28 May 2024 notice and received a personal hearing.

It attributed the outward-supply mismatch to erroneous B2C reporting in GSTR-1. Paragraph 8 records GSTR-2A credit of Rs. 12,04,300 against Rs. 12,15,674 availed. Delay approaching the Court was explained by rectification work on another order dated 22 August 2024 concerning Section 16(4).

The source is inconsistent: paragraph 2 says FY 2024–25; paragraphs 3 and 8 concern 2019–20. Paragraph 2 describes Rs. 4,38,566 as combined CGST/SGST, whereas paragraph 5 calls it CGST. Neither discrepancy is silently resolved.

Pinpoint: Cover/prayer, physical pp. 1–2; paragraphs 2–9, physical pp. 3–6.

02 Discussion by Hon'ble Court

The Bench expressly considered the merits. In paragraph 11 it treated 20 October 2020 as the available rectification cutoff and found that the supplier had not corrected its return in the prescribed manner. Paragraph 12 approved the assessing officer's conclusion that the unrectified short payment attracted Rs. 4,38,566 tax with interest and penalty.

The Court also upheld the penalty associated with Rs. 11,374 excess ITC, recording that the excess credit had already been deposited. This is a substantive endorsement on the stated facts, not merely a prima facie observation or a direction to pursue an alternative remedy.

Separately, paragraph 13 held that the writ came after both the statutory appeal period and its condonable extension. Relying on Assistant Commissioner (CT), LTU, Kakinada v. Glaxo Smith Kline Consumer Health Care Ltd., (2020) 19 SCC 681, the Court declined interference on that additional ground. It did not calculate a precise last appeal date or determine the separate Section 16(4) rectification matter.

Pinpoint: Paragraphs 10–13, physical pp. 6–8; cited precedent and reporter reference, physical p. 8.

03 Judicial decision and operative relief

The writ petition was dismissed without costs, and pending miscellaneous applications were closed. The challenged assessment was left undisturbed. No remand, fresh hearing, refund, bank-release direction, extension of appeal time or other affirmative relief was granted.

Pinpoint: Paragraphs 13–14, physical pp. 7–8; disposal sheet, p. 9.

04 In favour of

Revenue, on the assessment challenge and the additional objection to entertaining the belated writ.

The taxpayer obtained no relief. The already-deposited excess ITC should not be described as an additional fresh payment directed by this judgment.

Pinpoint: Paragraph 12, physical p. 7; paragraphs 13–14, pp. 7–8.

05 AKHB REVIEW POINT

AKHB analysis: Reconcile outward-supply declarations with payments promptly, preserve correction records, and protect appeal deadlines while pursuing rectification. Examine the actual communication date of each order. Preserve the notice, reply, hearing record, return amendments, credit-ledger movements and payment challans so that any substantive defence is supported by contemporaneous evidence.

Keep the two mismatch issues distinct. This short order does not analyse historical Rule 36(4) allowances, Circular 193/05/2023-GST, actual utilisation for ITC interest, or the Rs. 40,000 penalty breakup. Test those matters against the applicable period and records before extending its reasoning. Do not use its 2020 cutoff as today's rectification deadline or turn its refusal of this belated writ into a universal elimination of Article 226 jurisdiction.

Pinpoint: AKHB commentary based on paragraphs 3–13; CGST Sections 37(3), 50(3), 73, 75(13), 107 and 122(2)(a); Circular 193/05/2023-GST. These are analytical safeguards, not additional holdings.

Sources and limitations

Relevant provisions

Constitution of India Article 226; CGST Act 2017 Sections 37, 50(1), 50(3), 73(9), 107(1)/(4) and 122(2)(a); CGST Rule 61; IGST Act 2017 Section 20. Section 16(4) appears only in the explanation concerning another order. Contextual current-law checks: CGST Sections 73(12), 74A and 75(13); historical Rule 36(4) via Circular 193/05/2023-GST.

Statutory note

The historical Section 37(3) proviso linked rectification to furnishing the September return following the relevant financial year or the annual return, whichever was earlier. Paragraph 11's specific 20 October 2020 date is reported as the Court's conclusion, not independently reconstructed from the taxpayer's return calendar. The current proviso uses 30 November following the financial year or the annual return, whichever is earlier; the amendment took effect on 1 October 2022.

Section 73(9) states a penalty of ten per cent of tax or Rs. 10,000, whichever is higher; Section 122(2)(a) contains the corresponding non-fraud penalty formula. The reported Rs. 43,856 and Rs. 40,000 are preserved without supplying missing head-wise computations or changing the Court's figures. Section 75(13) prevents another penalty under the same Act for the same act or omission when a Section 73/74/74A penalty is imposed; the judgment does not analyse that issue. Its joint statutory references are not treated as permission for duplicate penalties. The judgment does not specify payment dates or examine Section 73(8)'s thirty-day tax-and-interest route or subsection (11)'s self-assessed-tax exception; its result should not imply that every repayment inevitably carries penalty.

Current Section 50(3) requires ITC to be wrongly availed and utilised for interest. The judgment's recital of interest under that provision does not establish utilisation dates, an interest rate or a quantified interest liability. Section 107(1) allows three months from communication of the order; subsection (4) permits a further month for sufficient cause. The separate rectification explanation did not persuade this Bench to entertain the delayed writ.

Section 73 is now confined to periods through FY 2023–24, while Section 74A addresses FY 2024–25 onward. This makes the source's financial-year inconsistency material, but does not authorise substituting a different tax period. The Court itself invokes Section 73.

Circular 193/05/2023-GST explains that the 2019–20 mismatch framework differs across 1 April–8 October 2019, 9 October–31 December 2019 and January 2020 onward, with Section 16 conditions, Rule 36(4) limits and cumulative-period adjustments where applicable. Paragraph 8 limits its application to ongoing or pending proceedings, not completed proceedings. The circular is contextual guidance, is not discussed in this judgment, and is not treated as overturning it.

Treatment note

Checked 13 October 2026. The official Telangana judgment index still links W.P. No. 24398 of 2025 to this nine-page order. Bounded searches using the exact party name, Star Truck variant, case number, decision date, appeal/review terms and 2026 terms across Telangana High Court and Supreme Court official domains did not identify a later decision directly treating, staying or reversing it. Broader party-name searches yielded unrelated foreign entities, which were excluded. This is not an exhaustive case-status, Supreme Court diary, SLP or review clearance. No actual recovery/payment verification was obtained. The current statutory and circular checks below provide context, not identified later judicial treatment.

Scope of source review

All nine original pages were fully read and individually viewed, including the two-page prayer/caption, the six-page reasoned order and the disposal sheet. The historical CBIC CGST compilation was read and visually inspected only at physical pp. 68–69 (printed 67–68) for Section 37. Circular 193/05/2023-GST was read and individually viewed in full, all four pages. Current CBIC indexed texts were checked for Sections 37(3), 73(8)–(12), 107(1)/(4) and 122(2)(a). Targeted India Code indexed extracts were checked for Sections 50(1)/(3), 74A's period scope and 75(13). No complete current-Act visual review is claimed: direct India Code PDF download returned HTTP 504, subsequent section opens and screenshot calls failed, and CBIC section-page opens returned 502. Current indexed primary text remained readable. The official judgment index entry and its PDF destination were checked; it is not a case-status docket. Glaxo is reported as the authority cited by this Bench, without an independent full review of that precedent.

Source notes

The caption spells the first respondent's range "Karimangar"; that spelling is retained in the title, while its division/address and the collection record use Karimnagar. No neutral or reporter citation for Star Truck appears in the official order. The August 2025 decision date is confirmed by the front sheet and disposal sheet; the January 2026 dispatch stamp is not the decision date.

Paragraph 2's FY 2024–25 and composite CGST/SGST description differ from paragraphs 3/8's 2019–20 period and paragraph 5's CGST-only description. These are visible source inconsistencies, not OCR corrections. The SCN is dated 28 May 2024, the OIO 20 August 2024, its DRC-07 summary 30 August 2024, the distinct Section 16(4) OIO 22 August 2024 and the bank recovery notice 25 June 2025. The underlying SCN, assessment, returns, payment records and separate rectification order were not independently obtained. No precise penalty allocation, interest computation or appeal service date is supplied by the Court.

An initial fresh download was incomplete and discarded as a verification result. A completed retry returned all 704,472 bytes and the identical SHA-256 as the unchanged nine-page original. PDF parsing and all-page comparison were verified; cryptographic signature validation was not performed.

Primary source

Source description: Complete nine-page official Telangana High Court order, including cover, six-page reasoned order and disposal sheet; fresh official PDF byte-matched.

Official source: [Open source document](#)

Source pages: 9

Judgment author: Division Bench order; no separate author identified

Outcome type: final high court merits

Additional source

CBIC CGST Act compilation as at 1 January 2022

Official source: [Open source document](#)

Pinpoint: Physical pp. 68–69 (printed 67–68): historical Section 37 and September-return/annual-return rectification limit. Both pages read and viewed; not a current consolidation.

CBIC Tax Information Portal: current Section 37

Official source: [Open source document](#)

Pinpoint: Indexed subsection (3), first proviso and amendment footnote 6: 30 November substitution effective 1 October 2022. Direct page open returned 502.

CBIC Tax Information Portal: current Section 73

Official source: [Open source document](#)

Pinpoint: Indexed subsections (8)–(12), especially penalty formula in (9) and period scope in (12). Direct page open returned 502. No separate limitation-extension challenge analysed.

CBIC Tax Information Portal: current Section 107

Official source: [Open source document](#)

Pinpoint: Indexed subsections (1) and (4): communication-based three-month appeal period and one-month sufficient-cause extension. No case-specific deadline calculation.

CBIC Tax Information Portal: current Section 122

Official source: [Open source document](#)

Pinpoint: Indexed subsection (2)(a): non-fraud penalty formula. Does not establish the challenged order's head-wise Rs. 40,000 calculation.

India Code: Central Goods and Services Tax Act 2017

Official source: [Open source document](#)

Pinpoint: Targeted indexed extracts: physical pp. 53–54, Section 50(1)/(3); p. 69, Section 74A heading and subsection (1); p. 72, Section 75(13). Direct download returned 504; visual access failed. No entire Act review claimed.

CBIC Circular 193/05/2023-GST, 17 July 2023

Official source: [Open source document](#)

Pinpoint: All four pages, particularly paragraphs 2–4(iii) and 6–8: period-specific 2019–20 mismatch framework and pending-proceeding limitation. Contextual source not cited by Star Truck.

Telangana High Court official judgment index

Official source: [Open source document](#)

Pinpoint: Writ Petition No. 24398 of 2025 entry and linked nine-page PDF, checked 13 October 2026; not an exhaustive appellate or case-status record.

Disclosures and source rights

AI disclosure: Prepared with AI assistance from the complete official order and identified primary sources. No human legal review is claimed.

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Source checked: 13 October 2026