Dated: 04.11.2026

GSTAT

State Bench Lucknow

Division Bench Court No. Court II

APL/106/LCK/2026

M/S RAM NIWAS SUNIL KUMAR **.....Appellant**

Versus

RAKHI SINGH, DEPUTY COMMISSIONER, MEERA BAI MARG LUCKNOW & ORS. **.....Respondent**

Quorum

Hon'ble Narendra Kumar, Member(Judicial)
Hon'ble Alok Chopra, Member (Technical)

Counsel for Appellant
SHRI SUNIL KUMAR JAISWAL, ADVOCATE

Counsel for Respondent
SHRI SANJEEV KUMAR DEPUTY COMMISSIONER, SGST

Form GST APL-04A

[See rules 113(1) & 115]

Summary of the order and demand after issue of order by the GST Appellate Tribunal

whether remand order : Yes

Order reference no. : ZA090371126000067H **Date of order :** 04/11/2026

1.	GSTIN/Temporary ID/UIN - 09ADMPA1263A1Z4	
2.	Appeal Case Reference no. - APL/106/LCK/2026	Date - 02/05/2026
3.	Name of the appellant - M/S RAM NIWAS SUNIL KUMAR , ramniwassunilkumar1@gmail.com , 9889230888	
4.	Name of the respondant - 1. Shri Prakash Yadav Joint Commissioner(IT) State Tax Headquarters Lucknow , ctithqlu-up@nic.in , 7235002314 2. RAKHI SINGH	
5.	Order appealed against - AD090724053858G	
	(5.1) Order Type - Demand Order	

	(5.2) Ref Number - ZD0901253112112	Date - 27/01/2025
6.	Personal Hearing - 04/11/2026 28/10/2026 08/10/2026 15/09/2026	
7.	Order in brief -) In view of the findings recorded hereinabove, the appeal is partly allowed in the following terms: (ii) Issue No. 1: The appeal is allowed on this issue. The matter is remanded to the proper officer with a direction to verify the relevant figures, particulars and details available on the GST portal and, upon such verification, extend the consequential benefit of the judicial precedents referred to hereinabove, in accordance with law. (iii) Issue No. 2: The appeal is rejected on this issue, as the appellant has failed to establish fulfilment of the statutory conditions prescribed under Section 16 of the UPGST Act, 2017, for availment of the ITC in question.	
Summary of Order		
8.	If demand order then whether demand quantified: No	

9.	For Other orders and Demand orders which are not quantified:	
Issues as raised by proper officer	Issues as determined by Appellate/Revisional authority	Order by GST Appellate Tribunal
Short or non-payment of tax	THE APPELLATE AUTHORITY (LUCKNOW) UPHELD THE DEMAND OF TAX AND PENALTY AND REJECTED THE APPEAL VIA ORDER DATED 27-01-2025	) In view of the findings recorded hereinabove, the appeal is partly allowed in the following terms: (ii) Issue No. 1: The appeal is allowed on this issue. The matter is remanded to the proper officer with a direction to verify the relevant figures, particulars and details available on the GST portal and, upon such verification, extend the consequential benefit of the judicial precedents referred to hereinabove, in accordance with law. (iii) Issue No. 2: The appeal is rejected on this issue, as the appellant has failed to establish fulfilment of the statutory conditions prescribed under Section 16 of the UPGST Act, 2017, for availment of the ITC in question.
10.	If remanded with directions:	
	a) Remanded to: Adjudicating Authority	
	b) Directions subject to which remanded, if any:) In view of the findings recorded hereinabove, the appeal is partly allowed in the following terms: (ii) Issue No. 1: The appeal is allowed on this issue. The matter is remanded to the proper officer with a direction to verify the relevant figures, particulars and details available on the GST portal and, upon such verification, extend the consequential benefit of the judicial precedents referred to hereinabove, in accordance with law. (iii) Issue No. 2: The appeal is rejected on this issue, as the appellant has failed to establish fulfilment of the statutory conditions prescribed under Section 16 of the UPGST Act, 2017, for availment of the ITC in question.	

Place :LUCKNOW

Date : 04.11.2026

Signature

LUCKNOW Deepak Yadav

Designation : Stenographer/Law researcher

Jurisdiction :Lucknow

ORDER

1. Brief facts of the case

1.1 The present appeal has been preferred by M/s Ram Niwas Sunil Kumar, bearing GSTIN 09ADMPA1263A1Z4, engaged in the business of trading in grocery items and spices, against Order-in-Appeal No. ZD0901253112112 dated 27.01.2025, passed by the Additional Commissioner, Grade-II (Appeal-II), Lucknow, in respect of Order-in-Original No. ZD0904244821673 dated 30.04.2024. The dispute relates to the Financial Year 2018–19 and arises from discrepancies noticed in the Input Tax Credit (ITC) declared in Forms GSTR-3B and GSTR-9 vis-à-vis the credit reflected in Form GSTR-2A. Accordingly, proceedings were initiated against the appellant under Section 73 of the UPGST Act, 2017, on the allegation of excess availment of ITC.

1.2 The Proper Officer, vide the aforesaid Order-in-Original, confirmed a tax demand of ₹6,63,460/- (CGST ₹3,31,730/- and SGST ₹3,31,730/-), along with a penalty of ₹66,346/-. The First Appellate Authority upheld the said demand and rejected the appellant's appeal vide Order-in-Appeal dated 27.01.2025. Aggrieved thereby, the appellant has preferred the present appeal, seeking setting aside of the impugned orders and consequential relief.

1.3 The appellant was represented by Shri Sunil Kumar Jaiswal, Advocate and respondent was represented by Shri Sanjeev Kumar, Deputy Commissioner, SGST ("hereinafter referred as the Ld. Respondent").

2. Grounds of Appeal & Contentions of the Appellant

2.1 The authorised representative of the appellant has assailed the impugned orders on the grounds that the appellant is a registered taxpayer, maintaining regular books of accounts and filing GST returns in accordance with the applicable provisions of law. It has been submitted that during the Financial Year 2018–19, IGST ITC amounting to ₹6,71,751.50 was inadvertently reported under the CGST and SGST heads at ₹3,35,875.76 each, while filing GSTR-3B, owing to an unintentional clerical error. According to the appellant,

the discrepancy was merely a case of incorrect classification of ITC and did not involve any excess availment of credit, intention to evade tax or loss of revenue to the Government.

2.2 The appellant has further submitted that it had sufficient eligible ITC under the IGST head and that the authorities below confirmed the demand without examining the electronic credit ledger and relevant GST returns to ascertain the actual availability and utilisation of such credit. It is contended that, in the absence of such verification, the error in reporting could not have been treated as wrongful availment of ITC.

2.3 With regard to ITC amounting to ₹1,67,790/- on purchases worth ₹33,55,800/- made from M/s Shree Parasnath Collection, Kamrup, Assam, during August 2018, the appellant has contended that the purchases were genuine and supported by relevant tax invoices, which were duly reflected in GSTR-2A. It has also been submitted that the supplier was registered under GST at the relevant time and had furnished its statutory returns, including GSTR-1 for August 2018 on 12.10.2018 and GSTR-3B on 06.02.2019. The appellant further stated that it had verified the supplier's GST registration at the time of purchase and made payment for the transaction through banking channels. It is, therefore, the appellant's case that the credit was disallowed without proper examination of the supporting records and documentary evidence.

2.4 In support of its submissions, the appellant has placed reliance upon the decisions in *Divya S. R. v. Union of India*, *Rejimon Padickapparambil Alex v. Union of India* and *Wilhelmsen Port Services India Private Limited & Anr. v. State of West Bengal & Ors.* It has been argued that a bona fide error in reporting or classification of ITC ought to be distinguished from wrongful availment of credit, particularly where the underlying transactions are genuine and no additional credit has been availed.

2.5 On the aforesaid grounds, the appellant has contended that the impugned orders suffer from non-consideration of material facts and documentary evidence and, accordingly, deserve to be set aside.

3. Respondent's Contentions

3.1 The learned Respondent, while defending the impugned orders, submitted that the ITC claimed by the appellant was not availed under the appropriate tax head as prescribed under the provisions of the GST law. It was contended that the credit reported under the CGST and SGST heads could not be treated as admissible IGST credit merely on the basis of the appellant's claim of an inadvertent clerical error. Accordingly, the appellant's contention regarding incorrect classification of ITC was not accepted.

3.2 With regard to ITC amounting to ₹1,67,790/- pertaining to purchases worth ₹33,55,800/- made from M/s Shree Parasnath Collection, Kamrup, Assam, during August 2018, the learned Respondent submitted that, although the appellant claimed that the supplier had furnished GSTR-1, GSTR-3B and GSTR-9 and that the relevant invoices were reflected in GSTR-2A, verification of the supplier's returns on the GST portal by the Proper Officer revealed that the supplier had furnished NIL returns for the disputed period without discharging any corresponding tax liability. It was, therefore, contended that the ITC claimed by the appellant was not admissible under the applicable statutory provisions.

3.3 The learned Respondent accordingly submitted that the demand confirmed by the Proper Officer and upheld by the First Appellate Authority was in accordance with law. It was prayed that the impugned orders be sustained and the present appeal be dismissed.

4. On perusal of the grounds of appeal and determination of points, the case involves the question of law. Hence the Double Bench has heard the matter.

5. Issues for determination –

i. Whether the appellant had wrongly availed IGST ITC under the CGST and SGST heads due to an inadvertent clerical error, and whether such incorrect reporting resulted in excess availment or utilisation of ITC

ii. Whether the ITC amounting to ₹1,67,790/- relating to purchases made from M/s Shree Parasnath Collection, Kamrup, Assam, was admissible,

particularly when the corresponding invoices were stated to be reflected in GSTR-2A.

6. Heard and perused the record.

7. Findings

7.1 This Bench has carefully examined the Show Cause Notice, the Order-in-Original, the Order-in-Appeal, the grounds of appeal, the written submissions of the appellant and the ITC details placed on record.

Issue no. 1.

7.2 The first issue relates to the alleged incorrect availment of IGST ITC under the CGST and SGST heads. The appellant has consistently contended that the discrepancy arose due to an inadvertent reporting error and that the corresponding eligible IGST credit was available in the records.

7.3 On examination of the available records, this Bench also notices that the ITC statement furnished by the appellant reflects IGST ITC of Rs. 6,71,751.50 as the difference between the credit shown in its books, including the earlier-period invoices, and the credit declared in GSTR-3B. The said statement also reflects corresponding differences under the CGST and SGST heads. However, the figures discussed in the Order-in-Original are not entirely identical to those appearing in the appellant's ITC statement. These differences require proper reconciliation and verification.

7.4 This Bench is therefore of the opinion that the claim of the appellant regarding the availability of eligible IGST credit cannot be accepted or rejected merely on the basis of the figures appearing in the annual return. The actual availability, admissibility and utilisation of the credit must be verified from the original records and electronic credit ledger.

7.5 The Hon'ble Kerala High Court, in **Rejimon Padickapparambil Alex v. Union of India, W.A. No. 54 of 2024, decided on 26.11.2024,(D.B.)** considered a similar issue where IGST credit was inadvertently reported by splitting the amount into CGST and SGST in FORM GSTR-3B, resulting in a

mismatch with the credit reflected in FORM GSTR-2A. In that case the Hon'ble Kerala High Court held in

Para - 29, 30 as below :-

"29. CBIC vide Circular No.192/04/2023-GST dated 17th July 2023 had given clarification on charging of interest under section 50(3) of the CGST Act, 2017, in cases of wrong availment of IGST credit and reversal thereof. With respect to the calculation of interest under Rule 88B of the CGST Rules, it has been clarified in the above circular that "Since the amount of input tax credit available in electronic credit ledger, under any of the heads of IGST, CGST or SGST, can be utilized for payment of liability of IGST, it is the total input tax credit available in electronic credit ledger, under the heads of IGST, CGST and SGST taken together, that has to be considered for calculation of interest under rule 88B of CGST Rules and for determining as to whether the balance in the electronic credit ledger has fallen below the amount of wrongly availed input tax credit of IGST, and to what extent the balance in electronic credit ledger has fallen below the said amount of wrongly availed credit. Thus, in the cases where IGST credit has been wrongly availed and subsequently reversed on a certain date, there will not be any interest liability under sub-section (3) of section 50 of CGST Act if, during the time period starting from such availment and up to such reversal, the balance of input tax credit (ITC) in the electronic credit ledger, under the heads of IGST, CGST and SGST taken together, has never fallen below the amount of such wrongly availed ITC, even if available balance of IGST credit in electronic credit ledger individually falls below the amount of such wrongly availed IGST credit. However, when the balance of ITC, under the heads of IGST, CGST and SGST of electronic credit ledger taken together, falls below such wrongly availed amount of IGST credit, then it will amount to the utilization of such wrongly availed IGST credit and the extent of utilization will be the extent to which the total balance in electronic credit ledger under heads of IGST, CGST and SGST taken together falls below such amount of wrongly availed IGST credit, and will attract interest as per sub-section (3) of section 50 of CGST Act, read with section 20 of Integrated Goods and Services Tax Act, 2017 and sub-rule (3) of rule 88B of CGST Page 3 of 3 Rules."

30. The essence of the above clarification is that the input tax credit (ITC) available in the electronic credit ledger should be considered as a pool of funds designated for different types of taxes, such IGST, CGST and SGST. These accounts represent a wallet with compartments for IGST, CGST, and SGST funds. Therefore, while determining interest under rule 88B of the CGST Rules, the entire wallet has to be taken into consideration, not just individual compartments. If the total balance (combining IGST, CGST, and SGST) falls below the amount of the wrongly availed IGST credit, there is interest liability. If, however, the total wallet balance never dips below this specific amount during the relevant period, there's no interest liability. Similarly, for utilizing the IGST liability, the clarification emphasizes that the eligibility of funds for this payment is based on the total balance in the entire wallet, not just the IGST compartment. In short, the analogy of the above circular is that the GST system treats the electronic credit ledger as a unified resource, and interest is incurred if, collectively, the available funds fall below the amount of wrongly availed credit during the specified period"

In that the court has held that in ITC available in the electronic credit ledger should be consider as pool of funds designate for different types of tax such IGST CGST and SGST while determining interest under Rule 88b of the CGST rules the entire wallet has to be taken into consideration, note just individual compartments if the total balance (combining IGST CGST and SGST) fall below the amount of wrongly

availed IGST credit there is interest liability if, however, the total wallet balance never dips below this specific amount during the relevant period, there is no interest liability.

7.6 The aforesaid clarification is relevant to the present dispute, particularly where the appellant has asserted that the aggregate balance of ITC under IGST, CGST and SGST was sufficient and that there was no excess availment in substance and also the appellant's contention that the discrepancy is revenue neutral. Accordingly, the demand cannot be sustained merely on the ground that the credit was reflected under an incorrect tax head, once the principal demand of alleged excess ITC is found unsustainable on the facts of the present case, the consequential levy of interest and penalty cannot independently survive.

Issue no. 2

8. This issue is based on the wrong availment of input tax credit by buyer wheras the seller has failed to paid tax in returns consequently failed to comply the provision of 16 {2} {c} of CGST/UPGST Act 2017. The ITC of Rs. 1,67,790/- claimed against purchases made from M/s Shree Parasnath Collection, Kamrup, Assam. The appellant has produced its explanation that the relevant purchase invoices were reflected in GSTR-2A and that the transaction was supported by invoices and banking records.

8.1 This Bench observes that the mere reflection of an invoice in GSTR-2A, by itself, cannot be treated as conclusive proof of fulfilment of all statutory conditions for availment of ITC. At the same time, the claim cannot be rejected without examining the relevant invoice, the corresponding GSTR-2A details, the genuineness of the transaction, the payment particulars and the applicable statutory conditions.

8.2 The appellant has specifically contended that the supplier was registered at the time of the transaction and had filed the relevant returns. The Ld Respondent contested the argument that though the seller has filed the its GSTR 3B on GST portal, but the seller had discharged their liability of tax as NIL in return GSTR 3B onto the portal for the disputed period. In this regard following judicial pronouncements are important;

"MARUTI ENTERPRISES Vs. UNION OF INDIA, SCA NO. 7369 of 2025 with SCA NO. 11022 of 2025, Gujarat High Court dt. 01.05.2026., 2026 SCC OnLine Guj. 4013 has held in the following paras hat -

78. Now, the proposition advanced by the petitioners that the provisions of Section 16 of the CGST Act and the clauses mentioned therein are to be read independently is misconceived. It was contended before us that the Revenue must stop at the stage of clause (b) of sub-section (2) of Section 16 of the CGST Act and, once that exercise is complete, cannot proceed to clause (c). We do not subscribe to the submissions advanced by the petitioners.

79. ITC falls under Chapter V and Section 16 of the CGST Act deals with the eligibility and conditions for availing such credit. The provision itself contains the necessary checks and balances for claiming input tax credit. The first and foremost condition is that a dealer (registered person) must be in possession of a tax invoice or debit note issued by a supplier registered under the Act. The second condition, as stipulated in clause (b), is that the registered person must have received the goods or services or both. This clause further incorporates twin conditions under sub-clauses (i) and (ii), which mandate that the goods are delivered by the supplier to the recipient or to any other person on the direction of the registered person, and that services are provided by the supplier to any person on account of such registered person. Clause (c) further stipulates compliance with the requirement of actual payment of the tax charged to the Government.

80. Thus, the Revenue cannot be directed to stop at clause (b), since eligibility for input tax credit is established only after the receipt of goods or services or both, and upon the tax charged in respect of such supply being duly paid to the Government. A registered person (dealer) cannot be held entitled to claim input tax credit unless all the conditions up to clause (c) are satisfied. As per the provisions of Section 155 of the CGST Act, the burden lies upon the dealer to establish entitlement up to the stage of clause (c), and such benefit cannot be availed by merely satisfying the requirement under clause (b). Hence, the clauses under sub-section (2), from (a) to (d), are to be read conjointly and not independently of each other.

84. This proposition in context of ITC was reiterated in the decision rendered in the case of Kailash Chandra vs. Mukundi Lal, [2002] 2 SCC 678. In paragraph No.11, following has been laid down : "11. A provision in the statute is not to be read in isolation. It has to be read with other related provisions in the Act itself, more particularly, when the subject-matter dealt with in different sections or parts of the same statute is the same or similar in nature."

86

(b) The Court must interpret a taxing statute in the light of what is clearly expressed: it cannot imply anything which is not expressed; it cannot import provisions into the statute so as to supply any assumed deficiency.

c) A provision in the statute is not to be read in isolation; rather, it has to be read along with other related provisions itself, more particularly when the subject matter inter-relates with different Sections or parts of the same statute.

d) A taxing statute is to be interpreted literally, and further, it is in the domain of the legislature as to how much tax credit is to be given under what circumstances.

e) ITC is a form of concession extended to a dealer under the statutory scheme. The concession can be received by the beneficiary only as per the scheme of the statute.

f) Whenever a concession is given by statute or notification, etc., the conditions thereof are to be strictly complied with in order to avail such concession

Sumetco Alloys Pvt. Ltd. Vs. Union of India, D.B. CWP No. 9323/2026 dt. 13.08.2026, Hon'ble Jaipur High Court has held in the following paras that -

15.1. First, sub-section (1) of Section 16 does not create an unqualified right. It confers entitlement expressly "subject to such conditions and restrictions as may be prescribed". The entitlement is therefore conditional at its very source.

15.2. Second, sub-section (2) opens with a non obstante clause and is cast in the negative form. It says that no registered person shall be entitled to credit unless the enumerated conditions are met. In our view, being a negatively worded non-obstante provision, it is mandatory in nature. The conditions in clauses (a), (aa), (b), (ba), (c) and (d) are cumulative and not alternative. Thus, satisfaction of five of them does not dispense with the sixth. The submission that compliance with clauses (a), (aa), (b) and (ba) by itself establishes entitlement, therefore, runs against the plain reading of the provision. If that submission were accepted, clause (c) would be rendered otiose.

15.3. Third, clause (c) does not operate in isolation. It is expressly made "subject to the provisions of section 41". Section 41(2) requires reversal of credit where the supplier has not paid, and the proviso then permits the recipient to re-avail that very credit once the supplier discharges the liability. The denial under clause (c) is, therefore, contingent and reversible, not final and confiscatory.

15.4. Fourth, Section 155 places the burden of establishing eligibility squarely on the person claiming the credit. The claimant must prove entitlement. The revenue is not required to disprove it in the first instance.

16. Taken together, the provisions, ibid, indicate a deliberate allocation of risk. Parliament has chosen to place the risk of supplier default on the recipient, while simultaneously providing a mechanism for restoration of the credit once the default is cured. Whether that allocation is wise or harsh is a question of legislative policy. Most certainly, it is not a question of constitutional validity to be adjudicated by us in the absence of any material to the contrary. Particularly, in light of the fact that benefit of Input Tax Credit is a contingent statutory entitlement, rather than a vested right, much less a constitutional right.

17. On the burden of proof, the position is equally well settled. In State of Karnataka v. Ecom Gill Coffee Trading Private Limited, it has been held that the burden of proving the genuineness of a transaction for the purpose of claiming input tax credit lies on the purchasing dealer, and that mere production of invoices, or payment by cheque, is not by itself sufficient. The dealer must establish the actual physical movement of goods and the genuineness of the transaction.

18. Pertinently, the constitutional validity of Section 16(2)(c) engaged the attention of different High Courts, which took divergent views. The High Court of Gujarat, in Maruti Enterprise v. Union of India, R/Special Civil Application No. 18080 of 2023 and connected matters, decided on

01.05.2026 (High Court of Gujarat), upheld the provision and declined to read it down. That judgment was carried to the Supreme Court and has been duly upheld by way of dismissed the SLP.

19. Hon'ble the Supreme Court, in ***Bhandari Scrap Traders v. Union of India***

3 (2023) 6 SCC 12 4 2026 SCC OnLine SC 1570 held that -

19(4) " In that view of the matter, the High Court was fully justified in holding that no grounds were made out to declare Section 16(2)(c) of the CGST Act as unconstitutional or read down the provisions thereof. We find ourselves in complete and respectful agreement with the views expressed by the High Court of Gujarat and affirm and uphold the impugned judgment."

8.3 To claim ITC under Section 16 Eligibility and conditions for availing input tax credit is produced below-

(1) Every registered person shall, subject to such conditions and restrictions as may be prescribed and in the manner specified in section 49, be entitled to take credit of input tax charged on any supply of goods or services or both to him which are used or intended to be used in the course or furtherance of his business and the said amount shall be credited to the electronic credit ledger of such person.

(2) Notwithstanding anything contained in this section, no registered person shall be entitled to the credit of any input tax in respect of any supply of goods or services or both to him unless,-

(a) he is in possession of a tax invoice or debit note issued by a supplier registered under this Act, or such other tax paying documents as may be prescribed;

[1][(aa) the details of the invoice or debit note referred to in clause (a) has been furnished by the supplier in the statement of outward supplies and such details have been communicated to the recipient of such invoice or debit note in the manner specified under section 37;]

(b) he has received the goods or services or both.

[2][Explanation.- For the purposes of this clause, it shall be deemed that the registered person has received the goods or, as the case may be, services-

(i) where the goods are delivered by the supplier to a recipient or any other person on the direction of such registered person, whether acting as an agent or otherwise, before or during movement of goods, either by way of transfer of documents of title to goods or otherwise;

(ii) where the services are provided by the supplier to any person on the direction of and on account of such registered person;]

[3][(ba) the details of input tax credit in respect of the said supply communicated to such registered person under section 38 has not been restricted;]

(c) subject to the provisions of [4][section 41 [5][***]], the tax charged in respect of such supply has been actually paid to the Government, either in cash or through utilisation of input tax credit admissible in respect of the said supply; and

(d) he has furnished the return under section 39:

9. In view of the foregoing provisions of law and the judicial precedents discussed hereinabove, this Bench is of the considered opinion that **Issue No. 1**, relating to the availment of Input Tax Credit (ITC) under an incorrect head, is admissible, subject to verification of the relevant particulars, and is liable to be allowed.

9.1 However, **Issue No. 2**, relating to the non-payment of tax by the supplier to the Government despite the appellant having availed ITC on the strength of the relevant invoices, is not sustainable in law. The entitlement to Input Tax Credit is subject to the fulfilment of the conditions prescribed under Section 16 of the CGST Act, 2017, read with the corresponding provisions of the UPGST Act, 2017. The appellant has failed to establish that the tax charged in respect of the supplies in question has actually been paid to the Government, as required under the applicable statutory provisions. Accordingly, the appellant has failed to establish its entitlement to ITC in respect of the said transactions.

Therefore, this Bench is of the considered view that, in the absence of fulfilment of the statutory conditions prescribed under Section 16 of the CGST/UPGST Act, 2017, the appellant is not entitled to avail the ITC in respect of the transactions covered under Issue No. 2.

ORDER

(i) In view of the findings recorded hereinabove, the appeal is **partly allowed** in the following terms:

(ii) **Issue No. 1:** The appeal is allowed on this issue. The matter is remanded to the proper officer with a direction to verify the relevant figures, particulars and details available on the GST portal and, upon such verification, extend the consequential benefit of the judicial precedents referred to hereinabove, in accordance with law.

(iii) **Issue No. 2:** The appeal is rejected on this issue, as the appellant has failed to establish fulfilment of the statutory conditions prescribed under Section 16 of the UPGST Act, 2017, for availment of the ITC in question.

The order is pronounced in open court on 04.11.2026.

(Alok Chopra)

(Narendra Kumar)

Dated: 04.11.2026