**GOODS AND SERVICES TAX APPELLATE TRIBUNAL**
**THIRUVANANTHAPURAM BENCH**
Division Bench : Court No I

**APPEAL NO : APL/20/TVP/2026**

*[arising out of the OIA No. JC PTA 2024 GSTA.55 dated 9-1-2026 passed by the Joint Commissioner (Appeals), Kollam]*

S. N. STORES .....Appellant

Vs

THE COMMISSIONER OF KERALA STATE GST
THIRUVANANTHAPURAM .....Respondent

**for Appellant**
Sreejith R, Advocate

**for Respondent**
Mansur MI, AR

**CORAM : Hon'ble Shri Subramanya Rayaprol, Vice-President**
**Hon'ble Shri Ramamoorthi Sriram, Member (Technical)**

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**FINAL ORDER NO : 15/TVP/KERALAM/2026**

**Date of Hearing: 10-9-2026**
**Date of Order: 30-10-2026**

**Order Per: Subramanya Rayaprol, Vice President**

1.0 Mr Sreejith R, Ld Advocate appeared for the appellants. Mr Mansur MI, Ld JC appeared as AR for the respondents.

2.0 Ld Advocate for the appellants submits that during the month of Jan-2019 in the GSTR1 Return filed by them, the CESS amount was wrongly entered as Rs. 655544.24 instead of the correct amount of Rs. 2,56,350/-, which can be verified and ascertained by the supply value and GST liability. He submits that the respondent has proceeded to demand the difference of the wrongly entered amount declared in GSTR1 and the correct and actual amount of cess as declared and paid in the GSTR3B Return. The difference is only due to the clerical mistake. The total supply value in the return, GST liability and Input Tax claimed in GSTR3B and Input Tax available in GSTR2A, is also accepted by the Respondent. The only higher Cess



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amount is rejected. He submits that the CESS amount has no independent existence and hence the same may be allowed based on the figures under GST and total supply value. He submits that during the month of Jan-2019, the tax liability as per GSTR1 is only RS: 37329.03 under CGST and SGST, which was accepted and allowed. The CESS amount as per GSTR1 is wrongly typed as Rs. 655544.24 which is wrong and it is only due to a clerical mistake. He submits that the correct amount of Rs. 256350/- may kindly be considered and ignore the incorrectly typed amount in the GSTR1, and prays that the clerical mistake may be kindly be condoned based on the value of supply and actual calculation of Cess amount. He prays that the appeals be allowed.

3.0 The Ld AR for the Revenue (State) reiterates the findings of the first appellate authority. In the OIA, the JC (Appeals) has held in para 12 that,

*12) Another contention towards short payment of tax is that "in the month of January 2019 in the GSTR1 the CESS amount was wrongly entered as Rs.6,55,544.24/-. The correct amount was Rs.2,56,350/-".*

*13) The above contention is rejected for want of evidences.*

*14) The outstanding liability as per modification is as follows.*

| *CESS due* | *Interest* | *Penalty* | *Total* |
|---|---|---|---|
| *Rs.4,56,952/-* | *Rs.4,10,343/-* | *Rs.45,695/-* | *Rs.9,12,990/-* |

4.0 Heard both sides.

5.0 We find that the only allegation against the appellant before us is that the appellant has declared the outward liability of CESS of Rs. 6,55,544.24 in the GSTR1 Return of Jan-2019, but has paid only Rs. 2,56,350/- in the GSTR3B Return of Jan-2019. Hence, the appellant was issued the SCN, which was adjudicated and an OIO was passed, and on further appeals, the impugned OIA was issued, to recover the differential amount of CESS of Rs. 4,56,952/- along with interest and penalty. We find that the appellant has declared the taxable value of Rs. 3,00,926/- along with CGST & SGST, in the GSTR1 Table 7 of Jan-2019, and also declared the same amount of CGST, SGST, against the declared taxable value which is not disputed by the Revenue at any point of time. The claim of the appellant that they have committed a clerical error while entering the amount of CESS in the GSTR1 is believable as they

have declared and paid an amount of Rs. 256350/- as CESS against the same amount of CGST and SGST as declared in the GSTR1, which is also not disputed. The allegation of the Revenue has not brought forward any evidence to show if the value of the outward supply of cigarettes is suppressed or whether there is any suppression of taxable value or any short payment of CGST and SGST. We find that just making bald allegations of short payment of Cess is not acceptable even when the appellant is explaining that it is due to a clerical mistake. The adjudicating authority should have dealt with such issues on factual basis and could have condoned the mistake, as there is no material to suggest any short payment of tax or cess, or suppression of taxable value. The GSTR1 for Jan-2019 Table 7, filed by the appellant is as below:

7 - B2C (Others)

| No. of Records | Total Invoice value | Total Taxable value | Total Integrated Tax | Total Central Tax | Total State/UT Tax | Total Cess |
|---|---|---|---|---|---|---|
| 5 | 1031128.3 | 300926 | 0 | 37329.03 | 37329.03 | 655544.24 |

6.0 The GSTR3B of Jan-2019 Table 6.1 as filed by the appellant is as below:

**6.1 Payment of tax**

| Description | Total tax payable | Tax paid through ITC | | | | Tax paid in cash | Interest paid in cash | Late fee paid in cash |
|---|---|---|---|---|---|---|---|---|
| | | Integrated tax | Central tax | State/UT tax | Cess | | | |
| **(A) Other than reverse charge** | | | | | | | | |
| Integrated tax | 0.00 | 0.00 | 0.00 | 0.00 | - | 0.00 | 0.00 | - |
| Central tax | 37329.00 | 0.00 | 37264.00 | - | - | 65.00 | 0.00 | 0.00 |
| State/UT tax | 37329.00 | 0.00 | - | 37264.00 | - | 65.00 | 0.00 | 0.00 |
| Cess | 256350.00 | - | - | - | 256350.00 | 0.00 | 0.00 | - |
| **(B) Reverse charge** | | | | | | | | |
| Integrated tax | 0.00 | - | - | - | - | 0.00 | - | - |
| Central tax | 0.00 | - | - | - | - | 0.00 | - | - |
| State/UT tax | 0.00 | - | - | - | - | 0.00 | - | - |
| Cess | 0.00 | - | - | - | - | 0.00 | - | - |

**Breakup of tax liability declared (for interest computation)**

| Period | Integrated tax | Central tax | State/UT tax | Cess |
|---|---|---|---|---|
| January 2019 | 0.00 | 37329.00 | 37329.00 | 256350.00 |

**Verification:**
I hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my knowledge and belief and nothing has been concealed there from.

Date: 19/02/2019

Name of Authorized Signatory



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7.0 We find that the amount of CESS of Rs. 256350/- has been paid through ITC in the GSTR3B of Jan-2019 by the appellant. We find that the entry made in the GSTR1 of Jan-2019 showing CESS of Rs. 655544.24 is erroneous as it is not corresponding to any of the taxable value, CGST or SGST. The amount of CGST and SGST declared in both the GSTR1 and GSTR3B does not vary, and has been paid correctly. There is no allegation of suppression of quantity of outward supply of cigarettes, nor there is any allegation of the short payment of CGST and SGST either. Therefore, in the absence of any such allegations, or evidences to the contra, the allegation of short payment of Cess, is not at all sustainable. We do not find any evidence leading to short payment of Cess. Hence, the OIA is liable to be quashed and set aside.

8.0 Accordingly, we pass the following order:

**ORDER**

The impugned OIA dated 9-1-2026 is hereby quashed and set aside, and the appeals are allowed with consequential relief.

Subramanya Rayaprol
Vice-President

Ramamoorthi Sriram
Member (Technical)

Date: 30-10-2026

GST APPELLATE TRIBUNAL
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