HC-KAR

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 1ST DAY OF JULY, 2026

BEFORE

THE HON'BLE MR. JUSTICE B M SHYAM PRASAD

WRIT PETITION NO. 19728 OF 2026 (T-RES)

BETWEEN:

M/S EDGE SOLUTIONS
A REGISTERED PARTNERSHIP FIRM
HAVING ITS REGISTERED OFFICE
AT NO. 91, LAKSHMI NIVASA
GROUND AND 2ND FLOOR
5TH CROSS, BULLET KRISHNAPPA LAYOUT
KODIGEHALLI MAIN ROAD,
VIDYARANYAPURA
BANGALORE 560 097.

ALSO AT NO. 167-168,
10TH MAIN 3RD PHASE,
PEENYA INDUSTRIAL AREA
BENGALURU 560 058.

REPRESENTED HEREIN BY ITS PARTNER
MR. GURURAJA SUBBARAO
AT NO 105. NORTH BLOCK,
SATYA GREEN APARTMENT
BK LAYOUT, THINDLU,
BANGALORE-560097.

...PETITIONER

(BY SRI. SANDEEP HUILGOL., ADVOCATE)

AND:

1. THE JOINT COMMISIONER OF
CENTRAL TAX
BENGALURU NORTH
COMMISSIONERATE
HMT BHAVAN, GANGA NAGAR
BENGALURU 560 032.

2. THE ADDITIONAL COMMISSIONER
OF CENTRAL TAX,
HPU, BENGALURU NORTH
COMMISSIONERATE
HMT BHAVAN, GANGA NAGAR
BENGALURU 560 032.

3. THE UNION OF INDIA
REPRESENTED HEREIN BY
THE SECRETARY,
DEPARTMENT OF REVENUE,
MINISTRY OF FINANCE
KARTAVYA BHAVAN,
NEW DELHI- 110 01.

...RESPONDENTS

(BY SRI.ARAVIND V CHAVAN., ADVOCATE)

THIS WP IS FILED UNDER ARTICLE 226 OF THE CONSTITUTION OF INDIA PRAYING TO QUASHING THE IMPUGNED ORDER DATED 20.06.2022 BEARING OIO NO. 06/GST/2022-23 AND DIN 2022055700000016081D PASSED BY THE 1ST RESPONDENT UNDER SECTION 74 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017, FOR THE TAX PERIODS JULY 2017 TO MARCH 2020, TO THE EXTENT QUESTIONED HEREIN

(ANNEXURE A); (II) DECLARING THAT THE DENIAL OF INPUT TAX CREDIT TO THE PETITIONER SOLELY ON THE BASIS OF A MERE MISMATCH BETWEEN THE DETAILS OF INPUT TAX CREDIT THAT WERE AUTO-POPULATED IN ITS FORMS GSTR-2A AND WHICH IT RIGHTLY CLAIMED IN ITS FORMS GSTR-3B, IS UNCONSTITUTIONAL, ARBITRARY AND ULTRA VIRES THE SCHEME AND OBJECT OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017, AND KARNATAKA GOODS AND SERVICES TAX ACT, 2017.

THIS PETITION, COMING ON FOR PRELIMINARY HEARING, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE B M SHYAM PRASAD

ORAL ORDER

The petitioner has called in question the Adjudication Order dated 20.06.2022 *[Annexure-A]*, and the petitioner has also sought for declaration that the denial of the *Input Tax Credit* [ITC] to the petitioner solely on the basis of a mismatch between the details of the ITC in its Forms GSTR-2A and GSTR-3B is bad in law. The petitioner had called this Order in question in the writ petition in W.P.

No.22647/2022 *inter alia* on the ground that a single Show Cause Notice was issued for different tax periods [*between July 2017 and March 2020*]. This writ petition is allowed by the Order dated 17.12.2025, and with the Revenue carrying this order in appeal in W.A. No.1166/2026 [*as it had other Orders also on similar grounds*], a Division Bench by the Judgment dated 24.04.2026 has set aside the order in the writ petition restoring both the Show Cause Notice and the impugned Adjudication Order answering against the petitioner on its grievance with a single Show Cause Notice for different tax periods.

The first respondent has opined that the difference between the Forms GSTR-2A and GSTR-3B is crucial because though the *month-wise* or *tax-wise* difference is clearly set out in the Show Cause Notice, the petitioner has neither in the Reply nor during the personal hearing submitted *month-wise* or *tax-wise* reconciliation for the differential ITC. Sri Sandeep

Huilgol, the learned counsel for the petitioner, submits that:

[a] the first respondent should have examined the petitioner's specific case that the Customs Duty and the Integrated Goods and Services Tax [IGST] under *Reverse Charge Mechanism* on clearance of goods from the Customs are not part of Form GSTR-2A and therefore there is a difference as alleged,

[b] because the portal maintained by the Customs Department was not calibrated with the GST portal, there is an auto calculation in Form GSTR-3B, and

[c] this Court, because of this reason in the writ petition in W.P. No.11918/2024[1] has observed that Form GSTR-2A was designed to take only the details of the suppliers in

[1] *This petition is disposed by the Order dated 30.04.2026*

India and their supplies, and not the details relating to import of goods and services and SEZ procurements.

Sri Aravind V Chavan, a learned standing counsel who accepts notice for the respondents, is heard for disposal.

This Court must observe that if the Form GSTR-2A was not designed to take details relating to import of goods and services and SEZ procurements until 01.01.2021, that would be a relevant circumstance which must be considered as would be the fact that the petitioner has referred to the IGST paid under Reverse Charge Mechanism. When queried, Sri Sandeep Huilgol is categorical in stating that the petitioner can indeed furnish a reconciliation that would demonstrate that there is no mismatch to justify the proceedings either under Section 73 or 74 of the CGST/KGST Act. In the circumstances, this Court is inclined to interfere with the Adjudication

Order dated 20.06.2022 and restore the proceedings with liberty to the petitioner to file, within eight [8] weeks from today, a complete reconciliation to explain the mismatch between Forms GSTR-2A and GSTR-3B. As such, the following.

ORDER

[a] The petition is allowed-in-part.

[b] The Adjudication Order dated 20.06.2022 *[Annexure-A]* is quashed.

[c] The petitioner is reserved with liberty to file a detailed reconciliation of the *month-wise* and *tax-wise* difference between the ITC availed in Form GSTR-3B and as reflected in Form GSTR-2A with the first respondent within eight [8] weeks from today.

[d] The first respondent is called upon to extend a personal hearing as part of the further submissions, if the petitioner makes a request for such hearing on reconciliation.

Sd/-
(B M SHYAM PRASAD)
JUDGE

AN/-