

**Summary of Demand and Notice issued u/s 74 of the CGST Act is required to be issued electronically under Rule 142(1) of the CGST Rules**

The Hon'ble Delhi High Court in the case of ***Sulender Shah v. Additional Commissioner/Joint Commissioner CGST [W.P.(C) NO. 15766 OF 2023 dated December 7, 2023]*** directed the Revenue Department to issue the summary of Show Cause Notice and Demand electronically in Form GST DRC-01 & Form GST DRC-02, thereby holding that, summary of Demand and Notice issued under Section 74 of the Central Goods and Services Tax Act, 2017 (**"the CGST Act"**) is required to be issued electronically under Rule 142(1) of the Central Goods and Services Tax Rules, 2017 (**"the CGST Rules"**)

**Facts:**

Sulender Shah (**"the Petitioner"**) has filed the writ petition for setting aside the Show Cause Notice dated August 2, 2023 (**"the Impugned Notice"**) and restraining the Revenue Department (**"the Respondent"**) from proceeding with the adjudication proceedings of the Impugned Notice during the pendency of writ petition. The Petitioner contended that, the issue in the present writ petition has already been covered in the decision of the Hon'ble Delhi High Court in the case of ***Shubham Gupta v. Additional Commissioner/Joint Commissioner CGST, and Anr. [W.P.(C) No. 12457/2023 dated September 21, 2023]*** as the same Show Cause Notice issued to the Petitioner was considered in the aforementioned case.

**Issue:**

Whether summary of Demand and Notice issued under Section 74 of the CGST Act is required to be issued electronically under Rule 142(1) of the CGST Rules?

**Held:**

The Hon'ble Delhi High Court in ***W.P.(C) NO. 15766 OF 2023*** held as under:

- Relied upon the order passed by the Hon'ble Delhi High Court in the case of ***Shubham Gupta v. Additional Commissioner/Joint Commissioner CGST, and Anr. [W.P.(C) No. 12457/2023 dated September 21, 2023]*** wherein it was observed that, as per Rule 142(1) of the CGST Rules, any notice issued under Section 74 of the CGST Act, is to be accompanied by the summary, generated electronically in Form GST DRC-01 and Form GST DRC-02. It was further observed that, though the summary in the electronic form is required to be furnished along with the Show Cause Notice, the furnishing of the summary at the present stage during the pendency of adjudication proceedings would be of sufficient compliance.
- Directed that, the proper officer is required to issue the summary of the Impugned Notice and demand electronically in Form GST DRC-01 & Form GST DRC-02 as expeditiously as possible and preferably within a period of one week

### **Relevant Provisions:**

#### **Rule 142(1) of the CGST Rules**

*"142. Notice and order for demand of amounts payable under the Act.-*

*(1) The proper officer shall serve, along with the*

*(a) notice issued under section 52 or section 73 or section 74 or section 76 or section 122 or section 123 or section 124 or section 125 or section 127 or section 129 or section 130, a summary thereof electronically in FORM GST DRC-01,*

*(b) statement under sub-section (3) of section 73 or sub-section (3) of section 74, a summary thereof electronically in FORM GST DRC-02, specifying therein the details of the amount payable....."*

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