

# GST Update

High Court Clears Interest on Timely GST Payments

No interest under Section 50 of the CGST Act if GSTR-3B couldn't be filed on time, but the tax was paid in the Electronic Cash Ledger within the due date for return filing.

*Eicher Motors Ltd. vs. The Superintendent of GST and Central Excise [TS-19-HC(MAD)- 2024-GST]]*



The petitioner, a motorcycle manufacturer, received a recovery notice demanding payment of interest under Section 50 of the CGST Act for the period July 2017 to December 2017 due to the delayed filing of monthly returns.

*However,* the High Court ruled that payment through PMT-06 discharges tax liability if credited to the government account by the last date for monthly return filing.

*Consequently,* the Hon'ble HC set aside the impugned order, stating that interest under Section 50 of the CGST Act is not payable if the amount equal to tax is available in the Electronic Cash Ledgers.



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