

**IN THE HIGH COURT OF JUDICATURE AT PATNA**  
**Civil Writ Jurisdiction Case No.129 of 2023**

=====

M/s Shiv Shakti Tractors, Station Road, Nawada through its Proprietor Girendra Prasad, Aged about 65 years, Gender Male, Son of Shivrindan Prasad, Resident of Station Road, Nawada, P.S.- Nawada, District- Nawada (Bihar)- 805110.

... .. Petitioner/s

Versus

1. The Union of India through the Secretary, Ministry of Finance, Government of India, New Delhi.
2. The Principal Chief Commissioner, CGST, Central Revenue Building, Birchand Patel Path, Patna.
3. The State of Bihar, through the Commissioner, Department of State Taxes, Government of Bihar, Patna.
4. The Additional Commissioner, State Tax (Appeal), Magadh Division, Gaya.
5. The Joint Commissioner, State Tax, Nawada Circle, District- Nawada.

... .. Respondent/s

=====

**Appearance :**

|                      |   |                                       |
|----------------------|---|---------------------------------------|
| For the Petitioner/s | : | Mr. Alok Kumar, Advocate              |
| For the Respondent/s | : | Dr. K.N. Singh (ASG)                  |
|                      |   | Mr. Anshuman Singh, Sr. SC, CGST & CX |
|                      |   | Mr. Vivek Prasad, GP-7                |

=====

**CORAM: HONOURABLE THE CHIEF JUSTICE**

**and**

**HONOURABLE MR. JUSTICE PARTHA SARTHY**

**ORAL JUDGMENT**

**(Per: HONOURABLE THE CHIEF JUSTICE)**

**(The proceedings of the Court are being conducted by Hon'ble the Chief Justice / Hon'ble Judges through Video Conferencing from their residential offices/residences. Also the Advocates and the Staffs joined the proceedings through Video Conferencing from their residences/offices.)**

**Date : 20-01-2023**

Petitioner has prayed for following relief (s) : -

“(i) For quashing of the Summary of Order-cum-Demand Notice dated 22.01.2021 issued in Form GST DRC-07 for the period April 2018 to March 2019 has been issued whereby the Tax, Interest and Penalty to the tune of Rs. 61,35,924.28 has been



imposed without adjusting the Input Tax Credit already available in the Cash/Credit Ledger of the petitioner, in utter violation of the principle of natural justice as the same was passed without issuance of show cause notice;

(ii) For further issuance of consequential writ or order for quashing of order dated 27.09.2022 issued vide Memo No. 383 dated 27.09.2022 by the Respondent No. 4, whereby the appeal preferred by the petitioner has been rejected without any application of mind only on the ground that the petitioner filed the Appeal with the delay of 65 days without going into the merit of the case;

(iii) For further issuance of a direction or order restraining the Respondent No. 5 from taking any coercive action for recovery of the amount in demand from the petitioner during the pendency of the present writ application or for a direction to refund of the part or whole of the amount in case recovered from the petitioner;

(iv) For a direction to the Respondents for defreeze/de-attaching the Bank account of the petitioner Company:

(v) For grant of any relief or reliefs to which the petitioner is entitled in the facts and circumstances of the case.”

It is brought to our notice that vide impugned order dated 27.09.2022 passed by the Respondent No. 4 namely the Additional Commissioner, State Tax (Appeal), Magadh Division Gaya, in Appeal Case No.ND/GST-20/2022-23, the appeal of the petitioner against the order dated 22.01.2021 passed by Respondent No. 5, namely The Joint Commissioner, State Tax, Nawada Circle, Nawada, for the period April, 2018 to March, 2019, has been rejected on the ground of the same being barred by



limitation.

Learned counsel for the Revenue, states that he has no objection if the matter is remanded to the Assessing Authority for deciding the case afresh and the limitation shall not be allowed to come in the way. Also, the case shall be decided on merits. Also, during pendency of the case, no coercive steps shall be taken against the petitioner.

Statement accepted and taken on record.

However, having heard learned counsel for the parties as also perused the record made available, we are of the considered view that this Court, notwithstanding the statutory remedy, is not precluded from interfering where, *ex facie*, we form an opinion that the order is bad in law. This we say so, for two reasons- (a) violation of principles of natural justice, i.e. Fair opportunity of hearing. No sufficient time was afforded to the petitioner to represent his case; (b) order passed *ex parte* in nature, does not assign any sufficient reasons even decipherable from the record, as to how the officer could determine the amount due and payable by the assessee. The order, *ex parte* in nature, passed in violation of the principles of natural justice, entails civil consequences; (c) We also find the authorities not to have adjudicated the matter on the attending facts and circumstances.



All issues of fact and law ought to have been dealt with, even if the proceedings were ex parte in nature.

As such, on this short ground alone, we dispose of the present writ petition in the following mutually agreeable terms:

(a) We quash and set aside the impugned order dated 27.09.2022 passed by the Respondent No. 4 namely the Additional Commissioner, State Tax (Appeal), Magadh Division Gaya, in Appeal Case No.ND/GST-20/2022-23, and the order dated 22.01.2021 passed by Respondent No. 5, namely The Joint Commissioner, State Tax, Nawada Circle, Nawada;

(b) We accept the statement of the petitioner that ten per cent of the total amount, being condition prerequisite for hearing of the appeal, already stands deposited. If that were so, well and good. However, if the amount is not deposited for whatever reason(s), same shall be done before the next date;

(c) Further the petitioner undertakes to additionally deposit ten per cent of the amount of the demand raised before the Assessing Officer. This shall be done within four weeks.

(d) This deposit shall be without prejudice to the respective rights and contention of the parties and subject to



the order passed by the Assessing Officer. However, if it is ultimately found that the petitioner's deposit is in excess, the same shall be refunded within two months from the date of passing of the order;

(e) We also direct for de-freezing/de-attaching of the bank account(s) of the writ-petitioner, if attached in reference to the proceedings, subject matter of present petition. This shall be done immediately.

(f) Petitioner undertakes to appear before the Assessing Authority on 06.02.2023 at 10:30 A.M., if possible through digital mode;

(g) The Assessing Authority shall decide the case on merits after complying with the principles of natural justice;

(h) Opportunity of hearing shall be afforded to the parties to place on record all essential documents and materials, if so required and desired;

(i) During pendency of the case, no coercive steps shall be taken against the petitioner.

(j) The Assessing Authority shall pass a fresh order only after affording adequate opportunity to all concerned, including the writ petitioner;

(k) Petitioner through learned counsel undertakes to



fully cooperate in such proceedings and not take unnecessary adjournment;

(l) The Assessing Authority shall decide the case on merits expeditiously, preferably within a period of two months from the date of appearance of the petitioner;

(m) The Assessing Authority shall pass a speaking order, assigning reasons, copy whereof shall be supplied to the parties;

(n) Liberty reserved to the petitioner to challenge the order, if required and desired;

(o) Equally, liberty reserved to the parties to take recourse to such other remedies as are otherwise available in accordance with law;

(p) We are hopeful that as and when petitioner takes recourse to such remedies, before the appropriate forum, the same shall be dealt with, in accordance with law, with a reasonable dispatch;

(q) We have not expressed any opinion on merits and all issues are left open;

(r) If possible, proceedings be conducted through digital mode;

The instant petition stands disposed of in the



aforesaid terms.

Interlocutory Application(s), if any, also stands disposed of.

Learned counsel for the respondents undertakes to communicate the order to the appropriate authority through electronic mode.

**(Sanjay Karol, CJ)**

**( Partha Sarthy, J)**

KCJha/chn

|                   |            |
|-------------------|------------|
| AFR/NAFR          |            |
| CAV DATE          |            |
| Uploading Date    | 24.01.2023 |
| Transmission Date |            |

