

IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.16303 of 2024

M/S. Sonali Event Pvt. Ltd., Flat No. 502, having its office at- Keshav Bihar, Rajeev Nagar, Road No. 16, Keshri Nagar, Patna- 800024 through its Director Kaushal Kishor Mishra (Male), aged about 52 Years, S/o Late Ram Lakhan Mishra, Resident of Keshav Vihar, Road No. 16, Near Maalpura Bhawan, P.S.- Rajeev Nagar, District- Patna, Bihar.

... .. Petitioner/s

Versus

1. The Union of India through the Secretary Department of Revenue, Industry of Finance, North Block, New Delhi- 110001.
2. The Secretary, Department of Revenue, Ministry of Finance, North Block, New Delhi- 110001.
3. The State of Bihar, through the Commissioner cum Secretary, Commercial Tax Department, Govt. of Bihar, Patna.
4. The Commissioner cum Secretary, Commercial Taxes Department, Govt. of Bihar, Patna.
5. The Additional Commissioner of State Taxes (Appeals), Central Division, Patna.
6. The Joint Commissioner of State Taxes, Special Circle, Patna.
7. The Assistant Commissioner State Taxes, Special Circle, Patna Bihar.

... .. Respondent/s

Appearance :

For the Petitioner/s	:	Mr.Madan Kumar, Advocate
		Mr. Brisketu Saran Pandey, Advocate
For the Respondent/s	:	Mr.Vikash Kumar, SC 11

CORAM: HONOURABLE THE CHIEF JUSTICE
and
HONOURABLE MR. JUSTICE PARTHA SARTHY
ORAL JUDGMENT
(Per: HONOURABLE THE CHIEF JUSTICE)

Date : 24-10-2024

An amendment has been made to Section-112 of the Central Goods and Services Tax Act, 2017 substituting “twenty per cent” pre deposit to “**ten per cent**” for maintaining an appeal before the Goods and Services Tax Tribunal. The Tribunal has not yet been constituted and this Court had been granting orders based on the judgment in **SAJ Food Products Pvt. Ltd. vs.**



The State of Bihar & Others in C.W.J.C. No. 15465 of 2022, allowing the assessee to deposit twenty per cent of the disputed amount of tax, till the Tribunal is constituted and an appeal is filed also allowing stay of recovery.

2. As of now pre-deposit has been reduced to **“ten per cent”** but however, the same is made effective only from 01.11.2024. It is an admitted position that the GST Tribunals have not been constituted as yet and there is no possibility of an appeal being filed prior to 01.11.2024. In such circumstance, we direct that the assessee on payment of **“ten per cent”** of the tax amounts in dispute shall be entitled to stay of recovery till the Tribunal is constituted and an appeal is filed within such term as provided therein.

3. This Court is, therefore, inclined to dispose of the instant writ petition in the following terms:-

- (i) Subject to deposit of a sum equal to 10 percent of the amount of tax in dispute, if not already deposited, in addition to the amount deposited earlier under Sub-Section (6) of Section 107 of the B.G.S.T. Act, the petitioner must be extended the statutory benefit of stay under Sub-Section (9) of Section 112 of the B.G.S.T.



Act. The petitioner cannot be deprived of the benefit, due to non-constitution of the Tribunal by the respondents themselves. The recovery of balance amount, and any steps that may have been taken in this regard will thus be deemed to be stayed.

(ii) The statutory relief of stay, on deposit of the statutory amount, however in the opinion of this Court, cannot be open ended. For balancing the equities, therefore, the Court is of the opinion that since order is being passed due to non-constitution of the Tribunal by the respondent-Authorities, the petitioner would be required to present/file his appeal under Section 112 of the B.G.S.T. Act, once the Tribunal is constituted and made functional and the President or the State President may enter office. The appeal would be required to be filed observing the statutory requirements after coming into existence of the Tribunal, for facilitating consideration of the appeal.

(iii) In case the petitioner chooses not to avail the



remedy of appeal by filing any appeal under Section 112 of the B.G.S.T. Act before the Tribunal within the period which may be specified upon constitution of the Tribunal, the respondent- Authorities would be at liberty to proceed further in the matter, in accordance with law.

(iv) If the above order is complied with and a sum equivalent to 10 per cent of the remaining amount of the tax in dispute is paid then, if there is any attachment of the bank account of the petitioner pursuant to the demand, the same shall be released.

4. With the above liberty, observation and directions, the writ petition stands disposed of.

(K. Vinod Chandran, CJ)

(Partha Sarthy, J)

Sujit/-

AFR/NAFR	NAFR
CAV DATE	
Uploading Date	24.10.2024
Transmission Date	

