**IN THE HIGH COURT OF PUNJAB & HARYANA**
**AT CHANDIGARH**

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**CWP-5785-2025**
**Date of Decision: 07.04.2025**

M/s Guru Kirpa Steels ......Petitioner

Vs.

State of Punjab and another ......Respondents

**CORAM: HON'BLE MR. JUSTICE ARUN PALLI**
**HON'BLE MRS. JUSTICE SUDEEPTI SHARMA**

Present: Ms. Alisha Chawla, Advocate, and
Mr. Sandeep Goyal, Advocate,
for the petitioner.

Mr. Saurabh Kapoor, Additional Advocate General, Punjab,
for the respondents.

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**SUDEEPTI SHARMA, J.**

1. The present writ petition is filed with the following prayers:-

> (i) For issuance of a writ in the nature of mandamus, directing the respondents not to proceed with the recovery proceedings initiated through the notice for recovery of demand dated 13.02.2025, which demands payment of tax, interest and penalty despite non-constitution of GST Tribunal and the payment of requisite pre-deposit by the petitioner in terms of Section 112(8) and in violation of Circular dated 11.07.2024 bearing No.224/18/2024.

(ii) For issuance of a writ in the nature of certiorari, quashing the impugned recovery notice, as per CBIC Circular No.224/18/2024 dated 11.07.2024, which states that upon the payment of the pre-deposit, recovery of the remaining amount stands stayed under Section 112(9) of the CGST/PGST Act, 2017.

iii) For issuance of any other appropriate writ or direction which this Hon'ble Court may deem fit and proper in the circumstances of the case.

2. The brief facts of the case are that the impugned notice for recovery of demand dated 13.02.2025 is the consequential effect of the order dated 15.07.2019 passed by the Excise and Taxation Officer-cum-State Tax Officer, Mansa. The petitioner filed an appeal against the order dated 15.07.2019 before the Deputy Excise & Txation Commissioner (Appeals), Faridkot Division, Head Office, Bathinda, who dismissed the appeal filed by the petitioner, vide its order dated 17.02.2020. Since, the Goods & Services Tax Tribunal (for short, 'GST Tribunal') is not constituted, therefore, the petitioner could not challenge the order dated 17.02.2020 passed by the Deputy Commissioner, State Tax (Appeals), Faridkot Division, Head Office, Bathinda, and the notice for recovery of demand dated 13.02.2025 was received by him, which is the consequence of basic order dated 15.07.2019. Admittedly order dated 17.02.2020 passed by the Deputy Commissioner, State Tax (Appeals), Faridkot Division, Head Office, Bathinda, is appealable

and since, the GST Tribunal is not constituted, therefore, the petitioner has challenged the same before this Court. Hence, he filed the present writ petition.

3. Learned counsel for the petitioner contends that the petitioner has already made payment of requisite pre-deposit in terms of the Section 112(8) of the Central Goods & Services Tax Act, 2017, and in terms of Circular dated 11.07.2024 bearing No.224/18/2024, which is issued by the Government of India with certain guidelines for recovery of outstanding dues till the GST Tribunal comes into operation, therefore, in view of the same, recovery of the remaining amount be stayed.

4. Upon notice, reply by way of affidavit dated 05.03.2025 of Karanbir Singh, Exicse & Taxation Officer-cum-Proper Officer, Ward No.2, Mansa, on behalf of the respondents, was filed. The relevant paragraphs No.4 and 5 of the same are reproduced as under:-

> *"4. That in the absence of constitution of GST Tribunal and as clarified by the Government of India vide Circular No.224/18/2024 dated 11.07.2024, which states that in terms of Section 112(8) of the Act ibid petitioner was required to deposit further 20% of the remaining tax in dispute. It is also mentioned here that the above circular has been adopted by the State Government by circulating to all concerned directing the field formations and Registered Dealers to comply with the guidelines and clarification as laid down in the said circular.*
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> *5. That it is humbly and respectfully submitted that it is admitted fact that the payment of requisite pre-deposit in terms*

*of Section 112(8) of PGST Act has been deposited by the petitioner but at the time of issuance of the impugned notice this fact was not in the knowledge of the deponent hence, inadvertently the impugned notice was served to the petitioner. However, as of now, in view of Circular dated 11.07.2024 bearing No.224/18/2024 issued by the CBIC, the recovery of the remaining amount stands stayed by the respondent department as mandated under Section 112(8) of the CGST/PGST Act, 2017."*

5. In view of the stand taken by the respondents, the present writ petition is disposed of as having been rendered infructuous.

**(ARUN PALLI)**
**JUDGE**

**(SUDEEPTI SHARMA)**
**JUDGE**

**07.04.2025**
Virrendra

Whether speaking/reasoned: Yes / No
Whether reportable: Yes / No