

IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.9000 of 2022

Shiv Gopal Traders A proprietorship firm having its place of business at Paria, Bariarpur, Munger- 811211 through its proprietor namely Shiv Gopal Sah male aged about 55 Years, Son of Ram Charitra Sah, resident of Paria, Bariarpur, Munger- 811211.

... .. Petitioner/s

Versus

1. The State of Bihar through the Commissioner, Department of State Taxes, Government of Bihar, Patna.
2. The Additional Commissioner of State Taxes (Appeals) Bhagalpur Division, Bhagalpur.
3. The Assistant Commissioner of State Taxes Munger Circle, Munger (April 2019- September 2019)

... .. Respondent/s

Appearance :

For the Petitioner/s : Mr.Gautam Kumar Kejriwal, Advocate

For the Respondent/s : Mr.Vikash Kumar, SC-11

CORAM: HONOURABLE THE CHIEF JUSTICE
and
HONOURABLE MR. JUSTICE S. KUMAR

ORAL JUDGMENT

(Per: HONOURABLE THE CHIEF JUSTICE)

Date : 14-07-2022

Heard learned counsel for the parties.

The petitioner has prayed for the following relief/s :-



- a) For issuance of writ in the nature of certiorari for quashing of the order dated 14.03.2021 issued vide memo number 108 Bhagalpur and the summary of order issued in form GST APL – 04 dated 14.03.2021 by the respondent number 2 (hereinafter referred to as the appellate authority for short) whereby the appeal preferred by the petitioner under section 107 of the Central Goods And Services Tax Act, 2017 (hereinafter referred to as the Central Act 2017 for short) and Bihar Goods And Services Tax Act, 2017 (hereinafter referred to as the Bihar act 2017 for short) has been rejected;
- b) For issuance of writ or order or direction in the nature of certiorari for quashing of the ex-parte order dated 18.03.2020 passed by the respondent number 3 (hereinafter referred to as the assessing authority short) under section 74 of the Central Act 2017 and Bihar act 2017 and also for quashing of the summary of order issued in form GST DRC – 07 dated 20.03.2020;
- c) For further restraining the respondents from taking any coercive action against the petitioner for recovery of the amount of tax, interest and penalty in terms of the impugned orders during the pendency of the present writ application;
- d) For further holding and a declaration that in light of section 16 (2) (c) of the central act 2017 read with rule 36 of the Central Goods And Services Tax Rules, 2017 (hereinafter referred to as the Central rules 2017 for short), mere mismatch of the auto populated figure of input tax in GSTR – 2A with the input tax credit claimed in the return filed by the petitioner in form GSTR – 3B cannot be the conclusive ground to deny the benefit of input tax credit to the petitioner;
- e) For grant of any other relief or reliefs to which the petitioner is found entitled in the facts and circumstances of this case.



It is brought to our notice that vide impugned order dated 14.03.2021 passed by the Respondent No. 2 namely the Additional Commissioner of State Taxes (Appeals), Bhagalpur Division, Bhagalpur, in Case No. AD1003210009831T, the appeal of the petitioner against the order dated 18.03.2020 passed by Respondent No. 3, namely The Assistant Commissioner of State Taxes, Munger Circle, Munger, under Section 74 of CGST Act, 2017; and summary of order dated 20.03.2020 in Form GST DRC-07 for the period April, 2019 to September, 2019, has been rejected by an ex parte order 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 14.03.2021 passed by the Respondent No. 2 namely the Additional Commissioner of State Taxes (Appeals), Bhagalpur Division, Bhagalpur, in Case No. AD1003210009831T, the order dated 18.03.2020 passed by Respondent No. 3, namely The Assistant Commissioner of State Taxes, Munger Circle, Munger, under Section 74 of CGST Act, 2017; and summary of order dated 20.03.2020 in Form GST DRC-07 ;

(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 16th of August, 2022 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 during the time of current Pandemic [Covid-19] 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)

(S. Kumar, J)

K.C.Jha/-

AFR/NAFR	
CAV DATE	
Uploading Date	21.07.2022
Transmission Date	

