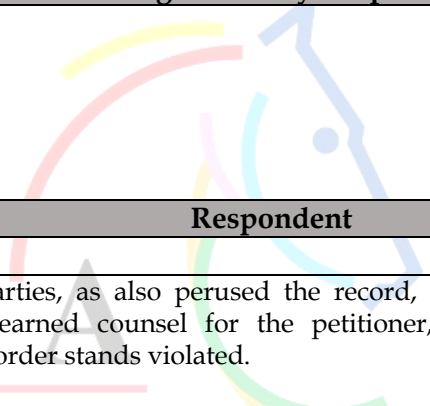


## Case Summary by Dr. Avinash Poddar


Hon'ble High Court of Patna

in the matter of

### ***Pinax Steel Industries Pvt Ltd Vs. State of Bihar***

Petition/Appeal No		Citation	
CWJC of 25256 of 2019		AP-017	
Bench	Hon'ble Judge(s)	Date of Order	In Favour of/Outcome
Division	Hon'ble Chief Justice Justice Prabhat Kumar Singh	21.01.2021	Assessee
Issue		Relevant Section / Rule / Notification	
Authority has passed the order without giving an opportunity of personal hearing and also not considered the reply filed by the petitioner is pure violation of principles of natural justice.		Sec 73(9) of the CGST Act 2017	
Brief Facts of the Case			
		<ul style="list-style-type: none"> <li>Petitioner has filed this writ petition against the order dated 30.11.2019 passed by the Joint Commissioner of State Taxes.</li> <li>Petitioner have filed reply in FORM DRC-06 seeking further time and have requested not to pass an order.</li> <li>No, opportunity of personal hearing was provided to the petitioner prior at the time of passing an order.</li> <li>Petitioner is ready to pay Rs.10 lacs with the appropriate authority within a period of two weeks.</li> </ul>	
Brief Arguments by Petitioner/ Appellant		Brief Arguments by Respondents	
Shri Gautam Kejriwal, learned counsel for the petitioner states that without prejudice to the respective rights and contentions of the parties, petitioner is ready and willing to deposit a sum of Rs. 10 lacs with the appropriate authority within a period of two weeks from today.			
Cases relied upon by	Petitioner	Respondent	
		-	
Judgement/ Ratio (in brief)	<p>Having heard learned counsel for the parties, as also perused the record, we are in agreement with Sri Gautam Kejriwal, learned counsel for the petitioner, that the principles of natural justice, in passing the order stands violated.</p> <p>Also, we are of the view that the impugned order dated 30.11.2019 passed by the Respondent No.2, the Joint Commissioner of Sate Taxes, Danapur Circle, Patna needs to be quashed and set aside, for the same to have been passed without following the principles of natural justice. In terms of the impugned order, financial liability stands fastened. Thus, it entails civil consequences, seriously prejudicing the petitioner inasmuch as, without affording any adequate opportunity of hearing or assigning any reason.</p> <p>It stands clarified that deposit of such amount would be without prejudice to the respective rights and contentions of the parties and the order which the authority may pass upon the matter being remanded for consideration afresh.</p> <p>As such, purely on a limited ground, we quash and set aside the impugned order dated 30.11.2019 passed by the Respondent No.2, the Joint Commissioner of Sate Taxes, Danapur Circle, Patna for the period 1st quarter of 2017-18 under Section 73(9) &amp; (50) of Bihar Goods and Service Tax Act, 2017, as contained in Annexure-8 series, with further mutually agreeable directions that-</p> <p>(a) the petitioner shall deposit a sum of Rs. 10 lacs with the authority on or before 6<sup>th</sup> February, 2021;</p> <p>(b) the petitioner shall appear before the authority on 6<sup>th</sup> February, 2021 in his office at 10:30 A.M., on which date he shall place on record additional material, if so required and desired;</p> <p>(c) also, further opportunity shall be afforded to the parties to place additional material, if so required and desired;</p> <p>(d) petitioner undertakes to fully cooperate and not take any unnecessary adjournment;</p> <p>(e) the authority shall decide the matter on merits, in compliance of the principles of natural justice, on or before 3rd April, 2021;</p>		

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	<p>(f) liberty reserved to the parties to take recourse to such remedies as are otherwise available in accordance with law;</p> <p>(g) we have not expressed any opinion on merits and quashed the order only on the ground of violation of principles of natural justice.</p> <p>(h) if necessary, proceedings during the time of current Pandemic [Covid-19] would be conducted through digital mode;</p> <p>(i) needless to add, with the passing of the order, if it is eventually found that deposit made by the petitioner is in excess of the amount determined due and payable, the same shall positively be refunded expeditiously as per the provisions of the statute.</p> <p>The instant petition stands disposed of in the aforesaid terms.</p>	
<b>Head Note/ Judgement in Brief</b>	<p>The authorities have violated the principles of natural justice and have passed an order without giving an opportunity of personal hearing and have not considered the reply of the petitioner that he seeks further time for submissions.</p> <p><b>Views of Author:</b> <i>In this order the court has viewed that there is clear violations of principles of natural justice and opportunity of personal hearing was not given to the petitioner.</i></p>	
<b>Current Status of the Case</b>	-	<b>QR Code for the Judgement</b>
<b>Other Judgments (Similar Ratio)</b>		
<b>Other Judgments (Different Ratio)</b>	-	
<b>Link for downloading the Judgement</b>	<a href="http://gstclub.in/W/DD/r758IPinax%20Steel%20Industries%20Vs%20The%20State%20of%20Bihar.pdf">http://gstclub.in/W/DD/r758IPinax%20Steel%20Industries%20Vs%20The%20State%20of%20Bihar.pdf</a>	

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