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GST Digest

- Recent case laws

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Where petitioner-assessee was not provided with an opportunity of hearing to explain alleged discrepancies, therefore, impugned assessment order was to be set aside and petitioner-assessee should deposit 25% of disputed tax-Madras HC

The GSTN has issued an update to provide guidelines for accurate entry of Receipt Numbers in the E-Way Bill (EWB) System for Leased Wagons. The taxpayers transporting goods via Leased Wagons must prefix Receipt Numbers with the identifier "L" when entering them into the EWB system. In case of discrepancies such as mismatched or missing numbers, taxpayers will receive an alert and must correct the entry promptly-GSTN Update Dated 23.12.2024

Where opportunity of personal hearing was not granted to assessee in violation of section 75(4) before passing any adverse order, impugned order was to be set aside-Allahabad HC



Where assessee's appeal against adjudicating order rejected on ground of delay for which assessee explained that there was delay due to negligence of former tax consultant and lack of prior knowledge about adjudicating proceedings, in view of *S. K. Chakraborty & Sons Vs. Union of India* [2024] 159 taxman.com 259 (Calcutta) where it was held that statutory provisions on limitation should be interpreted liberally in cases where genuine hardships are demonstrated, instant writ petition was to be allowed and appellate order was to be quashed-Calcutta HC

Since arrest procedures, including furnishing written grounds and meaningful communication, were not followed as per Section 69(2), assessee's arrest was illegal and remand order was to be set aside-Delhi HC

Where assessee alleged that certain amounts of input tax credit was denied in respect of supplies where tax had already been discharged by respective suppliers, assessee had to avail statutory remedy and not writ remedy-Kerala HC

Where registration of assessee was cancelled, delay in invoking provisions of rule 23 was to be condoned subject to assessee paying tax, interest and penalty and assessee was to be granted liberty to file revocation application-Orissa HC

HC granted another opportunity to assessee to file Form GST ITC-01 due to glitches in GST portal-Kerala HC

Delay in filing appeal condoned due to non-formation of GSTAT obstructing assessee's right to appeal-Calcutta HC

Alleged non-consideration of some of documents by Adjudicating Authority could not be considered a complete breach of principles of natural justice; matters were to be examined by Appellate Authority-Bombay HC

1. Gauhati HC in the case of Padma Thakuria Vs Union of India[WP(C) No.280 of 2024 Dated 20.11.2024]

Assessee could not file returns as mandated under law. Show cause notice was issued by competent authority on 2-2-2022 asking assessee to show cause as to why his registration should not be cancelled for not filing returns under section 39. In said show cause notice, it was also mentioned that registration of assessee was suspended with effect from 2-2-2022. Assessee duly submitted his reply on 5-3-2022 - However, without considering reply submitted by assessee, respondent authority cancelled registration without assigning any reason on 6-4-2022.

HELD : Perusal of impugned order would show that said order was passed by a quasi-judicial authority - Effect of said order would be that in absence of a registration, assessee could not carry out his business. Therefore, effect of said impugned order would entail civil consequences. It was shocking that respondent authority had cancelled registration. This clearly showed a total non-application of mind - Accordingly, impugned order was to be set aside, thereby restoring status back to date on which show cause notice was issued. Respondent authority should duly consider and dispose of reply submitted by assessee and pass a reasoned order thereon in accordance with law [Section 73, read with section 39, of Central Goods and Services Tax Act, 2017/Assam Goods and Services Tax Act, 2017].

2. Bombay HC in the case of Melstar Metals Vs Union of India[WRIT PETITION (L) NO. 10012 OF 2024 Dated 02.12.2024]

Revenue raised an adjudication demand upon assessee. Rectification applications filed by assessee was rejected.

Assessee filed appeal within 108 days from date of rectification rejection. Notice was issued to assessee for personal hearing on 18-01-2024. However, appellate authority could not take up matter on that date, so a fresh notice was issued to assessee for a personal hearing on 29-01-2024. Assessee was not available on 29-01-2024, so appellate authority accepted motion of adjournment filed by assessee and fixed next date of personal hearing as 06-02-2024. Thereafter, suddenly on 01-02-2024 appellate authority canceled personal hearing scheduled on 06-02-2024 and rejected assessee's appeal on ground that same was time barred.

HELD: As per section 107 appeal must be ordinarily instituted within 3 months, however, suppose appellate authority is satisfied that appellant was prevented by sufficient cause from presenting appeal within 3 months, in that case, appellate authority may allow it to be presented within a further period of 1 month - In instant case, appeal was instituted within condonable period. Thus, impugned order rejecting appeal was to be set aside [Section 107 of Central Goods And Services Tax Act, 2017/Maharashtra Goods And Services Tax Act, 2017].