

02.04.2026
Ct. No. 237
Sl. No.312
skg

W.P.A. 23847 of 2024

**CBF Component Private Limited & Anr.
Vs.
The Union of India & Ors.**

Mr. Himangshu Kumar Ray,
Mr. Bhaskar Sengupta,
Mr. Subhasis Podder,
....for the petitioners

Mr. Vipul Kundalia, Sr. Adv.
Mr. Ekta Sinha,
Mr. Anindya Kanan,
...for the respondents

Ms. Sabita Roy,
...for Union of India

The petitioner filed an application for refund under Section 54 of the Central Goods and Services Tax Act, 2017, in respect of the period from May 2023 to June 2023. Pursuant to the petitioner's application, a notice dated 30th April 2024 was issued, requiring the petitioner to submit his reply within seven days from the date of the notice fixing the date of hearing on 7th May of 2024.

The petitioner, however, filed an application for adjournment on 5th May 2024, seeking an extension of time to file the reply to the show-cause notice until 22nd May 2024.

The refund authority, by an order dated 17th May 2024, passed the final order of rejection without granting the adjournment as prayed for by the petitioner.

The order of rejection dated 17th May 2024 suggests that the petitioner's adjournment request was rejected on 6th May 2024. It does not, however, appear that the refund authority communicated the said rejection to the petitioner.

Mr. Kundalia, the learned Advocate appearing for the petitioner, submitted that the petitioner's adjournment request was not supported by any reason, and that the rejection of the request by the authority was therefore justified. It is further submitted that the petitioner was aware of the rejection of the adjournment, and that a hearing date had been fixed on 7th May 2024. The petitioner, however, opted not to appear before the authority on 7th May 2024, and consequently, the refund rejection order was passed on 17th May 2024.

It is submitted on behalf of the Revenue that, as a matter of law, the petitioner cannot claim adjournment as a matter of right, and that the authority was obliged to pass the refund rejection order within 60 days from the date of issuance of the show-cause notice.

In the circumstances, this Court is of the view that the petitioner was entitled to a period of fifteen days to submit his reply in terms of Rule 92(3) of the Central Goods and Services Tax Rules, 2017.

Rule 92(3) is quoted below:-

“Where the proper officer is satisfied, for reasons to be recorded in writing, that the whole or any part of the amount claimed as refund is not admissible or is not payable to the applicant, he shall issue a notice in FORM GST RFD-08 to the applicant, requiring him to furnish a reply in FORM GST RFD-09 within a period of fifteen days of the receipt of such notice and after considering the reply, make an order in FORM GST RFD-06 sanctioning the amount of refund in whole or part, or rejecting the said refund claim and the said order shall be made available to the applicant electronically and the provisions of sub-rule (1) shall, mutatis mutandis, apply to the extent refund is allowed:

Provided that no application for refund shall be rejected without giving the applicant an opportunity of being heard.”

In the present case, the petitioner was directed to submit his reply within seven days. It further appears that the refund rejection order dated 17th May 2024 was passed in the absence of the petitioner and without issuing any further notice.

Rule 19(3) of the Central Goods and Services Tax Rules, 2017, provides for the grant of a personal hearing to the petitioner. While it is true that a petitioner cannot claim an adjournment as a matter of right, it is equally true that the authority, as a matter of practice and fairness, cannot decline to grant an adjournment without any justifiable reason, particularly where the rule mandates a personal hearing.

In the present case, it appears that the petitioner's single request for adjournment was rejected, and the refund rejection order was passed

without affording him an opportunity to submit his reply within the fifteen-day period mandated under Rule 92(3) of the Central Goods and Services Tax Rules, 2017.

Accordingly, the refund rejection order dated 17th May 2024 is set aside.

The refund authority is directed to provide an opportunity to the petitioner to submit his reply to the show-cause notice within fifteen days from the date of communication of this order.

The refund authority shall communicate the next date of hearing to the petitioner at least seventy-two hours in advance, and the hearing must be concluded within one month from the date of communication of this order in accordance with law.

Accordingly, **WPA 23847 of 2024** is disposed of.

There shall be no order as to costs.

Urgent Photostat certified copy of this order, if applied for, be given to the parties on usual undertaking.

(Kausik Chanda, J.)