GSTAT

Division Bench Court No. Court I

APL/43/RPR/2026

MANOJ IRON AND STEEL TRADERS **.....Appellant**

Versus

COMMISSIONER OF STATE TAX, COMMISSIONER OF STATE TAX, STATE TAX, RAIPUR, C.G. **.....Respondent**

Counsel for Appellant
SHRI ADITYA SINGHANIA, CA
MD. TARIQUE RAZA, ADVOCATE

Counsel for Respondent
MR. ASHUTOSH MISHRA, ADVOCATE

Hon'ble Pradeep Kumar Vyas, Member (Judicial)
Hon'ble Chandra Bhushan Singh, Member (Technical)

Form GST APL-04A

[See rules 113(1) & 115]

Summary of the order and demand after issue of order by the GST Appellate Tribunal

Whether remand order: Yes

Order reference no.: ZA220050926000272H **Date of order:** 28/09/2026

1.	GSTIN/Temporary ID/UIN - 22AGDPR8012N1ZA	
2.	Appeal Case Reference no. - APL/43/RPR/2026	Date - 26/05/2026
3.	Name of the appellant - MANOJ IRON AND STEEL TRADERS, manojiron1980@gmail.com , 9109565955	
4.	Name of the respondant - 1. Commissioner of State Tax	
5.	Order appealed against - AD220724010912H	

	(5.1) Order Type - Demand Order	
	(5.2) Ref Number - ZD221025006768M	Date - 13/10/2025
6.	Personal Hearing - 28/09/2026 18/09/2026 07/09/2026 30/07/2026	
7.	**Order in brief** - This order concerns Manoj Iron's appeal for the financial year 2018–19 concerning two e-way bills generated for Invoice GST-125 on 12 April 2018, at 12:51 and 14:14, for the same vehicle. The surviving demand comprises IGST of ₹1,41,434, interest of ₹1,57,631 and penalty of ₹14,143, totalling ₹3,13,208. The respondent filed no cross-objections against relief for GST-1399. The appellant maintains that only one supply occurred and attributes the second e-way bill variously to clerical error, power failure or a portal glitch. Both bills remained valid and uncancelled. No contemporaneous technical complaint or supporting record established the precise cause of duplication. A further inconsistency arose because the appellant's earlier explanation referred to Invoice GST-128, while the surviving demand concerns GST-125. The primary invoices and corresponding returns requested at the final hearing were not produced. The order finds two defects in the original adjudication. The appellant expressly requested a personal hearing in its DRC-06 reply, yet no hearing before the adverse order is demonstrated, contrary to Section 75(4). The order also failed to give adequate reasons under Section 75(6), merely rejecting the explanation without examining whether an additional taxable supply was established. Subsequent appellate hearings do not automatically cure the lost hearing at the original stage. Given the unresolved factual issues, the Tribunal declines both to annul the demand outright and to decide liability finally on the present record. The proposed remedy is a limited remand to the original adjudicating authority from the stage after the appellant's reply. The existing notice alone defines the permissible demand; no fresh notice is to issue. The appellant must give a specific account of the duplication and may produce invoices, returns, books, transport records and any contemporaneous proof. The authority must afford a meaningful hearing, assess Rule 138(9) cancellation and all relevant evidence, and issue a reasoned order. Non-cancellation is relevant but does not alone establish a second supply. Permissible adverse inferences may follow if primary evidence is withheld. The order sets aside the impugned orders only insofar as they sustain the GST-125 demand, preserves the GST-1399 relief, and leaves the ultimate merits open for fresh determination.	

Summary of Order

8.	If demand order then whether demand quantified: No

9.	For Other orders and Demand orders which are not quantified:	
Issues as raised by proper officer	Issues as determined by Appellate/Revisional authority	Order by GST Appellate Tribunal

Short or non-payment of tax	The appellate authority partly allowed the appeal and confirmed IGST demand along with applicable interest and penalty in relation to alleged duplicate generation of e-way bills.	
10.	If remanded with directions:	
	a) Remanded to: Adjudicating Authority	
	b) Directions subject to which remanded, if any: The proceedings relating to Invoice GST-125 are remitted to the original adjudicating authority for fresh adjudication from the stage after receipt of the appellant's reply in FORM GST DRC-06 dated 27.01.2024. No fresh show-cause notice shall be issued for the purpose of the remand. Fresh adjudication shall remain confined to the existing show-cause notice dated 28.12.2023 and the transaction covered thereby. The appellant shall be afforded a reasonable opportunity to place the documents referred to above on record and shall thereafter be given a specific and meaningful personal hearing in terms of Section 75(4). The adjudicating authority shall pass a reasoned and speaking order in accordance with Sections 73(9), 75(4), 75(6) and 75(7), after independently considering the evidence and submissions of both sides, uninfluenced by the conclusions on merits in the orders presently set aside or by any tentative observations in this order. Nothing in this order shall be construed as a final finding that the second e-way bill did or did not represent an additional taxable movement/supply. That question is expressly left open for fresh determination. If the appellant fails to avail the opportunity or fails to produce the relevant material within the time granted without sufficient cause, the adjudicating authority shall be at liberty to proceed on the available record and draw such inference as is permissible in law. The fresh adjudication shall be completed expeditiously, preferably within three months from the date of communication of this order, subject to the statutory period prescribed by Section 75(3). The statutory pre-deposit(s), if any, shall abide by the result of the fresh adjudication and shall be adjusted, released or otherwise dealt with in accordance with law. No separate direction for refund is issued at this stage.	

Place: RAIPUR

Signature

Date: 28.09.2026

RAIPUR Chandra Bhushan Singh
Designation: Member
Jurisdiction: Raipur

FINAL ORDER

PER: C. B. SINGH, MEMBER (TECHNICAL)

1. This appeal under Section 112 of the Chhattisgarh Goods and Services Tax Act, 2017, read with the corresponding provisions of the Central Goods and Services Tax Act, 2017 and Section 20 of the Integrated Goods and Services Tax Act, 2017, is directed against Order-in-Appeal No. 1381/GST/2024 dated 27.06.2025 passed by the Joint Commissioner (Appeals), State Tax, Raipur, arising out of the order dated 26.04.2024 in FORM GST DRC-07, Reference No. ZD220424033679D, passed by the Assistant Commissioner, State Tax, Raipur Circle-6, for the financial year 2018-19.

I. FACTUAL BACKGROUND

2. Scrutiny of the appellant's e-way bill data for the financial year 2018-19 resulted in issuance of FORM GST ASMT-10 dated 21.12.2023. The scrutiny reflected two sets of e-way bills generated against the same respective invoices. After the first appellate order, the dispute surviving in the present appeal relates only to Invoice No. GST-125.

3. In relation to Invoice GST-125, the departmental data records the following two e-way bills:

E-way Bill No.	Generated on	Invoice	Taxable value	IGST	Vehicle No.
891003356098	12.04.2018, 12:51 hrs.	GST-125	₹7,85,747	₹1,41,434.50	CG04JA8774
841003360544	12.04.2018, 14:14 hrs.	GST-125	₹7,85,747	₹1,41,434.50	CG04JA8774

4. A show-cause notice in FORM GST DRC-01 dated 28.12.2023 was thereafter issued under Section 73 of the CGST/CGGST Act, 2017. The allegation, in substance, was generation of duplicate e-way bills against the same invoices and non-payment of tax corresponding to the additional transaction so indicated.

5. The appellant filed a reply in FORM GST DRC-06 dated 27.01.2024. *The explanation offered was not a single, specific factual account of how the second e-way bill came to be generated. The reply referred, in a composite manner, to a 'clerical mistake', power failure and a technical glitch on the e-way bill portal*, and asserted that the e-way bill was consequently generated twice. It did not identify the particular clerical mistake, the stage at which any power interruption occurred, the portal error or message encountered, whether

the first e-way bill had already been successfully generated or noticed before the second was generated, or when the duplication was first discovered. The appellant nevertheless maintained that the goods had been supplied only once, the invoice had been disclosed only once in GSTR-1 and the tax liability had been discharged through GSTR-3B. *In Column 7 of FORM GST DRC-06, the appellant expressly opted for personal hearing by selecting 'Yes'.*

6. The adjudicating authority passed the order dated 26.04.2024. After referring to the duplicate e-way bill particulars and the appellant's reply, the order records, in substance, that the explanation was not satisfactory and confirms the proposed liability. *The record placed before us does not disclose that any date of personal hearing was fixed after the reply or that a personal hearing was actually afforded before the adverse order was passed.*

7. In the first appeal, the appellant specifically pleaded, inter alia, that the adjudication order was vague and non-speaking and that proper opportunity of being heard had not been afforded. *A personal hearing was granted by the First Appellate Authority on 26.06.2025.* Significantly, while reproducing the appellant's explanation, the Order-in-Appeal itself records the appellant's reference to 'Invoice no. GST-128 dated 11.04.2018', whereas the departmental e-way bill data and the demand under consideration relate to Invoice no. GST-125. In its own findings, however, the First Appellate Authority proceeded to examine Invoice no. GST-125 and the two e-way bills pertaining thereto. *The discrepancy was therefore before the First Appellate Authority but was not resolved by reference to the primary invoices or returns.* By the impugned order dated 27.06.2025, relief was granted in respect of the duplicate e-way bills pertaining to Invoice GST-1399; however, the demand relating to Invoice GST-125 was sustained, principally noticing that the second e-way bill had not been cancelled within the period contemplated by Rule 138(9).

8. Consequently, the following demand relating to Invoice no. GST-125 survives in the present appeal:

Tax (IGST)	Interest	Penalty	Total
₹1,41,434	₹1,57,631	₹14,143	₹3,13,208

9. By order dated 07.09.2026, after hearing the learned Authorised Representatives, it was recorded that the respondent did not propose to file any memorandum of cross-objections and that the appellant did not require to file any rejoinder to the respondent's reply; the

pleadings were accordingly treated as complete. The matter was thereafter heard finally on 18.09.2026. We have heard the learned Authorised Representatives for both sides at length and have considered the pleadings, the records of the proceedings below, the respondent's counter-statement and the notes of submissions made at the final hearing.

II. PLEADINGS AND MATERIAL AT FINAL HEARING

10. The appellant has maintained that there was only one actual supply and that duplicate generation of an e-way bill, without proof of a second movement or second sale, could not by itself justify an additional tax demand. It has also relied upon the fact that the First Appellate Authority accepted its explanation in relation to Invoice GST-1399. *The explanation for the surviving transaction, however, has continued to be expressed in broad terms of clerical mistake, power interruption and/or technical or system-related glitch, without a definite contemporaneous account identifying which event actually caused the second generation and how it occurred.*

11. The respondent, in the counter-statement, disputes the plea of technical or system-related error and specifically relies upon the inconsistency noticed in the appellant's own earlier explanation, namely the reference to 'Invoice GST-128 dated 11.04.2018' while the scrutiny material and the proceedings concern GST-125. *The respondent also relies upon non-production of the underlying invoices and books/returns said to support the appellant's case.*

12. At the final hearing, the appellant admitted that the two e-way bills relating to GST-125 were generated at 12:51 hrs. and 14:14 hrs., respectively, for the same vehicle and that both remained valid and uncancelled. No contemporaneous GSTN error message, helpdesk complaint, screenshot, electricity/system record or other independent material was produced to show what precise clerical mistake, power interruption or portal malfunction had occurred. The appellant stated that the reference to GST-128 was a typographical error. *That explanation also remained unsupported by the primary record: Invoice GST-128, the relevant Invoice GST-125 and corresponding GSTR-1 material sought during the hearing were not produced. The soft copy of books sought at the scrutiny stage was also not shown to have been furnished. The record therefore contains an asserted explanation, but not a specific and contemporaneously supported account of the duplicate generation.*

13. These circumstances are material. They do not permit the appellant's explanation to be accepted merely on assertion. The discrepancy concerning GST-128/GST-125, already

noticed in the Order-in-Appeal, and the absence of primary records also require proper consideration. Equally, the tax liability must be determined through the procedure mandated by the statute, after the defence and the relevant primary evidence are duly considered.

III. SCOPE OF THE PRESENT APPEAL

14. The First Appellate Authority granted relief in relation to Invoice GST-1399. More importantly, the *order sheet dated 07.09.2026* expressly records the statement of the learned Authorised Representative for the respondent that the respondent did not propose to file any memorandum of cross-objections. The same order records that no rejoinder was required by the appellant and that the pleadings were complete. The respondent has therefore unequivocally confined its filing before this Tribunal to a reply/counter-statement and has not challenged the relief granted in relation to GST-1399.

15. In view of the respondent's express statement recorded in the order dated 07.09.2026, the relief granted by the First Appellate Authority in relation to GST-1399 is outside the controversy requiring determination in the present appeal and shall remain undisturbed. That transaction is referred to only as part of the factual background and for considering the appellant's plea regarding the treatment of its explanation.

IV. ISSUES FOR DETERMINATION

16. Having regard to the record and the submissions, the questions which require determination at this stage are:

- whether the original adjudication stands vitiated for failure to grant the personal hearing expressly requested under Section 75(4) and for failure to record adequate reasons as required by Section 75(6);
- whether the subsequent hearing before the First Appellate Authority and before this Tribunal dispenses with the need to restore the matter to the original stage; and
- if remand is warranted, the scope and safeguards governing such fresh adjudication.

V. STATUTORY FRAMEWORK

17. Section 73(1) provides for a show-cause notice where tax appears not to have been paid or has been short-paid for reasons other than fraud, wilful misstatement or suppression of facts to evade tax. Under Section 73(9), the proper officer determines tax, interest and penalty after considering the representation made by the person chargeable with tax.

18. Section 75(4) requires an opportunity of hearing where the person chargeable with tax or penalty requests one in writing or an adverse decision is contemplated. Section 75(6) requires the order to set out the relevant facts and the basis of the decision. Under Section 75(7), the amount demanded in the order cannot exceed the amount specified in the notice, and a demand cannot be confirmed on grounds other than those specified in the notice.

19. Rule 138 governs the furnishing of information and generation of e-way bills for movement of goods. Rule 138(9) permits electronic cancellation within twenty-four hours of generation where the goods are not transported or are not transported according to the details furnished, subject to its proviso concerning verification in transit.

20. Section 112(5) provides for a memorandum of cross-objections against any part of the order appealed against. Section 113(1) empowers the Appellate Tribunal, after hearing the parties, to confirm, modify or annul the order appealed against, or to refer the case back to the original adjudicating authority, among other authorities, with directions for fresh adjudication or decision after taking additional evidence, if necessary.

VI. DISCUSSION AND FINDINGS

A. Denial of personal hearing under Section 75(4)

21. Section 75(4) provides that an opportunity of hearing shall be granted where a request is received in writing from the person chargeable with tax or penalty, or where any adverse decision is contemplated against such person. *In the present case both conditions converge: the appellant expressly requested a personal hearing in FORM GST DRC-06 and an adverse decision was thereafter passed.*

22. The Hon'ble High Court of Chhattisgarh has directly considered the mandate of Section 75(4) in *Mahindra & Mahindra Ltd. v. Union of India, (2025) 137 GSTR* 200. The Hon'ble Division Bench held that when an opportunity of hearing is contemplated by the statute it has to be real and comprehensive and cannot be short-circuited; the statutory mandate cannot be rendered porous by a merely formal opportunity.

23. The same jurisdictional principle is reflected in *Tata Steel Ltd. v. State of Chhattisgarh, 2023 SCC OnLine Chh 4882*, where the Hon'ble High Court of Chhattisgarh directed that the assessee be afforded a personal hearing in accordance with Section 75(4).

24. In the present case, no post-reply personal hearing by the original adjudicating authority is demonstrated from the record. The requirement of Section 75(4) was therefore not complied with.

B. Requirement of a reasoned order

25. Section 75(6) requires the proper officer to set out in the order the relevant facts and the basis of the decision. The requirement is substantive. A statement that the taxpayer's reply is “not satisfactory”, without engaging with the material explanation offered, does not by itself disclose why the defence is unacceptable or how the statutory ingredients of the demand stand established.

26. The Constitution Bench of the Hon'ble Supreme Court in *S.N. Mukherjee v. Union of India, (1990) 4 SCC 594*, recognised the general duty of administrative and quasi-judicial authorities to record reasons, particularly because reasons demonstrate application of mind and facilitate effective appellate review.

27. In *Kranti Associates (P) Ltd. v. Masood Ahmed Khan, (2010) 9 SCC 496*, the Hon'ble Supreme Court reiterated that recording of reasons is an indispensable component of a fair decision-making process and a restraint against arbitrary exercise of quasi-judicial power.

28. The original order does not meaningfully analyse the appellant's assertion of a single actual supply, the reason for duplicate generation, the statutory and evidentiary consequence of the two e-way bills, or the material necessary to infer an additional taxable transaction. *The original adjudication, therefore, also suffers from an inadequate statement of reasons under Section 75(6).*

C. Effect of subsequent appellate hearing

29. The appellant was heard by the First Appellate Authority and has thereafter been heard at length by this Tribunal. The question is whether these subsequent hearings render remand unnecessary.

30. A larger Bench of the Hon'ble Supreme Court in *Krishnadatt Awasthy v. State of M.P., (2025) 7 SCC 545*, considered whether breach of audi alteram partem at the original stage can be cured at a revisional/appellate stage. The Court held, in substance, that a defect at the original stage cannot generally be treated as automatically cured merely because a higher forum has wider jurisdiction; depending upon the nature of the breach and the facts, relegation to the original stage may be necessary.

31. More specifically under the GST enactment, the Hon'ble Calcutta High Court in *Laxmidhan Stores v. State of W.B., 2026 SCC OnLine Cal 3211*, held that denial of the statutory personal hearing before the adjudicating authority under Section 75(4) was not cured merely because a hearing had been granted at the appellate stage, and remanded the proceedings to the adjudicating authority.

32. We are therefore unable to treat the original Section 75(4) defect as having disappeared merely because subsequent appellate hearings have taken place.

D. Whether the Tribunal should finally determine the merits

30. Section 113(1) empowers the Appellate Tribunal to confirm, modify or annul the order appealed against, or to refer the case back to the Appellate Authority, Revisional Authority or original adjudicating authority with such directions as it may think fit for fresh adjudication or decision, after taking additional evidence, if necessary. The choice of remedy must therefore be guided by the nature of the defect and the state of the factual record.

31. This is not a case in which the material facts are wholly admitted and only one inevitable legal conclusion can follow. The surviving demand turns upon the evidentiary effect of two e-way bills generated against the same invoice and vehicle; the appellant's non-specific explanation invoking clerical mistake, power failure and/or technical or system-related glitch; the relevance of non-cancellation under Rule 138(9); the discrepancy between GST-125 and GST-128 which was itself reproduced in the Order-in-Appeal; and the underlying invoice, return, books, stock and transport/movement records.

32. There are circumstances which require a clear and specific explanation from the appellant. Two separate e-way bills were generated for the same invoice and vehicle within about 83 minutes and neither was cancelled. The appellant has not identified, with contemporaneous supporting material, which precise event is said to have caused the duplication: a clerical error, a power interruption, a portal malfunction, or some combination thereof. No contemporaneous technical complaint or independent evidence of any such event has been produced. The Order-in-Appeal itself reproduces the appellant's reference to GST-128, while the surviving demand concerns GST-125; yet the primary invoices and corresponding GSTR-1 material sought at the final hearing were not produced to resolve that discrepancy.

33. The general evidentiary principle stated by the Hon'ble Supreme Court in *Gopal Krishnaji Ketkar v. Mohamed Haji Latif, 1968 SCC OnLine SC 63*, is that even where the technical

burden may not initially lie upon a party, an adverse inference may be drawn if that party withholds important documents in its possession which could throw light on the facts in issue. That principle is relevant to the appellant's obligation to produce the best primary evidence supporting the explanation pleaded by it.

34. For this reason, we are not persuaded to annul the surviving demand merely on the basis of the appellant's unsubstantiated assertion. At the same time, to finally sustain the demand ourselves on disputed factual inferences would substantially substitute appellate adjudication for the original statutory hearing which the appellant expressly sought but did not receive. *In the facts of this case, the more appropriate course is a limited remand to the original adjudicating authority.*

E. Rule 138(9) and the evidentiary issue

35. We also clarify that the First Appellate Authority's reference to Rule 138(9) does not, in the facts of this case, amount by itself to introduction of an altogether new charge. The foundational allegation throughout is generation of duplicate e-way bills against the same invoice and the alleged non-payment of tax corresponding to the additional transaction. The appellant's defence is that one e-way bill was unintended and did not represent a separate movement. Rule 138(9), which provides a mechanism for cancellation where an e-way bill has been generated but the goods are not transported or are not transported in accordance with the particulars furnished, is therefore *relevant to testing that explanation.*

36. The fact that the rule uses the expression “may be cancelled” does not make non-cancellation an irrelevant circumstance. *Once duplicate generation against the same invoice is established and the taxable person asserts that one e-way bill did not pertain to any intended or actual movement, the existence of the statutory cancellation mechanism and the failure to use it are material circumstances to be weighed along with the other evidence.* The precise legal and evidentiary consequence, however, must be determined from the cumulative facts rather than from non-cancellation in isolation.

37. In *Anandeshwar Traders v. State of U.P., (2021) 92 GSTR 197,* the Hon'ble Allahabad High Court held on the facts before it that non-cancellation of an e-way bill did not by itself create a statutory presumption that an earlier movement had actually taken place and that the allegation had to be supported by evidence. The factual matrix there involved alleged reuse of existing e-way bills and is not identical to the present case, where two independently generated e-way bills against the same invoice form part of the departmental

electronic data. The adjudicating authority shall consider the ratio in its proper factual setting, together with the appellant's evidentiary burden after duplicate generation is established.

38. We deliberately express no final view on whether the second e-way bill ultimately establishes an additional taxable movement or supply. That issue is to be determined afresh after the appellant is afforded the statutory hearing and after the relevant primary evidence is produced or, if withheld despite opportunity, after drawing such inference as is permissible in law.

F. Other procedural grounds

39. The appellant had also relied upon non-issuance of FORM GST DRC-01A. That ground does not warrant remand. Rule 142(1A), after its amendment by Notification No. 79/2020-Central Tax dated 15.10.2020, is couched in enabling terms. The show-cause notice in the present case was issued in December 2023. The fresh adjudication shall therefore not be treated as having been ordered on account of non-issuance of DRC-01A.

G. Scope of remand

40. The remand shall be confined strictly to the surviving demand relating to Invoice GST-125 and the two e-way bills referred to in paragraph 4 above. The relief already granted by the First Appellate Authority in relation to Invoice GST-1399 shall remain undisturbed.

41. The remand is not intended to provide an unrestricted second innings to either side. The existing show-cause notice dated 28.12.2023 shall continue to define the field of adjudication. No demand can be confirmed on a transaction or factual foundation outside the notice, and *the restrictions contained in Section 75(7) shall be observed.*

42. Since the matter is being restored because the appellant was denied the statutory opportunity at the original stage, *the appellant shall be given one effective opportunity to place on record the primary material directly relevant to the defence already taken*. The appellant shall first state, with specificity, the precise factual explanation relied upon for the second e-way bill - whether it is alleged to have resulted from a clerical mistake, a power interruption, a technical/portal malfunction, or a combination thereof - and shall set out the chronology of the two generation attempts, the stage at which the alleged interruption or error occurred, whether the first e-way bill had already been successfully generated or noticed before the second generation, when the duplication came to its

knowledge, and why the second e-way bill was not cancelled under Rule 138(9). It may support that explanation by producing: (a) Invoice GST-125; (b) Invoice GST-128, if such invoice exists, for explaining the earlier reference thereto; (c) the corresponding GSTR-1 and GSTR-3B; (d) relevant books/ledger and stock records; (e) LR/GR or other transport/movement records; (f) contemporaneous material, if any, concerning the alleged power failure, clerical error, technical glitch or portal difficulty; and (g) any other document directly connected with the transaction covered by the existing notice.

43. The respondent shall be at liberty to rely upon the departmental portal data and other material already forming part of the proceedings and to respond to the documents produced by the appellant. If reliance is sought to be placed upon any material adverse to the appellant which has not previously been supplied, the same shall be disclosed to the appellant and a reasonable opportunity to respond shall be afforded before it is used against the appellant.

44. If the appellant fails, without sufficient cause, to furnish a specific explanation and to produce the relevant primary records despite the opportunity now granted, the adjudicating authority shall be free to draw such adverse inference as is permissible in law and to decide the matter on the material available. *The remand shall not be construed as acceptance of any of the alternative explanations of clerical mistake, power interruption or technical/portal glitch.*

45. *The adjudicating authority shall thereafter grant a specific personal hearing under Section 75(4)*, independently examine the duplicate e-way bill data, the explanation and documents of the appellant, the effect of Rule 138(9), the burden of proof and the other surrounding circumstances, and record clear findings as to whether an additional taxable supply/movement resulting in tax not paid or short-paid under Section 73 stands established.

46. If liability is determined afresh, interest and penalty shall also be determined strictly under the applicable statutory provisions and within the confines of the existing show-cause notice. Nothing in the impugned orders shall be treated as binding on the adjudicating authority on the merits of the surviving transaction.

VII. CONCLUSIONS AND OPERATIVE DIRECTIONS

47. For the reasons recorded above, the appeal is disposed of in the following terms:

(i) Order-in-Appeal No. 1381/GST/2024 dated 27.06.2025 / the consequential FORM GST APL-04, to the extent it confirms the demand relating to Invoice GST-125, namely IGST of ₹1,41,434, interest of ₹1,57,631 and penalty of ₹14,143, is set aside.

(ii) The corresponding part of the Order-in-Original / FORM GST DRC-07 Reference No. ZD220424033679D dated 26.04.2024 relating to Invoice GST-125 is also set aside.

(iii) The relief granted by the First Appellate Authority in relation to Invoice GST-1399 shall remain undisturbed.

(iv) The proceedings relating to Invoice GST-125 are remitted to the original adjudicating authority for fresh adjudication from the stage after receipt of the appellant's reply in FORM GST DRC-06 dated 27.01.2024.

(v) No fresh show-cause notice shall be issued for the purpose of the remand. Fresh adjudication shall remain confined to the existing show-cause notice dated 28.12.2023 and the transaction covered thereby.

(vi) *The appellant shall be afforded a reasonable opportunity to place the documents referred to above on record and shall thereafter be given a specific and meaningful personal hearing in terms of Section 75(4).*

(vii) The adjudicating authority shall pass a reasoned and speaking order in accordance with Sections 73(9), 75(4), 75(6) and 75(7), after independently considering the evidence and submissions of both sides, uninfluenced by the conclusions on merits in the orders presently set aside or by any tentative observations in this order.

(viii) Nothing in this order shall be construed as a final finding that the second e-way bill did or did not represent an additional taxable movement/supply. That question is expressly left open for fresh determination.

(ix) If the appellant fails to avail the opportunity or fails to produce the relevant material within the time granted without sufficient cause, the adjudicating authority shall be at liberty to proceed on the available record and draw such inference as is permissible in law.

(x) ***The fresh adjudication shall be completed expeditiously, preferably within three months from the date of communication of this order, subject to the statutory period prescribed by Section 75(3).***

(xi) *The statutory pre-deposit(s), if any, shall abide by the result of the fresh adjudication and shall be adjusted, released or otherwise dealt with in accordance with law. No separate direction for refund is issued at this stage.*

47. The appeal is accordingly partly allowed by way of limited remand in the above terms. Ordered accordingly.

Pronounced in open court on 28.09.2026.

(Pradeep Kumar Vyas) (Chandra Bhushan Singh)

Dated: 28.09.2026