

## HC: Rectification Application Must Be Decided Before Adjudication:

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REFER THE DECISION OF THE HON'BLE [ODISHA](#) HIGH COURT IN THE CASE OF

**Aruni Stone Crusher v. Superintendent Central GST and Central Excise - [2025] 179 taxmann.com 344 (Orissa)**

*Aruni Stone Crusher*, a small mining operator, found itself facing a **demand-cum-show cause notice** from the GST Department. The notice alleged **non-payment of GST on royalty** paid for mining rights and also on the **extraction of minerals beyond the permitted quantity**.

Believing there were factual and calculation errors in the notice, the petitioner filed a **rectification application under Section 161** of the CGST Act before the **Assistant Commissioner**, pointing out specific mistakes.

However, when the department later issued **personal hearing notices**, these communications made **no mention** of the pending rectification application. It appeared that the authorities were moving forward with adjudication **without first deciding** whether the rectification plea was maintainable or justified.

Feeling ignored, Aruni Stone Crusher approached the **Orissa High Court**, arguing that its rectification request had to be **considered first**, as it directly affected the foundation of the demand notice itself.

The High Court agreed. It observed that the **rectification application** was a **statutory remedy** under Section 161, and fairness required the authority to address it **before proceeding further** with the show cause notice. Accordingly, the Court directed the Assistant Commissioner to first examine the **maintainability and merits** of the rectification application.

**The writ petition was then disposed of, with the Court making no comment on the merits of the tax demand itself.**

**// भगवान महावीर का संदेश //**

**"जीवो और जीने दो" — यही हो हमारा संकल्प।**

**🙏 जय जिनेन्द्र 🙏**