

# **Mudit Gupta (Legal Heir To Pushpa Gupta) vs State Of U.P. And 2 Others on 1 September, 2025**

HIGH COURT OF JUDICATURE AT ALLAHABAD

Neutral Citation No. - 2025:AHC:153400-DB

HIGH COURT OF JUDICATURE AT ALLAHABAD

WRIT TAX No. - 4277 of 2025

Mudit Gupta (Legal Heir To Pushpa Gupta)

.....Petitioner(s)

Versus

State Of U.P. And 2 Others

.....Respondent(s)

Counsel for Petitioner(s)

:

Akashi Agrawal

Counsel for Respondent(s)

:

C.S.C.

Court No. - 3

HON'BLE SHEKHAR B. SARAF, J.

HON'BLE PRAVEEN KUMAR GIRI, J.

1. This petition is directed against orders dated 18.12.2023, 25.04.2024, 13.08.2024 and 14.02.2025 passed under Section 73(9) of the Goods and Services Tax Act, 2017 (for short 'the Act') wherein demand of Rs.26,68,978.36 for Financial Year 2017-18, Rs. 18,81,085.73 for Financial Year 2018-19, Rs. 13,59,062.86 for Financial Year 2019-20 and Rs. 9,00,690/- for Financial Year 2020-21 have been raised in the name of Pushpa Gupta.

2. The petitioner Mudit Gupta, son of deceased Pushpa Gupta has filed the petition inter alia with the submissions that Pushpa Gupta had died on 14.06.2021 and on account of her death, the GST registration of the proprietorship firm M/s M.G. Sarees, which was in the name of deceased Pushpa Gupta was cancelled with effect from 14.06.2022 by order dated 17.07.2022. Whereafter 4 show cause notices dated 11.10.2023 for Financial Year 2017-18, 24.01.2024 for Financial Year 2018-19, 24.06.2024 for Financial Year 2019-20 and 16.12.2024 for Financial Year 2020-21 were issued in the name of deceased Pushpa Gupta under Section 73 of the Act, however, as the same were uploaded on the portal and the GST registration had already been cancelled, there was no occasion for the petitioner to have accessed the said portal, the show cause notice remained unanswered which resulted in passing of the orders dated 18.12.2023, 25.04.2024, 13.08.2024 and 14.02.2025 raising demand against the deceased.

3. Submissions have been made that once the Department was well aware of the fact that Pushpa Gupta, proprietor of the firm has already died and the registration of the firm has already been cancelled, there was no occasion for issuing show cause notices in the name of the deceased and as the proceedings have been conducted in the name of the deceased Pushpa Gupta, the same are void ab initio and, therefore, the orders impugned deserves to be quashed and set aside.

4. Learned counsel for the respondents supported the order impugned with the aid of provisions of Section 93 of the Act. Submissions have been made that under the provisions of Section 93, the recovery can be made from the legal representatives even after the determination has been made after the death of the proprietor of the firm.

5. We have considered the submissions made by counsel for the parties and have perused the material available on record.

6. Undisputed facts are that the show cause notices and determination of tax have been made after the death of the proprietor of the firm. Provisions of Section 93 of the Act, insofar as relevant, reads as under:

"93. Special provisions regarding liability to pay tax, interest or penalty in certain cases:

(1) Save as otherwise provided in the Insolvency and Bankruptcy Code, 2016 (31 of 2016), where a person, liable to pay tax, interest or penalty under this Act, dies, then -

(a) if a business carried on by the person is continued after his death by his legal representative or any other person, such legal representative or other person, shall be liable to pay tax, interest or penalty due from such person under this Act; and

(b) if the business carried on by the person is discontinued, whether before or after his death, his legal representative shall be liable to pay, out of the estate of the deceased, to the extent to which the estate is capable of meeting the charge, the tax, interest or penalty due from such person under this Act, whether such tax, interest or penalty has been determined before his death but has remained unpaid or is determined after his death."

7. A perusal of the above provision would reveal that the same only deals with the liability to pay tax, interest or penalty in a case where the business is continued after the death, by the legal representative or where the business is discontinued, however, the provision does not deal with the fact as to whether the determination at all can take place against a deceased person and the said provision cannot and does not authorise the determination to be made against a dead person and recovery thereof from the legal representative.

8. Once the provision deals with the liability of a legal representative on account of death of the proprietor of the firm, it is sine qua non that the legal representative is issued a show cause notice and after seeking response from the legal representative, the determination should take place.

9. In view thereof, the determination made in the present case wherein the show cause notice was issued and the determination was made against the dead person without issuing notice to the legal representative, cannot be sustained.

10. Consequently, the writ petition is allowed. The orders dated 18.12.2023 (Financial Year 2017-18), 25.04.2024 (Financial Year 2018-19), 13.08.2024 (Financial Year 2019-20) and 14.02.2025 (Financial Year 2020-21) are quashed and set aside. The respondents would be free to take appropriate proceedings in accordance with law.

(Praveen Kumar Giri,J.) (Shekhar B. Saraf,J.) September 1, 2025 K.K. Maurya