

2026:PHHC:057632-DB



IN THE HIGH COURT OF PUNJAB & HARYANA AT CHANDIGARH

Sr. No. 186

CWP-11251-2026

Date of decision : 16.04.2026

Raja Ram and Sons Distributors

..... Petitioner

Versus

State of Punjab and others

..... Respondents

CORAM : HON'BLE MR. JUSTICE DEEPAK SIBAL
HON'BLE MS. JUSTICE LAPITA BANERJI

Present : Mr. Mukul Singla, Advocate, for the petitioner.

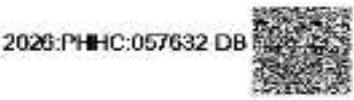
Mr. R. S. Pandher, Addl. A. G., Punjab.

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DEEPAK SIBAL, J. (Oral)

1. Through this petition challenge is made to the order dated 05.09.2024 (Annexure P-2) on the ground that prior to passing of such order no opportunity of personal hearing was granted to the petitioner, which not only violates the principles of natural justice but also contravenes Section 75(4) of the Central Goods and Services Tax Act, 2017 (for short, 'the 2017 Act').

2. The facts which lie in the narrow compass are that the petitioner is a sole proprietorship concern engaged in the business of selling of car accessories in Jalandhar, Punjab. It is registered with the GST authorities in the State of Punjab. A show cause notice dated 03.05.2024, pertaining to the financial year 2022-23, was issued to the petitioner by the respondent-authorities under Section 74 of the 2017 Act, granting therein an opportunity to the petitioner to respond in writing to the allegations made therein. However, no date, time or venue for the grant of personal hearing was mentioned therein.



When, in response to the said show cause notice, the petitioner did not file any written response, adjudication order dated 05.09.2024 (Annexure P-2) was passed requiring the petitioner to deposit the tax demanded through it. The petitioner availed of its remedy of filing a statutory appeal to challenge therein the aforesaid adjudication order, which was dismissed on 13.02.2026 by the Deputy Commissioner State Tax (Appeal), Ludhiana Division, Ludhiana Camp Office at Jalandhar (hereinafter referred to as the ‘appellate authority’). It is at that stage that the petitioner has filed the instant petition seeking therein the aforesaid reliefs.

3. Learned counsel for the parties have been heard and with their able assistance the record of the case has also been perused.
4. The impugned show cause notice dated 03.05.2024 served upon the petitioner by the respondent–GST authorities, pertaining to the financial year 2022-23, is reproduced below for ready reference:-

Reference No.-ZD0305240081514

Date-03-05-2024

To

GSTIN/ID: 03AALPA8946L1ZG

Name: MADHU AGGARWAL

Address: SCO-25, PUDA COMPLEX, LADOWALI ROAD, JALANDHAR, Jalandhar, Punjab, 144001

Tax Period: OCT 2022-OCT 2022

F.Y.-2022-2023

Act/Rules Provisions- 74

Section/sub-section under which SCN is being issued-74

Summary of Show Cause Notice

(a) Brief Fact of the Case: Inspection

(b) Grounds: Inspection

(c) Tax and other dues:

Sr. No	Tax Rate (%)	Turnover	Tax Period		Act	POS (Place of Supply)	Tax	Interest	Penalty	Fee	Others	Total
			From	To								
1	0	0.00	OCT 2022	OCT 2022	CGST	NA	2,17,999.00	82,840.00	54,500.00	0.00	0.00	3,55,339.00
2	0	0.00	OCT 2022	OCT 2022	SGST	NA	2,17,999.00	82,840.00	54,500.00	0.00	0.00	3,55,339.00
Total							4,35,998.00	1,65,680.00	1,09,000.00	0.00	0.00	7,10,678.00



Show Cause Notice is attached.

Supporting documents attached by officer:

Raja Ram and Sons Distrubuter_Compressed.pdf: SCN

Details of personal hearing and due date to file reply:

Sr. No.	Description	Particulars
1	Date by which reply has to be submitted	31-05-2024
2	Date of personal hearing	NA
3	Time of personal hearing	NA
4	Venue where personal hearing will be held	NA

5. A perusal of the afore quoted show cause notice dated 03.05.2024 clearly reveals that against the column of date, time and venue for personal hearing “NA or not applicable” finds mentioned.

6. At this stage, Section 75(4) of the 2017 Act needs to be referred to. The same reads as follows:-

“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.”

(emphasis supplied).

7. A perusal of the afore quoted provision leaves no room for doubt that before any adverse decision is even contemplated against an assessee under the 2017 Act, the respondent-revenue is under a statutory obligation to provide to the assessee an opportunity of hearing which, admittedly, in the case in hand, has not been done.

8. The submission raised by the learned State counsel that since to the show cause notice the petitioner did not file a written response, no opportunity of hearing was required to be granted to the petitioner, is required to be considered only to be rejected because under Section 75(4) of the 2017



Act, an assessee is statutorily entitled to be granted an opportunity of hearing before any adverse decision is even contemplated against him. Further, in the absence of a written response, if the petitioner had been granted an opportunity of hearing, it could, at the time of such hearing, produce its original record in the form of account books, ledgers etc. and/or file written arguments in defence and make an attempt to satisfy the Assessing Officer to withdraw the show cause notice served upon him.

9. In the light of the above discussion, the present petition is accepted, resulting in the setting aside of the impugned adjudication order dated 05.09.2024 (Annexure P-2) and the appellate order dated 13.02.2026 (Annexure P-4). However, liberty is granted to the respondent-revenue to proceed afresh against the petitioner but only after following the provisions of law including Section 75(4) of the 2017 Act.

10. No costs.

[DEEPAK SIBAL]
JUDGE

16.04.2026
shamsher

[LAPITA BANERJI]
JUDGE

Whether speaking/reasoned : Yes / No
Whether reportable : Yes / No