IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH
****

203 **CWP-6326-2009**
Date of Decision: 27.01.2026

AMBER ENTERPRISES (INDIA) PVT. LTD. ...Petitioner

Vs.

STATE OF PUNJAB AND ORS. …Respondents

CORAM:- HON'BLE MR. JUSTICE JAGMOHAN BANSAL
HON'BLE MR. JUSTICE AMARINDER SINGH GREWAL

Present:- Mr. Rakesh Chopra, Advocate with
Mr. Jashan Chopra, Advocate for the petitioner

Mr. Arun Jindal, Addl. A.G. Punjab

Mr. G.S. Sidhu, Advocate
for respondent No.3-Municipal Council
***

<u>JAGMOHAN BANSAL, J. (ORAL)</u>

1. The petitioner through instant petition under Articles 226/227 of the Constitution of India is seeking setting aside of order dated 31.10.2008 whereby respondent modified its order dated 04.08.2006 and increased the rate of octroi from 2% to 3%.

2. Learned counsel for the petitioner submits that respondent passed order dated 04.08.2006 whereby order dated 12.05.2006 was reviewed and recalled. With the consent of both sides, it was ordered that goods brought by petitioner within jurisdiction of respondent No.3-Municipal Council, Rajpura would be classified under Entry No.71A of the Octroi Schedule. The petitioner started paying octroi according to aforesaid order. The respondent-Council moved an application before State Government seeking modification of order dated 04.08.2006. Principal Secretary to Government of Punjab (respondent No.2) by order dated 31.10.2008 modified its order dated 04.08.2006. The respondent ordered to classify

goods of the petitioner under Entry No.71 of Octroi Schedule instead of Entry No.71A. The order dated 31.10.2008 was passed without notice as well as affording opportunity of hearing. It is settled law that liability cannot be enhanced without granting opportunity of hearing.

3. Learned counsel for respondent No.3-Municipal Council expressed his inability to controvert that impugned order was passed at the behest of Council and without notice as well as opportunity of hearing to the petitioner.

4. It is settled law that no order entailing civil or criminal consequences can be passed without granting opportunity of hearing. It is axiomatic in tax jurisprudence that tax liability cannot be increased without issuing notice and granting opportunity of hearing. In the case in hand, the impugned order enhancing tax liability was passed without notice as well as granting opportunity of hearing.

5. In the backdrop, we find it appropriate to set aside impugned order with a direction to respondent to pass fresh order after granting opportunity of hearing to the petitioner. The fresh order shall be passed within three months from today. The petitioner at the first instance will appear before respondent No.2 on 09.02.2026 and thereafter, as directed by aforesaid authority.

6. Pending application(s), if any, stands disposed of.

(JAGMOHAN BANSAL)
JUDGE

(AMARINDER SINGH GREWAL)
JUDGE

January 27, 2026
Deepak DPA

Whether Speaking/reasoned Yes/No
Whether Reportable Yes/No