IN THE HIGH COURT OF PUNJAB & HARYANA AT CHANDIGARH

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CWP-33977-2025
Date of Decision:24.03.2026

KEMEXEL ECOMMERCE PVT. LTD. ..... Petitioner(s)

Versus

STATE OF PUNJAB AND OTHERS ....Respondent(s)

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

Present:- Mr. Preetam Singh, Advocate
for the petitioner.

Mr. Saurabh Kapoor, Addl. A.G. Punjab.

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DEEPAK SIBAL, J. (Oral)

Through the instant petition, challenge is made to the adjudication/assessment order dated 23.08.2024 (Annexure P-1) on the ground that prior to issuance of such order no opportunity of 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 company having its registered office in Gurugram. It is also registered with the GST authorities in the State of Punjab. A show cause notice, pertaining to the financial year 2019-20, was issued to the petitioner by the respondent-authorities in the State of Punjab under Section 73 of the

2017 Act, granting 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, a reminder dated 01.08.2024 was issued to the petitioner. However, in this reminder also against the columns of date, time and venue for personal hearing "not applicable" was found mentioned. The petitioner did not file a written response. Thereafter, the respondent-authorities passed the adjudication/assessment order dated 23.08.2024 requiring the petitioner to deposit the tax demanded through it. It is in these circumstances that the petitioner has knocked the doors of this Court for the aforesaid relief.

4. Learned counsel for the parties have been heard and with their able assistance, the records of the case have also been perused.

5. Show cause notice dated 24.05.2024 and the reminder dated 01.08.2024 issued to the petitioner by the respondent – GST authorities, pertaining to the financial year 2019-20 are both reproduced below for ready reference:-

Show cause notice Dated:24.05.2024

Reference No.-ZD030524058626D Date-24-05-2024

To
GSTIN/ID: 03AAFCK9097H2Z7
Name: KEMEXEL ECOMMERCE PRIVATE LIMITED
Address: Bholapur, Hadbast no-238 Chabbewal, Khewat no-255, Khatoni no-288, Khasra no.38//3/1, Chandigarh road, Ludhiana, Ludhiana, Punjab, 141014

Tax Period: APR 2019-MAR-2020

Act/Rules Provisions-NA **FY-2019-2020**

Section/sub-section under which SCN is being issued-73

Summary of Show Cause Notice

a) **Brief Fact of the Case:** SCN Attached

b) **Grounds: SCRUTINY**

c) **Tax and other dues:**

(Amount in Rs.)

Sr. No.	Tax Rate (%)	Turnover	Tax period		Act	POS (Place of supply)	Tax	Interest	Penalty	Fee	Others	Total
			From	To								
1	2	3	4	5	6	7	8	9	10	11	12	13
1	0	0.00	APR 2019	MAR 2020	SGST	NA	8,35,032.00	6,98,407.00	83,503.00	0.00	0.00	16,16,942.00
2	0	0.00	APR 2019	MAR 2020	CGST	NA	8,35,032.00	6,98,407.00	83,503.00	0.00	0.00	16,16,942.00
3	0	0.00	APR 2019	MAR 2020	IGST	Punjab	2,46,708.00	2,06,343.00	24,671.00	0.00	0.00	4,77,722.00
Total							19,16,772.00	16,03,157.00	1,91,677.00	0.00	0.00	37,11,606.00

Show Cause Notice is attached.

Supporting documents attached by officer:

Details of personal hearing and due date to file reply:

Sr. No.	Description	Particulars
1.	Date by which reply has to be submitted	24.06.2024
2.	Date of personal hearing	NA
3.	Time of personal hearing	NA
4.	Venue where personal hearing will be held	NA

Reminder Dated:01.08.2024

Reminder-1

Reference No: ZD030824000810Y Date: 01/08/2024

To
GSTIN/ID: 03AAFCK9097H2Z7
Name: KEMEXEL ECOMMERCE PRIVATE LIMITED
Address: Bholapur, Hadbast no-238 Chabbewal, Khewat no-255, Khatoni no-288, Khasra no.38//3/1, Chandigarh road, Ludhiana, Ludhiana, Punjab, 141014

SCN Reference No: ZD030524058626D **Date: 24/05/2024**

Previous reminder reference no:NA

Reminder

With reference to the show cause notice referred above, neither you have filed any reply, nor you have appeared on the date mentioned in the notice to explain the reasons for the charges mentioned therein.

You are once again requested to furnish the reply by the date mentioned in table below.

You may appear before the undersigned for personnel hearing either in person or through authorized representative for representing your case on the date, time and venue, if mentioned in table below.

You are also requested to bring documents mentioned in the attached annexure, if any, relating to case on the date of hearing and other information called therein.

Sr. No.	Description	Particulars
1.	Date by which reply has to be submitted	06/08/2024
2.	Date of personal hearing	NA
3.	Time of personal hearing	NA
4.	Venue where personal hearing will be held	NA

6. A perusal of the afore referred show cause notice dated 24.05.2024 and the reminder dated 01.08.2024 clearly reveals that against the column of date, time and venue for personal hearing "NA or not applicable" finds mentioned.

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

> *"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.”

8. 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.

9. The submission raised by the learned State counsel that since to the show cause notice or the reminder, 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.

10. In the light of the above discussion, the present petition is accepted, resulting in the setting aside of the impugned adjudication/assessment order dated 23.08.2024 (Annexure P-1). However, liberty is granted to the respondent-revenue to proceed against the

petitioner but only after following the provisions of law including Section 75(4) of the 2017 Act.

11. No costs.

[DEEPAK SIBAL]
JUDGE

[LAPITA BANERJI]
JUDGE

24.03.2026
Jyoti Thakur

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