

HC: Assessment order quashed as adjournment for personal hearing was wrongly denied.

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REFER THE DECISION OF THE HON'BLE UTTARAKHAND HIGH COURT IN THE CASE OF

Name: Modine Thermal Systems Pvt. Ltd. vs. State of Uttarakhand Citation: (2025) 30 Centax 519 (Uttarakhand)

Facts of the Case:

The GST Department issued a show cause notice to *Modine Thermal Systems Pvt. Ltd.* due to a mismatch between the outward supplies declared in GSTR-1 and the value reflected in E-way bills during the relevant tax period.

A personal hearing was scheduled on 20-12-2024, while the last date for filing a written reply was 28-12-2024.

The assessee requested an adjournment of the personal hearing to a date after submission of the reply, so that their case could be argued properly.

The Department rejected the adjournment, proceeded with the hearing, and passed the assessment order.

Hon'ble High Court Judgement:

The High Court observed that:

The denial of adjournment was arbitrary and contrary to the principles of natural justice.

It was illogical and unfair to conduct a personal hearing before the due date for submission of the reply.

This approach was not in line with the scheme and spirit of the GST Act, which ensures the right to a proper opportunity of being heard.

The Court held that the assessment order passed without proper hearing was invalid and therefore set it aside.