

HC: Adjudication Order Set Aside for Violation of Natural Justice

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

Kanhaiya Traders vs. State of U.P. Citation: (2025) 31 Centax 289 (All.)

Facts of the Case:

The GST department passed an adjudication order against the petitioner, Kanhaiya Traders, imposing tax liability.

The assessee contended that no physical or offline notice was ever served upon them prior to the issuance of the order.

The department failed to establish that a proper notice—either through personal delivery, registered post, or any acknowledged mode—had been served.

As a result, the assessee was denied an opportunity to be heard, a fundamental right under the principles of natural justice.

Hon'ble High Court Judgement:

The Allahabad High Court held that serving proper notice to the assessee is an essential prerequisite before any adjudication.

Mere issuance of online notice, without ensuring actual service or acknowledgment, does not meet the requirement of due process.

Since the rules of natural justice were violated, particularly the right to a fair hearing, the Court set aside the adjudication order.

The Court directed that the matter be reconsidered only after proper service of notice and giving the assessee an opportunity to present their case.