

HC: Matter Remanded as Rectification Application Rejected Without Proper Hearing

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

Larsen and Toubro Ltd. vs. Commissioner of Delhi Goods and Service Tax,
Citation: (2025) 32 Centax 177 (Del.)

FACTS:

A demand was raised against Larsen and Toubro Ltd. under the GST regime.

The assessee contended that the demand was made without proper appreciation of the materials already available on record.

Pursuant to this, the assessee filed an application for rectification of the demand under the relevant provisions of GST law.

However, the tax authorities rejected the rectification application summarily, without affording a proper and meaningful hearing to the assessee.

The company challenged this action before the Delhi High Court, seeking relief.

Hon'ble High Court Judgement:

The Delhi High Court found that the principles of natural justice had been violated.

The Court noted that the rectification application was rejected without granting the petitioner a proper opportunity of hearing, which was essential given the technical and financial implications of the demand.

It further observed that the material already available on record was not duly considered by the department before passing the demand and rejecting rectification.

Accordingly, the Court set aside the rejection order and remanded the matter back to the appropriate authority for fresh consideration after giving the petitioner a reasonable opportunity of being heard.