

HC: Harsh order without granting time to reply held unsustainable.

CA Prakash Chandra Jain

P.O. Brajrajnagar

Odisha- 768216

Cell: 94375-41690 / 70087-12242

Email: prakashchjain@yahoo.co.in



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

Tractors and Farm Equipment Ltd. V/s Union of India, decided on 3-7-2025

FACTS:

Goods of the assessee were intercepted, and a **show cause notice (SCN)** was issued under **Section 129** of the CGST Act, 2017.

On the **same date**, the SCN was issued, the opportunity of hearing was recorded, and the order imposing tax and penalty was passed.

The assessee contended that they were **denied any real opportunity** to file a reply to the SCN.

Hon'ble High Court Judgement:

The High Court held that **issuing the SCN, fixing the hearing, and passing the final order** on the same day **amounts to a** flagrant breach of the principles of natural justice.

The assessee was not afforded reasonable time to reply **or defend its case.**

Consequently, the order imposing tax and penalty was set aside.

Matter remanded for fresh adjudication after granting proper opportunity of hearing.