

HC: Penalty Without Hearing Violates Natural Justice

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

Goyal Steel Furniture (Prop. Rahul Gupta) vs Additional Commissioner Grade-II Appeal [Writ Tax No. - 816/2025; 22-Aug-2025: 2025: AHC - LKO:49410]

Rahul Gupta, owner of Goyal Steel Furniture, was slapped with a Penalty Order under GST.

But the catch? He was never given a chance to be heard before the order.

He argued before the Allahabad High Court (Lucknow Bench) that this was a direct violation of natural justice.

The Court agreed, observing that:

- Penalty proceedings require strict adherence to audi alteram partem (hear the other side).
- Since no hearing was given, the penalty was invalid.

Conclusion

 The order was set aside.

  धनतेरस की हार्दिक शुभकामनाएँ  

आप सभी के जीवन में
धन, धान्य, समृद्धि और सुख-शांति की वर्षा हो।
माँ लक्ष्मी और भगवान धन्वंतरि की कृपा से
आपका घर-परिवार सदा स्वस्थ, संपन्न और मंगलमय रहे।

शुभ धनतेरस!   