

TAX INFO

Dated: 17.09.2020

Latest update on GST Law: Information regarding **No personal hearing is a violation of principles of natural justice** based on the **Judgement issued by Telangana High Court**.

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No personal hearing is a violation of principles of natural justice

Name of Petitioner	CSK Realtors Limited
Name of Respondent	ACST
Name of Court	Telangana High Court
Appeal Number	WP No. 11843 of 2020
Date of Judgement	13/08/2020

The petitioner is engaged in the business of construction and sale of flats and villas and is also an assessee on the rolls of the respondent under the CGST Act, 2017. The respondent issued notice intimating the discrepancies in the returns after scrutiny in Form GST ASMT-10, dt.17.12.2019 to the petitioner for the tax period 2017-18 to 2018-19 (from July, 2017 to March, 2019). In the said notice, he proposed to levy tax of Rs.3,27,36,879/-

The petitioner filed objections against the order. Thereupon, the respondent got issued SCN under Section 73 of the Act on 31.01.2020 in Form GST DRC-01 for the tax periods July, 2017 to March, 2018 and April, 2018 to March, 2019 proposing to levy CGST + SGST totaling to Rs.3,27,36,878/- Petitioner again filed detailed objections through its letter dt.18.02.2020 and also sought for a personal hearing before the respondent. But the respondent, after receiving the said objections of the petitioner on 19.02.2020, did not afford any personal hearing to the petitioner, and passed the impugned assessment order dt.13.03.2020 under Section 73 of the Act, and summary of the order in form GST DRC 07 dt.13.03.2020 for the above tax periods demanding the above amount from the petitioner.

The Court held that the respondent ought to have provided a personal hearing to the petitioner, since the petitioner requested for it specifically in its objections dt.18.02.2020 filed by it to the show cause notice issued on 31.01.2020 to it by the 1st respondent, and that failure of the respondent to do so is a violation of principles of natural justice warranting setting aside of the impugned order.

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