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Uploading of SCN under 'Additional Notices' tab without effective service vitiates proper service and adjudication proceedings

The Hon'ble Delhi High Court in the case of *NHD Motors v. The Government of NCT of Delhi & Anr [W.P.(C) 17505/2025, order dated April 15, 2026]* held that mere uploading of a Show Cause Notice (SCN) under the 'Additional Notices' tab on the GST portal, without ensuring effective service and opportunity of hearing, is improper and the demand order was liable to be set aside.

Facts:

M/s NHD Motors (**'the Petitioner'**) is a partnership firm registered under GST and was issued an SCN dated December 9, 2023 under Section 73 for FY 2018-19.

The Government of NCT of Delhi & Anr (**'the Respondent'**) passed an order dated April 5, 2024 raising a demand of ₹23,67,282/- against the Petitioner due to non-filing of reply to the SCN.

The Petitioner contended that the SCN was uploaded only under the 'Additional Notices' tab on the GST portal, which was not visible/accessible, and therefore it was not aware of the SCN and could not file a reply; further, it disputed the allegation of excess Input Tax Credit.

The Respondent contended that a reminder was issued on February 27, 2024 after system changes made the tab visible, and hence the Petitioner had an opportunity to respond.

The Petitioner, aggrieved by denial of opportunity of hearing and improper service of SCN, approached the Court by way of a writ petition under Article 226 of the Constitution of India challenging the SCN and consequential order.

Issue:

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Whether mere uploading of an SCN under the 'Additional Notices' tab on the GST portal, without effective communication to the assessee, constitutes valid service and satisfies principles of natural justice?

Held:

The Hon'ble Delhi High Court in ***W.P.(C) 17505/2025*** held as under:

- Observed that, the SCN was uploaded under the 'Additional Notices' tab at a time when such tab was not readily accessible or visible to the assessee.
- Noted that, subsequent changes to the GST portal making the tab visible cannot cure the defect in service of an SCN issued prior to such changes.
- Observed that, a reminder issued in the same tab where the original SCN was not visible cannot be treated as valid or effective service.
- Observed that, the Petitioner was not afforded a proper opportunity to respond to the SCN and contest the matter on merits.
- Held that, the impugned order dated April 5, 2024 is liable to be set aside and the matter remanded to the Adjudicating Authority.
- Directed that, the Petitioner shall file reply to the SCN by May 8, 2026 and that the Adjudicating Authority shall provide personal hearing, consider submissions, and pass a fresh order in accordance with law.

Our Comments:

The Court reiterated the principle that adjudication cannot proceed in absence of effective service of notice and opportunity of hearing, as held by this court in ***Neelgiri Machinery v. Commissioner, Delhi GST [W.P.(C) 13727/2024]***, wherein it was held that "intention is to

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ensure that the Petitioner is given an opportunity to file its reply and is heard on merits and that orders are not passed in default.”

Further this Court in *M/s ACE Cardiopathy Solutions Private Ltd. v. Union of India & Ors. [2024:DHC:4108-DB]* as well as in *Kamla Vohra v. Sales Tax Officer Class II/ Avato Ward [2024:DHC:5108- DB]* noted that the SCN was uploaded under the 'Additional Notices' category on the GST portal, which was not the standard or easily accessible category for such notices and held that mere uploading under 'Additional Notices' does not constitute sufficient service.

It is relevant to note the discussion of the High Court of Madras in *M/s East Coast Constructions and Industries Ltd. v. Assistant Commissioner (ST) [W.P. No. 26457/2023 order dated September 11, 2023]*, wherein the issue before the Court was that communications are placed under the heading of "View Notices and Orders" and "View Additional Notices and Orders". The Madras High Court had directed the GST Authorities, to address the issue arising out of posting of information under two separate headings. As per the petitioner, the Menu "View Additional Notices and Orders" were under the heading of "User Services" and not under the heading "View Notices and Orders". The GST Authorities had addressed the issue and had re-designed the portal to ensure that 'View Notices' tab and 'View Additional Notices' tab were placed under one heading, however the impugned SCN was issued before the portal was re-designed, and therefore the petition was allowed.

Relevant Provisions:

Section 73 of the CGST Act, 2017

“73. Determination of tax pertaining to the period up to Financial Year 2023-24, not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised for any reason other than fraud or any willful-misstatement or suppression of facts.-

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(1) Where it appears to the proper officer that any tax has not been paid or short paid or erroneously refunded, or where input tax credit has been wrongly availed or utilised for any reason, other than the reason of fraud or any wilful-misstatement or suppression of facts to evade tax, he shall serve notice on the person chargeable with tax which has not been so paid or which has been so short paid or to whom the refund has erroneously been made, or who has wrongly availed or utilised input tax credit, requiring him to show cause as to why he should not pay the amount specified in the notice along with interest payable thereon under section 50 and a penalty leviable under the provisions of this Act or the rules made thereunder.

(2) The proper officer shall issue the notice under sub-section (1) at least three months prior to the time limit specified in sub-section (10) for issuance of order.

(3) Where a notice has been issued for any period under sub-section (1), the proper officer may serve a statement, containing the details of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised for such periods other than those covered under sub-section (1), on the person chargeable with tax.

...”

Section 169 of the CGST Act, 2017

“169. Service of notice in certain circumstances.-

(1) Any decision, order, summons, notice or other communication under this Act or the rules made thereunder shall be served by any one of the following methods, namely:-

(a) by giving or tendering it directly or by a messenger including a courier to the addressee or the taxable person or to his manager or authorised representative or an advocate or a tax practitioner holding authority to appear in the proceedings on behalf of the taxable person or to a person regularly employed by him in connection with the business, or to any adult member of family residing with the taxable person; or

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(b) by registered post or speed post or courier with acknowledgement due, to the person for whom it is intended or his authorised representative, if any, at his last known place of business or residence; or

(c) by sending a communication to his e-mail address provided at the time of registration or as amended from time to time; or

(d) by making it available on the common portal; or

(e) by publication in a newspaper circulating in the locality in which the taxable person or the person to whom it is issued is last known to have resided, carried on business or personally worked for gain; or

(f) if none of the modes aforesaid is practicable, by affixing it in some conspicuous place at his last known place of business or residence and if such mode is not practicable for any reason, then by affixing a copy thereof on the notice board of the office of the concerned officer or authority who or which passed such decision or order or issued such summons or notice.

(2) Every decision, order, summons, notice or any communication shall be deemed to have been served on the date on which it is tendered or published or a copy thereof is affixed in the manner provided in sub-section (1).

(3) When such decision, order, summons, notice or any communication is sent by registered post or speed post, it shall be deemed to have been received by the addressee at the expiry of the period normally taken by such post in transit unless the contrary is proved.”

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