A. M. Marketplaces Pvt. Ltd. vs Union of India & Ors.

Demand and adjudication – Minimum time gap between issuance of notice and passing of order under Sections 73(2) and 73(10) of the CGST Act, 2017.

Date of Order: January 17, 2026
Case Law No: GIB-BHC-NAG-2026-05-DB
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CASE DESCRIPTION / SUMMARY

Facts:
The petitioner challenged the show cause notice dated 18.11.2024 and the adjudication order dated 31.01.2025 passed under Section 73 of the CGST Act. The contention of the petitioner was that the final order had been passed within less than three months from the issuance of the notice, contrary to the requirement under Sections 73(2) and 73(10) of the CGST Act.

Court Decision:
The Court held that Section 73(2) requires issuance of the notice at least three months prior to the outer time limit for passing the order under Section 73(10), and this period ensures that the assessee gets meaningful opportunity to file reply, seek personal hearing and avail the statutory options under Section 73 such as payment within thirty days.

The Court held that maintaining a minimum gap of three months between issuance of notice and passing of the final order is mandatory. Since the notice was issued on 18.11.2024 and the final order was passed on 31.01.2025, the gap was only about two months and thirteen days. The show cause notice and the order were therefore quashed and the matter was remanded to the authority for fresh consideration in accordance with law.

Cases Referred by Court:

· C.H. Robinson Worldwide Freight India Pvt. Ltd. v. Additional Commissioner, CGST-Delhi-South & Ors., W.P.(C) 15508/2024, Delhi High Court, Order dated 29.10.2025

· Tata Play Limited v. Sales Tax Officer Class II/AVATO, W.P.(C) 4781/2025, Delhi High Court

· The Cotton Corporation of India v. Assistant Commissioner (ST Auditfac) & Ors., Writ Petition No.1463 of 2025, Andhra Pradesh High Court, Order dated 05.02.2025

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