Tirumala Milk Products Private Limited v. State Tax Officer

Validity of assessment order under Section 74 read with Section 75(7) of the CGST Act, 2017 where demand exceeds show cause notice. Scope of adjudication and limitation on confirming demand beyond proposal in show cause notice

Date of Order: March 5, 2026
Case Law No: GIB-MHC-2026-24
Source: GST INDIA Biz (www.gstindia.biz)

CASE DESCRIPTION / SUMMARY

Case Facts:

The petitioner challenged an order dated 26.12.2025 confirming tax liability for FY 2018–19.

The show cause notice proposed a demand of Rs.1.37 crore, whereas the final order confirmed Rs.2.41 crore.

The petitioner contended that the order exceeded the scope of the show cause notice.

The writ petition was filed seeking quashing of both the show cause notice and consequential order.

Court Decision:

The Court held that the impugned order was contrary to Section 75(7) as it confirmed demand beyond what was proposed in the show cause notice.

The impugned order was set aside and the matter was remitted back to the authority for fresh consideration.

The petitioner was directed to file a reply within 30 days and the authority was directed to pass a fresh order after granting opportunity.

The authority was permitted to proceed in accordance with law in case of non-compliance by the petitioner.

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