

C.H. Robinson Worldwide Freight India Private Limited vs Additional Commissioner, CGST Delhi South & Ors.

Whether a Show Cause Notice issued under Section 73 of the CGST Act, 2017 is barred by limitation where it was not served upon the assessee at least three months prior to the outer time limit prescribed under Section 73(10) of the CGST Act — and whether

Date of Order: October 29, 2025
Case Law No: GIB-DHC-2025-43
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CASE DESCRIPTION / SUMMARY

BACKGROUND

The CGST Department (Delhi-South) conducted a scrutiny of the returns filed by the petitioner, M/s. C.H. Robinson Worldwide Freight India Private Limited, for Financial Year 2019-20 and alleged discrepancies in availment of Input Tax Credit. Consequently, a Show Cause Notice (SCN) dated 31st May, 2024 was issued raising a demand of Rs.11,85,45,612/-. As per Notification No. 56/2023-Central Tax dated 28th December, 2023, the last date for issuance of the adjudication order under Section 73(10) of the CGST Act for FY 2019-20 was extended till 31st August, 2024. This meant that the SCN, mandatorily required to be issued at least three months prior to this outer limit (i.e., by 31st May, 2024), was not actually served on the petitioner on that date. The Department instead issued DRC-01 only on 12th August, 2024, citing a technical glitch as the reason. Furthermore, even the earlier dispatch on 3rd June, 2024 was made to the wrong address of the petitioner at Vasant Kunj — despite the fact that the petitioner's address had already been updated in the Department's own records on 15th May, 2024, i.e., prior to the dispatch. The petitioner filed the writ petition challenging the SCN as being barred by limitation under Section 73(2) read with Section 73(10) of the CGST Act.

COURT OBSERVATIONS (Verbatim)

On the mandatory nature of the three-month period under Section 73(2):

"A perusal of the above stated provisions would show that an order has to be passed by the 'proper officer' within a period of three years from the due date for furnishing the annual returns for the said financial year. For issuance of a show cause notice, at least three months' period prior to the

time limit under Section 73(10) of the CGST Act would be available. Thus, the show cause notice has to be issued at least three months prior to the outer limit prescribed for passing of an order under Section 73(10) of the CGST Act."

"On the other hand, Section 73(2) of the CGST Act provides that at least three months prior to the outer limit of 3 years for passing an order under Section 73(10) of the CGST Act, a notice is to be served."

"While the purpose behind Section 73(10) of the CGST Act is to fix the date by which an adjudication order has to be issued, the purpose of Section 73(2) of the CGST Act is to ensure that at least three months is available to the taxable person for filing a reply to the show cause notice issued to them and for being heard in a proper manner. Thus, the time period between issuance of the show cause notice and the outer limit for passing of the order should be at least three months."

On the three-month period being mandatory:

"The three month's period prescribed in Section 73(2) of the CGST Act is mandatory when read with Section 73(10) of the CGST Act."

On rejection of Department's technical glitch plea and wrong address:

"The Department's stand that due to a technical glitch, the DRC-01 could not be issued on 31st May, 2024 but was reissued on 12th August, 2024 would not be tenable in law. Further, the impugned SCN dated 31st May, 2024 was not served to the Petitioner within the time limit prescribed in Section 73(2) read with Section 73(10) of the CGST Act. Moreover, even the address of the Petitioner at which the same has been communicated is the wrong address considering the amendment of the Petitioner's address was permitted by the Department on 15th May, 2024 itself."

"The SCN dated 28th May, 2024 dispatched on 3rd June, 2024 cannot, therefore, be held to be within time in terms of Section 73(2) of the CGST Act."

FINAL VERDICT

Writ petition allowed. The SCN and any order passed consequent thereto stand **quashed** as the SCN was not served within the mandatory three-month period prescribed under Section 73(2) read with Section 73(10) of the CGST Act, and was additionally sent to the wrong address.

ADDITIONAL FOOTNOTES

CITATIONS REFERRED BY COURT

Case	Citation / Reference
Tata Play Limited vs. Sales Tax Officer Class II/AVATO W.P.(C) 4781/2025 (Delhi High Court)	
Notification referred:	
<ul style="list-style-type: none">Notification No. 56/2023-Central Tax dated 28th December, 2023 (S.O. 5483(E)) — extending time limit under Section 73(10) for FY 2019-20 till 31st August, 2024	
Neutral Citation: 2025:DHC:9535-DB W.P.(C) 15508/2024 (High Court of Delhi)	
officer Class II/AVATO, W.P.(C) 4781/2025	

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