NHD Motors vs. Government of NCT of Delhi & Ors.

Validity of demand order passed ex-parte under Section 73 of Delhi GST Act, 2017 where SCN was uploaded only on the obscure 'Additional Notices Tab' of the GST portal, denying the assessee an effective opportunity of hearing.

Date of Order: April 15, 2026
Case Law No: GIB-DHC-2026-37
Source: GST INDIA Biz (www.gstindia.biz)

CASE DESCRIPTION / SUMMARY

Background

NHD Motors, a GST-registered partnership firm, was issued an SCN dated 9th December, 2023 for FY 2018-19 under Section 73 of the Delhi GST Act, 2017. The SCN was uploaded exclusively on the 'Additional Notices Tab' of the GST portal — a tab that was not prominently visible to taxpayers prior to 16th January, 2024 (when the portal was subsequently modified to make this tab visible). Since the petitioner was unaware of the SCN, no reply was filed. Consequently, an ex-parte demand order dated 5th April, 2024 was passed raising a demand of ₹23,67,282/-. The petitioner contended that no excess ITC had been availed and that the amount was also mis-calculated. The respondent argued that a reminder was issued on 27th February, 2024 (after 16th January, 2024) and thus effective service was achieved.

Court Observations (Verbatim)

"*There is no dispute that, after 16th January, 2024, certain changes were introduced on the GST portal and the 'Additional Notices Tab' was made visible. However, in the present case, the SCN had been issued prior to the said date. In such circumstances, and considering that the petitioner was not afforded a proper opportunity of hearing and had not filed any reply to the SCN, this Court is of the view that the matter deserves to be remanded to the concerned Adjudicating Authority.*"

"*This Court is unable to agree with the aforesaid contention of the respondent. The reminder pertained to the SCN uploaded prior to 16th January, 2024 in the same 'Additional Notices Tab' in which the SCN itself had been uploaded, a tab, in which the SCN was not visible to the petitioner. In such circumstances, where the SCN itself was never effectively served upon the petitioner, any subsequent communication styled as a reminder in respect thereof cannot, in law, be treated as a valid or effective reminder to the said SCN.*"

Final Verdict

The impugned demand order dated 5th April, 2024 is **set aside** and the matter is remanded. The petitioner is granted time till 8th May, 2026 to file reply to the SCN; the Adjudicating Authority shall issue a personal hearing notice, duly communicated to the petitioner, and pass a fresh order after considering the reply and submissions. Access to the GST portal is to be provided to the petitioner for uploading reply and accessing related documents.

ADDITIONAL FOOTNOTES

Citations Referred by the Court

#	Case Name	Citation/Reference
1	Neelgiri Machinery through its Proprietor Mr. Anil Kumar v. Commissioner Delhi Goods and Service Tax and Others	W.P.(C) 13727/2024 (DHC)
2	Satish Chand Mittal (Trade Name National Rubber Products) v. Sales Tax Officer SGST, Ward 25-Zone 1	Order dated 9th September, 2024 (DHC)
3	Anant Wire Industries v. Sales Tax Officers Class II/Avato, Ward 83 & Anr.	W.P.(C) 17867/2024 (DHC), Order dated 23rd December, 2024
4	ACE Cardiopathy Solutions Private Ltd. v. Union of India & Ors.	Neutral Citation No. 2024:DHC:4108-DB
5	Kamla Vohra v. Sales Tax Officer Class II/Avato Ward 52	Neutral Citation No. 2024:DHC:5108-DB

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