



**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

CWP-8559-2026

HUDSON INSURANCE BROKERS PRIVATE LIMITED

...Petitioner

Versus

UNION TERRITORY OF CHANDIGARH AND OTHERS

...Respondents

1.	The date when the judgment is reserved	20.03.2026
2.	The date when the judgment is pronounced	17.04.2026
3.	The date when the judgment is uploaded on the website	17.04.2026
4.	Whether only operative part of the judgment is pronounced or whether the full judgment is pronounced	Full
5.	The delay, if any, of the pronouncement of full judgment, and reasons thereof	Not applicable

CORAM: HON'BLE MR. JUSTICE DEEPAK SIBAL

HON'BLE MR. JUSTICE PARMOD GOYAL

Present: Ms. Krati Singh, Advocate and
Ms. Khushbu Sood, Advocate
for the petitioner.

Mr. Sourabh Goel, Sr. Standing Counsel
for the respondents.

PARMOD GOYAL, J.

Petitioner has filed the present writ petition under Articles 226/227 of Constitution of India being aggrieved by impugned order dated 24.12.2025 (Annexure P-1), passed by Commercial Tax Officer, Ward-3, Chandigarh (respondent No.2), whereby GST demand has been raised against the petitioner.

2. Petitioner is a company engaged in the business of insurance brokerage and advisory within financial and insurance service sector and is duly registered under GST regime. Notice under Section 61 of the Central

Goods and Services Tax Act, 2017 (hereinafter referred to as 'CGST Act') read with Union Territory Goods and Services Tax Act, 2017 (hereinafter referred to as 'UTGST Act') dated 11.08.2025 (Annexure P-2) was issued by respondent No.2 while scrutinizing returns filed by petitioner for the relevant period i.e. year 2021-22 alleging certain discrepancies in the return and calling upon petitioner to furnish explanation and clarification thereon by 25.08.2025 for the discrepancies. In response to notice dated 11.08.2025 (Annexure P-2), petitioner claims to have submitted detailed reply in Form GST-ASMT-11 along with all the relevant documents on 25.08.2025 (Annexure P-3). Despite detailed reply, respondent No.2 issued show cause notice (Annexure P-4) in terms of Section 73(1) of CGST Act read with, UTGST Act. In show cause notice dated 26.09.2025, respondent No.2 had alleged that reply was not found satisfactory as relevant/supporting documents essential for verification of discrepancies were not uploaded.

3. Petitioner vide said show cause notice was directed to submit its reply within 30 days and to appear for personal hearing on 17.10.2025. However, petitioner sought extension of time for filing its reply and also sought adjournment of personal hearing vide its letters dated 13.10.2025 and 16.10.2025 (collectively Annexure P-7). Respondent No.2, however, issued reminder notice dated 27.10.2025 to submit its reply by 04.11.2025 and to attend personal hearing on 03.11.2025. However, as per petitioner it missed to reply to the said reminder notice and requested another opportunity for filing reply and for personal hearing. Subsequently, petitioner had duly filed reply to said show cause notice in Form GST-DRC-06 along with supporting documents on GST portal on 26.11.2025 (Annexure P-5). It is the case of petitioner that despite detailed reply, respondent No.2 proceeded to pass the

impugned order confirming demand of Rs.13,42,051/- against the petitioner without considering submissions made therein.

4. The simple case of petitioner in the present case is that the impugned order dated 24.12.2025 (Annexure P-1) raising demand of Rs.13,42,051/- has been passed without considering reply filed by petitioner on 26.11.2025. Petitioner is challenging the impugned order on the ground that same is a non-speaking order and violative of principles of natural justice as it neither deals nor assigns any reason for rejecting the detailed submissions and documentary evidence placed on record by petitioner in its replies to GST-ASMT-11 and show cause notice seeking quashing of impugned order dated 24.12.2025 (Annexure P-1).

5. On the other hand, learned counsel for respondents has argued that present writ petition is not maintainable as alternative remedy of appeal is available to the petitioner. It is further argued that the impugned order has been passed by the authorities after considering the reply and on account of failure of petitioner to submit requisite documents.

6. Perusal of impugned order dated 24.12.2025 (Annexure P-1) goes to show that authorities have not taken into consideration reply dated 26.11.2025, though authorities in para No.5 had acknowledged reply by petitioner dated 26.11.2025, but had rejected the same only by asserting that same does not adequately address the issue raised in show cause notice. It was also claimed that tax payer had not furnished any documentary evidence on record or supporting material to substantiate submissions made in reply and had concluded that in absence of any satisfactory reply, the demand raised as per show cause notice has to be confirmed.

7. Generally, Courts while exercising writ jurisdiction under

Article 226 of Constitution of India do not interfere with orders which are appealable before appropriate authority. However, availability of alternative remedy does not operate as a complete bar to exercise writ jurisdiction under Article 226 of Constitution of India. There are exceptions to general rule of non-interference and Courts are bound to interfere if writ petition is filed for enforcement of any fundamental right or where there has been violation of principle of natural justice or where the order of proceedings are wholly without jurisdiction or vires of the Act are under challenge. In the event of any of these eventualities, exercise of writ jurisdiction by Court is fully justified and rather Courts are bound to act and ensure compliance of fundamental rights/principle of natural justice/jurisdiction vested in the authority. This view of mine finds support from judgments cited by learned counsel for petitioner titled as **Whirlpool Corporation Vs. Registrar of Trademarks, Mumbai**, 1998 (8) SCC 1, **Radha Krishan Industries Vs. State of Himachal Pradesh**, 2021 SCC Online SC 334, **Godrej Sara Lee Ltd. Vs. Excise and Taxation Officer-cum-Assessing Authority & Ors.**, 2023 SCC OnLine SC 95 and **Prodair Air Products India Private Limited Vs. State of Kerala**, 2023 (3) KHC 1.

8. Therefore, it has to be seen whether in passing the impugned order dated 24.12.2025 (Annexure P-1) respondents have failed to adhere to principle of natural justice or not. Perusal of the impugned order (Annexure P-1) goes to show that petitioner had duly submitted its reply along with relevant/requisite documents on GST portal on 26.11.2025. This fact stands acknowledged not only by acknowledgment slip annexed with the petition by the petitioner, but also by acknowledgment by authorities in para No.5 of the impugned order. However, perusal of order goes to show that no reasons

for not finding reply and documents annexed with reply uploaded on portal to be satisfactory have been given. The satisfaction recorded by authority that “taxpayer has not furnished any documentary evidence, records or supporting material to substantiate the statement made in the reply” has not been supported by any reasoning. No contention raised by petitioner or documents attached with reply dated 26.11.2025 has been noted, referred to or dealt with. The satisfaction so recorded by authorities below was required to be based upon reasoning which ought to have been reflected by way of impugned order. An order passed without any reasoning cannot be justified and can only be held to be a non-speaking order and violative of principles of natural justice. Authorities exercising *quasi* judicial or judicial powers are bound to consider reply so preferred by assessee and are bound to give reasons for not agreeing to the contentions raised in the reply. An order without reasoning cannot be sustained and amounts to violation of principles of natural justice.

9. Impugned order in the present case is without there being any reasoning, hence is a non-speaking order being violative of principles of natural justice and cannot be sustained. Accordingly, impugned order dated 24.12.2025 (Annexure P-1) is set aside. Respondent No.2 is directed to fix a date for personal hearing of the petitioner and after giving a chance of personal hearing to petitioner may decide show cause notice with due reasoning for acceptance/rejection of contentions raised by the petitioner in its reply dated 26.11.2025 and submissions made at the time of personal hearing.

10. Writ petition is allowed in above terms.

11. Pending application(s), if any, is/are disposed of accordingly.

(DEEPAK SIBAL)
JUDGE

(PARMOD GOYAL)
JUDGE

17.04.2026
chiranjeev

Whether Speaking/Reasoned : Yes/No
Whether Reportable : Yes/No