



HIGH COURT OF UTTARAKHAND AT NAINITAL
HON'BLE THE CHIEF JUSTICE MR. MANOJ KUMAR GUPTA
AND
HON'BLE SRI JUSTICE SUBHASH UPADHYAY
22ND APRIL, 2026
WRIT PETITION (M/B) NO. 286 OF 2026

M/s Poddar Ispat Pvt. Ltd.Petitioner.

Versus

Office of the Deputy Commissioner & another
....Respondents.

Counsel for the Petitioner : Mr. Rakesh Prasad Singh, Mr. Kanti Ram Sharma and Mr. Rahul Ranjan, learned counsel.

Counsel for the State : Ms. Puja Banga, learned Standing Counsel.

JUDGMENT : (per Mr. Manoj Kumar Gupta, C.J.)

1. Heard Mr. Rakesh Prasad Singh, learned counsel for the petitioner and Ms. Puja Banga, learned Standing Counsel for the Revenue.

2. The present writ petition has been filed praying for quashing of the order dated 26.12.2025 along with DRC-07 dated 26.12.2025, show-cause notice dated 14.05.2025 along with form DRC-01 dated 01.07.2025 and form DRC-01 dated 08.12.2025, all issued by respondent no.1, the notice for intimation of amount recoverable *vide* DRC-01D, dated 05.03.2026, and to stay the recovery proceedings initiated in pursuance of the said orders.

3. The petitioner was issued show-cause notice dated 14.05.2025 under Section 74(1) read with Section



122 of the Uttarakhand Goods and Services Tax Act, 2017 (for short hereinafter referred to as "the Act") in respect of Financial Year 2023-24 proposing imposition of certain amount as tax along with pre-intimation notice in DRC-01A on the same date. It was followed by DRC-01 dated 01.07.2025 along with same show-cause notice dated 14.05.2025 alleging utilization of inadmissible ITC of Rs.8,49,98,096/- and proposing recovery of the said amount. Finally, another show-cause notice was issued on 08.12.2025 along with Form GST DRC-01 dated 01.07.2025.

4. The petitioner-company submitted its reply to the same on 26.12.2025 and, *inter alia*, prayed for dropping the show-cause notice. The petitioner also prayed for being afforded personal hearing. On the same date, i.e. on 26.12.2025, the impugned order has been passed under Section 74(9) by respondent no.1 imposing tax and penalty and in pursuance thereof, recovery proceedings have also been initiated.

5. The contention of learned counsel for the petitioner is that, although the petitioner requested for personal hearing, but without intimating any date for personal hearing and without affording any personal hearing to the petitioner, the order has been passed. He



further submits that the show-cause notice issued to the petitioner is defective, as it does not have any ingredient of Section 74 of the Act. He further submits that the reply of the petitioner has not been considered while passing the impugned order under Section 74 of the Act.

6. Ms. Puja Banga, learned Standing Counsel for the Revenue has invited our attention towards the recital in the order that the reply of the petitioner was duly considered and it was given opportunity of hearing. However, she does not dispute that the order was passed on the same day, the petitioner submitted its reply and the show-cause notice issued to the petitioner on 08.12.2025 does not mention that on the date the petitioner submits its reply, personal hearing would also take place.

7. Under Section 75(4) of the Act, opportunity of hearing is required to be granted to the person concerned, if such a request is made.

8. The respondents were, therefore, required to intimate the date of personal hearing in advance, otherwise the alleged hearing was nothing but an eyewash. Mere recital in the order that the petitioner was heard on the day the petitioner filed its reply, would not be compliance of the mandatory requirement of providing opportunity of hearing inasmuch as the person concerned, on the date fixed for



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filing of reply, in every likelihood, may not be prepared for advancing the arguments.

9. As already noted above, the show-cause notice only required the petitioner to submit its reply and never put the petitioner to notice that on the same day, hearing would also take place, therefore, we are of the considered opinion that the procedure followed was in violation of the principles of natural justice contained in Section 75(4) of the Act and, accordingly, the impugned order dated 26.12.2025 is, hereby, set-aside, leaving it open to the respondents to fix a fresh date for hearing under due intimation to the petitioner and, thereafter, pass a fresh order strictly in accordance with law. All pleas and contentions are left open for being raised before the proper officer.

10. The writ petition stands disposed of accordingly.

11. Pending application, if any, also stands disposed of.

MANOJ KUMAR GUPTA, C.J.

SUBHASH UPADHYAY, J.

Dated: 22nd April, 2026

NISHANT