IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

THE HON'BLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH
AND
THE HON'BLE SRI JUSTICE G.M.MOHIUDDIN

WRIT PETITION No.19768 of 2026

Dated:25.06.2026

Between:

M/s. Bengal Cold Rollers Private Limited.

…Petitioner

and

The Assistant Commissioner (ST),
Basheerbagh-Nampally-1 Circle,
Hyderabad,
and 4 others.

…Respondents

ORDER:

Learned counsel Sri Karan Sachdev, representing learned counsel Sri Md. Arshad Ahmed, appears for the petitioner.

Sri Swaroop Oorilla, learned Special Government Pleader for State Tax, appears for the respondents.

2. The assessment order dated 28.03.2026 passed by respondent No.1 for the tax period April 2019 – March 2020 under Section 74(1) of

the Telangana Goods and Services Tax Act, 2017/Central Goods and Services Tax Act, 2017 (hereinafter referred to as, "the Act") is under challenge in this writ petition. The petitioner has also assailed the show cause notice dated 18.10.2025 for the same tax period.

3. Learned counsel for the petitioner has taken, *inter alia*, the following grounds in support of the challenge. i) That the impugned show cause notice was issued on 18.10.2025 i.e., less than six months period contemplated under Section 74(2) of the Act; ii) it was also issued after the 30 days period fixed by this court in W.P.Nos.25079, 25081, 25084, 25211, 25920 and 25997 of 2024, dated 03.03.2025, concerning different assessment years, including the present one; iii) the petitioner has also assailed the order-in-original passed on 28.03.2026 on merits as being bad in law; iv) the petitioner has also taken a plea that the proper officer has summarily rejected the preliminary issue on limitation made during the personal hearing on 23.03.2026; v) the impugned order does not rely on Section 75(1) of the Act and the benefit of the said provision will also not apply in the present case, as no stay of proceedings was granted; vi) the limitation under a taxing statute goes to the root of jurisdiction and cannot be circumvented by a purposive or equitable reading of the order dated

03.03.2025; vii) the impugned order is, therefore, in violation of principles of natural justice as it was passed without giving due opportunity to furnish the reply; and viii) it also does not comply with the requirement of filing a reply on the available materials and compliance of hearing provisions of the Act in terms of the order dated 11.03.2026 passed in W.P.No.6668 of 2026.

4. Learned counsel for the petitioner submits that there is violation of Section 75(4) and (5) of the Act due to failure to grant genuine and effective opportunity of hearing. The impugned order has been passed in haste within five days of personal hearing. Learned counsel for the petitioner has also submitted that the impugned order is contrary to the facts on record and has confirmed multiple/duplicative and overlapping demands in respect of transactions on which tax has already been discharged. It is submitted that if an opportunity is granted to the petitioner to file a proper reply before the proper officer after setting aside the order-in-original, an effective adjudication would be made. Otherwise, serious prejudice would be caused to the petitioner by relegating it to the remedy of statutory appeal, despite so many infractions in the decision making process and non-compliance of the procedure prescribed under the Act. Learned counsel for the petitioner

also submits that the Apex Court in the modification order in Miscellaneous Application Nos.1784 and 1785 of 2026 in SLP (C) No.12390 of 2026 dated 29.05.2026 to the original judgment dated 13.05.2026 in SLP (C) No.12390 of 2026 at paragraph 3 gave the liberty to the petitioner to prefer any statutory appeal or avail any other remedy in law. Therefore, the petitioner has approached this court in the writ jurisdiction as there are good grounds to assail the order-in-original in the present proceedings. Learned counsel for the petitioner also submits that W.P.No.6668 of 2026 was preferred for non-compliance of the order dated 12.12.2025 passed in W.P.No.35740 of 2025.

5. Learned Special Government Pleader for State Tax appearing for the respondents has drawn the attention of this court to the order of the Hon'ble Supreme Court in SLP (C) No.12390 of 2026 dated 13.05.2026, which arose from the order dated 11.03.2026 in W.P.No.6668 of 2026, wherein the petitioner had assailed the reminder notice – cum – personal hearing dated 26.02.2026 issued upon the petitioner under show cause notices for the years 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24. It is submitted that a perusal of the order dated 13.05.2026 would clearly show that the impugned order-in-original dated 28.03.2026 relatable to assessment year 2019-20 was also brought to the notice of the Apex

Court in which background the Apex Court observed at paragraph 9 that the petitioner is now left with no other option but to prefer statutory appeal under Section 107 of the Act. The Apex Court, however, in the peculiar facts and circumstances of the case, while relegating the petitioner to prefer the statutory appeal with respect to each of the assessment years before the appellate authority, allowed pre-deposit of 5% of the total principal tax amount. The Apex Court also allowed the petitioner to raise the contentions before the appellate authority with respect to 14 files being lost by the department, on grounds of serious prejudice raised by them. The appellate authority was asked to look into all relevant aspects of the matter and take appropriate decision in that regard without being influenced in any manner by any of the observations made by the High Court in the order impugned before the Apex Court. It is submitted that the modification order dated 29.05.2026 was passed on Miscellaneous Application Nos.1784 and 1785 of 2026 wherein petitioner asked for waiver of the condition of pre-deposit of 5% while preferring the statutory appeal. The Apex Court outrightly rejected the prayer. The order dated 29.05.2026 and specifically paragraph 3 relied upon by the petitioner would not amount to diluting the main order which relegated the petitioner to avail the statutory remedy of appeal. Neither, any such prayer was made in the modification application. It is further submitted that the petitioner has been granted several opportunities during the course of adjudication proceedings for the relevant tax period also as has been reflected at paragraph 13 of the order-in-original, including the personal hearing notices. It is further submitted that this Court by its order dated 11.03.2026 in W.P.No.6668 of 2026, however, on a grievance raised by the petitioner about non-furnishing of the seized documents of the missing files, had disposed of the matter on the submissions of the learned Special Government Pleader for State Tax that those missing files will not be relied upon in the adjudication proceedings for the relevant years. This court allowed the adjudication proceedings to go on on the basis of the other available materials with the department after due opportunity to the petitioner to furnish reply and compliance of opportunity of hearing in terms of the relevant provisions of the Act. The petitioner was, thereafter, again granted opportunity of hearing on 23.03.2026. The petitioner has not taken the plea that the show cause notice was issued after thirty days period as observed in the order dated 03.03.2025 passed in W.P.No.25079 of 2024 and batch or that it was issued in breach of Section 74(2) of the Act. It is submitted that in this background facts, since the Apex Court has relegated the petitioner to prefer statutory appeal and raise such grounds as are available to it, including the question of prejudice in respect of 14 missing files before the appellate authority, the challenge to the impugned order-in-original once again in the writ proceedings should not be allowed, as it would also be in teeth of the judgment of the Apex Court.

6. We have taken note of the submissions of the learned counsel for the parties and the grounds urged in order to lay a challenge to the order-in-original dated 28.03.2026 and the show cause notice dated 18.10.2025 impugned in the present writ petition.

7. Suffice it to say that the present proceedings have a chequered history. W.P.No.25079 of 2024 and analogous cases were the first round of litigation at the behest of the petitioner who came against the impugned order-in-original passed in respect of the tax periods, including the present tax period. The Coordinate Bench of this court on a consensus arrived at between the parties set aside the show cause notices and orders-in-original and granted liberty to the department to issue fresh show cause notices by providing all relevant documents to the petitioner and pass orders in accordance with law. The learned court had disposed of the matters without expressing any opinion on the merits of the case. It had also made an observation that if the show cause notices are issued within thirty days from the date of the said order, the

same shall not be held to be barred by limitation. Be it pointed out here that the show cause notices related to the periods 2018-19 onwards till 2023-24. Another round of litigation was pursued on the question of non-supply of missing documents in W.P.No.35740 of 2025, which was disposed of on 12.12.2025. The extract of the said order has also been quoted in the order dated 11.03.2026 passed in W.P.No.6668 of 2026, wherein the petitioner had approached this court seeking a direction not to proceed with the assessment proceedings on the basis of the show cause notices issued in respect of different tax periods including the financial year 2019-20. W.P.No.6668 of 2026 was disposed in the following manner:

> "5. Learned Special Government Pleader for State Tax states on instructions that those missing files, originals of which are not available with the department, will not be relied upon in the adjudication proceedings for the relevant years, whereas they would be relying upon the remaining file Nos.1 to 24, which were handed over to the petitioner before W.P.No.35740 of 2025 was disposed of on 12.12.2025.
>
> 6. In view of the statement made on instructions by the learned Special Government Pleader for State Tax, we are of the view that the grievance of the petitioner relating to adjudication proceedings relying upon certain seized documents, originals of which are missing with the department, has been duly addressed. The adjudication proceedings can go on on the basis of other available materials with the department, of course with due opportunity to the petitioner to furnish its reply and compliance of the opportunity of hearing in terms of the relevant provisions of the Telangana Goods and Services Tax Act, 2017.
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> 7. The writ petition is accordingly disposed of. There shall be no order as to costs."

8. It would be pertinent to indicate here that the plea now being raised on the time limit for issuance of show cause notices either as per the order dated 03.03.2025 passed in W.P.No.25079 of 2024 and batch or relying upon Section 74(2) of the Act was not raised in W.P.No.6668 of 2026. This Court, taking note of the stand of the respondents that they will not be relying upon the missing files in the adjudication proceedings for the relevant years and instead would be relying upon the remaining file Nos.1 to 24, which were handed over to the petitioner before W.P.No.35740 of 2025 was disposed of on 12.12.2025, disposed of the writ petition with the observation that the grievance of the petitioner relating to the adjudication proceedings relying upon certain seized documents, originals of which were missing with the department, has been duly addressed. The adjudication proceedings could go on on the basis of the other available materials with the department, of course, with due opportunity to the petitioner to furnish its reply and compliance of the opportunity of hearing in terms of the relevant provisions of the Act. This order was assailed before the Apex Court in SLP (Civil) No.12390 of 2026. It is apposite to quote the order dated 13.05.2026 rendered therein by the Apex Court *in extenso* hereunder:

> "1. We heard Mr. Balbir Singh, the learned senior counsel appearing for the petitioner(s) and Mr. N. Venkataraman, the learned A.S.G appearing for the respondent(s) along with the officers of the

Department, namely, Ms. Kranthi Boda, Asst. Commissioner, Ms. Deepa Reddy, Addl. Commissioner, Ms. Vasavi Jagannath, Addl. Commissioner and Mr. T.V. Prasad, Deputy State Tax Officer.

2. This petition arises from the order passed by the High Court for the State of Telangana dated 11.03.2026 in Writ Petition No.6668/2026 by which the Writ Petition preferred by the petitioner herein came to be disposed of.

3. The petitioner prayed for the following before the High Court:-

> *"It is therefore prayed that this Hon'ble Court may be pleased to issue a Writ of Mandamus or any other appropriate writ or order or direction declaring the high handed action of the 1st Respondent in issuing Reminder Notice cum Personal Hearing Dt. 26.2.2026 insisting petitioner to proceed with the adjudication for assessments initiated under show cause notices for the year 2019-20, 2020-2021, 2021-2022, 2022-2023, 2023-24 (Upto Dec 23) without considering petitioners representations 19.2.2026 and 23.2.2026, ignoring petitioners contention of not furnishing the seized documents of missing files to enable the petitioner to submit detailed and effective reply for proper, effective and unbiased adjudication, and fair opportunity of hearing in the interest of justice, and petitioners request to keep the proceedings in abeyance until disposal of I.A. Nos. 2, 3 and 4 of 2025 in W.P.No.35740 of 2025 and W.P.No.39343 of 2025, as illegal, arbitrary and contrary to provision Sec. 67 (5) of GST Act, 2017, and consequently direct the respondents to drop all subsequent proceedings initiated against the petitioner U/Sec. 74 of the GST Act, 2017, on failure to furnish all the documents including the 14 subject missing files which were seized on 26.12.2023 which are admittedly not available with the respondent no.1 and pass such other order or orders may deem fit and proper in the circumstances of the case.*
>
> *It is also just and necessary that this Hon'ble Court may be pleased proceedings stay all further proceedings pursuant to Reminder Notice cum Personal Hearing Dt.26.2.2026 issued by the respondent No.1 including recovery proceedings against the petitioner if any, pending disposal of the above writ petition and pass such other order orders may deem fit and proper in the circumstances of the case."*

4. To put it briefly, the petitioner went before the High Court redressing the grievance that as the respondents, i.e., the Department failed to furnish the copies of the seized documents forming part of the missing files it was unable to submit a detailed and effective reply to the show cause notices.

5. The case of the petitioner before the High Court was that when search was undertaken by the officers of the Department, 14 files were seized from the office premises of the petitioner. These 14 files, according to the petitioner contained important documents like invoices, etc. and in the absence of copies of those documents, it was difficult for him to establish that the allegations levelled by the Department of fraudulent transactions or bogus invoices were baseless.

6. It appears that for the Assessment Year 2018-2019, the final assessment order came to be passed on 30.12.2025. This order was made a subject matter of challenge by way of Writ Petition No.8587/2026 before the High Court. This petition was disposed of, relegating the petitioner to avail appropriate alternate remedy.

7. Insofar as the Assessment Year 2019-2020 is concerned, the final assessment order came to be passed on 28.03.2026 and for the remaining Assessment Years, the order came to be passed on 22.04.2026. In short, the position today is that final orders of assessment have been passed by the competent authority with respect to the liability of the petitioner as alleged. We only need to consider whether the petitioner could be said to be seriously prejudiced in the course of assessment proceedings in the absence of the 14 files which have gone missing.

8. As noted aforesaid, the case of the petitioner is that if he would have been in possession of the 14 files, he could have established his case accordingly whereas the case of the Department is that these 14 files are even otherwise not relevant and not a single document of those 14 files have been relied upon in the assessment proceedings.

9. The petitioner has reached a stage wherein it is now left with no other option but to prefer statutory appeal under Section 107 of the Goods and Services Tax Act, 2017.

10. In the peculiar facts and circumstances of this case, we relegate the petitioner to the remedy of preferring statutory appeals with respect to each of the assessment orders before the appellate authority after a pre-deposit of 5% of the total principal tax amount.

11. We grant four weeks' time to the petitioner to prefer appropriate appeals with pre-deposit @ 5% of the principal tax amount.

> 12. Insofar as the principal argument canvassed by Mr. Balbir Singh, the learned senior counsel appearing for the petitioner with respect to the 14 files being lost by the Department thereby causing serious prejudice to his client, it shall be open for the petitioner to raise this contention before the appellate authority in accordance with law.
>
> 13. The appellate authority shall look into all the relevant aspects of the matter and take an appropriate decision in this regard without being influenced in any manner by any of the observations made by the High Court in the impugned order before us.
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> 14. With the aforesaid, the Special Leave Petition stands disposed of.
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> 15. Pending application(s), if any, also stand disposed of.
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> <u>SLP (C) No.35306/2025</u>
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> 1. In view of the order passed in SLP (C) No.12390/2026, this petition also stand disposed of.
>
> 2. Pending application(s), if any, including application for intervention also stand disposed of."

9. A perusal thereof indicates that the present impugned assessment order passed on 28.03.2026 and the assessment orders for the remaining years passed on 22.04.2026 have also been brought to the notice of the Apex Court. The Apex Court also took into consideration the issue of missing files and thereafter observed that the petitioner has reached a stage where it is now left with no other option but to prefer statutory appeal under Section 107 of the Act. In the peculiar facts and circumstances, the petitioner was relegated to the remedy of preferring statutory appeals with respect to each of the assessment orders before

the appellate authority after a pre-deposit of 5% of the total principal tax amount within a period of four weeks. The petitioner was allowed to raise all the contentions before the appellate authority in accordance with law, including the question of prejudice caused with respect to 14 files being lost by the department. It was also observed that the appellate authority would not be influenced in any manner by any of the observations made by the High Court in the order impugned therein. Thereafter, the petitioner moved Miscellaneous Application Nos.1784 and 1784 of 2026 seeking modification of the order dated 13.05.2026 on which the Apex Court passed an order on 29.05.2026 with certain modifications. The order dated 29.05.2026 is extracted hereunder:

> "By these Applications, the applicant (the original petitioner) has prayed for the following:-
>
> <u>Miscellaneous Application No.1784/2026:-</u>
>
> *(i) Allow the present Application and modify the Order dated 13.05.2026 qua the condition of pre-deposit of 5% and/or permitting the Petitioner to file statutory appeals without pre-deposit against the adjudication orders for FY 2019-20, 2021-22, 2022-23 and 2023-24 passed by the Respondent within the statutory time period prescribed under Section 107 of the CGST Act from the and/or remand the matter back for adjudication after affording the Petitioner a reasonable opportunity of being heard and/or;*
>
> *(ii) Pass such other and further order(s) as this Hon'ble Court may deem fit and proper in the facts and circumstances of the case, in the interest of justice.*
>
> <u>Miscellaneous Application No.1785/2026:-</u>
>
> *(i) Allow the present application and modify the order dated 13.05.2026 qua the condition of pre-deposit of 5% and permitting the*

Petitioner to file appeals without pre-deposit and /or quash and set aside the Adjudication Order dated 02.07.2025 passed by the Respondents and remand the matter back for adjudication after affording the Petitioner a reasonable opportunity of being heard, and/or;

(ii) Pass such other and further order(s) as this Hon'ble Court may deem fit and proper in the facts and circumstances of the case.

2. We outright reject the prayer insofar as doing away with condition of pre-deposit of 5%, however, the Statutory Appeals may be preferred within the statutory time period as provided under Section 107 of the Central Goods and Services Act, 2017.

3. It's upto the applicant whether to prefer any Statutory Appeal or avail any other remedy in law.

4. With the aforesaid, the Miscellaneous Applications and Interlocutory Applications are disposed of.

5. Pending applications, if any, also stand disposed of."

10. A perusal of the modification order would show that the petitioner had only sought for waiver of the pre-deposit of 5% which the Apex Court outrightly rejected. However, at paragraph 3 the Apex Court observed that it is open to the petitioner whether to prefer any statutory appeal or avail any other remedy in law. This seems to have prompted the petitioner to prefer the writ petition on the grounds taken and referred to hereinbefore.

11. It is true that the Coordinate Bench of this court in its order dated 03.03.2025 passed in W.P.No.25079 of 2024, while setting aside the impugned show cause notices and the orders-in-original relatable to the

relevant tax periods including the present financial year 2019-20, granted liberty to the department to issue fresh show cause notices while observing that if they were issued within thirty days from the date of the said order, the same shall not be held to be barred by limitation. Be it also indicated here that the proceedings under challenge in W.P.No.25079 of 2024 and batch were for the periods starting from 2018-19 till 2023-24 in respect of which the Coordinate Bench of this court was inclined to make such observation. After issuance of the show cause notice, the question of missing files was raised in W.P.No.35740 of 2025, which was disposed of by this court on 12.12.2025 in the manner extracted hereunder:

> "3. On an earlier date, when the matter was taken up, learned Special Government Pleader for State Tax was allowed time to obtain instructions on the question of scanned copies of certain documents, which were seized during investigation and which form part of inventory or Panchnama apart from other files, which have already been handed over. The Panchnama, on which both the parties rely, is at page Nos.115 and 116 of the Writ Petition. Relevant portion of the Panchnama is extracted hereunder:

BCR OFFICE TO GET OFFICE			
ANNUXER OF FILES			
BOX FILES	PARTICULARS	BILL/ENTRY NO	YEAR OF FILE
1	Purchase Bill File	Entry No.1 to 97	2023-24
2	Sales Bill File	Bill No.1 to 338	2023-24
3	Sales Bill file	Bill No.339 to 489	2023-24
4	Purchase Bill File	Entry 1 to 405	2022-23
5	Sales Bill File	Bill No.1 to 328	2022-23
6	Sales Bill File	Bill No.329 to 608	2022-23
7	Purchases Stores		2022-23
8	Purchase Bill File	Entry No.1 to 319	2021-22
9	Sales Bill File	Bill No.1 to 210	2021-22
10	Sales Bill File	Bill No.211 to 444	2021-22
11	Purchases Stores		2021-22
12	Purchases Stores		2021-22

13	Purchase Bill File	Entry No.1 to 370	2021-22
14	Purchases Stores		2021-22
15	Sales Bill File	Bill No.1 to 456	2021-22
16	Purchase Bill File	Entry No.1 to 211	2019-20
17	Sales Bill File	Bill No.1 to 240	2019-20
18	Sales Bill File	Bill No.241 to 524	2019-20
19	Purchases Stroes		2019-20
20	Purchase Bill File	Entry No.1 to 286	2018-19
21	Sales Bill File	Bill No.1 to 314	2018-19
22	Sales Bill File	Bill No.315 to 624	2018-19
23	Purchases Stores		2018-19
24	Purchases Stores		2018-19
OFFICE FILES			
1	Purchases Stores		2019-20
2	Axis Bank File		
3	Axis Bank File		
4	Purchases Stores		2020-21
5	Purchases Stores		2023-24
6	Yes Bank File	BCRPL	
7	Yes Bank File	SBSI	
8	Sales Bill File	Bill No.457 to 573	2020-21
9	Job Work File	SBSI to BCR	2023-24
10	Sir File		2013-14
11	Sir File		2017-22
	Yes Bank Chque Issue Slip	16.0.18 TO 31.03.22	2018-2022
2	Axis Bank Chque Issue Slip	25.11.13 to 27.09.18	2013-2018
3	SBI Bank Chque Issue Slip	11.11.2011to 31.03.22	2011-2022
	Axis Bank Chque Deposit Slip	Book 1-20	
	Yes Bank Chque Deposit Slip	Book 1-28	
	SBI Bank Chque Deposit Slip CPU-1 (Intex)	Book 1-9	

4. Let it be indicated that the petitioner has received copies of the box files from Serial Nos.1 to 24 earlier as per its own case also. Its grievance was in relation to the office files from Serial Nos.1 to 11 except Serial Nos.2, 8 and 9. Petitioner also sought copies of the documents enumerated at internal page No.3 of page No.116 of the Writ Petition, which is extracted hereinabove.

5. Yesterday, when the matter was taken up, learned Special Government Pleader for State Tax submitted that the State Tax Department is ready with the photocopies and pen drive containing digital copies of the documents enumerated at page 115 of the Writ Petition under Office Files Serial Nos.1 to 11 leaving aside Serial Nos.2, 8 and 9, which the petitioner has already got, and 6 documents enumerated at page No.116 of the Writ Petition. He sought time to bring them on record with copies thereof through affidavit. It was also submitted that since the last date of passing of the order in respect of assessment year 2018-19 is 31.12.2025, the petitioner, having filed its reply in respect of the show cause notice for the said assessment year, may be directed to submit a supplementary reply-affidavit within a timeframe upon perusal of documents being supplied to it so that the

State Tax Department is able to pass orders within the statutory period of limitation.

6. Learned counsel for the petitioner does not object to the said prayer.

7. Since the copies of the enumerated documents as stated above have been supplied, petitioner is allowed time till 18.12.2025 to submit its supplementary reply-affidavit.

8. One more opportunity of personal hearing, if required, be granted to the petitioner on 22.12.2025. No further opportunity would be granted to the petitioner. The Assessing Officer/Adjudicating Officer is at liberty to pass orders upon consideration of the petitioner's reply-affidavit in accordance with law within the statutory period.

9. Learned counsel for the petitioner as well as respondents No.1, 2 and 4 to 6/State Tax Department submit that the proceedings are videographed.

10 Let it be done on the following dates as well.

11. The instant Writ Petition stands disposed of accordingly. No costs.

As a sequel, miscellaneous petitions, pending if any, stand closed."

12. The adjudication proceedings thereafter continued when the petitioner once again approached this court in W.P.No.6668 of 2026. The petitioner has thereafter approached the Apex Court and pursuant to the observations made at paragraph 3 of the modification order dated 29.05.2026 passed by the Apex Court in the Miscellaneous Application Nos.1784 and 1785 of 2026, the petitioner has preferred the present writ petition taking the above grounds.

13. A perusal of the impugned order-in-original, specifically paragraph 13, would show that the petitioner had been given number of notices to furnish its reply and thereafter Reminder Notice-cum-Personal Hearing notices were also issued for all the years on 13.02.2026, 26.02.2026 and 20.03.2026. The table containing the number of opportunities granted to the petitioner is extracted hereunder:

Sl.No.	Date	Description
1	28.03.2025	AC(CT), Basheerbagh-Nampally-1 Circle, issued Intimation of Tax ascertained as being Payable in FORM GST DRC-01A vide ARN No.AD360325057778L, Ref.ZD3603250525595, dt. 28.03.2025.
2	27.06.2025	AC(CT), Basheerbagh-Namplly-1 Circle, issued Notice on 27.06.2025 releasing record.
3	03.07.2025	AC(CT), Basheerbagh-Nampally-1 Circle, issued released the copies of the record for the year 2019-20 on 03.07.2025.
4	04.07.2025	AC(CT), Basheerbagh-Nampally-1 Circle, issued notice clarifying the query raised by the Tax Payer raised after receiving record on 04.07.2025.
5	15.07.2025	AC(CT), Basheerbagh-Nampally-1 Circle, issued Notice clarifying the query raised by the Tax Payer regarding releasing the Scripted Loose Slips page nos.
6	23.07.2025	AC(CT), BBNP-1 Circle issued Notice for filing their reply as they were issued all the copies of the relevant record along with the copies of Scripted Loose Slips.
7	22.08.2025	AC(CT), Basheerbagh-Nampally-1 Circle, issued Notice cum Personal Hearing to be heard on 25.08.2025.
8	29.08.2025	AC(CT), Basheerbagh-Nampally-1 Circle, issued Notice on 29.08.2025 for releasing record.
9	18.10.2025	AC(CT)-Basheerbagh-Nampally-1 Circle, issued notice in Form GST DRC-01 vide ARN AD 360325057778L, in Ref. No.ZD361025022584N on 18.10.2025.
10	20.11.2025	AC(CT), Basheerbagh-Nampally-1 Circle, issued

		Notice-Reminder cum Personal Hearing issued on 20.11.2025 for all the years – requesting the Tax Payer to file written objections against the notices issued from 2018-19 to 2023-24 (up to Dec'23).
11	28.11.2025	AC(CT), Basheerbagh-Nampally-1 Circle, PH was video recording was allowed and issued Questionnaire for Personal hearing on 28.11.2025.
12	16.12.2025	AC(CT), Basheerbagh-Nampally-1 Circle, Reminder notice issued to file relevant record as mentioned on 20.11.2025.
13	17.12.2025	AC(CT), Basheerbagh-Nampally Circle-1, Reminder notice issued to file reply.
14	13.02.2026	AC(CT), Basheerbagh-Nampally Circle-1, Reminder notice cum Personal Hearing issued for all years to be heard on 23.02.2026.
15	26.02.2026	AC(CT), Basheerbagh-Nampally Circle-1, Reminder notice cum Personal Hearing issued for all years to be heard on 06.03.2026.
16	20.03.2026	AC(CT), Basheerbagh-Nampally Circle-1, Reminder notice cum Personal Hearing issued for all years to be heard on 23.03.2026.

14. Much reliance has been placed by the petitioner on Section 74(2) of the Act to contend that the show cause notice was issued without conforming to the six months period of passing the order-in-original and it is therefore vitiated.

15. Section 74(1) and (2) and Section 75(4) and (5) of the Act are quoted hereunder:

> **"74. Determination of tax not pertaining to the period upto Financial Year 2023-24 not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised by reason of fraud or any wilful misstatement or suppression of facts.—**
> (1) Where it appears to the proper officer that any tax has not been paid or short paid or erroneously refunded or where input tax credit has been wrongly availed or utilised by reason of fraud, or any wilful-

misstatement or suppression of facts to evade tax, he shall serve notice on the person chargeable with tax which has not been so paid or which has been so short paid or to whom the refund has erroneously been made, or who has wrongly availed or utilised input tax credit, requiring him to show cause as to why he should not pay the amount specified in the notice along with interest payable thereon under Section 50 and a penalty equivalent to the tax specified in the notice.

(2) The proper officer shall issue the notice under sub-section (1) at least six months prior to the time limit specified in sub-section (10) for issuance of order.

xxx”

75. General Provisions relating to determination of tax.—

xxx

(4) An opportunity of hearing shall be granted where a request is received in writing from the person chargeable with tax or penalty, or where any adverse decision is contemplated against such person.

(5) The proper officer shall, if sufficient cause is shown by the person chargeable with tax, grant time to the said person and adjourn the hearing for reasons to be recorded in writing:

Provided that no such adjournment shall be granted for more than three times to a person during the proceedings.

xxx”

16. A combined reading of the relevant provisions hereinabove would indicate that the requirement of issuing show cause notices as per Section 74(2) of the Act before a period of six months from the date of passing of the order-in-original does not appear to be mandatory in nature, as no consequences thereof are provided in the said provision. Mere use of the word “shall” in such a situation will not render it

mandatory. Even otherwise, such provision has to be tested on whether the assessee has suffered any prejudice.

17. In the facts and circumstances of the case, it appears that the petitioner was allowed several opportunities after issuance of the show cause notice on 18.10.2025 to furnish its reply and also for personal hearing. Even after the order passed by this court dated 11.03.2026 in W.P.No.6668 of 2026, further personal hearing notice was issued on 20.03.2026 in which the petitioner appeared and participated on 23.03.2026. As observed hereinabove, in the earlier proceedings in W.P.No.35740 of 2025, dated 12.12.2025, and W.P.No.6668 of 2026 the petitioner had not raised the ground of non-observance of the provisions of Section 74(2) of the Act nor the breach of the observation made in the order dated 03.03.2025 by the Coordinate Bench of this court. It is therefore to be seen whether the petitioner has suffered any real prejudice for non-adherence to the time period of six months in issuing the show cause notice prior to passing of the order-in-original.

18. In the facts and circumstances of this case and the number of opportunities granted to the petitioner for filing reply and personal hearing, we are of the view that no prejudice has been caused to the petitioner on that ground. The cut off date for passing the order-in-

original in the case of the tax period 2019-20 was up to 31.03.2026. The order-in-original has been passed on 28.03.2026 i.e., well within the period of limitation. The petitioner has also raised the plea that it may be allowed to file a fresh reply taking all such grounds of law and fact as are available to it before the proper officer so that adjudication can take place after consideration of all the grounds available to it. The petitioner has also sought to raise grounds on merits in order to support that submission. However, we are of the view that in the background of the litigation that has ensued and moreover the categorical directions passed by the Apex Court in its order dated 13.05.2026, the petitioner was relegated to prefer the statutory appeal with pre-deposit of 5%. The Miscellaneous Application Nos.1784 and 1785 of 2026 were limited to waiver of the pre-deposit of 5% which the Apex Court outrightly rejected in its order dated 29.05.2026. However, the Apex Court had observed at paragraph 3 of the order dated 29.05.2026 that it is up to the petitioner whether to prefer any statutory appeal or avail any other remedy in law.

19. Upon consideration of the entire facts and circumstances of the case and for the reasons discussed hereinabove, we do not find any

reason to entertain the writ petition. The petitioner is at liberty to avail the statutory remedy as per the observations of the Apex Court.

20. The writ petition is accordingly dismissed. There shall be no order as to costs.

Miscellaneous applications pending, if any, shall stand closed.

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APARESH KUMAR SINGH, CJ

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G.M.MOHIUDDIN, J

25.06.2026
vs