(2026:HHC:13811-DB)

IN THE HIGH COURT OF HIMACHAL PRADESH, SHIMLA

CWP No. 7199 of 2022
Date of decision: 27.04.2026.

M/s. Valley Iron & Steel Co. Ltd. **...Petitioner.**

Versus

State of H.P. & Ors. **...Respondents.**

Corum

Hon'ble Mr. Justice Vivek Singh Thakur, Judge.
Hon'ble Mr. Justice Ranjan Sharma, Judge.
Whether approved for reporting?[1]

For the Petitioner : **Mr. Goverdhan Sharma, Advocate.**

For the Respondents: **Mr. Anup Rattan, Advocate General, with Mr. Sushant Keprate, Additional Advocate General & M/s Raj Negi & Swati Draik, Deputy Advocates General.**

Vivek Singh Thakur, Judge (Oral)

Petitioner has approached this Court seeking following main substantial relief(s):-

> "i) Issue a writ in the nature of certiorari/mandamus for quashing/reading down the provisions of Section 16(2)(c) of the Central GST Act/Himachal Pradesh GST Act, 2017, which restrict the claim of Input Tax Credit in case the tax has not been actually paid to the Government either in cash or through utilization of Input Tax Credit being violative of Articles 14 and 19(1)(g), 265 and 300A of the Constitution of India and also for the reason that by way of the Provisions of Section 16(2)(c), the petitioner is being asked to do an impossible task which is otherwise not possible in absence of any mechanism provided by the Government;
>
> (ii) Issue a writ in the nature of certiorari/mandamus directing quashing the notice dated 02.03.2022 (annexure P-7) and summons dated 18.06.2022 (annexure P-8) and not to proceed in terms of Notice of Tax (Annexure P-12) issued by respondent

[1] ***Whether the reporters of the local papers may be allowed to see the Judgment? Yes***

> No.3 as the proceedings in question are illegal and contrary to the provisions of the Central GST Act, 2017 and Himachal Pradesh GST Act, 2017; &
>
> (iii) Issue a writ in the nature of mandamus directing respondent No.3 to unblock the ITC(Input Tax Credit) blocked on 09.05.2022 (annexure P-9) as the said action is in contravention to the provision of the Central GST Act/Himachal Pradesh GST Act there being no show cause notice or adjudication order at the time of recovery of the said amount."

2. Learned counsel for the petitioner submits that, at present, the petitioner does not press relief No. 1, reserving the right to agitate the issue in an appropriate petition, if so desired.

3. It has been further submitted that pursuant to the issuance of notice dated 02.03.2022 (Annexure P-7), calling for information and summons under Section 70 of the H.P. CST/CGST, 2017 Act (Annexure P-10), the petitioner filed replies to the aforesaid notice and summons. However, without considering the same, further proceedings were initiated in the form of impugned summary show cause notice dated 27.07.2022 (Annexure P-12), as well as the intimation notice dated 02.03.2022 (Annexure P-7), which have been assailed as relief No. 2 in the present petition.

4. It has been further submitted that the petitioner would be satisfied if the concerned authorities are directed to consider the claim/objections afresh alongwith documents filed/to be filed by or on behalf of the petitioner before the competent authority in response to the aforesaid summary show cause notices/detailed notices specifically dealing that whether payments on purchases in

question, along with GST, were actually paid or not to the supplier (RTP) and whether the transactions and purchases in question are genuine and supported by valid documents, and whether transactions and purchase in question were made before or after the cancellation of the supplier's registration, as well as compliance with statutory obligations by the petitioner regarding verification of the identity of the supplier (RTP).

5. It has been further submitted that, if upon consideration of the relevant documents, it is found that all purchases and transactions are genuine and supported by valid documents and were made prior to the cancellation of the supplier's registration, the petitioner be granted the benefit of input tax credit in question.

6. Learned Advocate General submits that, in case the petitioner files a fresh response to the summary show cause notices/detailed notices before the competent authority along with relevant documents to substantiate the claim of petitioner, the competent authority shall decide the same within a reasonable time.

7. In view of the above, the present petition is disposed of by directing the competent authority to consider the objections along with documents, if so filed, within 28 days from today in response to the show cause notices dated 27.07.2022 (Annexure P-12), by keeping in view the aforesaid submissions made by the petitioner and to pass an appropriate speaking and reasoned order

thereupon within 06 weeks from the date of filing of such objections/response. In case no objections are filed within 28 days in response to the show cause notices/detailed notices, the competent authority shall proceed further in accordance with law, treating that the petitioner has nothing to say in response to the said notices.

Petition is disposed of in aforesaid terms along with pending applications, if any.

(Vivek Singh Thakur)
Judge.

(Ranjan Sharma)
Judge.

27th April, 2026
(Shamsh Tabrez)