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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **W.P.(C) 1707/2026 & CM APPL. 8245/2026**

FOOD CORPORATION OF INDIA

.....Petitioner

Through: Ms. Richa Kapoor and Ms. Udipti
Chopra, Advs.

versus

UNION OF INDIA AND ORS

.....Respondents

Through: Ms. Vidhi Gupta, SPC with
Mr. Abhay Verma, Mr. Mudit Gupta
and Mr. Mukul Gupta, Advs. for UOI
Mr. Nitin Saluja, Ms. Vasudha Singh
and Ms. Pranya Madan, Advs.

CORAM:

HON'BLE MR. JUSTICE NITIN WASUDEO SAMBRE

HON'BLE MR. JUSTICE AJAY DIGPAUL

ORDER

06.02.2026

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CM APPL. 8246/2026 (Exemption)

1. Exemption allowed, subject to all just exceptions.
2. The application stands disposed of.

W.P.(C) 1707/2026

3. A public sector undertaking, the petitioner herein, has invoked the extraordinary jurisdiction of this Court with claiming following reliefs:

“A. Writ of Certiorari or any other appropriate writ, Order, or Direction under Article 226 of the Constitution of India, thereby quashing and setting aside the show cause notice dated 31.05.2024 (Annexure P-1) vide Form GST DRC-01 bearing Reference No.



ZD0705240528481 issued by Respondent No. 2, for the Tax period April 2019 to March 2020 (F.Y. 2019–2020); and

*B. Writ of Certiorari or any other appropriate Writ, Order, or Direction under Article 226 of the Constitution of India, thereby quashing and setting aside the ex-parte Demand/DRC-07 Order dated 03.08.2024 and Order under Section 73 of CGST/SGST Act (Annexure P-3 collectively) bearing Reference No. ZD0708240110012 issued by Respondent no. 3; **OR/ ALTERNATIVELY***

C. Writ of Mandamus and/or any other appropriate Writ(s) or Directions thereof for directing the Respondents to give the Petitioner an opportunity of being heard and filing a detailed response to the Impugned SCN/DRC- 01, dated 31.05.2024 thereby following the principles of natural justice; and

Pass any such other order or further orders which this Hon'ble Court may deem fit and proper in the facts and circumstances of the case."

4. It is the case of the counsel for the petitioner that post-show cause notice, a reply was tendered, however, the petitioner couldn't appear for the personal hearing of the matter particularly when there was a default on the part of the advisors so also that of staff in noticing the notice of hearing. The counsel would further urge that the claim is barred by limitation as 2017 liabilities is sought to be imposed on the petitioner without observing the issue of limitation. She would further urge that the issue was subsequently considered and an order was passed thereby closing the liability of the petitioner.
5. As against above, the counsel for respondent has raised a preliminary objection on maintainability of the petition as an alternative remedy is provided for.
6. However in the facts and circumstances, she would urge that the



respondent shall offer an opportunity of hearing provided the entire amount under the order questioned in the petition is deposited.

7. In the facts and circumstances of the case, the counsel for the petitioner states that the petitioner shall deposit the amount as reflected in the impugned order within a period of four weeks from today. However, she submits that the said amount be not apportioned till the reasoned order is passed by the respondent after hearing the petitioner and after the copy of the same is made available to the petitioner.

8. That being so, we deem it appropriate to allow the present petition in terms of the prayer clause (B).

9. We permit the petitioner as undertaken before this Court to deposit the entire amount under the order impugned dated 3rd August, 2024 with the respondent within a period of four weeks from today.

10. In case if the amount is deposited as has been undertaken, the petitioner shall also submit written notes of argument in addition to show cause notice and shall appear for personal hearing before the respondent on 30th March, 2026.

11. The respondent shall pass an order within a period of four weeks thereafter and in case if the order is adverse to the interest of the petitioner, the amount be not apportioned by the respondent for a period of two weeks from the date on which the order is served on the petitioner.

12. Needless to clarify that in case the petitioner intends to prefer an appeal against such order, if adverse to its interest, it is open for the petitioner to do so, and we clarify that we haven't gone into the merits of the matter.

13. Accordingly, the petition along with pending applications, stands



allowed and disposed of in the above terms.

NITIN WASUDEO SAMBRE, J

AJAY DIGPAUL, J

FEBRUARY 6, 2026
gs/av