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

\# **CNR No. DLHC010182032024**

\+ W.P.(C) 74/2024 & CM APPL. 290/2024

M/S BALMER LAWRIE AND COMPANY LIMITED

.....Petitioner

Through: Mr. Bharat Raichandani, Mr. Deepak Khokhar, Mr. Rishav Raj, Mr. Chaitanya G. Tripathi and Ms. Prachi Sharma, Advs.

versus

UNION OF INDIA & ORS. .....Respondents

Through: Mr. Nitinjya Chaudhry, CGSC with Mr. Rahul Mourya, Adv. for R-1.
Mr. Atul Tripathi, SSC with with Mr. Akshay Sagar, Mr. Shubham Mishra and Mr. Gaurav Mani Tripathi, Advs.

CORAM:
HON'BLE MR. JUSTICE ANIL KSHETARPAL
HON'BLE MR. JUSTICE BHARAT PARASHAR

O R D E R

% 27.10.2026

1. The Petitioner herein is a Public Sector Undertaking.

2. The limited issue involved in the present Writ Petition is with regard to legality and propriety of recovery notice dated 09.01.2023 issued by Respondent No. 2 directing the Petitioner to deposit the alleged interest liability vide DRC-03.

3. It is claimed by the Respondent that the Petitioner company did not pay / deposit the complete tax liability, which was subsequently paid on 01.09.2023 under self assessment.

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4. Through the recovery notice, the Petitioner is being called upon to pay interest on delayed deposit of tax liability.

5. Admittedly, the aforesaid recovery notice has been issued without granting opportunity of hearing to the Petitioner.

6. A Show Cause Notice (SCN) was issued to the Petitioner, and the same was subsequently replied to. However, the Petitioner claims that without considering the submissions made in the reply, the recovery notice has been issued.

7. In substance, the Petitioner claims that the interest is not payable.

8. In such circumstances, there has to be an adjudication with regard to liability of the Petitioner to pay interest on alleged delayed deposit of tax.

9. In absence of such an adjudication after granting opportunity of hearing, the recovery notice issued on 01.09.2023 is not sustainable.

10. Keeping in view of aforesaid position, the Writ Petition with pending application, if any, is disposed of while directing the Respondent to pass fresh order after granting opportunity of hearing to the Petitioner.

11. Let this order be passed within a period of one month from today.

12. Petitioner through his counsel is directed to appear before the Adjudicating Authority on 29.10.2026.

ANIL KSHETARPAL, J

BHARAT PARASHAR, J

OCTOBER 27, 2026/DH/kt

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