HIGH COURT FOR THE STATE OF TELANGANA AT HYDERABAD
(Special Original Jurisdiction)

MONDAY, THE THIRTEENTH DAY OF OCTOBER
TWO THOUSAND AND TWENTY FIVE

PRESENT

THE HONOURABLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH
AND
THE HONOURABLE SRI JUSTICE G.M. MOHIUDDIN

WRIT PETITION NO: 14702 OF 2025

Between:

M/s. Aditya & Co., rep. by its Prop. Mr.Bang Manoj Kumar, 6-3-1237, Flat No.105 and 106, F Block, Sethi Towers, Rajbhavan Road, Somajiguda, Hyderabad-500082, Telangana

...PETITIONER

AND

1. The Union of India, rep. by its Secretary, Ministry of Finance, North Block, New Delhi-110 001.
2. The Superintendent of Central Tax, Himayatnagar - 1 Range, Himayatnagar GST Bhavan, Hyderabad - 500 029.

...RESPONDENTS

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to issue a Writ or Order, Direction or any other Writ particularly one in the nature of Writ of Mandamus declaring the action of the 2nd Respondent in issuing the impugned proceedings dated 26.02.2025 (served on the petitioner on 28.03.2025) in O.C.No.50/2025 as illegal, arbitrary, high handed, violation of principles of natural justice and contrary to the provisions of the Finance Act 1994 and hence set aside the same as null and void.

IA NO: 1 OF 2025

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the Writ petition, the High Court may be pleased to grant stay of all further proceedings pursuant to the impugned proceedings

dated 26.02.2025 (served on the petitioner on 28.03.2025) in O.C.No.50/2025 passed by the 2nd respondent.

Counsel for the Petitioner: SRI SIMHADRI BHARADWAJA, REP.
SRI B.KRISHNA REDDY

Counsel for the Respondent No.1: DEPUTY SOLICITOR GENERIAL OF INDIA

Counsel for the Respondent No.2: SMT BOKARO SAPNA REDDY,
Sr. SC FOR IT

The Court made the following: ORDER

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

WRIT PETITION No. 14702 of 2025

ORDER:

Sri Simhadri Bharadwaja, learned counsel appears for Sri B. Krishna Reddy, learned counsel for petitioner.

Smt. Bokaro Sapna Reddy, learned Senior Standing Counsel for Income-tax appears for respondents.

2. Petitioner assails the impugned proceedings dated 26.02.2025, Annexure P.1, issued by the Superintendent of Central Tax, Himayatnagar, Hyderabad, respondent No.2, in O.C.No.50 of 2025, for recovery of arrears of revenue, on the ground that before issuance of the demand, no Order-In-Original or any anterior show cause notice was served upon the petitioner.

3. The petitioner referred to Section 37C of the Central Excise Act, 1944 (for short 'the Act, 1944'), relating to mode of service of decisions, orders which applies to the proceedings under Service Tax in terms of Section 83 of the Finance Act, 1994.

4. Counter-affidavit was filed by the respondents on 11.08.2025. No rejoinder affidavit thereto has been filed.

5. Respondents in their counter-affidavit have made categorical denial to the contentions of the petitioners, at paragraph Nos.15, 16 and 19, which read as under:

> "15. It is respectfully submitted that accordingly the Department has issued Show Cause Notice No. C. No. IV/9/108/2021-Third Party and DIN: 20211056YN000016531C 18.10.2021 demanding the service tax of Rs.14,56,875/- (inclusive of CESS) under Section 73(1). The Show Cause Notice was emailed to petitioner on 20.10.2021. The tax demanded in the show cause notice was confirmed by the adjudicating authority vide OIO No.278/2023-24-ST dated 30.09.2023.
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> 16. It is respectfully submitted that the Respondent No.1 has issued letter OC.No.50/2025 having DIN: 20250256YN0000501599 dated 26.02.2025 for recovery of tax dues confirmed in the adjudication order after completion of the time limit to file an appeal before the appellate authorities for payment of tax dues. The letter was received by the petitioner on 28.02.2025.
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> 19. It is respectfully submitted that the assertion made in respect of para 4, 5 and 6 of the Writ Petition, it is submitted that the contention of the petitioner that no Order in Original No.278/2023-24-S. Tax dated 30.09.2023 or any anterior show cause notice has been served on the petitioner is not acceptable as much as the Show Cause Notice dated 18.10.2021 was served via Speed Post

No.EN438953104IN on 20.10.2021 and also sent to their registered e-mail ID **"manojbang@me.com"** on 20.10.2021. The said Show Cause Notice was not returned. Further, the petitioner was given three opportunities of personal hearing on 12.09.2023, 20.09.2023 and 27.09.2023, for which Personal Hearing Notices were dispatched through speed post on 06.09.2023, 18.09.2023 and 26.09.2023 respectively. However, the postal authorities have returned the said letters with a remark "No such person in this address". Accordingly, adjudication proceedings were completed prior to the receipt of the said recovery of tax dues letter dated 26.02.2025 by the petitioner and Order In Original No.278/2023-24-ST was issued on 30.09.2023. The petitioner have not attended the personal hearings on the dates mentioned above. The subject Order in Original was passed ex-parte after observing the principles of natural justice and after giving them sufficient time i.e., 2 years from the date of Show Cause Notice. The said Order in Original was served to the petitioner via Speed Post No.EN438898629IN on 30.10.2023 to the registered address as per Section 37C of the Central Excise Act, 1944. However, the postal authorities had returned the said order with a remark "No such person in this address" and therefore it is understood that the petitioner had vacated their Principal place of business without intimation to the Department. The said Order in Original was also sent to their registered e-mail ID **"manojbang@me.com"** on 16.05.2024. Subsequently, after following the due procedures, action for recovery of arrears was initiated against the petitioner and a letter dated 26.02.2025 was sent to the petitioner for the same. Hence, their contention that recovery proceedings have been issued without communicating the connected orders referred to in the said proceedings and the action of the respondent is against the established principles of natural justice and are

violative of Article 14 of Constitution of India is not acceptable."

6. Learned counsel for the respondents submits that the show cause notice was followed by three opportunities of personal hearing notices which were dispatched to the registered address of the petitioner and returned with the remark that no such person available in the address. The Order-In-Original was also sent to the registered email ID of the petitioner on 16.05.2024. Thereafter, following due procedure, action of recovery of arrears of revenue was initiated by the impugned proceedings dated 26.02.2025. Therefore, the contention of the petitioner that without communicating the connected orders or service of notice, the impugned proceedings has been issued straight away is not tenable. There is no violation of principles of natural justice as the procedure for serving notices/orders under Section 37C of the Act, 1944, has been duly followed. She has pointed out that against the impugned proceedings, the petitioner had earlier preferred Writ Petition No.12347 of 2025 which was withdrawn with liberty to the petitioner to file a properly

constituted petition as the important pleadings were not made therein. The same lacunae remain in the present writ affidavit also which have been specifically controverted on facts by the respondents. Therefore, she has prayed that the instant Writ Petition may be dismissed.

7. Learned counsel for the petitioner has sought time to file rejoinder affidavit. However, since the counter-affidavit was filed on 11.08.2025 itself with service to the other side, we do not deem it proper to grant further adjournment on that count.

8. Having heard the learned counsel for the parties and in view of conspicuous denial of allegations of fact by the respondents, we are of the view that the very ground on which the writ proceedings were initiated has no legs to stand. The petitioner had failed to participate in the proceedings in respect of which show cause notice and personal hearing notices were issued through speed post as per Section 37C of the Act, 1944, and the Order-In-Original was also sent to the registered email ID of the petitioner. The petitioner did not take any step pursuant thereto and straightaway approached this Court after

issuance of the impugned proceedings for recovery of arrears of revenue on the aforesaid grounds which for the aforesaid reasons cannot be entertained.

Accordingly, the instant Writ Petition is dismissed. There shall be no order as to costs.

Miscellaneous applications, if any pending, shall stand closed.

SD/- L. VIJAYA LAXMI
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. One CC to SRI B.KRISHNA REDDY Advocate [OPUC]
2. One CC to SMT BOKARO SAPNA REDDY, Sr. SC FOR IT [OPUC]
3. One CC to DEPUTY SOLICITOR GENERIAL OF INDIA, High Court for the State of Telangana at Hyderabad [OPUC]
4. Two CD Copies

BSR
LS

HIGH COURT

DATED:13/10/2025

ORDER

WP.No.14702 of 2025



DISMISSING THE WRIT PETITION,

WITHOUT COSTS

(6) PA 30/10/25