



**HIGH COURT OF JUDICATURE AT ALLAHABAD
LUCKNOW**

WRIT TAX No. - 76 of 2026

M/S Ziva Auto Sales Thru. Prop. Akhand Pratap
And Another

.....Petitioner(s)

Versus

State Of U.P. Thru. Secy. State Tax Lko. And
Another

.....Respondent(s)

Counsel for Petitioner(s) : Satya Pal, Dileep Pandey
Counsel for Respondent(s) : C.S.C.

Court No. - 3

**HON'BLE SHEKHAR B. SARAF, J.
HON'BLE MANJIVE SHUKLA, J.**

1. Heard learned counsel appearing on behalf of the parties.
2. This is a writ petition under Article 226 of the Constitution of India, wherein the writ petitioners are aggrieved by the impugned order dated February 11, 2025 passed under Section 73(9) of the Goods and Services Tax Act, 2017 (hereinafter referred to as "the Act, 2017"), wherein a liability has been imposed on the petitioners with regard to the tax, interest and penalty for a sum of Rs.10,04,955/-
3. Learned counsel appearing on behalf of the petitioners has submitted that the show cause notice that had been issued to the petitioners did not quantify any interest for the period April, 2020 to March, 2021, for which the tax and penalty had been quantified in the impugned order. He relies on Section 75(7) of the Act, 2017, to submit that unless the tax, interest and penalty are demanded in the show cause notice, the same cannot form part of the adjudication order.
4. For sake of clarity, Section 75(7) of the Act, 2017 is provided below:-

"(7) The amount of tax, interest and penalty demanded in the order shall not be in excess of the amount specified in the notice and no demand shall be confirmed on the grounds other than the grounds

specified in the notice."

5. Per contra, learned counsel appearing on behalf of the GST authorities has submitted that even if interest is not mentioned in the said show cause notice, the interest shall be payable and to support his said argument, he relies on Section 75(9) of the Act, 2017.

6. For sake of clarity, Section 75(9) of the Act, 2017 is delineated below:-

"(9) The interest on the tax short paid or not paid shall be payable whether or not specified in the order determining the tax liability."

7. Learned counsel appearing on behalf of the petitioners has also relied upon the judgment of the Coordinate Bench presided over by the Hon'ble Chief Justice in **Writ Tax No.2006 of 2025**, titled **M/s Vrinda Automation vs. State of Uttar Pradesh and another**, dated May 14, 2025, wherein the Coordinate Bench has specifically stated that if the amount of penalty and interest is beyond the show cause notice, the same would be *ex facie* contrary to the provisions of Section 75(7) of the Act, 2017.

8. Upon a perusal of the order passed under Section 73(9) of the Act, 2017, it is clear that the interest liability is for a period starting from 2020–21, which was very well known to the authorities when they issued the show cause notice on November 13, 2024. Having not quantified the amount of interest till the date of issue of the show cause notice would definitely be in contravention of the provisions of Section 75(7) of the Act, 2017.

9. The contention of the GST authorities that Section 75(9) of Act, 2017 would apply and the interest on the short paid tax would be payable even though not specified in the order has no application in the present case, as it deals with the situation wherein the interest liability is not quantified in the order passed and not in the show cause notice.

10. In light of the above reasoning, we are of the view that the impugned order and the impugned show cause notice cannot stand and are accordingly quashed and set aside.

11. It is left open to the authorities to issue a fresh show cause notice in accordance with law and proceed accordingly.

12. The writ petition is, accordingly, **disposed of**.

January 28, 2026
cks/-

(Manjive Shukla,J.) (Shekhar B. Saraf,J.)