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

Date of decision: 16th March, 2026

+ W.P.(C) 3328/2026 & CM APPL. 16084/2026 & CM APPL. 16085/2026

M/S POWER LINE AIR EXPRESS
A PROPRIETORSHIP FIRM PROVIDING
COURIER AGENCY SERVICES,
HAVING ITS OFFICE AT L-215, ROAD NO. 7
STREET 7B, L-BLOCK, MAHIPALPUR EXTENSION,
SOUTH WEST DELHI – DELHI - 110037
NEW DELHI

THROUGH ITS PROPRIETOR, MRS. RUKMANI KUMAR
GSTIN: 07AXLPK2534M1Z5

.....PETITIONER

Through: Mr. Sparsh Bhargava,
Mr. Vishal Sinha, Ms. Tanya
Srivastava and Mr. Anmol
Kheta, Advs.

versus

1. PRINCIPAL COMMISSIONER OF CENTRAL GOODS &
SERVICE TAX,
DELHI SOUTH COMMISSIONERATE,
HAVING ITS OFFICE AT EIL ANNEXE BUILDING,
MAHATMA GANDHI FLYOVER, BHIKAJI CAMA PLACE,
RAMA KRISHNA PURAM, NEW DELHI- 110066

.....RESPONDENT NO. 1

2. DIRECTORATE GENERAL OF GST INTELLIGENCE,
THROUGH ITS DIRECTOR
DELHI ZONAL UNIT,
HAVING ITS OFFICE AT 53, POCKET 1,
SECTOR 6 DWARKA, DWARKA, NEW DELHI,
DELHI, 110075

.....RESPONDENT NO. 2

3. UNION OF INDIA,
THROUGH THE SECRETARY,
DEPARTMENT OF REVENUE, MINISTRY OF FINANCE,



GOVERNMENT OF INDIA,
NORTH BLOCK, NEW DELHI – 110001

.....**RESPONDENT NO. 3**

Through: Ms. Babita Saini, SPC for R-3

CORAM:

HON'BLE MR. JUSTICE NITIN WASUDEO SAMBRE

HON'BLE MR. JUSTICE AJAY DIGPAUL

JUDGMENT (ORAL)

AJAY DIGPAUL, J.

1. The petitioner, M/s Power Line Air Express, is a proprietorship concern registered under the GST laws and is stated to be engaged in providing courier agency services.
2. Summons dated 10.02.2025 under Section 70 of the Central Goods and Services Tax Act, 2017¹ were issued to the petitioner in the case of M/s Power Line Air Express, calling upon it to appear and produce the specified documents. The schedule appended to the summons required the petitioner to furnish the tender statement, sample purchase and sale invoices for FY 2022-23 to 2023-24, the purchase and sale ledger for FY 2022-23 to 2023-24, and the year-wise ledger for FY 2019-20 to 2023-24 in respect of air freight charges, cargo handling charges and services. The petitioner was directed to appear on 18.02.2025 at 12 PM.
3. On 21.02.2025, the petitioner addressed a communication to the Superintendent (AE Gr-5), Delhi South Commissionerate, stating that the summons requiring appearance on 18.02.2025 had been received only on 19.02.2025 and, therefore, it could not appear on the scheduled date. The petitioner further stated that the requested

¹ hereinafter "CGST Act"



documents would be furnished within 15 days and requested that a convenient date and time for personal appearance be intimated thereafter. Subsequently, on 03.03.2025, the petitioner submitted a written response along with documents, acknowledging receipt of the summons dated 10.02.2025, stating that it was engaged in the business of courier services, and enclosing sample sale and purchase invoices for FY 2022-23 and FY 2023-24, the sale and purchase ledger account for the said period, and the ledger account of air freight services received for FY 2019-20 to FY 2023-24.

4. The proceedings thereafter culminated in issuance of a demand-cum-show cause notice² dated 30.06.2025 in Form GST DRC-01 by the office of the Principal Commissioner, Delhi South Commissionerate, for the tax period 2018-19 to 2023-24. The notice alleged that M/s Power Line Air Express had failed to make true disclosure of its tax liability, had not paid due GST applicable, and had suppressed material facts from the department. On that basis, the petitioner was called upon to show cause, *inter alia*, why GST amounting to ₹3,00,14,058/- for the period April 2018 to March 2024 should not be demanded and recovered under Section 74(1) of the CGST Act read with Section 20 of the Integrated Goods and Services Tax Act, 2017³.

5. After issuance of the SCN, the petitioner, by letter dated 19.08.2025, sought supply of the relied upon documents⁴ referred to in the notice.

² hereinafter "SCN"

³ hereinafter "IGST Act"

⁴ hereinafter "RUDs"



6. The petitioner thereafter submitted its reply to the SCN on 21.10.2025. In the said reply, the petitioner stated that it had placed on record supporting documents including invoices, rate lists, remittance records and representative documents relating to export and import services. The petitioner further stated that the transaction values disclosed in its GST returns were in accordance with the invoices raised by it. The petitioner also set out its understanding of the nature of Import Prepaid, Import Collect, Export Prepaid, and Export Collect transactions, and stated that the rate list relied upon in the SCN was outdated and not applicable to all categories of transactions referred to in its reply.

7. The matter was thereafter adjudicated by the Principal Commissioner of Central Goods & Service Tax, Delhi South Commissionerate, who passed the Order-in-Original⁵ dated 18.12.2025. By the said order, the demand and recovery of ₹3,00,14,058/- was confirmed against the petitioner under Section 74(9) of the CGST Act read with Section 20 of the IGST Act.

8. Aggrieved thereby, the petitioner has filed the present writ petition seeking quashing of the impugned OIO dated 18.12.2025 passed by respondent no. 1 under Section 74(9) of the CGST Act read with Section 20 of the IGST Act, to the extent it confirms the demand of ₹3,00,14,058/- against the petitioner; quashing of the SCN dated 30.06.2025 issued under Section 74(1) of the CGST Act; and a direction restraining the respondents from taking coercive steps against the petitioner pursuant to the impugned order during the pendency of the present petition.

⁵ hereinafter "OIO"



Submission on behalf of the petitioner

9. Learned counsel for the petitioner submitted, at the outset, that the impugned OIO dated 18.12.2025 is liable to be set aside on the ground of violation of the principles of natural justice. It was contended that the very foundation of the proceedings stood vitiated since several RUDs, which formed the basis of the SCN and the ultimate demand, were never supplied to the petitioner despite a specific request in that regard. It is submitted that in the absence of the complete set of RUDs, including the documents containing the basis of the allegations and the working of the demand, the petitioner was denied an effective opportunity to meet the case set up against it. It was further submitted that the proceedings were procedurally unfair from the inception, inasmuch as the summons dated 10.02.2025 was received only after the date fixed for appearance, while the further summons dated 04.03.2025, referred to in the SCN, was never served upon the petitioner.

10. Learned counsel also submitted that the impugned order also suffers from complete non-application of mind. In this regard, it was urged that the petitioner had, pursuant to the summons, furnished the requisite documents on 03.03.2025 and had thereafter filed a detailed reply to the SCN on 21.10.2025 along with supporting material, including invoices, rate lists, remittance records and representative documents relating to the transactions in question. However, neither the contents of the reply nor the documents placed on record were considered by the adjudicating authority. It was submitted that the



impugned order proceeds as though no material had been furnished by the petitioner and, in substance, merely reproduces the allegations contained in the SCN without independently dealing with the defence set up by the petitioner. On this basis, learned counsel submitted that the adjudication was reduced to an empty formality and the impugned order stands vitiated on account of predetermination.

11. On merits, learned counsel for the petitioner assailed the valuation adopted by the department and submitted that the entire demand proceeds on a fundamentally erroneous understanding of Section 15 of the CGST Act. It was contended that under Section 15(1), the value of supply is the transaction value, i.e. the price actually paid or payable, where the parties are unrelated and price is the sole consideration. It is submitted that in the present case, the petitioner had disclosed the transaction values reflected in its invoices and returns, and there was no material to reject the same. It was argued that, in the absence of any finding that the transaction value could not be determined under Section 15(1), the respondents could not have resorted to any alternative method of valuation. Learned counsel further submitted that the reliance placed by the respondents on Rule 28 of the Central Goods and Services Tax Rules, 2017⁶ was wholly misconceived, since the said provision applies only to supplies between related or distinct persons, whereas the petitioner's transactions were with unrelated parties at arm's length. Learned counsel also questioned the reliance placed on DHL rates as a benchmark, submitting that DHL was not a comparable entity and that

⁶ hereinafter "CGST Rules"



its rate guide could not furnish a lawful basis for re-determination of the petitioner's taxable value.

12. Learned counsel further submitted that the invocation of Section 74 of the CGST Act was wholly unwarranted in the facts of the present case, there being no material to establish fraud, wilful misstatement or suppression of facts. It was contended that the dispute, at its highest, pertained to valuation, and could not, in the absence of any concrete material showing concealment or evasion, be converted into proceedings under Section 74. Further, it is submitted that the demand has been raised on assumptions and hypothetical benchmarking rather than on any identified discrepancy in the petitioner's invoices, accounts or returns.

Analysis

13. Heard Mr. Sparsh Bhargava, learned counsel for the petitioner and perused the documents on record.

14. At the outset, this Court deems it apposite to clarify that it is not entering into the merits of the controversy, the same lying squarely within the domain of the statutory appellate authority. Section 107 of the CGST Act expressly provides an appellate remedy to any person aggrieved by an order passed by the adjudicating authority, and such remedy constitutes the ordinary statutory recourse against an order passed under Section 74 of the CGST Act.

15. In the present case, an efficacious alternative remedy is admittedly available to the petitioner by way of an appeal under Section 107 of the CGST Act read with Rule 109A of the CGST



Rules, which has not been availed. It is equally well settled that notwithstanding the plenary nature of the jurisdiction of this Court under Article 226 of the Constitution, the writ court would ordinarily refrain from entertaining a petition where an efficacious alternate statutory remedy exists. The recognised exceptions to this are limited, which stands settled in a catena of decisions of the Hon'ble Supreme Court, including *Whirlpool Corporation v. Registrar of Trademarks, Mumbai*⁷ and *Harbanslal Sahnia v. Indian Oil Corpn. Ltd.*⁸

16. It is evident, upon a careful consideration of the grounds urged in the present petition, that none of them, in substance, takes the matter beyond the scope of the statutory appellate remedy. The grievances raised by the petitioner with regard to the alleged non-supply of the RUDs, delayed service of the summons dated 10.02.2025, alleged non-service of the subsequent summons dated 04.03.2025, the recording in the proceedings that no documents had been furnished, the alleged non-consideration of the reply dated 21.10.2025, and the contention that the impugned OIO substantially reproduces the SCN, are all matters arising from the adjudicatory record itself. Their determination would necessarily require an examination of the SCN, the correspondence exchanged between the parties, the service record, the documents stated to have been furnished by the petitioner, the reply submitted by it, and the reasoning contained in the impugned order.

17. These are not issues which, by their very nature, fall outside the appellate framework. On the contrary, they are matters which have

⁷ (1998) 8 SCC 1

⁸ (2003) 2 SCC 107



already been considered by the adjudicating authority while passing the impugned OIO. If, according to the petitioner, such consideration is erroneous or legally unsustainable, the statute provides a specific and efficacious remedy by way of an appeal before the competent appellate authority. Mere dissatisfaction with the manner in which the adjudicating authority has dealt with the record cannot, by itself, furnish a ground to bypass the statutory remedy and invoke the extraordinary jurisdiction of this Court under Article 226 of the Constitution.

18. We, therefore, find no cause to interfere with the impugned OIO and grants liberty to the petitioner to avail of such remedies as may be available to it in accordance with law.

19. This Court once again makes it clear that it has not examined or expressed any opinion on the merits of the case and that all rights and contentions of the parties in that regard are left open.

20. For all the aforesaid reasons, the present writ petition, along with pending applications is dismissed.

**AJAY DIGPAUL
(JUDGE)**

**NITIN WASUDEO SAMBRE
(JUDGE)**

MARCH 16, 2026/ar/yr