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

Date of Decision: 24th April, 2025

+ **W.P.(C) 3260/2025 & CM APPL. 15314/2025**

M/S JAIN BHADRI GRAPHICS

.....Petitioner

Through: Mr. Sushant Bali, Mr. Ishaan Swarana
Sharma and Mr. Shubham Shukla,
Advocates (Mob 8447242406).

versus

ADDITIONAL COMMISSIONER, CENTRAL GST, DELHI
(WEST) & ORS.

.....Respondents

Through: Ms. Anushree Narain, SSC with Mr.
Ankit Kumar, Advocate.

CORAM:

JUSTICE PRATHIBA M. SINGH

JUSTICE RAJNEESH KUMAR GUPTA

Prathiba M. Singh, J. (Oral)

1. This hearing has been done through hybrid mode.
2. The present writ petition has been filed by the Petitioner under Article 226 and 227 of the Constitution of India challenging *inter alia* the Demand-cum-Show Cause Notice bearing No.35/2024-25 dated 24th July, 2024 (*hereinafter, 'the SCN'*). The petition further raises challenge to the Order-in-Original bearing No.68/CGST WEST/GST/SKG/ADC/2024-25 dated 02nd February, 2025 (*hereinafter, 'the impugned order'*) issued by Respondent No.1-Additional Commissioner, CGST Delhi (West).
3. The SCN issued by Respondent No.3 – Joint Director, Directorate of Goods & Service Tax Intelligence, Zonal Unit, Meerut, raised various allegations in respect of several fictitious and non-existing firms being run by



the Petitioner and fraudulent availment of Input Tax Credit (*hereinafter*, 'ITC') under the name of such firms.

4. A total of more than 87 entities were investigated by the Respondent-Department and a criminal complaint was also lodged in this matter under Section 132(1)(b) of the Central Goods and Services Tax Act, 2017.

5. It was also found during the investigation that there were other cases as well, where fake firms and entities were created for the purpose of availing fraudulent ITC.

6. A reply to the SCN was also filed by the Petitioner on 23rd January, 2025. Thereafter, a date for personal hearing was fixed and the same was attended by the Petitioner. However, the submission on behalf of the Petitioner is that the personal hearing was not properly conducted as the Petitioner raised a challenge to the jurisdiction of the investigating authority. The case of the Petitioner is that the impugned order has been passed without affording a proper hearing.

7. It is further argued by Mr. Sushant Bali, Id. Counsel for the Petitioner that the issue is that the Additional/Joint Commissioner, CGST Commissionerate Delhi North, who has heard this matter lacks the proper jurisdiction to do so and the correct authority is Additional Commissioner/Joint Commissioner, CGST Commissionerate Of Central Goods & Services Tax, Delhi West.

8. It is also submitted on behalf of the Petitioner that the fact that the wrong authority had heard the matter is also evident from the issuance of a Corrigendum dated 28th January, 2025 by Respondent No. 3 which states as under:



“CORRIGENDUM

Reference is invited to Form GST DRC-01 [SCN Ref. No. DGGI/INV/GST/4294/2022 dated 24.07.2024] issued in the Case of M/s Vardhman Jain & Ors. vide F. No. DGGI/INV /GST/4294/2022 by the Joint Director, DGGI, Meerut Zonal Unit, Meerut.

2. The Adjudicating Authority mentioned as "The Additional/Joint Commissioner, CGST Commissionerate Delhi North, 1st Floor CR Building, LP. Estate, New Delhi-110109, in Para no. 17,18,19,20,21,22 & 23 of the above said Show Cause Notice may be read as:

"Additional Commissioner/Joint Commissioner, CGST Commissionerate Of Central Goods & Services Tax, Delhi West, 4th & 5th Floor, EIL Annexe Building, Bhikaji Cama Place, New Delhi - 110066"."

9. It is alleged by the Petitioner that the said corrigendum is a back dated corrigendum and the same was dispatched on 30th January, 2025, after the personal hearing was conducted on 29th January, 2025 and the issue of jurisdiction was raised by the Petitioner.

10. Thus, it is submitted that the SCN is itself issued by an authority which has no jurisdiction to undertake the said actions.

11. On the other hand, ld. Counsel for the Respondent has placed on record a Notification dated 11th March, 2022 wherein for Delhi, the **Principal Commissioner Delhi North** has the power to issue notices under Section 73 and 74 of Central Goods and Services Act, 2017, and pass orders in pursuance to the same.

12. This jurisdiction was further expanded to two Commissioners vide Notification dated 25th November, 2024, namely: **Principal Commissioner Delhi North** and **Commissioner Delhi West**. The notifications dated 11th



March, 2022 and 25th November, 2024 are taken on record.

13. It is submitted on behalf of the Respondents that considering the said notifications, the issue of jurisdiction raised by the Petitioner herein is not tenable. In addition, it is submitted that the opportunity for personal hearing was granted to the Petitioner which was attended by the Petitioner and its reply has been duly considered by the concerned authority.

14. Ld. Counsel for the parties have been heard. On the basis of the Notification dated 11th March, 2022 and 25th November, 2024, it cannot be said that the Principal Commissioner Delhi, North did not have proper jurisdiction. While initially the jurisdiction was only in the Principal Commissioner North, it was further expanded *vide* notification dated 25th November, 2024.

15. Further, it is held that the jurisdiction having been established by the said notifications and the opportunity for personal hearing having been granted, the Petitioner ought to be relegated to the Appellate Authority for availing the appellate remedy under Section 107 of the Central Goods and Services Act, 2017.

16. In these facts, since the reply has been filed and the Court has been satisfied upon the issue of jurisdiction, the Petitioner is relegated to avail of the appellate remedy before the Appellate Authority.

17. All contentions of the Petitioner are kept open. If the appeal is filed within a period of 30 days upon the payment of the mandatory pre-deposit amount, the same shall not be dismissed for being barred by limitation. It shall be adjudicated on merits.



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18. Accordingly, the present writ petition is disposed of in above terms. All the pending applications, if any, are also disposed of.

**PRATHIBA M. SINGH
JUDGE**

**RAJNEESH KUMAR GUPTA
JUDGE**

APRIL 24, 2025/MR/ss