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* IN THE HIGH COURT OF DELHI AT NEW DELHI

Date of Decision: 18th November, 2025

Uploaded on: 21st November, 2025

+ W.P.(C) 16906/2025, CM APPL. 69532/2025 & CM APPL. 69533/2025

A AND T SECURITY SERVICES PVT LTD THROUGH ITS
DIRECTOR MR TEJVIR MALIKPetitioner

Through: Mr. A.K. Babbar, Ms. Ishmat Kaur,
Advs.

versus

ADDL COMMISSIONER OF CGST DELHI WEST & ANR.

.....Respondents

Through: Mr. Akshay Amritanshu, Senior
Standing Counsel, Ms. Drishti Rawal,
Adv., Mr. Abhay Nair, Adv., Mr.
Mayur Goyal, Adv., Mr. Sarthak
Srivastava, Adv.

5

WITH

+ W.P.(C) 16909/2025, CM APPL. 69537/2025 & CM APPL. 69538/2025

TEJVIR MALIK INDIVIDUAL NON TAXABLE ENTITY,
DIRECTOR A AND T SECURITY SERVICES PVT. LTD

.....Petitioner

Through: Mr. A.K. Babbar, Ms. Ishmat Kaur,
Advs.

versus

ADDL. COMMISISONER OF CGST DELHI WEST & ANR.

.....Respondents

Through: Mr. Akshay Amritanshu, Senior
Standing Counsel, Ms. Drishti Rawal,
Adv., Mr. Abhay Nair, Adv., Mr.
Mayur Goyal, Adv., Mr. Sarthak
Srivastava, Adv.

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WITH



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W.P.(C) 16792/2025&CM APPL. 69009/2025

RAJESH KUMAR SHARMA INDIVIDUAL NON TAXABLE
ENTITY, DIRECTOR A AND T SECURITY
SERVICES PVT. LTD

.....Petitioner

Through: Mr. A.K. Babbar, Ms. Ishmat Kaur,
Advs.

versus

ADDL. COMMISISONER OF CGST DELHI WEST
& ANR.

.....Respondents

Through: Mr. Akshay Amritanshu, Senior
Standing Counsel, Ms. Drishti Rawal,
Adv., Mr. Abhay Nair, Adv., Mr.
Mayur Goyal, Adv., Mr. Sarthak
Srivastava, Adv.

61

AND

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W.P.(C) 16798/2025 & CM APPL. 69024/2025

VIVEK KUMAR INDIVIDUAL NON TAXABLE ENTITY,
DIRECTOR A AND T SECURITY
SERVICES PVT. LTD

.....Petitioner

Through: Mr. A.K. Babbar, Ms. Ishmat Kaur,
Advs.

versus

ADDL. COMMISISONER OF CGST DELHI WEST
& ANR.

.....Respondents

Through: Mr. Akshay Amritanshu, Senior
Standing Counsel, Ms. Drishti Rawal,
Adv., Mr. Abhay Nair, Adv., Mr.
Mayur Goyal, Adv., Mr. Sarthak
Srivastava, Adv.

CORAM:

JUSTICE PRATHIBA M. SINGH
JUSTICE SHAIL JAIN

Prathiba M. Singh, J. (Oral)



1. This hearing has been done through hybrid mode.
2. The Petitioner in the present petitions *i.e.* A and T Security Services Pvt. Ltd. is engaged in the business of supply of Security Services and has a Goods and Services Tax Registration No. 07AAECA1356L1ZO.
3. An inspection was stated to be conducted at the Petitioner's premises on 18th March, 2019 where the premises was found to be locked. This led to show cause notice dated 12th September, 2019(*hereinafter, 'SCN'*) being issued to the Petitioner for cancellation of the registration certification. The said SCN records that the Petitioner did not file the returns for a continuous period of six months and hence, the registration of the Petitioner is liable to be cancelled.
4. An opportunity for personal hearing was also given in the said SCN for 19th September, 2019, and the reply to the SCN was to be filed by the Petitioner.
5. It is the Petitioner's case that a reply to the SCN was filed on 23rd September, 2019 and it was stated that all the GSTR-1 and GSTR-3B returns were filed up to date by the Petitioner. Accordingly, the Petitioner prayed for withdrawal of the SCN for cancellation of registration. Thereafter, the reply filed by the Petitioner was considered by the Department and the registration certificate of the Petitioner was cancelled on 29th November, 2019 and zero demand was created on the Petitioner.
6. An appeal was filed by the Petitioner against the order of cancellation dated 29th November, 2019. The Appellate Commissioner (Appeals) allowed the appeal on 27th August, 2021 and ordered for restoration of the GST Registration Certificate of the Petitioner in the following terms:



“In view of above discussions, analysis and statutory provisions cited in para 4, the appeal filed by the appellant merits lenient view and deserve to be allowed, if the appellant submits an undertaking before the concerned jurisdictional officer that all the pending GST returns/pending tax liabilities would be filed within one month from restoration of GST registration.

Further, it is desired from the appellant that GST returns would be filed within the stipulated time period in future. Accordingly, the present appeal is hereby disposed of, in terms of Section 107(12) of CGST Act, 2017.”

7. As can be seen from the above order dated 27th August, 2021, the Petitioner was to file all the pending GST returns and pay all the pending tax liabilities. According to the Petitioner, the Petitioner thereafter paid a total sum of Rs. 2,01,20,299/- and thus, the GST Registration of the Petitioner was also restored.

8. Subsequently, a further show cause notice was issued to the Petitioner on the ground of fraudulent availment of ITC on 31st July, 2024. A reply to the said show cause notice was filed by the Petitioner on 2nd September, 2024 and the personal hearing was also attended on 28th January, 2025. Thereafter, the order-in-original was passed on 31st January, 2025, creating a demand under Section 122 of CGST/SGST Act on account of penalty.

9. This order-in-original dated 31st January, 2025 was challenged by the Petitioner before the Commissioner(Appeals). The total penalties which were imposed on the Petitioner by the Commissioner(Appeals) in its order dated 16th May, 2025 is to the following effect:



SN	Appeal No.	Name / Address of the Appellant	Penalty imposed (in Rs.)
1.	171/GST/DL-Appeal-II/2024-25	M/s. A&T Security Services Pvt. Ltd., WZ-144A, Sant Garh, Near Subil Ki Dairy, Tilak Nagar, New Delhi-110018 (presently at: WZ-2A, GF, Plot No. 9 and 10, Sant Garh, Major Bhupinder Singh Nagar, New Delhi-110018.) (here-in-after also referred to as the 'appellant no. 1')	Penalties of Rs. 1,77,332/- & Rs. 2,01,20,299/- under Section 122(1)(vii) & Section 122(1)(ii) respectively of the Act ibid.
2.	274/GST/DL-Appeal-II/2024-25	Sh. Tejvir Malik, Director of M/s. A&T Security Services Pvt. Ltd. (here-in-after also referred to as the 'appellant no. 2')	Penalties of Rs. 2,01,20,299/- & Rs. 25000/- imposed under Section 122(1A) & Section 122(3) respectively of the Act ibid.
3.	273/GST/DL-Appeal-II/2024-25	Sh. Vivek Kumar, Director of M/s. A&T Security Services Pvt. Ltd. (here-in-after also referred to as the 'appellant no. 3')	Penalties of Rs. 2,01,20,299/- & Rs. 25000/- imposed under Section 122(1A) & Section 122(3) respectively of the Act ibid.
4.	275/GST/DL-Appeal-II/2024-25	Sh. Rajesh Kumar Sharma, Director of M/s. A&T Security Services Pvt. Ltd. (here-in-after also referred to as the 'appellant no. 4')	Penalties of Rs. 2,01,20,299/- & Rs. 25000/- imposed under Section 122(1A) & Section 122(3) respectively of the Act ibid.

10. According to Mr. A.K. Babbar, Id. Counsel for the Petitioner, in the parallel proceedings relating to cancellation of the GST Registration, the Petitioner has already deposited more than Rs. 2.01 crores prior to the show cause notice dated 31st July, 2024 being issued. This aspect has, however, not been taken into consideration in the impugned order dated 16th May, 2025. He thus submits that the order dated 16th May, 2025 deserves to be set aside *qua* the Petitioner.

11. Mr. Akshay Amritanshu, Id. Senior Standing Counsel for the Respondent concedes to the fact that the aspect of payment of Rs.



2,01,20,299/- by the Petitioner does not appear to have been considered in the order dated 16th May, 2025.

12. The documents which have been placed on record in respect of the cancellation of GST registration of the Petitioner, clearly show that a substantial amount of payments have been made by the Petitioner. This fact has also been stated in the reply filed by the Petitioner on 2nd September, 2024 to the show cause notice dated 31st July, 2024.

13. In the opinion of this Court, this aspect ought to have been considered by the adjudicating authority, as also the appellate authority which clearly shows that there has been a lapse in the adjudication.

14. Considering the fact that the order dated 16th May, 2025 is an appealable order before the GST Appellate Tribunal and the Court is informed that the GST Appellate Tribunal has now been constituted and appeals are being accepted, the Petitioner shall challenge the order dated 16th May, 2025 before the GST Appellate Tribunal itself.

15. The GST Appellate Tribunal shall duly consider the documents that have also been produced before this Court to show that *prima facie*, approximately Rs. 2,01,20,299/- have already been deposited by the Petitioner prior to issuance of the show cause notice dated 31st July, 2024.

16. Thus, in terms of Section 73 of the Central Goods and Service Tax Act, 2017, the penalty raised against directors of the Petitioner concern may not sustain. Moreover, even the penalty against the Petitioner company would have to be reconsidered in view of the earlier payments which have been made. Needless to act, if the said payments do not relate to the present allegations which have been raised, then the same would also be liable to be considered by the GST Appellate Tribunal.



17. However, in the facts of the present case, considering the substantial amount of money which has already been paid by the Petitioner, the Court is of the opinion that the Petitioner ought to be permitted to avail of the appellate remedy before the GST Appellate Tribunal without any further payment of any amount as pre-deposit.

18. Let the appeal be filed by the Petitioner by 25th December, 2025. If the appeals are filed within the said time period, the same shall be considered on merits and shall not be dismissed on the ground of delay.

19. The present petitions are disposed of in said terms. Pending applications, if any, are also disposed of.

PRATHIBA M. SINGH, J.

SHAIL JAIN, J.

NOVEMBER 18, 2025/tg/ss