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

Date of Decision : 24th September, 2025

+ **W.P.(C) 14406/2025 & CM APPL. 59102/2025**

TAHILIANI DESIGN PRIVATE LIMITEDPetitioner

Through: Mr. Rajat Mittal, Mr. Suprateek Neogi
& Mr. Shubham Kumar, Advs

versus

JOINT COMMISSIONER OF CENTRAL TAX APPEALS II,
DELHI & ORS.Respondents

Through: Ms. Anushree Narain, SSC.

CORAM:

JUSTICE PRATHIBA M. SINGH

JUSTICE SHAIL JAIN

JUDGMENT

Prathiba M. Singh, J.

1. This hearing has been done through hybrid mode.
2. The present petition has been filed, *inter alia*, challenging the impugned Order-in-Appeal dated 14th May, 2025 (hereinafter "*impugned OIA*") passed by the Assistant Commissioner, Central Goods and Services Tax, Vasant Kunj Division, New Delhi. The present petition also challenges the impugned Order-in-Original dated 23rd August, 2024 (hereinafter "*impugned OIO*") issued for the Financial Year 2019-2020.
3. Additionally, the present petition also challenges the *Notification No. 56/2023- Central Tax* dated 28th December, 2023 (hereinafter "*the impugned notification*").
4. The challenge in the present petition is similar to a batch of petitions wherein, *inter alia*, the impugned notification was challenged. *W.P.(C) No. 16499/2023* titled *DJST Traders Private Limited v. Union of India & Ors.*



was the lead matter in the said batch of petitions. On 22nd April, 2025, the parties were heard at length *qua* the validity of the impugned notifications and accordingly, the following order was passed:

“4. Submissions have been heard in part. The broad challenge to both sets of Notifications is on the ground that the proper procedure was not followed prior to the issuance of the same. In terms of Section 168A, prior recommendation of the GST Council is essential for extending deadlines. In respect of Notification no.9, the recommendation was made prior to the issuance of the same. However, insofar as Notification No. 56/2023 (Central Tax) the challenge is that the extension was granted contrary to the mandate under Section 168A of the Central Goods and Services Tax Act, 2017 and ratification was given subsequent to the issuance of the notification. The notification incorrectly states that it was on the recommendation of the GST Council. Insofar as the Notification No. 56 of 2023 (State Tax) is concerned, the challenge is to the effect that the same was issued on 11th July, 2024 after the expiry of the limitation in terms of the Notification No.13 of 2022 (State Tax).

5. In fact, Notification Nos. 09 and 56 of 2023 (Central Tax) were challenged before various other High Courts. The Allahabad Court has upheld the validity of Notification no.9. The Patna High Court has upheld the validity of Notification no.56. Whereas, the Guwahati High Court has quashed Notification No. 56 of 2023 (Central Tax).

6. The Telangana High Court while not delving into the vires of the assailed notifications, made certain observations in respect of invalidity of Notification No. 56 of 2023 (Central Tax). This judgment of the Telangana High Court is now presently under consideration by the Supreme Court in S.L.P No 4240/2025 titled M/s HCC-SEW-MEIL-AAG JV v. Assistant Commissioner of State Tax &Ors. The Supreme



Court vide order dated 21st February, 2025, passed the following order in the said case:

“1. The subject matter of challenge before the High Court was to the legality, validity and propriety of the Notification No.13/2022 dated 5-7-2022 & Notification Nos.9 and 56 of 2023 dated 31-3-2023 & 8-12-2023 respectively.

2. However, in the present petition, we are concerned with Notification Nos.9 & 56/2023 dated 31-3-2023 respectively.

3. These Notifications have been issued in the purported exercise of power under Section 168 (A) of the Central Goods and Services Tax Act, 2017 (for short, the "GST Act").

4. We have heard Dr. S. Muralidhar, the learned Senior counsel appearing for the petitioner.

5. The issue that falls for the consideration of this Court is whether the time limit for adjudication of show cause notice and passing order under Section 73 of the GST Act and SGST Act (Telangana GST Act) for financial year 2019-2020 could have been extended by issuing the Notifications in question under Section 168-A of the GST Act.

6. There are many other issues also arising for consideration in this matter.

7. Dr. Muralidhar pointed out that there is a cleavage of opinion amongst different High Courts of the country. 8. Issue notice on the SLP as also on the prayer for interim relief, returnable on 7-3-2025.”



7. *In the meantime, the challenges were also pending before the Bombay High Court and the Punjab and Haryana High Court. In the Punjab and Haryana High Court vide order dated 12th March, 2025, all the writ petitions have been disposed of in terms of the interim orders passed therein. The operative portion of the said order reads as under:*

“65. Almost all the issues, which have been raised before us in these present connected cases and have been noticed hereinabove, are the subject matter of the Hon'ble Supreme Court in the aforesaid SLP.

66. Keeping in view the judicial discipline, we refrain from giving our opinion with respect to the vires of Section 168-A of the Act as well as the notifications issued in purported exercise of power under Section 168-A of the Act which have been challenged, and we direct that all these present connected cases shall be governed by the judgment passed by the Hon'ble Supreme Court and the decision thereto shall be binding on these cases too.

67. Since the matter is pending before the Hon'ble Supreme Court, the interim order passed in the present cases, would continue to operate and would be governed by the final adjudication by the Supreme Court on the issues in the aforesaid SLP-4240-2025.

68. In view of the aforesaid, all these connected cases are disposed of accordingly along with pending applications, if any.”

8. The Court has heard *ld. Counsels for the parties for a substantial period today. A perusal of the above would show that various High Courts have taken a view and the matter is squarely now pending before the Supreme Court.*



9. Apart from the challenge to the notifications itself, various counsels submit that even if the same are upheld, they would still pray for relief for the parties as the Petitioners have been unable to file replies due to several reasons and were unable to avail of personal hearings in most cases. In effect therefore in most cases the adjudication orders are passed ex-parte. Huge demands have been raised and even penalties have been imposed.

10. Broadly, there are six categories of cases which are pending before this Court. While the issue concerning the validity of the impugned notifications is presently under consideration before the Supreme Court, this Court is of the prima facie view that, depending upon the categories of petitions, orders can be passed affording an opportunity to the Petitioners to place their stand before the adjudicating authority. In some cases, proceedings including appellate remedies may be permitted to be pursued by the Petitioners, without delving into the question of the validity of the said notifications at this stage.

11. The said categories and proposed reliefs have been broadly put to the parties today. They may seek instructions and revert by tomorrow i.e., 23rd April, 2025.”

5. The above mentioned writ petition and various other writ petitions have been disposed of by this Court on subsequent dates, either remanding the matters or relegating the parties to avail of their appellate remedies, depending upon the factual situation.

6. As observed by this Court in the order dated 22nd April, 2025 as well, since the challenge to the above mentioned notifications is presently under consideration before the Supreme Court in *S.L.P No 4240/2025* titled *M/s HCC-SEW-MEIL-AAG JV v. Assistant Commissioner of State Tax &Ors.,*



the challenge made by the Petitioner to the impugned notification in the present proceedings shall also be subject to the outcome of the decision of the Supreme Court.

7. Coming to the facts of this case, the Petitioner has challenged the impugned OIA on two main grounds, which are as under:

(a) Firstly, the impugned OIA was passed on 14th May, 2025 but the notice of personal hearing was issued on 10th June, 2025 for a hearing on 11th June, 2025. By that time, the impugned OIA had already been passed. The said notice of personal hearing gives reference to personal hearings that were given even earlier on 19th December, 2024, 9th January, 2025 and 10th February, 2025 but none had appeared. The remarks in the said personal hearing notice are interesting as it seeks to suggest that a fresh personal hearing notice is being issued due to a '*SYSTEM REQUIREMENT*'. The extract of the said notice is set out below:

S. No.	Particulars	Details
1	Date of Personal Hearing	11/06/2025
2	Time of Personal Hearing	03:50 PM
3	Place where Personal Hearing will be held	PH GIVEN ON 19.12.2024, 09.01.2025 AND 10.02.2025. NO ONE APPEARED ON HEARINGS. THIS NOTICE IS BEING ISSUED DUE TO SYSTEM REQUIREMENT.

(b) Secondly, the demand has been raised on the premise that there is a difference between the output sales and the inputs to the tune of about Rs. 9.16 crores, which is treated as a value addition on which tax of Rs. 1.10 crores must be paid in cash.

8. Considering the above submissions, the Court had issued notice on the last date *i.e.*, 17th September, 2025 and directed Ms. AnushreeNarain, Id. SCC to seek instructions in respect of both the said grounds.



9. Ms. Narain, Id. SSC for the Respondent today submits upon instructions that the notices for personal hearing were issued to the Petitioner prior to issuance of the impugned OIA. However, since the said notices had not been uploaded on the portal, at the time of uploading of the impugned OIA, the system generated a further personal hearing notice which led to this glitch of a personal hearing being fixed after the date of the order. This was merely a technical glitch and nothing more. Actual compliance of natural justice was already taken care of by the Respondent Department. In support of the above, the Id. SSC has handed across a copy of the three personal hearing notices fixing the date for hearing the Petitioner on 19th December, 2024, 9th January, 2025 and 10th February, 2025. The same are taken on record.

10. Heard Id. Counsel for the parties. It is noted that the Petitioner in fact did not appear either before the Adjudicating Authority or before the Appellate Authority. It appears that the Petitioner is merely seeking to take advantage of the technical glitch due to which the notice was generated for a fresh hearing after passing of the impugned OIA. This Court is of the view that the Respondent Department cannot be blamed for this situation when compliance with the principles of natural justice was satisfied. Further, the Petitioner itself chose not to appear on any of the said dates.

11. Thus, this Court is not inclined to entertain the present petition. However, wherever the impugned notifications have been challenged, the Court has been remanding the said matters, as the adjudication of the legality of the Notifications is still pending, based upon whether the Petitioners have got an opportunity of hearing or not.



12. Considering the fact that the Petitioner in the present case did not avail of the opportunity of personal hearing, as also the fact that the though the notices were served on the Petitioner the same were not uploaded on the portal, the Court is of the view that the Petitioner ought be heard by the Appellate Authority afresh.

13. Accordingly, the impugned OIA is set aside. The Petitioner is permitted to appear before the Appellate Authority. It is also permitted to file any documents/affidavits and make submissions. Notice of personal hearing shall be granted to the Petitioner on the following email address and mobile number:-

Mr. Rajat Mittal, Advocate (M)- 9971933199

Email: rajat@msslawchambers.in

14. After hearing the Petitioner, the appeal shall be adjudicated on merits and a reasoned order shall be passed. The said order shall be subject to the outcome of the decision of the Supreme Court in *S.L.P No 4240/2025* titled *M/s HCC-SEW-MEIL-AAG JV v. Assistant Commissioner of State Tax &Ors.*, where the challenge to the impugned notification is pending.

15. The present petition along with the pending applications stand disposed of in the above terms.

**PRATHIBA M. SINGH
JUDGE**

**SHAIL JAIN
JUDGE**

SEPTEMBER 24, 2025/sk/msh