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

Date of Decision 26th September, 2025

+ **W.P.(C) 15118/2025 & CM APPL. 62123/2025**

PURSHOTTAM RAY

.....Petitioner

Through: Mr. Mohit Pugalia, Mr. Lalitendra
Gulani & Mr. Tanuj Kumar Takkar,
Advs.

versus

PRINCIPAL COMMISSIONER OF CGST & ORS.....Respondents

Through: Mr. Arjun Malik, SSC for CBIC

CORAM:

JUSTICE PRATHIBA M. SINGH

JUSTICE SHAIL JAIN

Prathiba M. Singh, J. (Oral)

1. This hearing has been done through hybrid mode.

CM APPL. 62122/2025(for exemption)

2. Allowed, subject to all just exceptions. The application is disposed of.

W.P.(C) 15118/2025 & CM APPL. 62123/2025

3. The present petition has been filed, *inter alia*, challenging the impugned Order-in-Original dated 31st January, 2025, passed by the Joint Commissioner, Adjudication CGST, Delhi North (hereinafter "*the impugned order*"). It is alleged that *vide* the impugned order, a demand of over Rs.550 crores, against various firms including the Petitioner, has been raised.

4. The case of the Department is that an investigation in respect of evasion of GST was conducted against 286 entities, including the Petitioner's Firm. The main entity against which the said investigation was initiated was M/s.



Montage Enterprises Private Limited (hereinafter “M/s. *Montage Enterprises*”). The *modus operandi* as contained in the Show Cause Notice dated 30th July, 2024 (hereinafter “*the SCN*”) is that M/s. Montage Enterprises was issuing bogus invoices to various firms, which were either non-existent or non-operational.

5. The SCN has been issued to all the 286 firms, including the firms which have received tax invoices from M/s. Montage Enterprises. The Petitioner’s firm *i.e.*, M/s. PR Traders is one such firm to whom the tax invoice was issued by M/s Montage Sales Pvt. Ltd., Delhi, M/s Montage Flexipack Sales Pvt. Ltd., Lucknow and M/s Montage Printpack Sales Pvt. Ltd., Gwalior. The outcome of the search and inspection at the Petitioner’s firm’s place of business is recorded as under:

<i>Sr. No.</i>	<i>Consignee GSTIN, Name & Address</i>	<i>Outcome of Search/Inspection</i>	<i>Outcome of Summons issued</i>
27	07ASQPR5114GIZI P.R. Traders Kh No. 125, Hamidpur, Delhi, 11036	The address is incomplete/incorrect, and the firm was not traceable in the nearby locality	Summons was returned undelivered with remark "No such Firm"

6. The case of the Petitioner is that the Petitioner’s Firm’s GST Registration was cancelled on 19th July, 2024 and on 5th August, 2024 the Petitioner had sought time to file reply to the SCN. The said reply reads as under:

*“On verification on GST Portal i did observe that you have issued SCN along with Demand Notice, both are incorrect.
I request you to please give some time to reply.*



*Thanks & Regards
Purushottam Ray*

7. However, the Petitioner chose not to file a reply to the SCN. It is stated that thereafter, since the Petitioner's Firm's GST Registration was cancelled the Petitioner did not have any knowledge of the passing of the impugned order. The impugned order, as per the Petitioner, has been passed without granting him a personal hearing. In respect of the said grounds, upon query, the Id. Counsel for the Petitioner has relied upon paragraph 15 of the Petition, which reads as under:

"15. The Impugned Order was uploaded only on the GST portal, despite the fact that the Petitioner's registration had already been cancelled by Order dated 19.07.2024. No intimation was issued through email, post, or any other alternate mode of communication. Consequently, the Impugned Order remained unnoticed by the Petitioner. It was only in August 2025, when certain buyers of the Petitioner informed that they had received show cause notices from the GST authorities regarding denial of ITC on account of retrospective cancellation of the Petitioner's registration, that the Petitioner, upon checking the GST portal, first came across the Impugned Order. This position was further culminated by the absence of any personal intimation or reminder notice from the Respondents, unlike the standard practice followed in the present case for co-noticees and Noticee, as a result of which the Petitioner inadvertently missed the Impugned Order. As a direct consequence, the statutory period for filing an appeal under Section 107 of the CGST Act expired on 31.05.2025 (i.e., three months from the date of the Order plus the one-month condonable period), leaving the Petitioner with no equally efficacious alternate. In similar factual circumstances, various High Courts have been pleased to grant relief to taxpayers. In these



circumstances, the Petitioner prays for a direction to Respondent No. 2 to re-adjudicate the matter on merits after granting an effective opportunity of personal hearing.

*Copy of the Cancellation Order dated 19.07.2024 is enclosed herewith as **Annexure P-5.***

8. The stand therefore, of the Petitioner, is that the knowledge of the impugned order was acquired by the Petitioner only in August, 2025. The prayers in this writ petition are as under:

“PRAYER

In view of the abovementioned facts and circumstances, the Petitioner most respectfully prays that this Hon'ble Court may be pleased to:

(a) Issue a writ of Certiorarified Mandamus or any other appropriate writ, order, or direction, quashing and setting aside the Impugned Order dated 31.01.2025, passed by Respondent No. 2 and further directing Respondent No. 2 to afford the Petitioner a proper opportunity of being heard on merits before the passing of any order, in the interest of natural justice;

(b) Alternatively, it is prayed that this Hon'ble Court may be pleased to issue an appropriate Writ or Order permitting the Petitioner to file an appeal before Respondent No. 3 against the Impugned Order dated 31.01.2025 and further directing Respondent No. 3 to entertain the said appeal and decide the matter on merits;

(c) Issue a Writ of Mandamus, or a Writ in the nature of Mandamus, or any other appropriate Writ, Order restraining the Respondents from giving effect to Impugned Order dated 31.01.2025 (Annexure P-1);

(d) For costs of the Petition and orders thereon; and

(e) Any other relief which this Hon'ble Court may deem just and proper in the facts and circumstances of the case.”



9. Ld. Counsel for the Petitioner relies upon other orders passed by this Court, where the impugned Orders-in-Original have been set aside and the matter has been remanded for hearing.

10. However, this Court notices with some consternation that the Petitioner has relied upon third party orders and has failed to place before this Court an order passed in ***W.P.(C) 4774/2025*** titled ***M/S Montage Enterprises Private Limited (Through Its Authorized Representative Sanjay Kumar Singh) & Ors. Vs. Central Goods and Services Tax Delhi North & Ors.*** where the challenge was to the same impugned order dated 31st January, 2025, as challenged in the present petition. In the said order, M/s Montage Enterprises has been relegated to the Appellate Remedy. It is expected that the Ld. Counsel ought to have been fair and informed that the Court has already taken a view in respect of the same impugned order.

11. Insofar as the principles of natural justice is concerned, the Court is of the opinion that the SCN was within the knowledge of the Petitioner. The Petitioner sought an adjournment for filing a reply, but failed to file the same. Obviously, the Petitioner was aware of the SCN having been issued and could have checked its GST portal as well. However, the Petitioner failed to do so. From the pleading in paragraph 15 of the Petition extracted above, it appears that it was only when certain buyers and other suppliers may have raised issues with the Petitioner in view of the cancellation of the Petitioner's GST Registration that the Petitioner has realised that its interests are hurt by the impugned order. Thereafter, it has chosen to file the present petition.

12. Considering the fact that the matter relating to the same impugned order has already been relegated to appeal, the Court is not inclined to entertain the present writ petition. The Court is also conscious of the fact that the present



writ petition has been filed after a considerable delay, however, *prima facie*, the explanation of the Petitioner that it acquired knowledge of the impugned order only in August, 2025, is taken to be *bona fide*. Accordingly, the Petitioner is permitted to file the appeal by 15th November, 2025 along with the requisite pre-deposit, in any.

13. If the appeal is filed within the said period the same shall then be adjudicated on merits and shall not be dismissed on the ground of limitation.

14. The Court has noticed in the present GST roster that there are multiple parties who are issued SCNs in respect of whom orders are passed by this Court, especially in cases involving fraudulent availment of ITC. In some cases, there are more than 600-700 noticees in number and sometimes there are more than a thousand noticees in one single impugned order. It is often not possible for the Court to recall if the same impugned order has already been dealt with by the Court.

15. Thus, in order to avoid conflicting rulings in respect of the same impugned order, the Registry is directed to add a 'FIELD' related to impugned order recording the corresponding DIN number and the date, at the time of filing of writ petitions challenging the same. This is necessary so that when the said writ petition is listed before the Court, the data as to whether any earlier writ petition has been filed in respect of the same impugned order is also placed before the Court. Such practice is adopted by this Court in criminal matters arising out of the same FIR and the said practice could be replicated in the tax roster as well which would assist the Court as also counsels/litigants.

16. This order be communicated to the Registrar (Filing and Listing) and Registrar (IT) for necessary information and compliance.



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17. The petition is disposed of in these terms. All pending applications, if any, are also disposed of.

18. List for compliance on 29th October, 2025.

PRATHIBA M. SINGH
JUDGE

SHAIL JAIN
JUDGE

SEPTEMBER 26, 2025/pd/msh
(corrected & released on 4th October, 2025)