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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
Date of decision: 4th August 2025

+ **W.P.(C) 3294/2025 & CM APPL. 15563/2025**

HIND PAPER HOUSEPetitioner

Through: Mr. Vijay Gupta, Mr. Arihant Jain &
Mr. Hari Om Thakur, Advs.

versus

THE COMMISSIONER STATE GOODS AND SERVICE TAX
DELHI & ANR.Respondents

Through: Ms. Vaishali Gupta, Adv. for
R/GNCTD.

CORAM:

JUSTICE PRATHIBA M. SINGH

JUSTICE SHAIL JAIN

Prathiba M. Singh, J. (Oral)

1. This hearing has been done through hybrid mode.
2. The present petition challenges the impugned Show Cause Notice dated 28th May, 2024 (hereinafter "*impugned SCN*") as also the consequential order dated 24th August, 2024 (hereinafter "*impugned order*"). The writ petition also challenges the order dated 16th December, 2024 by which the application for rectification by the Petitioner was also rejected.
3. The brief background is that a Form DRC-01 - Summary of the Show Cause Notice was issued on 28th May, 2024 and is stated to have been uploaded on the same date. The said Form DRC-01 raised a demand of Rs. 4,04,61,076/- in respect of the tax period April, 2019 to March, 2020. A date for personal hearing was also fixed on 28th June, 2024 at 11:00 a.m. As per the said Form DRC-01, the impugned SCN along with supporting documents was attached and uploaded along with the said Form. However, as per the



Petitioner, neither the impugned SCN nor the supporting documents had been uploaded along with Form DRC-01.

4. The Petitioner challenges the order dated 24th August, 2024 on various grounds, *inter alia*, as under:

- i. That the impugned SCN was not uploaded and only Form DRC-01 was uploaded that too without any Relied upon Documents (hereinafter “RUDs”).
- ii. That the Form DRC-01 is not equivalent to a Show Cause Notice.
- iii. That the RUDs were allegedly served through speed post on 15th June, 2024 only as per the Department which is also beyond the period of limitation.
- iv. The impugned order was passed on 24th August, 2024 without providing a proper hearing.
- v. That the Input Tax Credit was already reversed by the Petitioner and the said records were available with the Department prior to passing the impugned order.

5. On all these grounds quashing of the impugned SCN and the impugned order is sought.

6. On behalf of the Respondent-Ms. Gupta, Id. Counsel has handed across a short affidavit dated 30th July, 2025, signed by one Ms. Gomti Mattu, GSTO Ward 11, Department of Trade & Taxes, GNCTD which states as under:

“3. It is humbly submitted that a Show Cause Notice (DRC-01) under section 73 of the DGST Act was issued to the petitioner on 28.05.2024 (Ref No. ZD0705240354993). At the relevant time, due to technical glitch in Emsigner, GSTN had removed the Emsigner integration with Assessment module in GST BOWEB portal, as a result of which detailed summary



of DRC-01 which was generated from the portal was not issued and could not be attached with the Show Cause Notice dated 28.05.2024.

4. It is submitted that after removing the technical glitch on the portal, hard copy of the detailed summary along with the Show Cause Notice dated 28.05.24 was sent through speed post (ED2940507291N) on 13.06.2025. It is submitted, on an enquiry from the Department of Posts, a letter dated 07.04.2025 was received confirming the delivery of the Speed Post to the Petitioner on 15.06.2024.

A copy of the DRC-01 along with detailed summary dated 28.05.2024 is annexed herewith and marked as ANNEXURE-1.

A copy of letter dated 07.04.2025 is annexed herewith and marked as ANNEXURE -2.

5. It is submitted that a reply dated 12.08.2024 was submitted that by the Petitioner to the SCN dated 28.05.2024 wherein it stated that, "We are busy in Income Tax Audit and is in stage of final end and all concerned are busy in audit and so, need short adjournment till 20.08.2024. We have in hand all supporting documents for our submissions but needs time to arrange and uploading." It is humbly submitted that a perusal of the reply dated 12.08.2024 reveals that the petitioner was in receipt of the SCN along with the detailed summary as no such objection was raised by the Petitioner.

A copy of the reply dated 12.08.2024 is annexed herewith and marked as ANNEXURE -3.

6. That after following due process of law, Demand order dated 24.08.2024 was issued by the Respondent. The petitioner filed a rectification dated 24.11.2024 of the DRC-07 dated 24.08.2024 without any supporting documents and resultantly, the same was rejected."

7. It is her submission that it was due to a technical glitch that the RUDs was not uploaded on the portal, though, the Form DRC-01 was itself uploaded



on 28th May, 2025. The RUDs along with the proper documents were served upon the Petitioner on 15th June, 2024. The proof of delivery is also placed on record. In addition, it is the stand of the Department that on three occasions, the Petitioner sought time to file a reply and no reply on merits was forthcoming.

8. The Court has heard Id. Counsel for the parties. Clearly, the Form DRC-01 which was uploaded on the portal would not be sufficient for any party to file a reply, as the details of the demand raised and the allegations against the Petitioner have not been mentioned therein. The service of the RUDs, as per the Department, itself happened on 15th June, 2024. This service is disputed by the Petitioner. Since the speed post tracking receipt and the register of the speed post from the postal depot has been placed on record along with the short affidavit by the Department, in the opinion of this Court, the same cannot be disputed.

9. The Petitioner repeatedly sought adjournments on 29th May, 2024, 12th August, 2024 as also on 22nd August, 2024. On all these occasions, the Petitioner did not deal with the issue on merits. In the three replies filed by the Petitioner including the last one *i.e.*, on 22nd August, 2024, no substantive argument has been raised by the Petitioner. The first reply was filed 29th May, 2024 wherein it was stated as under:



Form GST DRC-06

[See rule 142(4)]

Reply to the Show Cause Notice

ARN: ZD070524039184G

Date: 29/05/2024

1. GSTIN	07AACFH3834P1Z2	
2. Name	HIND PAPER HOUSE	
3. Details of Show Cause Notice	Reference No. ZD0705240354993	Date of issue 28/05/2024
4. Financial Year	2019-2020	
5. Reply	A perusal of notice shows that it is unsigned digitally without any attachment of RUD. No facts or grounds have been specified. No specific allegation for proposed demand as it is vague, bereft of any reasons. So notice be withdrawn.	
6. Documents uploaded	NA	
7. Option for personal hearing	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

8.Verification-

I hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my/our knowledge and belief and nothing has been concealed therefrom.

For HIND PAPER HOUSE

PartnerSignature of Authorized Signatory
Name : HARISHEKHAWAT
Designation / Status: MANAGER
Date: 29/05/2024

10. The second reply was on 12th August, 2024 in which it was stated as under:



Form GST DRC-06

[See rule 142(4)]

Reply to the Show Cause Notice

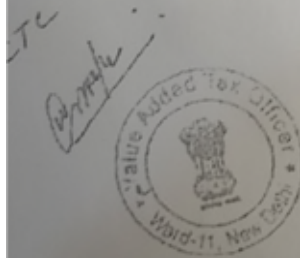
ARN: ZD0708240474761

Date: 12/08/2024

1. GSTIN	07AACFH3834P122	
2. Name	HIND PAPER HOUSE	
3. Details of Show Cause Notice	Reference No. ZD0705240354093	Date of issue 28/05/2024
4. Financial Year	2019-2020	
5. Reply	We are busy in Income Tax Audit and is in stage of final end and all concerned are busy in audit and so, need short adjournment till 20.08.2024. We have in hand all supporting documents for our submissions but needs time to arrange and uploading.	
6. Documents uploaded	NA	
7. Option for personal hearing	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

8. Verification:

I hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my/our knowledge and belief and nothing has been concealed therefrom.



Signature of Authorized Signatory
Name : HARISHEKHAWAT
Designation / Status: MANAGER
Date: 12/08/2024

11. The last reply is dated 22nd August, 2024 in which it was stated as under:



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Form GST DRC-06

[See rule 142(4)]

Reply to the Show Cause Notice

ARN: ZD070824077477T

Date: 22/08/2024

1. GSTIN	07AACFH3834P1Z2	
2. Name	HIND PAPER HOUSE	
3. Details of Show Cause Notice	Reference No. ZD0705240354993	Date of issue 28/05/2024
4. Financial Year	2019-2020	
5. Reply	<p>The SCN as well as DRC-01 have no RUD or annexure attachment without specific details of tax short paid, we are unable to check the records and reply thereon. The Hon'ble Delhi High Court in following case held that SCN issued without reasons/allegations violates Principles of Natural: Surender-Kumar Jain Vs Principal Commissioner: W.P. (C) 17700 /2022 dt. 25/01/2023 (DHC) SCN/Order issued without giving any specific details or reasons for taking any action are not sustainable: Marg Erp Limited Vs Commissioner of Delhi Goods and Service Tax: W.P. (C) 872/2023 dt.03/02/2023 (DHC). We are trying to provide some details of our own which shown negligible variation on account of rounding off the tax amount. Hence, the SCN be withdrawn and or RUD be provided for allegation specific reply.</p>	
6. Documents uploaded	reconciliation.pdf	
7. Option for personal hearing	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

8.Verification-

I hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my/our knowledge and belief and nothing has been concealed therefrom.

For HIND PAPER HOUSE

Partner

Signature of Authorized Signatory
Name : HARISHEKHAWAT
Designation / Status: MANAGER
Date: 22/08/2024

12. According to the Petitioner, the summary report for notice 2019-20 which was uploaded on 22nd August, 2024 would have shown that the Input Tax Credit was reversed.

13. However, a perusal of the last reply also shows that the Petitioner again



sought time for filing a specific reply along with a request to provide the RUDs.

14. The impugned order itself was passed on 24th August, 2024. It is admitted that the Petitioner did not appear at the hearing which was fixed and had merely uploaded the reply along with the so-called summary report. According to the Petitioner, no date of hearing was fixed on 24th August, 2024.

15. After considering the entire chronology of events, it is clear that there have been errors both by the Department as also by the Petitioner. The initial error of the Department, was not to upload the entire summary, the impugned SCN along with the RUDs on the portal on 28th May, 2025. However, once the physical copy of the same was received on 15th June, 2024 the Petitioner chose not to file any detailed reply and kept seeking adjournments.

16. Under these circumstances, in the opinion of this Court, the impugned order deserves to be set aside and the Petitioner deserves to be given a hearing before the Adjudicating Authority.

17. The plea of the Petitioner that the impugned SCN is beyond limitation may also be raised before the Adjudication Authority.

18. The short affidavit handed across by the Department is taken on record.

19. All contentions of the parties are left upon. The petition is disposed of in these terms. Pending applications, if any, are also disposed of.

**PRATHIBA M. SINGH
JUDGE**

**SHAIL JAIN
JUDGE**

AUGUST 4, 2025/dj/msh