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

Date of decision: 17th November, 2025

+ **W.P.(C) 15169/2025 & CM APPL. 62228/2025**

VANEETA IMPEX PRIVATE LIMITEDPetitioner
Through: Mr. R.S. Yadav and Mr. Vishal
Kashyap, Advs. (9818159655)

versus

UNION OF INDIA AND ORSRespondents
Through: Mr. Akarsh Srivastava, SSC, CBIC.
Mr. Sumit K Batra, Adv. for R-5 & 6
(72909 11000)

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 has been filed by the Petitioner under Articles 226 and 227 of the Constitution of India, *inter alia*, challenging the Order-in-Original dated 27th January, 2025 passed by the Additional Commissioner, CGST Delhi, North Commissionerate (*hereinafter*, '*impugned OIO*').
3. *Vide* the impugned OIO a total demand of Rs.56,50,646/- has been raised against the Petitioner and equivalent penalty amount, for the financial year 2017-2018.
4. The case of the Petitioner is that the present demand is identical to the demand already raised by the Delhi Goods and Services Tax Department (*hereinafter*, '*DGST Department*') under Section 73 of the Central Goods and



Services Tax Act, 2017/ Delhi Goods and Services Tax Act 2017 , for the same financial year *i.e.*, 2017-2018, *vide* order dated 4th December, 2023 passed by the Assistant Commissioner, Ward-201, Zone-11, DGST, Delhi (*hereinafter*, '*order dated 4th December, 2023*').

5. *Vide* order dated 4th December, 2023, a demand to the tune of Rs.1,19,24,387/- has been raised against the Petitioner. For the said demand, involving the same amount, the Petitioner has already preferred an appeal before the State Appellate Authority.

6. On 26th September, 2025, the Court had noticed that the impugned OIO involves several other parties and had made the following observations:

“6. It is noticed that in this case, the Order-in-Original involves several parties including M/s Mica Industries Ltd. and M/s RCI Industries & Technologies.

7. It appears that against the impugned OIO, this Court has passed certain orders. Let the same be checked and if there are any orders, the same be placed on record.”

7. Thereafter, on 9th October, 2025, Mr. R.S. Yadav, ld. Counsel appearing on behalf of the Petitioner has made detailed submissions, relying on the decision of the Supreme Court in *Armour Security (India) Ltd. vs. Commissioner, CGST, Delhi East Commissionerate (SLP (C) No. 6092 of 2025*.

8. The Apex Court in *Armour Security (India) Ltd. (Supra)* has interpreted the scope of Section 6(2)(b) of the Central Goods and Services Tax Act, 2017 (*hereinafter*, '*CGST Act*').

9. Ld. Counsel for the Petitioner places reliance on the Show Cause Notice dated 28th September, 2023 issued by the Sales Tax Officer Class II/ AVATO, Ward 201, Zone 11, Delhi, SGST (*hereinafter*, '*SCN by DGST*') and the order



dated 4th December, 2023, passed by the DGST Department to submit that the DGST Department had already raised a demand in this matter concerning the same transactions with M/s RCI Industries & Technologies. Therefore, it is his submission that a second demand would be barred, in terms of Section 6(2)(b) of the CGST Act.

10. Ld. Counsel for the Respondent highlighted that though the transactions may be the same, the decision in *Armour Security (India) Ltd. (Supra)* makes it clear that the nature of the demands ought to be the same.

11. In the case of the DGST, the demand is on the basis of scrutiny of returns, however, in the case of CGST, demand is under Section 74 of the CGST Act, on the basis of fraudulent misrepresentation, which was an intelligence based action.

12. It is also pointed out that the penalties under Section 73 and 74 of the CGST Act are also different for the same transactions. Thus, according to the Respondent, the matter would be covered under paragraph 96 (vii) , 96 (ix) and 96 (x) of the decision in *Armour Security (India) Ltd. (Supra)*. The same reads as under:

“96. We summarize our final conclusion as under: - [...]

vii. The expression "subject matter" refers to any tax liability, deficiency, or obligation arising from any particular contravention which the Department seeks to assess or recover.

[...]

ix. Where the proceedings concern distinct infractions, the same would not constitute a "same subject matter" even if the tax liability, deficiency, or obligation is same or similar, and the bar under Section 6(2)(b) would not be attracted.



x. The twofold test for determining whether a subject matter is "same" entails, first, determining if an authority has already proceeded on an identical liability of tax or alleged offence by the assessee on the same facts, and secondly, if the demand or relief sought is identical."

13. A perusal of order dated 4th December, 2025 and SCN by DGST would show that the SCN by DGST contained a tax demand of Rs. 56,78,280/-, towards Input Tax Credit (*hereinafter*, 'ITC') from cancelled dealers, one of which was M/s RCI Industries & Technologies. The said demand was raised against the Petitioner, on a scrutiny of the returns.

14. The Petitioner has also filed an appeal in respect of the demand raised by the DGST Department. The Petitioner has also deposited the pre-deposit amount to the tune of 10% on the amount of Rs.56 lakh.

15. The CGST Department has issued the Show Cause Notice under Section 74 of the CGST Act, dated 4th August, 2024 (*hereinafter*, 'SCN by CGST') a tax demand had been raised to the tune of Rs.56,50,646/- on the ground that there was fraudulent availment of ITC by the Petitioner, from M/s RCI Industries & Technologies.

16. In this background, in the present case in respect of the impugned OIO dated 27th January, 2025 and Form DRC-07 dated 3rd February, 2025, the Petitioner is permitted to avail of the appellate remedy under Section 107 of the CGST Act without any pre-deposit, as the same would become duplicated. For the same amount pre-deposit cannot be charged twice.

17. The Petitioner is accordingly permitted to file an appeal by 31st January, 2026. If the same is filed before the Appellate Authority by the said date without any pre-deposit, the same shall be considered on merits and shall not be dismissed on the ground of limitation.



18. A notice for personal hearing shall also be afforded to the Petitioner on the following email address and mobile no.:

Email Address: ccsolution.care@gmail.com

Mobile No.: 9818159655

19. The petition along with the pending application is disposed of in the aforesaid terms.

**PRATHIBA M. SINGH
JUDGE**

**SHAIL JAIN
JUDGE**

NOVEMBER 17, 2025

kk/ck