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

\+ **W.P.(C) 6066/2016**

AASHWAT FURNITURE PVT. LTD. ..... Petitioner
Through: Mr Vineet Bhatia, Advocate.

versus

COMMISSIONER OF VALUE ADDED TAX ..... Respondent
Through: Mr. P. Roychaudhury, Addl. Standing Counsel.

CORAM:
JUSTICE S.MURALIDHAR
JUSTICE NAJMI WAZIRI

<u>O R D E R</u>

% **27.07.2016**

1. Notice.

2. Mr P. Roychaudhury accepts notice on behalf of the Respondent.

3. A short question is involved in the present petition. The petitioner states that it was earlier registered under the Delhi Value Added Tax Act, 2004 ('DVAT') from 2nd February, 2008 till 31st October, 2014. At that time, it was engaged in the business of trading in furniture. It is stated that the Petitioner closed its business activities with effect from 31st October 2014. The Petitioner applied for cancellation of its registration certificate. Accepting the application of the Petitioner, the Respondent issued an order cancelling the registration certificate of the Petitioner with effect from 31st October 2014. A copy of the said cancellation order has been enclosed as Annexure P-2.

4. It appears that notwithstanding the above cancellation of registration, a survey/search took place at the premises of the Petitioner at 162 & 163, Kotla Vihar, Phase-II, Nangloi, Delhi-110041 on 22nd November, 2014. However, since the premises of the Petitioner was found locked, the Respondent proceeded to seal the business premises under Section 60 of the DVAT Act. With the Petitioner having discontinued its business and its registration having been cancelled with effect from 31st October 2014, there was no reason for the officials of the Department of Trade and Taxes ('DTT') to proceed to seal the business of the Petitioner.

5. The case of the Petitioner is that they were out of station and when they returned and contacted the Respondent, the Respondent refused to de-seal the premises. It appears to the Court that the Respondent ought to have examined their own records, and having issued the certificate of cancellation of registration, there was no justification in continuing to keep the business premises of the Petitioner sealed. If the Respondent required any information or document pertaining to the period when the business was still in operation, they could have easily requisitioned the said information and document and de-sealed the premises.

6. In these circumstances, the following directions are issued:

(i) Not later than 48 hours from today (in any event not later than 4 pm on Friday 29th July 2016), the aforementioned premises of the Petitioner at 162 &163, Kotla Vihar, Phase-II, Nangloi, Delhi-

110041, shall be de-sealed and possession of the premises will be handed back to the Petitioner.

(ii) The de-sealing will take place in the presence of an authorized representative of the Petitioner and the concerned VATO and if for any reason the VATO is unavailable, then the Assistant Commissioner, i.e., an officer superior to the VATO concerned, shall remain present.

(iii) An inventory will be taken of the goods, documents etc. found in the premises and whatever documents are required by the DTT will be taken into custody by them with proper acknowledgement being handed over to the authorized representative of the Petitioner.

7. As far as the present petition is concerned, no further directions are called for. The petition is disposed of. This order will not come in the way of any proceedings being initiated against the Petitioner in accordance with law.

8. *Dasti* under the signatures of the Court Master.

S.MURALIDHAR, J

NAJMI WAZIRI, J

JULY 27, 2016/kk