$~
* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
7.
\+ **W.P.(C) 12184/2015 & CM No.32364/2015**

SANYOG ENTERPRISES PRIVATE LIMITED ..... Petitioner
Through: Mr Rajesh Jain, Mr Virag Tiwari and Mr K. J. Bhat, Advocates.

versus

COMMISSIONER OF TRADE & TAXES ..... Respondent
Through: Mr R. A. Iyer, Advocate for Mr Gautam Narayan, Additional Standing Counsel.

CORAM:
JUSTICE S. MURALIDHAR
JUSTICE VIBHU BAKHRU

O R D E R

% **08.02.2016**

1. Learned counsel for the Respondent on instructions states that a writ of demand dated 2nd November, 2015 is treated by the Department as withdrawn.

2. Learned counsel for the Petitioner points out that further notices dated 5th November, 2015 under Section 59(2) of the Delhi Value Added Tax Act, 2004 for at least three quarters have been uploaded on the website which the Petitioner has managed to download. A perusal of these notices show that individual notices have been separately issued in regard to each of the entities from whom the purchases were termed to be 'suspicious/non-

genuine'. According to the Petitioner, one reason could be that the consequence for non-compliance of the notices under Section 59(2) of the DVAT Act, in terms of Section 86(14) is a penalty of Rs. 50,000/-.

3. It is not understood why multiple notices have been issued under Section 59(2) in respect of purchases made for any particular assessment period with a separate notice for each entity from whom the purchases have been made. This *per se* reflects non-application of mind as these notices have been generated by the Value Added Tax Officer (VATO) using the computer system. It certainly makes it cumbersome for an Assessee and is likely to give rise to multifarious and avoidable litigation.

4. Consequently, the Court sets aside the tax demand dated 2nd November 2015and the notices under Section 59(2) which have been generated by the VATO by the computerised system on 5th November, 2015. At the same time, the Court reserves the right of the Department of Trade and Taxes to issue fresh notices to the Assessee in accordance with law without resorting to the device of issuing multiple notices in relation to the same period of assessment. It is made clear that as and when such notices are issued, the Petitioner will participate in the proceedings and be entitled to seek copies

of all the documents and materials which form the basis of such notices and be afforded the opportunity of cross-examining the persons whose statements have been recorded by the Department.

5. The writ petition is disposed of with the above terms.

S. MURALIDHAR, J

VIBHU BAKHRU, J

FEBRUARY 08, 2016
MK