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

\+ W.P.(C) 16575/2024 & CM APPL. 70059/2024 (Interim Relief)

M/S KAMAL BEARING PVT LTD .....Petitioner

Through: Mr. Gaurav Gupa, Adv.

versus

UNION OF INDIA & ANR. .....Respondents

Through: Mr. Anurag Ojha, SSC with Mr. Dipak Raj and Mr. Shubham Kumar, Advs.
Mr. Udit Malik, ASC (Civil) for GNCTD with Mr. Vishal Chanda and Ms. Rima Rao, Advs.

CORAM:
HON'BLE MR. JUSTICE YASHWANT VARMA
HON'BLE MR. JUSTICE DHARMESH SHARMA

O R D E R

% **02.12.2024**

CM APPL. 70060/2024 (Ex.)

Allowed, subject to all just exceptions.

The application is disposed of.

W.P.(C) 16575/2024 & CM APPL. 70059/2024 (Interim Relief)

1. The writ petitioner impugns the final order dated 30 August 2024 passed in purported exercise of powers conferred by Section 73 of the Central Goods and Services Tax Act, 2017 ["**CGST**"].

2. The proceedings had commenced pursuant to a Show Cause Notice ["**SCN**"] dated 28 May 2024. The petitioner had furnished a detailed response on 13 July 2024 and which forms part of our digital record as Annexure P/4. However, and while passing the final order, all that the competent authority of the respondents has chosen to

observe is "Not Agreed with Tax Payer". It is this reasoning which is replicated in relation to each of the heads in respect of which the SCN had come to be issued. Since the order is wholly unreasoned, it is clearly rendered unsustainable in law.

3. Faced with our aforesaid tentative conclusion, Mr. Ojha, learned counsel appearing for the contesting respondent, submitted that rather than the matter being retained on our board, the ends of justice would merit the respondents being accorded an opportunity to dispose of the SCN proceedings afresh.

4. We accordingly allow the instant writ petition and quash the final order dated 30 August 2024. We leave it open to the respondents to pass a fresh and reasoned speaking order bearing in mind the reply which was submitted by the petitioner to the original SCN.

5. The challenge to Notification No. 56/2023- Central Tax dated 28 December 2023 is kept open, to be addressed in appropriate proceedings, if need so arises.

YASHWANT VARMA, J.

DHARMESH SHARMA, J.

DECEMBER 2, 2024

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