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

\+ **W.P.(C) 5831/2025 & CM APPLs. 26642/2025, 26643/2025**

SANJAY MAHESHWARI .....Petitioner

Through: Mr. Nikhil Goyal, Mr. Rishu Kant Sharma and Mr. Rahul Malhotra, Advs.

versus

SALES TAX OFFICER & ANR. .....Respondents

Through: Mr. Sumit K Batra, Adv.

CORAM:
JUSTICE PRATHIBA M. SINGH
JUSTICE RAJNEESH KUMAR GUPTA

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

% 07.05.2025

1. This hearing has been done through hybrid mode.

2. The present petition challenges the impugned order dated 27th February, 2025 passed consequent upon Show Cause Notice dated 25th November, 2024.

3. The case of the Petitioner is that the impugned order does not consider the stand of the Petitioner as set out in the reply. The impugned order reads as under:-

> *"Whereas, a DRC 01 along with notice was issued to M/s Sakshi Polymers (GSTN — 07A0IPM5259F1ZR) for the financial year 2020-21 proposing to assess the registered tax payer for the net tax payable indicated in the attachment to the DRC-01 notice under Section 73 of the CGST/SGST/IGST Act with the direction that the registered tax payer may pay the tax along with the interest and penalty as per applicable provision of CGST/SGST/IGST Act and rules and he may submit the reply and avail opportunity of personal hearing within stipulated time.*
>
> *And whereas, the registered person has filed the online reply and submitted that he has purchased goods from the alleged dealers on proper tax invoices. The registered did not avail the opportunity of personal hearing.*
>
> *And whereas, it has been observed that M/s Sakshi Polymers has taken ITC from the following firms,*
> *which are cancelled from the date of registration :*
> *1. M/s Maneet Enterprises - GSTN - 07ABMFM8192J1ZK*

2. M/s Rudhra Enterprises - GSTN - 07ABAFR5339/120
3. M/s V.K. Enterprises - GSTN - 07AASFV3013E1Z8
And whereas, as per GST portal, all the above firms have been found non functioning and/or their suppliers are also cancelled. Therefore, it appears that the said firms were indulged in such activities which are in contravention of GST Act and thus, ITC towards these firms cannot be allowed.
Therefore, the tax payer has failed to justify his version, and therefore, demand (DRC-07) is created/issued for the amount as mentioned in the DRC 01/as under, with the direction to deposit the entire amount within the stipulated time.

Particulars	***SGST***	***GST***
Tax	*8741870*	*8741870*
Interest	*6505388*	*6505388*
Penalty	*874187*	*874187*
Total	***16121445***	***16121445***

4. A perusal of the above would show that the reply has been considered by the Authority. The Petitioner did not avail of the opportunity of personal hearing.

5. The order is an appealable order. The Petitioner is free to approach the Appellate Authority along with the requisite pre-deposit. In case, an appeal is filed within 30 days, the same will be considered on merits and will not be dismissed on the ground of limitation.

6. The writ petition is, accordingly, disposed of. Pending applications also stand disposed of.

PRATHIBA M. SINGH, J.

RAJNEESH KUMAR GUPTA, J.

MAY 7, 2025
kk/tsv