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

Date of Decision: 07th August, 2025

+ **W.P.(C) 9676/2025**

MANOJ PLASTIC THROUGH ITS PROPRIETOR SMT SAVITA
DEVIPetitioner

Through: Mr. Amit Kumar Jha, Adv.

versus

THE GOVT OF NCT OF DELHI & ORS.Respondents

Through: Ms. Vaishali Gupta, Panel Counsel.

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- Manoj Plastic through its Proprietor Smt. Savita Devi under Article 226 of the Constitution of India, *inter alia*, challenging the Show Cause Notice (hereinafter, 'SCN') dated 22nd May, 2024, as also the order dated 25th August, 2024 (hereinafter, '*impugned order*') passed in respect of F.Y. 2019-20 by the office of Sales Tax Officer Class II/ AVATO, Delhi.
3. Additionally, the present petition also challenges the *vires* of **Notification Nos. 56/2023 – Central Tax** dated 28th March, 2023 and **56/2023 – State Tax** dated 11th July, 2024 (hereinafter '*impugned notifications*')
4. The validity of the impugned notifications was under consideration before this Court in a batch of petitions with the lead petition being **W.P.(C)**



16499/2023 titled '**DJST Traders Pvt. Ltd. vs. Union of India and Ors.**'. In the said batch of petitions, on 22nd April 2025, the parties were heard at length *qua* the validity of the impugned notifications and accordingly, the following order was passed:

“4. Submissions have been heard in part. The broad challenge to both sets of Notifications is on the ground that the proper procedure was not followed prior to the issuance of the same. In terms of Section 168A, prior recommendation of the GST Council is essential for extending deadlines. In respect of Notification no.9, the recommendation was made prior to the issuance of the same. However, insofar as Notification No. 56/2023 (Central Tax) the challenge is that the extension was granted contrary to the mandate under Section 168A of the Central Goods and Services Tax Act, 2017 and ratification was given subsequent to the issuance of the notification. The notification incorrectly states that it was on the recommendation of the GST Council. Insofar as the Notification No. 56 of 2023 (State Tax) is concerned, the challenge is to the effect that the same was issued on 11th July, 2024 after the expiry of the limitation in terms of the Notification No.13 of 2022 (State Tax).

5. In fact, Notification Nos. 09 and 56 of 2023 (Central Tax) were challenged before various other High Courts. The Allahabad Court has upheld the validity of Notification no.9. The Patna High Court has upheld the validity of Notification no.56. Whereas, the Guwahati High Court has quashed Notification No. 56 of 2023 (Central Tax).

6. The Telangana High Court while not delving into the vires of the assailed notifications, made certain observations in respect of invalidity of Notification No. 56 of 2023 (Central Tax). This judgment of the Telangana High Court is now presently under consideration by the Supreme Court in S.L.P No 4240/2025 titled M/s HCC-SEW-MEIL-AAG JV v. Assistant Commissioner of State



Tax & Ors. The Supreme Court vide order dated 21st February, 2025, passed the following order in the said case:

“1. The subject matter of challenge before the High Court was to the legality, validity and propriety of the Notification No.13/2022 dated 5-7-2022 & Notification Nos.9 and 56 of 2023 dated 31-3-2023 & 8-12-2023 respectively.

2. However, in the present petition, we are concerned with Notification Nos.9 & 56/2023 dated 31-3-2023 respectively.

3. These Notifications have been issued in the purported exercise of power under Section 168 (A) of the Central Goods and Services Tax Act, 2017 (for short, the "GST Act").

4. We have heard Dr. S. Muralidhar, the learned Senior counsel appearing for the petitioner.

5. The issue that falls for the consideration of this Court is whether the time limit for adjudication of show cause notice and passing order under Section 73 of the GST Act and SGST Act (Telangana GST Act) for financial year 2019-2020 could have been extended by issuing the Notifications in question under Section 168-A of the GST Act.

6. There are many other issues also arising for consideration in this matter.

7. Dr. Muralidhar pointed out that there is a cleavage of opinion amongst different High Courts of the country. 8. Issue notice on the SLP as also on the prayer for interim relief, returnable on 7-3-2025.”

7. In the meantime, the challenges were also pending before the Bombay High Court and the Punjab and Haryana High Court. In the Punjab and Haryana High Court vide order dated 12th March, 2025, all the writ petitions have been disposed of in terms of the interim orders passed therein. The operative portion of the said order reads as under:



“65. Almost all the issues, which have been raised before us in these present connected cases and have been noticed hereinabove, are the subject matter of the Hon'ble Supreme Court in the aforesaid SLP.

66. Keeping in view the judicial discipline, we refrain from giving our opinion with respect to the vires of Section 168-A of the Act as well as the notifications issued in purported exercise of power under Section 168-A of the Act which have been challenged, and we direct that all these present connected cases shall be governed by the judgment passed by the Hon'ble Supreme Court and the decision thereto shall be binding on these cases too.

67. Since the matter is pending before the Hon'ble Supreme Court, the interim order passed in the present cases, would continue to operate and would be governed by the final adjudication by the Supreme Court on the issues in the aforesaid SLP-4240-2025.

68. In view of the aforesaid, all these connected cases are disposed of accordingly along with pending applications, if any.”

8. The Court has heard Id. Counsels for the parties for a substantial period today. A perusal of the above would show that various High Courts have taken a view and the matter is squarely now pending before the Supreme Court.

9. Apart from the challenge to the notifications itself, various counsels submit that even if the same are upheld, they would still pray for relief for the parties as the Petitioners have been unable to file replies due to several reasons and were unable to avail of personal hearings in most cases. In effect therefore in most cases the adjudication orders are passed ex-parte. Huge demands have been raised and even penalties have been imposed.

10. Broadly, there are six categories of cases which



are pending before this Court. While the issue concerning the validity of the impugned notifications is presently under consideration before the Supreme Court, this Court is of the prima facie view that, depending upon the categories of petitions, orders can be passed affording an opportunity to the Petitioners to place their stand before the adjudicating authority. In some cases, proceedings including appellate remedies may be permitted to be pursued by the Petitioners, without delving into the question of the validity of the said notifications at this stage.

11. The said categories and proposed reliefs have been broadly put to the parties today. They may seek instructions and revert by tomorrow i.e., 23rd April, 2025.”

5. Thereafter, on 23rd April, 2025, this Court, having noted that the validity of the impugned notifications is under consideration before the Supreme Court, had disposed of several matters in the said batch of petitions after addressing other factual issues raised in the respective petitions. Additionally, while disposing of the said petitions, this Court clearly observed that the validity of the impugned notifications therein shall be subject to the outcome of the proceedings before the Supreme Court in ***S.L.P No 4240/2025 titled M/s HCC-SEW-MEIL-AAG JV v. Assistant Commissioner of State Tax & Ors.***

6. However, in cases where the challenge is to the parallel State Notifications, the same have been retained for consideration by this Court. The lead matter in the said batch is ***W.P.(C) 9214/2024 titled ‘Engineers India Limited v. Union of India & Ors’.***

7. In the present case, the submission of the Petitioner, on facts, is that the SCN was issued to the Petitioner on 22nd May, 2024. Thereafter, a reminder



notice dated 3rd August, 2024 is stated to have been issued to the Petitioner requiring the Petitioner to file a reply to the SCN by 22nd June, 2024. However, the Petitioner did not file a reply to the SCN and the impugned order was passed on 25th August, 2024. Moreover, personal hearing was granted to the Petitioner, however, the same was not availed of.

8. *Vide* the impugned order, demands have been raised against the Petitioner to the tune of following amount:

Demand Details :-

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(Amount in Rs.)												
Sr. No.	Tax Rate (%)	Turnover	Tax Period		Act	POS (Place of Supply)	Tax	Interest	Penalty	Fee	Others	Total
			From	To								
1	2	3	4	5	6	7	8	9	10	11	12	13
1	0	0.00	APR 2019	MAR 2020	SGST	NA	6,85,313.00	5,72,847.00	68,531.00	0.00	0.00	13,26,691.00
2	0	0.00	APR 2019	MAR 2020	CGST	NA	6,85,313.00	5,72,847.00	68,531.00	0.00	0.00	13,26,691.00
Total							13,70,626.00	11,45,694.00	1,37,062.00	0.00	0.00	26,53,382.00

You are hereby directed to make the payment by 23/11/2024 failing which proceedings shall be initiated against you to recover the outstanding dues.

9. Accordingly, there is no justified reason given in the writ petition as to why despite the SCN and the reminder being visible, after the change has been brought about on the portal on 16th January, 2024, no reply was filed by the Petitioner. Moreover, there has been a substantial delay of more than one year in approaching this Court in writ petition as well.

10. Under these circumstances, the Court is not inclined to set aside the impugned order.

11. Accordingly, this Court is of the opinion that the Petitioner ought to be relegated to filing an appeal under Section 107 of the Central Goods and Service Tax Act, 2017, before the Appellate Authority by 30th September, 2025, along with the requisite pre-deposit.



12. The access to the GST portal shall be made available to the Petitioner within one week to download any documents which he may require.
13. If the appeal is filed by 30th September, 2025, it shall not be dismissed on the ground of limitation and shall be adjudicated on merits.
14. It is further made clear that the decision of the Appellate Authority shall be subject to the decision of the Supreme Court in ***S.L.P. No. 4240/2025*** titled ***M/s HCC-SEW-MEIL-AAG JV v. Assistant Commissioner of State Tax & Ors.*** and of this Court in ***W.P.(C) 9214/2024*** titled '***Engineers India Limited v. Union of India & Ors***'.
15. Accordingly, the present writ petition is disposed of in above terms. All pending applications are also disposed of.

PRATHIBA M. SINGH
JUDGE

SHAIL JAIN
JUDGE

AUGUST 7, 2025
Rahul/ck