$~72

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

\+ **W.P.(C) 11102/2025 & CM APPL. 45715/2025**

M/S DHRL INDIA SERVICES PVT LTD .....Petitioner
Through: Ms. Anjali Jangra, Adv.

versus

THE SALES TAX OFFICER CLASS II/ AVATO .....Respondent
Through: Ms. Vaishali Gupta, Panel Counsel (Civil), GNCTD.

CORAM:
JUSTICE PRATHIBA M. SINGH
JUSTICE SHAIL JAIN

ORDER

% 29.07.2025

1. This hearing has been done through hybrid mode.

CM APPL. 45715/2025 (for exemption)

2. Allowed, subject to all just exceptions. Application is disposed of.

W.P.(C) 11102/2025

3. The present petition has been filed by the Petitioner – M/s DHRL India Services Pvt. Ltd. under Article 226 of the Constitution of India *inter alia* assailing the assessment order dated 29th August, 2024 passed by the office of the Sales Tax Officer Class II/AVATO, Delhi, pursuant to the Show Cause Notice *(hereinafter, the 'Show Cause Notice')* dated 23rd May, 2024 issued under Section 73 of the Central Goods and Service Tax Act, 2017 *(hereinafter, the 'CGST Act')*.

4. A brief background of the present case is that on 28th May, 2024 a Show Cause Notice was issued to the Petitioner by the Respondent Department on the Goods and Services Tax *('GST')* portal. The same stated

that the Petitioner had not declared the correct tax liability while filing the annual returns of GSTR-09 and had made excess claims of Input Tax Credit *('ITC')* for the financial year 2019-2020. The Show Cause Notice further raised a demand to the tune of Rs. 8,84,374/-. Further, on 8th January, 2025 a reminder notice was also issued by the Respondent department to the Petitioner. However, no personal hearing was granted.

5. It is the case of the Petitioner that there ought to have been three personal hearings granted to the Petitioner in terms of the Central Goods and Services Act, however, without granting the same, the Respondent department passed the impugned order.

6. It is the submission of the ld. Counsel for the Petitioner that the Petitioner was unaware either of the Show Cause Notice or the impugned order passed, as the matter of GST of the Petitioner was being handled by a GST consultant. This stand is taken in the writ petition in paragraph 3. The relevant portion of the petition is extracted herein below:

> *"3. That on 28.05.2024, a Show Cause Notice was issued by the Respondent through the GST portal. The intimation alleged that on examination of the returns under various heads including GSTR-01, GSTR-2A, GSTR-3B, EWB and other records available in the office, it was found that the Petitioner had not declared the correct tax liability while filing the annual returns of GSTR-09 and had made excess claim of ITC for the financial year 2019-2020, in violation of various provisions of the SGST/CGST/IGST Acts.* ***The Petitioner states that the GST proceedings are conducted entirely online and being handled by the Petitioner's GST consultant after all these compliances.*** *The copy of the Show Cause Notice dated 28.05.2024 is annexed herewith as* ***Annexure P-2****.*

4. That on the same day, i.e., 28.05.2024, the Petitioner received the Show Cause Notice bearing SCN/Statement Reference No: ZD070524034991A, with the following demand along with interest and penalty as stated below:

5. That subsequent to the showcase notice dated 28-05-2024, a reminder notice dated 08.01.2025 was issued online, but no opportunity for personal hearing was

4. Details of demand :-

(Amount in Rs.)

Sr. No	Tax Rate (%)	Turnover	Tax Period From	Tax Period To	Act	POS (Place of Supply)	Tax	Interest	Penalty	Fee	Others	Total
1	2	3	4	5	6	7	8	9	10	11	12	13
1	0	0.00	APR 2019	MAR 2020	SGST	NA	1,82,478.00	1,53,072.00	18,248.00	0.00	0.00	3,53,798.00
2	0	0.00	APR 2019	MAR 2020	CGST	NA	1,82,478.00	1,53,072.00	18,248.00	0.00	0.00	3,53,798.00
3	0	0.00	APR 2019	MAR 2020	IGST	Other Territory	85,259.00	71,519.00	20,000.00	0.00	0.00	1,76,778.00
Total							4,50,215.00	3,77,663.00	56,496.00	0.00	0.00	8,84,374.00

*granted. T**__he GST consultant of the Petitioner was unwell at the relevant time, was unaware of the proceedings. Upon becoming aware, the consultant informed and suggested the Petitioner that there will be at least three personal hearing as mandated by the GST Act. And also advised to file the further reply and to attend the personal hearings in person__**."*

7. The challenge raised by the Petitioner is on the ground that since no opportunity was granted for a personal hearing, the impugned order may be set aside and the Petitioner may be given an opportunity to present its case.

8. On a query from the Court, Ms. Anjali Jangra, ld. Counsel appearing for the Petitioner concedes that the Petitioner is continuously filing its GST returns. It is further submitted that the impugned order has not come into the knowledge of the Petitioner, hence, the limitation period for filing an appeal to challenge the order has already expired.

9. This Court notes that, for whatever reasons, the Petitioner was not afforded an opportunity to file a reply or even appear for the hearing, yet a

demand to the tune of Rs. 88,474/- has been raised against the Petitioner.

10. Under such circumstances, as also exercising the writ jurisdiction, the Court deems it appropriate to extend the time for filing the appeal till 31st August, 2025 along with the requisite pre-deposit.

11. If the appeal is filed by 31st August, 2025, it shall not be dismissed being barred by limitation and shall be adjudicated on merits. In the appeal, the Petitioner may place its stand before the Appellate Authority, which shall be considered on its own merits.

12. The petition is disposed of in the above terms, along with pending application(s), if any.

PRATHIBA M. SINGH, J.

SHAIL JAIN, J.

JULY 29, 2025/*dk/rks*