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

\+ **W.P.(C) 18991/2025 & CM APPL. 79053/2025**

M/S SUPER MATTRESS CO. .....Petitioner
Through: Mr. Anuj Chauhan, Ms. Geetika Verma, Mr. Sunil Yadav and Mr. Harsh Kumar, Advs.

versus

COMMISSIONER OF DELHI GOODS AND SERVICES TAXES & ORS. .....Respondents
Through: Mr. Sumit K. Batra with Ms. Priyanka Jindal, Adv.

**CORAM:**
**JUSTICE PRATHIBA M. SINGH**
**JUSTICE RENU BHATNAGAR**

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

**% 17.12.2025**

1. This hearing has been done through hybrid mode.

**<u>CM APPL. 79054/2025 (for exemption)</u>**

2. Allowed subject to all just exceptions. Accordingly, the application is disposed of.

**<u>W.P.(C) 18991/2025 & CM APPL. 79053/2025</u>**

3. The Petitioner firm, *inter alia*, challenges the impugned orders dated 25th April, 2024 and 25th August, 2024 issued in respect of the Financial Years 2018-19 and 2019-20, respectively *(hereinafter, 'impugned order')*. Further, the impugned Show Cause Notices dated 5th December, 2023 and 16th May, 2024 *(hereinafter, 'SCNs')* are also challenged.

4. In addition to the above, the Petitioner firm has also raised a challenge to the validity of ***Notification 56/2023-State Tax*** dated 11th July, 2024 and

***Notification 9/2023-State Tax*** dated 22nd June, 2023 (hereinafter "*the impugned notifications*").

5. On the previous date of hearing *i.e.,* 15 December, 2025 the following submissions were made:

> *"4. The submission on behalf of the Petitioner firm is that all matters of the said firm in respect of the Goods and Service Taxes were handled by its Chartered Accountant who did not bring the impugned orders to the knowledge of the proprietor of the Petitioner firm.*
>
> *5. According to the concerned proprietor, he came to know of the impugned orders which were passed against the Petitioner firm only when its bank accounts were frozen.*
>
> *6. On a query from the Court, it is submitted that the approximate balance in the concerned bank account is Rs. 16,00,000/- and a sum of Rs.81,53,118/- is also stated to be present as balance Input Tax Credit (ITC) in the electronic credit ledger."*

6. On the last date, ld. Counsel for the Petitioner had submitted that the impugned orders be set aside and an opportunity be given to file a reply to the SCNs and ld. Counsel for the Respondent was directed to seek instructions in the matter.

7. Today, Mr. Sumit K. Batra, ld. Counsel for the Respondent has sought instructions and submits that if there can be certain condition that can be imposed for maintenance of minimum balance, the Petitioner could be given an opportunity to file a reply to the SCNs.

8. In view of the above facts and circumstances, this Court is of the opinion that the Petitioner can be given an opportunity to deal with the SCN on merits, subject to securing the Revenue's interest. Accordingly, it is directed as under:

i. The Petitioner shall maintain a minimum balance of Rs.5,00,000/- in its bank account bearing No. 0292761000376 which is maintained at the HDFC Bank, C34/4, Lawrence Road, Industrial Area, New Delhi 110034. Subject to the maintaining of the balance of Rs.5,00,000/-, the bank account is de-freezed and the Petitioner is permitted to undertake transactions without any impediment.

ii. Insofar as the Electronic Credit Ledger *(hereinafter, 'ECL')* is concerned, since the ledger has a sum of Rs.81,53,118/- as balance Input Tax Credit*(hereinafter, 'ITC'),* Rs,20,00,000/- shall be maintained as a balance ITC on the ECL. For the said purpose, Form DRC-03 shall be filed within two weeks from this order. The remaining amounts in the ECL are also permitted to be utilised in the normal course of business.

9. The impugned orders dated 25th April, 2024 and 25th August, 2024 are set aside, subject to the above conditions. The reply to the SCN dated 5th December, 2023 and 16th May, 2024 shall now be filed by the Petitioner by 31st January, 2026.

10. An opportunity of personal hearing shall be afforded to the Petitioner on the following e-mail address and mobile number:

- ***Email ID***: pankaj931216@gmail.com
- ***Mobile No.:*** 9312168291

11. After affording an opportunity of personal hearing a reasoned order shall be passed by adjudicating the SCNs.

12. All rights and contentions of the parties are left open. All remedies against the adjudication order are also left open. The conditions imposed above, shall be subject to the outcome of the SCN proceedings.

13. The petition is disposed of in these terms. Pending applications, if any, are also disposed of.

14. Needless to add, the issue in respect of the validity of the impugned notifications is left open. Any order passed by the Adjudicating Authority shall be subject to the outcome of 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 this Court in ***W.P.(C) 9214/2024*** titled ***Engineers India Limited v. Union of India &Ors.***

**PRATHIBA M. SINGH, J.**

**RENU BHATNAGAR, J.**

**DECEMBER 17, 2025***/kp/sm*