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

Date of decision: 23rd December, 2025
Uploaded on: 26th December, 2025

\+ **W.P.(C) 19591/2025, CM APPL. 81896/2025 & CM APPL. 81897/2025**

FRIENDS MEDICOS .....Petitioner

Through: Mr. Ramashish & Mr. Rishabh Jain, Advs.

versus

UNION OF INDIA & ANR. .....Respondent

Through: Mr. Nitin Saluja, Mr. Sushrut Sharma, Mr Pranya Madan, Advs. for R-2.

CORAM:
JUSTICE PRATHIBA M. SINGH
JUSTICE SHAIL JAIN

JUDGMENT

Prathiba M. Singh, J.

1. This hearing has been done through hybrid mode.

CM APPL. 81897/2025 (for exemption)

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

W.P.(C) 19591/2025, CM APPL. 81896/2025

3. The Petitioner- M/s Friends Medicos has filed the present petition under Article 226 of the Constitution of India, *inter alia*, challenging the impugned Show Cause Notice dated 30th May, 2024 *(hereinafter, 'impugned SCN')* and consequent impugned demand order dated 29th August, 2024 (hereinafter, *'impugned order')*. The petition also raises a challenge to the rectification order dated 25th November, 2025.

4. *Vide* the impugned order, the total demand confirmed against the Petitioner is as follows:

4. Details of demand :-

(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	CGST	NA	32,46,252.08	197.50	3,24,576.00	32,200.00	0.00	36,03,225.58
2	0	0.00	APR 2019	MAR 2020	SGST	NA	32,46,252.08	197.50	3,24,576.00	32,200.00	0.00	36,03,225.58
3	0	0.00	APR 2019	MAR 2020	IGST	Delhi	822.00	0.00	82.00	0.00	0.00	904.00
Total							64,93,326.	395.00	6,49,234.00	64,400.00	0.00	72,07,355.16

5. Additionally, the present petition also challenges the *vires* of the following notifications:

- ***Notification No. 9/2023- Central Tax* dated 31st March 2023**,
- ***Notification No. 56/2023- Central Tax* dated 28th December, 2023**.

6. The challenge in the present petition is similar to a batch of petitions wherein, *inter alia*, the impugned notifications were challenged. ***W.P.(C) No. 16499/2023*** titled ***DJST Traders Private Limited v. Union of India & Ors*** was the lead matter 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*

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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 ld. 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."

7. The abovementioned writ petition and various other writ petitions have

been disposed of by this Court on subsequent dates, either remanding the matters or relegating the parties to avail of their appellate remedies, depending upon the factual situation in the respective cases. All such orders are subject to further orders of the Supreme Court in respect of the validity of the ***Notification No. 56/2023-Central Tax*** in ***S.L.P No 4240/2025*** titled ***M/s HCC-SEW-MEIL-AAG JV v. Assistant Commissioner of State Tax & Ors.***.

8. However, in cases where the challenge is to the parallel State Notifications, some of the cases 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.***

9. On facts, the case of the Petitioner is that an email was sent by the Petitioner on 29th June, 2024 containing their reply to the show cause notice dated 30th May, 2024 and the said reply was also uploaded on the GST Portal 26th August, 2024. Subsequently, the impugned order was passed on 29th August, 2024. Thereafter, a rectification application was filed by the Petitioner on 26th November, 2024, seeking rectification of the impugned order. An order was then passed dismissing the rectification application on 25th November, 2025.

10. One of the pleas of the Petitioner is that a reply to the impugned SCN was filed by the Petitioner. However, in the impugned order, the Adjudicating Authority wrongly records that no reply has been filed and thus, the reply filed by the Petitioner has not been considered at all by the adjudicating authority while passing the impugned order. Thereafter, the rectification application filed by the Petitioner has also been rejected without considering the said reply filed by the Petitioner to the impugned SCN.

11. In the opinion of this Court,, there is a clear infraction of the principles

of natural justice as the reply appears to have not been considered and the demand has been raised on the Petitioner in a mechanical manner.

12. Under such circumstances, considering the fact that the Petitioner did not get a proper opportunity to be heard and the reply to the impugned SCN has not been considered, the matter deserves to be remanded back to the concerned Adjudicating Authority for fresh consideration.

13. The impugned order dated 29th August, 2024, as also the order of rectification dated 25th November, 2025 is accordingly set aside.

14. The Petitioner is granted time till 31st January, 2025, to file a fresh reply to impugned SCN. Upon filing of the reply, the Adjudicating Authority shall issue to the Petitioner, a notice for personal hearing. The personal hearing notice shall be communicated to the Petitioner on the following mobile no. and e-mail address:

- ***E-mail Address: rajeshroshanjain@gmail.com***
- ***Mobile No.: 9871785068***

15. The reply filed by the Petitioner to the impugned SCN along with the submissions made in the personal hearing proceedings shall be duly considered by the Adjudicating Authority and a fresh reasoned order with respect to the impugned SCN shall be passed accordingly.

16. However, it is made clear that 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.***

17. All rights and remedies of the parties are left open. Access to the GST Portal, shall be provided within one week, to the Petitioner to enable

uploading of the reply as also access to the notices and related documents.

18. The petition is disposed of in these terms. All pending applications, if any, are also disposed of.

PRATHIBA M. SINGH
JUDGE

SHAIL JAIN
JUDGE

DECEMBER 23, 2025
Rahul/ss