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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
Date of Decision: 8th August, 2025

+ **W.P.(C) 11906/2025**
GANPATI POLYMERS THROUGH IT PROPRIETOR PROP.
ANKUR JAINPetitioner

Through: Mr. Rakesh Kumar and Mr. Parveen
Kumar Gambhir, Advs.
(M:9811595510)

versus

COMMISSIONER OF CENTRAL GOODS AND SERVICE TAX
AND ANOTHERRespondents

Through: Mr. Sumit K. Batra, Adv.

CORAM:
JUSTICE PRATHIBA M. SINGH
JUSTICE RENU BHATNAGAR

Prathiba M. Singh, J. (Oral)

1. This hearing has been done through hybrid mode.

CM APPL.48520/2025 (for exemption)

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

W.P.(C) 11906/2025 & CM APPL.48521/2025 (for interim relief)

3. The present petition has been filed by the Petitioner - Ganpati Polymers through its proprietor Mr. Ankur Jain under Article 226 of the Constitution of India, *inter alia*, challenging the Show Cause Notice dated 5th August, 2024 as also the impugned Order-in-Original dated 1st February, 2025 (hereinafter, '*impugned order*') along with DRC-07 dated 9th February, 2025.

4. The issue in the present petition relates to fraudulent availment of the Input Tax Credit (hereinafter, '*ITC*') by firms, which are non-existent and availment and utilization of inadmissible ITC by the Petitioner.



5. The case set out in the impugned order is that two individuals namely Mr. Rajesh Jindal and Mr. Adesh Jain were engaged in issuance of invoices without actual supply of goods. The said two individuals had allegedly created, controlled and managed many fake firms and entities, which were allegedly opened in the names of individuals, who were under their control and who were not genuine business persons or entities. The scrutiny had revealed that these firms had passed on inadmissible ITC to further various alleged firms as set out in the impugned order as also in the Show Cause Notice.

6. Searches were conducted on 31st July, 2018 at various premises of these two individuals and various documents, digital devices, etc. were all seized by the Central Goods and Service Tax Department (hereinafter, '*Department*'). Statements of both persons *i.e.* Mr. Rajesh Jindal and Mr. Adesh Jain were also recorded, which were extracted in the impugned order. Statements of various other persons, who were alleged to be connected with the Petitioner, had also been recorded.

7. After recording the statements and conducting the investigation, it was revealed that the firms were allegedly dummy and fake firms and the transport vehicles registration numbers were also scooters, three wheelers etc. which could not have transported the kinds of goods that were being claimed.

8. The total ITC, which was availed fraudulently is alleged to be to the tune of Rs.50.33 crores as is set out in paragraph 2.5.1 of the impugned order. The impugned order is a detailed order, which records the various facts, which emerged from the investigation. Paragraph 4 of the impugned order also records that personal hearing was granted on 21st November, 2024, 16th December, 2024 and 26th December, 2024. The said paragraph is relevant



and is extracted herein below:

“4. SUBMISSIONS OF THE NOTICEES AND RECORDS OF PERSONAL HEARING:

*Following the principle of natural justice, **the noticees were granted personal hearings (PH) on 21.11.2024, 16.12.2024 & 26.12.2024.** However, replies from Noticee No. 14, 70 and 86 were received whereas for rest of the noticees neither the noticees nor any of their authorized representatives appeared before the Adjudicating Authority for personal hearing on the said dates. Thus, on the basis of available facts and records, I proceed to examine the instant case.”*

9. As can be seen from the above paragraph, some of the noticees attended the personal hearing. However, the Petitioner who is noticee no. 15, did not attend the hearing in this matter nor filed a reply.

10. Submission made by Id. Counsel for the Petitioner is that the GST registration of the Petitioner was suspended since 3rd February, 2022, therefore, reply could not have been filed. Id. Counsel for the further submits that the statement of the Petitioner, Mr. Ankur Jain has also been recorded. However, for whatever reason, the stand of Id. Counsel for the Petitioner is that since the Petitioner was not a frequent visitor to the GST portal, the reply could not be filed.

11. Heard. It is a matter of practice of the GST Department that the notices for personal hearing and notices for replies to be filed are all uploaded on the GST Portal. The Petitioner was well aware of the complete investigation that was going on against him and such callous conduct on behalf of the Petitioner cannot be condoned by the Court where the Petitioner chooses not to even participate in the proceedings in any manner whatsoever. The matter relates



to alleged fraudulent availment of ITC in respect of which the demand has been raised. The only argument being made on behalf of the Petitioner is that the impugned order has been passed belatedly.

12. A perusal of the impugned order would itself show that the same was signed by the Additional Commissioner, CGST (North) on 1st February, 2025 and has been dated 1st February, 2025. The DRC-07 may have been uploaded on 9th February, 2025. However, it cannot be held that the impugned order was passed outside the period of limitation.

13. Under these circumstances, the Court is not inclined to entertain the present writ petition.

14. Accordingly, the present writ petition, along with all pending applications is dismissed with a cost of Rs.50,000/- to be deposited with the Delhi High Court Bar Association within two weeks. The bank details of the Delhi High Court Bar Association are as under:

- **Name: Delhi High Court Bar Association**
- **Account No.: 15530100000478**
- **IFSC Code: UCBA0001553**
- **Bank & Branch: UCO Bank, Delhi High Court**

15. At this stage, ld. Counsel for the Petitioner submits that the Petitioner may be permitted to avail of appellate remedy as the present writ petition was filed within the period of limitation prescribed under Section 107 of the Central Goods and Service Act, 2017. Accordingly, the Petitioner is granted time till 31st August, 2025 to avail of its appellate remedy.



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16. If the appeal is filed by 31st August, 2025 along with the requisite pre-deposit, the same shall not be dismissed being barred by limitation and the same shall be decided on merits.

PRATHIBA M. SINGH
JUDGE

RENU BHATNAGAR
JUDGE

AUGUST 8, 2025/dk/ck