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

Date of decision: 15th April, 2026

+ **W.P.(C) 3153/2026 & CM APPL. 15211/2026 & CM APPL.
15212/2026**

**SUN INTERNATIONAL LIMITED
THROUGH MR. AMRIK SINGH,
AUTHOURIZED REPRESENTATIVE
7TH FLOOR, LE-MEREDIAN,
COMMERCIAL TOWER,
RAISINA ROAD, NEW DELHI-110001**

.....PETITIONER

Through: Mr. Preet Singh Oberoi, Advocate

versus

1. **THE COMMISSIONER OF DELHI GOODS AND
SERVICES TAX
THROUGH SALES TAX OFFICER CLASS II/AVATO WARD 3:
ZONE 1: DELHI
CGST DELHI NORTH
CR BUILDING, IP ESTATE
NEW DELHI-110019**

.....RESPONDENT NO. 1

2. **THE ASSISTANT COMMISSIONER OF DELHI GOODS AND
SERVICES TAX/GSTO
AVATO WARD NO. 3, ZONE 1, DELHI
CGST DELHI NORTH
CR BUILDING, IP ESTATE**



NEW DELHI-110019

.....**RESPONDENT NO. 2**

3. THE PRINCIPAL COMMISSIONER OF CENTRAL GOODS AND SERVICES TAX
DELHI-NORTH, C.R. BUILDING,
I.P. ESTATE,
NEW DELHI-110109

.....**RESPONDENT NO. 3**

4. PRINCIPAL COMMISSIONER OF CGST
DELHI NORTH
CR BUILDING, IP ESTATE
NEW DELHI-110019

.....**RESPONDENT NO. 4**

Through: Ms. Urvi Mohan, Advocate for
GNCTD
Mr. Shashank Sharma, Senior
Standing Counsel with Ms. Malika
Kumari, Advocate for R-2 to R-4

CORAM:

HON'BLE MR. JUSTICE NITIN WASUDEO SAMBRE

HON'BLE MR. JUSTICE AJAY DIGPAUL

JUDGMENT (ORAL)

AJAY DIGPAUL, J.

1. The present writ petition assails the impugned Order in Original dated 17.08.2024 passed by Respondent No. 1, confirming the demand of ₹20,76,630 as levied in the show cause notice dated 29.05.2024 under Section 73 of the Delhi Goods and Services Tax Act, 2017, (hereinafter DGST Act) for the financial year 2019-2020.



2. The petitioner is a company incorporated under the Companies Act, 2013 and is duly registered as GSTIN 07AALCS3889D1ZY.
3. Respondent No. 1 issued a show cause notice dated 29.05.2024 under Section 73 of the DGST Act for the financial year 2019-2020 proposing a demand of ₹20,76,630 on account of incorrect declaration of tax liabilities in the Petitioner's annual return in Form GSTR-9, particularly with respect to the availment of excess Input Tax Credit (hereinafter ITC). Furthermore, a portion of the credit availed by the Petitioner pertains to ineligible or blocked credits within the meaning of Section 17(5) of the DGST Act, including, *inter alia*, credit in respect of motor vehicles and conveyances, goods or services used for personal consumption, and such inward supplies which are expressly restricted under the statutory scheme.
4. The demand under Section 73 for the financial year 2019-2020 was confirmed *vide* impugned order in original dated 17.08.2024, whereby the petitioner was given time till 15.11.2024 to make the requisite payment, failing which recovery proceedings were initiated.
5. Since the petitioner failed to pay the outstanding dues, Respondent No. 1 initiated recovery proceedings by issuing Form GST DRC-22 dated 16.01.2026 and provisionally attached the petitioner's bank account under Section 83.
6. Mr. Oberoi, learned counsel for the Petitioner submits that the show cause notice dated 29.05.2024 was merely uploaded on the GST portal and did not reflect in the "outstanding tax liability" section. It is contended that no alert or intimation was received either from the portal or from the Respondent authorities, as a consequence of which the Petitioner was unable to file a reply or participate in the personal hearing. It is thus urged that the impugned Order-in-Original stands vitiated for violation of the principles of natural justice.



7. In support of his submissions, and to demonstrate bona fides, learned counsel for the petitioner draws our attention to a subsequent show cause notice dated 30.06.2025 issued under Section 73 of the DGST Act for Financial Year 2021–2022, proposing a demand of ₹7,74,484 on account of wrongful availment of ITC. It is submitted that the Petitioner duly responded by way of reply dated 11.08.2025 and appeared for personal hearing, pursuant to which the demand was reduced to nil, thereby evidencing consistent and diligent compliance when show notice was received.

8. He further submits, on instructions, that without prejudice to his rights, subject to deposit of entire demand amount with Respondent No. 1, he should be allowed to submit his reply and attend personal hearing for a *de-novo* adjudication.

9. Ms. Mohan, learned Senior Standing Counsel for the Respondent submits that the Petitioner has approached this Court belatedly and cannot be permitted to take advantage of its own inaction. It is further contended that the Petitioner failed to avail of the statutory opportunity to respond to the show cause notice, and that the present proceedings involve disputed questions of fact which are not amenable to adjudication in writ jurisdiction.

10. Heard. Perused the records.

11. Undisputedly, the petitioner has not submitted a reply to the show cause notice dated 29.05.2024, and did not get the opportunity for personal hearing. This court is of the considered opinion that the right of the petitioner to be heard is an inalienable right under the principle of natural justice. However, this court cannot also lose sight of the fact that the petitioner has filed the present writ petition at a belated stage.

12. Accordingly, the impugned order in original is set aside. The petitioner, subject to the deposit of the entire demand amount with Respondent No.1, is



permitted to submit his reply to the show cause notice, attend the physical hearing and thereafter, a reasoned order be passed accordingly.

13. Insofar as the provisional attachment of the Petitioner's bank account pursuant to Form GST DRC-22 dated 16.01.2026 is concerned, this Court notes that the said attachment was effected in furtherance of the recovery proceedings initiated under Section 83 of the DGST Act. In view of the fact that the impugned Order-in-Original dated 17.08.2024 has been set aside and the matter is being remanded for de novo adjudication, subject to the conditions imposed herein, the continuation of such attachment would not be warranted at this stage.

14. Accordingly, the Respondents are directed to forthwith lift the provisional attachment in respect of the Petitioner's bank account, as detailed in the order dated 16.01.2026 issued in Form GST DRC-22.

15. It is, however, clarified that this direction is confined to the present procedural stage arising out of the remand and shall not be treated as a determination on merits, nor shall it prejudice the rights and contentions of either party in the de novo proceedings or in any action that may be taken in accordance with law thereafter.

16. Furthermore, costs of ₹50,000 is imposed on the petitioner with ₹25,000 paid to the Delhi High Court Bar Association (Account No. 15530110179338, IFSC: UCBA0001553, Bank Name: UCO Bank, Branch: Delhi High Court) and ₹25,000 paid to the Delhi High Court Clerk Association (Account No. 15530100006282, IFSC: UCBA0001553, Bank Name: UCO Bank, Branch: Delhi High Court).

17. The petitioner is directed to appear before the concerned respondent authorities on 30.04.2026 at 11am. We make it clear that this court has not gone



into the merits of the case, and all rights and remedies as permissible in law are kept open.

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

**AJAY DIGPAUL
(JUDGE)**

**NITIN WASUDEO SAMBRE
(JUDGE)**

APRIL 15, 2026
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