2026:DHC:7034-DB

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

% ***Date of Decision: 21.08.2026***

\# **CNR No. DLHC010390382026**

\+ W.P.(C) 12148/2026, CM APPL. 56339/2026 and CM APPL. 56340/2026

M/S VLEADIT & ANR. .....Petitioners

Through: Mr. Yogendra Aldak, Mr. Kunal Kapoor, Mr. Yatharth Tripathi, Advs.

versus

ADDITIONAL COMMISSIONER, CGST DELHI WEST & ORS. .....Respondents

Through: Ms. Anushree Narain, SSC with Mr. Apurv Yadav, Mr. Naman Choula, Advs.
Mr. Arjun Malik, SSC-CBIC with Ms. Mayuri Makhija, Adv. for R-4.

(43)

\# **CNR No. DLHC010181632026**

\+ W.P.(C) 5761/2026, CM APPL. 28346/2026, CM APPL. 28347/2026 and CM APPL. 33156/2026

M/S. RAHUL AND SONS HUF & ANR. .....Petitioners

Through: Mr. Yogendra Aldak, Mr. Kunal Kapoor, Mr. Yatharth Tripathi, Advs.

versus

ADDITIONAL COMMISSIONER, CGST DELHI WEST & ORS. .....Respondents

Through: Ms. Anushree Narain, SSC with Mr. Apurv Yadav, Mr. Naman Choula, Advs.

CORAM:
HON'BLE MR. JUSTICE ANIL KSHETARPAL
HON'BLE MS. JUSTICE SHAIL JAIN

J U D G M E N T (ORAL)

ANIL KSHETARPAL, J.:

1. The present common order shall dispose of W.P.(C) 5761/2026 and W.P.(C) 12148/2026. In both the Writ Petitions, the Petitioners seek quashing of the Order-in-Original dated 26.12.2025 [hereinafter referred to as 'Impugned Order-in-Original'], as subsequently rectified on 25.06.2026.

2. The Impugned Order-in-Original is a common order passed against as many as 629 firms and individuals. The dispute emanates from information received by the Department that Sh. Vikrant Singhal, Sh. Sachin Singhal and Sh. Pradeep Kumar were engaged in arranging invoices without actual supply of goods to various firms and recipients. Pursuant thereto, a search operation was conducted on 09.10.2024 at the office and residential premises of the aforesaid three persons, during which various documents and electronic data were seized under *Panchnamas.*

3. Apart from invoices, e-way bills and transporters' bills, cash amounting to Rs.22,96,550/- was also seized from the premises of Sh. Vikrant Singhal and Sh. Sachin Singhal.

4. It is the case of the Department that large-scale issuance and availment of fake purchase and sale invoices was undertaken through various firms managed by the aforesaid three persons.

5. The names of both these Petitioners figure at Serial Nos.616 and 618 (respectively) of the Impugned Order-in-Original passed by the Adjudicating Authority, namely, the Additional Commissioner, CGST, Delhi West [hereinafter referred to as 'Adjudicating

Authority'].

6. At the outset, it is not disputed that the Petitioners have a statutory alternative remedy of filing an appeal against the Impugned Order-in-Original. However, learned counsel representing the Petitioners has made the following submissions:

i. No role has been attributed to the Petitioners in the Show Cause Notice dated 30.06.2025 [hereinafter referred to as 'SCN'].

ii. The Petitioners, in both the Writ Petitions, submitted detailed Replies to the SCN, which have not been considered by the Adjudicating Authority while passing the Impugned Order-in-Original.

iii. The Petitioners are not involved in the alleged racket and the Adjudicating Authority was required to consider their cases separately, particularly since the Petitioners are alleged to have entered into only a single transaction with M/s. Sahuwala Exports Pvt. Ltd.

7. As noticed hereinabove, the Impugned Order-in-Original is a consolidated order passed against 629 firms and individuals. The Department has found large-scale availment of ineligible input tax credit on the basis of fake invoices and invoices issued without actual supply of goods.

8. A detailed Order-in-Original has been passed by the Adjudicating Authority dealing with the allegations against the various firms and individuals. In the paper book, the Impugned Order-in-Original, together with its typed copy, runs from Page Nos.80 to 1,959.

9. Learned counsel representing the Petitioners, relying upon Paragraph No.18 of the judgment in ***M/s. ASP Traders v. State of Uttar Pradesh & Ors.***[1], submits that the principles of natural justice mandate that, where a taxpayer submits a response to an SCN, the Adjudicating Authority is required to consider such response and render a reasoned and speaking order. It is contended that failure to do so renders the statutory right of appeal illusory or nugatory.

10. This Court has carefully considered the aforesaid judgment. The said decision is clearly distinguishable on facts, as it concerned an order passed against an individual assessee and did not deal with a common order passed against more than 600 firms and individuals.

11. Further, whether the Replies submitted by the present Petitioners were duly considered, as also the precise role attributable to them in the transactions in question, are matters which can appropriately be examined by the Appellate Authority.

12. In a case of the present nature, where detailed and disputed questions of fact are required to be examined and adjudicated, exercise of writ jurisdiction, thereby permitting the Petitioners to bypass the efficacious statutory remedy of appeal, would not be appropriate.

13. A perusal of the Impugned Order-in-Original also shows that statements of various persons were recorded and the accounts, invoices and transactions of various firms were examined. The Adjudicating Authority has recorded a finding that Sh. Vikrant Singhal and Sh. Sachin Singhal, along with others, were the masterminds behind the alleged racket involving creation of 107 fake firms for availing ineligible input tax credit.

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14. In view of the aforesaid discussion, this Court is not inclined to exercise our writ jurisdiction. The Petitioners are, accordingly, relegated to the statutory remedy of appeal.

15. The present Writ Petitions, along with the pending applications, are disposed of in the aforesaid terms.

16. A photocopy of the Order passed today be kept in the connected matter.

ANIL KSHETARPAL, J.

SHAIL JAIN, J.

AUGUST 21, 2026/sp/shah