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

\+ W.P.(C) 3639/2026 & CM APPL. 17761/2026

K.H. TOYMAXX PRIVATE LIMITED .....Petitioner

Through: Mr. Nitin Gulati and Ms. Reena Gandhi, Advs.

versus

DEPUTY COMMISSIONER CIRCLE 5 CGST AUDIT I DELHI .....Respondent

Through:

CORAM:
HON'BLE MR. JUSTICE NITIN WASUDEO SAMBRE
HON'BLE MR. JUSTICE AJAY DIGPAUL

ORDER

% 23.03.2026

CM APPL. 17760/2026 (*Exemption*)

1. Exemption allowed, subject to all just exceptions.

2. The application stands disposed of.

W.P.(C) 3639/2026

3. It is the contention of the appellant that Chapter XIII of the CGST Act, 2017 (**'the CGST Act'**) provides for an audit. Sub-Section 2 of Section 65 of the CGST Act empowers the officer referred in Sub-Section 1 of Section 65 of the CGST Act to conduct an audit at a place of business of the registered person or in their office.

4. According to him, Sub-Section 4 of Section 65 of the CGST Act mandates that the audit has to be completed within a period of three months, however, there is an extension clause provided.

5. According to him, the petitioner has furnished all the information on 29th May 2025 which can be construed as date of commencement of audit under proviso to Sub-Section 4 of Section 65 of the CGST Act.

6. In such an eventuality, the audit ought to have been completed within a period of three months, i.e. on 28th August 2025.

7. In absence of any extension as provided under Sub-Section 4 of Section 65 of the CGST Act, the proceedings initiated by the respondent are time-barred and as such would culminate into closure.

8. Issue notice to the respondent through all permissible modes, returnable on 20th July 2026.

NITIN WASUDEO SAMBRE, J

AJAY DIGPAUL, J

MARCH 23, 2026/*AS/yr*