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

+ **W.P.(C) 4252/2023**

SH. ATUL BANSAL

..... Petitioner

Through: Counsel (appearance not
given).

versus

THE COMMISSIONER OF CENTRAL

TAX/GST DELHI & ANR.

..... Respondents

Through: Mr Atul Tripathi, Senior
Standing Counsel for CBIC
with Mr R.K. Shah, Advocate
for R-1 & 2.

CORAM:

HON'BLE MR. JUSTICE VIBHU BAKHRU

HON'BLE MR. JUSTICE AMIT MAHAJAN

ORDER

% **06.04.2023**

CM APPL. 16505/2023

1. Exemption is allowed, subject to all just exceptions.
2. The application stands disposed of.

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3. Issue notice.
4. The learned counsel appearing for the respondents accepts notice.
5. The petitioner has filed the present petition impugning an order dated 31.01.2023, whereby the petitioner's appeal against the order dated 06.06.2022 cancelling its GST Registration, was rejected.
6. A plain reading of the impugned order dated 31.01.2023 indicates that the petitioner's appeal was dismissed for being beyond the period of limitation.
7. The petitioner was issued a Show Cause Notice dated

17.05.2022 calling upon the petitioner to show cause why its GST Registration not be cancelled for the following reasons:

“Non compliance of any specified provisions in the GST Act or the Rules made thereunder as may be prescribed”

8. The petitioner was also called upon to appear before the concerned officer on 24.05.2022. The petitioner states that he was unable to appear before the concerned officer on the said date. Thereafter, by the order dated 06.06.2022, the petitioner's GST Registration was cancelled. The said order also does not indicate any reason for cancellation of the petitioner's registration. It merely states that *“the tax payer neither attended personal hearing nor responded to the query raised”*.

9. It is apparent from the above that neither the Show Cause Notice nor the order dated 06.06.2022 cancelling the petitioner's registration provides any clue as to the reason why the petitioner's registration was cancelled.

10. The purpose of a show cause notice is to enable the noticee to respond to the allegations on the basis of which adverse action is proposed. In the present case, the Show Cause Notice failed to provide any clue as to why the petitioner's registration was proposed to be cancelled. It merely stated that it had reason to believe, that there was a violation of specified provisions of the Act, without referring to those provisions.

11. It is relevant to note that the petitioner had filed an application on 01.04.2022 requesting for cancellation of the GST Registration. In

response to the said application, the concerned officer had issued a notice seeking certain additional information/documents/clarifications. However, the petitioner had not provided the said documents. However, the petitioner's application was rejected. Thus, the impugned order dated 06.06.2022 cancelling the petitioner's registration is not traceable to the petitioner request for cancellation of his registration.

12. In the given circumstances, this Court considers it apposite to set aside the Show Cause Notice dated 17.05.2022, the order passed by the proper officer dated 06.06.2022 cancelling the petitioner's registration; and the impugned order dated 31.01.2023.

13. It is clarified that the respondents are not precluded from issuing a fresh show cause notice clearly specifying the reasons for proposing cancellation of the petitioner's GST Registration and to proceed in accordance with law. The petitioner is also not precluded from applying for a cancellation afresh along with all relevant material as required by the respondents.

14. The petition is disposed of in the aforesaid terms.

VIBHU BAKHRU, J

AMIT MAHAJAN, J

APRIL 6, 2023
RK