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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **W.P.(C) 8257/2023 & CM APPL. 31784/2023**

GEETANJLI TRADE FINCAP PVT LTD Petitioner

Through: Mr. Parveen Kumar
Gambhir, Mr. Rakesh
Kumar and Mr. Subhash
Chandra Gupta, Advs.

versus

**COMMISSIONER OF DELHI GOODS AND
SERVICES TAX AND ANR** Respondents

Through: Mr. Rajeev Aggarwal,
ASC with Mr. Prateek
Badhwar and Ms.
Shaguftha H., Advs.

CORAM:
HON'BLE MR. JUSTICE VIBHU BAKHRU
HON'BLE MR. JUSTICE AMIT MAHAJAN

ORDER
05.09.2023

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1. The petitioner has filed the present petition, *inter alia*, praying that the petitioner's GST Registration be cancelled w.e.f. 31.12.2019 and not from any date prior to that. The petitioner had filed an application dated 04.01.2020 seeking cancellation of its GST registration w.e.f 31.12.2019 on the ground that the petitioner had closed its business.
2. The respondent No. 2 issued a notice dated 27.07.2020 seeking certain clarifications under Rule 9(2) of the Central Goods and Services Tax Rules, 2017.
3. The petitioner responded to the said notice on 27.08.2020. It is also the petitioner's case that since the notice dated 27.07.2020 was beyond the period of six months from the



petitioner's date of application, same was not possible.

4. The Proper Officer did not accept the petitioner's response to its notice and rejected the petitioner's application for cancellation of its GST registration by an order dated 27.11.2020.

5. Thereafter, on 05.03.2021, the Proper Officer issued another Show Cause Notice calling upon the petitioner to show cause why its registration not be cancelled on the ground that the petitioner had not filed returns for a continuous period of six months. Thereafter, the Proper Officer passed an order dated 15.03.2021, cancelling the petitioner's registration pursuant to the Show Cause Notice dated 05.03.2021.

6. It is the petitioner case that it is not required to file any returns as it had closed down its business and informed the same to the concerned authorities.

7. It is material to note that the order of cancellation dated 15.03.2021 does not indicate any reason for cancelling the petitioner's GST registration with retrospective effect, that is, w.e.f. 01.07.2017.

8. The said order also contains a Tabular Statement which indicates that no tax was due from the petitioner.

9. As noted from the above, the petitioner's registration was proposed to be cancelled on the ground that he had not filed returns for a period of six months. There was no indication that the petitioner's GST Registration would be cancelled with retrospective effect.

10. We also find that the impugned order dated 15.03.2021 provides no reasons for cancellation of petitioner's GST registration with retrospective effect.

11. In our view considering that the only allegation against the petitioner was not filing returns for a period of six months is no



plausible reason to cancel registration with retrospective effect, that is, from 01.07.2017.

12. In view of the above, the impugned order cannot be sustained. The same is liable to be set aside. It is the petitioner's case that it had discontinued its business w.e.f. 31.12.2019, we consider it apposite to direct that the petitioner's cancellation of GST registration shall take effect from 31.12.2019.

13. We also clarify that this would not preclude the department from taking any steps or measures in the event that the department finds any tax, interest or penalty is due from the petitioner.

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

VIBHU BAKHRU, J

AMIT MAHAJAN, J

SEPTEMBER 5, 2023

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