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* IN THE HIGH COURT OF DELHI AT NEW DELHI

Judgment delivered on: 21.02.2024

\+ W.P.(C) 2574/2024

M/S SHRI GANESH ENTERPRISES ..... Petitioner

versus

PRINCIPAL COMMISSIONER OF GOODS AND SERVICES TAX, SOUTH DELHI ..... Respondent

Advocates who appeared in this case:

For the Petitioner: Mr. Pranay Jain and Mr. Karan Singh, Advocates

For the Respondent: Mr. Rajesh Gogna, CGSC with Ms. Priya Singh, Advocate

CORAM:-
HON'BLE MR. JUSTICE SANJEEV SACHDEVA
HON'BLE MR. JUSTICE RAVINDER DUDEJA

JUDGMENT

SANJEEV SACHDEVA, J. (ORAL)

1. Petitioner impugns show cause notice dated 10.11.2023 whereby the GST registration of the petitioner was suspended with effect from 10.11.2023.

2. Vide show cause notice dated 10.11.2023, petitioner was called upon to show cause as to why the registration be not cancelled for the following reasons:-

> *"Section 29(2)(e)-registration obtained by means of fraud, willful misstatement or suppression of facts"*

3. Petitioner was running his business and possessed GST

registration.

4. Petitioner had submitted an application seeking cancellation of GST registration on 23.02.2023. Pursuant to the said application for cancellation. Petitioner was a issued show cause notice dated 27.02.2023 *inter-alia* seeking information of inputs held in stock or inputs contained in semi-finished or finished goods held in stock.

5. Vide order dated 10.11.2023, the application for cancellation of registration was rejected. Said order records that *"Neither the tax payer nor any authorised person on behalf of the tax payer appeared for personal Hearing. You have not replied to the notice issued by this office within the time specified therein. Therefore, your application for cancellation of registration is hereby rejected in accordance with the provisions of the Act. Therefore, you application is rejected in accordance with the provisions of the Act."*

6. Thereafter a show cause notice dated 10.11.2023 was issued to the petitioner after a gap of 9 months seeking to cancel its registration. Said notification was issued on the ground that "*Section 29(2)(e)- registration obtained by means of fraud, willful misstatement or suppression of facts"*. The show cause notice required the petitioner to appear before the undersigned i.e. authority issuing the notice. Notice did not give the name or designation the officer or place where the petitioner has to appear.

7. Thereafter, vide show cause notice dated 10.11.2023, the registration of the petitioner was suspended w.e.f. 10.11.2023.

8. Learned counsel for the petitioner submitted that petitioner has shut all business activities. As per the petitioner he on his own found discrepancy in his return and accordingly deposited a sum of Rs. 7, 50,107/-.

9. In view of above facts and circumstances, the order dated 10.11.2023 rejecting application of the petitioner seeking cancellation of its registration is set aside. The GST registration is cancelled with effect from 23.02.2023 i.e. the date when the petitioner first applied for cancellation of its registration. Petitioner shall, however, comply with Section 29 of the Central Goods and Services Tax Act, 2017 and furnish all the details as required by the said provisions.

10. It is clarified that respondents are at liberty to take further action in accordance with law and are not precluded from taking any steps for recovery of any tax, penalty or interest that may be due from the petitioner.

11. The petition is accordingly disposed of in the above terms.

SANJEEV SACHDEVA, J

FEBRUARY 21, 2024 **RAVINDER DUDEJA, J**
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