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

\+ W.P.(C) 10201/2024 and CM APPL.41854/2024

M/S HARI OM CHEMICALS .....Petitioner

Through: Mr. Pranay Jain and Mr. Karan Singh, Advs.

versus

PRINCIPAL COMMISSIONER OF GOODS AND SERVICE TAX NORTH DELHI .....Respondent

Through: Mr. Abhishek, Sr. SC.

CORAM:
HON'BLE MR. JUSTICE VIBHU BAKHRU
HON'BLE MR. JUSTICE SACHIN DATTA

O R D E R

% **25.07.2024**

1. Issue notice.

2. Learned counsel for the respondent accepts notice.

3. The petitioner has filed the present petition, *inter-alia,* praying that permission be issued to the respondent to cancel the petitioner's GST registration.

4. The petitioner was registered with the GST authorities with effect from 01.07.2017 and was assigned Goods and Service Tax Identification No:07ACXPG2335F1ZK.

5. The petitioner claims that he was engaged in the business of trading in polymers of vinyl chloride and has since discontinued his business. Consequently, by an application dated 25.06.2024, he had applied for cancellation of GST registration. Thereafter, the proper officer issued a notice dated 26.06.2024 seeking for additional information including

reasons for seeking cancellation.

6. It appears that the petitioner did not respond to the said notice and consequently the petitioner's application for cancellation of his registration was rejected by an order dated 02.07.2024. The petitioner has again applied for cancellation of its GST registration by an application dated 11.07.2024, clearly setting out its reasons for seeking cancellation as "Discontinuance of business/Closure of business". However, the petitioner has not received any response to his application.

7. Learned counsel for the respondent submits that in terms of Rule 22 (3) of the Central Goods and Services Tax Rules, 2017 the proper officer is required to cancel the registration if the person is no longer liable to be registered. He submits that the proper officer is thus, required to examine the said issue.

8. In the present case, the petitioner has unequivocally stated that he has discontinued his business. Clearly, a person who has closed his business is not required to be registered and thus, his GST registration is required to be cancelled.

9. Since the petitioner is not carrying on his business, his application for cancellation of his GST registration is required to be processed.

10. In view of the above, we direct the respondents to process the petitioner's application for cancellation of GST registration.

11. It is clarified that the cancellation of the petitioner's GST registration would not absolve the petitioner of any liability for payment of tax or other dues and for failure to comply with the statutory provisions prior to the date of cancellation.

12. The respondent's right to initiate appropriate proceedings, if

necessary, on account of any statutory violation on the part of the petitioner will also not be affected by cancellation of the petitioner's GST registration.

13. The petition is allowed in the above terms.

VIBHU BAKHRU, J

SACHIN DATTA, J

JULY 25, 2024/cl