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

% *Date of Decision: 30.07.2024*

\+ **W.P.(C) 10260/2024 & CM No.42070/2024**

M/S B.R. ENTERPRISES .....Petitioner
Through: Mr. Pranay Jain & Mr. Karan Singh, Advs.

Versus

PRINCIPAL COMMISSIONER OF GOODS AND SERVICE TAX WEST DELHI .....Respondent
Through: Mr. Aakarsh Srivastava & Mr. Vaibhav Gupta, Advs.

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

VIBHU BAKHRU, J. (*ORAL*)

1. The petitioner has filed the present petition, *inter alia*, praying that directions be issued to the Proper Officer to cancel the petitioner's Goods and Service Tax (GST) registration. The petitioner is registered under the Central Goods and Services Tax Act, 2017 / Delhi Goods and Services Tax Act, 2017 (hereafter *CGST Act / DGST Act*) and was assigned Goods and Services Tax Identification No. (GSTIN) 07ENLPB4547M1ZL.

2. The petitioner claims that it was carrying on trading in polymers and propylene. It ceased to carry on the said business and therefore, applied for cancellation of its GST registration by way of an application dated 02.03.2023. Pursuant to its application, the Proper Officer issued a notice dated 03.03.2023 seeking additional information and thereafter by an order dated 15.05.2024 rejected the petitioner's application for cancellation of its GST registration. However, thereafter the Proper Officer suspended the petitioner's GST registration by an order dated 11.06.2024 for failure on the

part of the petitioner to file its returns for a continuous period of six months.

3. The petitioner states that since its application for cancellation of the GST registration was rejected, the petitioner was compelled to file 'Nil' returns to comply with the statutory provisions, and it did so on 15.06.2024.

4. The petitioner once again applied for cancellation of its GST registration by an application dated 18.07.2024. The Proper Officer issued a notice dated 22.07.2024 raising certain queries including seeking documents confirming the address for future correspondence such as Rent Agreement, ownership proof, KYC documents etc. The Proper Officer has also called upon the petitioner to furnish its returns and discharge the outstanding tax liability, if any. Additionally, the Proper Officer also sought reconciliation sheets for GSTR-1 & 3B and GSTR 2A & 3B year wise.

5. Since the petitioner claims that it has ceased to carry on its business, its application for cancellation of the GST registration is required to be processed. The same cannot be withheld.

6. Insofar as the Proper Officer's query regarding address for future correspondence including Rent Agreement, ownership proof, KYC documents etc. is concerned, the petitioner is required to provide the same to the Proper Officer. If the Proper Officer seeks to initiate proceedings for recovery of tax and other dues, it is necessary that it has the correct address for service of notice and proceedings. However, insofar as further scrutiny of returns and proceedings for assessment of tax is concerned, no such proceedings have been initiated as yet. Admittedly, the cancellation of GST registration does not preclude the Adjudicating Authority from initiating the appropriate proceedings for recovery of dues as well as for non-compliance of any statutory provisions. Thus, the petitioner's request for cancellation of its registration cannot be held up on that ground.

7. In the aforesaid view, we direct that the petitioner's application for cancellation of its GST registration not be held up on account of assessment of tax, interest or penalty that may be recoverable from the petitioner. The petitioner is also directed to provide the necessary documents for future correspondence within a period of one week from date. The Proper Officer shall consider the same and take the requisite steps for cancellation of petitioner's GST registration as expeditiously as possible.

8. The petition is disposed of in the aforesaid terms. The pending application is also disposed of.

VIBHU BAKHRU, J

SACHIN DATTA, J

JULY 30, 2024

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Click here to check corrigendum, if any