$~120

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

\+ W.P.(C) 10975/2024 & CM APPL. 45252/2024

SM TRADERS THROUGH
ITS PROPRIETOR HIMANSHU BANSAL .....Petitioner

Through: Mr. Anurag Rajput, Mr. Sahil Puri, Mr. Sahib Rajput and Mr. Dhruv Bhardwaj, Advocates.

versus

ASSISTANT COMMISSIONER,
WARD - 77 STATE GOODS AND SERVICES TAX & ANR. .....Respondents

Through: Mr. Avishkar Singhvi, ASC alongwith Mr. Vivek Kumar Singh and Mr. Naved Ahmed, Advs.

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

**O R D E R**

% **08.08.2024**

1. Issue notice. Learned counsel appearing on behalf of the respondent accepts notice.

2. The petitioner has filed the present petition, *inter alia*, praying that the respondents be directed to allow the petitioner's application for cancellation of its GST registration.

3. The petitioner has made an application on 05.04.2024 for cancellation of its GST registration with effect from 04.04.2024 for the reason that the petitioner has discontinued his business.

4. The petitioner is essentially aggrieved that his application has not been processed.

5. Learned counsel appearing for the respondent submits that on

*This is a digitally signed order.*
*The authenticity of the order can be re-verified from Delhi High Court Order Portal by scanning the QR code shown above.*
*The Order is downloaded from the DHC Server on 16/08/2024 at 11:49:53*

07.08.2024 (that is after the petition was filed), the Proper Officer had issued a notice seeking certain additional information. The copy of the said notice has been handed over to this Court. It is noticed that the Proper Officer has sought for the address of future correspondence as well as further details regarding reconsideration of output tax liability and also sought clarification regarding mismatch of the liability as appearing in the GSTR2A & GSTR3B.

6. Additionally, the Proper Officer has also sought copies of stock register, challans, debit ledger, cash ledger, etc. It is apparent from the above that by seeking the said documents, the Proper Officer is undertaking an exercise of examining whether any amount of tax is recoverable from the petitioner.

7. Insofar as the documents for future correspondence are concerned, the learned counsel for the petitioner states that even though the same are on record, the petitioner would once again provide the same. Insofar as other documents are concerned, it is contended that the petitioner's application for cancellation of its GST registration cannot be withheld on that basis.

8. We find merit in the said contention.

9. Since the petitioner has discontinued its business, its GST registration is required to be cancelled. However, this would not preclude the Proper Officer from initiating proceedings for recovery of any tax, penalty or interest that may be due from the petitioner in respect of the period prior to its GST cancellation. The Proper Officer is also not precluded from initiating other proceedings for statutory violation, if any, in accordance with law.

10. However, the petitioner's application for cancellation of GST

*This is a digitally signed order.*
*The authenticity of the order can be re-verified from Delhi High Court Order Portal by scanning the QR code shown above.*
*The Order is downloaded from the DHC Server on 16/08/2024 at 11:49:53*

registration cannot be withheld on account of any possibility/prospect of assessing any amount due from the petitioner in future or for commencing any proceedings for recovery or statutory violations in respect of the petitioner.

11. In view of the above, we direct the concerned Proper Officer to process the petitioner's application for cancellation of GST registration immediately on the receipt of the documents pertaining to the petitioner's address for future correspondence after verification.

12. The petition is disposed of in the above terms. Pending application is also disposed of.

**VIBHU BAKHRU, J**

**SACHIN DATTA, J**

**AUGUST 08, 2024**

***at***

*This is a digitally signed order.*
*The authenticity of the order can be re-verified from Delhi High Court Order Portal by scanning the QR code shown above.*
*The Order is downloaded from the DHC Server on 16/08/2024 at 11:49:53*