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

% *Date of Decision : 28.08.2024*

\+ **W.P.(C) 11826/2024 & CM APPL. 49208/2024**

M/S J.M.D. TRADERS
.....Petitioner

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

versus

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

Through: Mr Atul Tripathi, SSC.

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

VIBHU BAKHRU, J. (*ORAL*)

1. Issue notice.

2. The learned counsel for the respondent accepts notice.

3. The petitioner has filed the present petition, *inter alia,* praying that directions be issued to the respondent to cancel its Goods and Services Tax (GST) registration. The petitioner has applied for cancellation of its GST registration with effect from 12.08.2024 by an application dated 12.08.2024.

4. The respondent had issued a notice dated 14.08.2024 proposing to

reject the petitioner's application. The reasons indicate that the petitioner was called upon to furnish the reconciliation statement of GSTR-2A, 3B and 1M from the date of commencement of business. He was also called upon to file pending returns for the month of July 2024 and provide correct future address for correspondence with supporting documents.

5. The petitioner responded to the said notice dated 14.08.2024 but the same was found unsatisfactory. Consequently, the application of the petitioner was rejected by an order dated 21.08.2024.

6. The petitioner immediately made a fresh application dated 21.08.2024 for cancellation of its GST registration seeking cancellation with effect from the said date – 21.08.2024.

7. At the outset, it is relevant to note that the cancellation of a tax payer's GST registration does not absolve the tax payer from discharging its liability or for any statutory non-compliance. It also does not preclude the concerned authority from taking any action for any statutory violation or for recovery of dues, if any.

8. It follows that the application for cancellation of GST registration cannot be withheld for assessing the petitioner's liability. The same has also been clarified by the Central Board of Indirect Taxes and Customs (CBIC) by the circular being F. No. CBEC/20/16/04/2018-GST dated 26.10.2018.

9. In view of the above, we consider it apposite to direct the concerned authority to process the application dated 21.08.2024 of the petitioner for cancellation of its GST registration within a period of four weeks from date,

bearing the aforesaid in mind. However, the petitioner is required to furnish KYC documents and provide for an address for future communications.

10. The petition stands disposed of in the aforesaid terms. Pending application also stands disposed of.

VIBHU BAKHRU, J

SACHIN DATTA, J

AUGUST 28, 2024
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Click here to check corrigendum, if any