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

+ **W.P.(C) 12381/2024**

PUSHPA

.....Petitioner

Through: Mr. Anurag Rajput, Mr. Sahil Puri, Mr. Dhruv Bhardwaj, Ms. Priya Rathore and Ms. Parul Bisht, Advocates.

versus

AVATO WARD 39 STATE GOODS AND SERVICE TAX & ANR

.....Respondents

Through: Mr. Avishkar Singhvi, ASC with Mr. Vivek Kr. Singh and Mr. Naved Ahmed and Mr. Shubham Kumar, Advocates.

CORAM:

HON'BLE MR. JUSTICE YASHWANT VARMA

HON'BLE MR. JUSTICE RAVINDER DUDEJA

ORDER

% **16.10.2024**

1. The writ petitioner impugns the order dated 23 November 2023 in terms of which its application for cancellation of its **Goods and Services Tax**¹ Registration has come to be rejected.
2. We note that the impugned order was preceded by the issuance of a **Show Cause Notice**² dated 18 March 2023. In that SCN, the respondents had observed as under:

“Notice for Seeking Additional Information / Clarification / Documents relating to Application for Cancellation

This is with reference to your Cancellation application filed vide ARN AA0703230456097 Dated - 18/03/2023 The Department

¹ GST

² SCN



has examined your application and is not satisfied with it for the following reasons:

1 Cancellation Details - Others (Please specify) - Make your firm Aadhar Authenticated; file updated returns till date of cancellation applied. Provide reconciliation between GSTR 3B/2B and 1R and between GSTR 3B and 2A from the date of registration till date of cancellation applied. Pay GST on stock in hand on furnished Goods/semi furnished goods. Upload proof of permanent future address. Undertaking regarding disbursement, future GST liability and undertake that no inquiry is being conducted against your firm by any agency or court of law. Com

You are directed to submit your reply by 13/11/2023

If no response is received by the stipulated date, your application is liable for rejection. Please note that no further notice / reminder will be issued in this matter”

It is *ex facie* evident that no reasons had been assigned by the respondents.

3. Although it is contended by Mr. Singhvi, learned counsel who appears for the respondents that the petitioner failed to furnish a response to that SCN, we find that the final order observes as follows:

“Order of Rejection of Application for Registration

This has reference to your reply filed vide ARN AA0703230456097 dated 18/03/2023. The reply has been examined and the same has not been found to be satisfactory for the following reasons:

Therefore, your application is rejected in accordance with the provisions of the Act.”

4. As is manifest from the above, the said order clearly appears to have been passed mechanically and without any application of mind, since despite the stand taken by the respondents before us, that order observes that the reply of the petitioner had been examined and had not been found to be satisfactory. In view of the aforesaid, we find



ourselves unable to sustain the impugned action taken by the respondents.

5. We also bear in consideration the order that the Court had passed on 05 September 2024 and the observations which appear therein. We are, however, today informed by Mr. Singhvi that the departmental officials have been duly cautioned and advised to be more careful in future. In light of the assurance that has been tendered on behalf of the respondents, we propose to close the matter of costs.

6. We, accordingly, allow the instant writ petition and quash the impugned order dated 23 November 2023. The application for cancellation of registration shall stand revived and shall be disposed of by the respondents with due expedition and, in any case, within a period of two weeks from today.

7. The petition shall stand disposed of in the aforesaid terms.

YASHWANT VARMA, J.

RAVINDER DUDEJA, J.

OCTOBER 16, 2024/ib