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

\+ W.P.(C) 710/2025 & CM APPL. 3518/2025 (Stay)

ARUN KUMAR GUPTA .....Petitioner

Through: Appearance not given.

versus

COMMISSIONER OF DELHI GOODS AND SERVICES TAX & ANR. .....Respondents

Through: Ms. Vaishali Gupta, Panel Counsel (Civil) for GNCTD.

CORAM:
HON'BLE MR. JUSTICE YASHWANT VARMA
HON'BLE MR. JUSTICE HARISH VAIDYANATHAN SHANKAR

O R D E R

% **17.02.2025**

1. We take note of the challenge which stands raised in this writ petition and which is principally in respect of the order of 06 September 2024, in terms of which the **Goods and Services Tax**[1] registration of the writ petitioner has come to be cancelled with retrospective effect from 01 July 2017.

2. From the disclosures which are made on the record, we find that on 23 May 2022, the petitioner had filed an application seeking voluntary cancellation of its GST registration. It is further asserted that all returns pertaining to the period upto the date of submission of that application had been duly filed.

3. The petitioner avers that it closed its business with effect from

[1] GST

23 May 2022. However, its application for voluntary cancellation appears to had remained undisposed till at least the respondents issuing an order on 07 June 2024 in terms of which the same came to be rejected.

4. In the interregnum, the respondents had also issued a **Show Cause Notice**[2] on 28 September 2023 asserting that the petitioner had failed to submit annual returns for **Financial Year**[3] 2017-18 and further alleged a failure on its part to correctly declare its tax liabilities by submission of GSTR-3B. This led to the framing of a final order under Section 73 of the **Central Goods and Services Tax Act, 2017**[4] dated 12 December 2023 and which has, we are informed, attained finality since no appeal was preferred by the petitioner.

5. The respondents on 27 May 2024 issued yet another notice seeking further additional information in connection with the original application of voluntary cancellation which had been made on 23 May 2022. Since the petitioner failed to respond to the same, the said voluntary cancellation application, as noted above, came to be rejected by the order dated 07 June 2024, and it was only thereafter that the SCN for cancellation of registration came to be issued on 11 June 2024. The said SCN alleged that the petitioner had failed to furnish returns under Section 39 of the CGST Act. The petitioner failed to file any reply, and thus, the impugned order dated 06 September 2024, cancelling the GST registration of the petitioner with retrospective effect, came to be passed.

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[2] SCN
[3] FY
[4] CGST Act

6. In our considered opinion and bearing in mind the admitted position of a demand under Section 73 remaining outstanding coupled with the allegation of the respondents that the petitioner had failed to file an annual return for FY 2017-18 as well as submit the GSTR-3B, the ends of justice would warrant the petitioner being firstly required to furnish all outstanding returns as well as complying with the various infractions which have been pointed out by the respondents. The aforesaid compliance be effected within a period of three weeks from today.

7. In case the petitioner, pursuant to the liberty as accorded above, is able to satisfy the respondents of the discontinuance of business with effect from 23 May 2022 and is also in a position to clarify the demand which presently remains outstanding, its application for voluntary cancellation may be examined and disposed of in accordance with law.

8. The orders impugned in this writ petition shall abide by the fresh decision which the respondents would now take.

YASHWANT VARMA, J.

HARISH VAIDYANATHAN SHANKAR, J.

FEBRUARY 17, 2025/DR