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

\+ **W.P.(C) 1669/2024**

R S ENTERPRISES .....Petitioner

Through: None.

versus

SALES TAX OFFICE CLASS II/ AVATO WARD 62 & ANR. .....Respondents

Through: Mr. Shubham Tyagi, SSC, CBIC with Ms. Navruti Ojha, Adv.
Mr. K.G.Gopalakrishnan, Adv.

CORAM:
JUSTICE PRATHIBA M. SINGH
JUSTICE SHAIL JAIN

<u>O R D E R</u>

% 15.12.2025

1. This hearing has been done through hybrid mode.

2. The present petition has been filed by the Petitioner under Article 226 of the Constitution of India, *inter alia*, assailing the Show Cause Notice (hereinafter, '*SCN*') dated 01st August, 2021 as also the Order for Cancellation of Registration dated 19th July, 2022 (hereinafter, *'impugned order'*). The said order was challenged by the Petitioner before the concerned Appellate Authority, however, the same was dismissed *vide* order dated 22nd December, 2023.

3. In the present case the Petitioner was issued a SCN on 01st August, 2021 as to why the GST Registration of the Petitioner ought not to be

cancelled. The grounds alleged in the SCN were of *fraud, willful mis-statement and suppression of facts*. The Petitioner was directed to file a reply to the SCN.

4. On the aspect of reply, there is some contest between the parties. According to the Order for Cancellation of Registration, a reply dated 07th January, 2022 is stated to be filed. However, the Petitioner does not have a copy of the said reply and the same is also not available till date with the GST Network (hereinafter, *'GSTN'*) Department.

5. An order was passed by this Court on 1st April, 2024 directing the Managing Director, GSTN to instruct the relevant Administrator to extract the copy of the reply. In response thereto, an affidavit has been filed by the GSTN stating that there was no reply filed on 07th January, 2022. In fact, the Petitioner had not even logged in into his account on the said date.

6. Thus, the question of reply no longer arises, as no reply was actually filed, though, there is an incorrect reference to the same in the order. Even the Order for Cancellation of Registration which has been passed on 19th July, 2022 is completely unreasonable. The said order directs retrospective cancellation of the GST Registration of the Petitioner from 01st July, 2017, that too without any reasons. In effect, therefore, the SCN and the impugned order are shorn of any reasoning whatsoever.

7. The Petitioner filed an appeal against the said order. However, the Appellate Authority, *vide* order dated 22nd December, 2023 dismissed the appeal on the ground that the same was barred by limitation. Hence, the present petition.

8. None appears for the Petitioner. However, the Court having perused the record, is of the opinion that firstly, the SCN does not contemplate

retrospective cancellation, which is contrary to law, laid down in the following decisions:

- ***Riddhi Siddhi Enterprises vs. Commissioner Of Goods And Services Tax (Cgst), South Delhi & Anr., W.P.(C) 8061/2024***
- ***Akash Bansal (Proprietor M/S Shri Prem Ji Traders) V. Superintendent Range - 109 Central Goods And Services Tax Department, Delhi West, Division Rohini, 2025:DHC:6866-DB***
- ***M/S Balaji Industries v. The Principal Commissioner CGST Delhi North Commissionerate & Anr., W.P.(C) 11913/2024***

9. Secondly, the impugned order is completely unreasoned and there is no explanation as to why the GST registration of the Petitioner has been held to be obtained by fraud, mis-statement or suppression.

10. Under such circumstances, neither the SCN nor the impugned order is sustainable. The same, is accordingly, set aside. The Department is, however, free to proceed against the Petitioner in accordance with law, if there is any irregularity or non-compliance by the Petitioner, after giving proper reasons.

11. The petition is disposed of in these terms. All pending applications, if any, are also disposed of.

PRATHIBA M. SINGH, J.

SHAIL JAIN, J.

DECEMBER 15, 2025/*jyt/ck*