2025:DHC:4117-DB

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

Date of Decision: 20th May, 2025

\+ **W.P.(C) 6841/2025**

ASIAN TRADERS THROUGH ITS PROPRIETOR SUMIT .....Petitioner

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

versus

SUPERINTENDENT RANGE 111 CENTRAL GOODS AND SERVICE TAX & ORS. .....Respondents

Through: Mr. Aakarsh Srivastava, Senior Standing Counsel with Mr. Anand Pandey and Mr. Anurag Gupta, Advocates for R-1.
Ms. Urvi Mohan, Advocate for GNCTD

CORAM:
JUSTICE PRATHIBA M. SINGH
JUSTICE RAJNEESH KUMAR GUPTA

Prathiba M. Singh, J. (Oral)

1. This hearing has been done through hybrid mode.

CM APPL. 31006/2025 (for exemption)

2. Allowed, subject to all just exceptions. Application is disposed of.

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3. The present petition has been filed by the Petitioner – Asian Traders under Articles 226 and 227 of the Constitution of India seeking *inter alia* the quashing of the order of cancellation of registration dated 17th April, 2025 *(hereinafter, 'the impugned order')*. Vide the impugned order, the GST Registration of the Petitioner has been cancelled w.e.f. 19th August, 2022.

4. The case of the Petitioner is that the Petitioner had itself applied for

cancellation of registration on 11th March, 2025 and the same was given effect on 21st March, 2025, which was communicated to the Petitioner on 28th March, 2025 by e-mail.

5. However, the Petitioner's grievance is that the Respondent No. 1-Department revoked the order of cancellation of GST Registration dated 21st March, 2025 and thereafter, issued a show cause notice for cancellation and ITC blocking on 2nd April, 2025 leading to the impugned order dated 17th April, 2025, which is under challenge in the present petition.

6. Ld. Counsel for the Petitioner submits that since the Petitioner's application for cancellation was already filed and the GST Registration already stood cancelled vide order dated 21st March, 2025 by the time the impugned order was passed, the subsequent cancellation *vide* the impugned order is not sustainable.

7. On the other hand, ld. Counsel for the Respondent No.1-Department submits that there was specific input from the Anti-Evasion Commissionerate, CGST (West) that the Petitioner is found as a non-existent firm during physical verification. The said letter dated 7th March, 2025 issued by the Anti Evasion Commissionerate, CGST (West) is relevant and is set out below :

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Government of India

OFFICE OF THE COMMISSIONER OF CENTRAL TAX, CGST, DELHI WEST,
4th & 5th FLOOR, EIL BUILDING, BHIKAJI CAMA PLACE, NEW DELHI-110066

C.No. GEXCOM/AE/INSP/799/2024 Date:- .03.2025

To,

The Deputy/Assistant Commissioner,
Mundka & Rohini Division,
CGST Delhi West Commissionerate.

Subject: Cancellation of GST registration of non-existent entity and taking action to safeguard Govt. revenue-reg.

Sir/Madam,

Please refer to the above-mentioned subject.

It is to inform that Physical verification at the registered place of business of the following taxpayer was conducted and was found non-existent at the address during the said verification by this office: -

S. No	GSTIN	Trade Name	D.O.R.	Division
1	07AUVPJ1502D2ZU	GARG TRADING CO.	05/11/2018	Mundka 1/3-2023
2	07AGWPR6730Q3Z6	RAZA ENTERPRISES	23/06/2022	Rohini
3	07NNFPS0435A1Z3	ASIAN TRADERS	19/07/2022	Mundka 1/1

Therefore, you are requested to cancel the GST registration of the above-mentioned taxpayer from the date of registration and reject any refund claim applied by the above-mentioned taxpayer and if any refund claim has been sanctioned in respect of the above said taxpayer, eligibility of the same may please be examined and dealt with accordingly.

It is also requested to block entire ITC lying in Electronic Credit Ledger of above-mentioned taxpayers immediately under Rule 86A of CGST Rules, 2017.

Further, any outstanding liability pertaining to the firm may be quantified and necessary steps should be taken accordingly. Requisite action may be taken as per law to safeguard Govt. revenue.

This is for information and necessary action at your end please.

Yours faithfully,

Assistant Commissioner (AE-II)
CGST Delhi West Commissionerate
07/03/2025

8. Thus, it is the case of the Respondent No. 1-Department that in view of

the above communication, the show cause notice dated 2nd April, 2025 was issued and the consequent impugned order was passed.

9. Heard. This Court is of the opinion that the impugned order is clearly an appealable order under Section 107 of the Central Goods and Service Tax Act, 2017. The Petitioner's stand that the application for revocation of GST Registration dated 11th March, 2025 was filed prior to the issuance of the show cause notice dated 2nd April, 2025 would not be correct, inasmuch as, the letter received from the Anti Evasion Commissionerate is dated 7th March, 2025 and it appears that the Petitioner may have obviously learnt of the said physical inspection and has thereafter applied for cancellation on 11th March, 2025.

10. Thus, this Court is of the opinion that this petition does not merit any interference of this Court and a challenge, if any, shall be taken up by the Petitioner before the appellate authority in appeal.

11. Accordingly, the Petitioner is granted time till 10th July, 2025, to file an appeal before the appellate authority under Section 107 of the Central Goods and Service Tax Act, 2017.

12. If the appeal is filed by the Petitioner before 10th July, 2025, the same shall be adjudicated upon merits and shall not be dismissed on the ground of limitation.

13. It is also made clear that the observations made by this Court in the present petition shall have no bearing upon the decision of the appellate authority. All rights and remedies of both parties are left open.

14. At request, Respondent No. 2 - Deputy Commissioner, Zone-5, State Goods and Service Tax Act, Department of Trade & Taxes, Delhi, is deleted from the array of parties.

15. The petition is disposed of in the above terms. Pending application(s), if any, also stand disposed of.

PRATHIBA M. SINGH
JUDGE

RAJNEESH KUMAR GUPTA
JUDGE

MAY 20, 2025/*nd/ss*