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

Date of decision: 27th May, 2025

\+ **W.P.(C) 7403/2025 & CM APPL. 33192/2025, CM APPL. 33193/2025**

CHETAN ASRANI .....Petitioner

Through: Mr. Satyarth Balajee Sinha, Mr. Divyank Dutt Dwivedi & Mr. Pratik Ranjan, Advs.

versus

THE SALES TAX OFFICER CLASS II WARD 96 .....Respondent

Through: Mr. Sumit K. Batra, Advocate

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. 33193/2025 (for exemption)

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

W.P.(C) 7403/2025 & CM APPL. 33192/2025 (for directions)

3. The present petition has been filed by the Petitioner under Article 226 of the Constitution of India challenging the impugned order dated 30th July, 2024 by which a demand of tax to the tune of Rs.19,31,820/-, interest of Rs.16,14,790/- and penalty of Rs.2,03,099/- totalling to a total sum of Rs.37,49,709/- has been raised against the Petitioner. This order is stated to have arisen from Show Cause Notice dated 22nd May, 2024 which according to the Petitioner was never duly issued upon him.

4. The case of the Petitioner is that he had GST registration bearing reference no. 07AAIFR6992E1ZS. A notice for cancellation of the said

registration was issued on 4th July, 2023 and the consequently an order cancelling the Petitioner's GST registration retrospectively with effect from 1st July, 2017 was also passed. The said order cancelling the GST registration was challenged by the Petitioner in ***W.P.(C) 9529/2024*** which was disposed of *vide* order dated 25th October, 2024. The operative portion of the said order reads as under:

> *"xxx xxx xxx*
> *6. In the absence of the notice having embodied any intent of the respondents to cancel from a retrospective date, we find ourselves unable to sustain the order of cancellation.*
> *7. **We, accordingly, dispose of the writ petition by providing that subject to the respondents duly verifying and being satisfied that no tax dues remain outstanding and there being no other legal impediment, the order of 04 July 2023 shall stand recalled**.*
> *8. The aforesaid exercise of consideration be completed with expedition and preferably within a period of three weeks from today."*

5. In the process of getting the GST registration reactivated, the Petitioner received a letter dated 24th March, 2025 which stated as under:

> *"With reference to the letter dated 10/02/2025 & Hon'ble High Court order dated 25/10/2025 on the subject cited matter. In this regard, it is informed that The Hon'ble Court vide order dated 25/10/2024 has directed that if no tax dues remain outstanding and there being no other legal impediment, the order of 04/07/2023 shall stand recalled. Further, on examination, of GST Portal it has been found that there is a liability of Rs.37,58,737/- for the FY 2019-20 pending against the Assessment Notice issued in the form of DRC-01 on dated 22.05.2024.*

However, No reply/response filed by you during the stipulated time given during the course accordingly DRC-07 issued on 30/07/2024. However, no clarification/reply received from your side till date in this regard.
In this context, it is requested that to provide the status of liability pending of Rs. 37,58,737/-for the F.Y. 2019-20 to the undersigned at the earliest to comply with the order of Hon'ble High Court."

6. It is the case of the Petitioner that for the first time, the Petitioner came to know of the impugned order dated 30th July, 2024 arising out of Show Cause Notice dated 22nd May, 2024 only in March, 2025 when this letter was received by the Petitioner. It is the case of the Petitioner that the said order therefore may be quashed and the Petitioner be permitted to file reply to the Show Cause Notice and a hearing be afforded to the Petitioner.

7. Mr. Batra, ld. Counsel appearing for the Respondent submits that even though the GST registration was suspended, the Petitioner could have always accessed the GST portal wherein the Show Cause Notice was uploaded. There was no reason why the Petitioner did not file a reply the Show Cause Notice dated 22nd May, 2024 which consequently led to the impugned order dated 30th July, 2024.

8. The order passed by this Court dated 25th October, 2024, is clear to the extent that the GST registration is to be restored for the Petitioner, if there are no dues remaining outstanding and there is no other legal impediment. However, the impugned order is coming in the way of the Petitioner.

9. Under such circumstances, considering the fact that the impugned order is an appealable order under Section 107 of Central Goods and Services Tax Act. 2017 and the said contentions can be raised by the Petitioner before the

concerned Appellate Authority as well, this Court is of the opinion that the impugned order does not warrant interference under the writ jurisdiction.

10. However, the Petitioner is permitted to file an appeal before the Appellate Authority along with the requisite pre-deposit by 10th July, 2025. If the said appeal is filed within the stipulated time along with the pre-deposit, the impugned order dated 30th July, 2024 would automatically remain stayed and the impediment which the Petitioner faces to reactivate its GST registration would, then, be removed.

11. Accordingly, let the Petitioner file the appeal by 10th July, 2025 along with the pre-deposit and give an intimation to the GST Department of the same. Upon receiving the said intimation, within 15 days, if there is no other legal impediment and/or remaining outstanding, the GST registration of the Petitioner shall be reactivated.

12. The appeal if filed by 10th July, 2025 shall not be dismissed as being barred by limitation and shall be adjudicated on merits.

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

PRATHIBA M. SINGH
JUDGE

RAJNEESH KUMAR GUPTA
JUDGE

MAY 27, 2025
Rahul/Ar.