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

\+ **W.P.(C) 9001/2025**

BANGLORE SALES CORPORATION THROUGH ITS PROPRIETOR PREM KUMAR .....Petitioner

Through: Mr. M.A.Ansari, Ms. Tabassum Firdouse, Mr. Ajay Arora & Mr. Imran Ahmad, Advs.

versus

COMMISSIONER OF DGST & ORS. .....Respondents

Through: Ms. Vaishali Gupta, Adv.

CORAM:
JUSTICE PRATHIBA M. SINGH
JUSTICE RAJNEESH KUMAR GUPTA

O R D E R

% 04.07.2025

1. This hearing has been done through hybrid mode.

2. The present petition under Article 226 of the Constitution of India has been filed seeking quashing of the impugned order dated 04th March, 2025 by which the GST registration of the Petitioner has been cancelled with retrospective effect from 1st July, 2017.

3. The case of the Petitioner is that it had applied for cancellation of its GST registration in Form GST REG-02 vide ARN AA0703220761894 on 28th March, 2022. After the filing of the application, two years and four months later, a clarification notice was issued relating to the cancellation application.

4. According to ld. Counsel for the Petitioner in terms of Rule 21A(2A) of the Central Goods and Services Tax Rules, 2017 (hereinafter *'CGST Rules'*), if any clarification is to be sought, the same ought to be sought within

30 days. However, in the present case, clarification was sought after a lapse of a substantial amount of time i.e., on 30th July, 2024. Thereafter, the said application for cancellation of registration was rejected on 9th August, 2024. Subsequently, a Show Cause Notice (hereinafter '*SCN*') for cancellation was issued on 12th August, 2024. The Petitioner filed an appeal challenging the rejection of cancellation of registration and during the pendency of the appeal, the registration has been cancelled vide the SCN proceedings with retrospective effect on 4th March, 2025. In view of the same, the Appellate Authority has also dismissed the appeal filed by the Petitioner on 30th April, 2025 and the order was uploaded on 8th May, 2025.

5. Heard. A simple application for cancellation of GST registration has resulted in unnecessary litigation for the Petitioner. The clear position which emerges is that the clarification was sought beyond the time period prescribed under Rule 21A of CGST Rules. Moreover, no reason has been assigned in the order dated 4th March, 2025 as to why retrospective cancellation has been resorted to. In the SCN leading to the cancellation, the reason given is that returns were not filed for a period of six months. Obviously, when the Petitioner applied for cancellation of registration, there is no question of the Petitioner filing returns thereafter. Therefore, the basis of the SCN is completely untenable. In this view of the matter, the impugned order is modified to the effect that the cancellation of the GST registration of the Petitioner shall be from the date when the application for cancellation was filed by the Petitioner i.e. 28th March, 2022.

6. Ordered accordingly.

7. The petition is disposed of in the aforesaid terms. Pending applications, if any, are also disposed of.

PRATHIBA M. SINGH, J.

RAJNEESH KUMAR GUPTA, J.

JULY 4, 2025
kk/Ar.