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

\+ **W.P.(C) 10929/2025**

MAHADEV METALS THROUGH ITS PROPRIETOR RIYA MADAAN .....Petitioner

Through: Mr. M.A. Ansari, Ms. Tabbassum Firdause & Mr. Imran Ahmad, Advs.

versus

COMMISSIONER OF DGST & ANR. .....Respondents

Through: Mr. Sumit K. Batra, Advocate for R-1 & 2.

CORAM:
JUSTICE PRATHIBA M. SINGH
JUSTICE SHAIL JAIN

O R D E R

% 28.07.2025

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 seeking quashing of the order dated 28th May, 2024 by which the GST registration of the Petitioner has been cancelled with effect from 25th February, 2021.

3. The brief background of the case is that the Petitioner had obtained its GST registration no. 07COIPM0756D1Z1 on 25th February, 2021. Thereafter, it sought cancellation of the same on 19th April, 2023.

4. However, the Respondent-Department issued a notice on 19th May, 2023 to the Petitioner, alleging that there is a mismatch in the tax in Financial Years 2020-21 and 2021-22. The Petitioner is stated to have filed a reply to the said notice on 27th May, 2023 and also paid the tax in respect of the alleged mismatch. Thereafter, the application seeking cancellation of registration was

rejected *vide* order dated 19th September, 2023.

5. In the second round, the Petitioner sought cancellation of the registration once again on 30th October, 2023. The Respondent-Department sought certain clarifications of his application and finally passed the order rejecting the said application for cancellation of registration *vide* order dated 24th January, 2024.

6. The Petitioner was again issued a Show Cause Notice on 24th January, 2024 with the allegation that the GST registration of the Petitioner is liable to be cancelled as there is a violation of Rule 86B of the Central Goods and Service Tax Rules, 2017, and the Petitioner was also to produce invoices showing delivery of goods, as there was an apprehension that Input Tax Credits (ITC) had been passed on without actual supply of goods. In respect of this notice, the impugned cancellation order has been passed on 28th May, 2024 giving the following reasons:

> "….
> ***The firm has issued suspicious high value transactions and issued bills / invoices without supply of goods. Hence the SCN was issued to the firm. Sufficient opportunities has been given to the firm to appear and represent the matter, but none appears. Hence to protect the Government revenue, the registration of the firm is cancelled from the date of registration. The registered dealer may file revocation of registration and produce the documents i.e. purchase / sale invoices file from the date of registration to till date and party wise ledger with proof of payment and delivery of goods along with E-way bills."***

7. It is this order which is under challenge in the present petition before this Court.

8. A perusal of record reveals that there is no reply filed by the Petitioner in respect of this Show Cause Notice dated 24th January, 2024. The allegation raised in the said SCN leading to the impugned order is one of passing of ITC without supply of goods and that there are suspicious high value transactions.

9. Under such circumstances, this Court is of the opinion that this matter does not warrant any interference of this Court in writ jurisdiction and a challenge to the impugned order, if any, shall be made before the appellate authority.

10. Hence, the Petitioner ought to avail of its remedy for appeal against this impugned order under Section 107 of the Central Goods and Service Tax Act, 2017.

11. If the appeal is filed by the Petitioner by 31st August, 2025, it shall be adjudicated on merits and shall not be dismissed on ground of limitation.

12. Petition is disposed of in these terms. All pending applications, if any, are also disposed of.

PRATHIBA M. SINGH, J.

SHAIL JAIN, J.

JULY 28, 2025
Rahul/ss