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

\+ **W.P.(C) 15019/2025 & CM APPL. 61864/2025**

M/S PRATHAM INTERNATIONAL .....Petitioner

Through: Mr. Pulkit Verma and Mr. Saket Jain, Advs.

versus

SUPERINTENDENT, RANGE - 22,
CENTRAL GST DIVISION & ANR. .....Respondents

Through: Ms . Monika Benjamin SSC with Ms. Nancy Jain Adv.

CORAM:
JUSTICE PRATHIBA M. SINGH
JUSTICE SHAIL JAIN

O R D E R

% **26.09.2025**

1. This hearing has been done through hybrid mode.

2. The present petition has been filed by the Petitioner- M/s. Pratham International under Article 226 and 227 of the Constitution of India, *inter alia*, challenging the impugned order dated 4th July 2024 passed by the Superintendent of Central Tax Range-22, CGST Division, New Delhi *(hereinafter, 'the impugned order)*. The Petitioner has also challenged the impugned Show Cause Notice dated 23rd May 2023 *(hereinafter, 'impugned SCN-1')*

3. The Petitioner's case is that it had obtained GST registration with effect from 1st July, 2017. It is engaged in trading of gold jewellery and ancillary products. According to the Petitioner, all the business transactions which were carried out by it, were in compliance with the Central Goods and Services Tax Act, 2017 *(hereinafter, 'CGST Act')* and Delhi Goods and Services Tax Act,

2017 *(hereinafter, 'DGST Act')* and all the payments were made through banking channels.

4. The impugned SCN-1 was issued to the Petitioner on 23rd May, 2023 and the registration was suspended from 23rd May, 2023. In the impugned SCN-1, no reason was stated, as to why there was a proposal to cancel the GST registration of the Petitioner.

5. It is pertinent to note that the Petitioner filed its last returns on 24th June, 2023, however no reply was filed to the impugned SCN. On 4th July, 2024, *vide* the impugned order, the GST registration of the Petitioner was cancelled retrospectively, with effect from 1st July, 2017, on the ground that no returns were filed after May, 2023 and the last return was filed on 24th June, 2023. The remarks in the impugned order reads as under:

> *"Remarks:*
>
> *no return filled after may 2023. last return filled on 24.06.2023*
>
> *The effective date of cancellation of your registration is 01/07/2017."*

6. Parallelly, another Show Cause Notice dated 14th November, 2024 was issued *(hereinafter, 'SCN-2')* to the Petitioner, in respect of certain discrepancies in availing the Input Tax Credit *(hereinafter, 'ITC')* by the Petitioner. The aforesaid SCN was uploaded on the GST portal, however, the Petitioner is stated to have been unable to access the GST portal, as it had already discontinued its business.

7. Thereafter, another Show Cause Notice dated 18th December, 2024 *(hereinafter, 'SCN-3')* was issued to the Petitioner. *Vide* order dated 24th April,

2025, passed by Deputy Commissioner, CBIC, North Delhi *(hereinafter 'order dated 24th April 2025')* a total demand of Rs.2,71,09,090/- has been confirmed including tax, interest and penalty in the following terms:

(Amount in Rs.)

Sr. No.	Tax Rate (%)	Turnover	Tax Period		Act	POS (Place of Supply)	Tax	Interest	Penalty	Fee	Others	Total
			From	To								
1	2	3	4	5	6	7	8	9	10	11	12	13
1	0	0.00	APR 2020	MAR 2021	IGST	Delhi	93,84,939.00	83,30,740.00	93,84,939.00	0.00	0.00	2,71,00,618.00
2	0	0.00	APR 2020	MAR 2021	CGST	NA	1,467.00	1,302.00	1,467.00	0.00	0.00	4,236.00
3	0	0.00	APR 2020	MAR 2021	SGST	NA	1,467.00	1,302.00	1,467.00	0.00	0.00	4,236.00
Total							93,87,873.00	83,33,344.00	93,87,873.00	0.00	0.00	2,71,09,090.00

8. It is stated that, at this stage, against order dated 24th April, 2025, no remedy has been availed of by the Petitioner. However, the question as to whether the GST registration ought to continue to remain cancelled, is to be considered.

9. On 24th September, 2025, the Petitioner has placed on record an affidavit to the following effect:

"<u>AFFIDAVIT</u>

I, Amit Gupta, S/o Babu Ram, aged about 47 years, R/o E-4/5, Model Town-2, Model Town- II, North West Delhi, New Delhi- 110009 do herby solemnly affirm and state as follows.

1. That I am a citizen of India and proprietor of M/s Pratham International (GSTIN 07ADIPG0941RlZ8), duly entrusted with the day to day affairs of the said firm.

2. That in the year 2023, the business operations of M/s Pratham International suffered a slowdown due to financial constraints and consequently, I was left with no option but to suspend the business operations, thereby leading to non-compliance of GST obligations *and subsequent suspension of GST registration w.e.f. 23.05.2023.*

3. Subsequently, the GST authorities cancelled the registration on 04.07.2024 w.e.f. 01.07.2017 since no reply was filed to the show cause notice dated 23.05.2023 due to temporary suspension of business operations. An Ex-parte order under Section 74 was also passed by the GST authorities, and the aforesaid facts came to my knowledge in the month of July 2025 when I reset the GST credentials with the intention to file the GST returns for the preceding years in order to restore the GST cancellation. However, I undertake to challenge the aforesaid order in accordance with law.

4. The Petitioner is desirous of restoring its GST registration in order to ensure full compliance with statutory requirements and undertakes to pay the applicable tax (including interest and penalty) as well as late filing fees necessary for filing of pending GST returns.

I solemnly affirm that the contents of this affidavit are true and correct to the best of my knowledge and belief and no part of it is false, nor has anything material been concealed herein."

10. Heard. A perusal of impugned SCN-1 would show that it does not propose to cancel the registration retrospectively. However, the impugned order has cancelled the GST registration of the Petitioner retrospectively, with effect from 1st July 2017. Such retrospective cancellation would be contrary to law, in terms of the decisions in ***'Ridhi Sidhi Enterprises v. Commissioner of Goods & Services Tax (CGST), South Delhi & Anr. (W.P.(C)8061/2024),*** Additionally, this Court in the decision in ***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. held that in such cases, where the SCN does not propose retrospective cancellation, the cancellation shall be effected from the date of the issuance of SCN. This position has also been reiterated by this Court in ***'Subhana Fashion v. Commissioner Delhi Goods and Services Tax (W.P.(C) 12255/2024)'*** and in ***'M/S Balaji Industries v. The Principal Commissioner CGST Delhi North Commissionerate & Anr. (W.P.(C) 11913/2024).***

11. Thus, the impugned order cancelling the GST registration is not sustainable. Accordingly, insofar as the impugned order dated 4th July, 2024 is concerned, the same is set aside, subject to the condition that the Petitioner shall, by 15th November, 2025 file all its returns and deposit the tax and late fee, if any.

12. Access to the GST portal shall be made available to the Petitioner within a period of one week.

13. Insofar as the order dated 24th April, 2025 is concerned, the Petitioner is free to avail of its remedies in accordance with law. The GST Department is also free to proceed against the Petitioner in respect of any other infractions by the Petitioner.

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

PRATHIBA M. SINGH, J.

SHAIL JAIN, J.

SEPTEMBER 26, 2025/kp/sm