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

\+ **W.P.(C) 406/2025**

M/S STUDIO JCS .....Petitioner

Through: Mr. Gobind Malhotra, Mr. Rakshit Pandey, Mr. Lovish Sharma, Mr. Rehan Saifi & Mr. Namrata Malhotra, Advs.

versus

UNION OF INDIA & ORS. .....Respondents

Through: Mr. Aakarsh Srivastava, SSC for R-2. (M: 9871094948)

CORAM:
JUSTICE PRATHIBA M. SINGH
JUSTICE SHAIL JAIN

<u>O R D E R</u>

% 09.12.2025

1. This hearing has been done through hybrid mode.

2. The challenge in the present petition is to the order dated 22nd July, 2024 by which the application seeking revocation of the cancellation of the GST registration of the Petitioner has been dismissed by the Appellate Authority. In effect, the cancellation of the GST registration of the Petitioner has been confirmed.

3. The Petitioner had a GST registration no. 07AAEPK8284E1ZL, in respect of which a Show Cause Notice was issued on 14th November, 2023. The said SCN was issued on the ground that the returns were not filed by the Petitioner for a continuous period of six months.

4. Thereafter, the GST registration of the Petitioner was cancelled on 18th December, 2023. Upon the order becoming available to the Petitioner, the Petitioner filed a revocation application on 19th December, 2023.

5. A show cause notice was then issued to the Petitioner on 18th January,

2024, seeking certain clarifications as to the application for revocation filed by the Petitioner. The Petitioner then appeared before the concerned official on 24th January, 2024 and also filed its reply, a copy of which is also on record. However, the order dated 22nd July, 2024 was passed, rejecting the application for revocation.

6. A counter affidavit has been filed by the Respondent No. 3, as per which their stand is as under:

> *"1. The petitioner had failed to file its statutory returns for a period of more than 6 months leading to issuance of REG-17 Show Cause Notice of cancellation dated 14.11.2023) and subsequent Suo-Moto cancellation due to non compliance/non-furnishing of reply within the stipulated period of 30 days vide order dated 18.12.2023 w.e.f. 01.04.2023.*
> *2. Subsequently the petitioner filed the Returns and applied for revocation of cancellation of GST registration on 19.12.2023. However, as pert he portal, it was been observed that the Petitioner had tax liability of short payment of tax, and also availed excess ITC during the course of FY 2019-20,2020- 21,2021-22,2022-23,2023-24. Accordingly a Show Cause Notice was issued on 18.01.2024 along with an opportunity for personal hearing on 24.01.2024. However, the Petitioner did not clear the liabilities of tax or ITC.*
> *3. As seen from the GST Portal **(Annexure-1)**,*
> ***A) Tax liability is as Follows:-***
> *-For F.Y 2019-20= Rs. 1,787.41*
> *-For F.Y 2020-21 =Rs. 9,590.24*
> ***B)Excess availment of ITC is as follows:-***
> *-For F.Y 2019-20= Rs. 3,596.28*
> *-For F.Y 2020-21= Rs. 60,153.7*
> *4. Earlier the Petitioner had not filed Returns for a continuous period of 6 months, therefore GST Registration was cancelled. And later on when the Petitioner applied for revocation of cancellation of GST Registration, she did not clear the liabilities of tax or ITC,*

and therefore the Petitioners application for revocation was rejected. Thus, it is prayed that the Writ Petition be dismissed."

7. Having perused the above counter affidavit, the only allegation against the Petitioner seems to be that there is excess availment of ITC to the tune of about Rs. 63,000/- and returns have not been filed for a period of six months.

8. Since the only issue is in respect of the availment of excess ITC, let the Petitioner file a reply to the SCN dated 18th January, 2024. Accordingly, the impugned order dated 22nd July, 2024 is set aside.

9. The access to the GST portal shall now be given to the Petitioner within two weeks. The Petitioner shall file a reply to the SCN dated 18th January, 2024. The same shall be filed by 15th January, 2026. A personal hearing shall also be afforded and the matter shall be considered on merits afresh. The email and mobile number of the Petitioner for communication of the personal hearing is as under:

- ***Email: lawchambers.gm@gmail.com***
- ***Mobile No. 9910553758***

10. In the meantime, if the Petitioner wishes to file its returns along with any late fee or penalty, it is permitted to do so.

11. The petition is disposed of in these terms. Pending applications, if any, are also disposed of.

PRATHIBA M. SINGH, J.

SHAIL JAIN, J.

DECEMBER 9, 2025/*dj/ss*