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

\+ W.P.(C) 19268/2025

SARLA ENTERPRISES THROUGH ITS PROPRIETOR RAM KANWAR GUPTA .....Petitioner

Through: Mr M A Ansari, Ms Tabbassum Firdause, Md Imran Ahmad and Ahmad, Advocates

versus

COMMISSIONER OF SGST DELHI & ANR. .....Respondents

Through: Ms. Vaishali Gupta, Panel Counsel (Civil) GNCTD, Ms. Rashi Aggarwal, Advocates

CORAM:
HON'BLE MR. JUSTICE NITIN WASUDEO SAMBRE
HON'BLE MR. JUSTICE AJAY DIGPAUL

O R D E R

% **21.05.2026**

1. The challenge is to the impugned order dated 27th December, 2024, wherein the GST registration of the petitioner, pursuant to the provisions of Rule 22, came to be cancelled.

2. The failure of the petitioner, as could be inferred from the impugned order, is to file the timely returns under the GST Act.

3. It is the contention of the counsel for the petitioner that the registration is cancelled with retrospective effect, *i.e.*, from 01st April 2020.

4. According to her, the show-cause notice dated 05th November, 2024, issued in the Form GST REG-17/31, whereby the registration was suspended w.e.f. 05th November, 2024, does not speak of any cause to the

extent that the registration shall be cancelled with retrospective effect.

5. According to the learned counsel, the show-cause notice speaks of the returns, not being filed for a continuous period of the last six months preceding the date of the show-cause notice.

6. As such, it is urged that not only the petitioner undertakes to file the pending returns but also shall file the regular returns.

7. It is urged that there is a failure on the part of the petitioner to file the timely returns as he is suffering from cancer, as would be inferred from the health-related documents which are issued by the medical institutions.

8. As against above, counsel for the respondent states that not only an alternate remedy is available to the petitioner, but also the petition is preferred at a belated stage.

9. It is the contention of the counsel for the respondent that medical reports are not of the period for which the returns were not filed.

10. According to the counsel for the respondent, the order in such an eventuality is quite justified.

11. Having considered the rival claims, it is expressly clear that the show-cause notice speaks only of cancellation of registration and it further notes that the registration stood suspended from 05th November, 2024.

12. As far as the show-cause notice is concerned, it nowhere speaks of the cancellation of the registration with retrospective effect.

13. The order impugned in categorical terms demonstrates that the registrations stood cancelled w.e.f. 01st April, 2020, *i.e.*, with the retrospective effect.

14. We accept the statement made by the counsel for the petitioner that in case the petitioner is allowed, he shall furnish the entire returns, even of the

earlier period, within a period of four weeks from today.

15. The said statement is accepted as an undertaking to this Court.

16. It is further assured that the petitioner shall file regular returns in the matter.

17. Having regard to the aforesaid undertaking and the fact that the impugned order travels beyond the show-cause notice, and also having regard to the serious health ailment of the petitioner, we deem it appropriate to allow the petition.

18. The impugned order is hereby quashed and set aside.

19. We accept the statement in the form of an undertaking to this Court as regards the pending returns to be filed within stipulated period.

20. We make it clear that if there is any default on the part of the petitioner, it shall be open for the respondent to forthwith proceed with the cancellation of the GST registration.

NITIN WASUDEO SAMBRE, J

AJAY DIGPAUL, J

MAY 21, 2026/DM/ST