



Lawgics

By Nidhi, Advocate



Judgment No.: 158
Dt.: 18-07-2024



<https://chat.whatsapp.com/Ie4VxuhvToe76Us7e5>

CLICK TO JOIN
WHATSAPP GROUP

Judgment Deals With

Cancellation of GST registration is not contingent upon tax liability.

Section/Rule	Section 29
Authority	Delhi High Court
Case Name	M/s. Shri Sai Metals VS Principal Commissioner Of GST, West Delhi
Dated	08 th July, 2024
Citation	W. P. (C) 9168/2024

Brief facts of the case:

The petitioner filed an application for cancellation of the petitioner's GST Registration vide Reference number AA070124043893A dated 16.01.2024, as the petitioner closed down its business. Pursuant to the said application, the proper officer issued a show cause notice dated 16.02.2024, seeking to ascertain the petitioner's tax liability, if any.

Contention of the Petitioner:

The petitioner had discharged its entire tax liability and there is no outstanding tax due and payable by the petitioner, for the period when the petitioner was carrying on its business.

The petitioner's request for cancellation of the GST Registration is not contingent on its liability to pay tax.

Circular dated 26.10.2018 specifies that the application for cancellation of GST Registration ought to be decided within 30 days, **except in certain exceptional circumstances.**

Findings & Decision of the Court:

It appears from the notice that Proper Officer is seeking to ascertain petitioner's tax liability, if any. However, the petitioner's request for cancellation of the GST Registration is not contingent on its liability to pay tax. Thus, Department was directed to consider petitioner's application for cancellation of GST Registration, and pass an appropriate order.

We expressly disclaim liability to any person in respect of anything done in reliance of the contents of this publication.