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

Date of decision: 7th November, 2025

\+ **W.P.(C) 16845/2025 & CM APPLs.69232/2025**

M/S STALWART INDIA ALLOYS LIMITED .....Petitioner

Through: Mr. Sandeep Goyal, Sr. Adv. with Ms. Aakriti and Ms. Mansi Gupta, Advs.

versus

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

Through: Mr. Shubham Tyagi (SSC, CBIC), Ms. Navruti Ojha, Ms. Anupam Ojha, Mr. Rishabh Chauhan, Mr. Harish Saini Mr. Awadesh Kumar Singh, Adv. for R-1(UOI).

CORAM:
JUSTICE PRATHIBA M. SINGH
JUSTICE MADHU JAIN

Prathiba M. Singh, J. (Oral)

1. This hearing has been done through hybrid mode.

CM APPL. 69233/2025 (for exemption)

2. Allowed subject to all just exceptions. Accordingly, the application is disposed of.

W.P.(C) 16845/2025 & CM APPL.69232/2025 (for interim stay)

3. The present petition has been filed by the Petitioner under Article 226 and 227 of the Constitution of India, *inter alia*, assailing the order of cancellation dated 26th September, 2025 passed by Superintendent, Range-36, CGST Commissionerate, Delhi, North Block, New Delhi *(hereinafter, 'impugned order')*.

4. *Vide* the impugned order, Petitioner's Goods and Services Tax

Registration *(hereinafter, 'GST registration')* has been cancelled retrospectively w.e.f. 20th February, 2024.

5. A brief background of the Petitioner's case is that, a Show Cause Notice was issued to the Petitioner on 27th December, 2024 *(hereinafter, 'SCN')*, raising an allegation against the Petitioner that the Anti-Evasion Branch, CGST Delhi North had conducted an inspection of the Petitioner's principal place of business on 20th December, 2024, and the Petitioner was found untraceable on the said premises, hence the process for cancellation was initiated.

6. Thereafter, a reply was filed by the Petitioner on 4th January, 2025, and in the said reply, the Petitioner prayed for re-inspection of the registered premises. It is stated that, at the time when the investigation took place at the registered premises, Petitioner was away due to a demise in the family.

7. Notably, the SCN fixed the date for personal hearing on 2nd January, 2025, *i.e.*, prior to the date for filing of the reply.

8. The grievance of the Petitioner is that adequate opportunity was not granted to the Petitioner to appear in the SCN proceedings, the reply was not considered, the prayer for re-inspection was not considered, and the impugned order has been passed cancelling the GST registration retrospectively.

9. Mr. Sandeep Goyal, ld. Senior Counsel for the Petitioner submits that the retrospective cancellation of GST registration has already been held to be contrary to law, if the SCN does not contemplate such a retrospective cancellation.

10. On the other hand, Mr. Shubham Tyagi, ld. SSC for the Respondent submits that the personal hearing was granted to the Petitioner, but the Petitioner chose not to appear. Additionally, it is submitted that the Petitioner is also evading the investigation by the Anti Evasion Branch, CGST Delhi

North.

11. After hearing the ld. Counsels for the Parties, there are two aspects to be considered:

(i) Firstly, that the Petitioner has to cooperate in the investigation being carried out by the Anti Evasion Branch, CGST North. Accordingly, the undertaking of Mr. Shantanu Jawala, Director of M/S Stalwart India Alloys Limited (Mob. No. 8193091824) is recorded, that he would cooperate in the investigation that is underway by the Anti-evasion Branch.

(ii) Secondly, the GST Department shall undertake a re-inspection of the premises, after issuing notice to the Petitioner.

12. Additionally, It is a settled position in law that if a SCN does not contemplate retrospective cancellation of GST Registration, the cancellation cannot be given retrospective effect. This position has been reiterated by this Court in various decisions including in ***'Subhana Fashion v. Commissioner Delhi Goods and Service Tax (W.P. (C) 12255/2024)', 'M/S Balaji Industries v. The Principal Commissioner CGST Delhi North Commissionerate & Anr. (W.P.(C) 11913/2024)'*** and ***'Ridhi Sidhi Enterprises v. Commissioner of Goods & Service Tax (CGST), South Delhi & Anr. (W.P.(C) 8061/2024)'.***

13. Accordingly, the retrospective cancellation of the GST Registration of the Petitioner is set aside.

14. A fresh hearing shall be afforded to the Petitioner, after re-inspecting the premises. The Petitioner shall also file the reply to the SCN giving details of the premises etc., Thereafter an order shall be passed in the SCN in accordance with law.

15. All rights, remedies and contentions of the parties are left open.

16. The present petition is disposed of. Pending applications, if any, are also disposed of.

PRATHIBA M. SINGH
JUDGE

MADHU JAIN
JUDGE

NOVEMBER 7, 2025/*kp/sm*