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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**% *Date of Decision: 20th November, 2023*+ **W.P.(C) 14494/2023**ATT SYS INDIA PVT LTD ESTEX TELE PRIVATE
LIMITED CONSORTIUM PetitionerThrough: Mr. Vipul Kumar &
Ms. Arushi Mishra, Adv.

versus

THE COMMISSIONER GOODS AND SERVICES TAX
DELHI RespondentThrough: Mr. Rajeev Aggarwal, ASC
with Mr. Prateek & Ms.
Shaguftha Hameed, Adv.
Mr. R. Ramachandran, SSC**CORAM:****HON'BLE MR. JUSTICE VIBHU BAKHRU****HON'BLE MR. JUSTICE AMIT MAHAJAN****VIBHU BAKHRU, J.****CM APPL. 57521/2023 (for exemption)**

1. Exemptions allowed, subject to all just exceptions.
2. The application stands disposed of.

CM APPL. 59782/2023 (for placing amended memo of parties on record)

3. The petitioner has filed the amended memo of parties, the same is taken on record.
4. In view of the above, Mr. R. Ramachandran, learned Counsel



who appears for the Central authorities, is not required to appear as the petitioner's grievance is confined to the action of the State authorities.

W.P.(C) 14494/2023 & CM APPL. 57520/2023 (for interim relief)

5. The petitioner has filed the aforesaid petition, praying that the directions be issued for revoking the order cancelling of the petitioner's GST registration (GSTIN- 07AAEAA1359D1Z6).

6. It is the petitioner's case that GST registration was cancelled without issuance of any Show Cause Notice (hereafter 'SCN') or without affording the petitioner, any opportunity to be heard.

7. The petitioner is an Association of Persons, constituted by ATT Sys India Pvt. Ltd. and Estex Tele Private Limited.

8. The petitioner was constituted in July, 2015 to execute a contract dated 28.10.2014, awarded by the Indian Highway Management Company Limited (hereafter 'IHMCL') for conducting traffic surveys on National Highways in Zone-4 (in the States of Uttar Pradesh, Bihar and Jharkhand).

9. It is stated that pursuant to the enactment of the Acts relating to levy of Goods and Services Tax Act in the year 2017, the petitioner had obtained registration- Goods and Service Tax Identification Number. The petitioner claims that the contract awarded by IHMCL was terminated, which led to the disputes. The said disputes were referred to arbitration, which has culminated in an award in favour of the petitioner.

10. In terms of the arbitral award dated 24.05.2023, IHMCL was



directed to make payments of ₹5,49,97,760/- to the petitioner. The petitioner claims that it has not engaged in any other business apart from executing the contract in question and, therefore, had been filing Nil returns.

11. Since the petitioner has received funds in terms of the arbitral award, the petitioner is now required to discharge the GST liabilities in respect of the said amount. The petitioner states that on examining the portal, it was discovered that the petitioner's GST registration was cancelled and, therefore, the petitioner has been unable to file its returns. It is claimed that the petitioner has paid GST in excess of ₹14.90 lakhs, which is lying deposited with the respondent authorities.

12. Mr. Aggarwal, learned Counsel for the respondent, submits that the SCN was issued to the petitioner on 27.11.2020, proposing to cancel the petitioner's GST registration for the following reason:

"Filing zero return for last six months."

13. The petitioner's GST registration was also suspended with effect from 27.11.2020.

14. Mr. Aggarwal also states that the SCN was served through the portal. Pursuant to the said SCN, an order dated 26.12.2020 was passed, cancelling the petitioner's GST registration. A copy of the said order is also handed over to this Court, the same indicates that the said order has been passed solely for the reason that no reply has been received to the SCN. The space for filling in the reasons for cancelling the petitioner's GSTIN has been left blank. Thus, the SCN does not reflect any reason for cancelling the petitioner's GST



registration.

15. Mr. Aggarwal also fairly states that filing Nil returns may not be a ground for cancelling the GST registration. He submits that the petitioner may be permitted to file an application for revocation of the order cancelling the petitioner's GST registration.

16. As noted above, according to the petitioner, it did not receive the SCN. However, even if the respondent's contention is accepted that a SCN, a copy of which is handed over, was, issued to the petitioner, the same would be of little assistance to the respondent because the SCN does not mention any time or date for personal hearing. Thus, the petitioner was not afforded a hearing to contest the SCN. The impugned order cancelling the petitioner's registration is void as it has been passed in violation of the principles of natural justice. As noted above, the impugned order is not informed by reason. It does not set out any ground for cancelling the petitioner's GST registration. Thus, said order cannot be sustained.

17. In view of the above, we consider it apposite to direct that the petitioner's GST registration be restored forthwith. The petitioner shall also comply with the statutory provisions by filing the returns in accordance with law.

18. It is clarified that this order will not preclude the GST authorities from taking any further steps in accordance with law if the petitioner has fallen foul of any statutory compliance.

19. The GSTIN authorities shall ensure that the order is complied with without any delay.



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20. The petition is disposed of in the aforesaid terms.

VIBHU BAKHRU, J

AMIT MAHAJAN, J

NOVEMBER 20, 2023

"SS"