

M/s Globe Coal Company v. Commissioner of DGST, Delhi and Others

Case number: W.P.(C) 7207/2025

Citation: 2025:DHC:10955-DB

Decision date: 4 December 2025

Retrospective GST cancellation beyond the show-cause notice; registration restored on compliance terms

Court: Delhi High Court

Bench: Hon'ble Ms. Justice Prathiba M. Singh and Hon'ble Ms. Justice Shail Jain

Decision stage: Final reasoned registration-restoration decision: cancellation and limitation-based appellate dismissal set aside, with portal access, past-return compliance and departmental inspection/action directions. No fresh-adjudication remand.

01 Facts of case and issues

Globe Coal challenged the appellate order dated 11 March 2025, which had dismissed its appeal as time-barred. The underlying order dated 17 August 2023 had cancelled its GST registration retrospectively from 21 July 2020. The show-cause notice dated 11 November 2021 alleged that it was non-functioning or non-existent at its principal place of business, but did not propose retrospective cancellation.

The petitioner said that it owned the business premises, was willing to face an inspection and wished to continue trading. It also feared that the retrospective cancellation would jeopardise input-tax credit already availed. Following the Court's 26 May 2025 direction to obtain instructions, departmental counsel stated at the final hearing that no other show-cause notices concerning its availment of input-tax credit had been issued. The issues were whether the unnotified retrospective cancellation could stand and what restoration relief should follow. No quantified tax, late-payment or penalty amount is recorded.

Pinpoint: Own paragraphs 2–11, physical pp. 1–3; limitation-based dismissal confirmed in own paragraph 12, physical p. 8.

02 Discussion by Hon'ble Court

The Court found that the 11 November 2021 notice did not contemplate retrospective cancellation. It applied the settled requirement that such retrospective effect cannot be introduced by the cancellation order without being contemplated in the notice.

The Court reproduced Riddhi Siddhi Enterprises and passages discussing Ramesh Chander and Delhi Polymers. The adopted reasoning recognises the power under Section 29(2) to cancel retrospectively, but requires reasons and objective grounds for using it. The power cannot be applied mechanically merely because it exists. The examples about non-filing of returns, other taxpayers' cancellation dates and their business closure belong to those quoted authorities; Globe Coal's notice concerned alleged non-existence at its business premises.

Globe Coal's own cancellation order was held untenable. The Court granted restoration rather than sending the appeal back for a new limitation or merits decision. The petitioner's ownership assertion was recorded as its submission, and the Department retained power to inspect and verify its existence. Neither

02 Discussion by Hon'ble Court

the statement that there were no other input-tax-credit notices nor the quoted discussion of customers' credit amounts to a finding that every credit claim is valid.

Pinpoint: Own paragraph 11, physical pp. 2–8, including nested precedent extracts; own paragraphs 12–15, physical p. 8.

03 Judicial decision and operative relief

The Court restored Globe Coal's GST registration in the terms stated in the judgment and set aside both the cancellation order dated 17 August 2023 and the appellate order dated 11 March 2025.

It directed that GST-portal access be provided within one week. Upon access being given, all previous returns of the business were to be filed on the portal, together with late payment and penalty, if any. The judgment specifies no separate deadline for completing those filings and quantifies no payment.

The Department was left free to conduct a fresh inspection and verify the petitioner's existence, and to take action in accordance with law if any violation was found. Inspection was not prescribed as a condition that had to precede portal access or restoration. The writ and pending applications, if any, were disposed of.

The reference to cancellation taking effect from 6 August 2024 occurs inside the preceding quotation. It is not Globe Coal's operative relief; the Court's own paragraph 15 restores registration.

Pinpoint: Own paragraphs 12–16, physical p. 8; distinguish the quoted paragraph 11 at the end of physical p. 7 and start of p. 8.

04 In favour of

Taxpayer on registration restoration and setting aside both impugned orders, subject to the stated return-filing and payment terms. Departmental inspection and lawful action remain available; input-tax-credit entitlement was not adjudicated.

Final conditional restoration of registration, with one-week portal access and preserved compliance and enforcement obligations. No remand, general extension of appeal limitation, input-tax-credit allowance or quantified monetary award.

Pinpoint: Own paragraphs 12–16, physical p. 8.

05 AKHB REVIEW POINT

AKHB analysis: Compare the cancellation notice, the final order and their effective dates. If retrospective cancellation was not proposed, identify that procedural defect precisely. Where the business intends to continue, seek restoration and workable portal access, supported by premises and trading records.

After obtaining relief, preserve evidence of portal access, file the previous returns and address the late payment and penalty required by the order, if applicable. Cooperate with lawful verification and keep proof of the business's existence. The one-week access direction does not excuse the remaining compliance steps.

05 AKHB REVIEW POINT

Separate the Court's own operative directions from repeated paragraph numbers and dates inside quotations. Restoration does not itself certify input-tax-credit claims, erase liabilities or establish a general right to bypass appeal limitation. Check the law applicable to the relevant period and any later orders before relying on this decision.

Pinpoint: AKHB commentary based on own paragraphs 4–15; the records, compliance and verification steps are practical analysis, not additional judicial directions.

Sources and limitations

Relevant provisions

CGST Act 2017: Section 29(2), discussed through the adopted precedents. DGST Act 2017: cancellation and appellate proceedings recorded in the judgment. CGST Act Section 29(3) is separately noted as statutory context, not a decided issue.

Statutory note

The judgment regulates the exercise of retrospective cancellation power; it does not remove that power. India Code's official CGST compilation was checked on 13 October 2026 at physical p. 41. Section 29(2) retains retrospective cancellation in the specified circumstances and an opportunity-of-hearing requirement. Section 29(3) preserves earlier tax liabilities and statutory obligations despite cancellation; that provision is supplementary context rather than a separate holding here.

The same page records amendments to the non-filing grounds in clauses (b) and (c) effective from 1 October 2022. Those grounds, discussed in quoted authorities, must not be substituted for Globe Coal's alleged non-existence ground. This targeted central-statute check is not a comprehensive audit of DGST amendments, rules, revocation periods, appeal limitation or input-tax-credit eligibility.

Treatment note

Checked 13 October 2026. The Delhi High Court's official casewise search confirmed the parties and displayed the case as DISPOSED, with no next date. Its returned list contained five entries: this judgment dated 4 December 2025 and earlier orders dated 13 October, 12 September, 4 August and 26 May 2025. The latest entry confirmed the neutral citation and exact official PDF; its corrigendum field was NA. No later order was present in that returned set. The four earlier orders were not independently substantively reviewed.

Bounded searches using the exact party, writ number, citation and appeal, review, stay, SLP and 2026 terms, including Delhi High Court and Supreme Court official domains, did not verify a later reversal, stay or review modification. A returned-list check and indexed search cannot establish a complete appellate history. No exhaustive Supreme Court registry or citator clearance is claimed, and actual restoration, filing, payment or inspection compliance was not checked.

Scope of source review

All eight physical pages of the retained official PDF were fully read and individually visually inspected. Own paragraph numbers run 1–16; paragraph 11 contains extensive quoted material with repeated paragraph numbers. The quoted authorities are described as reproduced and applied here, without claiming separate full-source review of each. The statutory check was limited to the identified CGST provisions and amendment footnotes.

Source notes

Decision date: 4 December 2025. The first page separately states upload on 6 December 2025, which also appears in the signing stamp. Neutral citation 2025:DHC:10955-DB is visible in the page artwork and was confirmed by the official casewise search. No reserved date is stated, so no reserved-date field is printed. The fresh official eight-page PDF obtained on 13 October 2026 exactly matches the retained original SHA-256 and byte count. Original bytes remain unchanged; cryptographic signature validation is not claimed.

The cancellation notice, administrative orders and premises records were not separately obtained; their contents are reported only as recorded by the Court. The judgment's phrase "late payment and penalty, if any" is preserved without inventing an amount or an additional interest direction. The quoted 6 August 2024 date is not Globe Coal's cancellation date. The incomplete wording in a nested quotation on physical p. 7 is not expanded into an additional holding.

Primary source

Source description: Complete official Delhi High Court judgment; fresh official PDF is byte-identical to the retained original.

Official source: [Open source document](#)

Source pages: 8

Judgment author: Prathiba M. Singh, J.

Outcome type: final conditional registration restoration

Additional source

India Code CGST Act compilation

Official source: [Open source document](#)

Pinpoint: Physical p. 41, Section 29(2)–(3) and amendment footnotes; targeted text checked 13 October 2026.

Delhi High Court official casewise judgment and order search

Official source: [Open source document](#)

Pinpoint: W.P.(C) 7207/2025; parties, disposed status and five returned entries checked 13 October 2026. Interactive search may be required.

Disclosures and source rights

AI disclosure: Prepared with AI assistance from the complete official judgment and identified primary sources. No human legal review is claimed.

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