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* IN THE HIGH COURT OF DELHI AT NEW DELHI

Date of Decision: 30th October, 2025

+ W.P.(C) 13977/2025

M/S SHIVA ENTERPRISESPetitioner

Through: Mr. Pranay Jain, Adv.
versusPRINCIPAL COMMISSIONER, DEPARTMENT OF TRADE AND
TAXES, GNCTDRespondent

Through: Mr. Sumit K. Batra, Adv.

CORAM:**JUSTICE PRATHIBA M. SINGH****JUSTICE SHAIL JAIN****Prathiba M. Singh, J. (Oral)**

1. This hearing has been done through hybrid mode.
2. An innocuous petition which has been filed by the Petitioner seeking cancellation of its Goods and Services Tax (hereinafter, 'GST') registration with effect from 30th June, 2025 has unravelled the fact that the Petitioner has fraudulently availed of Input Tax Credit (hereinafter, 'ITC') amounting to lakhs of rupees. The GST registration of the Petitioner dates back to 7th August, 2024.
3. The case of the Petitioner is that an application bearing no. AA0702254941761 was filed by the Petitioner on 4th July, 2025 for closing down of business. Thereafter, information was sought by the GST Department *vide* notice dated 9th July, 2025 which was provided by the Petitioner. However, no decision was taken by the GST Department. Hence, this petition was filed.
4. On the last date, Mr. Sumit K. Batra, Id. Counsel appearing for the Respondent opposed the writ petition on the ground that the Petitioner had a



substantial turnover of more than Rs.7 crores in six to seven months and had not paid any GST in cash in the matter. Considering this submission, the Court had directed Mr. Manish Kumar Jha, the proprietor of M/s. Shiva Enterprises to remain physically present today. In addition, the following direction was issued for filing of returns:

“7. The Petitioner shall also file an affidavit giving the details of the turnover of the Petitioner, how much GST has been deposited in cash or as to whether any Input Tax Credit has been availed of by the Petitioner.

8. Moreover, let the returns of the Petitioner for the said seven months period be placed on record by the GST Department as well by the next date of hearing.”

5. The Petitioner has now filed an affidavit in which he has stated that the business was conducted by him from 7th August, 2024 till 4th July, 2025 and the turnover for the said period was Rs.5,95,19,520/- and ITC of Rs.1,07,13,514/- was availed. The Petitioner also states that zero amount was deposited in cash and ‘NIL’ returns have been filed from July onwards. The relevant portion of the said affidavit reads as under:

“2. That I have done business from the period starting from 07.08.2024 till 04.07.2025 and my turnover for the said period is Rs.5,95,19,520/- and I have availed ITC of Rs.1,07,13,514/- which was available in my firm and deposited an amount of Rs. 0 in cash.

3. That I have filed NIL returns for the period February 2024 – July 2025 as there was no business and therefore applied for cancellation of my GST registration.”

6. Mr. Manish Kumar Jha, who is present in Court submits that he has made a deposit of Rs.98,600/- on 27th October, 2025 with the GST Department.



7. Mr. Sumit K. Batra, 1d. Counsel has placed on record a field visit report conducted by the GST Department which shows that the Petitioner does not exist at the address which has been given. The said report reads as under:

"Comments: The undersigned visited the business premises of M/s Shiva Enterprises situated at D-4/87 KH.NO. 3/23, KUNWAR SINGH NAGAR, Nangloi, New Delhi, West Delhi, Delhi, 110041 (The firm was found to be Suspended w.e.f. 04/07/2025 as per GST portal). No GST Board was available at the above said address. Further no Business activity of the firm was noticed. However a small stall of PUJA Samahagri was found functioning at the given address. Also enquired from local residents and shop-owner and they denied the existence of any such person / firm in the vicinity. The undersigned also tried to contact on registered mobile number but was found the number is not in use. Report in respect of the firm may be treated as non functioning / non existing"

8. Mr. Manish Kumar Jha has been queried by the Court. He has handed over to the Court a short video wherein the landlord of the premises of the Petitioner claims that the said shop was given out on rent and no inspection was done by the GST Inspector on 12th September, 2025. The said video also shows the shop with the board of the Petitioner depicted as "Shiva Enterprises". A relevant image of the said video is extracted below:



9. The landlord is also stated to have signed a certificate which has been presented before the Court which reads as under:

W.P.C-13977/2025
Tatemono record. 30/10/2025
Signature
मैं प्रमोद कुमार पुत्र श्री कुलवन्त राय इस पते का मालिक हूं। जिसका पता - डी-4/87
खसरा स0 3/23, कुंवर सिंह नगर, नागलोई, दिल्ली-110041 मैंने यह दुकान किराये पर
शिवा इन्टरप्राइजेज प्रोपराइटर ॲफ मनीष कुमार झा को दिनांक 19 जूलाई 2024 को दी
थी, और इन्होने माह जूलाई 2025 को मेरी दुकान खाली कर दी है। दिनांक 12.09.2025 को
मैंने किसी भी जी0एस0टी0 अधिकारी को यह नहीं कहा कि यह फर्म इस पते पर नहीं है।
और मुझसे कोई भीजी0एस0टी0 अधिकारी नहीं मिला है।

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10. On further being queried, Mr. Manish Kumar Jha submits that he got the board installed only yesterday and the video was also taken yesterday. Moreover, as per the above certificate, the landlord himself states that the Petitioner had vacated the premises in July, 2025. However, surprisingly, in the video a board consisting of the Petitioner's business name is depicted in the video. Clearly, the board has been installed only for the purposes of the video and the Petitioner obviously is not doing business at the said premises.

11. Clearly, both Mr. Jha and his landlord are not revealing the true facts and are clearly misleading the Court. The Petitioner has completely misled the Court about the nature of his business. The entire attempt appears to have been to somehow escape the further legal action by the Department in respect of ITC which is stated to have been availed of from fraudulent entities. The Petitioner has also attempted to completely misrepresent the status of his shop by hanging a board only for the purpose of taking a video. Such conduct cannot be condoned by the Court.

12. Mr. Sumit K. Batra, ld. Counsel submits that fresh notices have been issued to the Petitioner and the Petitioner has been directed to appear tomorrow before the Department. Accordingly, in these facts, the Court is not inclined to entertain the present petition. In fact, severe action is liable to be taken against the Petitioner. However, since the Department has already issued notices for further action, the Court is refraining from doing so. The petition is dismissed with costs of Rs. 5,00,000/- being imposed upon the Petitioner. The said amount shall be deposited in the following manner:

Rs.2,00,000/- with Delhi High Court Bar Association

- **Name: Delhi High Court Bar Association**
- **Account No.: 15530100000478**



- **IFSC Code: UCBA0001553**
- **Bank & Branch: UCO Bank, Delhi High Court**

Rs. 2,00,000/- with GST Department

- **Demand Draft in the name of 'Commissioner, Trade & Taxes, Delhi' payable at Delhi**

Rs.1,00,000/- with Sales Tax Bar Association

- **Name: Sales Tax Bar Association**
- **Account No.: 90672010003811**
- **Bank Name: Canara Bank**
- **IFSC: CNRB0019067**

13. The said costs shall be deposited within two weeks. The GST Department shall confirm the payment of costs.
14. The petition is dismissed in these terms. Pending applications, if any, are also disposed of.

**PRATHIBA M. SINGH
JUDGE**

**SHAIL JAIN
JUDGE**

OCTOBER 30, 2025/kp/ck