

TAX INFO

Dated 06/01/2022

Latest update on GST Law: Information regarding **Officer penalised for rejecting registration by insisting for submission of electricity bill and non-consideration of property tax receipts as proof of possession of the premises as given in judgement by Allahabad High Court.**

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Name of Petitioner	Ranjana Singh
Name of Respondent	Commissioner Of State Tax
Court	Allahabad High Court
Date of Judgement	09/12/2021
Appeal No.	Writ Petition No.1084 of 2021

Facts of the Case:

The Petitioner is engaged in the business of providing employment through consultancy. On 17.08.2021, the petitioner applied for grant of registration under the GST Act through online mode. On submission of the application, an inspection was made at the business premises of the petitioner on 15.09.2021 and thereafter, notice was issued for providing certain information and documents in support thereof. On submission of reply, **by means of the impugned order dated 23.09.2021, the application of the petitioner was rejected, against which the petitioner preferred an appeal which too has been dismissed vide order dated 28.10.2021.**

Contention of Petitioner:

The Petitioner furnished all the requisite documents as prescribed under the GST Act, i.e., Aadhar Card, PAN card, house tax receipt. Thereafter, on the date of inspection, all the details, as required by the Surveying Officer, were provided. Thereafter, a notice was issued requiring the petitioner to submit electricity bill or house tax bill or any other document related to the business premises. In reply to it, house tax bill was furnished by the petitioner, but by the impugned order dated 23.09.2021, the same was rejected for non-submission of electricity bill. The said order was assailed before the appellate authority, but the appellate authority too has rejected the appeal confirming the order of rejection. The order passed by the authorities are illegal and against the provisions of law. He submits that the provision of the Act only requires for providing documents, i.e., PAN and Aadhar as well as the property tax receipt, which were furnished by the petitioner. After submission of the aforesaid documents along with online form, the inspection was conducted at the premises of the petitioner and all details as well as documents as required by the surveying officer was provided and after due satisfaction, the surveying officer left the site.

Decision of the Court:

The petitioner was required to submit recent electricity bill or house tax receipt. The petitioner submitted reply along with requisite document but the application of the petitioner for grant of registration certificate was rejected for NON- SUBMISSION OF ELECTRICITY BILL. The petitioner has submitted the explanation with regard to the nature or possession of the business premises as the owner and also submitted the house tax receipt in compliance with the show cause notice. But the authorities insisted for submission of electricity bill.

Once the petitioner has satisfied the requirement of the law for providing PAN, Aadhar and also house tax receipt / property receipt then the authority should not have insisted for submission of receipt of electricity bill. In the absence of any short comings or defect being pointed out in the reply submitted along with documents, the petitioner has every right to carry on her business lawfully and her right to do business cannot be confiscated in illegal and arbitrary manner. The application should not have been rejected.

This attitude cannot be tolerated as the officers as being State functionary has to act fairly and their action must be in consonance with the provisions of the Acts as well as Rules.

Therefore, the impugned orders dated 23.09.2021 and 28.10.2021 are hereby quashed. The Department should pass an appropriate order on the material available on record within a period of seven working days from the date of receipt of a copy of this order. Also, the Court directed to recover the cost of Rs.15,000/- from the erring Officer.

Suresh Aggarwal, Advocate

Compliance & Litigation under GST

Address: House No. 54, Pocket A-3, Sector-5, Rohini- 110085

Phone: 91-9810032846; 011 - 45131427

Email: sureshagg@gmail.com

Website: <http://www.sureshtaxation.com>