

# TAX INFO

*Dated 01.04.2022*

Latest update on GST Law: Information regarding RC cannot be cancelled without proper grounds given in **Judgment by Delhi High Court and a similar judgment by Calcutta High Court.**

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<b>Name of Petitioner</b>	SSG Furnising LLP
<b>Name of Respondent</b>	Assistant Commissioner
<b>Court</b>	DelhiHigh Court
<b>Date of Judgement</b>	24.03.2022
<b>Appeal No.</b>	W.P.(C) 4790/2022

## Summary of the Case Law:

The impugned Showcause notice does not specify the reason as to why the cancellation proceedings have been initiated against the Petitioner. The reason mentioned in the show cause notice dated 14th February, 2022 only specifies the ground as "OTHERS". Such a vague SCN has thrown the Petitioner out of business which is violative of Article 19(1)(g) of the Constitution of India and has caused extreme hardship, irreparable loss, prejudice, distress and harassment to the Petitioner.

Since the petitioner's registration has been lying suspended for more than forty days on the basis of a show cause notice which is bereft of any reason or fact, the Court directed the restoration of the GST Registration of the petitioner.

<b>Name of Petitioner</b>	Pavati Trading Private Limited
<b>Name of Respondent</b>	Deputy Commissioner
<b>Court</b>	Calcutta High Court
<b>Date of Judgement</b>	13.09.2021
<b>Appeal No.</b>	WPA 81 of 2021

## Summary of the Case Law:

Grievance of the petitioner is mainly against the action of cancellation of registration of GST certificate of the petitioner by impugned order dated 28th July, 2020 against which the petitioner had made objection on 31st July, 2020. Thereafter, Department issued a show-cause notice against the application for revocation of cancellation of registration dated 3rd August, 2020. Against the said show-cause notice, the petitioner had filed reply on 6th August, 2020 which was rejected by the impugned order of rejection of application for revocation of cancellation of registration certificate by order dated 4th September, 2020. Petitioner's grievance is that this impugned order of rejection of application for revocation of cancellation is in violation of principle of natural justice since the documents or records relied upon by the Department were never provided to the petitioner to enable the petitioner to contradict the said records.

The Court set aside the impugned order dated 4th September, 2020 and directed the Department to consider afresh and dispose of the petitioner's application for revocation of cancellation of its registration in accordance with law by passing a reasoned and speaking order after giving opportunity of hearing to the petitioner or its authorized representative and also to provide the documents to the petitioner to be relied on by the Department for the purpose of the final adjudication of the said application.

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