

# TAX INFO

*Dated 13/04/2022*

Latest update on GST Law: Information regarding **Judgments on RC Cancellation.**

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<b>Name of Petitioner</b>	M/S Dilip kumar Chandu lal
<b>Name of Respondent</b>	State Of Gujarat
<b>Court</b>	Gujarat High Court
<b>Date of Judgement</b>	23.03.2022
<b>Appeal No.</b>	R/Special Civil Application No. 4340 Of 2022

## Summary of the Case Law:

The Chartered Accountant of the writ applicant wanted the HUF registration to be cancelled. Instead of inserting the registration number of the HUF, inadvertently, the CA inserted the registration number of the proprietorship. In such circumstances, the registration of the proprietary firm under the GST got cancelled. However, despite the fact that the registration of the firm got cancelled, the returns filed by the writ applicant were being accepted. It was an inadvertent mistake committed by the Chartered Accountant which led to cancellation of the registration number of the proprietorship.

The Court directed that the Department should immediately look into the matter and see to it that the order cancelling the registration is recalled and the original registration under the CGST is restored. For a mistake said to have been committed by the Chartered Accountant, the dealer under the Act should not be made to pay a very heavy price like cancellation of the registration itself.

<b>Name of Petitioner</b>	Tvl.Alamelu Contracts
<b>Name of Respondent</b>	The Commissioner of Commercial Taxes
<b>Court</b>	Madras High Court
<b>Date of Judgement</b>	10.03.2022
<b>Appeal No.</b>	W.P(MD).No.4264 of 2022

## Summary of the Case Law:

The petitioner has challenged the impugned order, dated 16.07.2019, cancelling the Goods and Services Tax Registration. It is the specific case of the petitioner that the petitioner was not having business and therefore, the petitioner did not file returns. It is submitted that the petitioner in any event would have filed only a nil return and that no prejudice has been caused to the Department. The order was communicated electronically and since the petitioner had closed down the business, the petitioner was unaware of the cancellation of the registration.

While exercising jurisdiction, under Article 226 of the Constitution, the powers of the Court to do justice i.e., what is good for the society, can neither be restricted nor curtailed. It was held that no useful purpose will be served by keeping such assessee out of the GST regime, as such assessee would still continue to do business and supply goods and not by bringing them back to the GST tax regime, and only the revenue will suffer. Court directed to restoration of RC of the petitioner.

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