

TAX INFO

Dated 23/04/2022

Latest update on GST Law: Warning given to officer for issuing vague SCN and order cancelling the GST registration given in Judgment by Gujarat High Court.

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Name of Petitioner	Vahanvati Steels
Name of Respondent	State Of Gujarat
Court	Gujarat High Court
Date of Judgement	11.04.2022
Appeal No.	R/Special Civil Application No. 7115 Of 2022

Brief Facts of the Case Law:

The writ applicant is a proprietor of a proprietary concern and he had been served with a very vague show cause notice dated 29.02.2022 calling upon him to show cause as to why the GST registration should not be cancelled. The show cause notice is bereft on any material particulars or information. In the absence of any material particulars and the details, it is difficult for any individual to respond to such a vague show cause notice. The writ-applicant came to this High Court by filing the Special Civil Application No.6008 of 2022 challenging the same. This Court directed the Department to issue a fresh show-cause notice containing all the necessary information and material particulars to enable the writ-applicant to meet with the same. However, Department proceeded to pass an order cancelling the registration. The order cancelling the registration on the face of it is as vague as anything. After the order came to be passed dated 29.03.2022 cancelling the registration, the writ-applicant was asked to file an application seeking revocation of such order. The writ-applicant preferred an application seeking revocation of the order cancelling the registration but once-again an absurd and vague order came to be passed by the Department, dated 05.04.2022 which was full of question marks and nothing material. The officer had even put his signature on such an absurd order. When he signs the order it means he is approving the contents of the order.

The writ-applicant very emphatically submitted that this is a fit case, for contempt of court. The officer did not even know what he was doing.

Decision of the Court:

The Court did not issue any notice for contempt with a warning to the officer that henceforth if this court comes across any such vague order or show-cause notice duly signed by him, then that will be his last day in the office. The order dated 29.03.2022 cancelling the registration of the writ-applicant was quashed and set aside. The so-called order dated 05.04.2022 was also quashed and set aside and the GST registration of the writ-applicant stands restored forthwith.

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