



# GST UPDATE

05<sup>th</sup> MARCH 2024

**AUTHORED BY:**  
**CA DEEP CHHEDA**  
**MR. ADITYA BURAD**



**C. B. Chhajer & Co**  
Chartered Accountants

*While best efforts have been made to summarise the Judgement for educational purposes, this is not a legal opinion. It is suggested that Judgement passed by the Hon'ble Court must be referred to before making any decisions. In case of any query, please feel free to get in touch with us at [gst@cbcandco.com](mailto:gst@cbcandco.com).*

<b>Citation:</b>	M/S SHREE RAM GLASS BACHAULI KUFTABAD BEEKAPUR - 2024 (2) TMI 1006		
<b>Court:</b>	Hon'ble Allahabad High Court	<b>Date of Judgement:</b>	16 <sup>th</sup> February 2024
<b>Law:</b>	Goods and Service Tax		
<b>Topic:</b>	Registration		
<b>Facts of the Case:</b>	<p>Petitioner is a partnership firm engaged in the business of trade of glass and glass sheets. The firm was transacting business and filing its returns. GST returns pertaining to financial years 2021-22 and 2022-23 have been filed and tax on the same has been paid by the petitioner.</p> <p>Registration of the petitioner was cancelled on the basis that petitioner does not conduct any business at the declared place of business and does not respond to any show cause notice issued to him. On further inspection of the premises it was found that there was no stock maintained at the place of business and the signatures of the landlord did not tally with the rent agreement submitted during the inspection.</p> <p>Hence, the revocation application was also rejected by the jurisdictional officer. Further appeal filed with the appellate authority was also rejected. Hence, the petitioner filed a writ petition with the Allahabad High Court for restoration of the GST registration.</p>		
<b>Held:</b>	<p>Considering the provisions under Section 29(2) along with facts of the case, there is no denial of the fact that petitioner has conducted business as the returns filed for the financial years 2021-22 and 2022-23 have been filed and this fact has not been denied by any authority.</p> <p>Cancellation of registration has serious consequences. It takes away the fundamental right of a citizen to engage in lawful business activity. Since the registration has been granted by the respondent authority, it is presumed that it has been granted after due verification of necessary facts. If the respondents propose to cancel the registration, a heavy burden lay on the</p>		

respondent to see that the conditions under Section 29(2) for the purpose of cancellation are fulfilled.

No further examination of the returns filed by the petitioner for the financial years 2021-22 and 2022-23 was undertaken. It cannot be concluded that there was no business conducted, merely on the fact that there was no stock at the place of business. Further, there is no law that mandates the business to retain its stock on business premises. The authorities have failed to discharge the duties and merely because the place of business did not contain any stock the registration of the petitioner was cancelled.

Hence, the order for cancellation was set aside and the registration of the petitioner was restored.