IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 07.02.2025

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THE HON'BLE Mr. JUSTICE KRISHNAN RAMASAMY

W.P.No.3900 of 2025 &
W.M.P.Nos.4317 and 4319 of 2025

M/s.Stadium Sports Shop
Represented by its Managing Partner,
Mr.P.Kathirvel,
10, K.P.S.Building, Rayapandaram Street,
Avinashi Road, Tiruppur,
Tamil Nadu- 641 602. ... Petitioner

Vs.

The Commercial Tax Officer
Tiruppur (North-I) Assessment Circle,
Tiruppur. ... Respondent

Prayer: Writ Petition filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorarified Mandamus, to call for the records leading to the issuance of cancellation order bearing reference no.ZA330223028150D dated 06.02.2023 by the Respondent herein and quash the same, and further direct the Respondent to restore the GST registration of the petitioner vide GSTIN:33ABVFS5470Q1Z5.

For Petitioner : Sri Harini S P

For Respondent : Mr.T.N.C.Kaushik
Additional Government Pleader (Taxes)

ORDER

The challenge in this writ petition is to the order dated 06.10.2023 passed by the 2nd respondent, cancelling the GST registration of the petitioner.

2. Mr.T.N.C.Kaushik, learned Additional Government Pleader, takes notice on behalf of the respondents.

3. By consent of the parties, the main Writ Petition is taken up for disposal at the time of admission stage itself.

4. The learned counsel for the petitioner submitted that the Petitioner is a registered tax payer under the GST enactments and they have been filing the GST returns regularly, however, due to financial difficulties, the Petitioner could not file its returns for the continuous period of 6 months from July 2022. Consequently, the respondent issued a show cause notice on 23.01.2023, proposing the cancellation of the

GST registration for non-filing of returns for a continuous period of six months, and subsequently passing an order of cancellation on 06.02.2023. The learned counsel for the petitioner further submits that since the business operations of the Petitioner had come to a halt due to financial difficulties, they could not file reply. Further, he would submit that after the cancellation of the GST registration, the petitioner filed the returns for the period from July 2022 to February 2023 and hence prays to set aside the same.

5. On the other hand, the learned Additional Government Pleader (Taxes) appearing for the respondents submitted that the petitioner did not file returns for a continuous period of six months, which led to the passing of the impugned order. He further submitted that the revocation of the cancellation of registration will be considered only upon payment of all dues and filing of all returns.

6. Heard the learned counsel on either side and perused the materials available on record.

7. Admittedly, the GST registration of the petitioner was cancelled due to non-compliance in filing returns. Furthermore, the time limit for filing a statutory appeal against the cancellation order had also expired, and the petitioner stated that due to the financial condition of the Petitioner, they could not pay GST dues and file the returns. Therefore, this Court is of the view that the reason provided by the petitioner for non-compliance with the relevant provisions of the Act within the stipulated time appears to be genuine.

8. In view of the above, restoration of the GST registration is subject to and conditional upon fulfilling the following conditions :

> (i) The respondents shall take suitable steps by instructing GST Network, New Delhi to make suitable changes in the architecture of the GST Web portal to allow the petitioner to file the returns and to pay the tax/penalty/fine, within a period of four weeks from the date of receipt of a copy of this order.
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> (ii) The petitioner is directed to file returns for the

period till date, if not filed, together with tax dues along with interest thereon and the fee fixed for belated filing of returns within a period of 4 weeks from the date of restoration of GST Registration of the petitioner.

(iii) It is made clear that such payment of tax, interest, fine/fee etc., shall not be allowed to be made or adjusted from and out of any Input Tax Credit (ITC) which may be lying unutilized or unclaimed in the hands of the petitioner.

(iv) If any ITC has remained unutilized, it shall not be utilised until it is scrutinized and approved by an appropriate or competent officer of the Department.

(v) Only such approved ITC shall be allowed to be utilized thereafter for discharging future tax liability under the Act and Rules.

(vi) If any ITC was earned, it shall be allowed to be utilised only after scrutinizing and approving by the respondent or any other competent authority.

(vii) If any of the aforesaid conditions is not complied with by the petitioner, the benefit granted

KRISHNAN RAMASAMY.J.,

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under this order will automatically ceased to operate.

9. With the above directions, this writ petition is disposed of. No costs. Consequently, connected miscellaneous petitions are closed.

07.02.2025

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To

The Commercial Tax Officer
Tiruppur (North-I) Assessment Circle,
Tiruppur.

W.P.No.3900 of 2025 &
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