IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 03.07.2025

CORAM

THE HON'BLE Mr. JUSTICE KRISHNAN RAMASAMY

W.P.Nos.24079 & 23870 of 2025
& W.M.P.Nos.27112 & 26884 of 2025

W.P.No.24079 of 2025:

M/s.7M Multi Sports Arena,
Rep. by its Proprietor,
Mr.Dinesh,
No.1267/2, Padmavathy Nagar,
Madhavaram,
Chennai - 600 060.

... Petitioner

Vs.

1.The Assistant Commissioner,
Madhavaram Division,
Thiruvallur,
Tamil Nadu.

2.The Deputy Commissioner (ST),
Gst-Appeal, Chennai - 1,
Main Building, 2nd Floor,
Room No.210, No.1,
Greams Road,
Chennai - 6.

... Respondents

Prayer:

Writ Petition filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorari calling for the records relation to the impugned order in appeal GSTIN 33GHFPD6443E2ZM/A2 dated 30.05.2025 on the file of the second respondent, quash the same.

W.P.No.23870 of 2025:

M/s.7M Multi Sports Arena,
Rep. by its Proprietor,
Mr.Dinesh,
No.1267/2, Padmavathy Nagar,
Madhavaram,
Chennai - 600 060.

... Petitioner

Vs.

The Assistant Commissioner,
Madhavaram Division,
Thiruvallur,
Tamil Nadu.

... 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 relation to the Impugned Order of Cancellation of Registration vide FORM GST REG-19 dated 03.07.2024 vide Reference No.ZA330724017675I on the file of the respondent, quash the same as it is arbitrary, perverse and violative of Article 14 and 19(1)(g) of the Constitution and consequently direct the respondent to restore the Registration of the petitioner vide - 33GHFPD6443E2ZM.

For Petitioner in both W.P.,	:	M/s.Jayalakshmi.P
For Respondents in both W.P.,	:	M/s.P.Selvi, Government Advocate (T)

COMMON ORDER

These writ petitions have been filed challenging the order of cancellation of GST Registration dated 03.07.2024 and the consequential appeal rejection order dated 30.05.2025 passed by the respondents.

2. M/s.P.Selvi, learned Government Advocate, takes notice on behalf of the respondents in both writ petitions. By consent of the parties, these main writ petitions are taken up for disposal at the admission stage itself.

3. The learned counsel for the petitioner would submit that the a show cause notice dated 12.04.2024 came to be issued by the second respondent relating to cancellation of petitioner's GST Registration, since he has violated the provision of Rule 10A. However, the petitioner had neither filed their reply nor appeared for personal hearing before the respondents. Under these circumstances, the GST Registration of the petitioner was cancelled by the first respondent vide order dated 03.07.2024. Challenging the same, an appeal was preferred by the petitioner. However, the same was rejected by the second respondent vide the impugned order dated 30.05.2025. Hence, this writ petition has been filed.

4. Further, she would submit that the petitioner is willing to file his GST returns and pay the entire tax liabilities along with applicable interest and penalty, if any. Hence, she requests this Court to revoke the order passed by the first respondent for cancellation of GST Registration of the petitioner.

5. In reply, the learned Government Advocate appearing for the respondents confirms that the GST registration of the petitioner was cancelled by the first respondent vide order dated 03.07.2024 and requests this Court to pass an appropriate order.

6. Heard the learned counsel for the petitioner and the learned Government Advocate for the respondents and also perused the materials available on record.

7. In this case, according to the petitioner, since they have violated the provision of Rule 10A, a show cause notice was issued by the second respondent on 12.04.2024 and subsequently, the GST registration of the petitioner was cancelled by the first respondent vide the order dated 03.07.2024. Thereafter, an appeal, which was filed by the petitioner for revocation of the said order, was rejected by the second respondent vide impugned order dated 30.05.2025. The reason provided for non-compliance with the relevant provisions of the Act within the prescribed

time, in the considered opinion of this Court, appears to be genuine.

8. In view of the above, this Court is inclined to revoke the order dated 03.07.2024 passed by the first respondent canceling the GST registration of the petitioner. Accordingly, both the cancellation order dated 03.07.2024 and the rejection order dated 30.05.2025 are set aside. The cancellation of registration is hereby revoked, subject to the fulfillment of 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 therefrom.
>
> (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 scrutinising and approving by the respondent or any other competent authority.

(vii) If any of the aforesaid conditions are not complied with by the petitioner, the benefits granted under this order will automatically ceased to operate.

9. With the above directions, these writ petitions are disposed of. No cost. Consequently, the connected miscellaneous petitions are closed.

03.07.2025

Speaking/Non-speaking order
Index : Yes / No
Neutral Citation : Yes / No
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To

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<u>KRISHNAN RAMASAMY.J.,</u>

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