07.10.2026
Item No.1
Ct. No. 10
BR

WPA 22119 of 2026

Vijendra Singh
-vs-
Superintendent Range IV Bally II Division Howrah Commissioner and another

Mr. Vinay Kumar Shraff,
Mr. Dev Kumar Agarwal
... for the petitioner

Mr.Uday Shankar Bhattacharyya,
Ms. Sretapa Sinha
... for the respondent

1. The petitioner challenged the Order dated 17.08.2026 whereby the GST registration of the petitioner has been cancelled with retrospective effect from 16.07.2026 and the Order dated 17.08.2026, is not sustainable in the eye of law.

2. Main grievances of the petitioner are as follows:-

i) The registration of the petitioner has been cancelled only on the ground of lack of ownership of the property of the petitioner which is wholly without jurisdiction.

ii) Neither Section 29(2) of the Central Goods and Services Tax Act, 2017 nor Rule 21 of the CGST Rules, 2017 mandates cancellation of registration for want of exclusive ownership. The petitioner has produced tenancy agreement from one of the co-owners and continued to carry on bonafide manufacturing activities from the premises in question.

iii) The impugned order suffers from illegality and irregularity and has been passed in excess of jurisdiction, arbitrarily and is liable to be set aside.

3. It is further contended that despite filing a detailed reply dated 23.07.2026 to the Show Cause Notice, which is annexed as Annexure 'P21' at page 106 of the Writ Petition and duly acknowledged by the GST Authorities, the respondent No. 1 has erroneously recorded in the impugned order that no reply has been filed.

4. The Learned Counsel appearing for the GST Authorities vehemently opposes the submissions made by the petitioner and submits that at thetime of personal hearing the petitioner failed to produce relevant documents pertaining to the property in question.

5. A Civil Suit has been filed by the petitioner against the co-owners of the property in question.

6. Heard the Learned Advocates for the respective parties and upon perusing the materials available on record, this Court has taken the judicial notice of the reply dated 23rd July 2026 being Annexure 'P21' at page 106 of the Writ Petition. This Court finds that the petitioner has been able to make out a prima facie case warranting interference at this stage. This Court is of the considered view that the Show Cause Notice and also the Order of

Cancellation of registration have been passed in a very mechanical manner and without proper application of mind and without considering the reply filed by the petitioner and thus warrants to be set aside on this score alone.

7. However, this Court is also conscious that cancellation of GST registration results in severe civil consequences. It completely disables a dealer from carrying on business. It is a well proposition that object of GST Law is compliance and not punishment. When assessee expresses bona fide willingness to file return and pay outstanding dues, a liberal and pragmatic approach is warranted as held in Kanaklal Sutradhar –vs- State of West Bengal , reported in (2024) 165 Taxmann. com 468 (Calcutta) and in Basudev Karmakar –vs- the Superintendent of CGST and CX, Range VIII, B.B.D. Bag II Division, Kolkata North Commissionerate and Ors. in WPA 13801 of 2026

8. In view of the above in the interest of justice this Court deems fit appropriate to pass following directions.

i. The petitioner shall file a comprehensive and detailed representation before respondent No. 1 within a period of 7 days from date, explaining is bonafide to refute allegations mentioned in Show Cause Notice.

ii. The respondent No. 1 shall consider and dispose of the same in light of ratio in Kanaklal Sutradhar (supra) and Basudeb Karmakar (supra) by passing a reasoned and speaking order within three weeks from the date of receipt of the representation after affording an opportunity of personal hearing to the petitioner and the decision shall be accordingly communicated within a week thereafter.

iii. The respondent no. 1 shall arrive at a logical and conclusive finding regarding restoration of registration for running business in a seamless manner.

iv. The respondent No. 1 shall take independent decision without being influenced by observations made hereinabove.

v. The petitioner shall not seek for further adjournment and shall provide his Email ID in advance with the respondent no. 1 for serving notice of hearing . Accordingly the respondent no. 1 shall fix date and time and serve the notice through such email.

vi. If satisfied with credentials , respondent No. 1 shall activate petitioner's portal and log in credentials within a week from date of final decision to enable filing of return and making

payment of requisite amount in accordance with law.

vii. Consequently Order of cancellation of registration dated 17.08.2026 is hereby quashed and set aside subject to compliances as above.

viii. It is made clear if the petitioner fails to comply with the above direction , benefit of this order shall not enure to the petitioner.

9. With the above observations and directions, the Writ Petition stands disposed of without going into the merits of the case.

(Smita Das De, J.)