

Vague SCN cannot be relied upon for cancellation of GST registration

The Hon'ble Bombay High Court in *DBS Tradelink and advisors Pvt. Ltd. v. The state of Maharashtra and another [Writ petition no.8474 of 2022 dated July 20, 2022]* directed the **assessing authority to restore the** registration of the assessee on the very same day of this judgment.

Facts:

An incomprehensible show cause notice dated April 21, 2022 (**"the SCN"**) was issued to **DBS Tradelink and advisors Pvt. Ltd ("the Petitioner")** stating that the **Petitioner's registration is liable to be cancelled in case** the registration has been obtained by means of fraud, willful misstatement or suppression of facts. Further, it was nowhere mentioned in the SCN that the Petitioner has obtained registration by fraud or willful misstatement or suppression of facts.

Moreover, the signature mentioned in the SCN is a digital signature that was not verified.

After the reply of the SCN, an order dated July 5, 2022 (**"the Impugned order"**) was passed by the assessing authority (**"the Respondent"**) stating that no reply to the SCN has been submitted and also stating that the reply of the SCN has been examined.

The Petitioner filed the writ petition for quashing both the documents that are the SCN and the Impugned order that was issued without the application of mind. Also, the Petitioner prayed for the restoration of registration.

Issue:

Whether or not the vague SCN in digital form can be a valid document for cancellation of registration?

Held:

The Hon'ble Bombay High Court in ***Writ petition no.8474 of 2022 dated July 20, 2022***, held as under:

- Quashed and set aside the Impugned order as well as the SCN.
- Further, held that the Respondents are free to proceed further in accordance with the law, but not in a digital form until the problem is resolved. The Court also stated that the Respondents shall issue notices and pass orders in physical form unless the network problem is resolved.
- Lastly, the Court disposed off the petition directing that the Respondent to restore the Petitioner's registration forthwith, in any case before 4.30 p.m. on the day of this judgment.

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