



CGHC010485442025



2026:CGHC:36663

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

WPT No. 179 of 2025

1 - Morvi Nandan Healthcare Private Limited Having Its Place Of Business At House No H19, Green Orchid, Daldal Seoni Road, Mowa, Raipur, District Raipur State Chhattisgarh 492001 Through Its Director Ankit Singh, Aged About 42 Years, S/o Shri Banbir Singh, R/o House No. 27/125, In Front Of New Hanuman Mandir, New Shanti Nagar, Shankar Nagar, District- Raipur, Chhattisgarh 492007

... Petitioner(s)

versus

1 - State Of Chhattisgarh Through Secretary Commercial Tax-Gst Department, Mantralaya, Mahanadi Bhavan, Atal Nagar, Nawa Raipur, District - Raipur (C.G.)

2 - Superintendent Central Excise And Central Gst, Range-Iii, Division-I, Raipur, Chhattisgarh, Gst Bhawan, Dhamtari Road, Tikrapara, Raipur, District- Raipur, Chhattisgarh 492001

3 - Authorised Officer And Deputy Commissioner Of State Tax Business Intelligence Unit Nawa Raipur Division, Gst Bhawan, Sector-19, Nawa Raipur, Atal Nagar, District Raipur, (C.G.)

4 - Commissioner Of Commercial Tax-Gst Department Office Of The Commissioner Of Commercial Tax- Gst Department, North Block, Sector-19, Atal Nagar, Nawa Raipur, District- Raipur (C.G.)

5 - Principal Commissioner Cgst And Central Excise, Raipur (Cg) Office Of The Principal Commissioner, Cgst And Central Excise, Raipur (C.G.), Gst Bhawan, Dhamtari Road, Tikrapara, Raipur, District- Raipur, Chhattisgarh- 492001

... Respondent(s)

For Petitioner/s	:	Shri Siddharth Dubey, Advocate.
For Respondent/State	:	Shri Ajay Kumrani, P.L.
For Respondents No.2 to 5	:	Shri A.S. Kachhwaha, Advocate.

Hon'ble Shri Justice Rakesh Mohan Pandey

Judgment On Board

17.08.2026

1) By way of this petition, the petitioner has sought following reliefs:-

“10.1 Quashing/setting-aside the show-cause notice dated 09/10/2025 Annexure "P-1".

10.2 As a sequitur to clause 10.1, Quashing/setting aside the Order of Cancellation of Registration dated 27/10/2025 Annexure "P-2".

10.3 Grant any other relief(s) and/or pass any such order(s) that this Hon'ble Court may deem fit in facts and circumstances of the case.”

2) The facts, in brief, are that the petitioner is a company limited, engaged in the trading, sale and purchase of steel products. A show-cause notice was issued on 9.10.2025 by respondent No.2 proposing cancellation of the petitioner's registration under Rule 21(a) of the Chhattisgarh Goods and Services Tax Rules, 2017 (for short, ‘the Rules of 2017’). The Assistant Commissioner of State Tax, Raipur-7, vide order dated 27.10.2025, cancelled the registration of the petitioner's firm with retrospective effect from

11.12.2020. Subsequently, the order of cancellation was communicated to the petitioner vide Annexure-P/2.

- 3) Learned counsel appearing for the petitioner would contend that the decision to cancel the registration of the petitioner's firm was taken on the ground that the petitioner was not conducting any business from the declared place of business, or that the place of business was not found. He would contend that the show-cause notice did not specify the date and time on which the petitioner was required to appear before the authority concerned. It is also contended that there is no provision either under Section 29 of the Act of 2017 or the Rules framed thereunder for cancellation of registration with retrospective effect. He would contend that the show-cause notice dated 9.10.2025 and the subsequent order of cancellation of registration dated 27.10.2025 are bad in law. He has placed reliance on the judgment passed in the matter of ***Nairson Multiventures (P) Ltd. vs. State of Chhattisgarh***, reported in **(2026) 183 taxmann.com 369 (Chhattisgarh)**.
- 4) On the other hand, learned counsel for respondents No.2 to 5 would oppose the submissions made by learned counsel for the petitioner. He would submit that the Office of the Commissioner, State GST, was informed that the petitioner's firm was not conducting any business from the declared place of business. He would submit that a communication dated 3.10.2025 was sent to the authority concerned. He would further submit that the

authorities physically verified the allegations and, thereafter, issued a show-cause notice and took a decision to cancel the registration in accordance with Rule 22 of the Rules of 2017. He would submit that the petitioner has a remedy to approach the authority concerned for revocation of the cancellation of registration and, therefore, the present petition is not maintainable.

- 5) Learned counsel appearing for the State would endorse the submissions made by learned counsel appearing for respondents No.2 to 5.
- 6) I have heard learned counsel for the parties and perused the documents placed on record.
- 7) The petitioner has been assigned a GSTIN by the Department and is engaged in the business of sale and purchase of steel products. A show-cause notice was issued in accordance with the provisions of Rule 21(a) of the SGST Rules, 2017, on the ground that the business was not being operated from the declared place of business.
- 8) Perusal of the show-cause notice dated 9.10.2025 would reveal that the authority concerned did not specify the date and time for granting an opportunity to the petitioner to appear personally before the concerned authority. Rather, the petitioner was granted seven days' time to file a reply. The petitioner could not file a reply and, ultimately, his GST registration was cancelled. Rule 22(1),

read with Form GST REG-17, deals with a show-cause notice for cancellation of registration. Form GST REG-17 is reproduced hereinbelow:

FORM GST REG-17
[See rule 22(1)]

Reference No. ><Date>>

To
Registration Number (GSTIN/Unique ID)
(Name)
(Address)

**SHOW CAUSE NOTICE FOR CANCELLATION OF
REGISTRATION**

Whereas on the basis of information which has come to my notice, it appears that your registration is liable to be cancelled for the following reasons:—

- 1.
- 2.
- 3.
-

- ☐ You are hereby directed to furnish a reply to this notice within seven working days from the date of service of this notice.
- ☐ You are hereby directed to appear before the undersigned on DD/MM/YYYY at HH/MM.

If you fail to furnish a reply within the stipulated date or fail to appear for personal hearing on the appointed date and time, the case will be decided *ex parte* on the basis of available records and on merits.

Place:
Date:

Signature
<Name of the Officer>
Designation
Jurisdiction

[**Note.**—Your registration stands suspended with effect from (date).]

- 9) A bare reading of above quoted provision would make it clear that the authority concern has to assign reasons for cancellation of registration. Further, the authority has to grant seven working days time to file a reply to show-cause and at the same time, is under obligation to afford an opportunity of personal hearing by specifying date and time. In the show-cause notice issued by respondent No.2 dated 9.10.2025, though seven working days' time was granted to file reply but date and time granting opportunity of personal hearing was not specified and thus, show-cause notice was issued in contravention to the provisions of REG-17.
- 10) According to Rule 25 of Rules, 2017, it is necessary to upload the physical verification report alongwith other documents including photographs on the common portal within a period of 15 working days following the date of such verification.
- 11) Rule 25 is reproduced herein below:

“25. Physical verification of business premises in certain cases.—Where the proper officer is satisfied that the physical verification of the place of business of a person is required due to failure of Aadhaar authentication [or due to not opting for Aadhaar authentication] before the grant of registration, or due to any other reason after the grant of registration, he may get such verification of the place of business, in the presence of the said person, done and the verification

report along with the other documents, including photographs, shall be uploaded in **FORM GST REG-30** on the common portal within a period of fifteen working days following the date of such verification.]”

In both the cases, the physical verification was carried out on 21.8.2025 and 19.8.2025, however, the documents were not uploaded till passing of final orders. Therefore the show cause notice and final orders are in contrary to provisions of Rule 25 of Rules, 2017.

12) With regard to alternative remedy, there is no bar to entertain a writ petition where there is violation of principle of natural justice or the order passed by the authority concerned is ultra vires as held by the Hon'ble Supreme Court in the matter of **Godrej Sara Lee Ltd. vs. Excise and Taxation Officer-cum-Assessing Authority and Others**, reported in **2023 SCC OnLine SC 95**. Para 6 is reproduced herein below:

“6. At the end of the last century, this Court in paragraph 15 of its decision reported in (1998) 8 SCC 1 (Whirlpool Corporation vs. Registrar of Trade Marks, Mumbai and Others) carved out the exceptions on the existence whereof a Writ Court would be justified in entertaining a writ petition despite the party approaching it not having availed the alternative remedy provided by the statute. The same read as under:

- (i) where the writ petition seeks enforcement of any of the fundamental rights;
- (ii) where there is violation of principles of natural justice;

(iii) where the order or the proceedings are wholly without jurisdiction; or

(iv) where the vires of an Act is challenged.”

13) In the result, the present petition is **allowed**. Show cause notice dated 9.10.2025 and the order of cancellation of registration dated 27.10.2025 passed by respondent No.2 are hereby quashed. Respondent No.2 shall be at liberty to initiate fresh proceedings against the petitioner strictly in accordance with REG-17, Rule 25 of CGST Rules, 2017.

Sd/-

(Rakesh Mohan Pandey)
JUDGE

Nimmi