

HC: GST demand based on portal notice after cancellation of registration set aside

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REFER THE DECISION OF THE HON'BLE MADRAS HIGH COURT IN THE CASE OF

***Tvl. Amman Steel vs. Commissioner of Commercial Taxes*, Citation: (2025) 34 Centax 123 (Mad.)**

In this case, the assessee's GST registration was cancelled in 2019. However, in 2023, a notice was issued and demand was raised on the GST portal for differential tax liability arising out of a credit note issued by the supplier. The assessee contended that since its registration stood cancelled, it no longer had access to the GST portal and could not effectively view or respond to the notice.

The Madras High Court found merit in the contention, observing that denial of access to the portal effectively deprived the assessee of a reasonable opportunity to defend its case. Issuance of a portal-based notice after cancellation of registration was held to be procedurally unfair and violative of principles of natural justice.

Outcome:

The High Court set aside the impugned demand and remanded the matter to the authorities for fresh adjudication, directing them to provide due opportunity to the assessee through an accessible mode of communication.