24.09.2026
ct no. 10
Sl. 12
AGM

WPA 10299 of 2026

Joydeb Karmakar @ Jaydeb Karmakar
-Versus-
The Union of India & Ors.

Mr. Himangshu Kumar Ray.
Mr. Saptak Sanyal.
Mr. Sushant Bagaria.
Mr. Subhasis Podder.
Ms. Shiwani Shaw.
…for the petitioner.

Mr. Uday Sankar Bhattacharya.
Mr. Kaustav Kanti Maity.
Ms. Banani Bhattacharya.
… for the CGST Authority.

Mr. Anjan Chakraborty.
… For the Union of India.

1. The present Writ Petition is directed against an Order dated 16.06.2025 passed by the Superintendent, Balurghat Range whereby the petitioner's registration under WBGST Act, 2017 / CGST Act, 2017 (hereinafter referred to as the said Act of 2017) has been cancelled on the ground of non-submission of the Bank details.

2. The Learned Counsel appearing for the petitioner submits that:

(i) the petitioner is willing to comply with the provisions of the said Act of 2017 by paying outstanding tax along with applicable interest, late fees, penalties and fine,

(ii) Non-revocation of cancellation of registration due to non-submission of bank details shall cause serious prejudice to the livelihood of the petitioner and shall face undue financial hardship,

(iii) Reliance is placed upon paragraph Nos. 11 to 17 of the Judgment of a Coordinate Bench of this Court in the case of **Kanaklal Sutradhar –Vs.- State of West Bengal reported in (2024) 165 Taxmann.com 468 (Calcutta)** which is reproduced below :-

> *"11. Admittedly, during the period between 3rd February, 2022 and 30th July, 2023 the petitioner was in jail custody. The show-cause was issued on 27th July, 2023 and order of cancellation of petitioner's registration was passed on 23rd August, 2022. The petitioner had no opportunity either, to respond to the show-cause or to prefer an application for revocation of the order of cancellation. From the certificate issued by the Superintendent, Raiganj District Correctional Home dated 27th July, 2023 it would appear that the petitioner had been released pursuant to his acquittal on 20th July, 2023. Thereafter, the petitioner had preferred an appeal. I find that the appellate authority under Section 107 of the said Act had purported to reject the said appeal on the ground that the petitioner did not apply for revocation of the cancellation of his registration. The aforesaid order, to that extent, appears to be mechanical, without application of mind.*
>
> *12. I may note that it is not the case of the respondents' that the petitioner had evaded tax, rather the show-cause notice would show that the allegation was that the tax payer was not functioning. For reasons noted above since the petitioner could not respond to the show-cause the order of cancellation was passed.*
>
> *13. In this context, it would be relevant to note that the Division Bench of this HonTDle Court in the case of Subhankar Golder v. Asstt. Commissioner of State Tax (MAT 639 of 2024) on 9th April 2024/[2024] 163 taxmann.com 99/ 104 GST 382/87 GSTL 88 (Calcutta), while*

considering the case of cancellation of registration was, inter alia, pleased to set aside the order of cancellation subject to the registered tax payer whose registration had been cancelled, files returns for the entire period of default, pays requisite amount of tax and interest, fine and penalty.

14. In the light of the above and having regard to the direction issued by the Hon'ble Division Bench in the case of Subhankar Golder (supra), I do hereby propose to and set aside the order dated 23rd August, 2022 cancelling the petitioner's registration and the order dated 13th March, 2024 passed by the appellate authority under the said Act, subject to the conditions that the petitioner files his returns for the entire period of default and pays requisite amount of tax and interest and fine, late fees and penalty, if not already paid.

15. It is made clear that if the petitioner complies with the directions/conditions noted above, within 4 weeks from the date of receipt of the server copy of this order, the petitioner's registration under the said Act shall be restored by the jurisdictional officer. However, if the petitioner fails to comply with the directions as aforesaid, the benefit of this order will not enure to the petitioner and the writ petition would stand automatically dismissed.

16. For the purpose of compliance of the above directions, the respondents are directed to activate the portal within one week from date, so that the petitioner can file his returns, pays requisite amount of tax and interest, fine, late fees and penalty if not already paid.

17. With the above direction and observations, the writ petition is disposed of without any order as to costs."

(iv) Reliance is also placed upon paragraph (11) of WPA 13801 of 2026 in the case of **Basudeb Karmakar Vs. The Superintendent of CGST and CX, Range VIII, BBD Bag II Division, Kolkata North Commissionerate and Ors** which is reproduced below:-

"11. This Court has taken a judicial note that cancellation of GST registration has severe civil consequences. It disables the assessee from business. Hench a liberal and pragmatic approach is required."

3. The petitioner further submits that initially at the time of taking the registration, the petitioner disclosed before the authority concerned with regard to a Bank Account which stood in joint name i.e. the petitioner with his elder brother, but, thereafter due to certain differences of opinion, both the brothers were separated and opened their accounts separately, but the same was not informed to the GST authorities, as a result of which the GST authorities were pleased to seek clarification regarding the multiple GST registration.

4. The Learned Counsel appearing for the CGST authorities strenuously argued and submitted that:-

(i) A letter dated 11.02.2025 was issued by respondent No. 3 seeking inter alia, clarification regarding multiple GST Registrations taken under a single Bank Account. However, the petitioner chose not to give any reply to the same.

(ii) Under such circumstances respondent No. 3 was compelled to issue a show cause notice dated 07.03.2025 for cancellation of the registration under Rule 21 Clause D for violating the provisions of Rule 10A for not disclosing the bank details.

(iii) The Order of Cancellation of registration was passed on 16.06.2025 but the petitioner failed to approach the appellate authority by preferring an appeal for ventilating his grievances.

(iv) As regard the conduct of the petitioner, the petitioner was behind the bars in connection with the criminal proceeding and subsequently enlarged on bail on 17.11.2025, and was finally acquitted on 03.01.2026. Despite being enlarged on bail, the petitioner sat tight over the issue without taking any necessary steps either by approaching this Court or by preferring any appeal.

(v) The petitioner has failed to make out a case with proper reason for the delay in approaching this Court by filing the instant Writ Petition.

5. Therefore, on grounds of conduct, latches and failure to avail alternative remedy, writ petition is liable to be dismissed.

6. Having heard the parties and upon perusing the materials available on record including documents relied upon by CGST authorities and judgments cited at bar. This Court has taken judicial notice of the fact that the petitioner was arrested on 07.03.2025 which is the same as the issuance of Show Cause Notice and remained in custody for a considerable period till enlarged on bail on 17.11.2025 and subsequently the petitioner was acquitted on 03.01.2026. Though petitioner languished behind bars, record reveals that no steps were taken for revocation of cancellation even after release.

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 bonafide willingness to file return and pay outstanding dues with interest and penalty, a liberal and pragmatic approach is warranted as held in Kanaklal Sutradhar (Supra) and Basudeb Karmakar (Supra). It is not the case of respondent that petitioner is involved in any fraudulent transaction, creation of fake invoices, circular trading or any dubious means to evade tax. The allegation is confined to non-disclosure of bank details and multiple registrations on single Joint Bank Account, which according to petitioner was due to separation from his brother and failure to update record.

8. Such lapse, though a violation of Rule 10A, can be cured by production of correct bank details and supporting documents to establish bonafide. Ends of justice would be sub served if petitioner is given one opportunity to satisfy authorities regarding his bonafide.

9. 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 and enclosing his relevant bank details and documents to refute allegations mentioned in Show Cause Notice regarding multiple GST registration on single Bank Account.

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 in course of hearing, petitioner is able to satisfy and substantiate his bonafide by producing relevant documents including bank details, respondent No. 1 shall forthwith restore registration, subject to furnishing of all return for entire period of default and payment of all outstanding taxes along with applicable interest, late fees, fines and penalties.

vii. 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.

viii. Consequently Order of cancellation of registration dated 16.06.2025 is hereby quashed and set aside subject to compliances as above.

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

10. With the above observations and directions the Writ Petition stand disposed of without going in the merits of the case.

11. Urgent photostat certified copy of this order be supplied to the parties, if applied for, as early as possible.

(Smita Das De, J.)