

**IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD
(Special Original Jurisdiction)**

**TUESDAY, THE SEVENTH DAY OF OCTOBER
TWO THOUSAND AND TWENTY FIVE**

PRESENT

**THE HONOURABLE THE CHIEF JUSTICE APARESH KUMAR SINGH
AND
THE HONOURABLE SRI JUSTICE G.M. MOHIUDDIN**

WRIT PETITION NO: 27283 OF 2025

Between:

M/s. M A Enterprises, Plot No .103, D. No. 8-7-92/A/103/A, Anupama Nagar,
Hasthinapuram, Saroornagar Mandal, Ranga Reddy, Hyderabad, Telangana-
500079, Represented by its Proprietor, Sri. Mohammad Abdul Rahman.

...PETITIONER

AND

1. The Additional Commissioner (Appeals-1), O/o. The Commissioner of Customs & Central Tax, Appeals-I, Hyderabad Commissionerate, 7th floor, GST Bhavan, L.B. Stadium Road, Basheerbagh, Hyderabad-500004.
2. Superintendent of Central Tax, Saroornagar GST Range, Shamshabad GST Division, Ranga Reddy GST Commissionerate, Hyderabad.

...RESPONDENTS

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to issue a Writ of Mandamus or any other appropriate writ or order or direction to setting aside the impugned Appeal not allowed Order passed by the 1st respondent in Appeal No 234/2025-RR-GST-ADC Order-in-Appeal No. HYD-GST-RR- APP1-201-25-26 dated 12.08.2025 read with Order for Cancellation of registration passed by 2nd Respondent in Reference No ZA36042502974-ON dated 11.04.2025 is arbitrary, illegal and contrary to law laid down by this Hon'ble Court and consequently, set-aside the same

IA NO: 1 OF 2025

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to suspend the operation of the Appeal Rejection Order passed by the 1st Respondent in Appeal No 234/2025-RR-GST-ADC Order in Appeal No. HYD-GST-RR- APP1-201-25-26 dated 12.08.2025, read with Order for Cancellation of registration passed by 2nd Respondent in Reference No ZA360425029740N dated 11.04.2025 in cancelling the GSTN Registration Certificate Number 36CAPP6663N1ZR of the petitioner, pending disposal of the above Writ Petition

Counsel for the Petitioner: SRI. VENKATRAM REDDY MANTUR

Counsel for the Respondents: SRI DOMINIC FERNANDES
(senior standing counsel for CBIC)

The Court made the following: ORDER

THE HON'BLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH

AND

THE HON'BLE SRI JUSTICE G.M.MOHIUDDIN

Writ Petition No.27283 of 2025

Order:

Heard Mr. M.Venkatram Reddy, learned counsel for the petitioner and Mr. Dominic Fernandes, learned Senior Standing Counsel for Central Board of Indirect Taxes and Customs (CBIC) appearing for the respondents.

2. Petitioner's GST registration No.36CAPP
6663N1ZR was cancelled with effect from 31.01.2025, *vide* Form GST REG-19 dated 11.04.2025, under Rule 22(3) of the Central Goods and Services Tax Rules, 2017 (for short 'the Rules'), *inter alia* on number of grounds including the one that the petitioner has not been conducting any business from his declared place of business. Petitioner preferred an appeal. The appellate authority called for a report from the jurisdictional Superintendent. The

jurisdictional Assistant Commissioner of Central Tax,
Shamshabad GST Division, replied as follows:

"In this regard, it is informed that DGGI, Vizag who have booked a offence case the said unit, vide letter F.No.DGGI/INV/GST/509/2025-Gr.A-0/o. ADG-GGI, dated 20.05.2025 opined that the prayer of the taxpayer does not merit for consideration. The relevant contents of the said letter are reproduced hereunder.

3. In this regard, it is informed that as per the Inspection Authorization No. 297/2024-25 dated 14.03.2025 issued by the Joint Director, DGGI, VZU for inspection of the business premises of M/s. MA Enterprises (GSTIN: 36CAPP6663N1ZR) i.e., Second Floor, Plot No.28 EP, Krishnaveni Nagar, Saroor Nagar Main Road, Hyderabad, Rangareddy, Telangana, 500035, the inspection officers of DGGI, VZU visited the said premises on 18.03.2025. On reaching the premises, it was found that there was no business entity by name M/s. MA Enterprises or any person by name Shri Mohammad Abdul Rahman at the said premises.

Enquiry made with the people living near the premises revealed that M/s. MA Enterprises or any person with name Shri Mohammad Abdul Rahman have not conducted/conducting any business activity in the said premises. Subsequently, the inspection officers contacted Shri. Mohammad Abdul Rahman, Proprietor of M/s. MA Enterprises over phone at his mobile number 9642430487. But, Shri. Mohammad Abdul Rahman did not pick up the call. He never picked up the call despite repeated telephonic calls from the officers.

Subsequently, the officers approached the owner of the premises Ms. S. Shilpa Reddy, W/o Shri Depa Mahender Reddy and enquired her

about the business activities of M/s. MA Enterprises in her premises i.e., Second Floor, Plot No 28 EP, Krishnaveni Nagar, Saroor Nagar Main Road, Hyderabad, Rangareddy, Telangana, 500035. In response, she stated that the aforesaid premises was owned by her; that one Hostel by name Elite Hostel for Men has taken the said premises on rent 8 years back and that still they are continuing in the said premises. Further, she stated that the premises was never rented out to any firm named M/s. MA Enterprises (36CAPP6663N1ZR) or to any person named Shri Mohammad Abdul Rahman at any point of time and that no business/commercial activity is being carried out by the said firm in the said premises. She stated that the Rental Agreement dated 19.02.2024 said to be executed between her and Shri Mohammad Abdul Rahman is a fake document and the signature on the said Rental Agreement is different from her actual signature. Aforesaid proceedings were recorded under Panchanama dated 18.03.2025.

4. The non-existence of M/s. MA Enterprises (36CAPP6663N1ZR) has been substantiated by the Panchanama dated 18.03.2025 drawn at the declared place of business.

5. As M/S. MA Enterprises (36CAPP6663N1ZR) was found to be a fake/bogus entity which obtained GST registration fraudulently by uploading/submitting a fake rental agreement, this office vide letter dated 20.03.2025 requested the Jurisdictional AC to cause cancellation of the GST Registration of M/s. MA Enterprises (36CAPP6663N1ZR) as per the provisions of Section 29 of CGST Act, 2017 read with Rule 21 of the CGST Rules, 2017 and to block the ITC ledger of the said entity under Rule 86A of CGST Rules, 2017, in order to prevent them from further passing on fraudulent ITC to other taxpayers.

6. Subsequently, the Superintendent, Saroor Nagar CGST Range issued Show Cause Notice to

the subject taxpayer on 28.03.2025 and the registration was cancelled on 11.04.2025, after following procedures.

7. In this context, attention is invited to the Superintendent, Saroor Nagar CGST Range's letter dated 09.05.2025 addressed to the Assistant Commissioner of Central Tax, Shamsabad CGST Division, wherein he has stated that he has verified premises of the taxpayer and the rental agreement, based on the amendment application vide ARN No. AA3603250288445 dated 18.03.2025; that the taxpayer is running business from the new premises; that the rental agreement between Shri Sriramula Anjaneyulu (new premises owner) and Shri Mohammed Abdul Rahman (Proprietor) was executed on 25.11.2024, but the taxpayer applied for amendment on 18.03.2025. Based on the above, the Superintendent, Saroor Nagar CGST Range vide the aforementioned letter, proposed for restoration of the suo-moto cancelled registration of the subject taxpayer, in the interest of taxpayer convenience.

8. In this regard, this is to bring to your notice that on verification of documents uploaded by the taxpayer in the BO portal, it is noticed that the taxpayer has applied for amendment on 18.03.2025 (i.e. exactly on the date of inspection of officers of DGGI, VZU) by uploading the Rental Agreement dated 18.03.2025 on the BO portal. However, no rental agreement dated 25.11.2024 said to be executed between Shri Sriramula Anjaneyulu (new premises owner) and Shri Mohammed Abdul Rahman (Proprietor) found to have uploaded on the portal by the taxpayer. The taxpayer has erred by furnishing two sets of rental agreements from the same owner i.e., Shri Sriramula Anjaneyulu, one dated 25.11.2024 (in physical mode to the Superintendent, Saroor Nagar Range) and another dated 18.03.2025 (on

BO portal), which clearly indicate that the said rental agreements/documents are not genuine.

9. In this context, it is reiterated that the subject taxpayer had obtained GST Registration fraudulently by way of uploading fake documents in the portal and hence it is opined that the proposal of revocation of the cancelled GST registration of M/s. MA Enterprises (36CAPP6663N1ZR) does not merit consideration.'

3. The appellate authority, upon consideration of the report of the jurisdictional Assistant Commissioner of Central Tax, Shamshabad GST Division, held that the cancellation of GST registration of the petitioner has been carried out in accordance with the provisions of Section 29 of the Act read with Rule 21 of the Rules after due process of law. He further held that the place of business declared by the petitioner at the time of grant of registration was found to be non-existent during physical verification on 18.03.2025, as evidenced by the panchanama drawn on the same date. The owner of the premises, Smt. S.Shilpa Reddy, has categorically denied renting the said premises to the petitioner at any point of

time and disputed the authenticity of the rental agreement relied upon by the petitioner, stating the same to be a forged document. Further, the petitioner is held to have furnished inconsistent and contradictory documents in respect of the alleged new premises *i.e.*, one rental agreement dated 25.11.2024, given in physical mode to the Superintendent and another one dated 18.03.2025, uploaded to the BO portal, which raise serious doubts over the genuineness of the same. He further opined that the amendment application for change of address was filed only on 18.03.2025, the day on which inspection was conducted by DGGI officers. The petitioner has failed to produce credible evidence to rebut the findings of non-existence of declared place of business at the material time or to establish that the GST registration was obtained and operated in a *bona fide* manner. Therefore, he refused to interfere with the cancellation of the petitioner's GST

registration. Being aggrieved, the present Writ Petition has been filed by the petitioner *inter alia* on the grounds that the impugned order of cancellation of its registration is arbitrary and violative of the principles of natural justice. It has been passed contrary to the third proviso to sub-section (2) of Section 29 of the Act. Cancellation of registration made with retrospective effect from 28.03.2025 is not justified. The impugned order cancelling the GST registration of the petitioner has been passed merely on surmises and conjectures. The appellate authority has rejected the appeal without appreciating the grounds of appeal. The appellate authority has ignored the documents relating to the petitioner's business activities and the physical verification report of respondent No.2, who physically confirmed the business activity of the petitioner, verified its bank statements, invoices and took samples. Therefore, the impugned order of

cancellation of GST registration of the petitioner is liable to be set aside.

4. Learned Senior Standing Counsel for CBIC has drawn the attention of this Court to the findings of the appellate authority quoted above. He submits that the owner of the previous premises, against which registration was obtained, has denied renting the premises to the petitioner at any point of time and has stated that the rental agreement is a forged document. It is submitted that even the amendment application moved for change of the place of business was filed on the same date *i.e.*, 18.03.2025, on which the inspection was carried out by DGGI officials. Moreover, petitioner had furnished two sets of rental agreements of the same premises, one dated 25.11.2024 given in physical mode to the Superintendent and another one dated 18.03.2025, uploaded to the BO portal, which raise serious doubts

about the genuineness of the same. The cancellation of GST registration was made also on the ground that the petitioner has not been conducting business from the declared place of business. The appellate authority, having considered the report of the jurisdictional Assistant Commissioner of Central Tax, Shamshabad GST Division, found that there are serious doubts about the GST registration of the petitioner. For the aforesaid reasons, the appellate authority refused to interfere with the order of cancellation of petitioner's GST registration dated 11.04.2025.

5. We have considered the submissions of learned counsel for the parties and taken note of the materials placed on record.

6. The findings of the learned appellate authority appear to be unimpeachable as there are serious doubts as

to the place of business against the earlier premises alleged to have been declared by the petitioner at the time of grant of registration and also against the new premises in respect of which the petitioner itself has furnished two rental agreements of two different dates 25.11.2024 and 18.03.2025.

7. The cancellation of GST registration of the petitioner has also been made on the ground that petitioner has not conducted any business from the declared place of business, which is in contravention of Rule 21A of the Rules.

8. In view of the aforesaid reasons, we do not find any ground to interfere with the impugned order of cancellation of GST registration of the petitioner as confirmed in the appeal.

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9. Therefore, the instant Writ Petition is dismissed. No costs.

As a sequel, miscellaneous petitions, pending if any, stand closed.

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SD/-U. SUDHA
ASSISTANT REGISTRAR
SECTION OFFICER

To,

1. One CC to SRI. VENKATRAM REDDY MANTUR, Advocate [OPUC]
2. One CC to SRI. DOMINIC FERNANDES (senior standing counsel for CBIC) [OPUC]
3. Two CD Copies

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HIGH COURT

DATED:07/10/2025

ORDER

WP.No.27283 of 2025



DISMISSING THE WRIT PETITION WITHOUT COSTS

⑤ FA
30/10/25

THE HON'BLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH

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APARESH KUMAR SINGH, CJ

G.M.MOHIUDDIN, J

Date: 07.10.2025
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