



Rule 21A CGST Rules, 2017 amended

The officer can cancel the registration without giving any opportunity to be heard (Notification 94/2020 Central Tax dated 22.12.2020)

The proper officer can cancel the registration if he has reason to believe that the registered persons

- Does not conduct any business from the declared place of business or
- Issues invoices or bill without supply of goods or services or
- Anti-Profitteering violation
- Does not furnish bank account details within the time limit after registration

The proper officer may cancel the registration without giving the said person any opportunity of being heard (will it not be unconstitutional?)

Inserted new sub-rule (2A):

Where there is a comparison of GSTR 3B furnished by a registered person with the details of outward supplies furnished in GSTR 1 or inward supplies derived based on the details of outward supplies furnished by his suppliers in their GSTR-1 and significant differences/anomalies indicating contravention of CGST Act or Rules are discovered, the department shall now serve a notice in Form GST REG 31 to call for explanation as to why registration should not be cancelled, for which the registered person is required to submit his reply within 30 days of such notice.

Where a registration is suspended, no refund can be availed by the taxpayer under Section 54 of the CGST Act (i.e., Refund of tax) during the period of suspension of registration.

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