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Government of India
Ministry of Finance
(Department of Revenue)
Central Board of Indirect Taxes and Customs

Order No. 5/2019-GST

New Delhi, the 23rd April, 2019

S.O. (E). —WHEREAS, sub-section (2) of section 29 of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the 'CGST Act') provides for cancellation of registration by proper officer in situations described in clause (a) to clause (e) as under: -

(a) a registered person has contravened such provisions of the Act or the rules made thereunder as may be prescribed; or

(b) a person paying tax under section 10 has not furnished returns for three consecutive tax periods; or

(c) any registered person, other than a person specified in clause (b), has not furnished returns for a continuous period of six months; or

(d) any person who has taken voluntary registration under sub-section (3) of section 25 has not commenced business within six months from the date of registration; or

(e) registration has been obtained by means of fraud, willful misstatement or suppression of facts:

Provided that the proper officer shall not cancel the registration without giving the person an opportunity of being heard.

AND WHEREAS, sub-section (1) of section 169 of the CGST Act provides for service of notice (opportunity of being heard); clause (c) and (d) of said sub-section are as under: -

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(c) by sending a communication to his e-mail address provided at the time of registration or as amended from time to time; or

(d) by making it available on the common portal; or

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AND WHEREAS, sub-section (1) of Section 30 provides for revocation of cancellation of the registration within thirty days from the date of service of the cancellation order.

AND WHEREAS, sub-section (1) of section 107 of the CGST Act provides for filing appeal by any person aggrieved by any decision or order passed by an adjudicating authority within three months from the date on which the said decision or order is communicated to such person and sub-section (4) of section 107 of the CGST Act empowers the Appellate Authority that it may, if he is satisfied that the appellant was prevented by sufficient cause from presenting the appeal within the aforesaid period of three months, allow it to be presented within a further period of one month.

AND WHEREAS, a large number of registrations have been cancelled under sub-section (2) of section 29 of the CGST Act by the proper officer by serving notices as per clause (c) and clause (d) of sub-section (1) of section 169 of the CGST Act and the period of thirty days provided for revocation of cancellation order in sub-section (1) of section 30 of the CGST Act, the period for filing appeal under section (1) of section 107 of the CGST Act and also the period of condoning the delay provided in sub-section (4) of Section 107 of the CGST Act has elapsed; the registered persons whose registration have been cancelled under sub-section (2) of section 29 of the CGST Act are unable to get their cancellation of registration revoked despite having fulfilled all the requirements for revocation of cancellation of registration. GST being a new Act, these taxpayers were not familiar with the manner of service of notice by e-mail or making available at portal in comparison to earlier regime where manual service of notice was provided, as a result whereof certain difficulties have arisen in giving effects to the provisions of sub-section (1) of section 30 of the CGST Act;

NOW, THEREFORE, in exercise of the powers conferred by section 172 of the Central Goods and Services Tax Act, 2017, the Central Government, on recommendations of the Council, hereby makes the following Order, to remove the difficulties, namely: —

Short title.–This Order may be called the Central Goods and Services Tax (Fifth Removal of Difficulties) Order, 2019.-

In sub-section (1) of section 30 of the said Act, the following proviso shall be

inserted, namely: -

"Provided that the registered person who was served notice under sub-section (2) of section 29 in the manner as provided in clause (c) or clause (d) of sub-section (1) of section 169 and who could not reply to the said notice, thereby resulting in cancellation of his registration certificate and is hence unable to file application for revocation of cancellation of registration under sub-section (1) of section 30 of the Act, against such order passed up to 31.03.2019, shall be allowed to file application for revocation of cancellation of the registration not later than 22.07.2019.".

[F. No. 20/06/16/2018-GST]

(Ruchi Bisht)

Under Secretary to the Government of India

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