

GOODS AND SERVICES TAX APPELLATE TRIBUNAL

BENGALURU BENCH,

DIVISION BENCH – COURT NO. 3

Appeal/BUR/199/2026

M/s Sri Subramanya Stores

.....Appellant

Versus

Commissioner of Commercial Taxes, Karnataka

.....Respondent

Counsel for Appellant

Counsel for Respondent

Sri Leelesh Krishna

Smt. Priya Basappa

Advocate

Departmental Representative

Hon'ble Shri Prabhakaran P.M., Judicial Member

Hon'ble Shri Ravi Jesuraj S., Technical Member (State)

Form GST APL-04A

[See rules 113(1) & 115]

Summary of the order and demand after issue of order by the Goods and

Services Tax Appellate Tribunal

Whether Remand Order: Yes

1.	GSTIN	29AAJFS5720L1ZP
2.	Appeal Case Reference No.	Appeal/BUR/199/2026
	Appeal Date	18-04-2026

3.	Name of the Appellant	M/s Sri Subramanya Stores, Ground Floor, I Block/11, APMC Yard, Shivamogga, Karnataka – 577204 Through Sri Leelesh Krishna, Advocate, Mobile: 7411948077 Email – leelesh.official@gmail.com
4.	Name of the Respondent	Commissioner of Commercial Taxes, Karnataka. Through Departmental Representative, Commercial Taxes Department, Government of Karnataka
5.	Order Appealed Against	Order-in-Appeal No. GST AP No. 203/2025-26 passed by the Joint Commissioner of Commercial Taxes (Appeals), Malnad Division, Shivamogga.
	Order Type	Order-in-Appeal under Section 107(11), affirming Registration Order – rejection of application for amendment of registration (addition of an additional place of business)
	Reference No	ZD290426003132T affirming Form GST REG-05 Ref. No. ZA291025013209T

		dated: 06-10-2025 issued by the Assistant Commissioner of Commercial Taxes, LGSTO-220, Shivamogga.
	Order Date	01-04-2026
6.	Personal Hearing	29-09-2026 and 08-10-2026
7.	Order in Brief	The appeal is allowed by way of a limited remand. The Order-in-Appeal dated 01-04-2026 and the order in Form GST REG-05 dated 06-10-2025 are set aside. Application ARN AA2909250142628 is remitted to the Proper Officer for a fresh, speaking decision confined to the statutory requirements for amendment of registration, the prescribed documents and verification of the claimed place of business. No finding is recorded on title to the premises or the merits of the pending civil proceedings.
Summary of Order		
8.	If Demand order then whether Demand Quantified	Not applicable. The appeal concerns registration. No tax, interest, penalty or fee is involved.
9.	For Other Orders and Demand Orders which are Not Quantified	

Issues as Raised by Proper Officer	Issues as determined by Appellate/ Revisional Authority	Order by GST Appellate Tribunal
Whether the application to add Godown No. I-10, APMC Yard, Shivamogga as an additional place of business could be approved, when the ownership of the premises is under dispute in O.S. No. 208/2019 and O.S. No. 335/2019 and no final decree has been passed. Application rejected.	Rejection upheld and appeal dismissed. Held that registration cannot be granted for premises whose ownership is under civil dispute until the dispute is resolved by the civil court. Reliance on Parveez Ahmad Baba v. Union Territory of J&K (J&K High Court).	Orders set aside. The pendency of a title dispute between other persons is not by itself a ground under Section 28 and rule 19 to reject the amendment. Neither authority examined the application against the prescribed requirements. Application remitted to the Proper Officer for a fresh, speaking decision confined to the statutory requirements, the prescribed documents and verification of the claimed place of

			business. No finding on title or on the civil proceedings.
10.	If remanded with Directions: Limited remand for document-wise verification and a reasoned order.		
	Remanded to	Assistant Commissioner of Commercial Taxes, LGSTO-220, Shivamogga.	
	Directions subject to which remanded, if any	(a) Decide application ARN AA2909250142628 afresh by a speaking order within forty-five days from the date of communication of this Order. (b) Confine the decision to Section 28 and rule 19, the list of documents appended to Form GST REG-01 and verification of the existence, description and use of the claimed place of business. (c) Do not reject on the ground of pendency of O.S. No. 208/2019, O.S. No. 335/2019 or other proceedings, or for want of a civil decree, “conclusive original ownership	

		documents” or the original of a deed in the custody of the civil court. (d) Put any deficiency and any adverse material to the Appellant by notice and give a hearing before deciding. (e) No finding on title, the constitution of the lessor firm, the validity of the lease or the merits of the civil proceedings. (f) The Appellant may file further documents within the prescribed list within fifteen days from the date of communication of this order.
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Place: Bengaluru

Date: 14-10-2026

FINAL ORDER

Per: Sri. Ravi Jesuraj S., Member (Technical (State) for the Bench

A. Introduction

1. The question involved in this appeal is whether a proper officer, dealing with an application under Section 28 of the Central Goods and Services Tax Act, 2017 (“the CGST Act”) and the Karnataka Goods and Services Tax Act, 2017 (“the KGST Act”), read with rule 19 of the CGST Rules, 2017 and the KGST Rules, 2017, to add a godown as an additional place of business, may reject the

application only because the title to the godown, or the constitution of the firm that let it out, is the subject of civil proceedings pending between other persons; and, if he may not, what order should follow.

2. The Appellant, M/s Sri Subramanya Stores, is a partnership firm registered under GSTIN: 29AAJFS5720L1ZP. It was constituted on 27.08.1971. It trades in food grains, pulses, sugar, oil and other provisions at the APMC Yard, Shivamogga. Its principal place of business is at Ground Floor, I Block/11, APMC Yard, Shivamogga – 577204. The record of the Department and the Appellant’s own statement of 23.02.2026 show that it has three partners: Sri B.N. Nandan Kumar, Sri B.L. Santhosh Kumar and Smt. B.S. Nagaveni.
3. On 06.09.2025, the Appellant applied online (ARN AA2909250142628) to add Godown No. I-10, APMC Yard, Shivamogga (“the godown”) to its registration as an additional place of business. The Assistant Commissioner of Commercial Taxes, LGSTO-220, Shivamogga (“the Proper Officer”) rejected the application by an order in Form GST REG-05 dated 06.10.2025 (Reference No. ZA291025013209T). The Appellant appealed. The Joint Commissioner of Commercial Taxes (Appeals), Malnad Division, Shivamogga (“the First Appellate Authority”) dismissed the appeal by Order-in-Appeal No. ZD290426003132T dated 01.04.2026 in GST AP No. 203/2025-26. The present appeal under Section 112 of the CGST Act and the KGST Act is directed against that order.
4. No tax, interest, penalty or fee is involved. The question of pre-deposit under Section 112(8) does not arise. The impugned order was communicated on

01.04.2026. The appeal in Form GST APL-05 was verified on 04.04.2026 and filed on the portal on 18.04.2026. It is within time.

5. At the outset, we record that the CGST Act and the KGST Act are substantially the same in their provisions, except where the State law makes a specific departure. A reference in this order to the CGST Act or the CGST Rules should therefore be read as a reference also to the corresponding provisions of the KGST Act and the KGST Rules, unless the context requires otherwise.

B. Facts of the Case

6. **The godown and the lessor firm.** The godown is a building on Site No. I-10, APMC Yard, Sagar Road, Shivamogga. It has a ground floor of about 60 feet by 100 feet and a first floor of about 40 feet by 100 feet. The Appellant says that the building belongs to, and is let out by, a partnership firm, M/s Mani & Co. According to the material on record, M/s Mani & Co was formed on 20.03.1991 by the late Sri B.S. Shanthakumar, Sri B.L. Kumaraswamy and Smt. B.L. Srilakshmi. It was reconstituted on 04.04.2011, when Smt. B.S. Nagaveni, the wife of Sri B.S. Shanthakumar, joined as a partner. A further deed of reconstitution dated 01.04.2013 records that Sri B.L. Kumaraswamy retired from the firm. Sri B.S. Shanthakumar died on 16.11.2018. By a deed of reconstitution dated 03.09.2019, Smt. B.S. Nagaveni took in Smt. B.N. Nayana and Smt. Kavitha Santhosh Kumar as partners. Sri B.L. Kumaraswamy says that the deed of 2013 is forged and that he is still a partner. He also says that he is a co-owner of Site No. I-10 under a registered sale deed of 1994.

7. **The Appellant's tenancy.** The Appellant says that it took the godown on lease from M/s Mani & Co under a deed dated 01.04.2018, signed by the late Sri B.S. Shanthakumar, for ten years at a monthly rent of Rs. 12,500/-. The original of that deed was lost. The Appellant explains that it was handed to its first advocate in the civil suit, who died during the COVID-19 pandemic, and that it was not found among the papers passed on to the next advocate. On 01.02.2025, the three present partners of M/s Mani & Co, Smt. B.S. Nagaveni, Smt. B.N. Nayana and Smt. Kavitha Santhosh Kumar, executed what is called an extended (continuing) lease deed in favour of the Appellant, represented by its partners Sri B.N. Nandan Kumar and Sri. B.L. Santhosh Kumar. The deed was written on e-stamp paper of Rs. 688/- bought on 28.01.2025. It recites the lease of 01.04.2018 and the loss of its original, and continues the same terms: a term of ten years and a monthly rent of Rs. 12,500/-.
8. **O.S. No. 335/2019.** On 03.06.2019, Sri B.N. Nandan Kumar, a partner of the Appellant, filed O.S. No. 335/2019 against Sri B.L. Kumaraswamy before the IV Additional Civil Judge and JMFC, Shivamogga. The suit seeks a permanent injunction restraining the defendant from causing obstruction to the plaintiff's business in the godown. The record before us shows the following steps in that suit:

Date	Step in O.S. No. 335/2019
June 2019	Ex parte temporary injunction granted on I.A. No. I, restraining the defendant from causing obstruction or interference in the plaintiff's business in the schedule premises "till next date of hearing".

23.10.2019	Defendant files written statement and objection to I.A. No. I. The court records that I.A. No. I is to be heard along with the main suit. In his written statement the defendant says that M/s Mani & Co came into existence on 20.03.1991 with him as a partner, that the schedule property is joint family property, and that the lease of 01.04.2018 is fabricated.
29.03.2022	Suit dismissed for non-prosecution and restored on the same day.
29.05.2024	I.A. No. III under Section 65 of the Indian Evidence Act, 1872, seeking to lead secondary evidence of the photocopy of the lease of 01.04.2018, rejected for want of foundation for loss of the original.
28.03.2025	I.A. Nos. IV to VI allowed. The plaintiff is permitted to produce the extended lease deed dated 01.02.2025, “subject to relevancy and admissibility”. The deed, being unregistered and insufficiently stamped, is impounded and sent to the District Registrar for assessment of duty and penalty.
24.04.2025	Deficit stamp duty and penalty of Rs. 16,500/- paid (Challan No. CR0425003000748560). The District Registrar returns the deed duly certified.
02.05.2025	Over the defendant’s objection under Section 49 of the Registration Act, 1908, the court holds that the deed, though unregistered, may be looked into for the collateral purpose of ascertaining the character and commencement of the plaintiff’s possession.

03.05.2025	Defendant's application to stay the order of 02.05.2025 rejected. The court notes that the impounded lease deed is dated 01.02.2025. PW-1 marks two documents as Ex. P1 and Ex. P2.
July 2025	Suit pending for cross-examination of PW-1.

9. **O.S. No. 208/2019.** Sri B.L. Kumaraswamy has filed O.S. No. 208/2019 before the Principal Senior Civil Judge and CJM, Shivamogga, for declaration, partition and other reliefs in respect of what he describes as joint family properties, including the business of M/s Mani & Co. Smt. B.S. Nagaveni is a defendant. The pleadings in that suit are not before us. The suit is pending.

10. **Other proceedings.** The record also contains the following:

(a) Electricity installation RR No. 21498 (Account ID 6221866000), with a sanctioned load of 10 kW, had stood in the name of the late Sri B.S. Shanthakumar. MESCOM transferred it to Sri B.L. Kumaraswamy on 06.03.2019. On a complaint by Smt. B.S. Nagaveni, the Consumer Grievance Redressal Forum, MESCOM, Shivamogga, by order dated 22.12.2021 in Case No. 25/2021, set that transfer aside. MESCOM transferred the installation to Smt. B.S. Nagaveni by an official memorandum dated 24.12.2021, which describes the installation as located at "I/11(3) Block, APMC Yard". The bill dated 02.04.2026 stands in her name.

(b) Sri B.L. Kumaraswamy filed a private complaint (PCR No. 107/2020) alleging that the deed of 01.04.2013 was forged. It led to Crime No.

115/2020. The High Court of Karnataka, by order dated 04.01.2023 in Criminal Petition No. 4561/2021, quashed the FIR because the complaint was not supported by an affidavit, with liberty to file afresh. He filed a fresh complaint (PCR No. 129/2023). It led to Crime No. 39/2023 of Vinobanagar Police Station, registered on 04.03.2023 under Sections 406, 417, 465, 468 and 469 read with Section 34 of the Indian Penal Code. The police filed a “B” final report, No. 08/2023, dated 19.05.2023.

(c) A later complaint by Sri B.L. Kumaraswamy to the Deputy Superintendent of Police, Shivamogga Sub-Division, was closed by endorsements dated 15.10.2025. They say that the dispute is civil in nature, that O.S. No. 335/2019 and O.S. No. 208/2019 are pending, and that both sides should abide by the orders of the civil court.

(d) The Appellant has filed W.P. No. 22460/2021 before the High Court of Karnataka against the Agricultural Produce Marketing Committee, Shivamogga, which had locked the godown under an order of 20.09.2021 passed against M/s Mani & Co. By an interim order dated 15.12.2021, the High Court directed the Committee to remove the lock and permit the Appellant to carry on business during the pendency of the writ petition. The order records that the Committee had granted the Appellant a licence for the godown on 01.04.2018. The petition is shown as pending.

(e) On 23.02.2026, the Joint Commissioner of Commercial Taxes (Enforcement), Malnad Division, Shivamogga, inspected the Appellant’s business under Section 67(1). In his statement of that date, Sri B.N.

Nandan Kumar said that the Appellant stores its goods in the godown and that it had applied to declare it, but the application had been rejected. By a notice of the same date, the Enforcement officer recorded that the Appellant had not declared its additional place of business at “Ground & 1st Floor, I/10 Block, APMC Yard, Sagar Road, Shimoga” and proposed a penalty of Rs. 50,000/- under the CGST Act and the KGST Act together. That notice is not before us for decision.

- 11. Earlier proceedings before the Proper Officer.** The order in Form GST REG-05 sets out a long history, which we summarise. From 28.06.2021, Sri B.L. Kumaraswamy wrote to the Proper Officer asking him to cancel what he called a bogus rent agreement for the godown, to cancel the Appellant’s registration and to seize the premises. The Proper Officer called on the Appellant for documents on 27.07.2021 and 16.02.2023; the second endorsement asked it to upload documents and amend its additional place of business. By a letter dated 22.11.2024, he asked the Appellant to execute a new rental agreement, because the earlier one “has been held as invalid” by the civil court, and warned of cancellation under Section 29(2). The Joint Commissioner (Administration) advised him to give the Appellant reasonable opportunities. Endorsements “A” (09.01.2025) and “B” (17.03.2025) called for the sale deed, partnership deed and rent agreement and fixed hearings. The Appellant asked for time on both occasions. Endorsement “C” (24.03.2025) refused further time. By an endorsement dated 29.03.2025, the Proper Officer informed Sri B.L. Kumaraswamy that the Appellant had voluntarily deleted the godown as an additional place of business. On 26.08.2025, the Proper Officer asked the

Appellant to obtain registration of the godown as an additional place of business, citing Sections 22(1) and 25 of the KGST Act. The Appellant replied on 01.09.2025 and 02.09.2025 and filed the present application on 06.09.2025. The earlier proceedings are not the subject of this appeal. We refer to them because they explain the present one.

12. **The present application.** With the application, the Appellant uploaded the deed of 01.02.2025 and the electricity bill of the lessor. On 08.09.2025, the Proper Officer directed Sri T.S. Ganesh, Commercial Tax Inspector, LGSTO-220, to verify the premises and the original documents, to draw a mahazar and to record statements of all the partners of the Appellant. The Inspector's report is set out in Part C. A notice to show cause in Form GST REG-03 (Reference No. ZA290925154298V) was issued, with a personal hearing fixed on 23.09.2025. Two partners of the Appellant, Sri B.N. Nandan Kumar and Sri B.L. Santhosh Kumar, appeared on 24.09.2025. The Appellant filed a written reply on 30.09.2025. The Proper Officer rejected the application on 06.10.2025.

13. **The first appeal.** The Appellant filed its appeal on 10.10.2025 (Online Appeal No. AD2910250082867). Sri Rajesh Shastry, Advocate, argued it on 24.02.2026. On 02.03.2026, while the appeal was pending, Sri B.L. Kumaraswamy wrote to the First Appellate Authority claiming to be a joint owner of the godown and saying that he had not consented to the lease. The First Appellate Authority passed its order on 01.04.2026. The order is headed "Interim Order under Section 107(11)", but it dismisses the appeal.

14. Aggrieved, the Appellant has filed the present appeal.

C. The Proper Officer's Record of Verification

15. Proper Officer's record of verification. the points found by the Inspector, the questions put to the Appellant at the hearing, and the grounds finally adopted. We set these out below exactly as they appear in the order of the Proper Officer, which is reproduced in the Order-in-Appeal.

16. The report of the Commercial Tax Inspector lists four points and a conclusion. The table also shows which of them the Inspector himself treated as grounds for rejection, and which of them the Proper Officer finally relied on.

Sl No	Point in the Inspector's report	Treated by the Inspector as a ground for rejection?	Relied on in Form GST REG-05?
1.	There is a dispute about ownership of the godown, pending in Case No. 208/19 and Case No. 335/19.	Yes	Yes
2.	The documents submitted give no clarity about ownership of the godown.	Yes	Yes, in substance
3.	In the rent agreement, the date of commencement in figures does not match the date in words.	No	No
4.	The original rent agreement was not produced for verification.	No	No

5.	“For the above reasons 1 & 2, the application ... is liable to be rejected.”	—	—
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17. The questions put at the personal hearing on 24.09.2025, and the answers recorded, were these:

Question	Answer recorded
Whether ownership of the premises at I Block/10, APMC Yard, Shivamogga is under dispute, and in which court.	Yes. The issue of ownership is pending in Case No. 208/19 (Principal Senior Civil Judge and CJM) and Case No. 335/19 (Principal Civil Judge, Junior Division, and JMFC).
Whether any judgment on ownership has been passed.	No final judgment on ownership has been passed.
Why Smt. B.S. Nagaveni, “one of the partner[s]”, did not attend.	She is unwell. A hospital discharge summary was produced.

18. The grounds finally adopted in Form GST REG-05 were two: (1) the partners accepted at the hearing that the ownership of the premises is in dispute, and the Inspector’s report says the same; and (2) the issue of ownership is pending before the civil courts in the two suits, and no final judgment has been passed. The order also notes that similar applications by Sri B.L. Kumaraswamy before the KEB and the APMC had been rejected. It does not say how that fact bears on the result.

D. Findings Recorded by the Proper officer

19. The Proper Officer held that the partners had admitted at the hearing that the ownership of the godown was in dispute, and that the Inspector's report confirmed it. He noted that the dispute was pending in O.S. No. 208/2019 and O.S. No. 335/2019 and that no final decree had been passed. On the reply of 30.09.2025, he observed that the original lease agreement had been misplaced and that the photocopy had been "revalidated" by the court, but that a dispute about ownership still existed. On these grounds he rejected the application.
20. The order does not find that the godown does not exist. It does not find that the Appellant does not carry on business there, or that the Appellant is not in occupation. It does not find that any document uploaded was false. It does not deal with the electricity bill in the name of a partner of the lessor firm, or with the order of the civil court dated 02.05.2025.

E. Findings Recorded by the First Appellate Authority

21. The First Appellate Authority held that an order in Form GST REG-05 must be a speaking order, stating why the documents are insufficient. It then held that, under GST law, an applicant must have a valid right to use the premises, and that a pending dispute about ownership or lease can justify rejection.
22. It held that the acceptance of the deed of 01.02.2025 by the civil court was only provisional. It said that a lease deed by itself cannot be accepted where ownership is in civil dispute, and that the claim must be supported by documents establishing

legal ownership. It held that the transfer of the electricity connection is not conclusive proof of ownership.

23. It recorded the letter of Sri B.L. Kumaraswamy dated 02.03.2026 claiming joint ownership. It held that neither the Proper Officer nor the appellate authority has power to decide ownership, which falls within the exclusive jurisdiction of the civil courts, and that an appellate authority cannot hold an omnibus enquiry into title. It found that the Proper Officer had verified the matter independently and had not acted only on the complaint.

24. It then held that, where premises are in dispute, the applicant may need to resolve the dispute in the civil courts before obtaining registration. It relied on *Parveez Ahmad Baba v. Union Territory of J&K*, LPA No. 197/2022, decided on 03.11.2022 by the High Court of Jammu & Kashmir and Ladakh. It concluded that GST registration cannot be granted or continued for premises under a bona fide, pending civil dispute about ownership or possession, and dismissed the appeal. It added that its order does not decide ownership.

25. The Order-in-Appeal also reproduces passages from the Proper Officer's file relating to the earlier proceedings. These include the order of the civil court rejecting I.A. No. III and the statement that the Appellant had not produced documents or appeared at hearings despite Endorsements "A", "B" and "C".

F. Submissions on Behalf of the Appellant

26. Sri Leelesh Krishna, learned Advocate for the Appellant, reiterated the grounds in the memorandum of appeal. It was submitted by the learned Advocate that:

- (a) Section 28 of the CGST Act read with rule 19 limits the verification to the documents filed to prove possession of the premises. For rented premises, the list in Form GST REG-01 asks only for a valid rent or lease agreement and one document of the lessor's ownership, such as a municipal khata or an electricity bill. The Appellant filed both. A demand for "conclusive original ownership documents", or for a civil decree, has no basis in the statute.
- (b) CBIC Instruction No. 03/2025-GST dated 17.04.2025 forbids officers from seeking documents beyond the list in Form GST REG-01 and from raising presumptive queries. The Appellant was also directed to produce "all partners" of M/s Mani & Co, which the law does not require.
- (c) Sri B.L. Kumaraswamy retired from M/s Mani & Co on 01.04.2013 and has no standing to object to a lease made by its present partners. His complaints were not accepted by the police, the High Court, KEB, the APMC or the Deputy Superintendent of Police.
- (d) Neither O.S. No. 208/2019 nor O.S. No. 335/2019 challenges the lease or the deed of 2013.
- (e) The deed of 01.02.2025 was accepted by the civil court as secondary evidence under Section 65 of the Indian Evidence Act, 1872 on 28.03.2025. An administrative authority cannot call that order "provisional".

(f) An ex parte temporary injunction dated 10.06.2019 in O.S. No. 335/2019 restrains Sri B.L. Kumaraswamy from interfering with the Appellant's business, and the orders below ignore it.

(g) The Department's own Inspector found the Appellant in possession and doing business at the godown.

(h) The First Appellate Authority considered the letter of Sri B.L. Kumaraswamy dated 02.03.2026 without notice to the Appellant. Its order is not a speaking order. It says that GST authorities cannot decide ownership and yet decides the appeal on ownership. It calls itself an interim order while finally dismissing the appeal.

(i) *Parveez Ahmad Baba* is distinguishable. There, two rival persons sought a licence for the same premises. Here there is a single applicant.

(j) The refusal is an unreasonable restriction on the Appellant's right under Article 19(1)(g) of the Constitution. There is no allegation of evasion, mala fides or loss of revenue.

27. The Appellant prays that the Order-in-Appeal and the order in Form GST REG-05 be set aside, and that the Proper Officer be directed to approve the application and include the godown as an additional place of business.

G. Contentions of the Revenue

28. The learned Departmental Representative relied on the reply in Form GST APL-06 and the para-wise remarks of the Proper Officer, and supported the orders below. It was submitted by the learned Departmental Representative that:

- (a) The ownership of the godown is in dispute. The Appellant's partners admitted this at the hearing on 24.09.2025. No final judgment has been passed in either suit.
- (b) The rejection was not based on the complaints alone. The Commercial Tax Inspector made an independent field visit and reported that ownership is in dispute, that the documents give no clarity about ownership, that the dates in the rent agreement do not match, and that the original agreement was not produced.
- (c) The Proper Officer gave the Appellant many opportunities and a personal hearing, dealt with the non-production of original documents, and passed a speaking order that sets out the whole history.
- (d) The temporary injunction and several other points urged by the Appellant were not part of the order in Form GST REG-05, and call for no remarks.
- (e) An applicant must have a valid right to use the premises. Until the civil court decides, the premises cannot be registered, as held in *Parveez Ahmad Baba v. Union Territory of J&K*.

H. Issues for Determination

29. We have heard the learned Advocate for the Appellant and the learned Departmental Representative for the Respondent. We have examined the record, the pleadings, the statutory provisions and the decisions cited. The following issues arise for determination:

- (a) Whether, under Section 28 of the CGST Act read with rule 19 of the CGST Rules, the Proper Officer may reject an application to add an additional place of business on the ground that the ownership of the premises, or the constitution of the lessor firm, is the subject of a pending civil dispute?
- (b) What do the law and the prescribed list of documents require for adding rented premises as an additional place of business, and did the authorities below decide the application on those requirements?
- (c) Whether the complaints of Sri B.L. Kumaraswamy, the pendency of O.S. No. 208/2019 and O.S. No. 335/2019, and the decision in *Parveez Ahmad Baba* justify the rejection?
- (d) Whether the impugned Order-in-Appeal is a reasoned order passed in keeping with the principles of natural justice?
- (e) What relief should follow?

I. Tribunal's Analysis and Findings

30. We take up the issues one by one. Under each issue we set out the submissions of the Appellant, the contentions of the Revenue, our analysis and our finding. We make it clear at the outset that we are not deciding who owns the godown, who the partners of M/s Mani & Co are, **whether the lease is valid**, or any question pending before the civil courts. Our concern is only with what the GST law requires before a place of business is recorded, and whether the authorities below applied it.

Issue No. (i) — Whether, under Section 28 read with rule 19, the Proper Officer may reject an application to add an additional place of business on the ground that the ownership of the premises, or the constitution of the lessor firm, is the subject of a pending civil dispute?

Submissions of the Appellant:

31. It was submitted by the learned Advocate for the Appellant that the verification under Section 28 and rule 19 is confined to the possession of the premises and the documents filed to prove it. The statute does not make a civil decree on title a condition for registration.

Contentions of the Revenue:

32. It was submitted by the learned Departmental Representative that an applicant must have a valid right to use the premises, and that where that right is the subject

of a pending dispute about ownership, the Proper Officer may refuse the amendment.

Tribunal's Analysis:

33. We begin with the words of the statute. Section 2(85) of the CGST Act defines “place of business” as follows:

“(85) “place of business” includes—

(a) a place from where the business is ordinarily carried on, and includes a warehouse, a godown or any other place where a taxable person stores his goods, supplies or receives goods or services or both; or

(b) a place where a taxable person maintains his books of account; or

(c) a place where a taxable person is engaged in business through an agent, by whatever name called;”

34. The definition looks at what is done at a place: business is carried on there, goods are stored there, or books are kept there. It says nothing about who owns the place. A godown where a registered person stores goods is a place of business whether the person owns it, rents it or occupies it with someone's consent.

35. Section 28 deals with amendment of registration. Sub-sections (1) and (2) read:

“28. (1) Every registered person and a person to whom a Unique Identity Number has been assigned shall inform the proper officer of any changes in

the information furnished at the time of registration or subsequent thereto, in such form and manner and within such period as may be prescribed.

(2) The proper officer may, on the basis of information furnished under subsection (1) or as ascertained by him, approve or reject amendments in the registration particulars in such manner and within such period as may be prescribed:

Provided that approval of the proper officer shall not be required in respect of amendment of such particulars as may be prescribed:

Provided further that the proper officer shall not reject the application for amendment in the registration particulars without giving the person an opportunity of being heard.”

36. The manner of approval or rejection is prescribed in rule 19 of the CGST Rules.

The relevant parts read:

“19. Amendment of registration.—(1) Where there is any change in any of the particulars furnished in the application for registration in FORM GST REG-01 ... the registered person shall, within a period of fifteen days of such change, submit an application, duly signed or verified through electronic verification code, electronically in FORM GST REG-14, along with the documents relating to such change at the common portal ...:

Provided that—

(a) where the change relates to—

(i) legal name of business;

(ii) address of the principal place of business or any additional place(s) of business; or

(iii) addition, deletion or retirement of partners or directors, ...

which does not warrant cancellation of registration under section 29, the proper officer shall, after due verification, approve the amendment within a period of fifteen working days from the date of the receipt of the application in FORM GST REG-14 and issue an order in FORM GST REG-15 electronically and such amendment shall take effect from the date of the occurrence of the event warranting such amendment;

...

(2) Where the proper officer is of the opinion that the amendment sought under sub-rule (1) is either not warranted or the documents furnished therewith are incomplete or incorrect, he may, within a period of fifteen working days from the date of the receipt of the application in FORM GST REG-14, serve a notice in FORM GST REG-03, requiring the registered person to show cause, within a period of seven working days of the service of the said notice, as to why the application submitted under sub-rule (1) shall not be rejected.

(3) The registered person shall furnish a reply to the notice to show cause, issued under sub-rule (2), in FORM GST REG-04, within a period of seven working days from the date of the service of the said notice.

(4) Where the reply furnished under sub-rule (3) is found to be not satisfactory or where no reply is furnished in response to the notice issued under sub-rule (2) within the period prescribed in sub-rule (3), the proper officer shall reject the application submitted under sub-rule (1) and pass an order in FORM GST REG-05.”

37. Three things follow from these provisions. First, rule 19(1) makes it the registered person's duty to report a new additional place of business within fifteen days. Second, the Proper Officer's task is “due verification” of the change reported. If the change is the address of a place of business, verification of that change means checking that the place exists, that it is correctly described, that the registered person stores goods or carries on business there, and that it occupies the place under an arrangement shown by the prescribed documents. Third, rule 19(2) names only two kinds of defect that can lead to rejection: the amendment is “not warranted”, or the documents are “incomplete or incorrect”. An amendment is not warranted when the change reported does not match the facts or the law: for example, where the place does not exist, where no business is carried on or no goods are stored there, or where the documents do not show any arrangement under which the applicant occupies it. It is not “not warranted” merely because persons other than the applicant are litigating about who owns the building or who the partners of the landlord firm are.

38. Registration is a tool of tax administration. It tells the Revenue where a taxpayer's goods are kept and where its books are maintained. Nothing in the CGST Act gives a registration certificate any effect on title to land or buildings. A certificate that records a godown as a place or additional place of business does not make the taxpayer its owner, and it does not defeat anyone's claim to it. Equally, the Proper Officer has no machinery to decide title, and the First Appellate Authority was right to say so.
39. Once that is accepted, the conclusion drawn by both authorities cannot stand. If the GST authorities cannot decide title, they cannot make the outcome of a title suit a condition for recording a place of business. To do so is to decide, in effect, that the applicant has no right to be in the premises until the civil court says otherwise. That is a judgment on the very question the authorities accept they cannot decide. It also adds a condition to rule 19 which the rule does not contain.
40. The consequence of the opposite view shows why it cannot be right. Disputes about title, partition and the constitution of family firms are common, and they often take years to decide. O.S. No. 208/2019 has been pending since 2019. If a pending dispute among those who claim through the landlord were enough, a tenant could never record a godown while that dispute lasted. The goods would still be stored there. The only result would be that a place where goods are kept would stay outside the registration. That is the reverse of what Section 2(85), Section 28 and rule 19 are meant to secure. The Revenue has a direct interest in every godown being declared.

41. The Department's own conduct in this case makes the point. On 26.08.2025, the Proper Officer himself asked the Appellant to register the godown as an additional place of business. On 23.02.2026, while the first appeal was pending, the Enforcement wing of the same Department found the Appellant's goods in the godown and proposed a penalty for not declaring it. The Revenue cannot refuse to record a godown on a ground that the law does not recognise and, at the same time, proceed against the taxpayer for not declaring it. We say nothing on the merits of the notice of 23.02.2026, which is not before us. We refer to it only because it shows that the Department itself treats the godown as a place where the Appellant stores goods.
42. We do not say that ownership is irrelevant. The list of documents appended to Form GST REG-01 asks for a document in support of the lessor's ownership. Its purpose is to show that the person who granted the lease is a person who could plausibly grant it. It does not require the applicant to prove the landlord's title against all comers, or to wait until a court decides it. What the list requires is taken up under Issue (ii).
43. The Proper Officer treated the answers given at the hearing as an admission. We have read the questions and answers in Part C. The partners admitted that a dispute about ownership is pending in two suits and that no final judgment has been given. Those facts were never in doubt. The partners did not admit that the Appellant has no right to occupy the godown. An admission that litigation exists is not an admission of the case of the other side.

Finding:

44. The Proper Officer cannot reject an application to add an additional place of business only because the title to the premises, or the constitution of the lessor firm, is the subject of a civil dispute pending between other persons, or because no civil court has yet decided that dispute. The verification under Section 28 and rule 19 concerns the existence and description of the place, the business carried on or goods stored there, and the applicant's occupation as shown by the prescribed documents. [Section 2(85) and Section 28 of the CGST Act; rule 19 of the CGST Rules]

Issue No. (ii) — What do the law and the prescribed list of documents require for adding rented premises as an additional place of business, and did the authorities below decide the application on those requirements?

Submissions of the Appellant:

45. It was submitted by the learned Advocate for the Appellant that it uploaded a lease deed executed by all the present partners of the lessor firm and the lessor's electricity bill, which is all that the list requires for rented premises; that the civil court accepted the lease deed as secondary evidence on 28.03.2025; and that CBIC Instruction No. 03/2025-GST forbids the demand for further documents or originals.

Contentions of the Revenue:

46. It was submitted by the learned Departmental Representative that the original lease of 2018 was never produced; that the civil court rejected its photocopy; that the deed of 2025 has been received only provisionally; that the dates in the agreement do not match; and that the electricity connection does not prove ownership.

Tribunal's Analysis:

47. The documents required to prove a place of business are listed in Form GST REG-01. The relevant entry reads:

“Proof of Principal Place of Business:

(a) For Own premises – Any document in support of the ownership of the premises like Latest Property Tax Receipt or Municipal Khata copy or copy of Electricity Bill.

(b) For Rented or Leased premises – A copy of the valid Rent / Lease Agreement with any document in support of the ownership of the premises of the Lessor like Latest Property Tax Receipt or Municipal Khata copy or copy of Electricity Bill.

(c) For premises not covered in (a) and (b) above – A copy of the Consent Letter with any document in support of the ownership of the premises of the Consenter like Municipal Khata copy or Electricity Bill copy. For shared properties also, the same documents may be uploaded.”

48. This list governs proof of the place of business. It applies equally to an additional place of business added by amendment, since rule 19(1) requires the application in Form GST REG-14 to be filed “along with the documents relating to such change”. CBIC Instruction No. 03/2025-GST dated 17.04.2025 (F. No. CBIC-20016/24/2025-GST) explains what the list requires for rented premises. Paragraphs 6.A(iia) and 6.A(iib) read:

“(iia) In cases where premises is rented, the applicant is required to upload the valid Rent/Lease agreement along with any one of the documents, mentioned in the indicative list of documents in FORM GST REG-01 to establish the ownership of the premise by the lessor. The list includes latest Property Tax receipt or Municipal Khata copy or copy of Electricity Bill. ... It is hereby advised that any one of the documents mentioned in the said list or similar documents such as water bill or any document prescribed under the State or the local laws which clearly establishes the ownership of the premises by the lessor should be sufficient proof of the principal place of business.

(iib) It is further advised that in case where Rent/Lease Agreement is not registered, then agreement alongwith any one of the documents mentioned in the above list and a copy of the identity proof of the lessor should be sufficient. ...”

49. Paragraph 6.A(i) adds that “query should not be raised by the officer seeking original physical copy of these documents”. Paragraph 8(i) asks the officer to scrutinise the address of the principal and additional places of business against

the documents uploaded, and, where possible, to cross-verify the documents from public sources such as electricity distribution companies and local bodies. Paragraph 8(v)(b) allows the officer to seek further documents “where the address of place of business does not match with the document uploaded by the applicant”. Paragraph 8(vi) directs that no documents beyond those listed, and no clarification on presumptive grounds, shall be sought, and that queries shall not be raised for minor deficiencies not relevant to establishing the place of business.

50. The Instruction is addressed by the CBIC to its own field formations. A copy was marked to the GST Council Secretariat for circulation to the States. We need not decide whether it binds an officer of the State in terms. The list of documents in Form GST REG-01 is common to the CGST Rules and the KGST Rules. The Instruction states a correct and fair reading of that list, and we adopt its reasoning on that footing.

51. Read together, the law asks the Proper Officer three questions when rented premises are to be added. Is there a valid rent or lease agreement under which the applicant occupies the place? Is there one listed document, such as a property tax receipt, a khata or an electricity bill, in support of the lessor’s ownership of that place, with the lessor’s identity proof where the agreement is not registered? And does the place exist, as described, with the applicant’s goods or business in it? Each question is answered on the documents and on verification of the premises. None of them depends on the outcome of a title suit.

52. Neither authority below asked these questions. The Proper Officer stopped at the pendency of the suits. The First Appellate Authority went further and required

“documents establishing legal ownership”, which is not what the list asks for. Neither order says whether the deed of 01.02.2025 is a valid rent or lease agreement for the purpose of the list, or whether the electricity bill relates to the godown. That is the central defect in both orders. We now set out the points that the record raises, so that they are dealt with properly on remand. We do not decide them.

53. The lease deed. Both sides have described the status of this deed in the civil court inaccurately, and the record must be set right. The Appellant says that the court “accepted and marked” the deed “as secondary evidence under Section 65” on 28.03.2025. That is not what the order sheets show. On 28.03.2025 the court allowed the deed to be produced, subject to relevancy and admissibility, and impounded it because it was unregistered and not duly stamped. After duty and penalty were paid, the court held on 02.05.2025 that, though unregistered, the deed could be looked into for the collateral purpose of ascertaining the character and commencement of possession. Section 65 of the Evidence Act had nothing to do with it. That provision was the basis of the earlier application, I.A. No. III, which concerned the photocopy of the 2018 lease and was rejected on 29.05.2024. Section 65(c) of the Indian Evidence Act, 1872 permits secondary evidence of a document “when the original has been destroyed or lost, or when the party offering evidence of its contents cannot, for any other reason not arising from his own default or neglect, produce it in reasonable time”. The Appellant has repeated the inaccurate description before both authorities and before us. A party should place before a statutory authority what a court order actually says.

54. On the other side, the Proper Officer and the First Appellate Authority relied on the rejection of I.A. No. III as if it decided the fate of the 2025 deed. It did not. The civil court itself, when it allowed I.A. Nos. IV to VI, held that the rejection of I.A. No. III was no bar to the production of the later deed. The earlier order concerned a different document. In the same way, the Proper Officer's letter of 22.11.2024 described the 2018 agreement as "held as invalid" by the civil court. The court had only declined to receive a photocopy as secondary evidence. It had not held the lease invalid.

55. The proviso to Section 49 of the Registration Act, 1908, on which the civil court acted, reads:

"Provided that an unregistered document affecting immovable property and required by this Act or the Transfer of Property Act, 1882 (4 of 1882), to be registered may be received as evidence of a contract in a suit for specific performance under Chapter II of the Specific Relief Act, 1877 (3 of 1877), or as evidence of any collateral transaction not required to be effected by registered instrument."

56. It was held by the Hon'ble Supreme Court in K.B. Saha and Sons Pvt. Ltd. v. Development Consultant Ltd., (2008) 8 SCC 564, that an unregistered document which requires registration may be used as evidence of a collateral transaction, but not to prove its terms.

57. What weight the deed carries in the suit is for the civil court, and we say nothing about it. What the Proper Officer has to decide is a different and narrower

question: whether the deed answers the description of a “valid Rent/Lease agreement” for the purpose of the list. He must decide that on the face of the deed and the law: who executed it, in whose favour, for which premises, for what term, and whether the stamp duty has been made good. He may take note that the deed is unregistered and, if so, call for the identity proof of the lessor. He cannot discard the deed as “provisional” only because the suit is pending, and he cannot postpone his decision until the suit ends

58. The original of the deed is not with the Appellant. It was impounded by the civil court, certified by the District Registrar after payment of duty, and returned to the court. It is in the court’s custody. The Proper Officer could not insist on its production. A certified copy obtained from the court will serve the purpose of verification.

59. The lessor’s ownership document. The Appellant produced the electricity bill for installation RR No. 21498, which stands in the name of Smt. B.S. Nagaveni, a partner of the lessor firm. An electricity bill is one of the documents named in the list. The First Appellate Authority is right that a transfer of an electricity connection is not conclusive proof of title. But the list does not ask for conclusive proof of title. It asks for one document in support of the lessor’s ownership. There is, however, a point that neither authority noticed and that neither side addressed. The bill and the MESCOM memorandum of 24.12.2021 describe the installation as located at “I/11(3) Block, APMC Yard”, while the godown is I-10 and the Appellant’s principal place of business is I Block/11. Whether the bill relates to the godown is a question of fact that goes to the very purpose of the document. It

is for the Proper Officer to verify, if necessary from MESCOM. If the bill does not relate to the godown, paragraph 8(v)(b) of the Instruction shows the way: the Appellant should be asked for another listed document for the godown, such as a property tax receipt or khata extract. The point is not a ground for outright rejection without notice.

60. The points not relied on. The Revenue now points to the Inspector's observations that the date of commencement in figures and in words did not match and that the original was not produced. As Part C shows, the Inspector himself recommended rejection only on the ownership points, and the order in Form GST REG-05 rests only on them. It was held by the Hon'ble Supreme Court in *Mohinder Singh Gill v. Chief Election Commissioner*, (1978) 1 SCC 405, that when a statutory functionary makes an order based on certain grounds, its validity must be judged by the reasons so mentioned, and cannot be supplemented by fresh reasons in the shape of affidavit or otherwise. The order of rejection must therefore stand or fall on its own grounds. On remand, the Proper Officer may raise the mismatch in dates if he considers that it bears on the validity of the agreement or the identity of the premises, but he must put it to the Appellant and decide it by reasons. If it is only a clerical slip, paragraph 8(vi) of the Instruction says that it should not be the subject of a query.

61. The appearance of partners. The Appellant says that it was directed to produce "all partners" of M/s Mani & Co. The record does not bear this out. The memo of 08.09.2025 asked the Inspector to record statements of all the partners of the Appellant firm, and the question at the hearing was why Smt. B.S. Nagaveni, a

partner of the Appellant, had not attended. That was a legitimate question. The Appellant should not have described it as a demand for the lessor's partners. On the other side, Endorsements "A" and "B" called for a sale deed. A sale deed is not in the list for rented premises. On remand, the Proper Officer should confine his requisitions to the list.

Finding:

62. For rented premises, the law requires a valid rent or lease agreement, one listed document in support of the lessor's ownership of the premises (with the lessor's identity proof where the agreement is not registered), and verification that the place exists as described and is used by the applicant. Neither authority below decided the application on these requirements. The Proper Officer may not insist on "conclusive original ownership documents", on a civil decree, or on the original of a deed in the court's custody. **Whether the Appellant's documents satisfy the requirements, including whether the electricity bill relates to the godown, is for the Proper Officer to decide afresh. We record no finding on it.** [Rule 19 of the CGST Rules; list of documents in Form GST REG-01; CBIC Instruction No. 03/2025-GST dated 17.04.2025; proviso to Section 49 of the Registration Act, 1908].

Issue No. (iii) — Whether the complaints of Sri B.L. Kumaraswamy, the pendency of O.S. No. 208/2019 and O.S. No. 335/2019, and the decision in *Parveez Ahmad Baba* justify the rejection?

Submissions of the Appellant:

63. It was submitted by the learned Advocate for the Appellant that the complainant has no standing; that other forums have not accepted his complaints; that neither suit challenges the lease; that an injunction protects the Appellant's business; and that *Parveez Ahmad Baba* concerned rival applicants for the same premises.

Contentions of the Revenue:

64. It was submitted by the learned Departmental Representative that the Proper Officer verified the matter independently; that the ownership dispute is real and pending; and that *Parveez Ahmad Baba* holds that registration should not be granted while premises are under dispute.

Tribunal's Analysis:

65. The complaints. The Proper Officer was entitled to receive information from any person, including Sri B.L. Kumaraswamy, and to verify it. We do not accept the Appellant's argument that the complaints should have been ignored for want of standing. A person need not have standing to give information. But information is a reason to verify, not a reason to reject. The verification recorded in Form GST REG-05 found only that title is in dispute in the civil courts. That is not a ground under rule 19. If the Proper Officer relies on any representation of a third party, including the letter of 02.03.2026, he must give the Appellant a copy and an opportunity to answer it.

66. The suits. O.S. No. 208/2019 is a suit by Sri B.L. Kumaraswamy for declaration and partition. Its pleadings are not before us, and we express no view on what it covers. O.S. No. 335/2019 is a suit by a partner of the Appellant for an injunction in respect of the godown. On the face of the record, neither suit is between the Appellant and a rival who claims the right to carry on business in the godown. Whatever their outcome, the civil courts will decide their effect, and the Appellant's registration will have to follow that decision. Their pendency is not a reason to refuse to record where the Appellant stores its goods today.
67. What the other forums did. Both sides have placed the orders of other forums before us. We have read them for what they say, and no more. The order of the Consumer Grievance Redressal Forum decided in whose name an electricity connection should stand. The "B" final report dated 19.05.2023 is the opinion of the investigating officer, and the record does not show whether the Magistrate has accepted it. The order of the High Court dated 04.01.2023 quashed the earlier FIR because the complaint lacked a supporting affidavit, and gave liberty to file afresh. It was not a decision on the merits, and the Appellant should not have described it as a rejection of the complainant's case. The interim order in W.P. No. 22460/2021 concerned a lock put by the APMC. The endorsements of the Deputy Superintendent of Police say that the dispute is civil. None of these decides title, and neither the Proper Officer nor we can treat any of them as doing so, either way. They show only that the dispute is civil and that it is pending before the civil courts. That is the very reason why the GST authorities should not have treated it as decisive.

68. The injunction. The Appellant says that an ex parte injunction granted on 10.06.2019 has protected its business for more than six years. The order sheet shows that the injunction was granted “till next date of hearing”, and that on 23.10.2019 the court recorded that I.A. No. I would be heard along with the main suit. No order extending it has been placed before us. Whether any interim order now operates is for the civil court to say. We do not proceed on the footing that an injunction is in force, and we express no view on the matter. The point does not affect the result, since the pendency of the suit is not a ground of rejection in any event. Sri B.L. Kumaraswamy also refers, in his complaint to the police, to an order of a civil court dated 02.01.2020 forbidding alienation of the suit property. No copy of that order is before us, and neither authority below relied on it. Whether any act breaches such an order is for the court that made it. Recording a place of business in a GST registration is not an alienation of property.

69. *Parveez Ahmad Baba*. The First Appellate Authority reproduced paragraphs 27 and 28 of the judgment of the learned Single Judge, as set out in the appellate judgment of the High Court of Jammu & Kashmir and Ladakh. They read, in part:

“27) ... so long as the premises to be licensed under the Act remains under dispute between the petitioner and respondent no. 5, the designated authority under the Act is well within its power not to grant or renew the license under the Act in favour of one and to the exclusion of other. The parties need to settle their dispute either amicably or through intervention of the Court. The petitioner as well as respondent no. 5 may, however,

apply for grant of license jointly and in case they fulfill the requirements of the Act and the Regulations framed thereunder, they shall be granted the requisite license by the designated authority. Registering authority under GST Act shall also act on similar lines.

28) Needless to say, till the dispute is settled between the petitioner and respondent No. 5 amicably or through intervention of the Court of competent jurisdiction, neither the designated authority under the Act shall issue the license nor registration shall be accorded under the GST Act by the authority concerned to either the petitioner or to Respondent no. 5 in respect of premises “Samci Restaurant”. ...”

70. It was held by the Hon’ble High Court of Jammu & Kashmir and Ladakh, in that case, that where two persons were each claiming the right to run the same food business from the same premises, the licensing authority could decline to license one of them to the exclusion of the other until their dispute was settled, and that the GST registering authority should act on similar lines. The direction was given in a writ petition in which both rival claimants were parties. Its reasoning rests on the existence of two competing claimants to the same business at the same place, between whom the authority was being asked to choose.

71. That is not the position here. On the record before us, no one other than the Appellant seeks registration for the godown or claims to trade from it. Sri B.L. Kumaraswamy does not seek registration for it. The dispute, as the record shows it, is about title and the constitution of the landlord firm, not about which of two rival traders is entitled to the premises. Recording the Appellant’s additional

place of business would not require the Proper Officer to prefer one claimant's business over another's. With respect, the decision does not govern these facts. We have not found it necessary to examine the other High Court decisions cited by the Appellant, since the answer follows from the statute itself.

Finding:

72. The complaints of Sri B.L. Kumaraswamy were a legitimate reason to verify, but the verification recorded no ground under rule 19 for rejection. The pendency of O.S. No. 208/2019 and O.S. No. 335/2019 does not by itself justify refusing to record the godown. *Parveez Ahmad Baba*, which concerned rival claimants to the same business premises, does not apply. Any third-party material relied on must be put to the Appellant. [Section 28 of the CGST Act; rule 19 of the CGST Rules].

Issue No. (iv) — Whether the impugned Order-in-Appeal is a reasoned order passed in keeping with the principles of natural justice?

Submissions of the Appellant:

73. It was submitted by the learned Advocate for the Appellant that the First Appellate Authority took into account the letter of Sri B.L. Kumaraswamy dated 02.03.2026 without notice to the Appellant; that the order does not deal with the Appellant's main contentions; that it is self-contradictory; and that it calls itself an interim order while finally dismissing the appeal.

Contentions of the Revenue:

74. It was submitted by the learned Departmental Representative that the Appellant was heard on 24.02.2026 and that the order records reasons for upholding the rejection.

Tribunal's Analysis:

75. The letter of 02.03.2026. The letter was received after the hearing on 24.02.2026.

The Order-in-Appeal records it and relies on it, among other things, for the statement that the complainant is a joint owner who did not consent to the lease. The record of the First Appellate Authority does not show that a copy was given to the Appellant or that it was asked to respond. It was held by the Hon'ble Supreme Court in *Dhakeswari Cotton Mills Ltd. v. Commissioner of Income Tax, West Bengal*, AIR 1955 SC 65, that an authority deciding a matter must not use material against a party without giving that party an opportunity to rebut it. That principle was not followed. An appellate authority which receives a fresh representation from a third party after the hearing should either keep it out of account or give the appellant a copy and an opportunity to answer.

76. Reasons. It was held by the Hon'ble Supreme Court in *Kranti Associates Pvt. Ltd. v. Masood Ahmed Khan*, (2010) 9 SCC 496, that a quasi-judicial authority must record reasons; that reasons show that the authority exercised its discretion on relevant grounds and disregarded extraneous considerations; and that reasons must reveal a rational nexus between the facts considered and the conclusions reached. The same principle was laid down in *Asstt. Commr., Commercial Tax*

Department v. Shukla & Brothers, (2010) 4 SCC 785, relied on by the Appellant. Measured against that standard, the Order-in-Appeal falls short in three respects. First, after holding that the GST authorities cannot decide ownership, it makes a decision on ownership the condition of registration, without explaining how the two positions can stand together. Second, it does not deal with the Appellant's reliance on the list of documents in Form GST REG-01 and CBIC Instruction No. 03/2025-GST, the electricity bill, or the order of the civil court dated 02.05.2025. Third, it reproduces material from the earlier proceedings, including the statement that the Appellant had not appeared at hearings despite Endorsements "A", "B" and "C", without noticing that in the present proceedings two partners appeared on 24.09.2025 and a written reply was filed on 30.09.2025.

77. The heading "Interim Order". The order is headed "Interim Order under Section 107(11)", but it finally dismisses the appeal. The heading is a slip. The order itself explains that no interim relief is needed because the appeal is being decided. A wrong heading does not by itself make an order invalid; we look at its substance. It was held by the Hon'ble Supreme Court in N. Mani v. Sangeetha Theatres, (2004) 12 SCC 278, that a reference to a wrong provision does not vitiate an order if the power to make it exists. We therefore do not accept this part of the Appellant's argument. Appellate authorities should, however, take care that the description of an order matches what it decides.

78. Article 19(1)(g). Since the appeal is disposed of on the statute, we need not decide the argument based on Article 19(1)(g) of the Constitution.

Finding:

79. The Order-in-Appeal is vitiated by its reliance on the letter dated 02.03.2026, which was not put to the Appellant, and by its failure to deal with the Appellant's material contentions and documents. The heading "Interim Order" is a slip that does not by itself vitiate the order.

Issue No. (v) —What relief should follow?

Submissions of the Appellant:

80. It was submitted by the learned Advocate for the Appellant that all the prescribed documents are on record and that the Proper Officer should be directed to approve the amendment.

Contentions of the Revenue:

81. It was submitted by the learned Departmental Representative that the appeal should be dismissed and the order in Form GST REG-05 upheld.

Tribunal's Analysis:

82. Section 113(1) of the CGST Act provides:

"113. (1) The Appellate Tribunal may, after giving the parties to the appeal an opportunity of being heard, pass such orders thereon as it thinks fit, confirming, modifying or annulling the decision or order appealed against or may refer the case back to the Appellate Authority, or the Revisional Authority or to the original adjudicating authority, with such directions as it may think

fit, for a fresh adjudication or decision, as the case may be, after taking additional evidence, if necessary.”

83. The orders below cannot stand. The question is what should take their place. The Appellant asks us to direct approval. We are unable to do so on this record, for three reasons.

84. First, rule 19(1) entrusts “due verification” to the Proper Officer. He has not yet carried it out on the questions that the rule poses. He stopped at the pendency of the suits. A direction to approve would make this Tribunal the first and only authority to verify the application, which is not the scheme of the rule.

85. Second, the record raises questions of fact which have not been examined by anyone and which only the Proper Officer can properly verify. They include whether the electricity bill, which describes the installation as at “I/11(3) Block”, relates to the godown; how the godown is to be described (the Enforcement notice describes it as “Ground & 1st Floor, I/10 Block, APMC Yard, Sagar Road”); whether the deed of 01.02.2025, an unregistered instrument on which deficit duty and penalty have since been paid, answers the description of a valid lease agreement for the purpose of the list; whether the lessor’s identity proof is needed; and what bearing, if any, the mismatch in dates has. These are matters of verification, not of title.

86. Third, the remand need not and should not be at large. The only ground on which the application was rejected is one we have held to be outside rule 19. Nothing is gained by sending the matter back to the First Appellate Authority, since the

defect lies at the first stage. The remand should therefore go to the Proper Officer, be confined to the statutory requirements, the prescribed documents and verification of the claimed additional place of business, and be completed within a fixed time.

87. We add a word on conduct, since it bears on how the remand should proceed.

The Appellant deleted the godown from its registration in March 2025 while, on its own showing, it continued to store goods there. It also asked for time more than once in response to the earlier endorsements. It must now place the required documents before the Proper Officer promptly and describe them accurately. The Proper Officer should decide the matter quickly, on the statutory requirements alone, so that the Appellant's registration reflects where its goods are actually kept.

88. Whatever the outcome on remand, the decision must be confined to its proper effect. Recording an additional place of business decides no question of title or of the validity of the lease, and it cannot be used as evidence of either in the civil suits. If a competent civil court decides that the Appellant is not entitled to occupy the godown, the Appellant must report the change under rule 19 within fifteen days, and the Proper Officer may act under the law.

Finding:

89. The orders below are set aside. The application is remitted to the Proper Officer for a fresh, speaking decision confined to the statutory requirements for amendment of registration, the prescribed documents and verification of the

claimed place of business, on the directions in the Operative Order. [Section 113(1) of the CGST Act; rule 19 of the CGST Rules].

Summary of Findings:

90. To sum up: (i) a pending civil dispute between other persons about the title to premises, or about the constitution of the lessor firm, is not by itself a ground under Section 28 and rule 19 to refuse an amendment adding those premises as a place of business; (ii) for rented premises, the law requires a valid rent or lease agreement, one listed document in support of the lessor's ownership and verification of the place, and neither authority below decided the application on those requirements; (iii) the complaints, the pending suits and *Parveez Ahmad Baba* do not by themselves justify the rejection; (iv) the Order-in-Appeal relied on material not put to the Appellant and did not deal with its main contentions; and (v) the application is remitted to the Proper Officer for a limited, fresh decision. No finding is recorded on title to the premises or on the merits of the pending civil proceedings.

J. Operative Order

91. For the reasons recorded above, the appeal is disposed off by way of a limited remand, in the following terms:

- (i). The Order-in-Appeal No. ZD290426003132T dated 01.04.2026 in GST AP No. 203/2025-26 passed by the Joint Commissioner of Commercial Taxes (Appeals), Malnad Division, Shivamogga, and the order in Form

GST REG-05 dated 06.10.2025 (Reference No. ZA291025013209T) passed by the Assistant Commissioner of Commercial Taxes, LGSTO-220, Shivamogga, are set aside.

- (ii). The Appellant's application ARN AA2909250142628 dated 06.09.2025 is remitted to the Proper Officer, the Assistant Commissioner of Commercial Taxes, LGSTO-220, Shivamogga, for a fresh, speaking decision confined to (a) the statutory requirements for amendment of registration under Section 28 of the CGST Act and the KGST Act read with rule 19 of the CGST Rules and the KGST Rules; (b) the documents prescribed in the list appended to Form GST REG-01 for rented premises; and (c) verification of the existence, description and address of the claimed additional place of business, and of the Appellant's use of it for storing goods or carrying on business.
- (iii). The Appellant may file before the Proper Officer, within fifteen days from the date of communication of this Order, any further documents within the prescribed list, including a certified copy of the deed dated 01.02.2025, a document in support of the lessor's ownership of Godown No. I-10, and the identity proof of the lessor.
- (iv). If the Proper Officer finds that the amendment is not warranted or that the documents are incomplete or incorrect, he shall issue a notice in Form GST REG-03 stating the specific deficiency, allow the Appellant seven working days to reply, give a personal hearing, and decide by a reasoned order. Any material received from any third party, including the letter

dated 02.03.2026, shall not be relied on unless a copy of it is first given to the Appellant with an opportunity to answer it.

- (v). The Proper Officer shall not reject the application on the ground of the pendency of O.S. No. 208/2019, O.S. No. 335/2019 or any other proceeding, or for want of a civil decree, “conclusive original ownership documents” or the original of any deed lying in the custody of the civil court. A certified copy of such a deed shall be sufficient for the purpose of verification.
- (vi). The Proper Officer shall decide the application within forty-five days from the date on which this Order is communicated to him.
- (vii). No finding is recorded in this Order on title to the godown, the constitution of M/s Mani & Co, the validity of any lease, or the merits of O.S. No. 208/2019, O.S. No. 335/2019 or any other proceeding. Neither this Order nor any decision taken on remand shall be treated as evidence on those questions.
- (viii). If the amendment is approved and a competent civil court later holds, by decree or order, that the Appellant is not entitled to occupy the godown, the Appellant shall, within fifteen days, apply under rule 19 to delete the godown from its registration, and the Proper Officer may then act in accordance with law.

(ix). Nothing in this Order expresses any view on the notice dated 23.02.2026 issued by the Enforcement wing, which shall be dealt with in accordance with law.

(x). No order as to costs.

The appeal is disposed of accordingly.

Pronounced in Open Tribunal on this 14day of October, 2026.

(Prabhakaran P.M.)

Judicial Member

(Ravi Jesuraj S.)

Technical Member (State)