



2026:AHC:1909

HIGH COURT OF JUDICATURE AT ALLAHABAD

WRIT TAX No. - 6707 of 2025

Adboulevard Media Private Limited

.....Petitioner(s)

Versus

Additional Commissioner, Grade-2(Appeal) First,
State Tax, Meerut And Another

.....Respondent(s)

Counsel for Petitioner(s) : Raj Kumar Singh, Rajat Aren
Counsel for Respondent(s) : C.S.C.

Court No. - 7

HON'BLE PIYUSH AGRAWAL, J.

1. Heard Mr. Rajat Aren along with Mr. Raj Kumar Singh, learned counsel for the petitioner and Mr. Ravi Shanker Pandey, learned ACSC for the State-respondents.
2. In pursuance of earlier order, an affidavit has been filed, which is taken on record. On the strength of said affidavit, learned ACSC submits that the deponent tenders his unconditional apology.
3. By means of present petition, the petitioner is assailing the orders dated 1.7.2025 passed by respondent no. 1 and the order dated 28.12.2024 passed by respondent no. 2.
4. Learned counsel for the petitioner submits that the petitioner is a registered company primarily engaged in the business of digital and online advertising on various digital platforms and having GSTIN No. 09AAOCA7451L1Z2. He further submits that for a period of April 2024 to June 2024, the petitioner moved an application for refund of ITC on 24.10.2024 to which a show cause notice dated 21.12.2024 was issued and the petitioner has duly submitted reply on 25.12.2024 however being not satisfied with the same, the impugned order dated 28.12.2024 has been passed whereby the claim of the petitioner was partially approved to the tune of Rs. 8,79,233/- out of total claimed refund of Rs. 14,74,910/- on the ground that firm namely Addtech Infinium Pvt. Ltd. was untraceable. He submits that the petitioner has challenged the said order in appeal, which has also been dismissed.

5. Learned counsel for the petitioner further submits that the petitioner carried out transaction for inward supply with the supplier during the period in question and the suppliers registration was cancelled subsequently on 6.11.2024. He submits that it is settled principle that subsequent cancellation of suppliers registration does not make the purchaser's claim of ITC as fraudulent / invalid for a transaction which was done during the period when the said firm was active and registered. He further submits that the transaction in question is supported by the valid tax invoices and proof of payments as well as ledger entries.

6. In support of his submission, learned counsel for the petitioner has relied upon the judgement of Supreme Court in the case of **Commissioner Trade Tax Vs. Shanti Kiran India Pvt. Ltd. (2025) 147 GSTR 235** as well as judgement of this Court in the case of **M/s Solvi Enterprises Vs. Additional Commissioner, Neutral Citation NO. 2025: AHC:42270**. He prays for allowing the present writ petition.

7. *Per contra*, learned ACSC supports the impugned order.

8. After hearing learned counsel for the parties, the Court has perused the records.

9. It is not in dispute that at the time when the transaction took place, the purchaser i.e. the petitioner and the seller firm both were registered, however, at the subsequent time, the seller was found non-existing and its registration has been cancelled.

10. By way of supplementary affidavit, it has been brought on record that the cancellation of registration of the firm namely Addtech Infinium Pvt. Ltd. has been revoked and copy of the order of dropping the proceedings for cancellation of registration dated 16.1.2025 has been annexed as Annexure No. SA-2, at page no. 9 of the supplementary affidavit. Once the registration has been restored, no adverse inference can be drawn that the parties were not registered dealer.

11. The issue involved in the present writ petition is squarely covered by the decision of Apex Court in the case of **Shanti Kiran India Pvt. Ltd. (Supra)** as well as this Court in the case of **M/s Solvi Enterprises (supra)**.

12. Hon'ble the Apex Court in the case of **Shanti Kiran India Pvt. Ltd. (Supra)** has held as under:

3. There is no dispute that on the date of transaction, the seller dealer(s) were registered with the Department. However, after the transaction, the registration of those seller dealer(s) was cancelled, and they defaulted in depositing the tax collected by them from the purchaser dealer(s). The High Court vide impugned judgment and order(s) found respondent(s) bona fide purchaser dealer(s) who had paid taxes in good faith to registered seller dealer(s) and, therefore, entitled to the benefit of ITC and, accordingly, allowed the said benefit to them after due verification of invoices.

13. Further this Court in the case of **M/s Solvi Enterprises (supra)** has held as under:

"30. Once the seller was registered at the time of the transaction in question, no adverse inference can be drawn against the petitioner. Further, the record shows that the registration of the selling dealer was cancelled retrospectively i.e. w.e.f. 29.01.2020 and not from its inception which goes to show that the transaction between petitioner and seller was registered and having valid registration in his favour.

31. That under the GST regime, all details are available in the GST Portal and therefore, authorities ought to have been verified the same as to whether the filing of GSTR-1A and GSTR-3B, how much tax has been deposited by the seller, but the authorities have failed to do so."

14. In view of the aforesaid facts & circumstances of the case as well as law laid down by Hon'ble the Apex Court as well as this Court in the cases referred herein above, the impugned orders cannot be sustained in the eyes of law and same are hereby quashed.

15. The writ petition succeeds and is **allowed**.

16. Any amount deposited in pursuance of the impugned orders shall be refunded to the petitioner in accordance with law.

(Piyush Agrawal,J.)

January 6, 2026

Rahul Dwivedi/-