



Press Release

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CAIT & DGPG organise landmark GST Mock Tribunal in New Delhi today Absence of GST Tribunals is a violation of Section 112 of the GST Act

In a pioneering initiative, the **Confederation of All India Traders (CAIT)**, in association with the **Delhi GST Professionals Group (DGPG)** successfully conducted a live **GST Mock Tribunal** today in New Delhi. The event aimed to urge the GST Council to take immediate steps toward the constitution of GST Appellate Tribunals, thereby safeguarding the statutory right of taxpayers to appeal against orders passed by GST authorities, as provided under the GST Act.

Inaugurating the session, **CAIT Secretary General and Member of Parliament from Chandni Chowk, Shri Praveen Khandelwal**, highlighted that despite the Central Government's efforts, the constitution of the GST Tribunal remains pending in States due to ongoing litigation before the Supreme Court. This delay has created a backlog of over **two lakh cases** across the country, forcing aggrieved taxpayers to approach High Courts through writ petitions—an expensive and time-consuming process.

Shri Khandelwal explained that **Section 112 of the GST Act, read with Rule 10, mandates the creation of a two-tier appellate Tribunal system comprising National/Regional Benches and State/Area Benches**. These forums are meant to adjudicate appeals against orders-in-appeal or orders in revision. However, in the absence of these Tribunals, taxpayers are left without a proper appellate mechanism, **as filing an appeal under Section 117 requires a Tribunal order. In the absence of GST tribunal the taxpayers are forced to go to High Court under Article 226 of the Constitution of India by way of civil writ petition and no appeal can be made under section 117 as it requires an order from a tribunal.**

While the Union Government has notified the relevant GST Tribunal Rules, the States have yet to take proactive steps toward their implementation. To draw attention to this critical issue, CAIT and the DGPG organised this mock appellate Tribunal to simulate the process and emphasize the urgency to State Governments.

The event featured rigorous legal proceedings, closely mirroring a real Tribunal environment. Nine senior counsels argued on behalf of appellants, while Advocate Sushil Verma represented the Government. The session witnessed high-quality legal discourse and judicial decorum.

The participating counsels, dressed in formal court attire, exhibited high levels of preparation and professionalism, while the audience responded enthusiastically to the live courtroom simulation.

Key issues debated included arbitrary cancellation of GST registrations, denial of input tax credit (ITC), and taxpayer harassment resulting in business disruptions. The Government counsel cited large-scale tax evasion and fraudulent practices, justifying the actions of the authorities. In contrast, appellants argued misuse of administrative powers, procedural violations, and infringement of constitutional rights under Article 21 due to unjustified business closures.

CAIT reiterated its appeal to the Central Government to expedite the establishment of the GST Appellate Tribunals. It also called upon State GST Commissioners to ensure that registration cancellations are not made arbitrarily and strictly adhere to the law. Furthermore, CAIT demanded the issuance of a Government circular clarifying that input tax credit should not be denied to buyers on the grounds of retrospective cancellation of suppliers' registrations—particularly when the transactions occurred during a period of valid registration.

As a next step, CAIT will reach out to all State Governments and GST Commissioners, urging them to protect compliant traders from unnecessary harassment and to facilitate a fair and efficient tax regime that supports business continuity and economic growth.

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