

CWP-13032-2026

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IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

Sr. No.153CWP-13032-2026Date of decision: 29.04.2026

Shri Ram and Sons

....Petitioner

Versus

Commissioner, Central Goods and Services Tax, Ludhiana and another

....Respondents

**CORAM: HON'BLE MR. JUSTICE DEEPAK SIBAL
HON'BLE MR. JUSTICE ROHIT KAPOOR**

Present: Mr. Mukul Singla, Advocate
for the petitioner.

Ms. Isha Janjua, Advocate (through VC) for
Mr. Ajay Kalra, Sr. Standing Counsel
for the respondents.

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DEEPAK SIBAL, J. (Oral)

1. Through show cause notice dated 19.05.2023, the petitioner was put to notice as to why its GST registration be not cancelled, to which no written response was filed by the petitioner. Thereafter, through order dated 23.06.2023, the petitioner's GST registration was cancelled w.e.f. 20.05.2019. The petitioner then filed an application under Section 30 of the Central Goods and Services Tax Act, 2017 seeking therein revocation of cancellation of its GST registration which was rejected on 27.07.2023. The petitioner's statutory appeal filed against the retrospective cancellation of its GST registration was also dismissed by the appellate authority through order dated 07.02.2024. Retrospective cancellation of the petitioner's GST registration is the subject matter of challenge through this petition.

2. A perusal of the show cause notice dated 19.05.2023 reveals that



the only reason on the basis whereof the petitioner's GST registration was sought to be cancelled is "PV conducted on 19.05.2023 but at declared PPOB other firm was functioning". The said show cause notice also does not put the petitioner to notice that its GST registration is sought to be cancelled retrospectively.

3. In the light of the above factual position, the petitioner's case is fully covered in its favour by a recent Division Bench judgment of this Court dated 20.02.2026 in *CWP-16770-2024 – M/s Bansal Casting vs. Union of India and another*, wherein it has been held as follows: -

"13. Undoubtedly, there is a provision for retrospective cancellation of registration in terms of Section 29 of CGST Act, subject to the provisions as contained therein. It is apposite to note that while such power of retrospective cancellation of registration is definitely conferred, it is apparent that such action can be taken only upon existence of specific contingencies and that an order under Section 29(2) of CGST Act must definitely reflect the reasons for such cancellation with retrospective effect. Furthermore, it is a basic, accepted and settled principle that concerned authority is enjoined upon to put the assessee to notice of the action which is intended to be taken and reasons or the premise on which such action is sought to be taken. Hon'ble the Supreme Court in ORYX Fisheries Pvt. Ltd. Vs. Union of India and others, 2010(13) SCC 427, has held as under:-

"24. It is well settled that a quasi-judicial authority, while acting in exercise of its statutory power must act fairly and must act with an open mind while initiating a show cause proceeding. A show cause proceeding is meant to give the person proceeded against a reasonable opportunity of making his objection against the proposed charges indicated in the notice.

14. Thus a show cause notice must contain the basic grounds or premises on which action is sought to be taken. In



the present matters, it was incumbent upon authorities to have put petitioners to notice about the proposal to take action against them with retrospective effect and supply or at least mention the material on which reliance was placed. Moreover, once mentioned in show cause notice itself, that supporting documents are attached, such material should have been supplied to petitioners.”

4. Learned counsel for the respondents has not been able to distinguish the applicability of *M/s Bansal Casting's* case (supra) to the petitioner's case.

5. In the light of the above, we unhesitantly set aside the show cause notice dated 19.05.2023; order dated 23.06.2023 retrospectively cancelling the petitioner's GST registration; order dated 27.07.2023 rejecting the petitioner's revocation application and the order dated 07.02.2024 through which the petitioner's appeal, filed against the retrospective cancellation of its GST registration was dismissed by the appellate authority. However, the respondents are granted liberty to proceed afresh against the petitioner with regard to retrospective cancellation of its GST registration, in accordance with law.

6. The petition is allowed in the above terms.

(DEEPAK SIBAL)
JUDGE

(ROHIT KAPOOR)
JUDGE

April 29, 2026
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Whether speaking/reasoned
Whether reportable

Yes/No
Yes/No