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IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

CWP-28363-2026 (O&M)

Date of Decision: 3rd September, 2026.

TARUN ENTERPRISES

.....Petitioner(s)

V/s

UNION OF INDIA AND OTHERS

.....Respondent(s)

CORAM: **HON'BLE THE ACTING CHIEF JUSTICE**
HON'BLE MR. JUSTICE YASHVIR SINGH RATHOR

Present Mr. Rana Gurtej Singh, Advocate,
for the petitioner(s).

Ms. Ridhi Bansal, Senior Standing Counsel,
Mr. Parth Sharma,

ASHWANI KUMAR MISHRA, A.C.J. (Oral)

1. This Writ Petition seeks to challenge the Order-in-Appeal dated 27.07.2026 and Form GST APL-04 dated 30.07.2026 passed by respondent No. 3, whereby the appeal preferred by the petitioner against the order cancelling his GST registration was dismissed and the cancellation order dated 02.05.2025 was upheld.

2. The petitioner's GST registration was cancelled vide order dated 02.05.2025 (Annexure P-7) with retrospective effect from 11.10.2019, i.e. the very date of its registration. The principal grievance raised in the present writ petition is that the Show Cause Notice dated 31.05.2024 (Annexure P-6), on the basis of which the impugned cancellation order came to be passed, merely alleged that the petitioner was "Non-Exist" and did not contain any proposal whatsoever for retrospective cancellation of registration. Learned counsel for the

petitioner submits that in view of the law laid down by the Division Bench of this Court in M/s Bansal Casting, S.K. Enterprises v. Union of India and Another and M/s Shree Ram Industries v. State of Haryana and Another, reported as 2026:PHHC:027747-DB, any order directing retrospective cancellation in the absence of a specific proposal and reasons in the Show Cause Notice cannot be sustained in law. It is further contended that the appellate authority has failed to appreciate the aforesaid law while passing the impugned appellate order.

3. Learned State counsel does not dispute that the Show Cause Notice dated 31.05.2024 did not contain any proposal for retrospective cancellation of registration. The applicability of the judgment rendered by the Co-ordinate Bench of this Court in M/s Bansal Casting, S.K. Enterprises (supra) to the facts of the present case is also not disputed.

4. Since the controversy involved in the present writ petition is squarely covered by the judgment of the Division Bench in M/s Bansal Casting, S.K. Enterprises (Supra), wherein it has been held that retrospective cancellation of GST registration cannot be ordered without putting the assessee to specific notice and without disclosing the basis for such proposed action, the impugned order dated 02.05.2025 (Annexure P-7), as well as the appellate order dated 27.07.2026/30.07.2026 (Annexure P-11), are liable to be set aside.

5. Accordingly, the present writ petition is disposed of in terms of the law laid down in M/s Bansal Casting, S.K. Enterprises (supra). However, liberty is reserved to the respondents to issue a fresh

and legally sustainable Show Cause Notice and proceed further in accordance with law, after affording the petitioner due opportunity of hearing.

6. Pending application, if any, stands disposed of accordingly.

[ASHWANI KUMAR MISHRA]
ACTING CHIEF JUSTICE

[YASHVIR SINGH RATHOR]
JUDGE

September 3, 2026

Ess Kay

<i>Whether speaking / reasoned</i>	:	<i>Yes</i>	/	<i>No</i>
<i>Whether Reportable</i>	:	<i>Yes</i>	/	<i>No</i>