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IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

WRIT PETITION NO. 1118 OF 2025

Tex Fab India

...Petitioner

Versus

Union Of India & Ors.

...Respondents

Mr. Bharat Raichandani a/w. Mr. Suraj Ghadigoankar a/w.
Mr. Yashwardhan Sharma, for Petitioner.

Mr. Himanshu Takke, AGP for Respondent -State.

Mr. Jitendra B. Mishra a/w. Mr. Rupesh D. Dubey a/w.
Mr. Ashutosh Mishra, for Respondents.

CORAM: G. S. KULKARNI &
AARTI SATHE, JJ.

DATE: 16 APRIL 2026

P.C.

1. Rule. Rule is made returnable forthwith. By consent of the parties, heard finally.

2. At the outset, Mr. Raichandani, learned Counsel appearing for the Petitioner, states that the challenge in the present Petition is confined to the impugned Order dated 29th March 2021, whereby the Petitioner's registration has been cancelled, and attachment of the Petitioner's bank accounts.

3. We have accordingly heard learned Counsel for the parties. Insofar as the order of cancellation of registration is concerned, learned Counsel for the Petitioner

submitted that the Petitioner was not granted an opportunity of being heard and that the procedure prescribed by law has not been followed while passing the Order dated 9th February 2021. It is contended that, for the reasons set out in the Petition, a personal hearing ought to have been granted to the Petitioner, and in the absence thereof, the order of cancellation of registration could not have been passed. In support of his submissions, Mr. Raichandani has placed reliance on the decision of this Court in *Makersbury India Pvt. Ltd. vs. State of Maharashtra*, to contend that it is incumbent upon the authorities to adhere to the prescribed procedure and to furnish cogent reasons while passing such orders.

5. Inasmuch as the impugned Order does not set out any reasons for cancelling the GST registration of the Petitioner, we find that the issue is no longer res integra. The requirement of recording reasons while passing such orders is now well settled. In this regard, the reliance placed by learned Counsel for the Petitioner on the decision in *G.B. Traders vs. Union of India & Ors.* (Writ Petition No. 8990 of 2025, Order dated 1st April 2026) is apposite. Learned Counsel for the Petitioner has also placed reliance on the following decisions:

- i. *Makersbury India Pvt. Ltd. vs. State of Maharashtra*¹
- ii. *Monit Trading Private Limited vs. Union of India*²
- iii. *C.P. Pandey & Co. vs. Commissioner of State Tax*³
- iv. *Ramji Enterprises vs. Commissioner of State Tax*⁴

1. 2023(79) C.S.T.L.341 (Bom)

2 2023(76) G.S.T.L 34 (Bom)

3 (2024) 123 GSTR 84

4 2023 (78) G.S.T.L.220(Bom)

v. *Nirakar Ramchandra Pradhan vs. Union of India*⁵

vi. *Afzal Hussain Saiyed vs. Principal Commissioner of Central Tax,*

*Mumbai Central*⁶

6. Insofar as the second grievance of the Petitioner regarding attachment of its bank accounts is concerned, it is an admitted position that the said attachment has lapsed in terms of the provisions of Section 83 of the CGST Act.

7. In the aforesaid circumstances, we are of the opinion that the present Petition can be conveniently disposed of in terms of the following order:

ORDER

- i) The impugned Order dated 29th March 2021 cancelling the registration of the Petitioner is quashed and set aside.
- ii) The proceedings are remanded to the Designated Officer, with liberty to issue a fresh show cause notice and to pass a fresh order in accordance with law.
- iii) If there is material available, a fresh show cause notice be issued within a period of 15 days from the date of this Order.
- iv) Insofar as the attachment dated 24th January 2022 is concerned, in view of the provisions of Section 83(2) of the CGST Act, the said attachment has lapsed by operation of law. Consequently, the Petitioner's bank account shall be forthwith made operational.
- v) The concerned Bank shall act upon production of an authenticated copy of this Order by the Petitioner.
- vi) All contentions of the parties are expressly kept open.

5 2023 (9) TMI 1176-Bombay High Court

6 2023 (79) G.S.T.L.296 (Bom)

vii) The Petition is disposed of in the aforesaid terms. No costs.

(AARTI SATHE, J.)

(G. S. KULKARNI, J.)