IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP No. 8460 of 2026

Date of decision : April 23, 2026

M/s Kuldeep Kumar Contractor

...... Petitioner

Versus

The State of Haryana and others

...... Respondents

CORAM : HON'BLE MR. JUSTICE DEEPAK SIBAL
HON'BLE MS. JUSTICE LAPITA BANERJI

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Present :- Mr. Navdeep Monga, Advocate for the petitioner.

Ms. Mamta Singla Talwar, DAG.,Haryana.

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DEEPAK SIBAL, J (Oral)

1. Through show cause notice dated 07.10.2024 (Annexure P-6), 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 18.12.2024 (Annexure P-7), the petitioner's GST registration was cancelled w.e.f. 18.12.2023. The petitioner's statutory appeal filed against the retrospective cancellation of its GST registration, was also dismissed by the appellate authority through order dated 06.02.2026 (Annexure P-9). Retrospective cancellation of the petitioner's GST registration is the subject matter of challenge through this petition.

2. It is not disputed that the petitioners retrospective cancellation of registation was not proceeded by any specific notice in that regard.

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 Undoubtedly, there is a provision for retrospective cancellation 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:-*
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> > *"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."*
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> *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. In the light of the above, we unhesitantly set aside the show cause notice dated 07.10.2024 (Annexure P-6); order dated 18.12.2024 (Annexure P-7) retrospectively cancelling the petitioner's GST registration and order dated 06.02.2026 (Annexure P-9) through which the petitioner's appeal, filed against the retrospective cancellation of its GST registration was dismissed by the appellate authority. However, the respondents would be at liberty to proceed afresh against the petitioner, in accordance with law.

5. The petition is allowed in the above terms.

(DEEPAK SIBAL)
JUDGE

(LAPITA BANERJI)
JUDGE

April 23, 2026
archana

Whether speaking/reasoned Yes/No
Whether Reportable : Yes/No