IN THE HIGH COURT OF PUNJAB & HARYANA AT CHANDIGARH

Sr. No. 107(2) + 253(1)

CM-7437-CWP-2026 in/and
CWP No. 8578 of 2023
Date of decision: 06.05.2026

M/s Shiv Shakti Enterprises

.....Petitioner

Versus

State of Haryana and others

.....Respondents

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

Present : Mr. Ritvik Garg, Advocate for the petitioner.

Mr. Sourabh Goel, Addl. A.G., Haryana.

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DEEPAK SIBAL, J. (*Oral*)

(1) It is not disputed that through order dated 24.03.2023 the petitioner's GST registration was retrospectively cancelled and that prior thereto, the petitioner was not put to notice that its GST registration was sought to be cancelled from back date.

(2) In the light of the above, the case of the petitioner is fully covered in its favour by the following observations made by a Division Bench of this Court through its judgment dated 20.02.2026 in ***CWP No.16770 of 2024 – M/s Bansal Casting Vs. Union of India and another***: -

> *"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:-*
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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."*

(3) Learned State counsel could not distinguish the applicability of ***M/s Bansal Casting's*** case (supra) to the petitioner's case.

(4) In the light of the above, the impugned order dated 24.03.2023 (Annexure P-7) is set aside with liberty to the respondent(s) to proceed afresh against the petitioner, in accordance with law.

(5) The petition is allowed in the above terms.

(DEEPAK SIBAL)
JUDGE

06.05.2026
sunil yadav

(LAPITA BANERJI)
JUDGE

Whether speaking/reasoned : Yes / No
Whether reportable : Yes / No