IN THE HIGH COURT OF PUNJAB & HARYANA AT CHANDIGARH

(Sr. No. 181)

CWP No. 15835 of 2026

Date of decision: 21.05.2026

T S Industries

.....Petitioner

Versus

Union of India and others

.....Respondents

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

Present **:** Mr. Anurag Sharma, Advocate for the petitioner.
(appeared through VC)

Mr. Ajay Kalra, Senior Standing for the respondent(s)-CBIC.
(appeared through VC)

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DEEPAK SIBAL, J. (*Oral*)

(1) It is not disputed by the respondent(s) that before retrospectively cancelling the petitioner's GST registration, no show cause notice was served upon the petitioner informing it that its GST registration is sought to be retrospectively cancelled.

(2) In the light of the afore facts, the petitioner's case is fully covered in its favour by the following observations made by a Division Bench of this Court in the judgment dated 20.02.2026 in ***CWP No.16770 of 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:-*
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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) In view of the above, the impugned order dated 06.03.2025 is set aside and order dated 25.04.2025, through which the petitioner's application filed under Section 30 of the Central Goods and Services Tax Act, 2017 seeking revocation of the order dated 06.03.2025 was dismissed, is also quashed.

(4) However, respondent(s) would be at liberty to proceed afresh against the petitioner, in accordance with law.

(DEEPAK SIBAL)
JUDGE

21.05.2026 **(LAPITA BANERJI)**
sunil yadav **JUDGE**

Whether speaking/reasoned : Yes / No

Whether reportable : Yes / No