



Sr. No.341

**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH****CWP-39022-2025 (O&M)****Date of Decision : 12.05.2026**

Maa Luxmi Enterprises

...Petitioner

Versus

Commissioner, Central Goods and Services Tax and another

...Respondents

CORAM : HON'BLE MR. JUSTICE DEEPAK SIBAL**HON'BLE MS. JUSTICE LAPITA BANERJI**Present : Mr. Mukul Singla, Advocate,
for the petitioner.Mr. Ajay Kalra, Senior Standing Counsel
for the respondent(s)-CBIC
(appeared through VC)Mr. Sourabh Goel, Sr. Standing Counsel
for the respondent-UOI.

DEEPAK SIBAL, J. (Oral)

Through a show cause notice dated 01.02.2024, the petitioner was put to notice as to why its GST registration be not cancelled to which a written response was filed by the petitioner. Thereafter, through order dated 07.06.2024, the petitioner's GST registration was retrospectively cancelled with effect from 11.07.2023. The petitioner then filed an application under Section 30 of the Central Goods and Services Tax Act 2017, read with the relevant Rules, for revocation of cancellation of its GST registration but the same was rejected on 01.07.2024 against which the petitioner filed an appeal which was also dismissed on 08.04.2025.

2. Retrospective cancellation of the petitioner's GST registration; rejection of its revocation application and the order of the appellate authority dated 08.04.2025, dismissing the petitioner's appeal, filed against



the aforesaid orders, are the subject matter of challenge through this petition.

3. A perusal of the show cause notice dated 01.02.2024 reveals that though the show cause notice refers to supporting documents but none were attached. Such show cause notice also did not put the petitioner to notice that its GST registration was sought to be cancelled retrospectively.

4. In the above factual position, the petitioner's case is fully covered in its favour by a recent judgment of this Court dated 20.02.2026 in CWP No.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 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:-

"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."

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. (emphasis supplied)

5. Learned counsel for the respondents has not been able to distinguish the applicability of the judgment in *M/s Bansal Casting's case (supra)* to the petitioner's case.

6. In light of the above, we have no hesitation in setting aside the show cause notice dated 01.02.2024 (Annexure P-1); the order dated 07.06.2024 (Annexure P-3) through which the petitioner's GST registration has been retrospectively cancelled; the order dated 01.07.2024 (Annexure P-7) rejecting the petitioner's revocation application and the appellate order dated 08.04.2025 (Annexure P-9). However, the respondents are granted liberty to proceed afresh against the petitioner, in accordance with law.

7. The petition is allowed in the above terms.

(DEEPAK SIBAL)
JUDGE

(LAPITA BANERJI)
JUDGE

May 12, 2026

vandana

Whether speaking/reasoned : Yes/No

Whether reportable : Yes/No