



142 **IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

**CWP-12121-2026 (O&M)
Date of Decision:08.07.2026**

M/S VISHAL INVESTMENTS

....PETITIONER(S)

VERSUS

STATE OF PUNJAB AND OTHERS

....RESPONDENT(S)

**CORAM:- HON'BLE THE ACTING CHIEF JUSTICE
HON'BLE MR. JUSTICE ROHIT KAPOOR**

Present: Mr. Gurkiran Singh, Advocate
for the petitioner.

Mr. Saurabh Kapoor, Addl., AG, Punjab.

ASHWANI KUMAR MISHRA, A.C.J. *(Oral)*

1. This petition is directed against an order passed under Section 73 of the Punjab Goods and Services Tax Act, 2017, holding the petitioner liable to payment of GST after observing that the petitioner's explanation to the Show Cause Notice (**SCN**) was not found satisfactory. The order is challenged on the ground that adequate reasons have not been assigned for the non-acceptance of the petitioner's explanation to the SCN and, therefore, the reasons, which are the soul of the order, are missing. It is, therefore, submitted that in such circumstances, the authority concerned be directed to consider the petitioner's response to the SCN, on merits, and pass an appropriate reasoned order in accordance with law.

2. It could not be shown by the learned State counsel that the petitioner's response to the SCN was accorded any consideration. Merely stating that the written explanation is not satisfactory would not suffice.

An adjudicating authority, while exercising a quasi-judicial function, is expected to deal with the specific issues urged before it, and merely stating that the explanation is not satisfactory cannot subserve the purpose of a valid adjudication.

3. In somewhat similar facts and circumstances, a Co-ordinate Bench of this Court, in CWP No.16293 of 2024 decided on 25.05.2026, also set aside the adjudication order and remitted the matter to the concerned authority for fresh consideration.

4. Following the order passed in CWP No.16293 of 2024, as well as for the reasons recorded above, this petition succeeds and is **allowed**. The impugned orders are set aside, and the matter stands remitted to the adjudicating authority for fresh consideration of cause in accordance with law.

5. All pending miscellaneous application(s), if any, shall also stand disposed of.

**[ASHWANI KUMAR MISHRA]
ACTING CHIEF JUSTICE**

**[ROHIT KAPOOR]
JUDGE**

JULY 08, 2026

Rahul Joshi

1. Whether Speaking/reasoned	Yes/No
2. Whether Reportable	Yes/No