



IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

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CWP No.34826 of 2025

DATE OF DECISION : 29th APRIL, 2026

M/s. Govind Enterprises, Karnal, Haryana

.... Petitioner

Versus

State of Haryana & Ors.

.... Respondents

CORAM : HON'BLE MR. JUSTICE DEEPAK SIBAL
HON'BLE MR. JUSTICE ROHIT KAPOOR

* * * *

Present : Mr. Sandeep Goyal, Sr. Advocate with
Ms. Ambika Jindal, Advocate for the petitioner.

Mr. Sourabh Goel, Addl. Advocate General, Haryana.

Mr. Ajay Kalra, Sr. Standing Counsel
for respondents No.3 & 4.

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DEEPAK SIBAL, J. (Oral)

1. The petitioner was issued a show-cause notice, along with a summary of the show-cause notice, both dated 27.12.2023, pertaining to the financial year 2018-19, under Section 122 of the Central Goods and Services Tax Act, 2017 to which the petitioner filed a detailed written response. Thereafter, through order dated 21.07.2025, penalty was imposed upon the petitioner. Such penalty order is the subject matter of challenge through the instant petition.

2. Learned counsel for the parties have been heard.

3. A perusal of the impugned order dated 21.07.2025 reveals that the written response filed by the petitioner to the show-cause notice dated 27.12.2023, which preceded the impugned order, has not been considered. The detailed written grounds taken by the petitioner in its defence have been rejected by the author of the impugned order by simply stating that the petitioner's reply has not been found to be



satisfactory. No further reasons are forthcoming from the impugned order.

4. Any order, whether judicial or *quasi* judicial, must contain reasons as such an order, without reasons would have no place in a world governed by the rule of law. In fact, reasons are the soul of an order, whether judicial or *quasi* judicial. Every order which entails civil consequences must be backed by sound reasons as these reasons only ensure that the decision was not a result of whim or fancy of its author and that the same was also just. A reasoned order is also in line with the principles of natural justice that justice should not only be done but also seem to have been done. In the absence of reasons, it is also extremely difficult for a superior authority/Court to ascertain the correctness of the order appealed or petitioned against.

5. In the light of the above, we find that the impugned penalty order dated 27.07.2025 has been passed without application of mind. It also violates the principles of natural justice and is therefore, set aside. However, liberty is granted to the State to pass a fresh order, in accordance with law.

6. The petition is allowed in the above terms.

(DEEPAK SIBAL)
JUDGE

29th April, 2026
'raj'

(ROHIT KAPOOR)
JUDGE

<i>Whether speaking/reasoned:</i>	<i>Yes</i>	<i>No</i>
<i>Whether Reportable:</i>	<i>Yes</i>	<i>No</i>