2026:PHHC:061285-DB

IN THE HIGH COURT OF PUNJAB & HARYANA AT CHANDIGARH

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CWP-8442-2026
Date of Decision:22.04.2026

SUNIL JAIN ..... Petitioner

Versus

STATE OF PUNJAB AND OTHERS ....Respondents

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

Present:- Mr. Nikhil Gupta, Advocate (through V.C.)
for the petitioner.

Mr. R.S. Pandher, Addl. A. G. Punjab.

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DEEPAK SIBAL, J. (Oral)

The present petition is directed against the impugned order dated 26.04.2024 (Annexure P-1), was passed under Section 73 of the Central Goods and Services Tax / Punjab Goods and Services Tax Act, 2017, confirming a demand of Rs.6,92,728/- pertaining to the Financial Year 2018-2019. Also under challenge is the consequent recovery proceedings initiated through recovery notice dated 05.03.2026 (Annexure P-2).

2. The only ground raised by learned counsel for the petitioner to challenge the impugned order and recovery notice is that such order and notice have been issued in the name of Smt. Sudesh Rani Jain who unfortunately expired on 21.11.2023 i.e. much prior to their issuance.

3. In support of his submission, learned counsel for the petitioner relies on the following observations contained in the judgment of a

Division Bench of this Court dated 21.02.2025 in ***CWP No.5041 of 2025*** – ***Anil Kumar vs. State of Punjab, (2025) 28 Centax 193 (P&H):-***

> *"2. Learned counsel for the petitioner submits that late Anil Kumar happened to be the sole proprietor of M/s Gauri Shankar Trading Company, who unfortunately passed away on May 10, 2020. Therefore, she submits that the impugned show cause notice (P-5), having been issued against the deceased person, and all consequential proceedings, are null and void. Not just that, she submits that upon the demise of Anil Kumar, an application for the cancellation of the GST registration was moved by his heirs on September 28, 2020. And, vide order dated April 15, 2021, the authorities cancelled the registration with effect from June 30, 2020. It is submitted that despite the authorities being aware of the cancellation of the GST registration, recovery proceedings were initiated against a dead person. However, she fairly submits that although recovery against the LRs of the deceased (Anil Kumar) under Section 93(1)(b) of PGST Act, 2017, can be caused, but the petitioner, in the present case, were completely deprived of their right to participate in the impugned proceedings and set out their defence. Even otherwise, it is urged that the impugned demand is time-barred in terms of Section 73(10) of the Act, as an order under Section 73(9) can only be passed within 3 years from the due date for furnishing the annual return for the relevant financial years, which in this case is December 31, 2020.*
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> *4. Served with an advance copy of the petition, Ms. Neha Sonawane, learned Deputy Advocate General, Punjab, is present in Court on behalf of the respondent(s). And, on instructions from Mr. Karanbir Singh Mansa, STO, she submits that in the given situation, the impugned show cause notice(s) and the consequential order dated April 22, 2024, being indefensible, it would be expedient if the matter is remitted to the competent authority to pass fresh orders in accordance with law. Accordingly, she submits that the impugned show cause notice(s) and the consequential orders be deemed to have been withdrawn/re-called.*
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> *5. That being so, learned counsel for the petitioner submits that let the petition be disposed of in terms of the statement made by learned Deputy Advocate General, Punjab.*
>
> *6. In the wake of the position sketched out above, as also*

the statements of learned counsel for the parties, the petition is accordingly disposed of. This Court is sanguine that the competent authority shall re-visit the matter in issue in the right earnest, and pass a comprehensive order assigning reasons in support thereof."

4. Learned State counsel fairly submits that in the facts of the present case, the petitioner's case would be fully covered by ***Anil Kumar's*** case (supra).

5. In view of the above, the impugned order dated 26.04.2024 (Annexure P-1) and the consequent recovery notice 05.03.2026 (Annexure P-2) are quashed. However, the State would be at liberty to proceed afresh against the legal representatives of the deceased assessee, in accordance with law.

[DEEPAK SIBAL]
JUDGE

[LAPITA BANERJI]
JUDGE

22.04.2026
Jyoti Thakur

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