(2015) 08 KAR CK 0123

In the Karnataka High Court

Case No : Writ Petition Nos. 32586 of 2015 and 34569-34572 of 2015 (T-TAR)

Manyata Promoters Pvt. Ltd. APPELLANT

Vs

Union of India RESPONDENT

Date of Decision : 17-08-2015

Acts Referred:

Citation : (2015) 40 STR 641

Hon'ble Judges : Ram Mohan Reddy, J.

Bench : Single Bench

Advocate : Sivakumar S., Advocate, for the Appellant; S.V. Girikumar, AGA, for the Respondent

Judgement

Ram Mohan Reddy, J.—Petitioner apprehending that there is likelihood of a statutory audit being conducted in the course of excise of jurisdiction of access to a registered premises under Rule 5A of the Service Tax Rules, 1994, (for short ''Rules'') as indicated in the notice dated 3-7-2015, Annexure-A, has presented this petition. The indication of conducting a service tax audit as set out in the subject to the notice Annexure-A, makes reference to an Internal Audit Group No. LG-I which is directed to conduct audit of petitioner in terms of Rule 5A of the Rules, for the year 2010-2011, has requested that certain set of documents duly self-certified may be furnished to the office.

2. At Clause No. 3 in the said notice, a request is made to the petitioner to extend full cooperation to the officers deputed for audit and make available all records, ledger, invoice books, Cenvat documents and other documents relating to service tax for inspection and examination by officers during audit and that designated persons may be instructed to be present throughout audit, while at clause 5 it reads thus: "it may be noted that the proposed audit is the statutory audit as per the departmental instructions in regard to audit and has no relation to any audit conducted by CAG Office (CERA), if any." The aforesaid contents of the notice Annexure-A, indicates that the petitioner is required to comply with Rule 5A of the Rules inasmuch as providing access to its registered premises so

as to assist the audit party in discharge of duties assigned as per departmental instruction. Even according to learned counsel Rule 5A of the Rules does not permit conducting an Audit but only providing access to the registered premises as also to the documents demanded for scrutiny by the Audit party. Therefore, the apprehension of the petitioner that audit team is likely to conduct an audit at the registered premises of the petitioner under the Service Tax Rules, is misconceived. Petitions rejected.

