(2021) 05 KAR CK 0019

In the Karnataka High Court

Case No : Writ Petition No. 8882 Of 2021 (T-RES)

M/S. Novel Security Services APPELLANT

Vs

Additional Director, Director General Directorate General Of Goods & Services Tax Intelligence Bengaluru Zonal Unit RESPONDENT

Date of Decision : 26-05-2021

Acts Referred:

Citation : (2021) 05 KAR CK 0019

Hon'ble Judges : S. Sunil Dutt Yadav, J

Bench : Single Bench

Advocate : A. Mahesh Chowdhary, Amit Deshpande

Final Decision : Disposed Of

Judgement

S. Sunil Dutt Yadav, J

1. The petitioner has filed the present writ petition challenging the show-cause notice dated 22.04.2021 as being void, illegal, time barred, beyond

authority and hence unconstitutional.

2. The primary contention of the petitioner is that prior to issuance of show-cause notice, the petitioner is entitled for consultation with the Noticee

before issuance of show-cause notice in terms of the Circular No.1053/02/2017-CX dated 10.03.2017. It is further submitted that the eligibility for

availing the benefit of consultation with the noticee as per Para 5 of the Circular is fulfilled by the petitioner.

3. The learned counsel for the revenue however would state that benefit of the circular is subject to the rider where the show-cause notice is issued

for ""Preventive/offences relating to SCN's"". The learned counsel further submits that no grounds are made out for interference with the show-cause notice. However, it is submitted upon instructions that the petitioner would be afforded an opportunity of hearing pursuant to the show-cause notice

and till conclusion of adjudication, they would not resort to any coercive steps as may be permissible in law to be exercised.

4. Taking note of the requirement that the proceedings being at the preliminary stage be concluded at the earliest and also the submission of the

learned counsel for revenue that they would not take any coercive steps till adjudication is completed, it would be appropriate to dispose off the matter

in the following manner in order to avoid any procrastination of the proceedings which are at nascent stage. It is made clear that the order passed

would not be a precedent to be followed in other matters, while noticing the peculiar facts and contentions raised in the petition and that the order is

passed without adverting to the merits of the contention of either parties. Accordingly, it would be appropriate that the show-cause notice dated

22.04.2021 be kept in abeyance. The petitioner in the interrugnum would be afforded an opportunity of personal hearing in terms of the Circular dated

10.03.2017. The hearing is to be afforded by the Show-cause notice issuing authority and in the event after hearing, if the authority comes to the

conclusion that the show-cause notice needs to be revived, notice to be issued to revive the said show- cause notice as if it were the show-cause

notice issued on 22.04.2021. It is made clear that all contentions of both sides are kept open as no adjudication is made relating to the contentions

raised. The petitioner to appear before the Show-cause Notice Issuing Authority on 24.06.2021.

Needless to state that the petitioner shall cooperate with the authorities for expeditious disposal of the proceedings.

In light of the above discussion, the petition is disposed off.