



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 4TH DAY OF SEPTEMBER, 2024

BEFORE

THE HON'BLE MR JUSTICE S.R.KRISHNA KUMAR

WRIT PETITION NO.15810 OF 2024 (T-RES)

BETWEEN:

M/S. VEREMAX TECHNOLOGIE SERVICES LIMITED
INCORPORATED UNDER THE COMPANIES ACT
REPRESENTED BY ITS SENIOR ACCOUNTS EXECUTIVE
SRI. VENKATESAN B.,
AGED ABOUT 33 YEARS
NO.507, HBR LAYOUT, 1ST STAGE, 4TH BLOCK
OUTER RING ROAD,
BENGALURU URBAN – 560 043.

...PETITIONER

(BY SRI. SHANKARE GOWDA M.N., ADVOCATE)

AND:

THE ASSISTANT COMMISSIONER OF CENTRAL TAX
DIV-4, GST COMMISSIONERATE
BENGALURU EAST, 3RD FLOOR
TTMC BMTc BUS STAND,
OLD AIRPORT ROAD, DOMMALURU
BENGALURU – 560 071.

...RESPONDENT

(BY SRI. UNNIKRISHNAN M., CGC)

THIS W.P. IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO QUASH THE IMPUGNED ORDER IN ORIGINAL DATED 21.11.2023 IN ORDER NO.38/2023-24/GST/AC/ED-4 PASSED U/S 74 OF THE CGST/IGST/SGST ACTS AND RULES BY THE RESPONDENT (ANNEXURE-B) FOR THE FINANCIAL YEARS 2017-18 (JULY-





2017 TO MARCH-2018), 2018-19, 2019-20 AND 2020-21 AS INVALID AND PASSED WITHOUT AUTHORITY OF LAW, IN THE PETITIONERS CASE AND ETC.

THIS PETITION, COMING ON FOR *PRELIMINARY HEARING IN 'B' GROUP*, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR JUSTICE S.R.KRISHNA KUMAR

ORAL ORDER

In this petition, petitioner challenges the impugned show cause notice dated 03.05.2024 at Annexure – D and the order dated 21.11.2023 at Annexure – B issued by the respondent for the tax periods 2017-18, 2018-19, 2019-20 and 2020-21. The petitioner contends that these notices, issued under Section 73 of the Central Goods and Services Tax (CGST) Act, 2017, are flawed due to the improper consolidation of multiple tax periods into a single show cause notice.

2. The petitioner's primary argument is that the respondent cannot issue a common show cause notice by grouping the tax periods from 2017-18 to 2020-21. The petitioner asserts that under Section 73 of the CGST Act, a specific action must be completed within the relevant year, and the limitation period of



three years applies separately to each assessment year. Consequently, the petitioner contends that clubbing multiple tax periods in a single notice is impermissible, and separate notices should have been issued for each assessment year under sub-Section (1) of Section 73.

3. The petitioner relies on the judgment of the Hon'ble Madras High Court in the case of ***M/s. Titan Company Ltd. vs. Joint Commissioner of GST***¹. The Madras High Court, while addressing a similar issue, relied on the Hon'ble Supreme Court's decision in ***State of Jammu and Kashmir and Others vs. Caltex (India) Ltd.***². The Hon'ble Apex Court held that where an assessment encompasses different assessment years, each assessment order can be distinctly separated and must be treated independently.

4. This Court has reviewed the judgment of the Madras High Court and the scope of inquiry under Section 73 of the CGST Act. Based on the established legal principles and the precedent set by the Hon'ble Apex Court, this Court finds that the respondent

¹ W.P.No.33164 of 2023

² AIR 1966 SC 1350



erred in issuing a consolidated show cause notice for multiple assessment years, spanning from 2017-18 to 2020-21.

5. Section 73(10) of the CGST Act mandates a specific time limit from the due date for furnishing the annual return for the financial year to which the tax due relates. The law stipulates that particular actions must be completed within a designated year, and such actions should be executed in accordance with the law's provisions. The principles enunciated in the judgment cited by the Hon'ble Supreme Court are directly applicable to the present case.

6. For the reasons aforementioned, this Court concludes that the show cause notices issued by the respondent are fundamentally flawed. The practice of issuing a single, consolidated show cause notice for multiple assessment years contravenes the provisions of the CGST Act and established legal precedents.

7. Accordingly, this Court proceeds to pass the following:

ORDER

- (i) The writ petition is ***allowed***.
- (ii) The impugned show cause notice dated 03.05.2024 (Annexure-D) issued by the respondent for



the tax periods 2017-18, 2018-19, 2019-20 and 2020-21 are hereby quashed;

(iii) This order, however, does not preclude the respondent from issuing separate show cause notices for each assessment year in compliance with Section 73 of the CGST Act, 2017.

Sd/-
(S.R.KRISHNA KUMAR)
JUDGE

SV
List No.: 1 SI No.: 59