IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

(109) **CWP-27780-2022**
Decided on : 18.10.2023

Rakesh Janghu ……Petitioner(s)

Versus

Union of India & others ……Respondent(s)

CORAM : HON'BLE MR.JUSTICE G.S. SANDHAWALIA
HON'BLE MS.JUSTICE HARPREET KAUR JEEWAN

Present: Mr.Aditya Grover, Advocate for the petitioner (s).

Mr.Sourabh Goel, Sr.Standing Counsel, for the respondents.

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G.S. Sandhawalia, J. (Oral)

1. The relief claimed in the present writ petition, filed under Article 226/227 of the Constitution of India is for quashing the purported inquiry proceedings initiated by the respondents under the provisions of the Central Goods & Services Tax Act, 2017 (for short, the 'Act').

2. The petitioner is aggrieved against the issuance of summons dated 23.06.2020, 10.08.2020, 08.12.2021, 21.12.2021, 22.03.2022, 28.04.2022, 20.05.2022 and 02.08.2022 (Annexures P-3, P-7 to P-11 & P-13) issued under Section 70 of the Act on the same cause of action. Prayer has thus been made to conclude the inquiry proceedings. The case of the petitioner is that he has been consistently appearing before the respondents in pursuance of the investigation being conducted on account of the fact that he was providing services to the SHKM Government Medical College and according to his knowledge and belief it was exempted from the provisions of GST.

3. The stand of the respondents is that the services were being provided to the said colleges and also to two hospital-cum-Medical Colleges namely M/s Bhagat Phool Singh Government Medical College, Khanpur Kalan Sonipat and Shaheed Hasan Khan Mewat Government Medical College, Nuh in Haryana. It has been mentioned that the statements of the officials of the concerned colleges were recorded on 29.09.2020 under Section 70 of the Act and the proprietorship of the petitioner's firm namely M/s Believe Solution Services had not charged the GST on the service provided and there was an objection raised as such. It is their case that on account of no response from the petitioner, summons dated 28.04.2022, 06.05.2022 & 20.05.2022 were issued. It is further their case that the firm of the petitioner thereafter started charging GST and raised their demand from the two colleges subsequently and it was not submitting proper details and therefore, investigation was required.

4. Various directions have been issued earlier while noting that petitioner had deposited Rs.5 crores with the department under protest and that he had appeared on 28.02.2023 and given the details of the documents. Vide order dated 09.03.2023, it was further ordered that petitioner would give all necessary documents within a period of 15 days and will appear before the competent authority as and when called for. Thereafter also, directions were issued to appear vide orders dated 28.07.2023 and 05.09.2023. Mr.Goel also concedes that on 28.09.2023, the petitioner had already put in appearance.

5. We are thus of the considered opinion that the purpose of summoning the petitioner for the enquiry apparently stands satisfied. It is for the respondents to proceed thereafter, in accordance with law in their wisdom

if they still feel that further proceedings are to be initiated by issuance of a show cause notice. The provisions of Section 70 of the Act cannot be continued to be used for the purpose of enforcing the presence for all times to come. As noticed, the service is being provided to two Government institutions and there is sufficient record available with the respondents from the said offices. In the peculiar facts and circumstances, we feel that no useful purpose would be served to call the petitioner in pursuance of the summons issued under Section 70 of the Act hereafter.

6. Resultantly, in view of the above discussion, we dispose of the present writ petition with the above said observations, giving liberty to the respondents to proceed in accordance with law regarding issuance of show cause notice if so required and to proceed further in pursuance to the material which they have already gathered and the statements of the officials which they have already recorded.

(G.S. SANDHAWALIA)
JUDGE

(HARPREET KAUR JEEWAN)
JUDGE

October 18, 2023
Sailesh

Whether speaking/reasoned :	Yes	
Whether Reportable :		No