06.10.2026
ct no. 10
Sl. 14
BP

WPA 9005 of 2026
with
CAN 1 of 2026

M/s. Sanmargg Agrotrade India Private Limited & Anr.
-Versus-
Superintendent, Central Tax, Group-36, Circle-08, Office of the Commissioner of Central Tax, Kolkata Audit I CGST & CX Commissionerate & Ors.

Mr. Tarun Kumar Gupta
Mr. Indranil Banerjee
Mr. Subrata Mukherjee
...for the petitioners.

Mr. Bijitesh Mukherjee
Ms. Manasi Mukherjee
..for the State respondent No.7

Ms. Manasi Mukherjee
Mr. Tapan Bhanja
..for CGST Authority

Ms. Tanusree Ghosh
..for the Union of India

Mr. Uday Sankar Bhattachaya
Ms. Sukanya Dutta
Ms. Banani Bhattacharya
... for DGGI Authority.

1. The principal grievance of the petitioners in the present Writ Petition is with regard to four independent authorities who have initiated proceedings in the self same period pertaining to cancellation of the same suppliers.

2. In the present Writ Petition, the petitioners have challenged the proceedings initiated by four different authorities, namely, the Central Goods and Services Tax Authorities (CGST Authorities), Anti Aviation being

the respondent Nos. 1, 4, 5, 8 and 10, the DRI, West Bengal being respondent Nos. 7 and 9 and the DGGI being respondent Nos. 2 and 6 for the tax period from 2020-21 to 2025-26 on the ground that the same are arbitrary, illegal, without jurisdiction and not sustainable in the eye of law.

3. The Learned Counsel appearing for the petitioners submit that four independent authorities have issued Show Cause Notices for the self same periods in respect of cancellation of the self same suppliers, which is contrary to the guidelines laid down by the Hon'ble Supreme Court as held in paragraph 97 of the Judgment in the case of Armour Security India Ltd. Vs. the Commissioner CGST Delhi East Commissionerate, Delhi reported in (2025) 177 Taxmann.com 478 (Supreme Court).

4. It is further submitted that the DRI Authorities, West Bengal has also issued Show Cause Notices for the periods 2020-21 and 2021-22 and the petitioners had duly replied to the same before the authority concerned for proper adjudication. Upon consideration of such replies, the authority passed Orders in Original under Section 74 of the West Bengal Goods and Services Tax Act, 2017 dated 27th July 2026 for the period 2020-21 and dated 28th July, 2026 for the period 2021-22.

5. It is further submitted that the respondent Nos. 2 and 6 have also issued Show Cause Notices for the tax period 2020-21 to 2025-26. The petitioners have filed an Adjournment Application before the authority concerned seeking inter alia, for keeping the matter in abeyance till the final disposal of the present Writ Petition filed before this Hon'ble Court.

6. The Learned Counsel appearing for the petitioners have filed an Interlocutory Application being CAN 1 of 2026 praying inter alia for a direction restraining the authorities concerned from taking any coercive steps for recovery of the demands confirmed vide Order in Original dated 27.07.2026 and 28.07.2026 and adjudicating the Show cause notice dated 19.07.2026 issued by respondent Nos. 2 and 6. The petitioners have further prayed for a direction upon the Anti Aviation Authorities not to issue any further notices till the proceedings attains finality.

7. The Learned Counsel appearing for the DGGI authorities raised a preliminary objection to the maintainability of the Interlocutory Application and submits that the same is not maintainable without amending the prayers made in the Writ Petition.

8. It is further submitted that a copy of CAN 1 of 2026 have not been served upon the authorities concerned to enable it to make appropriate submission on the issued involved herein.

9. The Interlocutory Application has been filed under the guise of improving the petitioner's case by bringing certain facts on record that are germane to the prayers made in the Writ Petition.

10. After receiving the notice for the respective tax period in question the petitioners have failed to submit any reply thereto.

11. The Learned Counsel for the respondent Nos. 1, 4, 5, 8 and 10 submits that in terms of Section 70 of the Central Goods & Services Tax Act, 2017, the petitioners are required to appear for investigation as and when summoned, but the petitioners are not cooperating and are not appearing on the dates fixed by the authorities concerned.

12. Although investigations have commenced the adjudication proceedings has not yet started as on date. The Audit observation which has been objected to by the petitioners is not tenable in the eye of law as the same is "based on returns" and the proceedings have been initiated by the Audit authorities only on the basis of such returns.

13. Having heard the counsels for the respective parties and upon perusing the materials available on records this Court has taken judicial notice of all the relevant documents annexed to the Writ Petition and to the Interlocutory Application being CAN 1 of 2026 including the judgements of the Hon'ble Supreme

Court in the case of Armour Security India Ltd. (supra).

14. For balance equities and to secure ends of justice, this Court is of the considered view that the petitioners should be directed to file separate comprehensive and detailed replies to the consolidated Show Cause Notices issued by the respondent Nos. 2 to 6 for the tax periods from 2020-21 to 2025-26, by annexing all relevant documents, including the orders in original passed by respondent No. 7, within a period of four weeks from the date of communication of this order. The said replies shall be filed before the Additional Commissioner or Joint Commissioner of Central tax, North Commissionerate, Kolkata, GST Bhawan. The authority concerned shall consider and dispose of the said comprehensive reply of the petitioner within a period of six weeks from the date of receipt of the reply and pass a reasoned and speaking order in accordance with law after granting an opportunity of personal hearing to all the petitioners to whom Notices have been issued, and communicate such decision within a week thereafter.

15. In the meantime the investigation initiated by the authorities concerned namely, Anti Aviation and Audit Commissionerate shall continue and the said authorities shall share the details of such investigation with the DGGI authorities for effective adjudication of

the issues involved herein pertaining to the tax periods in question.

16. With the above observations and directions, the Writ Petition is disposed of without going into the merits of the case.

17. However, it is made clear that the authorities concerned shall take an independent decision without being influenced by the observations made hereinabove.

18. The petitioners are directed to cooperate with the investigating agencies and also before the DGGI authorities at the time of hearing and shall not seek any unnecessary adjournments. However, it is made clear that for the tax periods 2020-21, 2021-22, M/s. Ishan Information Services Private Ltd. shall also file Comprehensive reply before the Joint Commissionerate.

19. Since no affidavits have been filed the allegation made in the Writ Petition are deemed to have been denied and not admitted.

20. Urgent certified photocopy of this order, if applied for, be supplied to the parties expeditiously on compliance of usual legal formalities.

(Smita Das De, J.)