IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 28-04-2026

CORAM

THE HON'BLE MR JUSTICE C. SARAVANAN

WP No. 16831 of 2026
and
WMP.Nos.18084 & 18087 of 2026

M/s.SKM Egg Products Export India Ltd
Represented by its Chief Financial Officer,
K.S.Venkatachalapathy,
S.F.No.42-47, 20th KM,
Erode -Karur Road,
Punjal Kilambadi Village, Cholangapalayam,
Erode- 638 154.

..Petitioner(s)

Vs

1. The Assistant Commissioner (ST) Inspection
   Office of the Joint Commissioner (ST),
   Intelligence,
   Erode Division,
   Integrated Commercial Taxes Building,
   II Floor, S.F.No.400/1,7,8,46 Pudur B Village,
   Erode- 638 002.
2. The Assistant Commissioner of GST And
   Central Excise
   Erode I Division,
   No.81, Bharathi Nagar, Soolai,
   Erode-638 004.

3. The Commissioner of GST And Central Excise
   No.1, Anai Road, Foulkes Compound,
   Salem-636 001.

..Respondent(s)

PRAYER: Writ Petition is filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorari to call for the records of the case relating to the impugned Order Reference No. ZD330226204677H dated 24.2.2026 with proceedings thereon bearing GSTIN 33AACCS7106G1ZO/2025-2026 dated 24.2.2026 issued by the first Respondent and to quash the same.

For Petitioner(s):	Mr.J. Shankarraman
For Respondent(s):	Mrs.K.Vasanthamala, GA for R1 Mr.K.S.Ramasamy, for R2 & R3 Senior Standing Counsel

ORDER

The Petitioner is before this court against the impugned order dated 24.02.2026 passed by the 1st Respondent namely a State Authority.

2. A perusal of the records filed before this court indicates that the Petitioner is assessed to the Central Authority and had been subjected to inspection and an Audit Report was issued on 25.07.2024, 27.08.2024 and 30.11.2024, which has been replied to by the Petitioner.

3. Insofar as the classification issue is concerned, the Audit Department of the Central Authority had decided to refer the matter to the Executive Authority and thereafter, the proceedings had not proceeded further.

4. However, during the interregnum, the State Authority inspected the Petitioner's premises on 20.08.2025 which has led to issuance of intimation in DRC 01 A dated 03.11.2025 which was replied by the petitioner on 08.11.2025 followed by a Show Cause Notice in DRC 01 dated 18.11.2025 which was also

replied by the petitioner dated 30.12.2025 which has now culminated in the impugned order.

5. The entire exercise *prima facie* appears to be contrary to the direction of the Hon'ble Supreme Court in ***Armour Security (India) Ltd. Vs. Commissioner of CGST, Delhi East,*** wherein it has been observed as under:-

> *"97. We issue the following guidelines to be followed in cases where, after the commencement of an inquiry or investigation by one authority, another inquiry or investigation on the same subject matter is initiated by a different authority.*
>
> *(a) Where a summons or a show cause notice is issued by either the Central or the State tax authority to an assessee, the assessee is, in the first instance, obliged to comply by appearing and furnishing the requisite response, as the case may be. We say, so because, mere issuance of a summons does not enable either the issuing authority or the recipient to ascertain that proceedings have been initiated.*
>
> *(b) Where an assessee becomes aware that the matter being inquired into or investigated is already the subject of an inquiry or investigation by another authority, the assessee shall forthwith inform, in writing, the authority that has initiated the subsequent inquiry or investigation.*
>
> *(c) Upon receipt of such intimation from the assessee, the respective tax authorities shall communicate with each other to verify the veracity of the assessee's claim. We say, so as this course of action would obviate needless duplication of proceedings and ensure optimal utilization of the Department's*

time, effort, and resources, bearing in mind that action initiated by one authority enures to benefit of all.

(d) If the claim of the taxable person regarding the overlap of inquiries is found untenable, and the investigations of the two authorities pertain to different "subject matters", an intimation to this effect. along with the reasons and a specification of the distinct subject matters, shall be immediately conveyed in writing to the taxable person.

(e) The taxing authorities are well within their rights to conduct an inquiry or investigation until it is ascertained that both authorities are examining the identical liability to be discharged, the same contravention alleged, or the issuance of a show cause notice. Any show cause notice issued in respect of a liability already covered by an existing show cause notice shall be quashed."

6. Considering the same, there shall be order of interim stay of the impugned order for a period of seven weeks from today.

7. List this case on 17.06.2026.

8. In the meanwhile, the Respondent is directed to file a counter if any.

GV **28-04-2026**

To

1. The Assistant Commissioner (ST) Inspection
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   Erode Division,
   Integrated Commercial Taxes Building,
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C.SARAVANAN, J.

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