HIGH COURT OF JUDICATURE FOR RAJASTHAN
BENCH AT JAIPUR

D.B. Civil Writ Petition No. 12766/2025

M/s Korfex Industries Private Limited & Ors.

----Petitioners

Versus

The State Of Rajasthan & Ors.

----Respondents

For Petitioner(s)	:	Mr. Sudhir Gupta, Sr. Adv. Assisted by Ms. Shweta Chauhan, Mr. Anant Nigam, Mr. Harsh Sethi & Ms. Priyanka Chauhan Ms. Nisha Jhaknariya Mr. Abhimanyu Singh Bhati
For Respondent(s)	:	Ms. Niti Jain Bhandari for Mr. Bharat Vyas, AAG Mr. Kapil Sharma through VC

HON'BLE MR. JUSTICE SANJEEV PRAKASH SHARMA
HON'BLE MR. JUSTICE SANJEET PUROHIT

Order

22/08/2025

Heard.

Issue notice to the respondent(s).

Ms. Niti Jain Bhandari, Advocate, accepts notice on behalf of the respondents No.1 to 5.

Mr. Kapil Sharma, Advocate, accepts notice on behalf of the respondent No.9.

Learned counsel for the petitioners submits that summons have been issued to the petitioners by the Haryana State Tax Officer, Sirsa Branch & Rewari Branch for 18.08.2025 & 27.08.2025 with respect to the goods, which have been supplied through Haryana to the petitioners. On the same aspects and sale of goods, separate notices and summons have now been issued to the petitioners. Learned counsel further submits that the inquiry and investigation as envisaged under the Act, cannot be done at two places for the same sale and relies on the judgment passed by the Hon'ble Supreme Court in the case of **M/s Armour Security (India) Ltd. vs. Commissioner, CGST, Delhi East Commissionerate & Anr. [Special Leave Petition (C) No. 6092/2025]** decided on 14.08.2025, wherein a similar view has been taken by the Apex Court.

In **M/s Armour Security (India) Ltd. (supra)**, the Hon'ble Supreme Court has held 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.

f. However, if the Central or the State tax authority, as the case may be finds that the matter being inquired into or investigated by it is already the subject of inquiry or investigation by another authority, both authorities shall decide *inter-se* which of them shall continue with the inquiry or investigation. In such a scenario the other authority shall duly forward all material and information relating to its inquiry or investigation into the matter to the authority designated to carry the inquiry or investigation to its logical conclusion. We say, so because, the taxable person except for being afforded the statutory protection from duplication of proceedings, otherwise has no *locus* to claim which authority should proceed with the inquiry or investigation in a particular matter.

g. However, where the authorities are unable to reach a decision as to which of them shall continue with the inquiry or investigation, then in such circumstances, the authority that first initiated the inquiry or investigation shall be empowered to carry it to its logical conclusion, and the courts in such a case would be competent to pass an order for transferring the inquiry or investigation to that authority.

h. If it is found that the authorities are not complying with these aforementioned guidelines, it shall be open to the taxable person to file a writ petition before the concerned High Court under Article 226 of the Constitution of India.

i. At the same time, taxable persons shall ensure complete cooperation with the authorities. It is incumbent upon them to appear in response to a summons and/or reply to a notice."

Keeping in view the judgment passed in the case of **M/s Armour Security (India) Ltd. (supra)**, we restrain the respondents from proceeding further with their notices or summons in relation to the petitioners and no coercive steps shall be taken against the petitioners in the matter.

List after six weeks.

(SANJEET PUROHIT),J (SANJEEV PRAKASH SHARMA),J

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