IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 24-09-2026

CORAM

THE HON'BLE DR.JUSTICE ANITA SUMANTH

AND

THE HON'BLE MR.JUSTICE S.RAVEEKUMAR

WA No. 687 of 2026

CNR:{HCMA011348562025}

Case QR

AND
WA Nos.2932, 2938, 2936, 2935, 2654, 2937, 1740, 2933, 488 & 781 of 2026 and 3371, 1805, 2039, 2100, 2116 & 2199 of 2024, 2823, 2841, 2848, 2857 & 2925 of 2025
&

CMP Nos. 23079, 23161, 23694, 23036, 22928 of 2025, 23622, 15993 of 2026, 12955, 14501, 14783, 14896, 15556, 26161 of 2024, 25808, 6695, 25818,25809, 25816, 25815, 4788, 4785, 25817 & 8054 of 2026

W.A.No. 687 of 2026

The State Tax Officer,
Velandipalayam Circle,
Dr.Balasundaram Road,
Commercial Tax Complex,
Coimbatore -641 018.

..Appellant(s)

Vs

M/s.Sree Amman Traders,
S.F.No.419/2A2, Kalappanaickenpalayam,
Somayampalayam,
Coimbatore-641 108,
Tamil Nadu.

..Respondent(s)

WA No. 2857 of 2025

Case QR

CNR:{HCMA010205622025}

The State Tax Officer
Enforcement Group – IV,
Office of the Deputy Commissioner (ST)
(Inspection), Commercial Tax Complex
Dr.Balasundram Road,
Coimbatore 641018.

..Appellant(s)

Vs

M/s.Sri Varahiamman Steels Private Limited,
Rep. by its Managing Director,
19/1, M.G.Chettipalayam Road,
Ganesapuram Sarkar Samakulam,
Coimbatore – 641 107.

..Respondent(s)

WA No. 2841 of 2025

Case QR

CNR:{HCMA010205722025}

The State Tax Officer
Enforcement, Group – IV,
Office of the Deputy Commissioner (ST),
(Inspection), Commercial Tax Complex,
Dr.Balasundaram Road,
Coimbatore – 641 107.

..Appellant(s)

Vs

Ms.Sri Varahiamman Steels Private Ltd
Rep. by its Managing Director,
19/1, M.G.Chettipalayam Road,
Ganesapuram Sarkar Samakulam,

Coimbatore – 641 107.

..Respondent(s)

WA No. 2925 of 2025

CNR:{HCMA010205762025}

The State Tax Officer,
Enforcement, Group – IV,
Office of the Deputy Commissioner (ST),
(Inspection), Commercial Tax Complex,
Dr. Balasundaram Road,
Coimbatore – 641 107.

..Appellant(s)

Vs

Ms.Sri Varahiamman Steels Private Limited,
Rep. by its Managing Director,
19/1, M.G.Chettipalayam Road,
Ganesapuram Sarkar Samakulam,
Coimbatore – 641 107.

..Respondent(s)

WA No. 2654 of 2026

CNR:{HCMA010243402026}

Assistant Commissioner (ST) (Intelligence),
(Adjudication), Coimbatore – 641 018.

..Appellant(s)

Vs

M/s. Chearan Steel Pvt Ltd
42/2 Mulluppadi Railway Gate Road,
Coimbatore – 641 110,
Rep. by its Managing Director,
Mr.D.Mohan

..Respondent(s)

WA No. 1740 of 2026

Case QR

CNR:{HCMA010243532026}

1. The State Tax Officer
   Tax Arrears and Collection Wing,
   Office of the Deputy Commissioner (ST),
   Inspection,
   Commercial Tax Complex,
   Dr. Balasundaram Road,
   Coimbatore 641 018.

2. The Deputy Commissioner (ST) (Int)
   O/o. The Deputy Commissioner (ST),
   (Intelligence),
   Commercial Tax Complex,
   Dr.Balasundaram Road,
   Coimbatore 641 018.

..Appellant(s)

Vs

M/s. Rosvar Steels Pvt. Limited,
Rep. by its Managing Director,
66 3B Kuppepalayam, Ganesapuram Sarkar,
Samakulam, Coimbatore – 641107.

..Respondent(s)

WA No. 2823 of 2025

Case QR

CNR:{HCMA010367782025}

The State Tax Officer
Inspection VII,
Office of the Deputy Commissioner ST,
(Intelligence) Coimbatore.

..Appellant(s)

Vs

M/s. Indoshell Automotive Systmes India Pvt Ltd.,
Rep. by its Director Mr.Krishnaswamy Jagadeesan,
A-9, SIDCO Industrial Estate,
Coimbatore – 641 021.

..Respondent(s)

WA No. 2848 of 2025

Case QR

CNR:{HCMA010368332025}

The State Tax Officer, Inspection – VII,
Office of the Deputy Commissioner (ST),
(Intelligence), Coimbatore.

..Appellant(s)

Vs

M/s Indoshell Automotive Systems India Private Limited, Rep by its Director Mr.Krishnaswamy Jagadeesan, A-9, SIDCO Industrial Estate, Coimbatore - 641 021.

..Respondent(s)

WA No. 1805 of 2024

Case QR

CNR:{HCMA011114112024}

1. The Principal Additional Director General
   Directorate General of Goods and Service Tax
   Intelligence, Chennai Zonal Unit,
   5th and 8th Floors, Towers II BSNL Building
   No.16, Greams Road, Chennai 600006.

2. The Senior Intelligence Officer
   Directorate General of Goods and Service Tax
   Intelligence, Chennai Zonal Unit,
   Chennai.

..Appellant(s)

Vs

1. KPN Travels India Limited
   No.23bg, Rajaji Street, Salem 636 004, Rep by
   KPN Raajesh, Director

2. The Assistant Commissioner(ST)
   Alagapuram Circle, Pitchards Road, Adaikala
   Nagar, Hasthampatti, Salem-636 007

..Respondent(s)

WA No. 2039 of 2024

Case QR

CNR:{HCMA011232172024}

1. The Special Secretary
   Head of the GST Council Secretariat,
   Office of the GST Council Secretariat, 5th Floor,
   Tower-II, Jeevan Bharti Building, Janapath Road,
   Connaught Police, New Delhi-110 001.

2. The Chairman
   Central Board of Indirect Taxes, North Block,
   New Delhi-110 001

3. The Principal Chief Secretary And Commissioner
   Of GST & And Central Excise,
   121, Uthamar Gandhi Salai, Nungambakkam,
   Chennai – 600 034.

4. The Director General Of GST Intelligence, South,
   C-3, C-Wing, II Floor, Rajaji Bhavan, Besant
   Nagar, Chennai-600 090.

5. The Assistant Commissioner (Prev)
   Chennai North Commissionerate,

Nungambakkam, Chennai.

6. The Senior Intelligence Officer,
   Directorate General of GST Intelligence,
   Chennai Zonal Unit, Chennai.

..Appellant(s)

Vs

1. KCP Engineers Private Limited
   Rep by K.Chandraprakash, Managing Director,
   159, Rangarajapuram Main Road,
   Kodambakkam, Chennai – 600 024.

2. The Additional Chief Secretary & Commissioner
   Of State Tax, Chepauk Chennai
   - 600 005.

3. The Assistant Commissioner (ST)
   Kodambakkam Assessment Circle, Chennai

..Respondent(s)

WA No. 2100 of 2024

Case QR

CNR:{HCMA011248912024}

1. The Special Secretary
   Head of the GST Council Secretariat,
   Office of the GST Council Secretariat, 5th Floor,
   Tower II, Jeevan Bharti Building, Janapath Road,
   Connaught Police, New Delhi – 110 001.

2. The Chairman
   Central Board of Indirect Taxes, North Block,
   New Delhi – 110 001.

3. The Director General Of GST Intelligence, South,
   C 3, C Wing, II Floor, Rajaji Bhavan, Besant

Nagar, Chennai – 600 090.

4. The Senior Intelligence Officer
Directorate General of GST Intelligence, Chennai
Zonal Unit, Chennai.

..Appellant(s)

Vs

1. Vardhan Infraastructure
No.3/2, Narasimmapuram, Mylapore, Chennai – 600 004. Rep.by its Partner S.Manikandan.
2. The Additional Chief Secretary And
Commissioner Of State Taxes
Chepauk, Chennai – 600 005.

3. The Assistant Commissioner (ST),
Arumbakkam Assessment Circle, Chennai

..Respondent(s)

WA No. 2116 of 2024

Case QR

CNR:{HCMA011280172024}

1. The Additional Director
Director General of Goods and Service Tax
Intelligence, Chennai Zonal Unit, 5th Floor,
Tower II, BSNL Building, No.16, Greams Road,
Chennai-600006
2. The Additional/Joint Commissioner of GST &
Central Excise, Chennai North Commissionerate,
No.26/1, Mahatma Gandhi Road,
Nungambakkam, Chennai 600034.

..Appellant(s)

Vs

1. New Pandian Travel Pvt Ltd,
   Rep. by its Director, C.Shankar,
   No.1078B, I Block, 19th Main Road,
   Anna Nagar, Chennai – 600 040.

2. The Assistant Commissioner Of SGST
   Amaindakarai Assessment Circle, F-50,
   1st Avenue, Anna Nagar East,
   Chennai-600102

..Respondent(s)

WA No. 2933 of 2026

CNR:{HCMA011292302025}

The State Tax Officer
Inspector-I, Intelligence,
Office of the Deputy Commissioner (ST),
Coimbatore - 641 018.

..Appellant(s)

Vs

M/s Season Motors
Represented by its Proprietor
Vivayathil George Williams
1636, Trichy Road, Sungam,
Coimbatore - 641 018.

..Respondent(s)

WA No. 2199 of 2024

CNR:{HCMA011304832024}

1. The Special Secretary
   Head of GST Council Secretariat,

Office of the GST Council Secretariat,
5th Floor, Tower II, Jeevan Bharti Building,
Janpath Road, Cannought Place,
New Delhi-11001

2. The Chairman
Central Board of Indirect Taxes, North Block,
New Delhi 110001

3. Joint Commissioner of GST & Central Excise
Ambattur Division, Chennai North
Commissionerate R-40/A-1, TNHB Building,
100 Feet Road, Mogappair (East), Chennai 600
037

4. Assistant Commissioner of GST & Central
Excise, Ambattur- III Range, Mogappair West,
Chennai - 37

..Appellant(s)

Vs

1. Tvl Power Tech
SP No. 105, 3rd Main Road,
Ambattur Industrial Estate,
Ambattur, Chennai – 600 058

2. The Assistance Commissioner (ST)
Ambattur Industrial Estate,
Ambattur Assessment Circle,
No.127, Yadhava Street, 1st Floor,
Chennai-600 050

..Respondent(s)

WA No. 2935 of 2026 Case QR

CNR:{HCMA011351412025}

The State Tax Officer
Inspector-I, Intelligence,

Office of the Deputy Commissioner (ST).
Coimbatore 641 018.

..Appellant(s)

Vs

M/s. Season Motors,
Rep. by its Proprietor,
Vivayathil George Williams,
1636, Trichy Road, Sungam,
Coimbatore – 641 018.

..Respondent(s)

WA No. 2936 of 2026

Case QR

CNR:{HCMA011351542025}

1. Joint Commissioner (ST) (Intelligence)
   Inspection Unit 6,
   Dr. Balasundaram Road,
   CT Complex, Coimbatore 641 018.

2. State Tax Officer (Inspection)
   Inspection Unit 6,
   Dr. Balasundaram Road,
   CT Complex,
   Coimbatore 641 018

..Appellant(s)

Vs

M/s Vetrivel Traders
Rep. by its Proprietor,
Nr.383, 384-2, Sri Vigneshwara Complex,
Opp.Pankaja Mill Gate,
Coimbatore – 641 045.

..Respondent(s)

WA No. 2932 of 2026

Case QR

CNR:{HCMA011352122025}

1. Joint Commissioner (ST) (Intelligence),
   Inspection Unit – 6, Dr. Balasundaram Road,
   CT Complex, Coimbatore – 641 018.

2. State Tax Officer (Inspection)
   Inspection Unit 6,
   Dr.Balasundaram Road,
   CT Complex,
   Coimbatore 641 018

..Appellant(s)

Vs

Vetrivel Traders
Rep. by its Proprietor,
Nr. 383, 384-2, Sri Vigneshwara Complex,
Opp. Pankaja Mill Gate,
Coimbatore – 641 045.

..Respondent(s)

WA No. 2938 of 2026

Case QR

CNR:{HCMA011368342025}

The State Tax officer,
Inspector – I, Intelligence,
Office of the Deputy Commissioner (ST),
Coimbatore – 641 018.

..Appellant(s)

Vs

M/s Season Motors,
Rep. by its Proprietor,
Vivayathil George Williams,
1636, Trichy Road, Sungam,
Coimbatore – 641 018.

..Respondent(s)

WA No. 781 of 2026

Case QR

CNR:{HCMA011678432025}

The Assistant Commissioner (ST) (Intelligence),
(Adjudication), Coimbatore – 641 018.

..Appellant(s)

Vs

M/s. Cheran Steel Pvt Ltd.,
42/2, Mullappadi Railway Gate Road,
Coimbatore 641 110.
Rep by its Managing Director
D. Mohan

..Respondent(s)

WA No. 2937 of 2026

Case QR

CNR:{HCMA011786652025}

The Assistant Commissioner (ST) (Intelligence) ,
(Adjudication),
Coimbatore -641 018.

..Appellant(s)

Vs

M/s. Cheran Steel Pvt. Ltd.,
42/2, Mulluppadi Railway Gate Road,
Coimbatore – 641 110

Rep. by its Managing Director,
Mr.D.Mohan

..Respondent(s)

WA No. 3371 of 2024

CNR:{HCMA011970752024}

1. The Deputy Commissioner of GST and Central Excise, Mylapore Division, Range – I, 26/1, Mahatma Gandhi Road, Nungambakkam, Chennai – 600 034.

2. The Assistant Commissioner Of GST And CEx, Audit I Commissionerate, No.1775, Jawaharlal Nehru Inner Ring Road, Anna Nagar Western Extension, Chennai- 600 101.

..Appellant(s)

Vs

1. M/s. Khazana Jewellery Private Limited No.48, Whites Road, Royapettah, Chennai, Tamil Nadu- 600 014.

2. State Tax Officer Group 1, Office of the Deputy Commissioner (ST), Inspection -II, Chennai Intelligence - II, No.1, PAPJM Buildings, Greams Road, Chennai- 600 006.

..Respondent(s)

WA No. 488 of 2026

CNR:{HCMA012723622025}

The State Tax Officer
Tax Arrears and Collection Wing,
Office of the Deputy Commissioner (ST)
(Inspection), Commercial Tax Complex,
Dr Balasundaram Road,
Coimbatore 641 018.

..Appellant(s)

Vs

M/s. Rosvar Steels Private Limited
Rep by its Managing Director,
66 3B Kuppepalayam,
Ganesapuram Sarkar,
Samakulam,
Coimbatore 641 107.

..Respondent(s)

Prayer **:** Writ Appeals filed under Clause 15 of Letters Patent to set aside the orders in W.P.No.16324 of 2021, WP.No. 30607 of 2019, WP.No.30615 of 2019, W.P. No. 30613 of 2019, WP No. 11006 of 2021, WP.No.8496 of 2020, WP No.3011 of 2020, 3013 of 2020, WP.No.2723 of 2021, W.P.No.29878 of 2019, W.P.No.34792 of 2019, W.P.No.26586 of 2022, WP No.2865 of 2021, WP.No.11319/2020, WP No.2861 of 2021, WP.No.12795 of 2021, WP No. 12797 of 2021, WP No.2863 of 2021, WP No.11008 of 2021, W.P.No.11004 of 2021, WP No.31013 of 2022 & WP No.4922 of 2020 all dated 11.03.2024.

WA Nos	For Appellant	For Respondents
687/2026	Ms.G.Dhana Madhri Special Government Pleader (Taxes) Assisted by Ms.Amrita Poonkodi Dhinakaran, Additional Government Pleader (Taxes) Mr.R.Sethu Prabakaran, Government Advocate (Taxes)	Mr.R.Sivaraman For M/s. D.Vairamoorthy
2932/2026	Ms.G.Dhana Madhri Special Government Pleader (Taxes) Assisted by Ms.Amrita Poonkodi Dhinakaran, Additional Government Pleader (Taxes)	No appearance

	Mr.R.Sethu Prabakaran, Government Advocate (Taxes)	
3371/2024	Mr.K.S.Ramaswamy Senior Standing Counsel	Mr.C.J.Yeswanthram For M/s.K. Vaitheeswaran for R1 R2 – No appearance
2938/2026	Ms.G.Dhana Madhri Special Government Pleader (Taxes)	Dr.S.Sathiyanarayanan
2936/2026	Ms.G.Dhana Madhri Special Government Pleader (Taxes)	No appearance
2116/2024	Mr.K.S.Ramaswamy Senior Standing Counsel	Mr.T.Ramesh for R1 R2 - No appearance
2841/2025	Ms.G.Dhana Madhri Special Government Pleader (Taxes) Assisted by Ms.Amrita Poonkodi Dhinakaran, Additional Government Pleader (Taxes) Mr.R.Sethu Prabakaran, Government Advocate (Taxes)	No appearance
2199/2024	Mr.S.R.Sundar, Senior Standing Counsel	R1 & R2 – No appearance
2848, 2857, 2925/2025	Ms.G.Dhana Madhri Special Government Pleader (Taxes) Assisted by Ms.Amrita Poonkodi Dhinakaran, Additional Government Pleader (Taxes) Mr.R.Sethu Prabakaran, Government Advocate (Taxes)	No appearance
1805/2024	Mr.AR.L.Sundaresan, ASG For Mr.Umesh Rao.K.	R1, R2 - No appearance
2039/2024	Mr.K.S.Ramaswamy Senior Standing Counsel	Mr.G.Derrick Sam for R1 R2 & R3 – No appearance
781/2026	Ms.G.Dhana Madhri Special Government Pleader (Taxes)	Mr.B.Raveendran
2100/2024	Mr.M.Santhanaraman, Senior Standing Counsel	Mr.G.Derrick Sam for R1 R2, R3 – No appearance
2823/2025	Ms.G.Dhana Madhri Special Government Pleader (Taxes) Assisted by Ms.Amrita Poonkodi Dhinakaran, Additional Government Pleader (Taxes) Mr.R.Sethu Prabakaran, Government Advocate (Taxes)	No appearance
2654/2026	Ms.G.Dhana Madhri Special Government Pleader (Taxes)	Mr.B.Raveendran
2935/2026	Ms.G.Dhana Madhri	Dr.S.Sathiyanarayanan

	Special Government Pleader (Taxes)	
2937/2026	Ms.G.Dhana Madhri Special Government Pleader (Taxes)	Mr.B.Raveendran
1740/2026	Ms.G.Dhana Madhri Special Government Pleader (Taxes)	No appearance
2933/2026	Ms.G.Dhana Madhri Special Government Pleader (Taxes)	Dr.Sathiyanarayanan
488/2026	Ms.G.Dhana Madhri Special Government Pleader (Taxes)	Mr.T.Ramesh

COMMON JUDGMENT

(Delivered by Dr.Anita Sumanth, J.)

This is a batch of 22 writ appeals of which 16 have been filed at the instance of the State GST Authorities and 6 by the Central GST Authorities.

2. The challenge before the writ court related to the assumption of power by the State Tax Authorities and Central Tax Authorities for cross-empowerment in terms of Section 6 of the Central Goods and Services Tax Act, 2017 (in short, 'Act').

3. Though various grounds appear to have been raised in the writ affidavits, by an order dated 11.03.2024, the writ court has decided in favour of the assessees, quashing the impugned proceedings (summons and assessments) in the absence of a Notification for cross-empowerment as provided for under Section 6 of the Act.

4. We have heard Mr.AR.L.Sundaresan, learned Additional Solicitor General for Mr.Umesh Rao.K, Mr.M.Santhanaraman and Mr.K.S.Ramaswamy, learned Senior Standing Counsels for the Central GST Authorities, Ms.G.Dhana

Madhri Special Government Pleader (Taxes), and Mr. R.Sivaraman for the State GST Department, Mr. C.J.Yeswanthram, Mr.T.Ramesh, Mr.G.Derrick Sam, Mr.B.Raveendran and Dr.S.Sathiyanarayanan, for the assessees/respondents.

5. The Supreme Court, in *Armour Security (India) Ltd v Commissioner, CGST, Delhi East Commissionerate and another*[1] has decided the issue arising in these writ appeals, holding that cross-empowerment is a concept that is permissible in the scheme of the Act. The scheme under the GST Act was examined by the Supreme Court commencing from Section 59 of the Act relating to self-assessment, and the conclusions have been set out in paragraph 97 as follows:-

> *97. We summarize our final conclusion as under:*
> *i. Clause (b) of sub-section (2) of Section 6 of the CGST Act and the equivalent State enactments bars the "initiation of any proceedings" on the "same subject matter".*
> *ii. Any action arising from the audit of accounts or detailed scrutiny of returns must be initiated by the tax administration to which the taxpayer is assigned.*
> *iii. Intelligence based enforcement action can be initiated by any one of the Central or the State tax administrations despite the taxpayer having been assigned to the other administration.*
> *iv. Parallel proceedings should not be initiated by other tax administration when one of the tax administrations has already initiated intelligence-based enforcement action.*

[1] 145 GSTR 385: 2025 INSC 982

v. All actions that are initiated as a measure for probing an inquiry or gathering of evidence or information do not constitute "proceedings" within the meaning of Section 6(2)(b) of the CGST Act.
vi. The expression "initiation of any proceedings" occurring in Section 6(2)(b) refers to the formal commencement of adjudicatory proceedings by way of issuance of a show cause notice, and does not encompass the issuance of summons, or the conduct of any search, or seizure etc.
vii. The expression "subject matter" refers to any tax liability, deficiency, or obligation arising from any particular contravention which the Department seeks to assess or recover. viii. Where any two proceedings initiated by the Department seek to assess or recover an identical or a partial overlap in the tax liability, deficiency or obligation arising from any particular contravention, the bar of Section 6(2)(b) would be immediately attracted.
ix. Where the proceedings concern distinct infractions, the same would not constitute a "same subject matter" even if the tax liability, deficiency, or obligation is same or similar, and the bar under Section 6(2)(b) would not be attracted.
x. The twofold test for determining whether a subject matter is "same" entails, first, determining if an authority has already proceeded on an identical liability of tax or alleged offence by the assessee on the same facts, and secondly, if the demand or relief sought is identical.

6. A set of guidelines have been issued in the interest of clarity and uniformity in the formulation of assessments, that read as follows:-

"98. 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.

7. Learned counsel for the respondents / assessees would however prevail with their argument that the power of cross-empowerment remains unavailable and cannot be invoked by the Department in the absence of a Notification as provided for under Section 6. According to them, this point has not been addressed in the judgment of the Hon'ble Supreme Court in the case of *Armour Security*.

8. However, we find that the issue has been answered by the Supreme Court in paragraph 44 onwards. At paragraph 46, the Supreme Court has referred to, and noted Clarification in F. No. CBEC-20/10/07/2019-GST dated 22.6.2020 issued by the Central Board of Indirect Taxes, GST Policy Wing, extracted below:-

> *"To*
> *The Principal Director General,*
> *Directorate General of GST Intelligence,*
> *2nd Floor. Wing- VI, West Block- VIII R.K. Puram, New Delhi- 110066*
>
> *Sir, Subject: Reference form DGGI on Cross empowerment under GST. reg.*
>
> *I am directed to refer to DGGI letter F.No.574/CE/66/2020/Inv./15308 dated 26.05.2020 on the issues related to cross empowerment of officers in terms of provisions of section 6 of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as "the CGST Act").*
>
> *2. Issue raised in the reference is whether intelligence based enforcement actions initiated by the Central Tax officers against those taxpayers which are assigned to the State Tax administration gets covered under section 6(1) of the CGST Act and the corresponding provisions of the SGST/UTGST Acts or whether a specific notification is required to be issued for cross empowerment on the same lines as notification No. 39/2017-CT dated 13.10.2017 authorizing the State Officers for the purpose or refunds under section 54 and 55 of the CGST Act.*
>
> *3.1 The issue has been examined in the light of relevant legal provisions under the CGST Act, 2017. It is observed that Section 6 of the CGST Act provides for cross empowerment of State Tax officers and Central Tax officers and reads as:-*

> *"6. (1) Without prejudice to the provisions of this Act, the officers appointed under the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act are authorised to be the proper officers for the purposes- of this Act, Subject to such conditions as the Government shall, on the recommendations of the Council, by Notification specify.*

3.2. Thus in terms of sub-section (1) of section 6 of the CGST Act and sub-section (1) of section 6 of the respective State GST Acts respective State Tax officers and the Central Tax officers respectively are authorised to be the proper officers for the purposes of respective Acts and no separate notification is required for exercising the said powers in this case by the Central Tax Officers under the provisions of the State GST Act. It is noteworthy in this context that the registered person in GST are registered under both the CGST Act and the respective SGST/UTGST Act.

3.3 The confusion seems to be arising from the fact that, the said sub-section provides for notification by the Government if such cross empowerment is to be subjected to conditions. It means that notification would be required only if any conditions are to be imposed. For example, Notification No. 39/2017-CT dated 13.10.2017 restricts powers of the State Tax officers for the purposes of refund and they have been specified as the proper officers only under section 54 and 55 of the CGST Act and not under rule 96 of the CGST Rules, 2017 (IGST Refund on exports). If no notification is issued to impose any condition, it means that the officers of State and Centre have been appointed as proper officer for all the purpose of the CGST Act and SGST Acts.

4. Further, it may kindly be noted that a notification under section 6(1) of the CGST Act would be part of subordinate legislation which instead of empowering the officer under the Act, can only be used to impose conditions on the powers given to the officers by the section. In the absence or any such conditions, the power of Cross- empowerment *under section 6(1) of the CGST Act is absolute and not conditional.*

Yours faithfully,
(Sumit Bhatia)
Deputy Commissioner (GST)"

9. The Circular clarifies that the purpose of the Notification provided for under Section 6(1) is only for the imposition of conditions on the power of cross-empowerment. Mere non-issuance of a Notification would not render Section 6 otiose or place it in limbo endlessly, to await the issuance of a Notification. Hence, this position has been noted by the Supreme Court in *Armour Security India Limited*[2].

10. We may also usefully refer to the judgment in *M/s Gannon Dunkerley And Co., and others v State of Rajasthan and Others*[3] cited by learned Special Government Pleader and the analogy drawn from that judgement. In that case, an argument had been raised to the effect that Article 369(29-A) would not be operational till such time the law specifying restrictions and conditions, as set out in Article 286(3)(b) had not been not implemented. In that context, this is what the Supreme Court has to say:-

> *37. On the basis of Article 286 (3)(b) which has been introduced by the Forty Sixth Amendment, it has been urged on behalf of the contractors that till Parliament makes a law specifying the restrictions and conditions in regard to the system of levy, rates and other incidents of the tax referred to in Article 366(29-A)(b), it is not open to*

[2] Foot Note Supra 1
[3] (1993) 1 SCC 364

the State Legislatures to impose a tax on the transfers referred to in Sub-clause (b) of Clause (29- A) of Article 366, In support of this submission, reliance has been placed on the decision of this Court in The Bengal Immunity Co. Ltd. v. The State of Bihar and Ors. : [1955]2SCR603 , wherein it was held that until Parliament by law made in exercise of the powers vested in it by Clause (2) provides, no State could impose or authorise the imposition of any tax on sales or purchase of goods when such sales or purchases take place in the course of inter-State trade or commerce. The aforesaid observations made in the context of Clause (2) of Article 286, as it stood at that time, can have no bearing on Sub-clause (b) of Clause (3) of Article 286. Under Clause (2) of Article 286, as it stood at the time when Bengal Immunity case (supra) was decided, the States were precluded from imposing or authorising imposition of tax on the sale or purchase of any goods or sale or purchase of any goods in the course of inter-State trade or commerce except in so far as Parliament may be law or otherwise provide. In the absence of a law by Parliament so providing it was not permissible for the State Legislatures to impose such a tax. The scheme of sub. Clause (b) of Clause (3) of Article 286 is, however, different. In view of Sub-clause (b) of Clause (29-A) of Article 366, the State Legislatures are competent to impose lax on transfer of property in goods involved in the execution of a works contract and under Sub-clause (b) of Clause (3) of Article 286 Parliament has been empowered to make a law specifying restrictions and conditions in regard to the system of levy, rates or incidence of such tax, This does not mean that the legislative power of the State cannot be exercised till the enactment of a law under Sub-clause (b) of Clause (3) of Article 286 by Parliament. It only means that in the event of a law having been made by Parliament under Article 286(3)(b) the exercise of the legislative power of the State under Entry 54 in List II to impose a tax of the nature referred to in Sub-clause s (b), (c) and (d) of Clause (29-A) of Article 366 would be subject to restrictions and conditions in regard to the system of levy rates and other incidents of tax contained in the said law. The existence of a law enacted under Article 286(3)(b) cannot, therefore, be regarded as a condition precedent for the exercise of the *taxing power of the State under Entry 54 in List II to impose a tax of the nature referred to in Sub-clauses (b), (c) and (d) of Clause (29-A) of Article 366. This does not, however, absolve Parliament from enacting a law as envisaged by Article 286(3)(b). Keeping in view the grievance of the contractors that there is wide disparity in the sales tax legislation of the various States in the matter of imposition, mode of assessment, rates etc, of the tax on deemed sales resulting from transfer of property in goods involved in the execution of a works contract referred to . in Sub- clause (b)of Clause (29-A) of Article 366, the need for the law envisaged by Article 286(3)(b) cannot be minimised.*

11. Hence, Section 6 would not be fettered merely by the absence of a Notification that may be issued in due course, stipulating conditions in the exercise of powers of cross-empowerment. This argument is thus no longer available to the assessee.

12. To be noted that the order of the writ court assailed before us was cited before the Kerala High Court and in a decision in *M/s. Pinnacle Vehicles and Services Private Limited v. Joint Commissioner (Intelligence & Enforcement) & Ors*[4], a Division Bench of the Kerala High Court has differed from the reasoning of the writ Court.

13. In fine, the orders of the writ Court are set aside and the matters are remanded for disposal in light of the detailed conclusions and guidelines set out in *Armour Security India (Limited)*[5]. Since pleadings have not been completed in some of the matters, we grant the appellants four (4) weeks from today as a

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[4] 141 GSTR 105 : (WP(C) No. 25724 of 2024, dated January 15, 2025)
[5] Foot Note Supra 1

final opportunity, to file counters in cases where they have not been filed, with copies served in advance upon the respondents / assessees.

14. As far as WA No. 687 of 2026 is concerned, both Ms.Dhanamadhri for the appellant and Mr.Sivaraman for the respondent agree that pending the writ proceedings, the relief sought by the assessee had been granted by the Central Goods and Service Tax Officer vide order of adjudication dated 20.1.2025, as against which, the Central Government has instituted a statutory appeal under Section 107 of the CGST Act, that is pending. Hence, nothing survives in this appeal, that stands closed. Barring WA No. 687 of 2026, all other writ Appeals are allowed by way of remand. No costs. Connected miscellaneous petitions are closed.

(A.S.M, J.) (S.R.K, J.)
24-09-2026

Index: Yes
Speaking order
Neutral Citation: Yes

ssm

To

1. The Assistant Commissioner(ST) Alagapuram Circle, Pitchards Road, Adaikala Nagar, Hasthampatti, Salem-636 007

2. The Special Secretary
Head of the GST Council Secretariat, Office of the GST Council Secretariat, 5th Floor, Tower-II, Jeevan Bharti Building, Janapath Road, Connaught Police, New Delhi-110 001.

3.The Chairman
Central Board of Indirect Taxes, North Block, New Delhi-110 001

4. The Principal Chief Secretary And Commissioner Of GST & And Central Excise, 121, Uthamar Gandhi Salai, Nungambakkam, Chennai – 600 034.

5. The Director General Of GST Intelligence, South,
C-3, C-Wing, II Floor, Rajaji Bhavan, Besant Nagar, Chennai-600 090.

6. The Assistant Commissioner (Prev)
Chennai North Commissionerate, Nungambakkam, Chennai.

7. The Senior Intelligence Officer,
Directorate General of GST Intelligence,
Chennai Zonal Unit, Chennai.

8. The Additional Chief Secretary & Commissioner Of State Tax, Chepauk
Chennai - 600 005.

9. The Assistant Commissioner (ST)
Kodambakkam Assessment Circle, Chennai.

10. The Additional Chief Secretary And Commissioner Of State Taxes
Chepauk, Chennai – 600 005.

11. The Assistant Commissioner (ST),
Arumbakkam Assessment Circle, Chennai.

12. The Assistant Commissioner Of SGST Amaindakarai Assessment Circle,
F-50, 1st Avenue, Anna Nagar East, Chennai-600102

13. The Assistance Commissioner (ST)
Ambattur Industrial Estate, Ambattur Assessment Circle,
No.127, Yadhava Street, 1st Floor,
Chennai-600 050.

14. State Tax Officer
Group 1, Office of the Deputy Commissioner (ST), Inspection -II, Chennai
Intelligence - II, No.1, PAPJM Buildings, Greams Road,
Chennai- 600 006.

DR.ANITA SUMANTH, J.
AND
S.RAVEEKUMAR, J.

ssm

WA No. 687 of 2026 etc batch

24-09-2026