

DGGI officers empowered to issue summons under GST

Yasho Industries Ltd. v. Union of India [R/Special Civil Application No. 7388 of 2021 dated June 24, 2021]

An inquiry was initiated and summons were issued against the assessee to give evidence and produce the documents in connection with the inquiry initiated for alleged incorrect IGST refunds. This petition was filed before the Hon'ble Gujarat High Court, challenging the summons on the ground that DGGI wrongly assumed jurisdiction to issue summon under Section 70 of the Central Goods and Services Tax Act, 2017 ("**the CGST Act**") by virtue of Circular dated July 5, 2017 and the same was without jurisdiction.

The Hon'ble Gujarat High Court, observed that, under the CGST Act, the proper officer has the power to issue summon to any person whose attendance he considers necessary either to give evidence or to produce the documents in any inquiry in the same manner as of a Civil Court.

Held that, the Revenue Authority being the officer of the Central Tax and the Superintendent under the CGST Act is also assigned the powers of proper officer by the CBIC vide Circular dated July 5, 2017. Therefore, the proper officer in relation to the function to be performed under the CGST Act as contemplated under Section 2(91) of the CGST Act, and as such, is entitled to issue summons in connection with the inquiry initiated.

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