IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 06.04.2016

CORAM

THE HON'BLE Mr. JUSTICE M.DURAISWAMY

W.P.No.12994 of 2016 and
W.M.P.No.11345 of 2016

M/s.Venus Metal Agencies,
rep by its Proprietor S.Annamalai,
107, Sydenhams Road,
Periamet, Chennai - 600 003. ... Petitioner

Vs.

The Commercial Tax Officer,
Vepery Assessment Circle,
Chennai. ... Respondent

Petition filed under Article 226 of The Constitution of India praying to issue a writ of certiorari to call for the impugned proceedings in CST/816627/2014-15 dated 08.03.2016 and to quash the same as the reversal of input tax in an assessment under the Central Sales Tax Act, 1956 is without authority of law and also against the principles of natural justice.

For Petitioner : Mr.P.Rajkumar

For Respondent : Mr.S.Kanmani Annamalai,
Additional Government Pleader (Tax)

O R D E R

The petitioner has filed the above Writ Petition to issue a writ of certiorari to call for the impugned proceedings dated 08.03.2016 and to quash the same as the reversal of input tax in an assessment made under the Central Sales Tax Act, 1956 is without authority of law and also against the principles of natural justice.

2.It is the case of the petitioner that the impugned order made under the CST Act has reversed the Input Tax Credit claimed by the petitioner under the TNVAT Act, which is clearly without authority of law. The respondent should have seen that the reversal of Input Tax Credit under Section 19(5)(C) of the TNVAT Act can be made only in an assessment made under the provisions of the TNVAT Act. But the respondent, while passing assessment under the CST Act for the assessment year 2014-15 has reversed the Input Tax Credit claimed under the TNVAT Act, which is clearly contrary to the provisions of the TNVAT Act as well as the CST Act.

3.Mr.S.Kanmani Annamalai, learned Additional Government Pleader (Tax) taking notice for the respondent submitted that for the reason stated above the impugned order may be set aside and the respondent may be directed to decide the matter afresh.

4.Having regard to the submissions made by the learned counsel on either side, in view of the contentions raised by the learned counsel for the petitioner, the impugned order dated 08.03.2016 is set aside and the matter is remanded to the respondent for fresh consideration. The respondent shall also issue notice under the TNVAT Act to the petitioner and decide the matter afresh, on merits and in accordance with law, after affording due opportunity of personal hearing to the petitioner.

5.With these observations, the Writ Petition is disposed of. No costs. Consequently, the connected miscellaneous petition is closed.

Sd/-
Assistant Registrar(CS IV)

//True Copy//

Sub Assistant Registrar

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To

The Commercial Tax Officer,
Vepery Assessment Circle,
Chennai.

+1cc to the Special Government Pleader(Taxes), S.R.No.22247
+1cc to Mr.P.Rajkumar, Advocate SR NO 21634[1/6/16]
GJ(CO)
EU(27/04/2016)

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