**HONOURABLE SRI JUSTICE V. RAMASUBRAMANIAN**

**AND**

**HONOURABLE SRI JUSTICE P. KESHAVA RAO**

**WRIT PETITION No.45071 OF 2018**

**ORDER**: *(per V. Ramasubramanian, J)*

Contending that the statutory requirement of a notice before imposing the liability to pay interest, was not complied with, the dealer under the Andhra Pradesh Value Added Tax Act, 2005, has come up with the above writ petition.

2. Heard Ms. Shaik Vaheeda Sushma, learned counsel for the petitioner and Mr. M. Govind Reddy, learned Special Standing Counsel for the Department.

3. The impugned order is under Section 22(2) of the A.P. VAT Act. Since interest is automatic, the Statute does not stipulate any prior notice.

4. But while framing Rules under the Act, the Government had provided for an opportunity, under Rule 24(4) of the A.P. VAT Rules, 2005. Obviously, the procedure prescribed by Rule 24(4) was not followed.

5. In cases where a larger opportunity is given under the Rules, the same also has to be followed, in order to comply with the principles of natural justice.

6. Therefore, the writ petition is ordered, directing the petitioner to treat the impugned demand itself as a show cause notice. The petitioner shall file a reply to the impugned proceeding, on or before 20-02-2019. Thereafter, the Assessing Officer may pass orders afresh.

As a sequel thereto, Miscellaneous Petitions, if any, pending in the writ petition shall stand closed. No costs.

**V. RAMASUBRAMANIAN, J**



**P. KESHAVA RAO, J**

**JANUARY 03, 2019**

**Note**:
Furnish C.C. of order by 04.01.2019.
(B/O) vhb/Mgr