HONOURABLE SRI JUSTICE M.S.RAMACHANDRA RAO

AND

HONOURABLE SRI JUSTICE T.AMARNATH GOUD

WP.No.20964 of 2020

O R D E R: (Per Hon'ble Sri Justice M.S. Ramachandra Rao)

1. In this Writ Petition, petitioner challenges the assessment order AAO.No.22116 dt.30.03.2019 for the assessment year 2014-15 passed under the Central Sales Tax Act, 1956(for short 'CST Act') by the 1st respondent.

2. Petitioner contends that petitioner was earlier doing business at premises bearing Door No.7-4-117/1/3, Plot No.13A & 13B, survey No.261, Gaganpahad, Rangareddy District; that petitioner vacated the said premises and shifted its business to 305, Krishna Complex, 4-1-938, Tilak Road, Abids, Hyderabad; and that petitioner informed this fact to the 1st respondent through a letter dt.11.09.2017, which was acknowledged by the 1st respondent on 12.09.2017(Ex.P7).

3. Petitioner contends that an arrears notice dt.09.09.2020 was served on the petitioner demanding payment of the said amount and threatening to initiate coercive steps if the amount is not paid and the petitioner then came to know about the passing of the impugned order by the 1st respondent; and that on 11.09.2020, petitioner received a phone call from the office of the 1st respondent demanding payment of Rs.11,28,35,500/- for the period 2014-15.

4. Petitioner contends that though said order mentions that a pre-assessment show cause notice dt.15.03.2019 (wrongly mentioned as 15.03.2018) was served by post as well as *e*-mail on the petitioner, it was never served on the petitioner.

5. Petitioner also contends that the said show cause notice/Ex.P10 and the impugned order/Ex.P1 indicate that they were sent to the previous address of the petitioner and they were not served on the petitioner at the new address.

6. Sri J.Anil Kumar, Special Counsel for Commercial Taxes appearing for respondents does not dispute that the change in the address of the petitioner's business premises was informed by the petitioner to the 1st respondent on 12.09.2017 itself. If so, how the pre-assessment show cause notice dt.15.03.2019 (Ex.P10) could then be sent to the old business address of the petitioner and not to the new address of the petitioner, is not explained by the Special Government Pleader.

7. We are satisfied that there has been a violation of principles of natural justice by the 1st respondent in not serving the pre-assessment show-cause notice on the petitioner to the correct address of the petitioner known to the 1st respondent and the petitioner had suffered serious prejudice thereby.

8. Accordingly, the Writ Petition is allowed; the impugned assessment order No.22116 dt.30.03.2019 passed by the 1st respondent for the period 2014-15 under the CST Act, 1956 is set aside; the matter is remitted back to the 1st respondent for fresh consideration; the petitioner is granted six weeks time from the date of receipt of a copy of this order to file an explanation to the pre-assessment show cause notice dt.15.03.2019 along with supporting material; the 1st respondent is directed to provide a personal hearing to the petitioner and then pass a reasoned order in accordance with law and communicate it to the petitioner. No order as to costs.

9. Consequently, miscellaneous petitions, pending if any, shall stand closed.

M.S. RAMACHANDRA RAO, J

T.AMARNATH GOUD, J

Date: 08.12.2020
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