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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 15.04.2024

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THE HONOURABLE MR.JUSTICE SENTHILKUMAR RAMAMOORTHY

W.P.No.9863 of 2024

and

W.M.P.Nos.10873, 10874 & 10875 of 2024

Sri Vari Engineering Industries,
Rep. By its Proprietor Mr.S.Shankar
Plot No.328 & 356 Therthakaraipattu Village,
Southpakkam Road,
Redhills,
Chennai 600 052.

... Petitioner

-VS-

1. State Tax Officer
(Formerly known as Commercial Tax Officer)
Madhavaram Assessment Circle,
Room No.105, First Floor,
Integrated Commercial Taxes Building,
No.571, Integrated Commercial Taxes and
Registration Department (South Tower),
Wall Tax Road,
Chennai 600 053.

2. The Assistant Commissioner,
Madhavaram Assessment Circle



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3. The Branch Manager,
Dena Bank,
No.703, Poonamallee High Road,
Aminjikarai,
(Near Lkshmi Cinema Hall),
Chennai-600 030.

... Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, pleased to issue a Writ of Certiorarified Mandamus calling for the records in Reference Number: ZD330323016179P/2018-19 DT.03.03.2023 on the file of the 1st Respondent and quash the same as contrary to law, consequently direct the 2nd Respondent to defreeze the bank attachments in Reference No.GSTIN/33ABHPS5997E1Z7/2018-19 dt.12.03.2024 of the Petitioner-Registered Taxable Person.

For Petitioner : Mr.V.Vijayalakshmi

For Respondents : Mr.T.N.C.Kaushik,
Addl. Government Pleader (Taxes)

ORDER

An order dated 03.03.2023 is assailed on the ground that the petitioner did not have a reasonable opportunity to contest the tax demand on merits.



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2. The petitioner asserts that the consultant who was engaged for GST compliances failed to inform the petitioner about proceedings culminating in the impugned order.

3. Learned counsel for the petitioner submits that the confirmed tax demand arose entirely on account of belated filing of returns. She points out that this Court interfered in several matters of this nature previously. She further submits that the petitioner is willing to remit 10% of the disputed tax demand as a condition of remand.

4. Mr. T.N.C.Kaushik, learned Additional Government Pleader, accepts notice for the respondents. By drawing reference to the impugned order, he points out that the show cause notice was followed by several reminders to the petitioner. He also points out that the petitioner has come to Court belatedly and that the order



was issued in March 2023.

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5. On perusal of the impugned order, it is evident that such order was issued entirely on the basis that returns were filed belatedly by the petitioner. It also follows from the order that the petitioner did not participate in proceedings and that the tax demand was confirmed in view of the petitioner's failure in reply. In these circumstances, solely for the purpose of providing an opportunity to the petitioner to contest the tax demand on merits, interference with the impugned order is warranted.

6. Therefore, the impugned order dated 03.03.2023 is set aside on condition that the petitioner remits 10% of the disputed tax demand within two weeks from the date of receipt of a copy of this order. Within the aforesaid period, the petitioner is also permitted to submit a reply to the show cause notice. Upon receipt of the petitioner's reply and upon being satisfied that 10% of the disputed



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tax demand was received, the first respondent is directed to provide a reasonable opportunity to the petitioner, including a personal hearing, and thereafter issue a fresh order within two months from the date of receipt of the petitioner's reply.

7. W.P.No.9863 of 2024 is disposed of on the above terms and connected miscellaneous petitions are closed. No costs.

15.04.2024

Index : Yes / No

Internet : Yes / No

Neutral Citation : Yes / No

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