IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: **05.03.2024**

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THE HONOURABLE **MR.JUSTICE SENTHILKUMAR RAMAMOORTHY**

W.P.No.11936 of 2020
&
WMP No.14658 of 2020

Tvl. Sri Vigneswara Granites,
Represented by its Partner,
Smt. Shanthi Selvaraj,
No.8/372, Mumoorthi Nagar South,
Pooluvapati Post,
Tiruppur-641 602. ... Petitioner

vs

The Assistant Commissioner (ST),
Tiruppur (Rural-I) Assessment Circle,
Tiruppur. ... Respondent

PRAYER: Writ Petition filed under Article 226 of the Constitution of India to issue a writ of Certiorari calling for the records on the files of the respondent in TIN 33592385094/2015-16 dated 10.03.2020 and quash the same as being without jurisdiction and authority of law and contrary to the principles of natural justice.

For Petitioner : Mr.T.Ramesh

For Respondent : Mr.C.Harsha Raj
Additional Govt. Pleader (Taxes)

ORDER

In this writ petition, an assessment order under the Tamil Nadu Value Added Tax Act, 2006 (the TNVAT Act) in respect of assessment year 2015-16 is under challenge.

2. Re-assessment proceedings in respect of the above mentioned year were initiated pursuant to notice dated 12.08.2016. The re-assessment proceedings pertain to two heads, namely, sales suppression and stock difference.

3. Learned counsel for the petitioner contended that the findings recorded with regard to sales suppression are based on the estimated turnover indicated in data provided by the petitioner to the bank. As regards stock difference, he pointed out that the stocks were verified on a random basis and that the alleged difference in

stock was computed by extrapolating based on such random inspection conducted by the intelligence wing officials. He points out that the estimated turnover was provided to the bank in order to avail a cash credit facility and that such estimates cannot be construed as the actual turnover.

4. In response, Mr.C.Harsha Raj, learned Additional Government Pleader (Tax), submits that the assessment order was based on the data contained in the petitioner's computer and that the petitioner cannot resile from or disown such data.

5. Even as regards stock difference, he points out that the stock difference was determined pursuant to an inspection carried out in the presence of the petitioner's representatives.

6. On examining the impugned assessment order, I find that the contentions of the petitioner were set out extensively both with regard to sales suppression and stock difference. Thereafter, the

assessing officer has determined liability under the said heads in a table contained in such assessment order. Any reasoning is conspicuous by its absence. Hence, the said order cannot be sustained.

7. Consequently, the impugned assessment order dated 10.03.2020 is quashed and the matter is remanded for re-assessment. As a corollary to the impugned assessment order being quashed, the bank attachments by the respondent shall stand raised. Consequently, connected miscellaneous petition is closed. No costs.

05.03.2024

Index : Yes / No

Internet : Yes / No

Neutral Citation : Yes / No

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To

The Assistant Commissioner (ST),
Tiruppur (Rural-I) Assessment Circle,
Tiruppur.

SENTHILKUMAR RAMAMOORTHY J.

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