IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED**: 12.06.2024**

CORAM

THE HONOURABLE **MR.JUSTICE SENTHILKUMAR RAMAMOORTHY**

W.P.No.14287 of 2024
and W.M.P.Nos.15508 & 15509 of 2024

Sri Parani Stores,
Rep. by its Proprietor Thiraviyaraj
No.36-37, 5th Main Road,
Chennai – 600 061. ... Petitioner

-vs-

The State Tax Officer,
Nanganallur Assessment Circle,
Integrated Commercial Taxes and Registration Department,
(South Tower), Room No.224, 2nd Floor,
Anna Salai, Nandanam, Chennai 600 035. ... Respondent

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, pleased to issue a Writ of Certiorari, calling for the records of the respondent in his proceedings in GSTIN: 33ADKPT9518P1ZN / 2017-18 quash the order dated 23.12.2023 passed therein.

For Petitioner : Mr.P.V.Sudakar

For Respondent : Mr.C.Harsha Raj, AGP (T)

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ORDER

An assessment order dated 23.12.2023 for assessment period 2017-18 is assailed on the ground of denial of reasonable opportunity. The petitioner carries on business in stainless steel vessels. The petitioner states that his turnover for the relevant assessment period did not exceed Rs.50,00,000/- and therefore he had opted for payment of tax at the composition rate. On account of being unaware of proceedings, it is stated that the petitioner was unable to contest the tax demand on merits.

2. Learned counsel for the petitioner submits that the petitioner was under an obligation to file quarterly returns in Form GSTR 4. By

pointing out that the mismatch between the auto populated GSTR 2A and the petitioner's GSTR 4 returns occurred as a result of not taking into account the closing and opening stock correctly, learned counsel seeks another opportunity. On instructions, he submits that the petitioner agrees to remit 10% of the disputed tax demand as a condition for remand.

3. Mr.C.Harsha Raj, learned Additional Government Pleader, accepts notice for the respondent. By referring to the impugned order, he points out that such order was preceded by show cause notice dated 26.09.2023 and about three reminders for a personal hearing.

4. On examining the impugned order, it is evident that the tax proposal pertained to a mismatch between the petitioner's GSTR 4 return and the auto populated GSTR 2A. The petitioner has asserted that such differences arose on account of not duly taking note of

closing stock and opening stock. Since the petitioner was not heard before such order was issued, the interest of justice warrants that an opportunity be provided to the petitioner albeit by putting the petitioner on terms.

5. Therefore, impugned order dated 23.12.2023 is set aside on condition that the petitioner remits 10% of the disputed tax demand within a period of ***two weeks*** from the date of receipt of a copy of this order. Within the said period, the petitioner is permitted to submit a reply to the show cause notice. On receipt thereof and on being satisfied that 10% of the disputed tax demand was received, the respondent is directed to provide a reasonable opportunity to the petitioner, including a personal hearing, and thereafter issue a fresh order within a period of ***three months*** from the date of receipt of the petitioner's reply.

6. W.P.No.14287 of 2024 is disposed of on the above terms. No costs. Consequently, W.M.P.No.15508 and 15509 of 2024 are closed.

12.06.2024

rna
Index : Yes / No
Internet : Yes / No
Neutral Citation: Yes / No

To

The State Tax Officer,
Nanganallur Assessment Circle,
Integrated Commercial Taxes and Registration Department,
(South Tower), Room No.224, 2nd Floor,
Anna Salai, Nandanam, Chennai 600 035.

SENTHILKUMAR RAMAMOORTHY,J

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