IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: **24.06.2024**

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THE HONOURABLE **MR.JUSTICE SENTHILKUMAR RAMAMOORTHY**

Writ Petition No.15689 of 2024 and
W.M.P.Nos.17095 & 17096 of 2024

La Global Digital Art Studio,
New No.123, Sterling Tower,
Sterling Road, Nungambakkam,
Chennai-600 034. .. Petitioner

-vs-

Assistant Commissioner (ST),
Vallurvarkottam Assessment Circle,
Chennai-600 006. ... Respondent

PRAYER: Writ Petition is filed under Article 226 of the Constitution of India, to issue a Writ of Certiorari calling for the records of the Respondent herein in impugned order in GSTIN - 33AAGFL6034K1ZB/2017-18 dated 27.12.2023 and the consequential DRC-07 passed in Ref.No. ZD331223224485P dated 27.12.2023 and quash the same.

For Petitioner : Ms.G.Vardini Karthik

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

ORDER

An order dated 27.12.2023 is impugned on the ground that the petitioner was not provided a reasonable opportunity to contest the tax demand on merits. By asserting that the petitioner could not participate in proceedings because the show cause notice and other communications were uploaded on the GST portal but not communicated to the petitioner through any other mode, the present writ petition was filed.

2. Learned counsel for the petitioner submits that the tax proposal relates to a mismatch between the petitioner's GSTR 3B returns and the GSTR 1 statement. On instructions, she 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. He points out that principles of natural justice were complied with by issuing show cause notice dated 27.09.2023 and personal hearing notice dated 12.12.2023.

4. On examining the impugned order, it appears that the tax proposal related to a mismatch between the petitioner's GSTR 3B returns and the purchases reflected in the auto-populated GSTR 2A. It is also clear that such proposal was confirmed on the ground that the petitioner did not submit written objections with supporting documents. By taking into account the assertion in the affidavit that the petitioner was unaware of proceedings and could not participate in the same, the interest of justice warrants that the petitioner be provided an opportunity to contest the tax demand on merits by putting the petitioner on terms.

5. For reasons set out above, the impugned order dated 27.12.2023 is set aside on condition that the petitioner remits 10% of the disputed tax demand as agreed to within a period of two weeks from the date of receipt of a copy of this order. The petitioner is permitted to submit a reply to the show cause notice within the aforesaid period. Upon receipt of the petitioner's reply and upon 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. The writ petition is disposed of on the above terms without any order as to costs. Consequently, connected miscellaneous petitions are closed.

24.06.2024

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

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To

Assistant Commissioner (ST),
Vallurvarkottam Assessment Circle,
Chennai-600 006.

SENTHILKUMAR RAMAMOORTHY,J

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